

JOBS



SPRING 2015 | CALL FOR PROPOSALS



WINDOWS:

1. *Jobs Data, Diagnostics, Strategies and Operations;*
2. *Job Creation Through the Private Sector (Let's Work Program);*
3. *Jobs for Youth;*
4. *Jobs in Fragile and Conflict Affected Countries;*
5. *Actionable Research on Jobs.*

Umbrella Trust Fund on Jobs

The Umbrella Trust Fund on Jobs (UTF-JOBS) is pleased to announce its first Call for Proposals for 3 of its 5 Windows: ***Data, Diagnostics Evaluations and Strategies (Window 1);*** ***Jobs for Youth (Window 3);*** and ***Jobs in Fragile and Conflict Affected Countries (Window 4).*** This call is financed by the British Government's Department of International Development (DFID); Norwegian Ministry of Foreign Affairs; Federal Ministry of Economic Cooperation and Development of Germany; Austrian Development Agency; and the Austrian Government.

The UTF-JOBS aims to generate global knowledge and innovative solutions to support the implementation of multi-sector country strategies and programs that promote job creation; improve the productivity and quality of jobs, and connect people to jobs.

This call will finance activities involving data collection; jobs diagnostics and modeling tools; development and implementation of jobs strategies; capacity building; and impact evaluations of multi-sector country pilots. Thematically, Window 1 will prioritize activities focusing on: i) identifying where the potential for job creation lies across sectors, locations, and types of enterprises; ii) raising the

productivity and quality of jobs, particularly in the informal sector; iii) improving access to jobs for vulnerable workers; iv) linking the process of urbanization and urban policies to jobs; and v) realizing the potential of information and communication technologies (ICTs) on jobs. Window 3 and Window 4 will focus respectively on jobs for youth and fragile and conflict affected countries (see below a more detailed description of the activities to be financed under each of the three Windows). In all proposals gender issues should be mainstreamed. In particular, activities that involve data collection should include modules that allow for the analysis and disaggregation of gender specific outcomes.

An additional call for proposals for the Research Window (Window 5) will be made shortly; it will be open to International Labor Organization (ILO) and World Bank Group (WBG) staff in collaboration with Development Economics (DEC) researchers. The "Let's Work" Window will have separate arrangements to allocate funds.

This call is open to WBG staff and to staff in other institutions working in partnership with the WBG.

Selection will be through a scoring process where, besides the quality of the proposals and their relevance, priority will be given to activities that meet all or several of the following criteria: 1) involve multi-sector interventions that address important knowledge gaps within the jobs agenda; 2) demonstrate innovation; 3) have a strong ownership by, or involvement of, counterpart governments/clients; 4) build on current lending operations, investments or Advisory Services and Analytics (ASA); 5) have the potential to be scaled up by governments or the private sector; 6) have a well-defined monitoring and evaluation framework with a gender focus and linkages to the WBG's twin goals of ending extreme poverty by 2030 and boosting shared prosperity among the bottom 40%; and 7) for multi-year projects, those able to effectively disburse substantial funds over the next 12 months.

The deadline for applications is Tuesday, March 31, 2015 at 6 pm (18:00h) Eastern Standard Time. All applications should be submitted to the email address: jobsCCSA@worldbankgroup.org. Note that the application must be submitted by a WBG staff member, who will serve as the TTL. All activities funded under these windows should follow WBG ADM and quality assurance processes.

Activities to be financed by each Window

WINDOW 1: JOBS DATA, DIAGNOSTICS, EVALUTATIONS AND STRATEGIES

Window 1 will support data collection activities; the development of jobs diagnostics and modeling tools; the design and implementation of jobs strategies and operations; and impact evaluations of multi-sector country pilots.

Particular attention will be given to interventions that address the following jobs challenges:

Unlocking the potential for job creation in particular regions, sub-sectors, and enterprises

Jobs are key to achieving the twin goals and, as the World Development Report 2013 argued, central to development more broadly. Over the next 15 years, an additional 600 million jobs are needed globally to keep employment rates stable and to keep up with population growth. But there are today around 200 million workers unemployed, including 75 million youth (under the age of 25). In addition, over a billion people of working age, most of them women, are not participating in the labor force. A fundamental component of the jobs agenda is therefore employment creation through the private sector, where 9 out of every 10 new jobs come from. Key issues and policy questions to be addressed include:

- How to identify and enable the types of economic activities that can provide job opportunities in order to reduce poverty reduction and boost shared prosperity?
- What types of enterprises and self-employment opportunities are creating good jobs and what types of interventions can promote their development?
- How to assess the potential for job creation and the demand for skills within specific sub-sectors and value chains, and identify and address constraints that limit this potential?
- How to ensure that key transformations (structural, spatial, demographic) benefit the most vulnerable workers?

Raising the productivity and quality of jobs, particularly in the informal sector

Raising incomes is key to boosting shared prosperity. Beyond creating new jobs, this means improving the productivity and earnings of existing jobs or facilitating the movement of workers to better jobs (see next topic area). More than half of those who are employed are in informal jobs. They include farmers, own-account workers, or wage employees without contracts; a majority of them are poor. Even with a rapid growth in the number of formal jobs, many workers will continue to be in low productivity, low quality informal jobs, particularly in low income countries. A second component of the jobs agenda therefore is to identify interventions that can increase the productivity of informal jobs and bring social insurance and better working conditions to workers.

- What types of interventions can be considered to help subsistence, small scale, entrepreneurs succeed?
- What types of interventions can increase the productivity and earnings of informal firms or the types of employment where many of the poor are engaged?
- How to adapt business and labor regulations to provide incentives to promote the formalization of informal firms?
- How to identify the potential for job creation and the demand for skills within specific sub-sectors and value chains and the constraints that need to be addressed?
- How to create linkages between informal and formal firms along value chains and across sub-sectors?
- How to expand the coverage of social insurance programs without reducing incentives for the creation of formal jobs?

Connecting vulnerable workers to good jobs

In addition to the 200 million unemployed worldwide there are around 1.6 billion individuals of working age who do not participate in the labor market; the majority are women and youth. Millions more are underemployed, many are poor. This constitutes a dramatic loss of human capital that compromises economic growth and improvement in living standards. A third, critical, component of the jobs agenda therefore involves providing incentives for workers to participate in the labor market or improve their ability to access more productive or higher quality jobs, including addressing the economic, social, and cultural constraints these individuals face. Questions to be addressed include:

- What types of interventions are effective at increasing participation rates among women?
- What types of institutional and regulatory failures need to be addressed to address occupational segmentation affecting women?
- How to reform social safety nets to improve incentives for work?
- How to improve the functioning of active labor market programs by developing contestable markets for private provision of services and appropriate contracting and payment systems?
- What types of innovative instruments, such as social bonds, can be used to finance the expansion of the coverage of ALMPs to vulnerable population groups?
- How to improve the design of skills development programs to respond to market demands?
- How to promote on the job training and investments in skills within firms?
- How to facilitate labor mobility across regions and economic sectors and mitigate the impact of structural change?

Note: Proposals that focus primarily on youth should apply through Window 3 on Jobs for Youth; proposals that include an analysis of youth as a sub-theme, should apply to this Window.

Linking the process of urbanization and urban policies to jobs

The creation of good jobs has an inherent tendency to geographic agglomeration, and initial advantages matter. The success of a city fosters more success, as communities that can attract skilled workers and good jobs tend to attract even more. Urbanization policies, not only in large cities but also small towns, are therefore very important part of the jobs agenda. Unfortunately, too often, planning and investment decisions are not made with an eye on the implications for job creation. Even within a given city, there is a large variations in the distribution of jobs created across neighborhoods and the level of access that different population groups have to these jobs. Questions that need to receive attention include:

- How would bringing a jobs lens affect decisions around the choice of infrastructure, services, and regulations?
- What are the constraints to creating competitive cities that are also inclusive and what can be done to address them?
- What differences in policy approaches need to be considered to maximize job creation in different urban contexts: mega-cities, secondary cities, per-urban cities.
- What role can the private sector play in influencing the growth of inclusive jobs in cities?
- What is the role of spatial techniques in understanding the potential for agglomeration benefits, links between access to infrastructure, public services, where the poor live and the location of different types of jobs?

Realizing the potential of information and communication technologies (ICTs) on jobs

Advances in ICT, automation and robotics provide opportunities for creating new types of jobs, improving the productivity of current jobs, and expanding access to jobs: From startups that rely very little on infrastructure and capital, to farmers who can access information about prices, to small entrepreneurs using mobile money to pay suppliers, to online work, to mobile phone and web platforms that provide improved job matching services. But these technologies can also render some jobs obsolete and change, dramatically, the types of skills that are needed in the labor market. As a result, technology can also be a force behind raising inequality. Within the jobs agenda there are therefore important policy questions about how to maximize the job opportunities that ICTs bring, while mitigating their impacts on workers who lose their jobs or see their skills become outdated:

- What is the evidence of the impact of ICTs and automation on jobs (quantity, quality and inclusiveness) in developing countries?
- How should education and training systems adapt to prepare workers for the jobs of the future?
- How to use new ICTs to promote entrepreneurship and support small scale entrepreneurs?
- How to use new ICTs to connect workers to jobs?
- How to use new ICTs to expand the coverage of social protection programs?

WINDOW 3: JOBS FOR YOUTH

The theme of Window 3 for this call focuses on interventions to equip young people with skills needed for wage employment as well as self-employment and entrepreneurship (including in the context of the digital economy); subsequent calls will focus on other themes of the Jobs for Youth Window, such as informality and self-employment.

Between 2015 and 2030, nearly a billion young people will enter the labor market; the global economy will need to create five million jobs each month, simply to keep employment rates constant. In addition, the World Bank Group has set an ambitious goal for the global community, to eliminate extreme poverty and to boost shared prosperity for the bottom 40 per cent of the population by 2030. The primary stakeholders in this endeavor - those who will determine whether or not the world succeeds in meeting this challenge - are today's youth. In spite of decades of investment, there is still limited knowledge about the constraints young people face in entering the labor market, the policies and programs needed to address these constraints, and how to design and implement effective and sustainable solutions at sufficient scale. Window 3 will support interventions to address various aspects of one fundamental objective, which is *to remove the obstacles that prevent young people from finding productive employment, and to identify those programs, processes, or policies that are needed to alleviate these constraints most effectively and facilitate productive employment.* Achieving this objective requires a large number of activities, including the diagnosis of the constraints facing young people in diverse environments; the design and testing of innovative programs and solutions; capacity-building for implementing partners; developing partnerships, especially between practitioners and the private sector; understanding how to achieve productive employment at scale; building youth-led businesses and integrating into value chains; and so on. Through a series of consultations with researchers and implementers in the field of youth employment, we have identified the following set of questions that will enable us to address the most important gaps in our understanding. This call is specifically to request proposals from diverse stakeholders to identify effective programs and policies in these areas. In addition to the general criteria for the UTF-JOBS, proposals to be considered under Window 3 must also demonstrate (1) the relevance of the work to youth employment policy, and how it will lead to more, better and inclusive jobs for young people; (2) how the work addresses a gap in existing knowledge; and (3) the likelihood that the programs can and will be replicated or scaled up. Finally, activities supported through this Window must demonstrate engagement with the private sector in some capacity, as generators of sustainable jobs and growth as well as service providers.

Young people's cognitive and technical skills for employment

Skills have a significant effect on how well young people are able to navigate the transition into productive employment. Cognitive ability—approximated by measures such as IQ score or other 'objective' measures—is a powerful determinant of wages, schooling, and success in many aspects of social and economic life. Nonetheless, there is often a significant gap between the reality of young people's 'job-readiness' when they leave schooling and the expectations of employers welcoming their newest recruits to the workplace. Firms interviewed for the World Bank's Enterprise Surveys report highlighted that the lack of skilled workers constrains expansion and growth. Although it is well understood that employers require both technical skills and 'soft' skills, it is not yet clear which of those soft skills are important, and in what context, and how to communicate them effectively. To date, training programs have been mostly ineffective producing young people that are adequately prepared or equipped for work. How can skills training

programs for young people be made more effective for both the young person and the employer? For example, effective skills programs must understand:

- What is the optimum amount or duration of training?
- What mechanisms can be used to make TVET programs be firmly grounded in the demands of the labor market? How can the needs of employers be incorporated into curriculum design?
- How can training programs take into account the preferences of youth?
- How can the needs of employers be incorporated into curriculum design?
- How can apprenticeships programs be designed to foster on-the-job skills development?
- Is performance-based contracting for providers always a good idea? What are the conditions for performance-based contracting of providers to work effectively?
- How can skills training be incorporated effectively into cash for work programs?
- How can these programs reach meaningful scale? What are the limits of capacity, and at what scale do general equilibrium concerns arise?

The role of socio-emotional (non-cognitive) skills for employment

However, technical skills may be less important than soft skills for employment. Recent research confirms that firms are increasingly looking for workers with better socio-emotional skills, and that workers with greater socio-emotional skills are more successful both in wage employment and in self-employment. Foundational cognitive and socio-emotional skills are powerful determinants of earnings, schooling, and socio-economic success. Abilities such as perseverance, motivation, and the ability to interact productively with others play a significant role in securing and retaining work. However, there are enormous gaps in our understanding of these skills. This requires that we build greater understanding and evidence on:

- What socio-emotional skills are most important for wage employment, and what are important for entrepreneurship and productive self-employment? Do different socio-emotional skills matter for different sectors of employment?
- How can socio-emotional skills be imparted effectively in young adults through training programs? How can they be more effectively delivered? What is the optimum amount or duration of training?

Skills for digital technology and employment

In the near future many workers will need to be digitally literate. Especially in rapidly growing and urbanizing labor markets, digital literacy will be a necessary skill for the 21st Century. And yet training in this critical area can be poor or nonexistent. Policy makers are unsure about what needs to be done to deliver a digitally literate workforce and prepare for the economy of the future. Furthermore, the kinds of skills required for the digital generation are equally unclear. To enter the digital jobs era, we need to understand better the skills required and how to get them:

- What skills are important for those jobs that involve digital technology directly, whether wage jobs or self-employment?
- What digital skills will be required among those whose work does *not* directly involve digital technology? How can these tools be adapted to improve the productivity of non-digital work, whether farming, services, or manufacturing?
- What are the most effective means to impart these skills to young workers?

WINDOW 4: JOBS AND LIVELIHOODS IN FRAGILE AND CONFLICT AFFECTED COUNTRIES

As a complement to Window 1, Window 4 will support additional work on context-specific challenges of creating employment in situations affected by conflict, violence, instability and uncertainty. Window 4 will support stronger analytical underpinnings of the links between employment and stability, design and implementation of multi-sector and coherent jobs strategies, and the role of private sector in job creation in fragile and conflict affected situations; impact evaluations of job creation programs and of programs in support to increased productivity in the informal sector; and knowledge on job creation under uncertain and unstable conditions.

Employment creation in conflict: facing uncertainty, fostering stability

Employment creation in fragile and conflict affected states is assumed to engender poverty reduction and improved stability. However, the empirical literature on employment creation in fragile states and post-conflict situations remains limited, and the research gaps are significant. Although it is well established that job creation reduces poverty in general, it is not clear that the lessons from “stable” developing countries are transferable to the fragile context. Similarly, although unemployment and underemployment are higher in unstable and fragile environments it is not clear that employment creation per se promotes stability. Recent research suggests that not all jobs have the same impact on stability. Notwithstanding the lack of evidence, policymakers around the world highlight the importance of employment to increasing stability and reducing conflict. However, this suggests that we have a responsibility to understand more clearly:

- What’s the connection between employment and instability, conflict, and violence? Does unemployment increase the risk of conflict?
- Does rapid growth population increase the risk of conflict?
- Can work, jobs, and employment programs lead to stability and peace?

Understanding firm and household behavior in fragile environments

At the same time, while it is well established that violence, conflict and uncertainty reduces investment, there is insufficient understanding of the effects of conflict, violence and uncertainty on firms’ and the informal sector’s behavior, as well as of households’ coping strategies. There is also little systematic gathering of district-level data. This call for proposals will welcome proposals that help to close the gap in data and diagnosis, including:

- micro-data generation from firms (formal and informal) and households in fragile environments;
- rigorous empirical research on firm behavior and household coping strategies under conflict and violence risk;
- fostering a deeper understanding of the relationship between employment creation and stability.

Supporting jobs and livelihoods in the aftermath of violence, conflict and shocks

Rapid generation of new, more stable and higher productivity jobs is a key government priority in almost all fragile and conflict affected states (FCS). Employment is critical for restoring livelihoods of individuals and families affected by war and violence. Job creation is increasingly being used to pursue re-integration of war combatants in local economies, jump-starting economic activity, countering risks of violence, and rebuilding the social fabric. Data limitations have hampered systematic rigorous evaluations of public work programs and of the labor impacts of investments in other sectors.

Key policy questions to be addressed include:

- How can sustainable jobs be provided for vulnerable groups (including refugees and hosting communities) affected by the direct (or indirect) effects of violence or war?
- How can cash transfers support livelihoods as well as welfare in response to stresses in fragile situations?

- What are the most effective strategies for sustained re-integration of ex-combatants? How can short-run employment programs, including public works, be designed to have sustained positive impacts in longer term, particularly when labor demand is weak?
- Do different job-creation strategies have different consequences for peace- and state-building?
- How can basic skills be imparted to those who had their education prematurely curtailed? How can technology be leveraged to support skills-development in violence-affected areas?
- What are the most effective strategies in support to access to jobs and livelihoods by youth and women?
- Which employment programs are most effective in reducing the risk of violence?

Fostering a job-creating sustainable recovery

The performance of activities in support to medium-term job creation is mixed. Fragile states are characterized by weak governance, ineffective institutions, slow growth, poor infrastructure, exclusive politics, inadequate basic services, and many other factors which may discourage private investment. Often, the investments for private sector development that have been made in fragile environments have not yielded results in the short term, with little impact on employment-intensive sectors such as agriculture, local services and small and micro enterprises. Paradoxically, some reforms may foster growth in capital-intensive sectors, with lopsided rebounds, fewer linkages to other sectors and poorly inclusive growth, and little employment creation. Key policy questions to be addressed include:

- How can the domestic private sector be encouraged to invest in job creation in an environment of uncertainty, weak markets, institutions and governance? What are the most binding constraints to private investment, and how can they be dealt with most effectively?
- Since the informal sector accounts for up to 90 percent of jobs, how can the informal sector be encouraged and made more productive? We are interested in solutions for all parts of the informal sector: services and commerce, agriculture, artisanal mining, and micro-enterprises.
- What are the best strategies for supporting labor-intensive sectors in resources-driven economies?
- What is needed to facilitate the transition into productive work for young people, especially those idle or discouraged in urban areas?
- What skills are needed in a post-conflict market, and how can those skills be developed among people who have been out of school and out of work for an extended period?
- What's the impact of infrastructure investments (both at national and community level) on private jobs creation in post-conflict environments?
- What is needed to facilitate the development or recovery of agricultural production, post-harvest processing, rural markets, and urban-rural trade?