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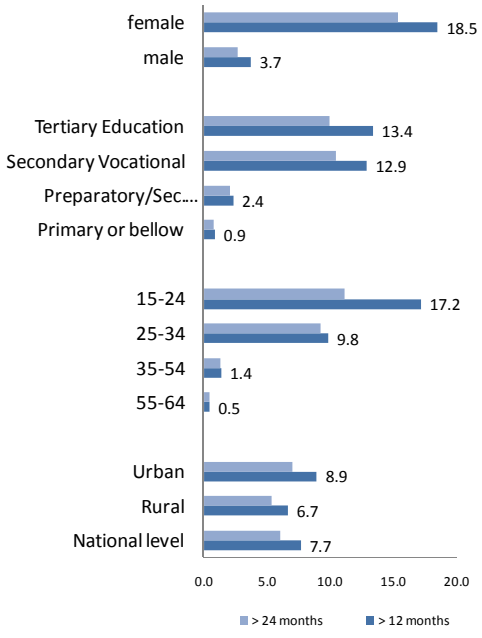
Public Employment Services and Publicly Provided ALMPs in Egypt

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I. Introduction

This note presents a brief overview of Public Employment Services (PES) in Egypt and describes the institutional framework for public delivery of Active Labor Market Programs in Egypt. Egypt has the fourth largest economy in the Middle East and North Africa (MENA) Region and has implemented economic reforms since 2004 which have led to some economic growth (e.g. a fast growing technology sector and the country has been recognized as one of the top offshoring destinations for international companies). However, Egypt's economic development has been undermined by a number of factors. Despite the fact that the overall employment rate in the country rose from 42 % to 48 % of the working-age population between 1998 and 2006, the country has been struggling with structural unemployment especially among its women and youth. Long term unemployment (12+ months) rates among young women (reaching up to 18.5 %) are much higher than among young among men (3.7 % of total labor force for men). Unemployment rates are highest among skilled youth, particularly in urban areas, as they generally queue for public sector jobs (see Figure 1). Furthermore, the quality of employment has deteriorated. There is stagnation in the creation of formal private sector jobs and the growth of public sector employment is not enough to absorb the estimated 600,000 new entrants that seek to join the labor market annually.

Figure 1: Egypt long term unemployment (% of labor force)

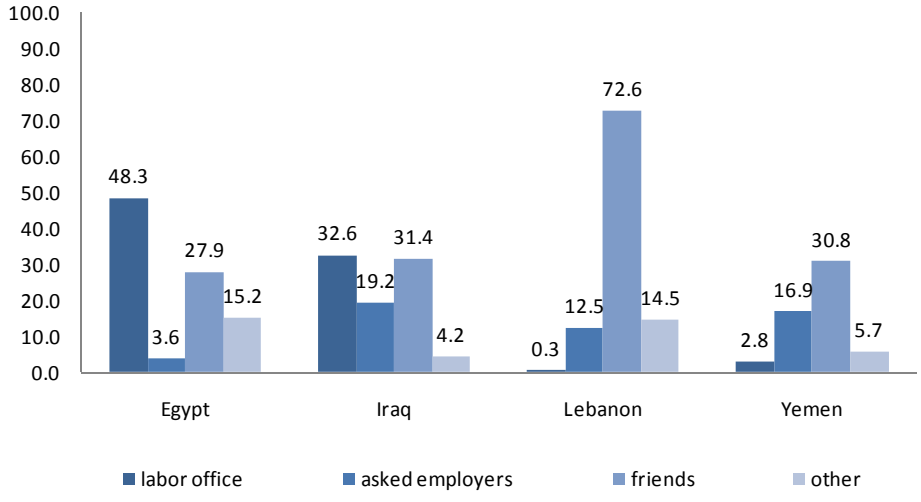


Source: Calculation using Egypt Labor Market Survey (ELMP2006)

Paradoxically, employers experience difficulty in recruiting personnel for the few positions available, as they feel that young workers often lack the skills and experience needed to fill vacancies. Results from enterprise surveys in Egypt (ICA 2008) indicate that 50% of all firms interviewed identify worker skills mismatches among their top five constraints to business development. The education and training systems are often unrelated to the demands of the job market, resulting in inadequate curricula that seem unaligned to the competencies required by employers. Neither higher education nor technical and vocational education and training (TVET) have offered a critical level of skill enhancement that qualifies young people for a successful search for jobs in the formal economy. To cope with the situation, young workers (both educated and non-educated) are opting to work in the informal sector in low-quality/low pay jobs and those that can afford withdraw from the labor force (Angel-Urdinola and Semlali, 2010). These combined phenomena contribute to a deadweight loss of recent public and private investments in education.

The level of unemployment could be reduced in Egypt if further investments are made in market mechanisms and institutions that effectively link labor supply to demand, such as public employment services. Employment services encompass all measures aimed at enhancing job search efficiency, such as providing information on job vacancies, assisting in matching workers to jobs, career counseling, and assessment and testing to determine job readiness. Although there is room for improvement, it should be recognized that close to 50% of all workers in Egypt claim to have obtained employment through some labor intermediation mechanism – either through public labor offices from the Ministry of Manpower and Migration (MoMM) or through private providers (See box 1. for an example of private intermediation provision). These figures attest the crucial role that labor intermediation plays in the Egyptian context. As indicated in Figure 2, Egypt is one of the countries (with available data) where public labor intermediation seems to be a widely used instrument that allows unemployed individuals to find jobs. Since labor offices already play a significant role in Egypt – despite existing capacity constraints, as will be discussed below – with investments on capacity building and with policies aiming to improve institutional efficiency, a larger number of job seekers in the country could potentially find employment through public intermediation services.

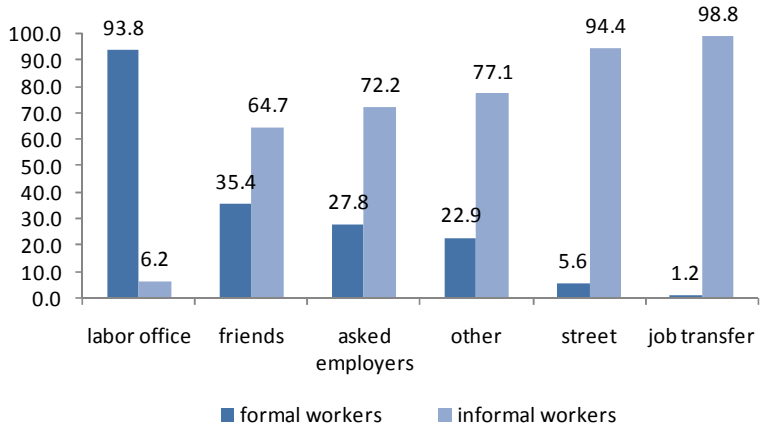
Figure 2: How do workers find jobs in the MENA region?



Source: Inventory of Public Employment Services in MENA (Forthcoming).

Labor Offices in Egypt are one of the main mechanisms used to get formal sector jobs (in the public and private sectors) (Figure 3). The broad utilization of labor offices by Egyptian unemployed is the result of labor offices having been traditionally the main mechanism of registration and intermediation for public employment at the time when the government of Egypt warranted placement in the civil service to all university graduates. The aforementioned context provides a rationale for the use of public intermediation to address the challenges of unemployment in Egypt in the short run. Beyond intermediation, Egypt has a complex system of Active Labor Market programs in the areas of Vocational Training, entrepreneurship, and temporary employment schemes (through public works) that aim to enhance employability, provide systems of safety nets, and encourage employment creation among the unemployed.

Figure 3: How People Find Jobs in Egypt According to Employment Sector



Source: Inventory of Public Employment Services in MENA (Forthcoming).

The main purpose of this note is to present a brief overview of publicly provided employment services in Egypt and to describe the institutional framework for public delivery of Active Labor Market Programs in the country**.** Private provision of ALMPs will not be addressed in this note since it was the topic of an earlier publication titled Non-Public Provision of Active Labor Market Programs in Arab- Mediterranean Countries: An Inventory of Youth Programs (Angel-Urdinola, Semlali, Brodmann 2010). Privately financed and privately provided programs from nine countries, including Egypt (please see Annex), were reviewed since policy makers in the region are hampered by a lack of information on what types of employment programs exist in the region, existing gaps in the provision of programs, and opportunities for scaling up or replicating successful programs. Benchmarked against international best practices, assessment of the programs revealed that the majority lacks the necessary mix of design features that make programs effective. These findings call for urgent reforms in program design and delivery, especially given the sizeable financial investments in programs and the urgency to improve labor market outcomes among youth. Generally, the public sector alone cannot deal with skills mismatches, lack of intermediation, and provision of employment services for the overall population. Private involvement in the provision of ALMPs was boosted by the Private Employment Agency Convention adopted by the ILO in 1997 (Convention 181 supported by Recommendation 188). The convention recognizes that in addition to training, core job matching and career counseling activities are increasingly outsourced and subcontracted to private providers. There is not a standard to quantify the extent to which ALMPs

delivery should be public or private. The choice of public vs. private delivery largely depends on each country's institutional capacity, budget constraints, and private sector development.

This paper also proposes a policy framework to improve employment services in Egypt. Public labor intermediation in Egypt is an important mechanism for unemployed individuals to obtain formal employment. As such, investments in capacity building and modernization of labor offices have a huge potential to improve labor market intermediation and reduce frictional unemployment. In particular, labor offices could expand their scope from pure labor intermediation to job search assistance, counseling, and referral of jobseekers to ALMPs. It is thus important to invest in the staff of labor offices so their role becomes more focused on employment counseling. Labor offices could also benefit from improving their labor market information systems. MoMM has developed a comprehensive database which maps registered unemployed and vacancies, the data in underutilized and if better used, it could be an instrument to assess labor demand. Moreover, Egypt has a comprehensive system of ALMPs which include Vocational Training, entrepreneurship, and temporary employment schemes. The TVET system is largely fragmented and training suffers from a lack of coordination. Also, services are often supply-driven and of low quality. At the same time, Egypt has implemented large public works and micro-credit programs which have benefited a significant share of the population. Most interventions remain largely un-assessed. The system of public employment services and ALMPs in Egypt could benefit from improvement in capacity in several areas, namely:

- *Stakeholder Coordination*: Increase public-private partnerships. (i) Establish a coordinating body that facilitates interaction and knowledge exchange between training providers and the private sector, (ii) design provider contracts based on performance and intermediation, (iii) expand programs offering apprenticeships and on-the-job training.
- *Quality Assurance Mechanisms and Signaling*: There is a need to establish mechanisms for quality assurance of ALMP providers while increasing the effect of signaling of ALMPs. This could be achieved by introducing: (i) systems to accredit training providers while ensuring that the skills taught are in demand and also accredited: (ii) disseminating information about providers' performance and quality, and (iii) the establishment of a National Qualifications Authority (NQA) to set/define occupational norms and relevant skills training in consultations with the private sector.
- *Program Design*, e.g. *Design a Mutual Obligations Approach Through Activation Policies.* It is a means to encourage jobseekers to become more active in finding work and/or improving their employability. In return for being offered a range of employment services, individuals must commit and comply with a set of eligibility requirements. Moreover, a general increase in the number of programs focused on employment services and job search assistance is desirable.
- *Training programs should shift from being traditional (in-class and focused on hard skills) into more comprehensive packages* that (i) ensure that the programs also provide practical on-the-job experience, (ii) provide employment services as part of the training, (iii) provide a mix of hard and soft skills.
- *Monitoring and Evaluation*: Develop a culture of data collection but also making data available, data selection of meaningful indicators, and periodic reporting. For large programs, impact evaluation should be integrated in the program design. Evaluations should ideally accompany pilot interventions before these are scaled up. Furthermore, developing compressive data sets and identifying and tracing beneficiaries over time and linking programs across different institutions is a good channel towards a greater integration and harmonization of SP&L policies.

Finally, it is important to point out that available data is limited and difficult to access particularly when it comes to financing and the number of registered unemployed. This note is therefore taking more of a descriptive nature. If more data becomes available the team would be able to use the new information in various ways within the scope of this work.

The note is structured as follows. Section 1 presents PES international best practice. Section 2 describes the institutional framework governing employment services in Egypt. Sections 3 and 4 describe provision of labor intermediation and technical and vocational education and training (TVET) in Egypt. Sections 5 and 6 describe the country's existing Public Works and Regional Development Programs as well as entrepreneurship programs. A brief conclusion follows.

II. Public Employment Services – International Best Practice

International best practice of public employment services fulfill brokerage functions, matching available jobs with job seekers free of charge. Providing a broadly based all-round job assistance and counseling service to people registered at employment service. PES, when it works well, should have a coordinating and facilitating role in the labor market.

PES provided employment services are at the heart of national ALMP strategies in the most advanced countries since it reduces waiting times for job seekers. It usually encompasses the following groups of activities: (i) information services for jobseekers and referral to opportunities for work and training, together with job brokerage services for employers; and (ii) individual case-management services of individualized assistance (e.g. intensive counseling and guidance, personalized action plans) and follow-up for unemployed persons. A list of best practices/case studies in provision on employment services in EU countries see Box 1.

Best practice incorporates a preventive and proactive approach –a flexicurity approach- to support early identification of skills need, job search assistance, guidance and training. Most European PES put great importance on a preventive approach. Key measures towards this aim include early profiling of unemployed people and personalized follow-up procedures, amongst other things. In Germany, PES looks at four components to determine the profile classification of a job seeker as the foundation for further action: personal factors (motivation), personal qualifications (skills, formal education), objective obstacles (care situation, disability) and regional labor market context. In Austria, early identification of the needs guides the selection of unemployed people without self-helping capacities who get more intensive coaching and support from the beginning. In the Netherlands and Luxemburg, tests of competencies and employability are applied in the profiling process. In Finland, early intervention implies that PES start the service process (profiling, action individual action plan, and assessment of the service needs) within 2 weeks.

PES staff competency is an important factor contributing to the success of ALMPs is the institutional capacity of employment services, as well as the ratio of clients to employment counselors. The professional level of the staff at the local employment offices -- how actively they work with local authorities, employers and unions in determining job vacancies available or the skills needed by the trained labor force; how effectively they design the programs and choose service providers and beneficiaries. Moreover, the ratio of clients to employment counseling staff is of critical importance for successful service provision.

Successful PES reforms have increasingly involved the private sector in some employment services such as the vocational training programs and the job intermediation functions. This is often associated with greater cost effectiveness and provides a wider array of options for a diverse range of clients.

ICTs have proven essential in strengthening the provision of self-service facilities such as on-line job-banks. Many countries have build up CV-data banks of jobseekers, which can be assessed by employers electronically. Just as in the case of employers entering their vacancies, jobseekers can enter their CVs by themselves. They can enter this information at home over the Internet or from stand-alone facilities in local labor offices.

Best practice employment services and ALMPs include evaluation. For the governments it is important to carefully evaluate labor market programs and introduce interventions on the basis of what works in the country. Properly evaluated programs are less likely to lead to positive assessments of impact and effectiveness than judgments based on "non-scientific" methodologies. In the absence of such evaluations, policy-makers are likely to overestimate the benefit of their interventions and, as a result, allocate resources inefficiently (World Bank 2010).

BOX 1: European Public Employment Service Best Practice in Provision

In 2008 the European Commission launched a study on the role of the Public Employment Services in 27 Member States, Norway, and Iceland in implementing flexicurity. A flexicurity approach implies that PES should adopt a preventive and proactive approach to support early identification of needs and risks of unemployed people. Key measures towards this aim include early profiling; regular personalized follow-up procedures, and a broad spectrum of ALMPs as a component of labor market policy. The following case studies were selected as best practices, showing the various types of interventions that any country attempting to improve their labor market outcomes could learn from.

1. Germany: Systematic profiling of PES clients
2. Germany: Funding of further education for low-skilled and senior employees in small and medium sized enterprises (SME)
3. Germany: Cooperation Agreement between German Federal Office of the Public Employment Service and important labor market actors
4. Germany: Early (earliest possible) job placement intervention
5. Germany: Employment-oriented case management (in close cooperation with municipalities)
6. Italy: Supporting job-to-job transitions
7. Italy: Employment services provided by private employment agencies and universities
8. Italy: Implementation of active policies developed by the network of employment service through the distribution of „Dowry-jobs", a regional program for the valorization of human capital
9. Poland: Development of skills and employability
10. Poland: Internship and vocational preparation in the workplace
11. The Netherlands: Early intervention/early identification/individual action plan
12. The Netherlands: Working with competences, Competences Test Centre (CTC)
13. The Netherlands: Job to job mediation
14. Slovenia: Cooperation of the Employment Service of Slovenia with Social Welfare Centers
15. Slovenia: Job fairs as local and regional partnership for direct promotion of employment and career opportunities
16. Estonia: INNOACT – Labor market activation through innovation
17. Estonia: Enabling rapid reemployment of people who are made redundant
18. United Kingdom: Administration of payments to contractors to ensure that jobs are sustainable and to incentivize in-work support
19. United Kingdom: Adviser Discretion Pilots (Flexible New Deal)
20. United Kingdom Change in benefit administration to activate inactive claimants
21. Denmark: Jobnet – Internet-based job-database for all employers and job seekers in Denmark provided by PES
22. Denmark: Cooperation between PES and unemployment insurance funds

Source: EC 2009b

I. Institutional Framework Governing Employment Services in Egypt

1.1. The Ministry of Manpower and Migration (MoMM)

The Ministry of Manpower and Migration plays the role of Egypt's primary Public Employment Services agency, it is responsible for labor policy, managing labor supply and demand, increasing the employability of the labor force, and monitoring labor market demand. MoMM was established 1961 and during the past ten years the Ministry has seen its role change dramatically, as the national employment strategy shifted from public sector employment guarantees to job creation in the private sector. Amongst other things, the number of staff employed at MoMM is 1600 and staff of the MoMM claim that the majority of them are in contact with job seekers. One of the main responsibilities of MoMM is to match job seekers and job vacancies through a network of 307 employment offices throughout Egypt. In 2009 there were 895,078 registered unemployed while the number of vacancies registered with MoMM was 222,888. The average number of job placements per month the same year was 40,101. MoMM's main functions in relation to labor intermediation include:

- Registration of job seekers (which is mandatory by law). Job seekers need to present a certification indicating their skills and educational level.
- Registration of vacancies. Employers are required by law to send detailed statements to MoMM of the employees they hire within thirty days of hiring (qualifications, ages, nationalities, gender and salaries). The companies have to meet certain criteria regarding the work sites, salaries, type of work etc. in order to receive a license, which enables the company to be matched to employees.
- Helping job seekers to find suitable jobs according to their skills and to the requirements of labor market.
- Guiding job seekers to pursue adequate professional training in order to become more employable.
- Making job seekers aware of how to better present their abilities to employers through preparation of interviews and CVs.
- Providing employers with information on laws and regulations concerning employment provision.

Beyond labor intermediation, MoMM leads an Employment Information Program, which prepares labor market statistics which are published in a Monthly Bulletin. It also organizes an enterprise census every year, which collects information on training needs from all enterprises with more than ten workers. The Ministry also collaborates with employers and workers through the Supreme Council for Human Resources Development. MoMM is also in charge of the coordination and implementation of "the national plan for employing youth" with participating ministries such as the Higher Council for Youth and Sport, civic partners, ILO and donor bodies. The main objectives of the national plan includes: increasing youth employability; developing training centers; encouraging the implementation of small-scale projects – all with the intention of maximizing economic growth. MoMM moreover leads the establishment of a National Framework of Qualifications. The Ministry is also responsible for the implementation of a skills and occupational standard system in the tourism, hotel, construction, agriculture and industry sectors.

Box 2: Legal Framework for Public Employment Services

Unified labor Law No. 12/ 2003 and its executive decisions and regulations that control employment rules in The Arab Republic of Egypt and it includes the following:

Article (11) establishes a higher committee for regulating public employment services for workers inside and outside the country. The committee is headed by the competent minister and includes representatives from related ministries, the Egyptian Trade Union Federation (ETUF), and business owners' organizations. The committee is responsible for conceptualizing policies, systems, rules, and procedures for labor intermediation (domestically and internationally).

Articles 12-15 Everyone able and willing to work has to submit his application to register his name in the concerned administrative *labor office* at his place of residence indicating his age, profession, qualifications and experience. The *labor office* shall register these applications in serial numbers and give the applicant a certificate of registration (for free). For workers with certain professions (specified by ministerial decision), applicants should attach a certificate to the registration indicating skill level and grade. Employer are obliged to send a detailed statement of their working force specifying the number of workers employed according to their qualifications, careers, experience, nationalities, gender, and salaries. Employers are obliged to register vacancies in labor offices. The labor office is responsible for identifying suitable candidates for the position. These articles shall be applied without prejudice to provisions of law No.39/1975 and its amendments in Law No.49/1982.

MoMM also performs labor mediation, as an alternative solution to litigation. Mediation plays an important role due to the high numbers of time consuming labor lawsuits and disputes before the courts of law between employees and employers. When collective bargaining fails and no solution agreeable to both parties has been found the General Management for Collective Bargaining at MoMM can step in, with the intention of settling the dispute by coming up with an alternative plan of action and recommendations agreeable to both parties. Finally, MoMM supports Egyptian workers who wish to emigrate, as well as workers that have already emigrated through information on laws, contacts etc.

1.2. The Supreme Council for Human Resources Development (SCHRD)

The SCHRD is responsible for coordinating training policies of all ministries. It's role is "to set up a national policy related to planning and developing manpower and training and set up comprehensive and global national program for the development and optimum use thereof" (ETES 2000). MoMM heads the council, which includes high-level representatives from all other relevant ministries (such as Ministry of Education, Ministry of Higher Education, Federations of Employers, and other representatives). The SCHRD has an Executive Committee and a Technical Secretariat. SCHRD meets four times a year and announces national training needs.

1.3. The Information and Decision Support Centre (IDSC)

The IDSC is attached to the Cabinet of Ministers. It has formulated the National Youth Employment Program. IDSC is undertaking a labor demand analysis based on newspaper advertisements.

1.4. The Social Fund for Development (SFD)

The SFD is a semi-autonomous governmental agency under the direct supervision of the Prime Minister. It was created in 1991 as a joint initiative between the Egyptian Government, the World Bank and UNDP with the task of mitigating the negative effects of the economic reform on the most vulnerable groups of people. It promotes economic development and improved employment services.

1.5. The Ministry of Education

The public provision of Technical and Vocational Education and Training falls under many ministries. However, the major part is administered by the Ministry of Education through school provision. See page 10 for a detailed overview.

II. Labor Intermediation and Direct Job Creation

One of the main responsibilities of MoMM is employment matching through a network of 307 employment offices throughout Egypt. As mentioned previously, Egypt has been quite successful at matching employees to employment opportunities, with about 50% of employment seekers reporting to find employment via labor intermediation. Generally, in other MENA countries labor intermediation is less developed and/or serves a smaller share of job seekers. For instance, in Lebanon only 0.3% of all job seekers report to find employment though an employment services vs. 2.8% in Yemen and 32.6% in Iraq. In Egypt, individuals with higher education use formal means of finding employment (e.g. registering with public/private employment offices) to a much larger extent than less educated individuals, who mainly rely on their often not influential network of family and friends (ELMP 2006).

Although employment offices have been doing comparatively well in the MENA context, there is room for improvements in order to make offices more relevant and efficient for both employment seekers as well as employers looking to hire. According to MoMM, out of 307 offices, 127 offices need substantial investments on facilities and equipment. According to direct interviews with MoMM Staff, the employment offices operate with very limited funding as the Ministry of Finance has prioritized other sectors. Therefore, there has not been much room to train staff or upgrade office equipment. The offices operate also at a low capacity because of understaffing. Staff focuses mainly on intermediation and spends little time interacting with job seekers and/or providing counseling services. Beyond employment intermediation, labor offices do not provide other types of employment services such a counseling or life-skills training. Furthermore, there is not much interaction and information exchange between the various offices across regions/governorates, as each employment office in each governorate is working individually without communication with other offices. The implication is that employment seekers are not referred to potentially suitable jobs in other regions and/or governorates – leaving a large gap in the Egyptian employment matching apparatus.

It is noteworthy that MoMM has developed a comprehensive database which maps information about vacancies, containing relevant information about the vacancy's profile, key function areas and skill/competence needed**.** The dataset also contains a comprehensive list of job seekers and their competencies; and registers information on how many of them are hired. However, the data has been largely under-used and MoMM's capacity to analyze it in order to produce monitoring reports is lacking. This data could be very useful within the Egyptian labor market context and could potentially contribute to making job matching more efficient and/or to understand labor demand in Egypt better. Based on additional information collected by a visiting World Bank team through field visits to employment offices and conversations with MoMM staff at local and centralized levels, as well as detailed information collected by other international donors, a series of challenges facing the employment offices were brought to the team's attention (Table 1).

Table 1: Main Challenges Faced by Labor Offices in Egypt

OFFICE INFRASTRUCTURE
○ Some of the offices lack internet connection, telephone/fax lines and computers and some even lack basic furniture such as desks.
STAFF ALLOCATION AND COMPETENCIES
○ Offices are understaffed and staff does not have time to input data in computer systems, when appropriate equipment exists, nor to provide counseling services. There is a lack of division of work, resulting in duplicative work. ○ Most staff has not received training on how to perform employment counseling services. ○ There is no partnership or experience sharing between the various offices, as each employment office in each governorate is working individually without communication (or data sharing) with other offices. ○ Many staff does not possess sufficient computer skills, which affects the productivity since they cannot communicate with e.g. employers through email or fax in a prompt manner. ○ Staff knowledge on the needs of the Egyptian labor market, including the local labor market needs, seems to be weak. ○ Monitoring of office/staff performance seems to be non-existent.
PROVISION OF SERVICES
○ Staff does not always register walk-in clients in the main data base, nor do they share information on all available opportunities, since they themselves are not aware. Instead job matching is done manually, based on connections the office managers might have with employers in their local district. ○ Job seekers do not have the option of registering their CV nor search for jobs advertised with the employment offices online. ○ The speed of announcing vacancies from the time that the employment office receives the request from employers looking to hire is currently very long: 1-2 months. ○ No written materials, booklets/brochures for job seekers to take home and use as reference or guidelines is provided in the offices. ○ Employment counseling is very rarely carried out
JOB SEEKERS/EMPLOYERS
○ There is a discrepancy between the jobs available and the qualifications of job seekers. Many of the job seekers that approach the employment offices have high degrees/bachelor's degrees (this, however, varies according to location), while the type of labor that employers often need (cashiers, waiters, cleaners, nurses, sales clerks, drivers) is not registered through the employment offices. ○ The lack of cooperation between private sector and employment offices leads to even further discrepancies in job matching efforts.

2.1. The Egyptian Labor Market Service Reform Project (ELMSR)

Given the aforementioned challenges, efforts have been made in upgrading and modernizing employment services, mainly through the Egyptian Labor Market Service Reform Project (ELMSR). The ELMSR was initiated 2001, implemented by the Social Fund for Development in partnership with MoMM and funded by the Canadian International Development Agency (CIDA) (CIDA contributed USD$4.98 million and the Egyptian government USD$4.64 million). The overall objective was to assist the government in developing modern and efficient public employment services. The initial plan was to establish 60 additional employment offices in the country by 2006 and an additional 15 by 2007. This number was reduced to 37 offices. The overall objective was to be achieved through three main goals: (1) establishing a comprehensive system of delivery of programs and services, in a network of offices throughout Egypt; (2) training professional staff to operate an employment service and training of trainers; and (3) expanding the usage and pertinence of the Egyptian National Occupational Classification System. The implementation strategy of the project involved training of office staff in

various subjects, including employment counseling and case management through workshops organized by CIDA.

An external evaluation showed improvements in equipment, however, bureaucratic challenges and inefficiencies remained. An independent team from CIDA conducted an evaluation of impact of the project upon completion using SWOT Analysis (related to relevance, effectiveness, efficiency and sustainability).[1] Largely, the project evaluation found that even though the projects area of intervention was very relevant to the country's and community's priorities, the impact of the project was limited. The main achievement was a clear improvement in office facilities and equipment, with mild impacts on service delivery (quality and/or efficiency). The challenges encountered were mainly related to bureaucratic problems and inefficiencies at a centralized level within the MoMM itself (Table 2).

Table 2: ELMSR Main Challenges Identified By Project Evaluation Team

○ Fully automated and accessible electronic labor exchange system aimed at facilitating rapid job matching was not achieved, even though internet connection had been installed in the affected offices. The offices' staff ensures that the job matching was still done, but manually (as before). No explanations were given as to why this facilitating service was not utilized.
○ Employment counseling services were mostly not provided to job seekers, despite extensive training of staff. Staff mentioned lack of staff and time constraints as the reason they are not able to provide counseling.
○ Staff was trained as Trainers of Trainers; however, continued training of other staff did not take place, partially because staff was regularly relocated/rotated to other posts, thus hindering their ability to train others. ○ Staff that was selected for training by MoMM was mostly close to retirement age (they viewed it as an award for them to work in newly established offices). This lead to an extra cost to the project since there was always a need to retrain other employees since the initial ones retired.
○ MoMM did not monitor employment offices, nor maintain new equipment; replication of employment services in other offices was not applied.
○ A network between the various employment offices and MoMM aimed at achieving greater experience sharing was not implemented by MoMM.
○ Providing employment related information to clients was not achieved. E.g. a career handbook was produced to be used in local employment offices to assist job-seekers in making informed career choices; however, the evaluation team noticed that the hand book was only available in a few offices.
○ Large variations between offices post-project when it came to technicality and office upkeep and cleanliness. The variations depended on the willingness of employment office staff to sustain and implement project activities and keep the premises in a presentable and clean condition.
○ The evaluation team assumed that it would find beneficiaries such as job-seekers, employers and trained employees to interview. This was not the case as the offices were often empty and office staff did not often share job seekers contact information.
○ The evaluation team found it difficult to obtain data from employment offices post-project completion as staff kept this information private.

[1] SWOT analysis is a method used to evaluate the Strengths, Weaknesses, Opportunities, and Threats involved in a project. A SWOT analysis must first start with defining a desired end state or objective. (i) Strengths: characteristics of the project that give it an advantage over others in the field; (ii) Weaknesses: are characteristics that place the project at a disadvantage; (iii) Opportunities: external chances to make a greater impact within the field; (iv) Threats: external elements in the environment that could cause trouble for the project.

2.2. Other Employment Programs Provided By MoMM (2009)

MoMM has a number of ongoing Active Labor Market Programs. Most of the programs target both high and low skilled employment seekers, and reach people in urban as well as rural areas. A brief description of the programs as well as program objectives, targeting, and number of beneficiaries are summarized in Table 3. Results are based on direct information provided by the Ministry's staff.

Table 3: Programs provided by MoMM (2009)

Name	Description	Targeting/Characteristics of Beneficiaries	Beneficiaries (annual/2009)
Most needed Jobs for the Job Market	Quarterly Program announcing the most required jobs whether within the internal/external job market. Derived from a number of different sources; such as Newspapers, Dailies, National Employment Bulletin, Foreigner Labor Permits, Public Labor Offices and Compliance Programs.	Most job seekers: high and low skilled, women/men, young and older, urban/rural areas. With the exception of individuals seeking employment overseas and refugees seeking employment.	N.A
National Employment Bulletin	Reviewing businessmen needs and their vacant job opportunities, and offering them to employment seekers acting as a link between them.	Most job seekers: high and low skilled, women/men, young and older, urban/rural areas. With the exception of individuals seeking employment overseas and refugees seeking employment.	281,274
Services to those of Special Needs "Disabled"	Providing people with disabilities with employment services and labor market integration as well as societal integration.	Most job seekers with disabilities: high and low skilled, women/men, young and older, urban/rural areas. With the exception of individuals seeking employment overseas and refugees seeking employment.	3,529
Local Recruitment Agencies (Licensing)	Providing job opportunities within Egypt through licensing issuance of recruitment agencies.	Most job seekers: high and low skilled, women/men, young and older, urban/rural areas. With the exception of individuals seeking employment overseas and refugees seeking employment.	29 agencies
Irregular Employment program	Provision of Social Security and Health Care for informal sector employees, such as farmers, part timers, construction employees, mines and quarries employees and fishermen.	Low skilled males	2,560,963
Regularizing Employees within the Informal Sector	Regularizing employees within the informal sector and working on their incorporation into the formal sector and providing them with social security and health care.	Most job seekers: high and low skilled, women/men, young and older, urban/rural areas. With the exception of individuals seeking employment overseas and refugees seeking employment.	290
Training Employees of Public Employment Offices	Developing the skills of public employment office employees on most up-to-date employment methods according to international experience, as well as upgrading and expanding number of offices.	Only trains employees of public employment offices, however all employment seekers benefit from upgraded staff capacity.	N.A

2.3. The National Youth Employment Program (YEP)

In 2001, the Egyptian government launched the YEP, implemented by the Information and Decision Support Centre (IDSC). YEP's objective was to create 800,000 jobs, with a total cost of L.E. 5 billion. The program focuses primarily on job creation in the public sector and, in particular, in the government sector (civil service). This goal contradicts the government strategy of giving the private sector the primary role in labor absorption. YEP is composed of the following sub programs:

- *Job creation in the Government Sector*: recruit 170,000 young educated people each year. This has been achieved in the first year of implementation, by either substituting retired civil servants or through newly jobs created. Both, education and health sectors absorbed most of these job vacancies.
- *Employment of 30,000 persons* in order to collect information in villages and process data on applicants for government jobs who will work in regional and local information centers.
- *Jobs in the private sector*: promotes the creation of 100,000 jobs in the private sector.
- *Youth training*: train 400,000 young educated persons each year with the Ministry of Military Production as the implementing authority. 558 training centers were selected from different institutions/ministries to participate in the program. A High Coordination Committee composed is responsible for assuring that the training programs match the labor market needs. Training is provided for 310 different occupations (agriculture, industry and commerce) in addition to training in computer science (duration between three to six months).
- *Micro enterprise job creation/credit for artisans' workshops*: (i) modernize and develop micro and small handicraft enterprises through lending programs and (ii) encourage formal recruitments with the target of creating 52,000 new jobs. The program is limited to formal micro and small handicraft enterprises and applicants must own a formal economic unit (registered and paying social insurance fees). The average loan size is approximately L.E. 20,000, loan duration varies between one to five years. For this component, the Productive Cooperative Union (PCU) is the implementing authority. The Ministry of Finance, the Ministry of Local Development, the SFD and the Egyptian National Bank are partners.

Table 4: Main Challenges Identified (YEP)

○ The target of 400,000 trainees annually was not reached, less than half were trained in a five year period.
○ Only 42% of trainees who were interviewed declared that they obtained a job after completing their training. Among those, 65% declared that training was the main reason for obtaining this job. In conclusion, only 27% have obtained a job because of the training courses they attended.
○ Lack of public-private partnerships: the participation of the private sector in the training program was very poor. Joint public and private training needs to be initiated. Business associations should be strengthened in order to involve private partners in the training programs.
○ Matching skills to market needs was not achieved: lack of data on labor market needs, and the difficulty of adapting curricula according to changes in labor market needs.
○ Low training quality: lack of competent trainers, lack of modern equipment and innovative methods, very large classes, insufficient practical, hands-on experience provided.

III. Technical And Vocational Education And Training (TVET)

Technical and vocational education and training (TVET) could, ideally, be an alternative for young entrants to enhance their skills and make them more employable. TVET has been at the core of the employment policy in Egypt and many initiatives have been introduced in order to improve the Egyptian TVET system (see Box 3). However, the TVET system largely fails to achieve its objective. Labour market outcomes, especially employment outcomes are regarded as inadequate and the system in need of attention. Even though the weaknesses of the system are well documented,widely agreed reforms in TVET still need to gather pace in Egypt.

Box 3: Recent TVET initiatives in Egypt

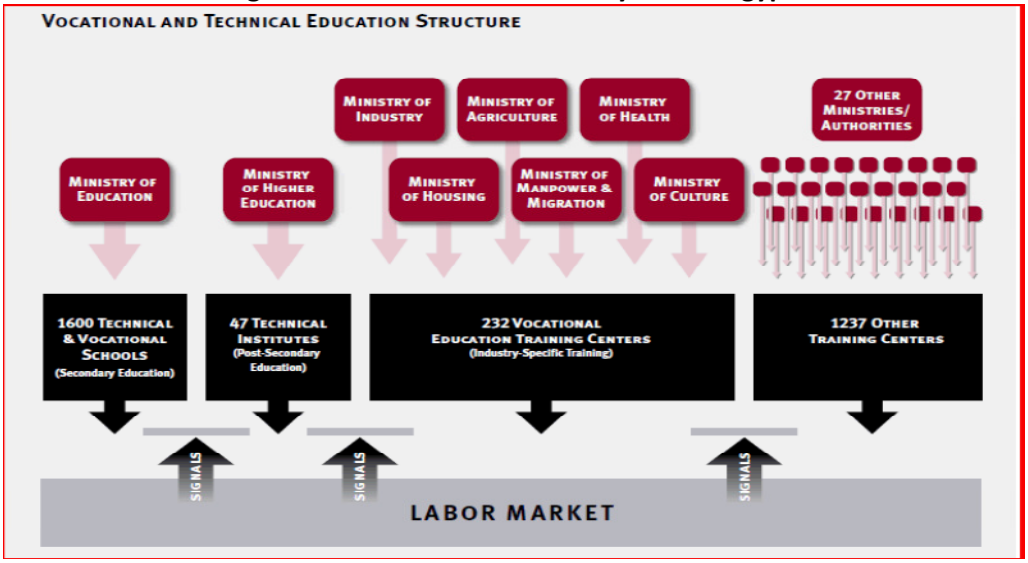
Many initiatives have been conducted in order to improve the Egyptian TVET system. In 2000, the Education, training and Employment Sub-committee (ETES) report asked for reform. In 2002, the Egyptian government adopted a Policy statement on TVET. The Supreme Council on Human Resources Development (SCHRD) is responsible for the implementation of the reform. In 2000, a presidential decree re-established the SCHRD as a tripartite body. The SCHRD is chaired by the Ministry of Manpower and Migration (MoMM) and is composed by the relevant institutions for TVET (such as Ministry of Education, Ministry of Higher Education, Federations of Employers, and other representatives). The SCHRD has an Executive Committee and a Technical Secretariat. The presidential decree also created local Councils of Human Resource Development. The role of the SCHRD is "to set up a national policy related to planning and developing manpower and training and set up comprehensive and global national program for the development and optimum use thereof" (ETES report, 2000). In this perspective many programs are being developed: (1) The National Skills Standard and Certification Project, (2) The creation of the National Training Fund, (3) The World Bank Higher Education Enhancement project , (4) the Mubarak Kohl Initiative (MKI), (5) Skill Development Program of the World Bank, and (6) the TVET project (European Commission)

Source: ETF (2007)

3.1. Institutional Framework Governing TVET Provision

Public TVET provision in Egypt is very fragmented as a myriad of ministries have TVET programs and facilities. Training is provided by both public and private sectors, but unfortunately, little is known about training in the private sector. The major player in the administration is the Ministry of Education (MOE), which is in charge of TVET through school provision (see Figure 3). There are also Middle Technical Institutes that provide two-year post-secondary courses in various types of institutes. Numerous specializations are provided – particularly within industrial institutes. However, many of the specializations are more closely related to the level of skilled worker than to technician level. They include, for example, electrical installation and distribution, printing, and sheet metal work – very similar to TVET training. There are also Vocational Training Centres (VTCs) affiliated with 21 different ministries and agencies as well as some public enterprises that provide training. Although all these training centres might be broadly classified as VTCs, a single classification is somewhat misleading (courses can last from a few weeks to four years). However, in all cases, the training is essentially vocational, focusing more on practice than MOE's technical education where at least 30% of time is spent on general subjects. Each centre decides on its own program content, conditions, curricula and examination standards. Most of them provide only in-house certificates at a semi-skilled worker level (in effect certificates of attendance). However, five agencies provide diplomas endorsed by the MOE. The Vocational Training System is facing numerous challenges, which are summarized in Table 4 (for more information see ILO, 2007).

Figure 4: Structure of the TVET system in Egypt



Source: Kamel (2006)

Table 4: Main Challenges of the Egyptian TVET system

THE TVET SYSTEM IS LARGELY FRAGMENTED
There are 1,237 vocational training centers in Egypt, affiliated to 27 ministries or authorities, which operate somewhat independently in 19 governorates. The Ministry of Education administers around 1,600 technical and vocational schools while the Ministry of Higher Education manages 47 middle technical institutes. Additionally, six other ministries run 232 vocational education training centers. Vocational education and training suffers from a lack of coordination due to the large number of agencies involved in regulating and providing programs.
SERVICES ARE OFTEN SUPPLY-DRIVEN AND THERE IS LITTLE COORDINATION WITH THE NEEDS OF LABOR MARKET
Ministries in Egypt allocate their vocational training budgets to their providers on an ad-hoc basis not necessarily based on performance (ILO, 2007). Training programs fail to adjust to the type and quality of skills that employers need. A survey conducted by the World Bank on 211 employers regarding the training system indicates that employers consider the training provided by the VTCs deficient in quality and in market relevance. Employer federations representing small and medium enterprises have reported that the demand for semi-skilled workers and technicians is increasing rapidly, but that trained technicians and skilled workers are in short supply.
LOW QUALITY OF TRAINING
The efficiency and quality of training are low due to i) insufficient budget allocation and ii) the separation of theory from practice which should be the norm in VTCs providing pre-employment training. According to a CAPMAS survey, few instructors acquired an acceptable training: only 35% had any pedagogical training and only 50% had attended any advanced practical training (ILO, 2007). The VTCs suffer from a lack of knowledge about curriculum development methodologies and an inability to monitor, evaluate and modify curricula (in some cases, trainers are left to prepare their own notes based on personal experience and knowledge, since authorities have not distributed existing printed training materials). In addition, the vast majority of equipment in training centers is in bad conditions (due to lack of maintenance) or depleted, and/or is underutilized.
MONITORING AND EVALUATION OF THE EFFECTS OF TRAINING PROGRAMS ON LABOR MARKET OUTCOMES IS DEFICIENT
Documentation regarding program outcomes (such as placement rates and wages after program completion) was not available for most programs, and interventions do not assess program cost-effectiveness. Programs largely lack rigorous program evaluations.

3.2. Human Resource Development Program (HRDP)

The HRDP was set up to target the needs of unemployed youth, providing them with relevant skills in order to enable them to obtain jobs. , Moreover, it assists public and private enterprise employees in maintaining their jobs or redeploy to another job. Programs are geared to literate people with basic education. The program was jointly funded by the Egyptian government and international partners through the Social Fund for Development. The HDRP program is divided into two main subsections:

- Provision of contracted training tailored to the needs of enterprises that are looking for specific skill sets and that are intending to eventually hire the trainees. The training is jointly financed by the enterprises and HRDP. It also includes improving the capacity of the training system to be more responsive to the rapid developments in the labor market in order to provide relevant skills. This has involved re-equipping some training centers, curriculum development as well as training of instructors.

- The Egyptian Labor Adjustment Services (ELAS) is operated as part of the HRDP. ELAS works with public or private enterprise employees in an attempt to ensure that they either maintain their current position or acquire new employment elsewhere. ELAS provides financial incentives to businesses, organizations, communities and sector groups to help employers and workers meet the challenges of adjusting to industrial change. Within enterprises that have to let go of their staff, ELAS will set up adjustment committees comprised of equal numbers of employee and management representatives to assess the situation and recommend appropriate solutions to retain or redeploy staff.

Table 5: Projects and Beneficiaries HRDP (2009)

Number of Projects	Contracted Amount (LE)	Planned number of beneficiaries
Training projects for unemployed youth		
23	45,939,621	16,371
Public enterprise workers' projects		
9	185,321,465	31,142

Source: author's own elaboration

Around LE 30 million a year is allocated for the HRDP. The outputs are achieved through training projects for unemployed youth; public enterprise workers' projects; and capacity-building projects at the national level. The total number of projects and total contracted expenditure related to training for youth and enterprise workers projects are shown in Table 5. Program challenges are summarized in Table 6.

Table 6: Main Challenges HRDP

TRAINING TYPE
"Hard" and "soft" skills as well as practical on-the-job experience are crucial in order to create well rounded and qualified workers. However, few training programs provide soft skills and on-the-job training – which is generally regarded as a good way to acquire experience.
TARGETING ISSUES
Beneficiaries of youth unemployment programs are mainly educated males (often university graduates) from mid or high-income groups. There are several reasons why low-income groups and females do not benefit from these programs, including: the lack of flexible schedules (which would allow beneficiaries to combine program attendance with work and/or family responsibilities), the lack of basic education requirements to participate in the programs, the urban focus of programs, and the lack of information about training options.
WEAK STAKEHOLDER COORDINATION
Most youth unemployment programs are characterized by a weak coordination among relevant stakeholders. Training providers face great difficulties coordinating with the private sector as there is little coordination in identifying training programs that employers would deem relevant.
LACK OF MONITORING AND EVALUATION (M&E)
Most programs lack rigorous M&E. In the absence of M&E, the benefits of interventions remain largely unknown. It is important to carefully monitor and evaluate ALMPs in order to be able to introduce and scale-up interventions on the basis of what proves to work.

IV. Public Works and Regional Development Programs

The Government's principal public works and regional development programs are administered by the Ministry of Local Government through its Shoroukh program and by the Social Fund for Development (SFD)**.** The main programs are listed below:

4.1 SHROUKH Program (National Integrated Rural Development Program)

The Shoroukh program is a nation-wide rural development program, launched 1994 by the Organization for Reconstruction and Development of the Egyptian Village (ORDEV) within the Ministry of Rural Development. The program implementation relies mainly on the coordination between different and various partners in the rural development process; local community representatives, government administrators and NGOs. Its executive arms are represented in the rural development committees at various administrative levels.

The objective of the program is to combat unemployment through the creation of income generating opportunities in rural areas (also leading to a reduction in migration), to increase productivity, and to promote local communities in the development process. The program aims to expand the enterprise base, to increase their economic capacity, and subsequently to create more employment and income generation opportunities. NGOs play a crucial role in the program activities mainly in increasing community awareness of the benefits of participating in the development process. Capacity building of NGOs constituted a main component of the program.

The governmental agencies' interventions comprise financial and technical assistance. Initially, projects were fully funded by the government, but gradually community funding has become an important source of financing. A funding mechanism (affiliated to ORDEV) facilitates the establishment of small enterprises.

Credit is only given to enterprise activities that are in line with the program development plan (i.e. environmental and basic infrastructure projects). Within a four year period the program established 9,188 economic projects – which led to 25,628 job opportunities within the enterprises (mainly permanent jobs). Moreover, the program created an additional 55,225 job opportunities (around half were temporary jobs) at an average cost of 9,760 LE and 4,087 LE.

4.2. The Public Works Program (PWP)

The primary aim of the PWP is to supply basic infrastructure services to impoverished rural communities and urban poverty pockets, in order to improve delivery of social service and to help generate both permanent and temporary employment through investments in the infrastructure sector (roads, water and wastewater projects) and in Municipal Services (solid waste, buildings and environmental projects).

The PWP sets operational guidelines requiring the employment of large numbers of workers on its labor-based projects and obliges contractors to hire individuals from areas adjacent to their project sites. At least 25% of a project's value should go to the labor component, and 50% of this should be composed of locally recruited labor. The PWP discourages the use of machinery and construction equipment unless needed to attain certain quality levels. However, it appears that the number of permanent, sustainable jobs created by PWP programs is small, mainly due to the temporary nature of public works activities. Wages received for these mostly temporary jobs directly benefit laborers and inject money into the local economy, although the wage is not enough to reduce poverty sustainably. However, infrastructure and social services which are provided or improved through PWP projects can contribute towards tackling capacity poverty, i.e. the poor's lack of access to basic services such as potable water, sanitation, and health care, and the poor's exclusion from economic life (by improving road access to remote rural areas).

V. Entrepreneurship Programs

5.1 Community Development Program (CDP) - Micro-Credit Scheme

The CDP has a number of sub-programs, such as education and micro-credit activities. While these programs place less emphasis on job-creation compared to other programs, in practice, considerable efforts have been made to provide earning opportunities and to increase the incomes of poor families.

The CDP provides small micro-credit loans, ranging from LE 100 to LE 5,000, mainly to very poor families. A significant number of beneficiaries are reached: For instance, approximately 15,000 beneficiaries had access to micro-credit in 1999, and out of those 40% were women. The loans enable women with family responsibilities to engage in home-based activities, which contribute substantially to household incomes. In some cases the activity financed only provides part-time employment; in other cases, several family members become involved in the project on a full time basis. Overall, the CDP provides the equivalent of one "permanent" job.

Loans are provided at a 7% interest to NGOs, which then lend to individuals, usually charging borrowers 8% and retaining a 1% margin to manage risks. The margin has to be returned to the SFD if there is no default on the loan. The interest rate is considerably lower tha the market interest rate. Repayments to the SFD take place in tranches. Individuals who already benefitted from a loan are either

ineligible for a second loan or must wait until first time applicants are served. Operating costs are covered by a grant (using public and international funding). Additional funds can also be provided for training NGOs in credit management and borrowers in developing their activities. Overall repayment rates are very high. However, there are some difficulties in calculating the on-time repayment rate as loans are rescheduled readily when borrowers encounter problems. In a well-run micro-credit program operating in one municipality, one loan officer could be expected to serve between 150 and 400 loans per year depending on the type of loans involved. Programs that use interest rates that cover operating expenses as well as the cost of capital are quickly able to leverage grant and concessional loans with resources from the private sector.

5.2 Small Enterprise Development Organization (SEDO)

SEDO's main objectives are to create new businesses and to help existing small enterprises to grow. Program beneficiaries range widely from unemployed youth to medium-sized enterprises. Although the poor are not directly targeted by the program, they benefit through jobs that are created by small enterprises. A wide range of loan types and sizes are provided to all non-agricultural sectors of the economy through a large number of banks across regions. Three types of services are provided:

- The Financial Services Department deals with contracting, disbursements, negotiations with new partners, portfolio control and database development and direct lending through banks.
- The Business Services Department provides a wide range of direct services to potential clients through a network of field officers. The Institutional Business Services Department primarily aims at providing replicable standard loan packages and local area development projects to be implemented through tripartite agreements between SEDO as the financier, banks as the sponsor and credit manager, and the NGOs as the executing agent.

The SFD has adopted a comprehensive policy that emphasizes women's role in the small enterprise sector. Emphasis is placed on the development of women's skills and capabilities in order to enable them to establish and expand small enterprises; feminizing the culture of entrepreneurship through media; and the establishment of a business women's network. 27% of entrepreneurs who benefit from SEDO loans are women. Affirmative action is not used and female and male clients are treated equally.

VI. Conclusions and Policy Recommendations

This note presented a brief overview of Public Employment Services (PES) in Egypt and provided a description of the institutional framework for public delivery of ALMPs in Egypt. Egypt has a complex system of labor intermediation as well as of Active Labor Market programs in the areas of Vocational Training, entrepreneurship, and temporary employment schemes (through public works). The objectives of these programs are to respond to the needs of the current stock of unemployed, enhance employability of the workforce, provide systems of safety nets, and encourage employment creation.

Although there is room for improvement, public labor intermediation in Egypt is already an important mechanism for unemployed individuals to obtain formal employment. Indeed, about 50% of all workers in Egypt claim to have obtained employment through labor intermediation provided by the National Labor Offices of the Ministry of Manpower and Migration (MoMM). These figures attest the crucial role intermediation has played within the Egyptian context. As such, investments on capacity

building and modernization of labor offices have a huge potential to further improve labor market intermediation and thus reduce frictional unemployment in Egypt. In particular, labor offices in Egypt could expand their scope from pure labor intermediation to job search assistance and counseling, and could also refer jobseekers to available ALMPs. It is thus important to invest in the staff of labor offices so that their role goes beyond administrative endeavors and becomes more focused on employment counseling. Labor offices in Egypt could also benefit from improving their labor market information systems. Although MoMM has developed a comprehensive database which maps information on registered unemployed and vacancies, the data in largely underutilized. This data, if better used, could be a useful instrument to assess labor demand within the Egyptian labor market.

Beyond labor intermediation, Egypt has a comprehensive system of ALMPs which include Vocational Training, entrepreneurship, and temporary employment schemes (through public works). The TVET systems in Egypt, although widely used, face important challenges. In particular, the TVET system in Egypt is largely fragmented: There are 1,237 vocational training centers in Egypt, affiliated to 27 ministries or authorities, which operate somewhat independently in 19 governorates. The Ministry of Education administers around 1,600 technical and vocational schools while the Ministry of Higher Education manages 47 middle technical institutes. Additionally, six other ministries run 232 vocational education training centers. Vocational education and training suffers from a lack of coordination due to the large number of agencies involved in regulating and providing programs. Also, services are often supply-driven and of low quality. At the same time, Egypt has implemented large public works and micro-credit programs which have benefited a significant share of the population. Although investments in these programs have been significant, most interventions remain largely unassessed.

Given the size of investments being made and the urgency to improve labor market outcomes among new labor market entrants, the system of public employment services and ALMPs in Egypt could benefit from improvement capacity in many areas (see Angel-Urdinola et al, 2010), namely:

- *Stakeholder Coordination*: There is an urgent need for increased public-private partnerships. This could be achieved by (i) establishment of a coordinating body that facilitates interaction and knowledge exchange between training providers and the private sector, (ii) designing provider contracts based on performance and intermediation (i.e. pay bonuses to performers achieving higher placement rates), and (iii) expanding programs that offer apprenticeships and on-the-job training. Partnerships between the private sector and universities are highly encouraged. Universities could modify their curriculum such that practical experience is credited towards students' graduation.

- *Quality Assurance Mechanisms and Signaling*: There is a need to establish mechanisms for quality assurance of ALMP providers while increasing the effect of signaling of ALMPs. This could be achieved by introducing: (i) systems to accredit training providers while ensuring that the skills taught are in demand and also accredited: (ii) disseminating information about providers' performance and quality, and (iii) the establishment of a National Qualifications Authority (NQA) to set/define occupational norms and relevant skills training in consultations with the private sector.

- *Program Design*, e.g. *Design a Mutual Obligations Approach Through Activation Policies.* It is a means to encourage jobseekers to become more active in finding work and/or improving their employability. In return for being offered a range of employment services, individuals must

commit and comply with a set of eligibility requirements for instance: participation in training or other employment programs, interviews with employment counselors, independently search and apply for job vacancies. The main target groups for activation programs are recipients of income-replacement benefits, which are conditional on availability for work. Moreover, a general increase in the number of programs focused on employment services and job search assistance is desirable (e.g., job fairs, job clubs, CV/interview training, and matching services). These programs are generally found to have a positive impact in the short-run and to be cost-effective (Kuddo, 2009).

- *Training programs should shift from being traditional (in-class and focused on hard skills) into more comprehensive packages* that (i) ensure that the programs provide practical on-the-job experience in addition to in-class training (e.g., training programs linked to internships with private employer), (ii) provide employment services as part of the training to address information asymmetries, and (iii) provide a mix of hard and soft skills. Future skills needs and regional and global integration need to be considered when designing new programs in order to increase portability of skills acquired (such as expanding training on computers, IT, and languages).

- *Monitoring and Evaluation*: Develop a culture of data collection (and provision of monitoring reports). Well-functioning monitoring systems require information systems, data availability, data collection, selection of meaningful indicators, and periodic reporting. For large programs, impact evaluation should be integrated in the program design and interventions in order to provide "real time" feedback and facilitate mid-course corrections, as well as to evaluate the efficiency and effectiveness of expenditures. Evaluations should ideally accompany pilot interventions before these are scaled up. For smaller programs, involvement of the public sector in financing (or subsidizing) evaluations is important and desirable. Furthermore, developing compressive data sets and identifying and tracing beneficiaries over time and linking programs across different institutions is a good channel towards a greater integration and harmonization of SP&L policies.

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