

Document of
The World Bank

Report No: 87181

IMPLEMENTATION COMPLETION AND RESULTS REPORT
(TF097919)

ON A

GRANT

IN THE AMOUNT OF USD 2.755 MILLION

TO THE

ISLAMIC REPUBLIC OF PAKISTAN

FOR

Pakistan - Emergency Job Training for Vulnerable Youth

February 17, 2014

Human Development Department
South Asia Region

CURRENCY EQUIVALENTS

(Exchange Rate Effective June 29, 2013)

Currency Unit = Pakistani Rupee (PKR)
US\$ 1.00 = PKR 94.627

FISCAL YEAR
July 1 – June 30

ABBREVIATIONS AND ACRONYMS

BBSYDP	Benazir Bhutto Shaheed Youth Development Program
BISP	Benazir Income Support Program
GDP	Gross Domestic Product
GoS	Government of Sindh
JSDF	Japan Social Development Fund
KCCI	Karachi Chamber of Commerce and Industry
M&E	Monitoring and Evaluation
TPV	Third Party Validation
TVET	Technical and Vocational Education and Training
SSDP	Sindh Skills Development Project
STEVTA	Sindh Technical Education and Vocational Training Authority

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PAKISTAN
Emergency Job Training for Vulnerable Youth

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A. Basic Information			
Country:	Pakistan	Project Name:	Pakistan - Emergency Job Training for Vulnerable Youth
Project ID:	P124158	L/C/TF Number(s):	TF97919
ICR Date:	February 17, 2014	ICR Type:	ILI
Lending Instrument:	Grant	Borrower:	GOVERNMENT OF SINDH, PAKISTAN
Original Total Commitment:	USD \$2.755 M	Disbursed Amount:	USD \$1,627.21M
Revised Amount:			
Environmental Category: B			
Implementing Agencies: Benazir Bhutto Shaheed Youth Development Program (BBSYDP)			

B. Key Dates				
Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	03/26/2010	Effectiveness:		02/02/2011
Appraisal:		Restructuring(s):		05/28/2012
Approval:	29/09/2010	Mid-term Review:	04/12/2012	04/12/2012/
		Closing:	06/01/2012	06/01/2013

C. Ratings Summary	
C.1 Performance Rating by ICR	
Outcomes:	Moderately Satisfactory
Risk to Development Outcome:	Modest
Bank Performance:	Satisfactory
Borrower Performance:	Moderately Satisfactory

C.2 Detailed Ratings of Bank and Borrower Performance (by ICR)			
Bank	Ratings	Borrower	Ratings
Quality at Entry:	Satisfactory	Government:	Moderately Satisfactory
Quality of Supervision:	Satisfactory	Implementing Agency/Agencies:	Satisfactory
Overall Bank	Satisfactory	Overall Borrower	Moderately

Performance:		Performance:	Satisfactory
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C.3 Quality at Entry and Implementation Performance Indicators			
Implementation Performance	Indicators	QAG Assessments (if any)	Rating
Potential Problem Project at any time (Yes/No):	No	Quality at Entry (QEA):	None
Problem Project at any time (Yes/No):	No	Quality of Supervision (QSA):	None
DO rating before Closing/Inactive status:	Moderately Satisfactory		

D. Sector and Theme Codes		
	Original	Actual
Sector Code (as % of total Bank financing)	EV	
Primary education	39	39
Public administration- Education	22	22
Secondary education	39	39

Theme Code (as % of total Bank financing)	65	
Education for all	60	60
Gender	15	15
Public expenditure, financial management and procurement	25	25

E. Bank Staff		
Positions	At ICR	At Approval
Vice President:	Philippe Le Hou�rou	Isabel Guerrero
Country Director:	Rachid Benmessaoud	Rachid Benmessaoud
Sector Manager:	Amit Dar	Amit Dar
Project Team Leader:	Huma A. Waheed	Andreas Blom
ICR Team Leaders:	Mariam Nusrat Adil	
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F. Results Framework Analysis

Project Development Objectives (from Project Appraisal Document)

The grant was aimed at mitigating the negative impact of the food, fuel, and financial crises on employment and income of vulnerable youth by equipping them with skills that are in-demand and facilitating their (re-) entry into the job-market. The grant objective was to provide emergency job training to about 5,050 crisis-affected vulnerable youth living in urban areas of Sindh through an innovative short-term training program that includes job-placement support to help find employment and earn income.

Revised Project Development Objectives (as approved by original approving authority)

The PDO was not revised.

(a) PDO Indicator(s)				
Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
Indicator 1 : Beneficiaries completing training under the Project				
Value (Quantitative or Qualitative)	0	5050	5050	6176
Date achieved	1-Nov-2010	30-Jun-2012	1-Jun-2013	21-Aug-2013
Comments (incl. % achievement)	Target exceeded by 1,126 trainees.			
Indicator 2 : Employment rate of Beneficiaries within 3 months of the end of training received under the Project				
Value (Quantitative or Qualitative)	28%	35%	35%	37.14%
Date achieved	1-Nov-2010	30-Jun-2012	1-Jun-2013	21-Aug-2013
Comments (incl. % achievement)				

(b) Intermediate Outcome Indicator(s)

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
Indicator 1 :	Female participation			
Value (Quantitative or Qualitative)	34%	40%	40%	27%
Date achieved	1-Nov-2010	30-Jun-2012	1-Jun-2013	06/30/2012
Comments (incl. % achievement)				

G. Ratings of Project Performance in ISRs

No.	Date ISR Archived	DO	IP	Actual Disbursements (USD millions)
1	11/27/2011	Satisfactory	Moderately Satisfactory	0.00
2	11/05/2012	Satisfactory	Moderately Satisfactory	1.28

H. Restructuring (if any)

Restructuring Date(s)	Board Approved PDO Change	ISR Ratings at Restructuring		Amount Disbursed at Restructuring in USD millions	Reason for Restructuring & Key Changes Made
		DO	IP		
5/28/2012	None	S	MS	1.28	Closing date extended to allow completion of training courses as well as necessary monitoring and evaluation to measure employment outcomes of grant financed training.

1. Project Context, Development Objectives and Design

1.1 Context at Appraisal

1. The combined effects of the global food, fuel, and financial crises had taken a toll on Pakistan's economy at the time the project was prepared. Vulnerability among youth had increased dramatically as a result of higher food/fuel prices and the financial crisis due to which many had lost their jobs. At the same time, the fiscal deficit significantly limited the Government's capacity to invest in social programs, including programs for training. Although no systematic analysis had been done on the impact of the financial crisis, it was clear that the crisis had contributed to the decline in employment, and that youth were bearing the brunt of the job-destruction. Young people, in particular rural young women were struggling to find employment. The increased unemployment had made young people vulnerable to a range of illegal sectarian and insurgency organizations which were causing great harm to the country.

2. At the same time, the Technical and Vocational Education and Training (TVET) sector in Sindh, as in the rest of the country, was faced with a number of challenges, notably poor relevance of training and few training opportunities. There were an estimated 3,000 institutions (15 percent of these are in Sindh) in the country providing skill development school-based education for trades and medium-skilled professions within technical education, vocational training and commercial trades. One third of the institutions were public and the remaining private or NGOs.

3. The main challenges in the TVET sector were:

- Low relevance and impact of training: Although a few institutions had high placement rates, most institutions and training programs only had anecdotal evidence of training leading to jobs. Measurement of employment outcomes was not systematic. Linkages between industry and TVET institutions were weak resulting in a mismatch in the skills required in the labor market and those provided by the training programs. This was due to training in less relevant occupations, training using outdated technologies, and/or lack of industry exposure crucial to acquisition of soft skills and job-experience. The challenge was to build strong linkages between training programs and employers, allow for local improvements in the content of training programs, and ensure trainees had practical hands-on skills as well as industry exposure.
- Low public investment: Only a small part of the public budget allocation was allocated to TVET (5 percent) out of an already low public investment in education. The challenge was to ensure that existing public investments were effective by linking financing to outcomes, and then gradually increasing investment and leveraging private funding.
- Outdated infrastructure of public institutions: In most public institutions, the learning equipment was from the 1980s or earlier, and either obsolete or out of function. Sustainable investments were needed to upgrade the facilities of public training institutions to enable delivery of quality training.
- Public administration of institutions was generally poor in terms of measuring results, improving accountability, establishing incentives and managing teachers. There was a need

for measuring results, building capacity in training institutions, and building information systems.

1.2 Original Project Development Objectives (PDO) and Key Indicators

4. The grant was aimed at mitigating the negative impact of the food, fuel, and financial crises on employment and income of vulnerable youth by equipping them with skills that are in-demand and facilitating their (re) entry into the job-market. The grant objective was to provide emergency job training to about 5,050 crisis-affected vulnerable youth living in urban areas of Sindh through an innovative short-term training program that includes job-placement support to help find employment and earn income. Grant outcome indicators are listed below:

1. 5,050 Beneficiaries complete training under the Project;
2. 35% employment rate of Beneficiaries within 3 months of the end of training received under the Project;

1.3 Revised PDO (as approved by original approving authority) and Key Indicators, and reasons/justification

5. There were no revisions to the PDO.

1.4 Main Beneficiaries

6. The JSDF Grant aimed at targeting three broad target groups of crisis-affected vulnerable youth. Some of these had been further divided into sub-groups, mainly to assist with identifying documentation that could be used as proof of eligibility and also to ensure all deserving trainees were covered. The following are the three target groups along with their sub-groups:

- a) Laid Off Workers from Formal and Informal Sectors: The global financial crisis had severely affected the working class after several organizations underwent considerable downsizing and left a significant number of youth jobless. This group targeted young people that were laid off as redundant by their employers as a result of the financial crisis. It therefore encompassed young workers who could provide evidence of having a job for at least two months within the past two years.
- b) Poor and Vulnerable Youth: The second target group of the JSDF Grant was a broad cluster of poor and vulnerable youth.
 - i. Youth from Benazir Income Support Program (BISP) households: BISP is a national cash transfer program which targets the ultra-poor in the country. The JSDF Grant targeted youth from BISP households to empower them with the capacity to support themselves for a sustainable future.
 - ii. Youth from the 5 poorest districts of Sindh: This group catered to youth belonging to the poorest regions of the province and allowed for coverage of families that were unable to gain benefit from the BISP.
 - iii. Youth from the worst flood affected districts of Sindh: Keeping in view the devastating floods that enveloped a majority of the province, youth belonging to the districts most affected by the floods were included.

- c) Return Migrants: This group was defined to cater to the influx of return migrants that had been unable to hold their jobs in foreign countries.

1.5 Original Components

7. The Grant had three cross-cutting priorities. First, training would directly respond to labor market needs. Second, there would be strong monitoring and evaluation built into program administration. Third, the project would maintain an equitable distribution of training opportunities; notably youth in interior Sindh and females would equally benefit from training.

8. The Grant had two components:

- a) Component 1 of the grant financed: a public information campaign informing the targeted youth of the job training opportunities available through the Benazir Bhutto Shaheed Youth Development Program (BBSYDP); the selection and enrollment of vulnerable youth in job training programs that match their interests and preferences; and the competitive contracting of training providers to conduct the job training programs.
- b) Component 2 of the grant financed: the monitoring of training, trainees, job placement, employment and income gains as well as grant implementation. This included financial audits of expenditures, tracer studies, on-site visits to training providers, and an evaluation of achievements at the end of the project.

1.6 Revised Components

9. There were no revisions to project activities. However, a no-cost extension was processed in May 2012 to extend the closing date of the grant by a year. This was mainly due to administrative delays in commencement of training financed by the grant such as delayed opening of the designated account and getting the requisite clearances from the Government to begin implementation.

1.7 Other significant changes

10. There were no significant changes in the Grant Implementation Plan.

2. Key Factors Affecting Implementation and Outcomes

2.1 Project Preparation, Design and Quality at Entry

11. Grant preparation involved consultations with all main stakeholders of the Project - the Sindh Technical Education and Vocational Training Authority (STEVTA), the BBSYDP, and several Non-Government Organizations (NGOs) working with vulnerable youth. The consultations provided direct input into the grant design. A sample of the vulnerable youth was also consulted through a survey. The survey respondents expressed strong interest in job training. They were particularly interested in training that was relevant to labor market needs and included job-placement services which could increase their potential for securing employment. Further, stipends and travel allowances were deemed critical to meet their basic needs for food and shelter and enable vulnerable youth to participate in training away from home.

12. Employers were consulted through the Karachi Chamber of Commerce and Industry (KCCI) and the team visited a number of employers, including employers who provide internal workforce development programs. The employers were supportive of the proposed job training and agreed with the targeting of unemployed and otherwise vulnerable youth. Finally, training providers were also interviewed. The providers supported the innovations proposed in the project and agreed with the proposed administrative arrangements for the project.

13. A tracer study was conducted for the BSSYDP implemented youth training program which informed the baseline in terms of job placement of the program. Targets for employment rate of grant financed trainees were based on the findings of the tracer study.

14. The design of the grant was directly linked with the lending investment project, Sindh Skills Development Project (SSDP), with the grant implementation experience feeding lessons directly into design improvements for the SSDP. Elements of the grant were retained under the investment operations, demonstrating the strong design and impact of the grant.

2.2 Implementation

15. There were significant administrative delays in commencing project activities. The grant agreement was approved in September 2010, however, due to delays in getting requisite approvals from the government, the legal agreements were signed in February 2011. There were further delays in securing government approvals for establishing the leadership team for managing implementation and opening the designated account for the grant. This eventually led to a no-cost extension of the project.

16. The Implementation process of the JSDF Grant was kept largely similar to the procedural structure of the BBSYDP. The trainings were provided by transparently selected training providers. In particular, the project required that training providers, as a condition for funding, to commit to a minimum level of job placement of trainees. This requirement was built into the training contract with all training providers. All contracts contained the minimum performance criteria of an initial 25% job placement and/or continuing education/training, with incentives and disincentives for meeting targets. Information on inputs, outputs, and outcomes (i.e. placement in employment) was submitted by training providers as part of training completion reports. This reporting was verified on a sample basis by contacting the graduates and their reported employer. The employment rate of the program increased substantially as a result of the introduction of this performance clause in the contract. At the same time, trainees expressed satisfaction with the quality of the training provided.

17. Trainees received a monthly living stipend to cover basic needs. The stipend was fixed at a flat rate of PKR 2,500. Further, trainees attending training more than 75 km away from their home were entitled to a dislocation allowance ranging from Rs.2,000-3,000 (US\$20-US\$30). The stipend was conditional upon 85% attendance, which was monitored and enforced. The trainee stipend and dislocation allowance were paid directly into the trainee's bank account. This was a shift from the usual practice of giving cash or a check. Several delays were reported in the delivery of stipends to trainees as a result of this shift. Several trainees did not have bank accounts and there were delays in opening these accounts even though training providers facilitated the process. At the same time, there were delays in finding a partner bank that would

facilitate the transfers to the trainees' accounts and then on agreeing on a mechanism for the transfer.

18. There were several improvements in the monitoring and evaluation functions of the program as a result of grant activities. Pre-defined data management protocols that allowed for progress to be tracked against certain targets were incorporated into the system. Third party validations were introduced by the implementing agency of the quality of training and also of verifying employment outcome reported by the training providers. Call centers were employed to verify employment outcomes which were double checked on a sample basis by visits to employers.

2.3 Monitoring and Evaluation (M&E) Design, Implementation and Utilization

19. Monitoring and evaluation was central to the grant for three reasons: to ensure a focus on results in grant implementation, to measure and communicate the results, and to learn lessons from the innovative approaches in the grant that were subsequently scaled-up. Besides the monitoring and evaluation carried out by each training provider, the implementing agency carried out the following M&E activities: (i) on-site visits to training providers, (ii) review and enforcement of reporting requirements of training providers, (iii) tracer study of trainees to measure job placement, short-term and medium employment outcome, and income obtained by trainees.

20. The World Bank team was actively involved in overseeing monitoring and evaluation exercises as well as complementing these with a monitoring mechanism of its own. The JSDF Grant required submission of specific outputs by the implementing agency.

21. After the contracts to training providers had been issued and before the training commenced, a member of the WB Team conducted in-house M&E activities. These included a thorough verification of all M&E documents that had been compiled for randomly selected trainees and similarly selected training providers. For the trainees the following documents were verified from the trainee's file:

- a) Application form with supporting documents
- b) Offer letter indicating selection
- c) BBSYDP training ID card
- d) Summary of training specifying the trade

22. For the training providers the following documents were checked in the training provider's file:

- a) technical proposal;
- b) quality of technical evaluation process;
- c) contract with training provider;

23. A third party validation (TPV) was commissioned by the World Bank team to validate the extent to which program guidelines were followed during implementation of the grant. The TPV was divided into four phases and was carried out in two stages. During the first stage, an

evaluation of the process of training providers' appointment was carried out (Phase 1) and the selection of trainees was also validated against the procedures defined in the program guidelines (Phase 2). The study was based on desk review and field data collection methods for the first stage. The second stage was focused on trainee attendance, training delivery, stipend delivery (Phase 3) and placements (Phase 4). Field data collection method was followed for the later stage. Key findings of the TPV are listed below:

24. *Selection of Training Providers:* BBSYDP selected courses to offer on the basis of proposals submitted by the training providers who were expected to conduct an assessment of market demand for skills independently. The validation found that the training providers' performance in terms of conducting a market search to identify in demand skills was weak. At the same time, BBSYDP's evaluation of the forward linkages presented by the training providers was weak.

25. *Selection of Trainees:* A large number of trainees could not be registered in their preferred trade and the criteria for offering training in an alternate course were not documented systematically. The overall registration process was found to be fairly convenient for the trainees. The program website was deemed informative and useful by trainees.

26. *Trainee Attendance, Training Delivery & Stipend Delivery:* The attendance recording and reporting system was found in place and effective. All the training providers were using online systems to record attendance and to generate reports. The data was also accessible by the PCU on a real time basis. However, a number of trainees perceived that attendance neither affected stipend (41%) nor was there any penalty in case of absenteeism (60%).

27. Training delivery was found satisfactory both in terms of quality of training and compliance with the training plan.

28. Some discrepancies in the stipend disbursement system were observed during fielding and it was revealed that in 55% of cases on average, payment of stipend was delayed. It is pertinent to note here that 25% of the total respondents of survey complained about delay in stipend payment but were not aware of the reason for delay.

29. SMS feedback survey: The World Bank team conducted an SMS based feedback survey for Phase IV¹ trainees to collect information from beneficiaries on quality of training. The survey was rolled out to 10,036 (included trainees financed by GoSindh funding) trainees for whom cell phone numbers were available. With a 52% response rate and 32% completion rate, the survey revealed significant insights which are discussed in section 3.6 below.

2.4 Safeguard and Fiduciary Compliance

30. No safeguards were triggered under the grant.

¹ BBSYDP is an ongoing short term training program of the Government of Sindh. JSDF financed training coincided with phase IV of the ongoing training program of the government.

2.5 Post-completion Operation/Next Phase

31. The Grant was closely linked to the preparation and implementation of the Sindh Skill Development Project. It was designed with a view to incorporate implementation lessons from the grant into the main project to continue strengthening the government's youth development program. The TPV of grant activities especially has led to discussions with the implementing agency to introduce enhancements that could lead to better quality implementation and results.

3. Assessment of Outcomes

3.1 Relevance of Objectives, Design and Implementation

32. The Bank's Country Partnership Strategy for FY10-13 includes this project under the pillar to improve human development and social protection. The operation provided synergies with on-going and larger Bank projects in basic and higher education in Pakistan. By training young people for jobs, the project contributed to the competitiveness of Pakistani companies. The intervention also aimed at addressing the lack of skilled labor faced by projects in infrastructure, such as the power, roads, and irrigation sector.

33. By investing in, and strengthening, BBSYDP, the Bank was able to assist GoSindh in creating a more effective training program that could be scaled-up in addition to informing the skills development programs in other provinces.

2.2. Achievement of Project Development Objectives

34. *The PDO target of training 5050 youth was exceeded.* Trainings for 7,318 youth were financed by the JSDF grant. 6,176 of these completed the training successfully. The table below gives the gender wise break up those that registered for the training and those that completed it.

Number of trainees	Registered			Completed		
	Male	Female	Total	Male	Female	Total
	5,245	2,073	7,318	4,515	1,661	6,176

35. 27% of the JSDF trainees were females as compared to an intermediate target for female participation of 40%. This target was not achieved. Although efforts were made to include female trainees, the project was not very successful against an ambitious target. For instance, the implementing agency ensured that all female applicants who applied were given a preference in placement at the closest training facility available. A placement algorithm was developed that placed all female applicants before their male counterparts. However, systemic issues remained and were not addressed by the project, such as transportation difficulties for female trainees and social barriers which makes availing training opportunities at a location which is far from their residence difficult.

36. *The PDO indicator of employment of trainees financed by the JSDF grant was achieved.* 37% were reported as employed against a target of 35%. It is important to indicate that based on TPV findings conducted by the implementing agency and the Bank, 34% were verified as being employed. The table below provides a gender wise summary of reported and verified employment.

	Total	Male	Female
Reported Employment	37.16	36.28	39.99
Verified Employment	34.36	38.71	21.68

2.3.Efficiency

37. The JSDF project was expected to affect youth employment positively in two dimensions: (i) the probability of employment and (ii) wages for employed youth.

38. According to the Financial and Economic Analysis conducted at the beginning of the project, the NPV and IRR are estimated for a base case, where the probability of employment 3 months after graduation is 28 percent (based on the BBSYDP Tracer Study) and for a High case according to the 40 percent. For the base case, increasing enrolment in BBSYDP in 2009 by 45,000 trainees can produce an NPV of US\$27.34 million, while for the high case the NPV is as high as US\$73.9 million, with an IRR of 36.7 percent.

39. Data from the district monitoring reports shows that the assumptions leading to a positive NPV were exceeded and therefore it can be concluded that the Grant was efficiently implemented.

40. Key improvements are listed below:

- Completion rate: went up to 73% as compared to 67% in the initial analysis
- Average per trainee cost: Lowered from US\$410 to US\$238

Level	Average per trainee cost (PKR)	Avg per trainee cost (US\$)
Province	23,843	238
Rural	13,478	134
Urban	36,618	366

41. The average cost per trainee was estimated at USD 438 which included the cost of the stipend at the time the proposal was approved. This estimate was based on the average cost of training by both public and private sector training providers which were at the time contracted by BBSYDP. As a result of the introduction of a performance clause in the contract with training providers, public sector providers did not participate in the JSDF financed training. As a result, the average cost of training, which was much lower for private sector providers came down significantly. At the same time, BBSYDP introduced a placement algorithm which ensured that the distance from the training facility was reduced for prospective trainees. Trainees were informed that if they changed their first preference to a different course, they could remain in their home districts. This reduced the dislocation allowance provided to trainees and calculated as part of the per trainee cost significantly as well. The overall implication was a 40% reduction in funds required.

3.4 Justification of Overall Outcome Rating

42. The project was highly relevant and achieved its development objectives for the most part. Although the overall target for training of youth was exceeded by a large margin, it fell short of achieving a key outcome indicator of female participation. At the same time, the target for

employment was also achieved – 37% against a target of 35%. On balance, the overall rating is moderately satisfactory.

3.5 Overarching Themes, Other Outcomes and Impacts

(a) Poverty Impacts, Gender Aspects, and Social Development

43. Although no formal analysis was conducted on poverty impact, since grant beneficiaries were the ones from the poorest districts and had lost employment due to the financial crisis or were affected by a disaster, it can be claimed that grant activities contributed to relieving poverty in households where trainees received a job at the end of the training program.

(b) Institutional Change/Strengthening

44. Strengthening Monitoring & Evaluation systems: M&E activities of BBSYDP were improved as a result of grant activities. BBSYDP was able to conduct its first TPV exercise, which evaluated training providers on; (i) average trainee performance on third party test, (ii) trainee attendance; and (iii) quality of equipment and training materials. Furthermore, BBSYDP has made progress in developing robust systems for the collection, entry and analysis of data on performance indicators. Furthermore, the District Monitoring Reports were linked to the MIS database and reports will be generated bi-annually and disseminated to all districts.

(c) Other Unintended Outcomes and Impacts (positive or negative)

NA

3.6 Summary of Findings of Beneficiary Survey and/or Stakeholder Workshops

45. The emphasis on employment outcomes motivated the design and implementation of an SMS survey of 10,036² program trainees to evaluate the employment outcomes of graduates and identify factors that impede their job prospects. The survey was conducted in two phases to gather feedback from trainees during trainings and after completion and made innovative use of SMS based technology for data collection. SMS based surveys are not only a cost-effective and efficient way of gathering feedback but also provide feasible solutions for tracking trainees after graduation.

46. The survey found that amongst the trainees who responded, 34% were either employed or pursuing higher education and 55% were searching for employment. The application process for benefiting from the training program was found convenient by trainees. The quality of training was mostly satisfactory. The motivation for the majority of trainees for applying for training was to gain employment although roughly half of them expected to get employment at the end of training. Findings of the survey are summarized in Annex 5.

4. Assessment of Risk to Development Outcome

47. Risk to development outcome is moderate. The TPV conducted of project activities show that for the most part, training was satisfactory. In addition, employment outcomes reported by

² 52% of trainees responded and 32% completed the survey.

the implementing agency have been verified and the target was assessed to have been met. These gains are unlikely to be reversed. The biggest risk associated with the program at the time of approval was its association with the political party in power. The program, however, has survived a change in government and is fully funded and owned by the government evident in expansion of targets of the program.

5. Assessment of Bank and Borrower Performance

5.1 Bank Performance

(a) Bank Performance in Ensuring Quality at Entry

Rating: Satisfactory.

48. The preparation of the grant benefitted from the preparation work for the accompanying investment project, SSDP. As part of preparation, a tracer study that helped set the baseline for the employment outcomes of the grant was undertaken. An employer survey helped identify areas in which training for skills could be improved. Emphasis was put on improving outcomes of interest, for instance increasing female participation in training by conducting specific studies. However, the findings of the study could not be incorporated adequately in the design of the project.

(b) Quality of Supervision

Rating: Satisfactory

49. The Bank conducted several activities as part of its supervision such as an SMS based feedback survey to get trainee feedback on quality of training and their experience working with BBSYDP, the implementing agency. In addition, the quality of implementation was rigorously reviewed by a third party firm that provided detailed comments on performance of the implementing agency which in turn informed discussions with the implementing agency to improve implementation for improved outcomes.

(c) Justification of Rating for Overall Bank Performance

Rating: Satisfactory.

Based on the above, Bank performance is considered satisfactory.

5.2 Borrower Performance

(a) Government Performance

Rating: Moderately Unsatisfactory

50. Following approvals, the project took above average time to begin implementation leading to a no cost extension of the grant. Subsequently, the project team faced major delays in obtaining authorization for the opening of assignment accounts.

(b) Implementing Agency or Agencies Performance

Rating: Satisfactory

51. The implementing agency operated in a difficult environment with inordinate delays from some government departments for routine matters such as clearances to open accounts. These resulted in delayed commencement of activities although preparation work was complete. There was a continuous improvement in processes and procedures used by BBSYDP in managing short term training of unemployed youth in the province. These are reflected in the enhancements to

the guidelines of the program which were regularly updated and posted on its website. In addition, BBSYDP improved its trainee placement procedures by introducing an algorithm which ensures transparent placement of trainees in an efficient manner that prioritizes placement of females and those close to their domicile districts.

(c) Justification of Rating for Overall Borrower Performance

Rating: Moderately Satisfactory

52. Although implementing agency performance was satisfactory, due to the initial delays in the project described above, the overall rating for borrower performance is Moderately Satisfactory.

6. Lessons Learned

53. The following are the major findings and the key lessons learnt:

- Public sector interventions in the training sector should essentially be catalytic in nature to create a participative environment in which the training providers and the employers in tandem can plan and deliver training programs in response to the market forces - the corollary being that public sector training monopolies lead to gross inefficiencies, rapid obsolescence and rampant un-employability of trained labor.
- Policy-makers and planners need a greater understanding of the dynamics of job creation and job-related training, if costly labor shortages and surpluses are to be avoided.
- The expansion of training sector should not be governed by compulsions of social demand for vocational training opportunities but instead by the imperatives of economic demand. Vocational guidance services should be established to inform and educate the people for the purpose of enabling them to make correct choices.
- Ensuring active involvement of the private sector despite its difficulties: To meet the dual objectives of meeting demand for skills and improving employment outcomes of trainees, it is imperative to involve employers in the planning and implementation stages of TVET programs and institutions.

7. Comments on Issues Raised by Borrower/Implementing Agencies/Partners

(a) Borrower/implementing agencies

Annex 1. Project Costs and Financing

Category	Category Description	Allocated	Disbursed	Undisbursed
Totals		2,755,000.00	1,627,208.97	1,127,791.03
1	Stipends/Relocation allowance	997,040.00	629,725.62	367,314.38
2	Sub-grants &/or service fees to TP	1,287,500.00	940,517.44	346,982.56
3	SGnts &/or service fees to JPSP	314,150.00	0.00	314,150.00
4	Consultants' Services	140,000.00	40,765.19	99,234.81
5	Goods	6,000.00	6,088.55	-88.55
6	Operating Costs	10,310.00	10,112.17	197.83

Annex 2: Outputs by Component

The Grant was based on two components:

- Component 1 of the grant aimed to finance a public information campaign informing the targeted youth of the job training opportunities; the selection and enrollment of vulnerable youth in job training programs that match their interests and preferences; and the competitive contracting of training providers to conduct the job training programs;
- Component 2 of the grant was aimed at the monitoring of training, trainees, job placement, employment and income gains; as well as grant implementation. This included financial audits of expenditures, tracer studies, on-site visits to training providers, and an evaluation of achievements at the end of the project.

While training and employment outcomes were accomplished, all aspects of Grant components could not be realized. Some areas for improvement are included below:

Employment reporting:

- The completion report submitted by the training providers is meant to provide information on the number of trainees that are employed within three months of training. These reports have been consistently delayed. As a result of the delays the implementing agency holds back final payments to the providers.

Facilitating Employment

- There has been no serious effort to evaluate or document the facilitation provided by training providers in the search for employment. This includes career counseling; forward linkages with the industry; provision of soft skills; certification etc.

Verification of Reported employment:

- BBSYDP relies of telephonic verification of the employment outcomes reported by the training provider with only a sample of employers that are visited to verify employment of BBSYDP financed trainees. The reliability of this method needs to be evaluated further.

Key areas of improvement being considered in follow-up phases include:

- Awareness about courses: There is anecdotal evidence to support the fact that trainees are not entirely sure of the content of the courses they indicate as preferences in the application. BBSYDP should add a short description of all courses on its website.
- The placement process should be automated to the maximum extent possible. This should be specifically ensured for wait-listed candidates.
- The trainee placement algorithm needs to be updated to reflect willingness to dislocate (which is usually lower for females). Also, an analysis of the correlation between dislocated trainees and drop-out rates will be useful. In Phase IV (JSDF), 19% of the trainees received a dislocation allowance.
- Strengthened Verification mechanisms: Revised employment verification strategy for Phase V. High quality ToRs for verification firms are important to ensure the activity is undertaken as planned.

- Timely Submission of completion report: Contract management is critical in ensuring timely submission of reports. BBSYDP can enforce penalties for delays through contract terms.

Indicator		% placed	Gender Breakup %	
			Male	Female
Share of Trainees Placed	Rural	59.19	56.20	72.00
	Urban	72.08	66.29	86.12
	Province	64.34	59.92	79.15
Per Trainee Cost(Over all)		Average per trainee cost	Median Per Trainee Cost	
	Province	27,044	22,000	
	Rural	14,780		
	Urban	42,158		
Share of Trainees completing Training (Registered - Dropouts)	Share	% graduating	Male	Female
	Rural	86.14	86.97	83.37
	Urban	77.00	79.42	72.57
	Province	82.01	83.88	77.34

Indicator	Category	% of trainees		
Share of Dislocated Trainees	Same Location	81.10		
	Dislocated to Vicinity district	18.90		
		19809		
Sector-Wise Trainee Attendance		Name of Sector		
	Highest	Administrative & Secretarial Work		
	2nd Highest	Computer Graphics & Web Development		
	3rd Highest	Computer Programming & DBA		
Overall Trainee Attendance	Attendance Levels	Trainee Share (%)		
	A>85	55.97		
	85>A>60	22.48		
	A<60	13.36		

Employment Status by Training Provider

S.No	Institute's Name	Institute's District	Registered Trainees	Employed	% of Employment
1	110 Solution	Karachi	49	11	22.45%
2	Al-Ghouse (North Karachi)	Karachi	91	30	32.97%
3	Al-Ghouse Orangi Town	Karachi	180	109	60.56%
4	Alpha Solutions	Hyderabad	47	15	31.91%
5	AMI APEX	Karachi	140	47	33.57%
6	Appolo Motors	Karachi	55	54	98.18%
7	Azfam Technology	Karachi	110	28	25.45%
8	Blessing Institute of IT	Sukkur	129	29	22.48%
9	CBP	Karachi	58	25	43.10%
10	Classic Academy	Larkana	69	23	33.33%
11	Computer Collegiate FB Area	kARACHI	60	35	58.33%
12	Computer Collegiate Gulshan Campus	Karachi	63	24	38.10%
13	Computer World	Larkana	47	13	27.66%
14	COMSIT	Sukkur	91	7	7.69%
15	CTTC	kARACHI	53	24	45.28%
16	Dotcom	Larkana	97	35	36.08%
17	DTS	Karachi	140	47	33.57%
18	Edutek	Karachi	97	50	51.55%
19	Ensign Communique	Karachi	266	97	36.47%
20	Glamour Institute Ghotki	Ghotki	147	45	30.61%
21	Glance Pano Akil	Sukkur	49	15	30.61%
22	Haidri IT	Karachi	200	40	20.00%
23	Heaven House	Thatta	47	14	29.79%
24	IBA	Sukkur	234	38	16.24%
25	Indus College	Karachi	120	68	56.67%
26	Islamic Institute of IT	Khairpur	47	22	46.81%
27	ITC Ghotki	Ghotki	98	30	30.61%

28	Jauhar Degree College	Karachi	70	44	62.86%
29	Khowaja Dadu	Dadu	54	18	33.33%
30	Khowaja Hyderabad	Hyderabad	94	26	27.66%
31	Khowaja Karachi	Karachi	91	30	32.97%
32	Khowaja Shikarpur	Shikarpur	93	30	32.26%
33	Khowaja Sukkur	Sukkur	45	15	33.33%
34	Mark Pvt. Ltd	Karachi	107	24	22.43%
35	Micron-I	Shaheed Benazirabad	50	25	50.00%
36	Micron-II	Shaheed Benazirabad	25	16	64.00%
37	MIST	Mirpurkhas	538	460	85.50%
38	Mubashir Model School & I.T Institute	Khairpur	45	19	42.22%
39	Nari Development JSDF	Tando Muhammad Khan	24	4	16.67%
40	National Technical Institute for Girls	Shaheed Benazirabad	62	11	17.74%
41	Nav Tech Institute	Karachi	13	7	53.85%
42	Newports Institute	Karachi	24	11	45.83%
43	Noor College	Karachi	189	29	15.34%
44	Orion Soft	Khairpur	43	21	48.84%
45	Over seas Trade Link	Karachi	46	15	32.61%
46	Pakistan Institute of Professional Sciences	Karachi	98	27	27.55%
47	Paras Computer Academy	Mirpurkhas	48	16	33.33%
48	Perfect Montessori System	Thatta	47	26	55.32%
49	PHMA	Karachi	44	22	50.00%
50	Primus Institute	Khairpur	91	31	34.07%
51	Royal Institute of IT	Jacobabad	46	12	26.09%
52	S4S Karachi	Karachi	170	51	30.00%
53	Sabheeta Academy	Khairpur	85	30	35.29%
54	Sabheeta Gambat	Khairpur	45	15	33.33%
55	SAKI Institute JSDF	Sukkur	95	35	36.84%
56	SHRD	Karachi	190	71	37.37%
57	Skill Tech International	Karachi	36	6	16.67%
58	Super Sys-Tech	Umerkot	49	15	30.61%
59	Synthetic Fibre	Karachi	145	29	20.00%

60	SZABIST Hyderabad	Hyderabad	186	51	27.42%
61	SZABIST Larkana	Larkana	291	111	38.14%
62	SZABIST SBA	Shaheed Benazirabad	127	36	28.35%
63	SZABIST Tando Muhammad Khan	Tando Muhammad Khan	132	16	12.12%
64	Technocrate Khairpur	Khairpur	112	32	28.57%
65	Zahoor Computer Training Institute	Jacobabad	99	31	31.31%
66	Zainab Memorial	Naushehro Feroze	169	51	30.18%
67	Zenith Academy	Sukkur	42	12	28.57%

Employment Status Across Districts							
S.No	District	Male	% emp	Female	% emp	Total	% emp
1	Karachi	654	33.80%	222	33.23%	876	33.65%
2	Khairpur	149	7.70%	46	6.89%	195	7.49%
3	Shaheed Benazirabad	69	3.57%	45	6.74%	114	4.38%
4	Sukkur	121	6.25%	38	5.69%	159	6.11%
5	Badin	9	0.47%	0	0.00%	9	0.35%
6	Dadu	26	1.34%	11	1.65%	37	1.42%
7	Tando Allahyar	10	0.52%	2	0.30%	12	0.46%
8	Hyderabad	59	3.05%	19	2.84%	78	3.00%
9	Umerkot	30	1.55%	1	0.15%	31	1.19%
10	Kashmore @ Kandhkot	4	0.21%	1	0.15%	5	0.19%
11	Sanghar	28	1.45%	5	0.75%	33	1.27%
12	Naushehro Feroze	72	3.72%	9	1.35%	81	3.11%
13	Larkana	118	6.10%	68	10.18%	186	7.15%
14	Ghotki	94	4.86%	11	1.65%	105	4.03%
15	shikarpur	49	2.53%	6	0.90%	55	2.11%
16	Mirpurkhas	309	15.97%	133	19.91%	442	16.98%
17	Qambar @ Shahdadkot	16	0.83%	3	0.45%	19	0.73%
18	Jamshoro	14	0.72%	2	0.30%	16	0.61%

19	Matiari	0	0.00%	1	0.15%	1	0.04%
20	Tharparkar	37	1.91%	2	0.30%	39	1.50%
21	Jacobabad	39	2.02%	7	1.05%	46	1.77%
22	Thatta	12	0.62%	32	4.79%	44	1.69%
23	Tando Muhammad Khan	16	0.83%	4	0.60%	20	0.77%
	Total	1935		668		2603	

Females Participation Ratio								
S.No	District	Both Genders			Females			%age
		Rural	Urban	Total	Rural	Urban	Total	
1	Badin	133	0	133	61	0	61	45.86
2	Dadu	550	3	553	268	1	269	48.64
3	Ghotki	452	0	452	59	0	59	13.05
4	Hyderabad	3	520	523	1	161	162	30.98
5	Jacobabad	242	0	242	35	0	35	14.46
6	Jamshoro	178	1	179	74	0	74	41.34
7	Karachi	165	3472	3637	45	1265	1310	36.02
8	Kashmore @ Kandhkot	94	0	94	5	0	5	5.32
9	Khairpur	1031	3	1034	275	3	278	26.89
10	Larkana	665	3	668	185	2	187	27.99
11	Matiari	32	1	33	9	1	10	30.30
12	Mirpurkhas	804	4	808	328	1	329	40.72
13	Naushehro Feroze	488	1	489	95	0	95	19.43
14	Qambar @ Shahdadkot	176	0	176	62	0	62	35.23
15	Sanghar	207	2	209	35	1	36	17.22
16	Shaheed Benazirabad	440	2	442	225	1	226	51.13
17	shikarpur	306	0	306	47	0	47	15.36
18	Sukkur	47	876	923	14	304	318	34.45
19	Tando Allahyar	35	2	37	4	0	4	10.81

20	Tando Muhammad Khan	184	0	184	56	0	56	30.43
21	Tharparkar	198	0	198	24	0	24	12.12
22	Thatta	152	0	152	72	0	72	47.37
23	Umerkot	144	0	144	36	0	36	25.00
	Total	6726	4890	11616	2015	1740	3755	32.33

Annex 3. Economic and Financial Analysis

Inputs to vocational training include the trainees' and instructors' time, instructional materials, equipment and physical facilities. The direct and indirect resources devoted to these inputs constitute the costs of vocational training.

The outputs of vocational training include its effects on the trainee and the benefits to the trainee, to the provider of training and to society. These effects on the trainee refer to the increments in both cognitive and non-cognitive skills that are required in the workplace. The benefits of vocational training to a trainee include both pecuniary benefits (such as increased earnings, enhanced probability of getting the first job and more stable employment) and non-pecuniary benefits (such as increased job satisfaction and more occupational options). Benefits to the enterprise providing the training include lower rates of worker turnover, reduced downtime, reduced input costs and increased worker productivity. Benefits to society include increased economic productivity and higher taxable earnings.

The benefits expected from BBSYDP trainings, as reflected in the project's key performance indicators, are: (a) improved internal efficiency of BBSYDP internal administration, in terms of proportion of enrolled students who successfully complete trainings; (b) enhanced labour market outcomes for BBSYDP graduates, and (c) by improved productivity, as measured by higher life-time earnings of BBSYDP graduates.

The JSDF grant was expected to affect youth employment positively in two dimensions: (i) the probability of employment and (ii) wages for employed youth.

According to the Financial and Economic Analysis conducted at the beginning of the project, the NPV and IRR are estimated for a base case, where the probability of employment 3 months after graduation is 28 percent (based on the BBSYDP Tracer Study) and for a High case according to the 40 percent target set by the Project. For the base case, increasing enrolment in BBSYDP in 2009 by 45,000 trainees can produce an NPV of US\$27.34 million, while for the high case the NPV is as high as US\$73.9 million, with an IRR of 36.7 percent.

Data from the district monitoring reports shows that the assumptions leading to a positive NPV were exceeded and therefore the Grant financing was efficiently implemented.

Key improvements are listed below:

- Completion rate: went up to 73% as compared to 67% in the initial analysis
- Average per trainee cost: Lowered from US\$410 to US\$238
- Number of trainees (7500)

Level	Average per trainee cost (Pakistani Ruppees)
Province	23,843
Rural	13,478
Urban	36,618

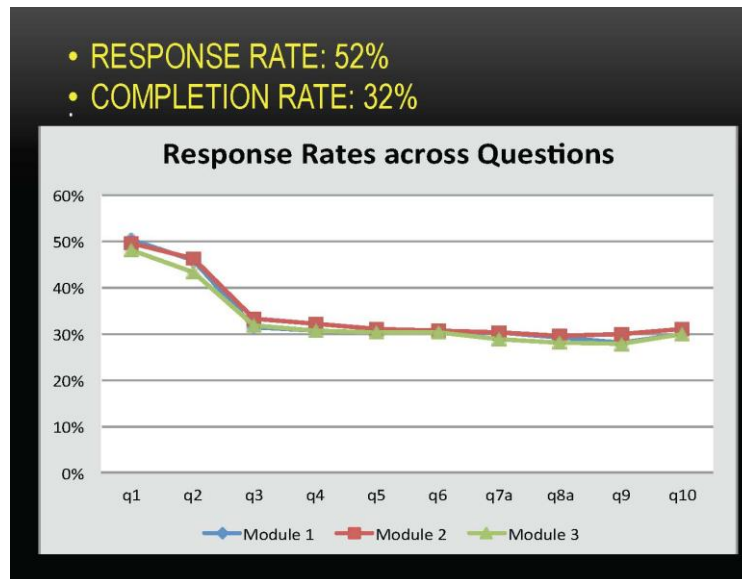
Annex 4. Bank Lending and Implementation Support/Supervision Processes

(a) Task Team members

Names	Title	Unit
Lending		
Huma A. Waheed	Operations Officer	SASED
Andreas Blom	Lead Education Economist/Task Leader	SASED
Asif Ali	Senior Procurement Specialist	SASPR
Sayed Waseem Abbass Kazmi	Senior Financial Management Specialist	SASFM
Anwar Ali Bhatti	Disbursement Officer	SASPK
Supervision		
Huma A. Waheed	Operations Officer/Task Team Leader	SASED
Uzma Sadaf	Senior Procurement Specialist	SASPR
Riaz Mahmood	Financial Officer	SASFM
Anwar Ali Bhatti	Disbursement Officer	SASPK
Mariam Nusrat Adil	Consultant	SASED

Annex 5. Beneficiary Survey Results

A beneficiary survey was undertaken using SMS technology. 3 modules were designed to get feedback from trainees on the different stages of implementation: (i) the application process; (ii) the training itself; and (iii) the outcomes of the training. The survey was administered to more than 10,000 trainees. 52% responded to the survey. 32% completed the full survey.



The following summarizes module wise responses from the trainees.

Module 1: Trainee perceptions about the application process:

- Word of mouth is the most popular channel of awareness about BBSYDP offered training closely followed by newspaper advertisements and from the training institutes themselves.
- 86% of the trainees believe that applications are easily accessible.
- 62% used the BBSYDP website.
- 48% perceived the registration process as fairly convenient indicating room for improvement.
- 68% claimed that stipends were never on time highlighting this as a major issue.
- Most viewed the BBSYDP headoffice the best place to launch a complaint – district offices need improvement in this respect.

Module 2: Trainee perceptions about training quality

- 50% of trainees believe that training is of appropriate length while 40% think it is too short.
- Instructors are largely reported as being qualified and regular in terms of attendance.
- Courses are largely perceived as covering the most relevant topics with average difficulty and providing adequate practical training opportunities.
- Most training institutes are perceived to be suitably located for women.

Module 3: Trainee motivation and constraints

- The biggest motivation for undertaking BBSYDP training is better employment.
 - Trainees believe education is the key determining factor for employment.
 - 53% would like to be formally employed while 39% would like to pursue further education.
 - 35% believe they had a 50-75% chance of gaining employment after the training.
 - 60% of those surveyed expect to earn between RS 10,000 and Rs 20,000 after receiving training.
 - 43% expected at least a 50% increase in their income levels after receiving training.
-