



Finance for Jobs II (P159337)

MIDDLE EAST AND NORTH AFRICA | West Bank and Gaza | Finance, Competitiveness and Innovation Global Practice | Special Financing | Investment Project Financing | FY 2018 | Seq No: 11 | ARCHIVED on 24-Mar-2023 | ISR55272 |

Implementing Agencies: Ministry of Finance, Palestine Liberation Organization (for the benefit of the Palestinian Authority), Project Implementing Agency (DAI)

Key Dates

Key Project Dates

Bank Approval Date: 27-Jul-2017

Effectiveness Date: 27-Nov-2017

Planned Mid Term Review Date: 24-Feb-2020

Actual Mid-Term Review Date: 24-Feb-2020

Original Closing Date: 31-Mar-2025

Revised Closing Date: 31-Mar-2025

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

To test the effectiveness of selected financial interventions in incentivizing private sector investment and job creation.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name

Development Impact Bond (DIB) for Skills Development and Employment:(Cost \$6.25 M)

Investment Co-Financing Facility (ICF):(Cost \$13.75 M)

Entrepreneurship Ecosystem Matching Grant (EE-MG)

Project Management:(Cost \$4.50 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

Implementation Status and Key Decisions

The F4J II Project has been making considerable progress towards the achievement of the project development objective and intermediate targets. The number of ICF investments and DIB trainings continue on a satisfactory basis, with a total of 1,361 jobs created and US\$ 56.2 million in private capital mobilized. During this reporting period the team has processed a restructuring of the project to account for delays in implementation as a result of COVID-19 as well as increased demand under the DIB. Furthermore, the team started exploring potential follow up activities under a new project under the SoP.



Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	High	Substantial	High
Macroeconomic	High	High	High
Sector Strategies and Policies	Substantial	Moderate	Moderate
Technical Design of Project or Program	Substantial	Moderate	Moderate
Institutional Capacity for Implementation and Sustainability	Substantial	Moderate	Moderate
Fiduciary	Substantial	Substantial	Substantial
Environment and Social	Moderate	Moderate	Moderate
Stakeholders	Substantial	Moderate	Moderate
Other	--	Substantial	--
Overall	High	Substantial	Substantial

Results

PDO Indicators by Objectives / Outcomes

To test the effectiveness of selected financial interventions in incentivizing private sector invest

► Private Capital Mobilized (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	47,570,000.00	56,200,000.00	55,000,000.00
Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Mar-2025

► Number of jobs created (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	902.00	1,361.00	2,800.00
Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Mar-2025



Overall Comments

On progress towards achieving the PDO, the project has made considerable progress in mobilizing private capital. The project has overachieved its targets on private capital mobilization. Nevertheless, some lag has been visible on job creation due to the consequences of the COVID-19 pandemic and of the conflict in Gaza in 2021, having only achieved 1361 jobs created compared to the target of 1500. This has been to some extent a result of the COVID-19 pandemic and the FCV state which has delayed several ICF projects. To this end, the team is downgrading the rating to Moderately Satisfactory and the team has processed a restructuring of the project to account for the difficulties.

Intermediate Results Indicators by Components

Development Impact Bond (DIB) for Skills Development and Employment				
▶ Number of beneficiaries accepted onto the DIB Program (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	889.00	1,055.00	1,240.00
Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Dec-2023
□ Number of DIB beneficiaries accepted onto the DIB Program -- women (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	395.00	481.00	500.00
Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Dec-2023
▶ Number of beneficiaries starting employment (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	339.00	450.00	520.00
Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Dec-2023
□ Number of beneficiaries starting employment --women (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	136.00	179.00	160.00
Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Dec-2023
▶ Number of beneficiaries that have completed employment skills training (in class and/or on the job) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	626.00	820.00	1,010.00



Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Dec-2023
<input type="checkbox"/> Number of beneficiaries that have completed employment skills training (in class and/or on the job) - women (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	291.00	400.00	410.00
Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Dec-2023

Investment Co-Financing Facility (ICF) and Development Impact Bond (DIB) for Skills Development				
► Firms benefiting from private sector initiatives (Number, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	74.00	76.00	106.00
Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Mar-2025
► Beneficiaries of job-focused interventions (Number, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,545.00	2,075.00	3,600.00
Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Mar-2025
<input type="checkbox"/> Beneficiaries of job-focused interventions - Youth (Number, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,116.00	1,520.00	2,000.00
<input type="checkbox"/> Beneficiaries of job-focused interventions - Female (Number, Corporate Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	483.00	610.00	1,000.00
► Beneficiaries that feel project investments reflected their needs (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	85.00
Date	01-Sep-2017	21-Sep-2022	09-Mar-2023	31-Dec-2024

Overall Comments

The DIB indicators are performing overall very well, showing a high female participation rate and employment as a result of the trainings provided. Overall, the number of beneficiaries is also in line with the expected targets for 2022.

Performance-Based Conditions

Data on Financial Performance

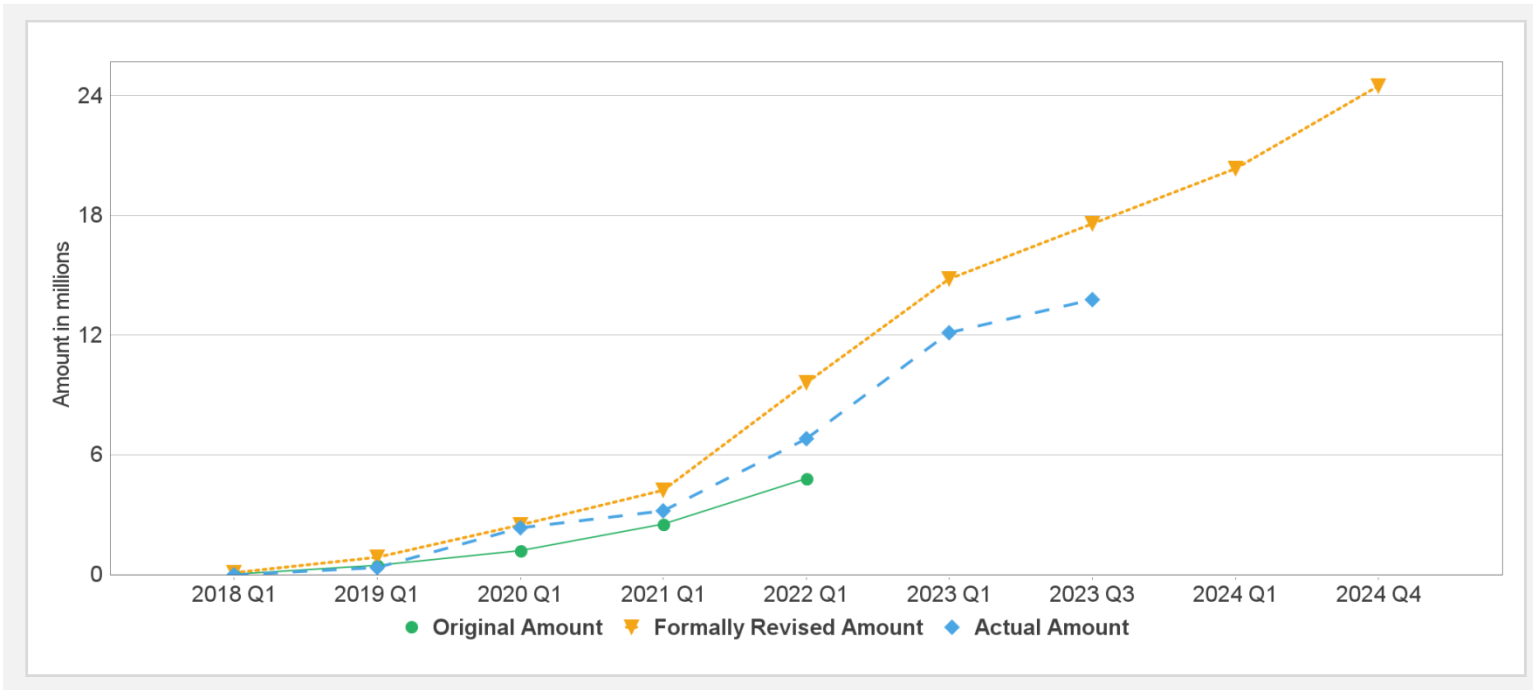
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P159337	TF-A5114	Closed	USD	1.50	1.50	0.00	1.50	0.00	100%
P159337	TF-A5297	Effective	USD	8.00	8.00	0.00	8.00	0.00	100%
P159337	TF-A8159	Effective	USD	5.00	5.00	0.00	3.82	1.18	76%
P159337	TF-B5070	Effective	USD	10.00	10.00	0.00	0.45	9.55	4.5%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P159337	TF-A5114	Closed	27-Sep-2017	27-Sep-2017	27-Nov-2017	31-Mar-2021	30-Jun-2022
P159337	TF-A5297	Effective	27-Sep-2017	27-Sep-2017	27-Nov-2017	29-Oct-2021	15-Oct-2023
P159337	TF-A8159	Effective	10-Aug-2018	30-Aug-2018	12-Nov-2018	29-Oct-2021	15-Oct-2023
P159337	TF-B5070	Effective	02-Feb-2021	21-Mar-2021	19-May-2021	31-Mar-2025	31-Mar-2025

Cumulative Disbursements



Restructuring History

Level 2 Approved on 07-Nov-2018 ,Level 2 Approved on 12-Nov-2020 ,Level 2 Approved on 02-Mar-2023

Related Project(s)

P167675-Finance for Jobs II Additional Financing ,P175414-Finance for Jobs II Second Additional Financing - COVID-19 Response