Let's Work Global Partnership
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Let's Work Partners

Let's Work Partners

Annual Review

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1. The *Let's Work* Partnership

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

Vision and Mission

Let's Work Partners agreed on the mission and vision of the partnership during its January 2014 meeting. The initial 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 Partners.

> **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), 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 (WBG), and World Business Council for Sustainable Development (WBCSD).

Governance

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

Steering Committee

The 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. In addition to participating in the Steering Committee meetings, 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.

Technical Advisory Group (TAG)

The Technical Advisory Group 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. To retain a lean structure, a decision was made by the Steering Committee to not have a more elaborate TAG but rather to seek expertise as needed.

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's 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 in the World Bank Group, as well as with donors, IFIs, and 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 calendar year 2014. The work program was initially established for three (3) years. However, to accommodate learning and adjustments along the way, in December 2016, Partners agreed to extend the working program to December 2021. This report is a review of the third year. *Let's Work* strategy and work program was organized around the following three (3) pillars listed 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 the following two–pronged strategy: i) remove constraints to private sector-led job creation (e.g. investment climate, access to finance, infrastructure and skills gap); and ii) strengthen value chains in ways that provide opportunities for small and medium enterprises (SMEs), informal sector enterprises, and 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 best practice knowledge, communication, and tools that Partners can use to increase our impact on jobs.

Table 1: Let's Work Program

		Program Target
Pillar 1	Country Pilots	7
Pillar 2[1]	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	-

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[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.

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

Main results by Pillar

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

Structure
- Adopted a Charter that governs the Partnership.
- Increased the number of Partners to include the African Development Bank Group, Asian Development Bank Group, Austrian Federal Ministry of Finance, Department for International Development, European Investment Bank, European Development Finance Institutions, Inter-American Development Bank, International Labor Organization, International Youth Foundation, Islamic Corporation for Development of Private Sector, Ministry of Foreign Affairs of Netherlands, Overseas Development Institute, Private Infrastructure Development Group, Swiss Secretariat for Economic Affairs, World Bank Group, and World Business Council for Sustainable Development.
- Adopted a vision, mission, and strategy that governs engagements and activities.
- Defined a detailed 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 three face-to-face Stakeholder and Steering Committee Meetings in January 2014, April 2015, and June 2016.
- Held ten (10) Steering Committee meetings for updates and collective decision-making.

Pillar 1 Results
- Piloted innovative and multi-stakeholder private sector-led approaches to remove constraints to job creation in Bangladesh, Mozambique, Paraguay, Tanzania, Tunisia, the Western Balkans and Zambia. Detailed results per country are presented below.

Pillar 2 Results
- Defined the measurement agenda so that IFIs can improve accountability to stakeholders by not only measuring jobs in a consistent and more robust way, but also through the following, more nuanced, dimensions: i) number of jobs gained; ii) the quality of those jobs; and iii) who gets those jobs (inclusiveness).

- Held two workshops (hosted by CDC, London and by IFC, Paris) on methodology and analysis for the development of tools to measure the impact of private sector investments on jobs.
- Created three (3) Working Groups, one for each of the methodologies to measure the impact of private sector investments on jobs: tracer surveys, macro models and value chains.
- Approved twenty-six (26) case studies to measure the impact of private sector investments on jobs.
- Piloted six (6) case studies under the three methods to measure the impact of interventions on jobs. Another thirteen (13) case studies are underway.
- Standardized and produced templates and manuals for project teams and Partners to guide the work under the three chosen methodologies.

Pillar 3 Results
- Built a brand for *Let's Work* and developed branded materials.
- Established communication dissemination channels in partnership with the World Bank's Jobs Group. Examples include social media, blogs, and e-newsletters.
- Created and maintained a *Let's Work* external website and 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. Pillar 1: Country Pilots – Work Program and Results

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 objective of the country pilots is to use the *Let's Work* platform to bring together key stakeholders to develop private sector-led and evidenced-based solutions to job creation.

The program target under Pillar 1 is to implement seven (7) country pilots. Bangladesh Mozambique, Tanzania and Zambia were selected as the first four (4). Peru, Tunisia and the Western Balkans were selected for year two. During a Steering Committee meeting held in September 2015, Partners agreed that Peru would be replaced with Paraguay as a country pilot.

Table 2: Pillar 1 Work Program

Indicator	Program Target
Country pilots	7

Partners also agreed that all country pilots will begin by 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 would be carried out. The pilots would continue by then identifying two to four strategic areas/sectors that would offer the most promising opportunities to create more and better jobs, be sustainable and competitive, and bring in 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: i) building capacity of local SMEs to encourage incorporation of larger companies into the value chains; ii) developing skills required for value chain development; iii) creating access to finance for the companies in the value chain; and iv) 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 most value. Below is an update of the work that is being carried and/or proposed for each country pilot.

Bangladesh

Work Program and 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 that addresses 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 (RMG) sector and improving the quality of jobs in both RMG and other sectors. 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 National Development Plan 7 (and 8) and Sustainable Development Goals (SDGs).

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. Activities are underway in the following three (3) sectors: i) Leather – a social and environmental compliance handbook that will support export market access while improving competitiveness and working conditions; ii) Light engineering – a pre-feasibility study for developing a network of technology and training centers to support skills development and quality upgrading among small-scale producers; and iii) RMG – in collaboration with IFC and the Better Work Program, *Let's Work* is co-financing a pilot training program (including the impact evaluation) that support the promotion of women into supervisory positions in garment factories. In addition, surveys are being carried out in four value chains: leather, light engineering, plastics, and (non-leather) footwear.

Jobs Strategy: 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 strategy/action plan.

Outputs and timelines for the program are displayed and summarized in the table below.

DELIVERABLE	TO BE DELIVERED BY
Job Diagnostic	April 2017
Sector Analytics and Pilots	Ongoing: September 2016 through June 2017
Jobs Strategy	January – December 2017

Results and Key Highlights

Jobs Diagnostic: The diagnostic was launched in early 2016 following a collaboration agreement 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. A draft of the *Jobs Diagnostic* was completed and consultations were held with development partners, the private sector, and government stakeholders. Final approval and formal dissemination will be carried out in the first half of 2017, with inputs leading directly to the development of a Jobs Strategy.

Jobs Strategy: Following completion of the *Jobs Diagnostic*, and in partnership with the ILO, consultations on development of a *Jobs Strategy* will kick off with a workshop (hosted by the Planning Commission of the Government of Bangladesh) in May 2017.

RMG Sector Pilot: A "Work Progression & Productivity Toolkit" was prepared and the pilot training program is under way across a number of participating factories. Final completion of the training and impact evaluation is expected in September 2017.

Leather Sector Pilot: A draft social and environmental compliance handbook, which will support access to export markets while improving competitiveness and working conditions, was completed and will be presented in a workshop with industry in late April 2017; a final version of the handbook will be completed before June 2017. The handbook will be replicated across other sectors as part of an upcoming World Bank investment operation.

Light Engineering Pilot: The technology center pre-feasibility study draft was completed in March 2017; a final version will be completed in April 2017. The pre-feasibility is now being picked up for full feasibility study and implementation as part of an upcoming World Bank investment operation.

Value chain surveys: Drawing on the **Let's Work** Pillar 2 value chain survey methodology, survey implementation is ongoing with final results expected in June 2017. In addition to providing inputs to the Jobs Strategy, the surveys also support a World Bank investment operation.

Contributions to World Bank "Export Competitiveness for Jobs" lending operation: The activities carried out under the sector analytics and pilots have contributed directly to the design of a US$100m World Bank lending operation—"Export Competitiveness for Jobs"—that is currently in appraisal stage and will go to the World Bank Group Board for approval on June 1 2017. Specifically, the work on social, environmental, and quality (ESQ) compliance in the leather sector formed the basis for the design of a US$20m component that will support export-oriented firms to upgrade their ESQ compliance to meet international standards, thereby supporting market access. The work on technology centers supports a $US35m component which will develop a network of four (4) technology and training centers in the light engineering, electrical, plastics, and leather sectors. Finally, the value chain surveys provide a baseline for tracking impact of the investment.

Mozambique

Work Program and Agreed Deliverables

The objective of this program is to develop and help implement a comprehensive jobs strategy in Mozambique to promote the creation of more and better private sector jobs, with a focus on the bottom 40% of the population, through a multi-stakeholder value chain based approach. The original program for the Mozambique Country Pilot proposed two major components: i) jobs diagnostics and strategies, focusing on studies and analytical work to better understand the development of the Mozambican labor market and jobs outcomes both at the national level and within key sectors and value chains; and ii) country pilots and operations, which would finance innovative investments for job creation and productivity improvement and carry out rigorous evaluations of the resulting impacts on jobs.

After consultations with the government of Mozambique in July 2016, the World Bank Country Office and other *Let's Work* Partners agreed to re-group the activities into four components, as follows: i) program management and stakeholder coordination; ii) jobs diagnostics and strategies; iii) pilots and operations; and iv) communications and knowledge management. The addition of the new components (i and iv) does not constitute a change in the activities but rather serves to highlight activities that had previously been treated as cross-cutting.

The main deliverables of the work program are shown and summarized in the table below:

DELIVERABLE	TO BE DELIVERED BY
Diagnostic note on Jobs - challenges and opportunities	June 2016 / June 2017
Stock-take/rapid assessment of sectors	June 2016
Jobs analysis of 3 value chains	2017
Pilots with anchor firms	n/a
Jobs strategy/policy dialogue	Ongoing throughout the program
Pilot	2019
Tracer study of Biscate private sector jobs matching service for blue collar workers	2017, 18
Knowledge sharing/coordination events	Ongoing

Results and Key Highlights

During the review period (2016), good advances were made on the work program. Details are provided in the following paragraphs.

Program management and stakeholder coordination: this component covers the supervision of program implementation and coordination activities with *Let's Work* Partners and the Government. These activities are critical for *Let's Work*, whose central purpose is to build an alliance of development agencies, private sector actors, and the Government to promote job

creation and productivity growth that allows earnings and working conditions to improve. The goal of mobilizing the resources of multiple agencies to support the approaches developed by the *Let's Work* program implies investing significant resources in the stakeholder coordination function. During 2016, the *Let's Work* team was consolidated with the hiring of an in-country coordinator, a private sector development specialist, and a program assistant, who are engaged full time in Maputo. They work together with the DC-based team, which carried out five missions during 2016. The core team was adjusted to ensure the involvement of World Bank and IFC staff who are engaged in complementary activities (especially in the areas of private sector development, rural development, trade and competitiveness, and social protection).

Over the past year, the team has carried out extensive consultations and coordination activities with *Let's Work* Partners and with the Government; this will be an ongoing work stream throughout the program. Partners include DfID, the African Development Bank, ILO, Norfund and the International Youth Foundation. A stocktaking exercise highlighted the range of complementary programs already underway in Mozambique that are relevant to *Let's Work*'s agenda. For example, DfID has extensive private sector development, agriculture, and skills programs. The ILO supported the Government in developing the National Employment Policy (NEP). The AfDB is supporting a value chain study (poultry) that complements the value chain studies funded under Pillar 2. IYF is preparing a gender entrepreneurship pilot with funding from BHP Billiton's Sustainable Communities Program. Starting in June 2016, *Let's Work* Partner meetings have been held in Maputo when the World Bank's team has been on mission (three partner meetings have been held to date). The team also coordinated with the Government of Mozambique to brief them on advances with the program. Given the emphasis on activities to generate demand for labor, the main counterpart for the program is the Ministry of Economy and Finance (MEF). The team has met regularly with MEF and the labor ministry (MITESS), and received feedback on the design of the program and outputs to date. The MEF endorsed the main recommendations of the preliminary Jobs Strategy as being consistent with the National Development Strategy and encouraged the team to move forward with the identification of concrete actions at the sector level. The Labor Ministry commented that the value chains activities of the *Let's Work* program will support a central pillar of the new National Employment Policy. The World Bank and ILO teams are coordinating to provide that support, and ILO mobilized additional donor funding for this purpose.

Jobs Diagnostic and Jobs Strategy: The preliminary *Jobs Diagnostic* was prepared in 2016, based on the available household data from 2012 and secondary data. This analysis is mainly focused on the supply side of the labor market due to the lack of up-to-date data on firms (the demand side). It will be enhanced during 2017 using recently available data from the 2014 household budget survey and with firm-side data related to labor demand that will come from the Government's new enterprise census, CEMPRE. This census, which was completed in late 2016, provides a rich set of information about firm dynamics and the evolution of labor demand since the last CEMPRE was carried out in 2003/4. This will make possible a diagnostic that complies

with the standards established by the Jobs Group in response to donors' requests during the IDA17 funding round.

Based on the analysis done to date, an outline for a jobs strategy was prepared and consulted with the Government of Mozambique which identifies the following as key challenges: i) the creation of higher productivity jobs for smallholder farmers; ii) the promotion of formal private sector jobs, especially in labor intensive manufacturing and services; and iii) improving the connection of excluded groups to labor market opportunities. This includes finding ways to link under-employed women and the emerging generation of better-educated youth to work opportunities in private sector jobs. The *Jobs Strategy* is a 'living document' that will be further developed based on the findings of the *Let's Work* Program.

Value Chain development potential and constraints analysis: Let's Work is undertaking in-depth value chain (VC) studies to quantify jobs potential and constraints to development of four agriculture VCs (cashew, cassava, pigeon pea and sesame) and of plantation forestry and 'green' construction. These crops were chosen based on a stock take of high-potential sectors and the private actors and public programs supporting their development undertaken in 2015/16. The program also commissioned a product selection report to document the industrial and commercial structure of candidate value chains and assess their potential. Expert local consultants have now been hired to analyze the jobs potential of each chosen sector and undertake consultations with the private sector to identify constraints to investment in the chosen value chains. This includes the analysis of survey data collected by the agriculture ministry (MASA).[3] The results of the analytical work will feed into the multi-sector jobs strategy and inform policy dialogue with the private sector and Government on unleashing opportunities for jobs in high-potential value chains. The *Let's Work* team will ensure that the findings of other relevant World Bank studies and activities will be fed into the jobs framework.[4]

The *Let's Work* program will inform the design of World Bank Group and other *Let's Work* partners' programs to support the construction, forestry, and agribusiness value chains, including the activities of the World Bank's Growth Poles and Landscapes projects and the new Forest Investment Project (FIP).

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[3] It was originally proposed to carry out value chain survey work during 2016. Following consultation with Let's Work partners, the implementation of the VC surveys was delayed to allow the fieldwork methodology to be adjusted to incorporate lessons learned on instrument design and sampling strategy from the Let's Work Pillar 2 VC studies undertaken in Zambia and Lebanon. As a result of this methodological tightening, formal VC survey work will be limited to one value chain, to be chosen based on the findings of the expert reviews plus the availability of robust sampling frameworks that allow valid inferences to be drawn.

[4] The Bank's ASA program in Mozambique includes recently completed Economic Sector Work (ESW) on poverty and employment; on the business climate for planted forests; on community based natural resource management; on agriculture and rural development; on market-led smallholder development and a study on the demographic transition. Upcoming ASA for FY17 relevant to the *Lets Work* program includes TA on fuel subsidy reform and ESW on the environment for private sector development.

Country pilots and operations: the third component of the work program is focused on the design, implementation, and evaluation of pilot initiatives to create and improve jobs by supporting SMEs to grow and/or improve quality and productivity, and help vulnerable workers connect to or develop new job opportunities.

During 2016, an analysis was undertaken to identify potential agricultural aggregator models through a consulting contract awarded to the international NGO, Technoserve. This exercise identified aggregator programs underway in Mozambique in diverse crops, supported by development agencies and/or private businesses. It showed that there is a relatively poor understanding of the factors leading to success or failure of their jobs impacts. Based on this, it was decided that the program should carry out a comparative study of the jobs impacts of around six existing aggregator models, working in different crops and using a variety of different organizational and financing models. This decision was taken following consultation with the World Bank's Rural Development Global Practice, *Let's Work* partners, and the Government of Mozambique. The pilot was contracted in January 2017 to the Mozambican company, OzMozis, following an international competitive bidding process, and will be implemented between 2017 and 2019. This time frame was determined following consultations with experts (including the Agriculture Advisor of *Let's Work*, DfID) on the time that is needed to consolidate new out-growers into aggregator systems. The intermediate results will inform the implementation of the aggregator activities of the World Bank's new Landscapes project.

The team is also supporting small-scale evaluations of pilot projects in construction and women's and youth inclusion that are being implemented by other *Let's Work* partners or private companies. This includes the evaluation of Biscate, a private social entrepreneurship start-up that aims to link informal service workers to jobs through an SMS messaging system and online platform, similar to Angie's List, which is presently (March 2017) in the study pilot phase. We may also support the evaluation of a program run by the International Youth Federation (IYF) to improve jobs outcomes for women around Matola (which is being funded by BHP Billiton), however funding for this initiative has been delayed.

Communications and Knowledge management: these activities were separated into a fourth pillar to underline the importance for *Let's Work* of the impact achieved on programs and policies relevant to the jobs agenda. This group of activities includes i) dialogue with stakeholders and government around policy issues in the VCs where the program is working; ii) the creation of a knowledge platform which will organize presentations on jobs issues linked to the program's activities and outputs and; (iii) communications activities to disseminate *Let's Work* outputs through diverse media. A series of promotional activities is being organized in the form of a Knowledge Platform which presents the program's activities and findings through meetings, conferences and online dissemination. These activities aim to ensure that the findings are made available online in a knowledge platform linked to the global *Let's Work* website so that the lessons from the country pilot feed into the learning process of the global *Let's Work* program

alliance. The first Knowledge Platform event showcased the *Let's Work* Agriculture Aggregator pilot. The next event will focus on the possibilities of manufacturing development in Mozambique.

Paraguay

Work Program and Agreed Deliverables

The objective of this program is to support the Government to develop a jobs strategy with a focus on the bottom 40% of the population. The program includes analytical work, new quantitative and qualitative data collection, and an assessment of Measurement and Evaluation (M&E) measures in the ongoing project for Sustainable Agriculture and Rural Development. The activities are designed to assess and respond to the following challenges: i) employing a rapidly growing labor force at the same time as structural transformation and urbanization pressures; ii) connecting rural populations to better jobs, including through links to value chains, particularly for export markets; and iii) increasing formal job opportunities for youth. These activities are being carried out within the following framework:

Jobs Diagnostic: Providing a comprehensive assessment of the macro, supply-side, and demand-side dynamics that have shaped employment and job quality outcomes in Paraguay over the past decade and a half. The analytical results will help identify a shared strategic agenda on jobs that can support the Government of Paraguay in implementing its development objectives.

M&E support: Supporting an ongoing World Bank project for Sustainable Agriculture and Rural Development (PRODERS) to assess and improve its M&E framework for capturing the impact of project support on the earnings and productivity of target rural communities.

Gender/youth surveys and analysis: Qualitative data collection and analysis will be carried out to explore the challenges facing Paraguayan youth and recent labor force entrants in both rural and urban settings, with a particular focus on gender differences in labor behavior and outcomes. The Paraguay *Let's Work* team is collaborating with the Pakistan and Jobs Diagnostics teams within the Jobs Group to explore additional gender-focused analysis through expanded treatment of the household and labor force survey data, as well as developing a new qualitative tool. The latter—a focus group survey tool—aims to characterize and quantify the incentives and challenges facing labor force entrants and the degree to which gender affects perceptions of opportunities and challenges, and differences in observed labor supply behavior. The analytical work on the household and labor force survey data is underway, and the design of the qualitative tool will begin in May 2017, with field work planned for the fall of 2017.

Sector-level Analytics: Designing and implementing selected analytics that address constraints to private sector-led job growth, improved job quality, and greater inclusion in specific value chains

with potential for high impact on jobs for rural communities. Drawing on the *Let's Work* Pillar 2 value chain survey methodology, survey implementation in three value chains will get underway, beginning with the value chain mapping phase in May 2017. Analysis of three chains—organic black sesame, processed pork, and lemon verbena—will be sequential, based on differences in harvest seasonality, with the final results anticipated by June 2018. The quantitative, qualitative and market study results will identify constraints and opportunities for expanding job opportunities, particularly in rural communities.

Jobs Strategy: Following completion of the Jobs Assessment report, the gender-specific analysis, and the firm-level analysis, the emerging conclusions will inform policy recommendations and discussions with the new government following presidential elections in early 2018. The World Bank Group's Country Partnership Framework will be developed in March 2018, and a more formal jobs consultation process with the new government, civil society, and development partners, is anticipated for mid-2018.

Deliverables of the work program are shown below.

DELIVERABLE	TO BE DELIVERED BY
Consultation with Government, partners	March-December 2015
First client workshop	December 2015
M&E assessment of agriculture project	April 2016
Jobs assessment report (using existing data)	June 2016
Firm-level analysis	June 2017
Value chain mapping in lagging regions	August 2017
Focus group surveys on youth and women's' jobs challenges	September 2017
Gender note on labor outcomes for women and men	December 2017
Labor institutional and regulatory assessment	December 2017
Capacity building in DGEEC (Statistics) for firm-level data	September 2016-March 2017
Stakeholder workshops (joint with ILO)	March 2016, September 2016, May 2017, November 2017, June 2018
Value chain analysis of 3 agriculture products	October 2018
Jobs strategy/Action Plan for consultation	2018 (post-elections)
Knowledge sharing/coordination Events	Ongoing

Results and Key Highlights

Jobs Diagnostic: The Diagnostic was launched in 2015, focusing initially on the macro structural transformation analysis and household and panel labor force survey data analysis, which was subsequently extended to incorporate 2015 data and an expanded treatment of gender-specific labor outcomes. The draft results were discussed with the Government and informally with civil

society partners, and the final Jobs Assessment report will be disseminated in May 2017. The ongoing firm-level analysis required close collaboration with the statistical agency, DGEEC, including direct technical training by World Bank staff of the DGEEC enterprise census and survey team, and a South-South exchange with the statistical agency of Mexico, INEGI. Preliminary results of the firm-level analysis will be shared with the Government in May 2017 and will inform the World Bank's ongoing Systematic Country Diagnostic and subsequent policy notes to the new government following presidential elections in early 2018.

M&E support to PRODERS project: The Jobs M&E team joined a supervision mission to review project performance and provide an assessment of the project's existing provisions for accurately measuring the jobs impact of the ongoing project for Sustainable Agriculture and Rural Development. An assessment and recommendations for improvement were delivered in April 2016.

Tanzania

Work Program and Agreed Deliverables

The objective is to design value chain interventions that generate more, better, and inclusive jobs. The work program was restructured in December 2015 following the World Bank Country Director's advice to better link *Let's Work* activities with World Bank operations. As a result, the work was organized around three components: i) diagnostics of employment and firm location; ii) value chain mapping in horticulture; and iii) impact evaluation of a Patient Procurement Platform (PPP) for the maize value chain.

Jobs Diagnostics: will present historical and recent patterns in growth, labor productivity, earnings, and job creation in Tanzania. It will combine these aggregate results with the latest information on workers to understand who is able to access what types of jobs.

Firm-location analysis: In order to support private-sector led growth for more, better and inclusive jobs, the main objective of this activity is to better understand the drivers of firm location. The analysis will be carried out using the National Bureau of Statistics' (NBS) Census of Registered Enterprises, and will explore the extent to which firm size, firm competition, and the presence of other firms in the same sector and other sectors, as well as the services sector, explain the current agglomeration of firms in space. Understanding these drivers will give important clues as to what policies can boost firm creation and boost employment as a result, and inform future lending operations.

Value-chain work in horticulture: will draw on the analytics from the previous two activities and will focus on value chain mapping of priority sectors in agro-processing in order to better understand the potential for job creation and the types of bottlenecks and regulatory failures

that would need to be removed to unlock job growth. Besides the aim of estimating employment effects in the identified value chain, the objective is to inform *Let's Work* about possible lending or investment operations.

Impact evaluation for a maize value chain under the Patient Procurement Platform (PPP) coordinated by World Food Program (WFP): The objective of this activity is to learn whether the PPP is a viable solution to increase productivity and livelihoods of smallholder farmers in Tanzania, with the potential of applying the framework to other crops or scaling up the approach to other countries. *Let's Work* is supporting this initiative through action learning and impact evaluation which include Randomized Control Trial design, survey design, data collection, and analysis, continuous feedback in the implementation of the project, and feedback to the broader policy dialogue on raising agricultural productivity in Tanzania.

In turn, the PPP has the primary objective of increasing smallholder farmers' welfare by providing them with the room necessary to take financial risks and make investments. Coordinated by the WFP, the PPP is launching an integrated value chain approach to procure staple crops directly from smallholders across several countries in sub-Saharan Africa, South East Asia, and Latin America. In Tanzania, the approach consists of contracting Farmer Organizations to buy an agreed amount of maize at the market price, with an assured minimum price. In addition, farmers receive agricultural counselling via locally based field officers and are invited to a series of classroom trainings on post-harvest management.

Deliverables of the work program are highlighted below.

DELIVERABLE	TO BE DELIVERED BY
Jobs diagnostics	June 2017
Firm-location analysis	September 2017
Jobs value-chain survey for horticulture	September 2017
Horticulture value-chain report	December 2017
Maize value-chain baseline report	December 2017

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 that provided an opportunity to measure impact of an intervention on rural livelihoods. The work on the Jobs Diagnostic made progress by producing most of the inputs to draft the *Jobs Diagnostic*, but currently requires the inclusion of a new dataset stemming from the industrial census. Based on analytical work carried out to date, horticulture was identified as the particular sub-sector to engage for maximization of jobs impact. Several stakeholder meetings were held with private sector counterparts and development partners (USAID, AKF, GTZ, WFP), including *Let's Work* partners (AfDB, DfID, ILO), to discuss the

scope of the emerging work plan and potential for engagement. Conversations with the public sector also took place in April 2016. Additionally, the team has been in discussion with the National Bureau of Statistics to identify how to build capacity in firm data analysis. The underlying firm data has been of a quality that has required several months of cleaning, and we are now at the stage of running models to arrive at firm locational aspects for two points in time (2010 and 2014/15). Finally, the team has been collaborating with WFP, IFC, and Imperial College London to carry out the baseline for an Impact Evaluation on a program for farmer financing, which would help build evidence on how specific products to address farmer risks impact livelihoods.

Jobs Diagnostics: The team has produced the background analysis on macro, supply-side, and demand-side factors affecting employment, and drafting of the final *Job Diagnostic* began.

Firm location analysis: The data for 2010 was cleaned and geo-localized, and a first draft of the model and maps were delivered. Some of these results were integrated into the Jobs Group's input for Tanzania's Systematic Country Diagnostics.[5] While more models need to be run with other proxies for market access and with another point in time, these results suggest that operations could focus on: i) fostering firm competition; ii) promoting an industrial policy mix that favors diversification by fostering new firms in new sectors, regardless of firm size, located in large regions and cities; iii) favoring specialization in certain activities in smaller towns and villages; or iv) continuing to invest in skills in each region with the understanding that these need to be coupled with a business environment conducive to business creation and transport infrastructure to access domestic and international markets.

Value Chain mapping for horticulture: the team conducted a stock take of high-potential sectors, first within agribusiness and then within horticulture, and met with relevant public and private sector stakeholders to ensure their support and seek their advice and feedback. Based on the analysis and consultations, tomato processing in specific regions of Iringa and Djombe was the activity selected to be surveyed. The team has completed the procurement process and the surveying firm will start working early 2017. The survey will allow the team to pinpoint the constraints along the value chain to yield more and better jobs. The team found that there are potential links to *Let's Work* Pillar 2. The IFC advisory work performed for other crops could have potential synergies, in addition to a potential Development Policy Operations (DPO) on jobs (Trade & Competitiveness). IFC Tanzania has also expressed an interest in the findings from this analysis to inform their activities around new business investment opportunities in the country.

Impact evaluation for a maize value chain under the Patient Procurement Platform (PPP) co-ordinated by the WFP: the team completed the survey and data collection related to the baseline

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[5] Preliminary results show that urbanization, industrial diversification and specialization in services—and to a lesser extent manufacturing—are the chief determinants of firm location. These results show that competition is even more important than the size of firms. While the local presence of a secondary schooling is important, the density of roads is even more important.

scenario, and is currently working on processing the data prior to the analysis and report. The evaluation strategy includes securing a control group (which will not participate in the PPP) and two treatments (PPP package without insurance and PPP package with insurance). Full draft questionnaires were designed and applied in the fall of 2016. Both action learning activities will provide good insights for project design to foster smallholder agricultural productivity in Tanzania and elsewhere, with the findings already becoming available late in the spring of 2017 and baseline report on the PPP activity anticipated during the fall of 2017.

Tunisia

Work Program and 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 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 groups.

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. 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 builds on local capacities of Tunisian counterparts to enable the replicability of the process on as many additional regions and value chains in the country as possible. Further, the planned outputs, including the capacity building performed within this program, will facilitate the implementation of related projects to increase 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 the following three (3) components:

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 the Value Chains survey in collaboration with the local implementing agency.

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.

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 *Let's Work* partner operations for implementation. The entire component will be implemented through a "learning by doing" program providing capacity building for 20-30 local sector-specific 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 upcoming lending programs.

DELIVERABLE	TO BE DELIVERED BY
Identification of lagging region(s) and drafting of detailed work plan	February 2016
Implement capacity building program	April – October 2016
Closing event for capacity building program	November 2016
Develop the first draft value chain analysis and mapping report	June 2017
Implement firm level surveys	May – Sept 2017
Finalize the value chain analysis report and draft of Synthesis Report	October 2017
Finalize Synthesis Report	January 2018

Value Chain identification and finalization of survey design: the value chains to be addressed in this activity were identified, and the survey design finalized, in coordination with ongoing and upcoming lending operations and feedback from the client.

Jobs in Value Chains Implementation: the value chain and jobs survey implementation began. The survey firm was selected and the launch of the survey is under preparation.

Value chain competitiveness diagnostics/Capacity building: the capacity building component was successfully completed. A group of public sector workers of both national and regional authorities was trained in five full-week courses over six months. A closing event involving department heads from the Government was held in November 2016.

Two workshops were organized for the trainees to share their work on the various value chains, one in July 2016 and the other in October 2016. These workshops were also instrumental for the program to expose its approach to decision makers involved in industrial policy and export development programs. Furthermore, the capacity was used to disseminate information on successful approaches and projects for value chain development with a jobs focus. The aforementioned workshops involved donors such as SECO and Germany (GIZ), the European Union, as well as Tunisian government representatives and representatives from the civil society/private sector. A draft report on this component is being finalized and will be shared with *Let's Work* partners. Key highlights of the activity are as follows:

- Capacity building programs can be a powerful tool for project preparation and client engagement. Some of the outputs of the activities financed by this grant were instrumental in informing both ongoing and upcoming operational projects and fostering a close exchange on development issues with counterparts. The capacity building has also formed knowledge and teams that could eventually be involved in the implementation of lending operations.

- Flexibility is needed. The ability to adapt timing and format as implementation is underway improves the chances of success of the activity. For example, the capacity building component was adapted to span a longer period, which allowed better appropriation by the trainees and the client of the material. Another example is the launch of complementary work done by the trainers to complement the analytical work produced by the trainees, allowing the final result to be more informative to the operations' design.

- A comprehensive analysis of potential value chains increases quality and enables better selection procedures. In particular, the dedicated component 1 in combination with the

capacity building component 3 and the subsequent client involvement have been important in the preparation of component 2. Originally component 2 was supposed to be delivered in parallel to component 3, but the sequencing helped to improve the quality and client buy in.

So far, the activities financed have prepared a core team of civil servants that could be leveraged by one ongoing and two upcoming World Bank lending projects.

The capacity building program also inspired the alliance between private sector and regional development agencies in Tunisia to create a common platform for value chain development in the lagging regions. If it materializes, this platform would become in charge of accompanying key value chain development activities in the aforementioned World Bank operations.

Western Balkans

Work Program and Agreed Deliverables

The Western Balkans program shifted focus to target two countries: Kosovo and Albania. The program will identify key knowledge gaps for diagnosing jobs challenges, and design activities accordingly. One main component is a *Jobs Diagnostic* for Kosovo, which incorporates firm level, household-level, and macro-level analysis of employment outcomes. The results of the analysis will feed into a jobs strategy to be consulted with the Government and other stakeholders. In Albania, we will apply the Jobs Structures model to analyze structural transformation trends, including sectoral labor employment and productivity. This will complement both a recent analysis of the household data, which addresses labor supply challenges, and an ongoing assessment of training infrastructure and institutions. We also plan to design a pilot component as part of the Skills for Productive Jobs project being led by the World Bank. The scope and timeline of these activities will be laid out in the forthcoming concept note.

Zambia

Work Program and Agreed Deliverables

The objective of the program is to assist the Government of Zambia in the implementation of its jobs strategy. The program is aligned with stakeholder priorities, including international finance institutions and the private sector, to promote the creation of more, better, and more inclusive jobs. The aim is to provide an actionable set of proposals for investment and advisory solutions that address constraints to private sector-led job growth and labor productivity in specific sub-sectors and related industries. These proposals will be based on 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 the following four (4) 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 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 these outputs displayed in the table immediately below.

DELIVERABLE	TO BE DELIVERED BY
Job Diagnostic – labor demand, supply, macro analysis	Preliminary findings, June 2016; final deliverable, May 2017
Jobs in Value chains Survey Sector Deep Dives	Preliminary findings, June 2016; finalized inputs into Jobs Action Plan, May 2017
Jobs focused Portfolio Review	Preliminary findings, June 2016; finalized report, May 2017
Stakeholder engagement	Jobs Action Plan Stakeholder Workshop in October 2016 High level Government meeting in January 2017
Dissemination event	Launch reports, present to Government May 2017

Results and Key Highlights

Draft reports of the Zambia *Jobs Diagnostic* and Jobs in Value Chains analysis of agribusiness sectors delivered to the Government and *Let's Work* partners. Preliminary findings were presented at a workshop on October 26, 2016, co-hosted with a local think tank—the Zambia Institute for Policy Analysis and Research (ZIPAR).[6]

The *Jobs Diagnostic*[7] highlights that Zambia's economy is growing sufficiently to create employment for a youthful population, yet is failing to create enough good jobs. Growth is driven by mining, but the falling copper price highlights a need for diversification. Since 2005, formal agriculture and agro-processing started to grow, along with foreign direct investment and manufacturing growth, but the transformation has been relatively slow. Jobs created are largely agricultural, rural, and informal. Youth, in particular, are less likely to be employed. In addition,

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[6] The Value Chain report has been also shared with Let's Work Partners and can be found at the Partner Protected site.
[7] Funded by the Jobs Umbrella MDTF.

spatial analysis shows clusters of dense poverty in the East and North, and data on agribusiness firm creation suggest high potential for wage job growth and improved smallholder linkages in these areas. The *Jobs in Value Chains* analysis also identified the potential for jobs in poultry and aquaculture sectors.

Based on this analytical work, the *Jobs Action Plan* provided a set of recommendations to prioritize actions for Zambia's jobs agenda: more formal jobs, better quality informal jobs, and more accessible jobs for vulnerable groups. Three types of policies are needed to achieve these objectives: i) macro/fundamentals; ii) labor policies; and iii) regional/sectoral policies. Zambia needs to create a "soft landing" on jobs during a period of fiscal adjustment. Additional investments are needed in infrastructure and human capital development, combined with an increased tax base to support competitiveness/enabling environment for firms. Also needed are shifts on taxation away from labor and capital towards expenditures, including well-targeted subsidies for formal jobs and capital invested in labor-intensive sectors, and labor market reforms. Labor policies are needed to encourage secondary education to take advantage of the skills premium and skills training in the TVET system. Further, developing value chains to improve jobs for smallholder farmers can occur through physical (e.g. energy, infrastructure) and market infrastructure (e.g. value-adding services).

Government and private sector stakeholders noted and recognized the importance of the jobs-relevant findings presented, and provided several comments:

- *Using productivity and earnings versus unemployment as indicators*: Since many poorer, less skilled workers spend less time on job searches, the point was raised that unemployment is not an appropriate indicator for low income countries. Instead, productivity and earnings from the jobs created are arguably more relevant.
- *Education and skills development a priority for youth:* Upgrading of skills development remains a point to emphasize further in the analysis. The high wage premiums for secondary education suggests the jobs agenda must focus on access to education from an explicitly inclusive perspective, particularly for girls in rural areas.
- *Putting in place the right policy fundamentals:* Stakeholders noted that sound structural policies must be in place to reduce vulnerability to external shocks and stimulate private investment in local production for jobs. Another concern was that labor laws in Zambia require reform.
- *Short-term measures for job creation needed:* Given that Zambia has a long list of actions under the current Jobs Strategy, Government representatives requested a set of key actions in the short-term. It was also agreed that the Jobs Action Plan will explicitly reference the Vision 2030 agenda.

Towards finalization and implementation of the *Jobs Action Plan*, **Let's Work** Partners agreed with the Government that a technical advisory group should be established and include

representatives from Government including the Jobs Office, Ministry of Labor, Ministry of National Planning and Development, and others. Representatives from the private sector and donors, including ILO, will also be included. The mandate of the group will be to support the formulation and implementation of the jobs agenda using the *Let's Work* Jobs Action Plan.

In January 2017, the *Let's Work* Partners further consulted with the Government—through the Committee of Permanent Secretaries—on the Jobs Agenda to discuss the findings of the *Jobs Diagnostic* and *Jobs in Value Chains* and the subsequent policy recommendations for the *Jobs Action Plan*. The meeting noted the breadth and in-depth analysis of *Let's Work* related to the challenges of jobs in Zambia and acknowledged the relevance of recommendations to address the jobs challenges. The Government requested advice from the *Let's Work* Partners on what works ("How to") for employment creation, and expressed interest in case studies that can be replicated. The Government also highlighted challenges associated with coordination on the jobs agenda and requested technical support for a technical working group. Accordingly, the technical working group was assigned to act as an inter-ministerial working group on the *Jobs Action Plan*. ILO requested the Government to consider establishing a National Employment Council as envisioned in the draft National Employment and Labor Market Policy (NELMP). The *Let's Work* Partners' team was encouraged to finalize the report so that its recommendations could be aligned to the proposed Seventh National Development Plan (SNDP).

Further, the *Let's Work* Zambia Program deliverables were shared with the World Bank Country Manager and *Let's Work* partners for review, who congratulated the team for the quality of the analytical works produced.

Jobs is one of the central cross-cutting priorities of IDA18, with the strong support of borrowing client countries, including Zambia. Specifically, the need for a stronger jobs focus in the World Bank's portfolio was emphasized, with recommendations from analytic work reflected in investments and policy lending for jobs. The timing of the *Let's Work* analysis was commended, providing a link to the Systematic Country Diagnostic (SCD) to be delivered in FY17 and the Country Partnership Framework (CPF) in FY18. The *Let's Work* team also met with several World Bank operational teams to discuss how to best mainstream the Jobs Conceptual Framework, which supports articulating linkages from interventions to outcomes on jobs in terms of job creation, job quality, and job access.

The next step is to revise, edit, publish, and present the Program deliverables in country to the Government and other stakeholders at a dissemination event planned for May 2017. Further, *Let's Work* Partners will work with the World Bank Country Unit to continue providing inputs and support to embed jobs as a key theme in the forthcoming SCD and CPF, and to discuss ongoing collaboration on solutions for jobs with Government and other partners.

Lessons Learned and Next Steps

Let's Work Partners set out a very ambitious program for the country pilots and, after three years, some activities have been redesigned to adapt to available data, knowledge, funds, and country specificities. Results have been achieved in all seven countries, and some lessons learned from our engagement have emerged and are highlighted below:

Objective of a country pilot: though *Let's Work* Partners agreed on an approach to design and implement country pilots—produce analytical work aiming to potentially influence investments from Partners—in practice, each country's intervention has been negotiated and agreed according to the needs and interests of the Government and *Let's Work* Partners, and heavily influenced by the World Bank country office. Criteria for selecting countries, approach, and implementation should be revisited by Partners.

Process: in order to develop a robust jobs strategy for a country, ideally the following processes should take place: i) a comprehensive stock take of the analytical work done is crucial to design a jobs strategy to influence policies and programs in-country; ii) additional analytical work should be carried out if needed; iii) develop a jobs diagnostics to identify constraints; iv) design a detailed strategy and action plan based on this analytical work; and iv) prioritize interventions in consultation with the government and *Let's Work* Partners.

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.

Participation from Partners and coordination among stakeholders: participation from *Let's Work* Partners has been minimal. Participation and 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. Having an active Partner in-country has proven to be beneficial when implementing the *Let's 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. In addition, since each Partner engages with a specific client (i.e the ILO with the Ministry of Labor and the World Bank with the Ministry of Economy and/or

Planning), coordination among different stakeholders at the government level has also proven to be complex at times.

Regional approach: **Let's Work** Partners chose the Balkans as a pilot, but a regional approach has proven to be extremely difficult to design due to the different interests from governments and stakeholders. This program has shifted from a regional perspective to focusing on one country.

Budget: innovative approaches and programs, such as **Let's Work**, need necessary funds to design, develop, implement, pilot, and improve.

As next steps, country pilots will continue to be implemented and additional lessons learned will transpire to better align **Let's Work** partners' programs and activities in countries.

4. Pillar 2: Methodology and Analysis - Work Program and Results

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

Work Program and Agreed Deliverables

Under Pillar 2, Partners agreed that the goal was to better provide policymakers, international organizations, and practitioners with the tools and methods to estimate the impact of public and private interventions and investments on jobs. 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 are considered as well. These other indicators include changes to labor productivity, earnings, improving working conditions, and changing demands for different types of skills.

Table 3: Pillar 2 Work Program

Indicator	Target
Working groups	3
Workshop	2
Case studies	26[8]
Toolkits	3
Report on lessons learned	1

Measurement tools proposed to estimate the jobs impact of investments were classified under three categories: namely, i) value chain surveys to identify and understand patterns of job creation along a value chain; ii) tracer surveys to follow the jobs effects on beneficiaries/users (e.g., firms, farmers, own-account workers, and job-seekers) of an intervention; and iii) macro models to *ex ante* explore the range of possible outcomes resulting from investments in a sector (e.g., construction, transport, electricity, or agriculture).

In addition to the goal of the overall task under Pillar 2, the Partners asked that this measurement push also do the following: i) use the three different tools to estimate the job impact for the same

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[8] These case studies do not include value chain studies that are conducted under Let's Work Pillar 1 countries.

investment to triangulate results; ii) focus on sectors in which all partners are engaged; and iii) standardize rigorous comprehensive jobs estimations tools that each organization could implement. Thus far, the opportunity to do a triangulation has not yet presented itself, but it will be the focus for next year as well as for implementation based on standardization.

The end result of this effort is a guide for project managers on which tool to use (based on the country, infrastructure sub-sector, size, etc., of a project) and how to use it to measure jobs impacts.

Working Groups

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

Working Groups have been active and communicating virtually during 2016. One of the first tasks was to determine the feasibility of the proposed case studies approved for funding by the Steering Committee meeting. The purpose of the feasibility assessments was first to determine which tool was the most appropriate for the project being considered. In addition, the feasibility assessments determined the readiness of projects to start in the near term, identify any potential technical barriers to the implementation of an evaluation to measure the jobs impact, and recognize needs for technical support from the WGs. The review process involved teams filling out a 'technical assessment template' and subsequently holding a short meeting (usually 30-45 minutes) to discuss evaluation implementation plans. Twenty six (26) case studies were assessed and twenty two (22) were recommended to be used as pilots for tool development.[9]

Working Groups were also in charge of reviewing and sharing any inputs and comments to the set of materials developed for each of the tools. Materials include questionnaires, sampling and implementation notes, enumerator training materials, template Terms of Reference, and Expression of Interest documents used to hire survey firms, etc.

Figure 2: Working Groups' Composition

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[9] All documents have been loaded to the Let's Work Partner Protected site and continued updates are being made.

Methodology	Partners	Contact Persons
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 Miguel Laric Joe Shamash 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 Joe Shamash Miguel Laric Alex MacGillivray Christophe Weiss

Results and Key Highlights

Working Groups approved and recommended eleven (11) value chain studies to start implementation; six (6) for the tracer tool; and eight (8) for the macro tool. Below is a review of all pilots and a map displaying the country and sector-specific case studies by measurement tool.
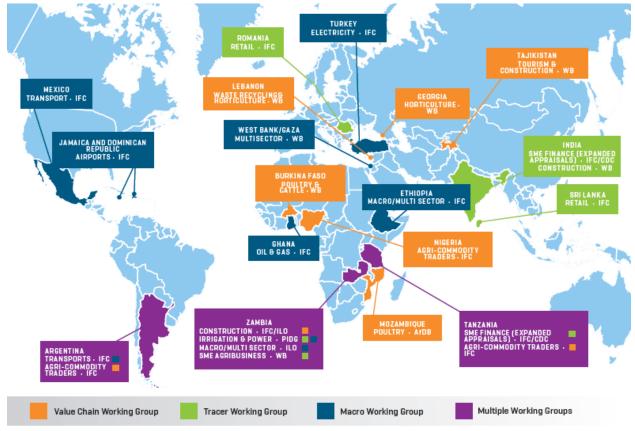
Figure 3: Country and sector-specific case studies by measurement tool

TURKEY
ELECTRICITY · IFC

ROMANIA
RETAIL · IFC

TAJIKISTAN
TOURISM &
CONSTRUCTION · WB

MEXICO
TRANSPORT · IFC

LEBANON
WASTE RECYCLING &
HORTICULTURE · WB

GEORGIA
HORTICULTURE ·
WB

JAMAICA AND DOMINICAN
REPUBLIC
AIRPORTS · IFC

WEST BANK/GAZA
MULTISECTOR · WB

INDIA
SME FINANCE (EXPANDED
APPRAISALS) · IFC/CDC
CONSTRUCTION · WB

BURKINA FASO
POULTRY &
CATTLE · WB

ETHIOPIA
MACRO/MULTI SECTOR · IFC

SRI LANKA
RETAIL · IFC

GHANA
OIL & GAS · IFC

NIGERIA
AGRI-COMMODITY
TRADERS · IFC

ZAMBIA
CONSTRUCTION · IFC/ILO
IRRIGATION & POWER · PIDG
MACRO/MULTI SECTOR · ILO
SME AGRIBUSINESS · WB

MOZAMBIQUE
POULTRY · AfDB

TANZANIA
SME FINANCE (EXPANDED
APPRAISALS) · IFC/CDC
AGRI-COMMODITY TRADERS ·
IFC

ARGENTINA
TRANSPORTS · IFC
AGRI-COMMODITY
TRADERS · IFC

■ Value Chain Working Group   ■ Tracer Working Group   ■ Macro Working Group   ■ Multiple Working Groups

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

Value Chain Tool

Value Chain (VC) surveys quantify the number of jobs and identify the firms where these jobs are located within the VC. Most importantly, this tool is specifically designed to capture jobs effects across firms within the same VC. It is therefore aimed at measuring the ripple effects of investments and interventions (the indirect effects) within the value chain. In addition to estimating the number of direct and indirect jobs created and destroyed in the value chain, the survey instrument is designed to measure the quality of jobs in the VC and who is likely to have access to these jobs.

There are eleven (11) VC studies carried under Pillar 2 (see Table 4). Two pilots were conducted in 2016, one in Lebanon (potatoes and waste recycling) and one in Zambia (construction, aquaculture, and poultry).[10] From the pilot in Lebanon, the main findings revealed the location, scale, and quality of jobs within the VC, and the potential for jobs growth over the next few years based on alternative strategic and investment scenarios. The data were also used to create a jobs

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[10] The Value Chain case study in Zambia for Aquaculture and Poultry was part of Pillar 1.

profile for workers involved in production, distribution, and processing including the gender, age, and skill-profile of labor. Specific results indicate that the vast majority of demand across all parts of the current value chain is for low-skilled labor. Within the 'input supplier' and 'processing' nodes, there is significant employment of Lebanese females in permanent low-skill positions (more than 40%). Also, most of the jobs in the 'distribution' or trading node are held by youth in permanent low-skill positions (more than 80%). In Zambia, along with details on the profile of the workforce, the study of poultry and aquaculture VCs revealed the potential for jobs growth over the next few years if the main identified constraints to job creation are mitigated. Main findings from the construction VC in Zambia show that up-to-date technologies are lacking at both training institutes and companies, and the impact this has had on jobs.

Table 4 below elaborates on the VC product being studied under each case study and the current progress. In some situations the sectors were pre-defined, either as part of a national development strategy or as part of another ongoing program led by Government, donors, or other stakeholders. In other cases, selection was based on the following: i) the scale, sustainability, and competitiveness of the sector in question and specifically the upgrading or downstream value addition potential of the sector; ii) the jobs impact, especially on target groups such as the poor, rural populations, women, youth, or specific locations within the region; and iii) the readiness and additionality, meaning the likelihood that efforts focused on the particular sector will have the desired impact on the target population due to the existence of an organized, mobilized, and motivated set of stakeholders.

<center>Table 4: Value Chain Working Group Pillar 2</center>

Sector	Country	Partner	Status	Start date	End date
Poultry	Mozambique	AFDB	Field work has been completed. Report is being drafted by consultants for review.	February 2016	June 2017
Construction	Zambia	IFC/ILO	This project was completed and data collected from the required sample of firms. A report has been prepared based on the final results*	January 2016	August 2016
Poultry	Burkina Faso	WB	The consultant selected for the project was not awarded the contract after unsuccessful negotiations on project budget and timeline. A new contracting process has been initiated.	December 2015	September 2017
Cattle (Beef)/Milk	Burkina Faso	WB	The Horticulture (Mango) VC was dropped in favor of Livestock i.e. Cattle (Beef)/Milk after further analysis. The consultant selected for the project was not awarded the contract after unsuccessful negotiations on project budget and timeline. A new contracting process has been initiated.	December 2015	September 2017
Waste Recycling	Lebanon	WB	This project was completed and data collected from the required sample of firms. The final report has been completed*.	January 2016	June 2016

Horticulture (Potato)	Lebanon	WB	This project was completed and data collected from the required sample of farms and firms. The final report has been completed*.	January 2016	June 2016
Tourism Construction Materials	Tajikistan	WB	The final selection of the VCs was done in bilateral discussions with two key government counterpart agencies. ICT and Agribusiness was dropped in favor of Tourism and Construction Materials. A consultant was hired to implement the quantitative tool fieldwork is currently on-going. The consultant is also engaged with key stakeholders and public institutes for the purposes of conducting a qualitative study.	January 2016	May 2017
Construction and Agribusiness (Cotton/Textile)	Kenya	WB	This case study is being dropped after discussions with the Government and management. Preliminary progress includes mapping of the value chains and brainstorming with key stakeholders.	-	-
Agri-Commodity Traders	Nigeria, Tanzania and Argentina	IFC	After thoroughly reviewing potential case studies, literature review and analytical review, three potential clients were identified by the contracted consultant. Qualitative and quantitative data is being collected in Nigeria for the Sesame Seed VC. Discussions around data collection are ongoing in Tanzania for the Pigeon Pea VC. Client discussions are at a preliminary stage in Argentina for the Cereal VC.	February 2016	June 2016
Horticulture (Wine Grapes)	Georgia	WB	Within Agribusiness, the final VC selection of wine grapes was determined after further analysis. A consultant was contracted to complete the VC mapping, provide expertise on the sector and implement the quantitative tool. Currently the survey is being piloted in selected vineyards and firms before launch of fieldwork.	February 2016	July 2017

* Report has been uploaded in the Partner Protected site.

Standardizing the jobs impact measurement within VCs is key. A common approach is used for each VC pilot to help build a cross-section of comparable enterprise data. This comparability makes it possible to analyze relative dynamics across value chains and locations. This, however, has proven to be challenging since value chains are very specific to the economic and social context of the economy in which they are working. More discussion on this can be found in the Lessons Learned portion of this section.

To standardize the approach, a common implementation plan was followed. The development of this implementation plan was based on what was learned from trial and error during the piloting. As a result, a strong implementation methodology was developed and detailed in

technical guidelines, training manuals, and protocols for quality control. The list of materials produced can be found in Table 5 below and were uploaded to the Partner Protected website.

Table 5: Value Chain Documents Prepared

Activity	Document Prepared	Start date	End date
Learnings from Pilots	VC Mapping guidelines, VC Selection tool, Sampling Guidelines	May 2016	June 2016
Revising Questionnaires & Supporting Materials	Jobs in Value Chains Agriculture Survey, Jobs in Value Chains Manufacturing/Processing Survey, Value Chain Survey Design & Planning Report (VCSDPR), Interviewer Manual, Interviewer Training Slides, Jobs in VC Qualitative Tool	June 2016	August 2016
Revising TORs	Jobs in VC Consultant TORs—Quantitative & Qualitative Survey, Expression of Interest (EOI) template	July 2016	August 2016
Preparing Quality Control Framework	Variable codebooks, List of Output Indicators, Data Management Files	August 2016	September 2016

Currently, this survey is the only tool available to measure the impact of value chain interventions on jobs and provides an in-depth coverage of the value chain for selected products of interest. The tool can be used prior to an intervention to forecast impact of jobs, as well as after an intervention to analyze the actual impact from investments. It benefits from standardized survey implementation, including guidelines for fieldwork, supervision, training, reporting, call-backs, and quality control. Along with capturing detailed information on constraints to growth and jobs, it includes vulnerable populations and is inclusive of the informal sector.

The final output of each value chain study includes analysis of the data collected, along with a final report with recommendations.

Tracer Tool

Tracer studies are designed to track and record or evaluate the effectiveness of interventions in terms of job creation and creating high quality jobs. The distinction between an assessment that tracks and records an intervention, as opposed to evaluating it, is largely a function of decisions on the timing and frequency of data collection, and whether control groups are included and sampling is done to allow for representativeness and aims at statistical significance estimates. Assessments that trace and record are unlikely to have control groups, sampling is not an issue since the population assessed is determined by participants in an intervention, and data collection is nearly always *ex post*. In comparison, evaluations would likely use control groups, sampling would be designed to obtain accurate estimates of change and to attribute outcomes, and data collection would most probably take place *ex ante* (baseline), during the intervention, and *ex post*.

The two primary goals of tracer studies under the *Let's Work* initiative are: i) to document changes in employment, wages or other dimensions related to the quality of the job that beneficiaries experience; and ii) to understand if and how the intervention contributed to these observed changes.

The two goals aim to provide the knowledge needed to improve the design of future interventions to create high quality jobs. However, implementing these intentions has been challenging. After going through a due diligence process to assess the technical feasibility of conducting tracers on the projects proposed, the Tracer Studies Working Group concluded that it was difficult to apply this methodology on any of the candidate projects provided by the Partners, since all had been completed several years ago. The Working Group launched a second call for proposals and approved four (4) projects that are currently being assessed (See Table 6).

Even without the benefit of piloting, questionnaires, training manuals, and other materials were developed, reviewed by the Tracer Studies Working Group, and approved by the same.

Using a methodology developed by IFC, CDC is undertaking a study in India on the financial sector that tracks SME growth/job creation using retrospective questions after investment. Results are expected in June 2017. IFC carried out a literature review to understand the impact on retail sector evolution, its employment, supplying industries, consumers, and spillover effects.

Table 6: Tracer Working Group

Sector	Country	Partner	Status	Start date	End date
SME Finance	Nigeria and Bangladesh	IFC	It was decided to drop the case study due to lack of data.	-	-
SME Finance (expanded appraisals)	India	IFC/CDC	Baseline was carried out in September 2016. End line will be done in April 2017.	March 2016	June 2017
Airport	Madagascar	PIDG	Under feasibility assessment.	-	-
Retail	Romania and Sri Lanka	IFC	Research on tracer studies on the retail sectors is being carried out.	January 2016	June 2017
SME Agribusiness	Zambia	WB	Assessment of the effectiveness of value chain integration on jobs created.	December 2016	December 2018
Construction	Rajasthan	WB	Pending data availability.	July 2017	December 2018

Macro models

Macro models are particularly relevant when making *ex ante* assessments of jobs impacts. Most importantly, their ability to simulate indirect effects related to supply chains and distribution networks, as well as induced effects related to a particular intervention in a specific sector, makes these models the most comprehensive impact assessment tool. Macro models also allow us to

explore a range of outcomes throughout the economy resulting from investments in a given sector. Furthermore, in addition to total direct, indirect, and induced job impact estimates, macro models can provide a characterization of jobs (by skill, education level, location, or gender, among others), analyze the impact on jobs under diverse economic conditions, policy changes, technological change, and external shocks, and some provide the ability to simulate the dynamics of job creation over time.

The macro simulation models used in *Let's Work* include static Input-Output (IO)- and Social Accounting Matrix (SAM)-based estimation tools, computable general equilibrium models (CGE), and other structural dynamic methodologies. IO/SAM models are based on data that reflects all the transaction flows among different industry sectors of the economy, as well as between these and households. IO/SAM data is for a given year and the related models are static in nature, mainly assuming no structural changes in the economy over time. In contrast, CGE and structural dynamic models allow one to reflect economic changes over time. Thus, the main advantage of CGE/structural dynamic models over static IO/SAM tools is to consider price adjustments and substitution effects, as well as the ability to model changes in the production and technology structure of the economy. However, these models come at the cost of higher requirements of data and parameters.

As mentioned before, the macro-based studies being developed through *Let's Work* cover a variety of methods, but also a mix of industry sectors and country contexts. The first group of studies are IO/SAM-based models applied to different infrastructure sectors that include airports, ports, and power. All projects in this group are being led by IFC. While the power study is focused on Turkey and the airports study on two particular investments in the Caribbean, the goal of the port study is to generate a tool to evaluate ports across twenty countries. The methodology in these studies is mainly comprised of two parts: i) an estimation that captures the impact of investments (or other interventions) to increase or improve the corresponding infrastructure capacity on key sub-sector outcomes, which includes, for instance, passenger traffic and international trade (through increased connectivity) in airports, increased containerized cargo and additional imports by sector for ports, and electricity price changes subsequently translating into different sector responses in the case of power;[11] and ii) an IO/SAM calculation engine where these sector-specific outcomes become input shocks to compute economy-wide impacts. These three studies started in December 2015, and by March 2016 they completed their procurement processes to select consultants through competitive bids, who generated inception reports by April 2016 that were all peer reviewed. Between May and June, data gathering, including mission trips when necessary, were completed, and final modeling and

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[11] Estimation methods include for instance a gravity model of connectivity for airports, estimation of technical parameters for containerized cargo in ports, econometric and statistical methods to estimate elasticities related to increased power supply, as well as an electricity price model based on supply and demand information.

drafting of reports was completed in the second half of 2016. The three studies finalized in March 2017 and the corresponding reports have already been published in the *Let's Work* Partner Protected site.[12]

The second type of model is represented by a SAM-based employment projection model for green industries in Zambia, led by ILO. While this model shares the SAM methodology component of the first group, it can be used to model interventions in a variety of sectors in the economy, featuring, in this case, green industries within agriculture, construction, power, transport, tourism, and ICT, among others. The model aims to provide employment effects of additional investments from a reference year, as well as a multi-year projection of employment effects based on baseline trends. The implementation of this project has been delayed by the availability of the required data, but ILO joined efforts with the IMF during 2016 to provide assistance to the Zambian Central Statistics Office (CSO) in this regard. The team will start preliminary modeling work using Supply and Use Tables (SUT) that are expected to be ready by May 2017. If the final SAM data becomes available, the project is expected to be completed by the end of this year.

The last group of studies builds on structural models and is represented by three different applications. First, a team from the World Bank is combining the results of an innovative social cost-benefit analysis that would provide an estimate of the potential job creation derived from a specific private sector investment—the first application being a particular investment in solar power—as an input to a CGE model built for West Bank and Gaza. This work will provide key inputs to a larger World Bank Group initiative in the country, the Finance for Jobs (F4J) project. In early 2016 the team organized a workshop with World Bank representatives from *Let's Work* to discuss the design of the social cost-benefit analysis (SCBA) tool. By March 2016 a CGE expert who had worked with the Jobs group was hired to build the CGE model. During the remainder of the year, the SCBA tool was socialized through mission trips with local partners, data for the model was gathered, and the CGE model was built. The team is finalizing modeling work to generate a baseline that will serve as a benchmark for the implementation of the SCBA tool results. The study is expected to be finalized by September 2017.

A team from IFC will use a computable general equilibrium (CGE) approach to examine the effects from the increase in the supply of gas to the electricity sector in Ghana in terms of jobs and GDP. This study also includes the analysis of the value chain for the oil and gas sector in the country to understand the impact of its development on local suppliers. The first procurement by around mid-2016 did not provide consultants with the required sectoral knowledge and model expertise to carry out the project. A second bidding round was organized by the team by the end of the year and a consultant was selected in early 2017. An inception report produced by March 2017

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[12] The tools generated through the airports and ports studies need to be internally tested and refined by IFC in the coming months, before they can be made available to through the partnership.

will be peer reviewed and discussed with the team at IFC in April 2017, and it is expected that the study will be finalized by September 2017.

On the other hand, an IFC team is piloting an innovative dynamic structural model for the case of Ethiopia that allows one to follow employment by types (including informality) and other macro effects over time, while providing estimates of the impact of private sector investments on the World Bank Group's Twin Goals. The latter has a modular structure that provides the flexibility of modeling sector-specific dynamics for selected industries. In this regard, the planned application would include a power module that considers different power generation technologies. The implementation of the model in Ethiopia follows the first pilot run by the team for the Philippines (see further details in the Partner-led studies section). In early 2016 a consultant was hired by competitive selection to support IFC staff to implement this second pilot. During the first half of 2016, macro, micro, demographic, and sector research and data was gathered and the modeling work began. A mission to collect further data and local views from government regulatory and research institutions, academia, and other sector-specific private parties was completed. The team already has a base macro model and is currently running baseline and other scenarios. The study is expected to be finalized by September 2017.[13]

Table 7: Macro Working Group

Sector	Country	Partner	Status	Start date	End date
Oil & Gas	Ghana	IFC	Project ongoing after consultant was identified in December 2016, after second procurement round. Initial delay due to problems finding consultant during first procurement round in spring 2016.	April 2016	September 2017
Airports (Tourism and non-tourism)	Jamaica and Dominican Republic	IFC	Study finalized as scheduled by December 2016*	December 2015	March 2017
Multi sector	Zambia	ILO	Project delayed due to lack of data readiness in the country.	December 2015	September 2017
Power	Zambia	PIDG	Project delayed as conditional on ILO Zambia model	December 2015	September 2017
Multisector	West Bank/Gaza	WB	Running on schedule: CGE model was completed in December 2016 and currently being used to run scenarios for the project. Work on Social Rate of Return ongoing.	January 2016	September 2017
Multi sector	Ethiopia	IFC	Running on schedule: base macro model and baseline calibration finalized. Simulation scenario design and detailed sectors modules planning ongoing)	January 2016	September 2017

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[13] As part of the deliverables of this study, the team will try to generate a user-friendly interface to be used by non-technically versed users (in structural modeling) that could be shared and tested further through the partnership.

Transport (Sea Ports)	Multi-country	IFC	Study finalized as scheduled by December 2016*	December 2015	March 2017
Electricity (Power Generation and Distribution)	Turkey	IFC	Study finalized as scheduled by December 2016*	December 2015	March 2017

Report has been uploaded in the Partner Protected site.

Lessons Learned and Next Steps

Though much progress has been made in developing and piloting the three *Let's Work* tools, some are advancing faster than others. This is mostly due to the availability of data in certain sectors and case study fit with the specific tool being built. Macro model case studies have already given us a good critical mass of knowledge in certain areas such as the power sector. The value chain studies helped us build a more rigorous set of guidelines, including Stata do-files that run estimates based on the tool, survey questionnaires customized for different sectors, Request for Proposal (RFP) templates, and survey manuals. For tracers, we had to revisit the fit of the proposed case studies, but results are expected soon. As we learned more about the tools, some of the case studies were shifted for piloting from one tool to another. We have also started to gain a better understanding of scenarios in which to use or not use a specific tool. For instance, the tracer tool is more useful when used in a small, geographically-confined area with limited movement of beneficiaries, especially when working with the informal sector. Below is a detailed account of the lessons we have learned thus far for each of the three methodologies used.

Value Chain Tool

The Value Chain tool allows us to focus on selected industries to identify jobs patterns much more specifically than is possible using the broad industry classifications. In addition, the VC tool allows us to understand how changes in one part of a value chain impact jobs across the entire chain—indirect jobs. This latter point is the strength of this tool.

Survey Complexity: The pilot cases revealed the original survey to be complex, taking over two hours to implement. By identifying important indicators and brainstorming with experts in agricultural surveys, the questions have now been simplified and the overall duration reduced to approximately one hour.

Questionnaire Requires Adaptation: With each new study there is a need to revisit the questions and adapt them to the specific sector and for the benefit of the respondents and to gather unique industry insights. For example, in the case of Zambia, an analysis of aquaculture and poultry would require certain modifications that allow small farmers to be able to relate and respond to the questions being asked as easily as possible. Given the emphasis of Pillar 2 on the standardization of the tool, this is a substantial drawback.

Mapping and Sampling: A critical component is the VC mapping exercise. This involves preparing as complete a mapping as possible of all nodes and activities of the product, given existing data and research. This critical step provides an idea of the structure of the VC and the universe size. However, it is important to identify and isolate the main components in the chain, and decisions had to be made around which activities to consider along the vertical VC and whether to include horizontal linkages, all depending on where the focus of the analysis lies. Experience with pilot cases has also revealed that it is beneficial to undertake this step in parallel with contracting a consultant (or firm) to carry out the implementation.

Decisions around sampling and sample size were both challenging and crucial in determining the length and cost of each VC case study. Sample size decisions are linked to the VC mapping for the product, possible levels of stratification, the availability of data, and the study scope. The biggest challenge has been listing the informal sector, which involves identifying participants and, especially in the case of agriculture as well as smaller industries, being able to identify if they are involved in the specific VC activity, procuring contact information, and (ideally) procuring information about the size of operation. There are various sources for this information and subsequent sampling approaches that can be considered; however, each will vary between regions and sectors.

Ex ante and ex post implementation is best: The best way to get results on jobs impacts is to implement the VC tool before the intervention or investment and then to revisit the chain sometime in the future. This process was not done in the pilots. Instead, to get a baseline, the respondents were required to recall data to answer to some of the questions. This is not optimal as it introduces measurement errors. Also, in order to get to an estimate of what might happen with the proposed intervention or investment, respondents were provided scenarios and asked to provide an estimate of what would happen if that particular scenario were to happen. This also is criticized as a technique that introduces measurement errors.

Survey Budget & Timeframe: Similar to most rigorous quantitative surveys, the value chain tool takes 7-8 months to implement from start to finish, i.e. from the hiring of consultant firms until a final weighted data set is available for further analysis.

Selecting a consultant to implement the quantitative tool, engage in public-private dialogue, and provide expertise in the VC product/sector of interest has proven to be both essential and challenging. At times, it has been necessary to supplement the work of a consultant by contracting WB/external experts to assist in the mapping and sector-adaptation components of the project. There is an on-going need for clear expectations regarding fieldwork, supervision, training, reporting, call-backs, and documentation standards which can be achieved by using standardized TORs that have been refined during the initial phases of this project.

Tracers

Given the nature of tracers, they are likely used best to measure the jobs impact of investments that are relatively small, targeted, and geographically-confined, in the case of infrastructure and other investment projects with externalities, and most appropriate if the unit of intervention/analysis is individuals or households.

In the course of piloting tracer studies, they were difficult to undertake when the project had already begun and even more complicated and less rigorous when the project had already reached completion many years ago. In the latter case, the survey would have had to use recall data, had a difficult time identifying treated and control groups, and would have had to construct baseline data from available sources. This would likely have made the pilot jobs estimates unreliable and costly in both time and money to undertake. The issue, however, is not that tracers cannot be used *ex post*. Rather, all projects were not designed with an evaluation in mind at all. Had projects, before commencing, constructed baselines, identified treated and untreated groups, and outlined a theory of change, an *ex post* evaluation using a tracer survey would have been possible. This observation on the use of tracers highlights the issue of capacity, resources, and time that has yet to be allocated by many partners to evaluate the impact of their investments.

Let's Work may be able to finance baseline surveys to get the evaluations started, but may find itself without resources to carry out the follow-up survey required to complete the jobs impact evaluation. This is indeed the solution suggested to and accepted by the members of the Tracer Study Working Group. As can be expected, because of these unforeseen circumstances, pilot evaluations using tracer studies are delayed.

Like the value chain surveys, sampling the informal sector is required and a major issue. Jobs impacts are not confined to the formal sector where a master list and/or sample frames exists and may be available. To get to the inclusiveness issues of job creation, the informal sector requires surveying. This is time consuming, costly, and requires the expertise of statisticians and social scientist that understand how to construct informal sector samples and design questionnaires that are appropriate for this population.

The complexity of surveying the informal sector highlights the need for expertise that are required to design and implement tracer surveys. In addition to sampling and questionnaire design experts, the implementation of tracer surveys requires someone familiar with impact evaluation design (like RCTs) data management to guarantee the quality of the data, and well-trained field managers to make sure that the enumerators are well-trained, motivated, and completing the work to the standard required.

Macro Modeling

Through the work on macro studies so far we have identified some common themes regarding implementation challenges and lessons learned. For instance, bringing internal and external expertise into sector-focused projects (mainly implemented by IFC) has proven to be a key factor of success. Bringing external parties—both consultants and peer reviewers—with relevant sector expertise has been critical for these projects; although, it is not always easy to find the required mix of sector-specific knowledge and macro modeling expertise. Similarly, the early involvement of IFC and World Bank industry sector experts, as well as senior investment officers, has also shown high benefits for the studies, although this is usually a challenge given their time availability for these kinds of efforts. Thus, it is important to secure operational management support and commitment to these studies early in the process. In addition, these innovative efforts require a learning-by-doing approach involving creative and open-minded teams, as modeling sector and project specificities is not straightforward and the required data is not always readily available (in fact, the scope of the methodologies developed has been bounded by the availability of sector-specific and project data). Furthermore, the applicability of these studies' results to other cases in the same sector is, in general, conditional on certain contextual and project specificities. Therefore, an adequate understanding and use of the models developed requires a minimum set of technical knowledge (thus, investment in user-friendly interfaces can help mitigate this issue).

With regard to multi-sector models, drivers of success also include levels of internal technical knowledge, data standards, and collaboration with external parties. The multi-sector models developed through *Let's Work* (by ILO, World Bank, and IFC teams) have been implemented at least partly in-house, or alternatively using existing expertise and/or based on previous model developments internally. This has facilitated the implementation of these generally complex models. Therefore, previous experience or at least some basic technical knowledge and background within the team becomes critical, even when commissioning studies to external parties.

As is usually the case in macro modeling, the final product is as good as the inputs and data models they are based on. Thus, a minimum set of data standards is required for any multi-sector macro model, as data quality and availability can weaken the implementation of these projects. Therefore, data availability should be reviewed in detail during the project's technical feasibility and approval phase. In addition, access to local country knowledge, partnerships, technical knowledge, and research is critical to the success of multi-sector models. For instance, the World Bank study in West Bank and Gaza is part of a larger program involving local institutions and partners, ILO has partnered with the IMF on helping the Zambian Statistical Office to build the required SAM data, while the IFC team has partnered with the Corporation's local country office and established a dialogue with relevant government- and research-oriented institutions about

their project. Thus, having global institutions at the center of *Let's Work* has provided a clear advantage in this regard.

Across the macro modeling work program, including both sector-specific and multi-sector studies, there are additional lessons learned with regard to project selection and institutional readiness. First, thorough technical feasibility should precede projects' funding approval decisions. This prevents locking funds to projects with feasibility issues regarding scope, basic technical knowledge, or data availability. During procurement and implementation, clear objectives, scope, and TORs, in-depth inception reports, peer-reviewing processes, and internal debriefing to country/sector management and specialists are best practices towards project success. Plus, every effort made to improve the selection of consultants to design and implement methodologies has high returns afterwards.

Finally, it is important to highlight that the level of technical knowledge within institutions running the studies greatly improves the implementation process. Therefore, effective support for those lacking these skills is very important and reinforces the benefits of an institutional partnership such as *Let's Work*.

Final Remarks

Much progress was made in developing and piloting the technical aspects of the *Let's Work* impact measurement tools. However, much more needs to be done with respect to using and implementing these tools. The initial design of these tools was purposefully designed to optimize rigor. This has meant that the tools require a fairly high level of technical expertise, resources (both time and money), and implementation capacity. In some cases, like with macro models and value chains, these tools require sector-level expertise to design.

We are cognizant of the fact that many present and potential members in the emerging community of practice for these tools may be put off by these tools requirements. For that reason, the next step is to see how we can reduce some of these technical and resource burdens and still get tools that provide estimates and numbers that we can stand behind. At the same time, there may be a need for extra efforts to build the technical and implementation capacity of this emerging community of practice.

In addition, standardization is still a challenge, especially for the value chain tool. Even within narrow and well-specified products, it is not clear that a value chain tool applied in one economy can be used, without changes, in another. This economy-specific feature of value chains may be the result of the fact that many of these pilots were carried out for agricultural value chains. In this type of economic activity, climate, terrain, and technology matter tremendously and affect the nature of the chain. However, we can imagine that a value chain for services in one economy

will look a lot different from services in another. So, it is unclear that the value chain tool will reach the kind of standardization that will make cross-country comparisons easy.

The value chain tool may be best for agriculture, but it is unclear how well it would work to measure jobs impacts for the service or even manufacturing sectors. For example, within one value chain, in one economy, for a manufactured good, some firms will source their inputs from domestic markets, some from foreign markets, and some will make some of the inputs within the same manufacturing establishment. When this is the case, it would be difficult to make general (average) statements about the value chain when there is so much heterogeneity. For services, vertical or horizontal integration matters because what may seem like similar services may actually be services competing in different markets. Take hotel services for instance. Some hotels are all-inclusive with food and transport and entertainment services included, while other hotels simply provide lodging. This makes it difficult to define value chains by services such as lodging, since they are likely competing in different markets—for different consumers—complicating the value chain approach immeasurably.

Triangulation of the job estimation models has yet to be achieved. Triangulation—where the three models are used to measure the jobs impact for the same intervention or investment to calibrate the models—largely depended on whether a project was an appropriate candidate to do this.

Overall, this has been a learning-by-doing exercise and the lessons learned at each step helped the working groups revise, adapt, and refine the tools further. This approach was feasible based on the level of collaboration in the partnership. Ultimately, the goal is to develop a framework that is useful for project teams to estimate and measure the employment impact of their projects with a level of standardization and rigor.

Partner-led studies

In addition to pilots being carried out under *Let's Work* Pillar 2, a number of other pilots have been initiated by *Let's Work* Partners individually and in collaboration, not only supporting the collective approach of the partnership, but adding to the knowledge and value being created and shared from development impact evidence.

Given the strong focus in Pillar 1 on value chains as a solution for delivering more, higher quality jobs, many of the *Let's Work* country pilots recognized the potential to take advantage of the VC analytical tools developed under Pillar 2, while at the same time contributing additional case examples to support the efforts under Pillar 2. Eight pilots are being implemented by the World Bank (see Table 8 below) primarily focusing on agriculture, and secondly on manufacturing, case

studies. The plan is to complete a jobs diagnostic to inform strategy and action plans around jobs creation going forward.

Table 8: Value Chain Pilots Under Pillar 1

Sector	Country	Partner	Status	Start date	End date
Horticulture (Black Sesame, Cedron)	Paraguay	WB	After reviewing an initial proposal of potential value chains, Black Sesame was selected for a quantitative analysis and Cedron for a shorter qualitative analysis. Negotiations are on-going with the consultant based on their submitted proposal.	November 2016	August 2017
Livestock (Pork Meat Processing)	Paraguay	WB	After reviewing an initial proposal of potential value chains, the Pork Meat Processing VC was selected for a quantitative analysis. Negotiations are on-going with the consultant based on their submitted proposal.	November 2016	August 2017
Horticulture (Tomato)	Tanzania	WB	After a detailed sector review and secondary analysis the Tomato VC was selected for a regional study in Njombe and Iringa. A competitive selection process has been launched to contract a consultant to implement the quantitative and qualitative tools.	November 2016	July 2017
Horticulture (Olive Oil, PAM)	Tunisia	WB	Capacity building resulted in a set of VC analysis that contributed to the final VC selection. It also involved some preliminary mapping. Currently consultant firm contracting is underway.	January 2017	August 2017
Livestock (Poultry, Aquaculture)	Zambia	WB	This project was completed and data collected from the required sample of farms and firms. A draft report has been prepared based on the final dataset and qualitative results. The report will be available for sharing after final clearances.	January 2016	June 2016
Leather & Leather Goods, Footwear, Plastic Goods, Light Engineering	Bangladesh	WB	After careful review, 4 manufacturing value chains were selected to be part of a jointly managed and funded activity with the World Bank T&C GP. The tools were adapted to capture global linkages with these sectors. A consultant was contracted after a competitive selection process. Fieldwork will be launched shortly.	November 2016	June 2017
Horticulture (Cassava, Pigeon pea, Sesame and Cashew) & Forestry Construction	Mozambique	WB	Based on research and analysis, four crops were selected for the VC study to be conducted in the provinces of Nampula, Zambezia and Manica. The Construction & Forestry VCs are currently not being considered for the study. A consultant was awarded a contract to conduct preliminary mapping and sample analysis. Due to the unavailability of sufficient sample information the contract has been suspended. Hiring a new consultant is being considered.	August 2016	August 2017

The World Bank is also carrying jobs-focused dynamic computable general equilibrium models to assess the impact of investment programs on jobs at the macro and sectoral levels. The countries covered are Kazakhstan, Lebanon, Tunisia, and the Palestinian Territories. Previous World Bank studies on jobs using CGE models also covered Morocco, Tunisia, Lebanon, and Syria. The purpose was to assess the interactions among social insurance, education, labor market, and macroeconomic policies using the SELMA framework developed by Marouani and Robalino (2012).[14]

The model developed is a multi-sector, sequential labor market-focused, dynamic general equilibrium model taking into account labor market segmentation along different dimensions, depending on their relevance (and availability of data) in the country under investigation: migration/local market, skill, formal/informal, youth (less than 25 years)/non youth, and gender. It has also a regional dimension for the Palestinian model (West Bank and Gaza), which is crucial given the big differences characterizing the two regions.

The objective of the 'investment and jobs' studies is twofold: i) first assess the impact of government investment programs when these are available (e.g. in Kazakhstan); or ii) implement global or sector by sector investment scenarios to assess which sectors have the highest potential in terms of jobs creation at the quantitative and qualitative levels. Different financing schemes are also being experimented with—financed through local or foreign savings, substituting public jobs by investment in the private sector, etc.).

Sectoral investment shocks operate through four main channels: i) an increase in production that can entail job creation if the output effect is stronger than the substitution effect; ii) a substitution between capital and labor (as more capital reduces its rate of return, capital becomes cheaper relative to labor); iii) the variation of investments in other sectors; and iv) intermediate consumption and sectoral capital composition (of new investment) effects which impact production and jobs in these sectors. In addition, due to the fact that different economic activities rely more or less on different types of workers (by skill, age, etc.), changes in the distribution of investments imply changes in the composition of jobs that affect different segments of the labor force differently.

IFC is piloting an approach—Expanded Appraisal—in collaboration with CDC to understand effects on SME beneficiaries. The objective of this approach is to understand the characteristics of Financial Institutions' SME borrowers at loan origination (e.g. gender, sector, age, use of loan, number of employees, sales, etc.). If data are available or can be collected by the DFI (through a client call), the team can assess: i) the change in important variables in the SMEs' operations (e.g., jobs added, sales, etc.); and ii) change in characteristics of SME beneficiaries. This approach is

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[14] SELMA: Social insurance, Education and Labor Markets; see Marouani and Robalino (2012), "Assessing Interactions among Education, Social Insurance and Labor Market Policies in Morocco." Applied Economics, Volume 44, Issue 24, pp. 3149-316.

more suitable for client banks that collect/track data on employment, sales, assets, and gender of their SME clients.

Another approach developed by IFC, based on dynamic simulation models (Economy-wide Private Sector Impact Quantification - EPIQ Modeling initiative), aims to measure the economic impact of private sector investments, including jobs. This is a dynamic micro-founded simulation model that uses a similar theory-based foundation as that of general equilibrium models under the flexibility of a system dynamics modeling framework, which implies it has a structure that ensures consistency within a 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 (that allows modeling of specific sectors of interest in more detail, reflects as close as possible how the private sector functions in the real world, and improves communication with our clients and stakeholders). Overall, this modeling framework allows one to estimate impacts on different segments of the labor market over time, as well as link private interventions to employment and distributional impacts. The first pilot for this model was built for the Philippines. A baseline case with simulation results up to 2030 has been put together, along with several scenarios related to investments in agriculture, manufacturing, and the power sector; a final report will be generated by June 2017. The second pilot of this model, for Ethiopia, is part of the *Let's Work* Pillar 2 macro projects as described before.

IFC conducted a study of the impact of investments in power generation in the Philippines. The study was funded by *Let's Work* and completed in June 2015. 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 Microsoft 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 was mainly funded by the IFC Development Impact unit with the contribution from *Let's Work,* and was completed in July 2015. 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: capturing direct, indirect, and induced effects through backward production linkages; and iii) increase in power supply: capturing the effects through forward production linkages that account for the increased supply of inputs to upstream industries.

The AfDB conducted a value chain analysis of the Poultry sector in the provinces of Niassa and Zambezia of Mozambique. The poultry sector is seen as a vehicle for job creation and poverty reduction by the government of Mozambique. The two provinces above do not have a well-developed poultry sector, hence the request of the government to conduct this study. The AfDB team adapted the survey instruments developed by the Value Chain Working Group under Pillar

2. An inception report was presented by the consultant during a small workshop attended by all *Let's Work* partners in the country. The field work has been finalized, and a draft report has been produced. It will be discussed in April 2017 at two workshops in Maputo and Niassa. The report will also be presented during the next in-person meeting of *Let's Work* Partners. The main findings are: i) the economic crisis experienced by the country in the last two years (depreciation of the domestic currency and high inflation) has led many small poultry producers to close their businesses; and ii) the lack of input providers (poultry feed and one-day old chicks), butcheries, and wholesalers are the greatest constraints to the sector's development.

In 2016, IIC launched several initiatives to advance the agenda of measuring the employment effects of its operations. Among these initiatives, IIC: i) conceptualized a study to assess *ex ante* the economy-wide impact of an investment in the tourism sector in Jamaica, which will include the impact on GDP, employment, and poverty (the study will be carried out during the current year); ii) formed a specific working group focused on employment generation reporting and measurement; and iii) initiated the design for an impact evaluation on the direct and indirect effects on employment of a large-scale infrastructure project in Colombia. Additional studies are being considered in the area of evaluating the impact on employment of agribusiness value chain investments.

Since September 2016, ILO is supporting the Zambian Central Statistical Office producing the Supply and Use Table for the year 2010, and related Input-Output tables and Social Accounting Matrix (SAM). These will feature "green product and industries" according to the Environmental Goods and Service Sector guidelines, and will be the database for a "Green Employment Projection Model" that would provide an analytical support to the implementation of the 7th National Development Plan, as requested by the Government of Zambia. The database and model will explicitly treat the hydropower sector and include the Zambian Western Power Project supported PIDG.

ILO shared experiences with Randomized Control Experiments in the area of enterprise development, and 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) when possible, collecting multiple and frequent follow-up surveys is extremely useful to avoid losing track of individuals in the evaluation sample and insure 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.

On behalf of the EDFIs, Proparco undertook an *ex post* evaluation of the development impacts of renewable energy (RNE) infrastructure projects. This study constitutes a contribution to *Let's Work* Pillar 2 as it develops a methodology for estimating job effects of RNE projects, based on

the Input-Output approach. This area of study seemed particularly crucial, as no specific methodology was available to easily assess the global effects of RNE infrastructure projects on employment and their contribution to national value added. This study, therefore, allows one to close this gap and provides a web-based tool that is being developed based on existing relevant case studies done for IFC, CDC and Proparco. The tool presents the great advantage of being user-friendly and easy to share, and of providing an estimate of the order of magnitude of the potential impacts such projects can have on an economy. It builds the basis for further cooperation among DFIs to finance additional case studies that would feed the tool and enhance estimate robustness.

DEG *(Deutsche Investitions – und Entwicklungsgesellschaft)*, the German Development Finance Institution on behalf of the EDFIs, together with the World Bank Jobs Group, presented the study, *'Bridging the skills gaps in developing countries – A practical guide for private sector companies,'* in Washington, D.C. The study provides companies with the tools they need to pursue 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: i) 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; ii) 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; iii) 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; iv) 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; v) the approaches developed (guide for practitioners, self-analysis tool, and assessment methods) were tested and optimized by conducting case studies with five customers.

The case study, *'Committed to fair working conditions - DBL-Group: High labour and safety standards in the Bangladeshi garment industry pay off,'* was also launched by DEG in 2016, and shows the business case for better working conditions, even in 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.

EIB is undertaking studies in the financial sector monitoring lines of credit. EIB carried out a study on the 'Employment impact of EIB infrastructure investments in Mediterranean Partner Countries.'. The study used two complementary analyses: i) macroeconomic analysis: simulation using I-O/SAM to assess the indirect and induced employment effects; and ii) project level analysis: to assess the quantity and quality of direct jobs created. From this exercise we learned the following: 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 are key, and close cooperation between data collectors and modelers is required); ii) from project-level analysis, simple indicators to measure the direct employment effects are best—reporting methods 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, and 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.

ODI has also shared the results of a job creation impact study of a small investment in a hydro project plant 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.

IFC, a *Let's Work* partner, hosted a conference in Paris on March 2017 to share insights from recent impact evidence within the private sector development community. Over forty-five (45) participants attended, including representatives from *Let's Work* partner organizations such as CDC, DEG, EIB, IFC, FMO, IIC, ILO, PIDG, Proparco, SECO and WB, as well as other organizations. The focus was on sector findings and methods applied to measure jobs impacts. Discussion centered around the following three themes: i) Economic Growth—current evidence, infrastructure, quantitative methods, SDGs, *ex ante* modelling; ii) Jobs supported—current evidence, agriculture value chains, power, SME banking; and iii) Looking forward—evidence gaps and future key themes, sectors, and partnering around evaluations. This conference demonstrated a high level of interest and support within the community to come together to better meet the demand for evidence of the impact of private sector operations. The shared ambition among participants was to further operationalize collaboration to share ideas and key knowledge products, and explore possible concrete cooperative arrangements.

5. Pillar 3: Communications and Knowledge Sharing - Work Program and Results

The overall objective of this work component is to disseminate and maximize the global public good aspect of the lessons learned in Pillars 1 and 2.

Work Program and Agreed Deliverables

At the inception of the Partnership, the *Let's Work* Steering Committee agreed upon the below program targets for Pillar 3 (see Table 9). Since then, we have met seven of the eight targets. For blogs—the remaining indicator—we have completed nine of the twelve (12) planned blogs.

Pillar 3 is a work in progress and showcases the lessons learned under Pillar 1 and Pillar 2. Therefore, we will continue working on disseminating the outcomes and lessons learned from Pillars 1 and 2 to ensure we maximize the global public good aspect of the program.

Table 9: 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

Results and Key Highlights

- Launched six blogs on the World Bank Jobs Group blog platform that highlighted progress made and lessons learned under *Let's Work* Pillar 1 and Pillar 2.

- How do we measure jobs? http://blogs.worldbank.org/jobs/how-do-we-measure-jobs

- In Zambia, agribusiness creates potential for job growth: http://blogs.worldbank.org/jobs/zambia-agribusiness-creates-potential-job-growth

- Partnering to measure impacts of private sector projects on job creation: http://blogs.worldbank.org/jobs/partnering-measure-impacts-private-sector-projects-job-creation

- Understanding value chains to drive job growth:
  http://blogs.worldbank.org/jobs/understanding-value-chains-drive-job-growth

- When it comes to measuring jobs, the need to refine traditional tools with new methods: http://blogs.worldbank.org/jobs/when-it-comes-measuring-jobs-need-refine-traditional-tools-new-methods

- Simulating job growth through macro models: http://blogs.worldbank.org/jobs/simulating-job-growth-through-macro-models

- Presented *Let's Work* Pillar 2's ongoing work at the November 2016 Jobs and Development Conference hosted by the World Bank Jobs Group and the Network on Jobs and Development[15]. Alvaro Gonzalez, Global Head of *Let's Work*, chaired a session called 'How Do We Measure Jobs Better?' The communications team wrote a blog post on the session that was published on the Jobs Group platform (see link above) and disseminated via the Jobs Group's social media channels.

- Presented findings of the Paraguay Jobs Diagnostic at a World Bank Group brown bag lunch event in February 2017.

- Distributed and promoted content and updates on the *Let's Work* website, Jobs newsletter, and Jobs social media platforms.

- Updated Partner Protected website to include information on Pillar 2 working groups, steering committee meetings, and technical meetings. Drafts of ongoing Pillar 1 and Pillar 2 work that were discussed during the December Steering Committee were also added.

- Built a thematic knowledge sharing workshop series where *Let's Work* partner-related topics were presented to small audiences of interested experts in Mozambique.

Lessons Learned and Next Steps

I*ncreasing participation and frequency of Communications Working Group Meetings*: Collaboration among *Let's Work* partners is key to the success of the Pillar 3 work program. At the beginning of the program, we established a Communications Working Group comprised of partner organizations. Through this working group we aim to share public and non-public deliverables under Pillar 1 and 2 to relevant stakeholders. Although some members of the working group have been successful in sharing knowledge and maximizing communications

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[15] The Network on Jobs and Development is comprised of five research institutions from various regions of the world: Development Policy Research Unit at University of Cape Town (DPRU, South Africa), HKUST Institute for Emerging Market Studies (HKUST IEMS, Hong Kong), Indian Council for Research on International Economic Relations (ICRIER, India), Institute for Structural Research (IBS, Poland) and Latin American and Caribbean Economic Association (LACEA). It is a partnership financed by the World Bank's Development Grant Facility and sponsored by the World Bank's Jobs Group.

outreach, more work can be done. We held three (3) communications working group meetings in 2016. In the future, we encourage higher participation in these meetings and will also increase the number of meetings held to accommodate schedules and time differences.

Auditing and Simplifying the Partner Protected website: The Partner Protected portion of the website was built to share materials, tools, and lessons learned among partners. This page is updated frequently; however, some have noted that the website's structure can be confusing because of the number of levels on the site. Next year, we plan to audit the website so that we can simplify its structure.

In addition to the above, we plan to continue disseminating the outcomes and lessons learned from Pillar 1 and 2 via communications activities. Activities planned include the following:

- *Country Facing Work:* share information coming out of Pillar 1 and Pillar 2 work, e.g. interviews, blogs, fact sheets, videos, interviews, infographics, etc.

- *Jobs Diagnostic Tool and other tools:* plan workshops focused on specific diagnostic tools planned in collaboration with partners.

- *Mozambique Knowledge Sharing Workshops:* Over the next few months, **Let's Work** will present the findings of the value chain studies by consultants and will also organize a session on the employment-creating potential of special economic zones and manufacturing development.

6. Financial Report

The *Let's Work* Partnership is financed from multiple sources: The Jobs Umbrella MDTF, donor partners include Austria-Federal Ministry of Finance, Austrian Development Agency, Norway Ministry of Foreign Affairs, Germany-Federal Ministry of Economic Cooperation and Development, UK-Department for International Development and Swedish International Development Agency and the IFC *Let's Work* MDTF (donor partners include SECO and PIDG). The IFC has contributed $1.5m (USD) over the past 3 years; and through in-kind contributions from a variety of partners. 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 $250,000 (USD) either in cash or in kind.

Table 10: Summary Report Jobs Umbrella MDTF Status of Contributions as of February 2017

Donor Name	Currency	Amount in Country Currency	Amount in USD	Paid in USD	Unpaid in USD	Of which preferenced for Let's Work
Norwegian Ministry of Foreign Affairs	NOK	120,000,000	15,309,737	15,309,737	-	
Austrian Development Agency (GmbH)	EUR	1,600,000	1,877,999	1,877,999	-	
Austrian Federal Ministry of Finance (BMF)	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	1,119,260	1,119,260	-	
United Kingdom (DfID)	GBP	14,650,000	20,200,790	15,564,108	4,636,683	10,127,557
Swedish International Development Cooperation Agency (SIDA)	SEK	54,000,000	6,242,236	5,031,002	1,211,234	
TOTAL *			45,850,461	40,002,545	5,847,916	11,127,557

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

Table 11: Jobs Umbrella Allocations for Let's Work Program (Actual and Notional)

	# of Interventions	Allocation Amount	Comments
LW Pillar 1 (Country Pilots)	7	9,909,001	Mozambique, Zambia, Tanzania, Bangladesh, Balkans, Paraguay, Tunisia [Lowering of allocation primarily due to reduction in Mozambique allocation due to exchange rate losses; the grant is down from $5.2m to $4.6m. Also increased Tanzania and Zambia allocation by $100k each].
LW Pillar 2 (Improving Data, Methodologies and Analysis) *	22	1,873,165	Implementation of the measurement tools on direct, indirect, and induced jobs through value chains, tracers, and macro modeling.

LW Communications, Program Support, and Oversight		1,505,230	Management and development of the measurement tools and dissemination of the results, as well as the overall knowledge management, dissemination and secretariat functions of Let's Work.
LW contingency		400,000	This is expected to cover either additional measurement pilots or to deepen the interventions in a Country Pilot [Reduction in contingency to accommodate unexpected increases in LW Tanzania and LW Zambia].
TOTAL LW Allocations		**13,287,396**	(Pillar 1 + 2 + 3/Support/Oversight+ Contingency)

* Thirteen interventions financed from the Jobs Umbrella and nine interventions for Let's Work Pillar 2 will be financed from the IFC MDTF for Let's Work and total US$ 1,445,000.

Table 12: Summary Report IFC Let's Work Trust Funds

Donor Cash Flow Statement (From inception to Dec 31, 2016. Amount in USD)	Funds Committed by Donors (Agreement signed)	Funds received from Donors
Netherlands	1,000,000	1,000,000
IFC*	1,500,000	1,500,000
SECO	1,500,000	1,500,000
PIDG	250,000	167,000
Total	**4,250,000**	**4,167,000**
TF administrative fee deduction		(108,350)
Investment income received		18,169
Total funds available		**4,076,819**
Total expenditures		**2,813,486**
Donor funds balance at the end of the reporting period		**1,263,333**
Outstanding donor commitments		83,000

* Represents funds committed and spent by IFC from its own resources

Table 13: Funding in IFC MDTF Pipeline

Partner	Type of Contribution	Amount (in USD)	Status
ADB	in cash	250,000	*Pending* - draft Agreement and template sent- pending discussion between legal teams on certain clauses
AfDB	in kind	250,000	Pending confirmation
EIB	in cash	250,000	Pending – draft Agreement and template sent
EDFIs	in kind	500,000	Pending - under active discussion
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
TOTAL		**2,250,000**	