



## THIRTEENTH ITEM ON THE AGENDA

**Independent evaluation of the ILO's strategy to increase member States' capacities to develop policies and programmes focused on youth employment****Introduction**

1. This paper presents key findings and recommendations from the Independent evaluation of the ILO's strategy to increase member States' capacities to develop policies and programmes focused on youth employment, 2006–08.<sup>1</sup> The evaluation addresses the relevance, responsiveness, added value, coherence, effectiveness and efficiency of ILO support, as well as internal coordination and management for youth employment in a selection of countries and globally. It also takes stock of the scale and content of the ILO's work addressing youth employment and identifies useful lessons for future work.
2. The evaluation was conducted by an external lead evaluator and a member of the ILO Evaluation Unit. The methodology used included a portfolio review organized by country and drawing on project documentation, interviews with ILO staff, constituents and United Nations (UN) system colleagues; and three case study missions to Indonesia, Liberia and Peru to assess youth employment initiatives in these countries.

**Background**

3. The youth unemployment challenge has become a growing concern worldwide. According to 2007 ILO estimates, young people made up 40.2 per cent of the world's unemployed and this rate continues to increase.<sup>2</sup>

<sup>1</sup> The evaluation report can be found at: [www.ilo.org/eval/index.htm](http://www.ilo.org/eval/index.htm).

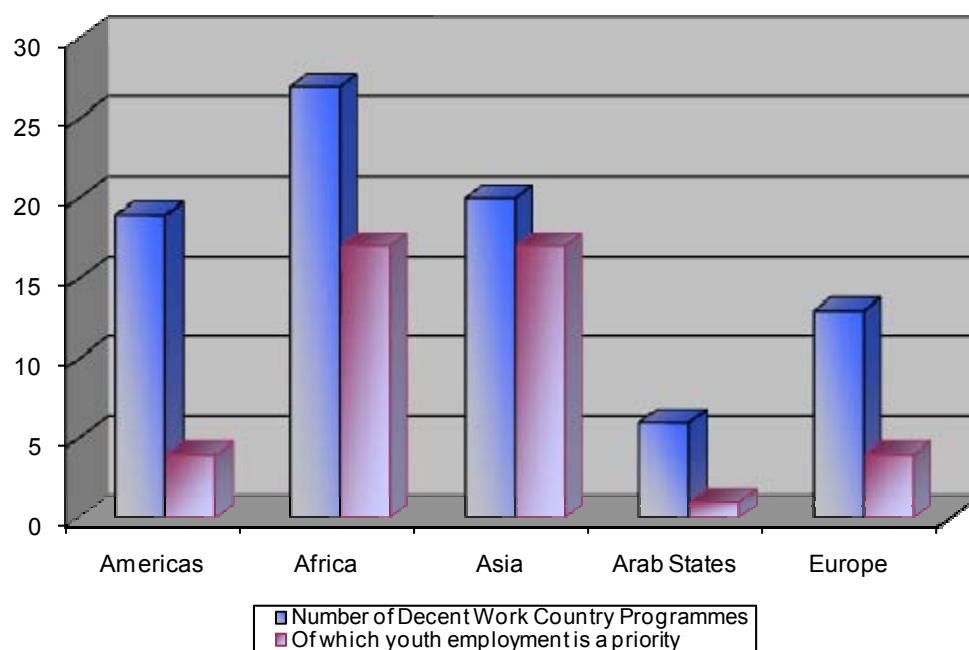
<sup>2</sup> Between 1997 and 2007, the number increased by 14 per cent, from 63 million to 72.5 million, according to ILO employment trends data, 2009.

4. In many areas, young people are also concentrated in low-skilled informal work or in hazardous forms of work that are ill-suited to their age and experience. They are affected by underemployment, insecurity, poor working conditions and low earnings that cannot lift them above the poverty line. Employment outcomes are typically worse for those formerly involved in child labour, early school-leavers, and other population groups with the least opportunity to accumulate the human capital needed for gainful employment.
5. Youth employment is an integral part of the UN Millennium Declaration, both as an important target in the Millennium Development Goal (MDG) on poverty reduction and as a key contribution to meeting other MDGs.
6. The ILO's youth employment initiatives fall within the broad aim of providing effective support to ILO constituents to adopt and implement employment, labour market, enterprise development and skills development policies and programmes that promote decent work. The ILO approach to youth employment is built from work leading up to, and stemming from, the 93rd Session of the International Labour Conference (2005), which called on the ILO to build on the work already under way through the UN Secretary-General's Youth Employment Network and the 2002 UN General Assembly resolution on "Promoting youth employment". The 2005 Conference resolution set out the main means by which to step up the ILO's technical work in support of youth employment.

## **The ILO's operational approach**

7. Youth employment is treated as a cross-cutting concern in the Decent Work Agenda that requires integrated means of action drawing together a range of ILO programmatic tools and expertise into a consolidated strategy and plan of action. Since its inclusion as an outcome in the Programme and Budget for 2006–07, the youth employment initiative has been integrated into the Global Employment Agenda. It focuses on policy support for employment generation, economic growth and poverty reduction, and cuts across the ten policy pillars of the Global Employment Agenda. It draws on interdepartmental and inter-sectoral initiatives, field and headquarters collaboration, the involvement of constituents, and the development of external partnerships. The two-pronged approach adopted calls for (i) mainstreaming youth employment into relevant broader policies and programmes, and (ii) developing specifically targeted interventions for disadvantaged young people.
8. The Youth Employment Programme set up in 2006 is intended to anchor the ILO's response and prevent piecemeal approaches and stand-alone delivery of interventions by the ILO at country, regional and global levels. The Programme coordinates research, promotional activities and the provision of policy advice and technical assistance to support ILO constituents in their endeavours to improve the quantity and quality of jobs for young people.
9. As far as possible, the Youth Employment Programme also supports implementation of the youth employment priorities specified in over half of the current 67 Decent Work Country Programmes (see figure 1 below), and facilitates learning and knowledge-sharing for 43 technical cooperation projects implemented since 2005, totalling US\$88,734,443 in allocated funds excluding MDG allocations of US\$10.5 million (see table 1 and figure 2 below). The Programme has one coordinator who is supported by two Geneva-based project staff and a technical specialist identified from three departments in the Employment Sector, as well as extra-budgetary-funded staff in three regions. In Africa, some US\$3 million in Regular Budget Supplementary Account resources were programmed at the end of 2008 to support youth employment initiatives in the region.

**Figure 1. Number of Decent Work Country Programmes with youth employment as a priority, by region, 2009**



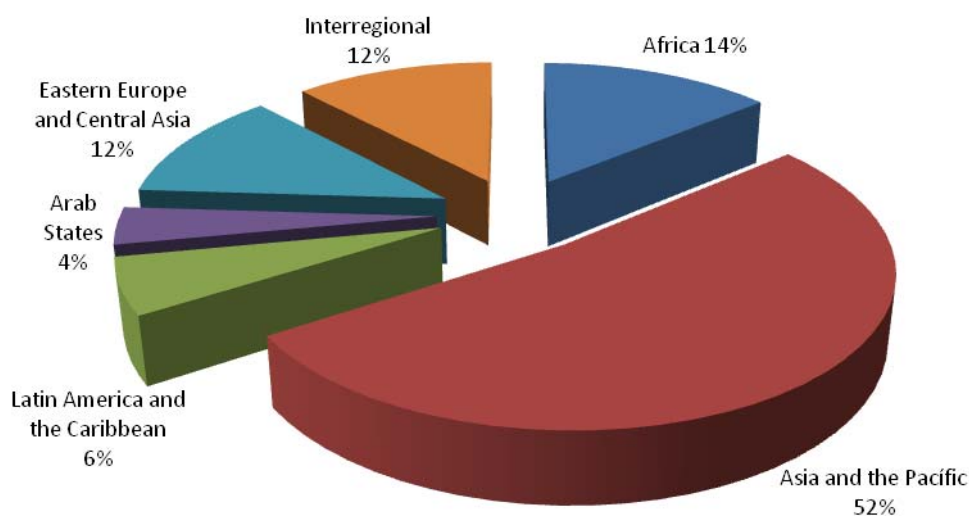
Source: ILO Integrated Resource Information System (IRIS) Introduction to Strategic Management module, 2008–09

**Table 1. Regional distribution of ILO youth employment project portfolio 2005–09**

Regions	US\$	%
Africa	12 744 220	14
Asia and the Pacific	45 792 418	52
Latin America and the Caribbean	5 725 644	6
Interregional	10 812 738	12
Arab States	3 408 153	4
Eastern Europe and Central Asia	10 251 270	12
Total*	88 734 443	100

\* This total amount does not include recent approvals of US\$10.5 million from the UNDP/Spain MDG Achievement Fund.

Source: ILO IRIS-approved project budgets as of September 2009.

**Figure 2. Share by region of ILO youth employment project resources 2005–09**

Source: Direct calculation from youth employment knowledge-sharing platform, projects cover the period 2005–09.

## Findings of the ILO youth employment strategy evaluation

### Relevance, responsiveness and ILO added value

10. Based on the portfolio review and case studies, ILO interventions on youth employment have been found highly relevant to the employment challenges facing youth and the needs of the national constituents in working to address these challenges. The ILO has demonstrated comparative advantage in building links between macroeconomic and employment policies, which are combined with an array of analytical and operational tools geared to improve employability and employment of youth, thereby delivering an integrated approach. Tripartism, knowledge management, critical mass of experience, an extended network of experts and implementation partners, are the main channels for realizing the ILO added value on youth employment, which ensures voice and participation for the most relevant actors.
11. Youth employment is a cross-cutting, high-priority theme that needs to be dealt with through an interdisciplinary, multi-sector, multi-stakeholder and UN inter-agency approach. The expectations that the ILO would take the lead in coordinated national efforts and an integrated course of action on youth employment have not been completely satisfied due to uneven ILO capacities in leading inter-agency interventions in some countries, and particularly where the ILO has limited country presence.
12. The ILO has worked closely with the Youth Employment Network to make youth employment a matter of priority and has taken the lead in supporting the drawing up of most of the national action plans on youth employment in the 31 countries (by mid-2009) engaged in some stage of development or implementation of these plans. In addition, the ILO has advanced joint programming for youth employment, with notable leadership shown in joint UN programmes under the UNDP/Spain MDG Achievement Fund, where it is a major implementing agency in 14 out of 15 approved joint programmes on youth employment and migration. Success has been more limited in other UN joint initiatives.

## Coherence and complementarity

13. ILO global and country interventions on youth employment have been consistent with the Global Employment Agenda and the relevant Conference resolution and UN approaches. Coordination activities by the Youth Employment Programme to support internal coherence and complementarity have been hindered by its limited empowerment and lack of dedicated human resources. This is a major constraint in trying to technically anchor the large and growing portfolio of projects, people and agencies involved in ILO youth employment initiatives. Nonetheless, youth employment initiatives in case countries were found to bring together interventions from multiple departments, primarily those within the Employment Sector, but also from others to support components on migration, child labour and social dialogue, among others.
14. As regards the attention and approaches aimed at addressing youth employment, the evaluation found coherence at regional levels and good alignment with the current youth employment approach being pursued by the Office. However, the evaluation found some bottlenecks linked to the public-private partnership approach being implemented in the Americas and mismatches between youth employment as a priority and regional capacities for supporting it, in Africa.
15. The coherence between ILO and national government interventions addressing youth employment needs improvement. The degree of youth employment coordination among various ministries, government agencies and the social partners has been reported as generally low for many of the countries where the ILO is working on youth employment. There are often conflicting priorities across ministries, which deter efforts to integrate approaches within the public sector. A more strategic and results-oriented approach to decision-making on national interventions could contribute to increased effectiveness and target specialized needs (for example, enlarged network of stakeholders, and disadvantaged youth groups). The national action plans launched since 2008 offer potential for addressing these shortcomings.

## Effectiveness

16. ILO work on youth employment is achieving results in many countries supported by technical cooperation projects, by producing a wide array of country-specific knowledge and information; improving capacity of the national stakeholders; and raising awareness about youth employment through advocacy initiatives. The three most common broad categories of technical interventions have been in youth education and vocational training, public employment services, and entrepreneurship and self-employment promotion.
17. ILO information on youth employment through research and targeted country-specific studies is comprehensive and serves different needs. Most is accessible via the Internet, although a significant amount of it requires additional access to global and regional Plone sites. Many printed documents are available from ILO headquarters or regional and subregional offices.
18. The ILO is also acknowledged for its extensive work on labour statistics for youth<sup>3</sup> and is considered the most authoritative reference at global level for data on youth employment.
19. The effectiveness of ILO initiatives on youth employment has been more than satisfactory since it has been based on a highly comprehensive set of tools aimed at targeting the

<sup>3</sup> In particular, the report *Global employment trends for youth* which is published every two years (the most recent in 2008).

different pillars of the youth employment strategy in direct relationship with the Decent Work Agenda. Based on some evaluation case studies, more work has to be done to generate among an integrated approach ILO partners specifically focused on youth employment. The approach adopted appears to be an application of the overall ILO initiative on employment generation rather than on an integrated vision and methodology specifically addressing youth, although the ILO itself has developed approaches that respond to the specific needs of young people such as the life-cycle approach, and other policy tools.

20. The intertwining of youth development policies, employment and other social policies is a priority when addressing youth employment at national level. Youth employment strategies can be strengthened if they are implemented in coordination with youth development strategies. While some projects have been designed with this in mind, operationally, these have tended to be implemented as separate initiatives, in part because of the complexity engendered by the expanding numbers and types of stakeholders, and means of action.

## Efficiency

21. Efficiency is a growing concern for the management of the ILO's activities, both in terms of time use and project delivery, and the reliability and timeliness of the flow of financial resources to support the country strategies. The issue of adequate funding and the regular flow of funds is a concern because of the ILO's heavy reliance on extra-budgetary resources, which finance the vast majority of its country-level interventions on youth employment.
22. The most critical issue to be tackled is how to reconcile the opportunity to strengthen the ILO's visibility with regard to multi-agency action in the field of youth employment with the fact that funding is predominantly earmarked for specific countries, activities and expenditure types, leaving few resources for building organizational capacities to administratively backstop this challenging programming framework.
23. Inter-agency UN approaches and joint implementation will most likely become the predominant modality to implement initiatives that respond to the cross-cutting nature of the youth employment challenge. As the lead technical UN agency, the ILO will have to develop not only the expertise but also the organizational and management systems to reduce the high transaction costs associated with multi-agency processes. A specific responsibility and set of tools are needed to do this in the Office, which would enable the Youth Employment Programme to better coordinate within its limited capacities.

## Internal coordination and management

24. The evaluation finds the ILO's technical competence to support youth employment very high. However, the cross-cutting nature of youth employment requires integrated and innovative approaches based on shared knowledge, a high level of internal communication, and organizational resources to provide integration.
25. Internal coordination and management are the most critical and most problematic areas in the ILO youth employment initiative. The multifaceted character of interventions requires multidisciplinary approaches, and this is why youth employment initiatives are normally multi-departmental. The Youth Employment Programme is an important ILO resource to generate integration and coordination of interventions, but it lacks adequate dedicated resources and an administrative presence to create and manage a complex internal partnership arrangement.

26. There are a number of areas where coordination could be strengthened. As already mentioned, current coordination between headquarters and the field mostly involves Employment Sector staff. However, as set out in the initiative's design, complementary interventions that target young people and contribute to improving their situation can be found in programmes covering other areas such as child labour and social protection. More can be done to enhance coordination and/or cooperation with these sectors and programmes to better support an intertwining of youth development policies, employment and other social policies.

## Impact

27. ILO action has contributed to improving national capacity for problem analysis and policy-making as has emerged clearly in the preparation of national action plans and in the formulation of other policies related to youth employment in countries where the ILO has been active. However, many of these countries still face capacity gaps in: (i) developing youth employment policy and programmes; (ii) identifying the main institutional problems and needs; (iii) devising strategies; and (iv) allocating appropriate human and financial resources.
28. Long-term implementation of national youth employment policies and plans has been shown as uneven, due mainly to external factors at the country level where support for youth employment has been strong at the political level but less so at the operational one. In many countries, governments have not taken the necessary steps to address the magnitude of the youth employment challenge.
29. National capacities for youth employment policy and programme monitoring have not been adequately considered and this is a concrete limitation to the decision-making process, although, to some extent, national action plan guidelines are aimed at addressing this capacity gap. Similarly, the ILO has been found to give uneven attention to the monitoring of youth employment changes as they relate to specific policy and programme interventions supported by ILO projects, such as monitoring cost-effectiveness, and documenting the effects on various socio-economic groups of youth. Nevertheless, innovative monitoring and evaluation methods are being applied on a project-by-project basis. Building the capacity of labour market institutions to support the monitoring and evaluation of youth employment strategies and plans will be a key factor in the success of this effort.

## Sustainability

30. Institutional sustainability at national levels is critical to tackling the youth employment challenge. In several countries, the expertise of the social partners' representatives to formulate and implement youth employment policy needs to be strengthened as it is frequently weaker than that of government institutions. In order for tripartism to be effective, interventions to strengthen the capacity of representatives of employers' and workers' organizations can be better integrated and this requires stronger coordination between the Bureau for Workers' Activities, the Bureau for Employers' Activities and field offices supporting youth employment initiatives.

## Conclusions and recommendations

31. The ILO youth employment approach and initiatives are relevant to the employment-related needs of youth, national decent work agendas, and the priorities of ILO

constituents. The ILO is responding with knowledge and technical support that has demonstrated its usefulness in the development of country strategies to address youth employment challenges. At the same time, there is a tendency for the ILO to advise primarily on employment-related intervention areas where it has a strong comparative advantage, sometimes to the detriment of other critical programming components, such as social protection, the rights of youth and social dialogue.

32. The integrated, multi-agency and multi-sector approach that has evolved for youth employment has proven challenging for the Office to manage, given the high transaction costs associated with the new planning, decision-making and implementation processes for joint programming, and the rapid increase in the number of joint programmes which the ILO is called upon to technically support. The current capacity and management arrangements for anchoring the ILO's Youth Employment Programme appear inadequate and the ILO's reputation for reliability may be at risk.

33. The evaluation makes the following recommendations to the Office:

- (a) Improve youth employment policy coordination, design and implementation of interventions between departments and programmes that identify priority areas of focus, means of action and implementation arrangements, based on the ILO's comparative advantage in a given country.
- (b) Develop an ILO youth employment operational plan for supporting an integrated multi-agency approach and build modalities and internal capacity for more efficient support with inter-agency planning and implementation.
- (c) Accelerate the roll-out of consolidated initiatives to promote social dialogue and build the capacity of social partners on youth employment.
- (d) Improve the coherence between national development frameworks, youth employment and youth development policy-making.
- (e) Empower the Youth Employment Programme in the coordination of ILO youth employment action through better-defined capacity and clear authority.
- (f) Develop organizational and management tools for internally supporting integrated country-level approaches to youth employment.
- (g) Analyse and systematize best practices and lessons learned related to youth employment policies and programmes, for dissemination and mainstreaming.
- (h) Revamp the youth employment knowledge strategy to better support cross-learning between countries and regions, and streamline communications and the interface between various electronic information platforms.
- (i) Strengthen the ILO's technical expertise to build national monitoring and evaluation systems and better support national policy-level decision-making on youth employment.

## Comments from the Office on the evaluation

34. The Office welcomes the recommendations contained in the summary report of the independent evaluation of the cross-cutting programme on youth employment, which was established less than four years ago. At the time these comments were provided, the Office had not yet reviewed the full version of the evaluation report, although it provided



extensive input to its first draft. Therefore, the few general comments below refer to the summary document submitted to the Governing Body.

35. The evaluation found that ILO interventions on youth employment were highly relevant and that ILO global and country-level interventions have been coherent with the Global Employment Agenda and the Conference strategic documents, as well as with UN approaches. It also found a very high technical competence and a more than satisfactory degree of effectiveness of ILO initiatives on youth employment, which are based on the Decent Work Agenda and on a comprehensive set of tools.
36. The Office values the feedback of the evaluation on support to improve national capacity in the identification of youth employment problems and needs, development of policies and programmes, crafting of strategies and allocation of appropriate human and financial resources. It also recognizes the need to strengthen capacity to support monitoring and evaluation of national youth employment strategies and plans.
37. The Office is already applying some recommendations to support constituents in the area of youth employment. For instance, it has revised the internal processes to strengthen coordination and management and foster coherence across various units and departments of the Employment Sector. It has also started to elaborate an operational strategy that is based on the guidance provided by the Committee on Employment and Social Policy.<sup>4</sup>
38. The report refers to the broad UN partnership on the youth employment and migration thematic window of the MDG Achievement Fund that is sponsored by Spain. Such partnership was led by the ILO and involved UN teams of 50 countries, 12 UN agencies and other international organizations. The ILO developed a framework for country proposals and convened the inter-agency work to identify suitable concept notes. As a result, all of the approved country programmes integrate the ILO's policy messages and approaches to decent and productive work for youth. The Office would welcome feedback from the independent evaluators on lessons learned for future replication of similar UN exercises. Similarly, it looks forward to receiving more information on the findings of the review of the first pilot project on public-private partnership for youth employment in the Americas.
39. The Office will prepare a note highlighting the key findings of the evaluation and the guidance of the Committee. This note will be circulated across units at headquarters and field offices. It will request that these findings be taken into consideration for ongoing and future youth employment technical assistance.
40. ***The Committee may wish to recommend that the Governing Body request the Director-General to take into consideration the above findings and recommendations, together with the deliberations of the Committee, to continue supporting efforts to integrated approaches to address youth employment.***

Geneva, 16 October 2009.

*Point for decision:* Paragraph 40.

<sup>4</sup> See GB.297/ESP/4.