



## 1. Project Data

<b>Project ID</b> P129861	<b>Project Name</b> GZ: Education-to-Work Transition	
<b>Country</b> West Bank and Gaza	<b>Practice Area(Lead)</b> Education	
<b>L/C/TF Number(s)</b> TF-12221,TF-A3519	<b>Closing Date (Original)</b> 31-Jan-2022	<b>Total Project Cost (USD)</b> 11,500,000.00
<b>Bank Approval Date</b> 15-May-2012	<b>Closing Date (Actual)</b> 31-Jan-2022	
	<b>IBRD/IDA (USD)</b>	<b>Grants (USD)</b>
Original Commitment	11,500,000.00	11,500,000.00
Revised Commitment	11,500,000.00	11,500,000.00
Actual	11,500,000.00	11,500,000.00

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## 2. Project Objectives and Components

### a. Objectives

The objective of the project was to improve education to work transition of young Palestinians attending participating tertiary education institutions (TEIs) by: (i) fostering partnerships between TEIs and employers in order to make TEIs' study programs more relevant to the needs of the labor market; and (ii) enhancing the capacity of the Ministry of Education and Higher Education (MOEHE) and TEIs to collect, analyze and disseminate data collected through the TEIs' graduate tracking system to monitor the outcomes of TEIs' study programs, and to inform education policy formulation and implementation (Trust Fund Grant Agreement of July 2, 2012, between the Palestine Liberation Organization for the benefit of the Palestinian Authority and the



International Development Association, acting as Administrator of the Trust Fund for Gaza and West Bank, p. 6).

Explanatory note on TEIs under the PDO statement: According to the PAD (p. 22), all TEIs (including universities, technical, vocational and university colleges) that were licensed and accredited by MOEHE were eligible to prepare proposals to compete for Quality Improvement Fund (QIF) grants. Per Task Team clarifications of December 12, 2022, technical and vocational education and training (TVET) colleges that served post-secondary students were eligible and benefited from QIF grants.

**b. Were the project objectives/key associated outcome targets revised during implementation?**

No

**c. Will a split evaluation be undertaken?**

No

**d. Components**

**I. Education-to-Work Transition Innovation Grant Facility (Appraisal: US\$5.0 million; Additional Financing (AF): US\$4.26 million; Actual: US\$9.26 million).**

Building on previous experience of the QIF competitive grant mechanism at MOEHE (see note below), the component would promote partnerships between TEIs and employers aiming at developing and implementing work-integrated learning schemes that strengthen the connection between classroom learning and the requirements of the workplace, and contribute to the development of attitudes and capabilities that make graduates more employable. The grants would finance the implementation of TEI business partnership programs that (i) provide students with practical training and (ii) improve the quality and relevance of curricula and teaching practices. QIF would invite TEIs to partner with employers to develop and implement these grants. The component would also finance consultant services to support awareness raising, capacity building, and mentoring activities related to the promotion of TEI-employer partnerships.

*Explanatory note on QIF: In 2005, MOEHE established the Quality Improvement Fund grant mechanism or QIF through the Tertiary Education Project supported by the World Bank and European Union (EU), with the objective of assisting TEIs in making their study programs more relevant to the needs of the job market.*

**II. Higher Education Graduate Tracking System (Appraisal: US\$0.6 million; AF: US\$0.11 million; Actual: US\$0.71 million).** The component would support MOEHE to pilot and institutionalize a graduate tracking system that provides regular feedback on graduates' education-to-work transition. The component would finance consultant services to expand the tracking system to the remaining TEIs, including a core data collection mechanism for graduates to be used by all participating institutions; analysis and dissemination of information through a dedicated web portal; and use of the data to assess the relevance of study programs and inform education policy.

**III. Project Management and Coordination (Appraisal: US\$0.9 million; AF: US\$0.63 million; Actual: US\$1.53 million).** The component would support MOEHE's Project Coordination Unit (PCU) through



financing or provision of goods, consultant services, training, incremental operating costs, audits, and monitoring and evaluation (M&E).

**e. Comments on Project Cost, Financing, Borrower Contribution, and Dates**

**Cost and financing:** The original cost was estimated at US\$6.5 million, financed by a grant from the Trust Fund for Gaza and the West Bank (WB&G). The grant was processed as a Specific Investment Loan. No direct financial contributions from the Recipient were planned or provided. An additional grant of US\$5 million from the same trust fund was provided on December 2, 2016, at which time US\$5.29 million were already disbursed, to scale up existing project activities, given the progress made and early evidence of positive project impact (ICR, p. 12). The AF also introduced new intermediate results indicators on female beneficiaries and satisfaction, increased some original targets, and extended the closing date to allow AF implementation. Grant proceeds were fully disbursed with an actual cost of US\$11.5 million.

**Dates:** The project was approved on May 15, 2012 with an original closing date of January 31, 2018. The project became effective on July 31, 2012. A Mid-Term Review was carried out on December 17, 2015. The AF of US\$5 million that was introduced on December 2, 2016 extended the closing date to January 31, 2022, at which time the project closed.

### 3. Relevance of Objectives

#### Rationale

Around appraisal, the proportion of jobless male youth in the West Bank was 33 percent by age 23 (including both unemployed and inactive); in Gaza, unemployment was 35 percent among male youth by age 26. But unemployment rates for young graduates were even higher. According to the PAD (p. 2), among graduates from both university and secondary education institutions, unemployment rates were above 60 percent at the age of graduation (commonly 23 years old for those with university degrees and 18 years for secondary education diplomas). The ICR (p. 6) noted that long-term unemployment affected more than half of unemployed youth in WB&G. Gender gaps were also high, as employment among women in WB&G was only 19 percent, and the ICR (p. 6) noted that gender gaps resulted from a complex interaction of social norms common in the region, job segregation by sectors, and restrictions on mobility. The development objective was responsive to employment challenges of low absorption of graduates into the labor market.

Apart from low productivity and low absorptive capacity of the private sector itself, a skills mismatch and disconnect between education programs and private sector needs were among the most binding constraints to a successful education-to-work transition (PAD, p. 2, with reference to *Education-to-Work: Opportunities and Challenges in the WB&G, The World Bank, MENA Quick Notes Series No. 55, January 2012*). These issues diminished returns to education, decreased incentives to attain more education, led to underutilization of some of the most potentially productive cohorts in the society, and exacerbated the scarring effects of unemployment.

The PDO was aligned with the Education Development Strategic Plan 2008-2012 that shifted the focus from education access to education quality and relevance (ICR, p. 12). It was also in line with the



Palestinian Authority National Development Plan 2011-2013 that highlighted the centrality of investing in human capital. MOEHE's complementary TVET strategy (prepared in partnership with the German Agency for International Cooperation or GIZ) called for a dynamic education system that provides graduates with the skills needed in a modern labor market. Objectives were generally consistent with the World Bank Interim Strategy Note (FY12-14) that emphasized reducing poverty and strengthening private sector development. By facilitating the transition of young Palestinian men and women from education to work, the project was expected to contribute to improving livelihood prospects and quality of life in WB&G. The PDO was also aligned with the 2015 World Bank Report *Middle East & North Africa: From Transition to Transformation*, that emphasized investing in people, skills, and digital technology.

At project closing, the PDO was fully consistent with the World Bank Group Assistance Strategy for WB&G for the period FY22-25. Under Focus Area 1, Objective 1.3 to "Achieve Better Human Development Outcomes," the Bank Assistance Strategy stated that "investing in skills development for graduates' employment, including that of females, will be prioritized, along with vocational training to respond to national priorities and labor market needs." The PDO was also aligned with two objectives of Focus Area 2: Objective 2.1 to "Stimulate Inclusive Private Sector Development and Diversify Financial Products," and with Objective 2.2 to "Connect the Palestinian Economy to Regional and Global Economy" that was supported by subprojects developed under the project's QIF program through partnerships, exchanges, and foreign direct investments such as for technical universities.

## Rating

High

## 4. Achievement of Objectives (Efficacy)

### OBJECTIVE 1

#### Objective

Improve education to work transition of young Palestinians attending participating tertiary education institutions

#### Rationale

**The overall development approach** was focused on aligning TEIs and employers through partnerships to bridge the gap between the skills offered by job seekers and those sought by employers, and on supporting the transition of youth from education to work, further supported by practical training and leading to cohorts of graduates whose skills were suitable to employers. The design intended to develop the capacity to track employment outcomes of graduates. In addition, the design aimed at fostering equal opportunities for female students, notably through QIF stipulations.

**The theory of change** held that the provision of QIF grants to TEIs would strengthen TEIs' teaching capabilities and that revised study programs would better suit market needs. It held that mentoring workshops, provision of work-practice opportunities, and promotion of partnerships between TEIs and employers with jointly designed subprojects that make work practice available to students, would plausibly



contribute to increased employment of graduates from participating TEIs. The intended outcome would be measured by reductions in graduate unemployment rates.

In addition, and to further support the above progression, the theory of change envisaged the following:

- that establishing a graduate tracking system through the provision of hardware, software, and technical assistance along with awareness activities about the importance of tracking would strengthen the ability of government agencies to track graduate employment outcomes and to inform education policy formulation;
- that including gender-specific requirements in QIF mechanisms would plausibly contribute to increased female participation and apprenticeship opportunities. Gender-related measures included requirements for gender balance and for each QIF proposal and its results indicators matrix making explicit reference to how gender balance would be encouraged and monitored (ICR, p. 7 and PAD, p. 39); and
- that holding focus groups with students would provide a feedback loop on the quality of study programs.

### **Outputs and intermediate results**

*Note: Several intermediate results targets were revised upward in conjunction with the AF. Original targets were exceeded, and this section assesses achievements against the upward revised targets.*

The project delivered four cycles of grant allocations and 47 QIF grants that were spread across 23 TEIs. Out of 50 approved subprojects, 47 were adequately executed (and three were terminated for low performance). The project updated 80 educational programs. Over 150 employers emerged as partners. The majority of financed QIF subprojects included internships, apprenticeships, and other work-practice experiences. Examples of sectors involved in QIF grants were gleaned from project documents, e.g., health, engineering, information technology sector, business, tourism/archeology, media, fashion design, agriculture, nutrition, and food processing. The ICR (p. 14) noted that the above results were especially noteworthy given that the level of collaboration between TEIs and employers before the project's inception was close to non-existent.

According to Task Team clarifications of December 12, 2022, TEIs that were awarded grants represented roughly 55 percent of those eligible to receive funding. The clarifications also noted that some QIF grants included a consortium of TEIs that partnered to benefit from the project. If such indirect grant recipients through consortium-TEIs were to be included, then roughly 70 percent of eligible TEIs would be considered as participants.

The share of subprojects that made work-practice available to students increased from a baseline of zero in 2012 to 93.4 percent in 2022, exceeding the target of 80 percent.

The percentage of subprojects with joint design of study programs between participating TEIs and employers increased from a zero baseline in 2012 to 92 percent in 2022, exceeding the target of 80 percent.



Direct project beneficiaries reached a cumulative number of 12,774 beneficiaries, exceeding the target of 7,000 beneficiaries. The share of female beneficiaries was 48.9 percent (ICR, p. 30), slightly short of the target of 50 percent.

Beneficiaries who felt that project investments reflected their needs reached 85 percent, exceeding the target of 75 percent. In focus groups, both students and employers reported favorably on the value of the work-practice experience as a training tool and as a mechanism to appraise promising talent and performance. The majority of beneficiaries reported satisfaction with how project activities met their needs, reinforcing the connection between project inputs and the transition from education to work.

Qualitatively, a QIF report that surveyed graduates of the 2016/2017 cohort portrayed the graduates as well trained and ready to work, equipped with relevant competencies, better rated than other graduates, and more knowledgeable and superior in terms of commitment, capabilities, technical skills, and knowledge.

The use of the Graduate Tracking Portal after it became operational in 2016 exceeded the target of 50,000 hits per calendar year and had a total cumulative number of 1.4 million hits by project closing. The 2016 Project Paper (p. 9) stated that the Graduate Tracking System was the first in the Middle East & North Africa Region and that it was considered as a national public good. Per Task Team clarifications of December 12, 2022, there were three kinds of surveys: (i) surveys of senior students; (ii) surveys of graduates; and (iii) employer surveys. Surveys of senior students and graduates were conducted and used during the project lifetime and continue to be used by the majority of TEIs. In addition, graduate employment data were available from the Central Bureau of Statistics, which issued regular labor reports that provided information on unemployment at the national level among different groups (e.g., age, gender, wage), including graduates. The Task Team also noted that the Graduate Tracking System aimed to expand the sophistication of graduate data by collecting feedback from graduates and employers on how graduates were performing in the market and what skill gaps remained between academic programs and market needs.

The project produced four policy papers that built on the analysis of Graduate Tracking System data. The policy papers suggested intervention strategies for MOEHE and key education stakeholders. The ICR (p. 23) noted that more time would be needed for the policy insights to permeate into relevant reforms.

As the project had to navigate through the disruptions caused by the COVID-19 pandemic during the last two years of implementation, the project adapted through various measures, including increased online training, granting time extensions for subprojects to some TEIs, and local adaptation of international studies (ICR, p. 14).

## **Outcomes**

The intended outcome was directly reflected by the reduction in participating TEI graduates' unemployment rates. The target was a reduction in the unemployment rate by 10 percentage points, measured nine months after graduation. Unemployment rate baselines for given programs were provided prior to the award of QIF grants. Thus, comparator baselines pertained to the same TEIs participating in QIFs (Task Team clarifications, December 12, 2022). The intended outcome was also associated with improved relevance of TEIs' study programs to the needs of the labor market. However, it is known that unemployment is susceptible to external factors beyond the control of the project. In addition, the size of the samples assessed after the education/training cycles 1 and 2 were small in a context of variable capacities among TEIs, with no



unified sampling methodology and lack of motivation among graduates to respond/inform about their employment status after graduation. Therefore, in addition to the reduction in unemployment, this ICR Review also relied on the robust steps of the results chain and intermediate results in validating the achievement of the stated objective.

Data showed that, out of the four cycles of grant allocations, the intended outcome was not achieved in one cycle, but was fully achieved in three other cycles.

Outcome indicator	Cycle	Baseline	Target (10% reduction in unemployment)	Achieved	Comments
Participating TEIs Graduate Unemployment Rate	1	67.8%	57.8%	59.8%	Short of the target, but substantial progress
	2	67.4%	57.4%	39.6%	Exceeded
	3	63.6%	53.6%	48.6%	Exceeded
	4	53.4%	43.4%	25.0%	Exceeded

According to the ICR (p. 16), curricular updates and existing partnerships remain in place, and the majority of the work practice experiences of QIF programs are recurring with new classes of graduates.

**Rating**  
Substantial

## OVERALL EFFICACY

### Rationale

The project objective to improve education-to-work transition of young Palestinians attending participating tertiary education institutions was almost fully achieved, consistent with a substantial rating for overall efficacy. The project increased the relevance of educational programs to the needs of the labor market, supported by partnerships between TEIs and employers, including through jointly designed subprojects, reinforced by practical training.

### Overall Efficacy Rating

Substantial

## 5. Efficiency



The PAD did not undertake a cost-benefit analysis but provided valid arguments on the merits of education-labor coordination and public intervention in overcoming coordination challenges. It provided an overview on unemployment in WB&G and related economic aspects.

The ICR conducted a cost-benefit analysis with the latest available information. The analysis used income gains from employment while also recognizing that there were other benefits to the private sector and to the government. The analysis made reasonable assumptions on the average additional wage of an employed graduate. Employment gains were estimated to spill over to four cohorts of graduates after project closing. Based on the average number of graduates who were employed because of the project per year, and using a discount rate of 5 percent, the analysis estimated an internal rate of return of 25.3 percent, with total benefits equal to US\$27.1 million and a benefit-cost ratio of 1.80 (ICR, p. 40). The results remained robust under sensitivity calculations.

In terms of investment cost per student, the cost was reasonable and was estimated to be US\$998. In terms of implementation aspects affecting efficiency, the ICR reported that, despite external challenges, the project exhibited a steady consistency in its implementation; this was reflected by the Implementation Status and Results Reports (ISRs). There were no cost escalations. Implementation during the original project period was satisfactorily completed by January 2018, and both the original and AF grants were fully disbursed in a timely manner. Both the original project and AF were implemented within the planned time frame, and no closing date extensions were needed. Administrative costs were reasonable at 13.3 percent of the total project cost. Internal control processes and interim financial reports were adequate and timely. Project audits were received on time and were of unqualified opinion.

Overall implementation, including financial management and procurement, was adequate, but there were shortcomings at the level of TEIs with low capacity that moderately affected overall efficiency. The ICR reported that such TEIs faced issues in the use of funds, as many TEIs had little or no experience in managing or coordinating subprojects of the scope of a QIF grant. Turnover of personnel also contributed to some delays. Knowledge sharing across TEIs was weak. In addition, the ICR reported that the project faced some institutional resistance in the implementation of the Graduate Tracking System, resulting in low response rates among graduates and employers.

External factors related to the Israeli-Palestinian conflicts and COVID-19 pandemic caused temporary disruptions, but there was no interruption of project activities (ICR, p. 24).

In view of the cost-effectiveness of project interventions and the expectation of substantial economic returns, but with moderate implementation inefficiencies, project efficiency is rated substantial.

## Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

**Rate Available?**

**Point value (%)**

**\*Coverage/Scope (%)**





Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate	✓	25.30	100.00 <input type="checkbox"/> Not Applicable

\* Refers to percent of total project cost for which ERR/FRR was calculated.

## 6. Outcome

Relevance of objectives is rated high in view of full consistency with World Bank Group Assistance Strategy for the period FY22-25 and with government development plans. Efficacy is rated substantial, as the project development objective was almost fully achieved. Efficiency is rated substantial in view of substantial economic returns suggested by the economic analysis, but with some negative aspects of implementation that moderately reduced overall efficiency. The aggregation of these findings is consistent with a satisfactory outcome rating, indicating only minor shortcomings in the project's preparation, implementation, and achievement.

### a. Outcome Rating

Satisfactory

## 7. Risk to Development Outcome

The overriding risk that development outcomes may not be maintained is financial. The funds required to adequately maintain and expand outcomes are not secure. Financial constraints may diminish the partnerships that were developed between TEIs and employers. Market needs evolve constantly, and corresponding adaptations in education and training require financial support to keep pace with evolving needs.

Nevertheless, the project approach promoted ownership and gained allies and advocates in the government and across the education and private sectors. The government institutionalized QIF as part of a new government program – Quality and Research Fund (QRF) – and committed US\$100,000 to contribute to QIF continuity. The project provides a template for sustaining and expanding interventions through other development partners.

Sustainability prospects may be enhanced by the capacities that were built by the project at the level of MOEHE, TEIs, and private sector partners, and by key activities that were mainstreamed. The Graduate Tracking System was institutionalized. Within TEIs, updated curricula are being sustained. Partnerships developed with employers are likely to stay in place for years to come (ICR, p. 26). Many stakeholders learned how to participate in a competitive system and to implement subprojects at scale. Capacity-building activities also included financial management, procurement, and monitoring and evaluation of grants. Strengthened capacities enabled some TEIs to submit quality proposals and to win other contracts. For example, according to the ICR, p. 19, the University College of Applied Sciences won contracts under the e-work component of the Gaza Emergency Cash for Work and Self Employment Support Project (P167726).



## 8. Assessment of Bank Performance

### a. Quality-at-Entry

The project's overall approach was sound, as it was designed to develop synergies between TEIs and employers by aligning skills with the needs of employers and by providing apprenticeship opportunities. The project built on the experience of the Bank and EU- supported Tertiary Education Project (P083767) that was implemented during the period 2005-2012, during which the QIF modality was initiated as a project component. Hence, the key foundations of QIF were available and facilitated project readiness, including the project operations manual, an independent board comprised of representatives from universities and the private sector, and an experienced PCU. Many private firms were already incentivized to get involved. The design benefited from the findings of an independent evaluation of QIF under the Tertiary Education Project that confirmed the effectiveness of QIF and that it constituted a powerful instrument to make TEIs more responsive to labor market signals. The evaluation also noted that graduate tracer surveys complementing the reporting of the Central Bureau of Statistics were not sustainable, and that putting in place a tracking system for graduates should be considered.

MOEHE was the implementing agency responsible for the overall project. Participating TEIs were responsible for implementing QIF subprojects with close support from the QIF Unit within the ministry. The PCU at MOEHE was responsible for day-to-day project coordination, fiduciary aspects, and reporting. Both PCU and the QIF Unit were responsible for monitoring and oversight of project activities. The PCU had a long prior involvement and experience with Bank-supported operations, including the Teacher Education Improvement and Tertiary Education Projects. A Technical Committee was expected to ensure alignment of QIF activities with the strategies of MOEHE in higher education and TVET, and to facilitate linkages with other units within the ministry. The design planned the implementation of the Graduate Tracking System through MOEHE's Higher Education Development and Planning Department (PAD, p. 7). Arrangements for M&E were adequate. Financial management, disbursement, and procurement arrangements were strong, as they built on previous effective arrangements that were updated for project purposes.

A procurement plan for the first 18 months of project implementation was prepared and agreed with the Bank at appraisal. To ensure project readiness for implementation immediately after effectiveness, draft bidding documents for procurement packages and terms of reference for consultancy assignments to be implemented at the central level during the first year of implementation were prepared and submitted for Bank review and clearance before negotiations. The QIF Manual, including its procurement section, was updated to reflect specific procurement requirements under the project, and was also submitted to the Bank for clearance before negotiations. The project planned for additional procurement training to be provided by the PCU to beneficiary TEIs prior to launching the implementation of subprojects (PAD, p. 16).

Risks were well identified and mitigated. To address the risk associated with challenges in promoting long-term and trusting partnerships between TEIs and employers, the project planned a series of awareness-raising as well as capacity-building activities aimed at both enhancing the ability of TEIs to engage with employers and further increasing employers' appreciation of the benefits of contributing to



the professional development of students through practical on-the-job education opportunities that they can offer.

As a minor shortcoming, the ICR indicated that a stronger effort to promote stakeholders' buy-in for reporting graduate employment was desirable at the outset. Nevertheless, the design had an incremental approach with a planned piloting of the graduate tracking system before its expansion.

Overall, the ICR (p. 25) concluded that project preparation laid the foundations for strong performance.

### **Quality-at-Entry Rating** Satisfactory

#### **b. Quality of supervision**

Supervision and implementation support missions took place every six months with a focus on identifying and resolving arising issues. Quality reporting was reflected by the ISRs and aides-memoire that provided detailed information on how the project progressed. Fiduciary aspects were well supervised. The Bank team effectively navigated through crises related to Israeli-Palestinian conflicts and the COVID-19 pandemic. The ICR noted that the resilience of the Task Team and Palestinian counterparts was instrumental to the resilience of the project itself and to overcoming external disruptions. The team was proactive in its implementation support and in paving the way for additional funding.

As minor shortcomings, the ICR noted that institutional memory could have been more fully retained during internal transitions of Bank staff, including through more documentation and overlapping periods of time during transitions. Also, the ICR noted that a gender strategy (developed during the implementation period) could have been expanded in terms of addressing job access issues for females. However, the Task Team also noted (per clarifications provided on December 12, 2022) that numerous factors affect labor market outcomes, and many of them are beyond the control of education institutions.

### **Quality of Supervision Rating** Satisfactory

### **Overall Bank Performance Rating** Satisfactory

## **9. M&E Design, Implementation, & Utilization**

### **a. M&E Design**

The development objective was clearly stated, although the crowding of the PDO statement by the addition of approaches through which the PDO would be achieved was unnecessary. The theory of change that was illustrated by the ICR clearly explained progression toward the intended outcome. Indicators were measurable and relevant. The original results framework had one outcome indicator and five intermediate



results indicators. Some baseline data were planned to be established during the first two years of implementation. The ICR noted that the project could have benefited from additional indicators and granularity, including for gender. The project focused on gender aspects in terms of access to education, training, and apprenticeship opportunities, and could have also monitored female insertion rates in the job market. Nevertheless, the ICR (p. 21 and p. 23) concluded that the concise evaluation strategy and the succinct results framework were realistic, and that M&E design allowed the project to track essential data to monitor progress and assess the objective's achievement.

The PCU was responsible for overall M&E. Supported by the QIF Unit and MOEHE's Development and Planning Department, the PCU would be responsible for data collection, aggregation, monitoring, and periodic reporting (PAD, pp. 7-8).

## **b. M&E Implementation**

According to the ICR (p. 22), M&E was actively built and used during implementation. The project supported technical assistance and training on data use for TEIs and MOEHE. With the advent of the AF, intermediate results were revised upward to sustain the project's ambition, and new intermediate indicators were added.

M&E implementation was adequate except for the Graduate Tracking System, which encountered delays before it became fully operational (ICR, p. 16). All TEIs in WB&G participated in the system, and in view of their variable capacities, implementation levels were also variable. TEIs conducted graduating student surveys, and MOEHE conducted employer surveys. Low response rates were encountered among graduates, as there was lack of understanding about the importance of tracking and lack of incentives for them to respond. The ministry organized focus groups for improving tracking and incorporated the tracking system as part of its new M&E system, which was institutionalized.

## **c. M&E Utilization**

M&E utilization was extensive (ICR, p. 22). Apart from regular use for project monitoring and evaluation, 13 QIF Newsletters were published to disseminate case studies and best practices. Four policy papers were developed after analyzing the tracking system data and synthesizing what was learned (see Section 4, Outputs).

Locally, the project and its M&E influenced other operations such as the project "*Supporting Education Reform Agenda for Improved Teaching, Assessment and Career Pathways (SERATAC, P177299)*," whose design was informed by the experience of this project (p. 16). According to the ICR, the ability of the project to successfully tackle graduate unemployment was noted across the region. The ICR stated that the project was considered a flagship operation, worthy of replication in the MENA region. Projects in Iraq (*Support to Tertiary Education, P175694*) and Tunisia (*Tertiary Education for Employability, P151059*) repeated and built upon the experience of this operation. GIZ adopted the QIF approach to design its own projects in WB&G, including the currently ongoing *Go TVET* and two other similar EU-funded TVET projects that were implemented during the period of 2011-2019. The ICR also reported



that, during the life of the project, several World Bank Presidents visited the project and praised its achievements.

### **M&E Quality Rating**

Substantial

## **10. Other Issues**

### **a. Safeguards**

The project was classified as Environmental Category C, as there were no identifiable environmental risks associated with it.

### **b. Fiduciary Compliance**

Existing financial arrangements that were used under previous operations were updated for this project and were managed by the PCU, which was well staffed and experienced with Bank-assisted operations (PAD, p. 14).

Financial management arrangements and performance were satisfactory. Reporting standards, protocols, and internal controls were adequate. Interim financial reports were submitted in a timely manner and in accordance with established Bank procedures. Disbursement targets were achieved as planned. Annual audit reports were received on time, and were of unqualified opinion (ICR, p. 15). The final audit was still pending at the time of the ICR.

Procurement performance was also satisfactory. Throughout the life of the project, overall procurement was on pace and adhered to Bank guidelines. The COVID pandemic created some disruptions and delays but did not result in any interruption of activities. Post-procurement reviews were conducted as originally envisaged. No issues of non-compliance were identified.

### **c. Unintended impacts (Positive or Negative)**

None reported (ICR, p. 20).

### **d. Other**

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## 11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	High	

## 12. Lessons

The ICR (pp. 26-27) offered several lessons and recommendations, including the following lessons restated by the IEG Review:

**The Quality Improvement Fund grant mechanism is an effective tool to lower unemployment of young graduates.** Under the project, the model was found to be effective in reducing graduate unemployment, as it aligned education and training programs with the needs of employers while promoting both relevance and quality of study programs. The QIF model also validated the value of public-private partnerships that benefited both students and employers.

**Sustained support can build institutional capacity, but financial sustainability remains challenging.** The continuity of financial and technical support provided to the QIF approach by two consecutive Bank-supported operations contributed to its effectiveness in reducing unemployment among graduates. However, additional resources could have further expanded its outcomes and deepened its impact. Financial sustainability remains uncertain and raises justifiable concerns, as market needs evolve constantly and rapidly. Adapting and aligning study programs and competency-based education with evolving market demands affirm the importance of continued support to such educational adaptations to keep pace with evolving labor market needs.

**Integrating a gender perspective into the design, implementation, and monitoring of development projects can contribute to alleviating gender inequalities.** While it is understood that gender equality has far-ranging determinants and requires wider and deeper efforts, gender aspects and mainstreaming were promoted by the project within its scope. The project had an inbuilt gender balance requirement in the QIF mechanism, and each QIF proposal and its results indicators matrix were required to make explicit reference to how gender balance would be promoted and monitored. In connection with this lesson, the ICR pertinently provided an important recommendation to promote programmatic engagement for broader sector reform that targets equality in the labor market and job insertion for females, beyond education and training access.

## 13. Assessment Recommended?



No

#### **14. Comments on Quality of ICR**

The ICR provided a complete overview of the project experience. The narrative was aligned to the stated development objective. It was clearly written and well organized. The analysis was candid and thorough, supported by relevant evidence and data presentation. The ICR's detailed information on how the project influenced local and regional operations was noteworthy. Lessons were derived from project experience. The ICR followed established guidelines and was reasonably concise. The ICR's overall quality was high.

##### **a. Quality of ICR Rating**

High