Impact Report Series, Issue 9

Promoting youth employment and empowerment of young women in Jordan

An assessment of active labour market policies
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# Contents

List of abbreviations ........................................................................................................... v  
Preface ................................................................................................................................... vii  
Executive summary .............................................................................................................. xi  
Section 1: Introduction ......................................................................................................... 1  
  1.1 Background .................................................................................................................. 1  
  1.2 Youth Employment Inventory research methodology .............................................. 2  
  1.3 Overview of the report ................................................................................................. 3  
Section 2: The labour market situation of young people in Jordan .................................................. 5  
  2.1 Youth labour market outcomes in Jordan .................................................................... 5  
  2.2 Impacts of the Syrian refugee crisis ........................................................................... 10  
  2.3 Barriers facing young people attempting to enter and remain in the labour market .......... 11  
Section 3: Comparing ALMPs for youth with global good practices and local demands .............................................................. 17  
  3.1 The current landscape of ALMPs for young people ................................................... 17  
  3.2 Stakeholders in the funding and implementation of ALMPs for youth .................... 23  
  3.3 How ALMPs for youth align with global practices and local demands .................. 24  
  3.4 Cross-cutting challenges across ALMPs ..................................................................... 41  
Section 4: Policy recommendations – expanding evidence-based ALMPs to invest in young people .............................................................. 49  
References ............................................................................................................................... 55
# List of figures, tables and boxes

<table>
<thead>
<tr>
<th>Figure/Box</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 2.1</td>
<td>Labour force participation for youth aged 15–24</td>
<td>7</td>
</tr>
<tr>
<td>Figure 2.2</td>
<td>Gross enrolment rates in tertiary education</td>
<td>8</td>
</tr>
<tr>
<td>Figure 2.3</td>
<td>Unemployment rates for youth aged 15–24</td>
<td>8</td>
</tr>
<tr>
<td>Figure 2.4</td>
<td>Key labour market challenges facing young people in Jordan</td>
<td>11</td>
</tr>
<tr>
<td>Figure 3.1</td>
<td>Types of services offered by the interventions</td>
<td>19</td>
</tr>
<tr>
<td>Figure 3.2</td>
<td>Frequencies of ALMPs by governorate</td>
<td>20</td>
</tr>
<tr>
<td>Figure 3.3</td>
<td>Sources of financing and lead implementing agencies</td>
<td>23</td>
</tr>
<tr>
<td>Figure 3.4</td>
<td>Labour market barrier addressed by the intervention</td>
<td>25</td>
</tr>
<tr>
<td>Figure 3.5</td>
<td>Characteristics of skills training programmes</td>
<td>28</td>
</tr>
<tr>
<td>Figure 3.6</td>
<td>Characteristics of employment services</td>
<td>32</td>
</tr>
<tr>
<td>Figure 3.7</td>
<td>Characteristics of entrepreneurship promotion programmes</td>
<td>35</td>
</tr>
<tr>
<td>Figure 3.8</td>
<td>Applied targeting criteria</td>
<td>41</td>
</tr>
<tr>
<td>Figure 3.9</td>
<td>Type of monitoring and evaluation</td>
<td>44</td>
</tr>
<tr>
<td>Figure 3.10</td>
<td>Levels of measuring performance of a development programme</td>
<td>46</td>
</tr>
<tr>
<td>Table 3.1</td>
<td>Number of beneficiaries by intervention type – summary statistics</td>
<td>21</td>
</tr>
<tr>
<td>Table 3.2</td>
<td>Relevant instruments, target groups, and intended effects of ALMPs</td>
<td>22</td>
</tr>
<tr>
<td>Box 1.1</td>
<td>Definition of active labour market policies (ALMPs)</td>
<td>2</td>
</tr>
<tr>
<td>Box 3.1</td>
<td>Description of services provided by the different types of ALMPs</td>
<td>18</td>
</tr>
<tr>
<td>Box 3.2</td>
<td>Training in Water and Energy Efficiency Development Project (TWEED): A multi-setting approach to skills training</td>
<td>29</td>
</tr>
<tr>
<td>Box 3.3</td>
<td>Fursati Liltamayyoz (FLT): A comprehensive approach to increase the employability of young people in the ICT sector</td>
<td>30</td>
</tr>
<tr>
<td>Box 3.4</td>
<td>Career guidance offices (CGOs): Employment services for students</td>
<td>31</td>
</tr>
<tr>
<td>Box 3.5</td>
<td>The Rural Economic Growth and Employment Project (REGEP)</td>
<td>36</td>
</tr>
<tr>
<td>Box 3.6</td>
<td>The Livelihoods and Emergency Employment: An integrative programme to promote entrepreneurship</td>
<td>36</td>
</tr>
<tr>
<td>Box 3.7</td>
<td>SMEs promotion</td>
<td>37</td>
</tr>
<tr>
<td>Box 3.8</td>
<td>Ministry of Labour (MOL): Training and Employment in Restaurants</td>
<td>40</td>
</tr>
<tr>
<td>Box 3.9</td>
<td>Training and Employment in Paper and Carton Factories: An example of a wage subsidy programme implemented by the Ministry of Labour (MOL)</td>
<td>40</td>
</tr>
<tr>
<td>Box 3.10</td>
<td>Economic Empowerment of Jordanian Families at Irbid and Mafraq: An intervention that provides home-based services for female participants</td>
<td>42</td>
</tr>
<tr>
<td>Box 3.11</td>
<td>Training on Electricity for Women: Promoting non-traditional jobs for women</td>
<td>43</td>
</tr>
<tr>
<td>Box 3.12</td>
<td>Types of evaluations</td>
<td>45</td>
</tr>
<tr>
<td>Box 3.13</td>
<td>Mowgli Mentoring: Empowering entrepreneurs and strengthening their businesses in Jordan</td>
<td>46</td>
</tr>
</tbody>
</table>
# List of abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALMP</td>
<td>active labour market policies</td>
</tr>
<tr>
<td>CGO</td>
<td>career guidance office</td>
</tr>
<tr>
<td>E-TVET Fund</td>
<td>Employment – Technical and Vocational Training and Education Fund</td>
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<td>GDP</td>
<td>gross domestic product</td>
</tr>
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<td>ICT</td>
<td>information and communication technology</td>
</tr>
<tr>
<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<td>IRADA</td>
<td>Enhanced Productivity Centres Programme</td>
</tr>
<tr>
<td>IYF</td>
<td>International Youth Foundation</td>
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<tr>
<td>JOD</td>
<td>Jordanian dinar</td>
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<tr>
<td>M&amp;E</td>
<td>monitoring and evaluation</td>
</tr>
<tr>
<td>MENA</td>
<td>Middle East and North Africa</td>
</tr>
<tr>
<td>MOL</td>
<td>Ministry of Labour</td>
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<td>MOPIC</td>
<td>Ministry of Planning and International Cooperation</td>
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<tr>
<td>MSMEs</td>
<td>micro, small and medium-sized enterprises</td>
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<tr>
<td>NGO</td>
<td>non-governmental organization</td>
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<tr>
<td>SMEs</td>
<td>small and medium-sized enterprises</td>
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<tr>
<td>TVET</td>
<td>technical and vocational education and training</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organization</td>
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<tr>
<td>UNHCR</td>
<td>United Nations High Commissioner for Refugees</td>
</tr>
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<td>VTC</td>
<td>Vocational Training Corporation</td>
</tr>
<tr>
<td>YEI</td>
<td>Youth Employment Inventory</td>
</tr>
</tbody>
</table>
In June 2012, the International Labour Conference of the International Labour Organization (ILO) resolved to take urgent action to tackle the unprecedented youth employment crisis through a multi-pronged approach geared towards pro-employment growth and the creation of decent jobs. The resolution “The youth employment crisis: A call for action” contains a set of conclusions that constitute a blueprint for shaping national strategies for youth employment. In 2016, the Global Initiative on Decent Jobs for Youth was launched to facilitate increased impact and expanded country-level action on creating decent jobs for young people through multistakeholder partnerships, the dissemination of evidence-based policies and the scaling up of effective and innovative interventions.

The ILO has responded by making greater investments in understanding “what works” in youth employment and supporting governments and social partners to translate evidence into integrated employment policy responses. In 2013, the ILO set up the Fund for Evaluation in Employment and established the Area of Critical Importance on Jobs and Skills for Youth to foster knowledge sharing and provide financial and technical assistance for the rigorous assessment of youth employment interventions. Regional approaches have since been established, including the Taqeeem (meaning “evaluation” in Arabic) Initiative. Taqeeem is a partnership with the International Fund for Agricultural Development (IFAD) as part of an IFAD-financed project titled “Strengthening gender monitoring and evaluation in rural employment in the Near East and North Africa”. Through rigorous impact research, this capacity development and learning grant project aims to understand “what works” in the promotion of gender mainstreaming, with the ultimate goal of achieving gender equality in rural employment outcomes across the region.

The “Impact Report” series disseminates research reports from Taqeeem-supported impact evaluations and employment assessments. The studies use qualitative and quantitative approaches including experimental and quasi-experimental research designs to estimate employment outcomes of active labour market policies and programmes. Reports include evidence assessments and baseline and endline studies which describe the research designs, methodologies, interventions under investigation, findings and policy and programmatic recommendations.

This report presents findings on the landscape and characteristics of active labour market policies for youth in Jordan and reviews the evidence base on what works in making them effective for young people, with a special focus on the challenges faced by young women. The report draws on the Youth Employment Inventory Jordan, a database providing information on over 80 youth employment programmes in the country compiled specifically for this study.

The drafting of the report was led by an ILO technical team comprised of Drew Gardiner, Felix Weidenkaff, Jonas Bausch and Patrick Daru with support from David Kunst (VU Amsterdam) and key contributions by the Swiss Academy for Development, led by Katharia
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Executive summary

This report contributes to building consensus around the role of evidence-based active labour market policies (ALMPs) in promoting decent jobs for youth and empowerment of young women in Jordan. It identifies key barriers faced by young people in Jordan in their efforts to enter the labour market. Subsequently, it compares the current landscape of ALMPs for young people with global good practice and those barriers which are specific to Jordan. The report concludes with recommendations for policy-makers and programme implementers, aimed at making ALMPs in Jordan more effective at reducing youth unemployment and mismatches between jobs and skills. The goal is to enable young people to work in higher quality jobs with better working conditions, including increasing access to social protection and opportunities to participate in social dialogue.

The Jordanian labour market faces structural challenges similar to those of other countries in the Middle East, as well as unique pressures generated by the unprecedented influx of refugees from Syria. The challenges include a rapidly growing working-age population and the sluggish growth of the formal private sector, which is insufficient to absorb the large number of labour market entrants. Moreover, it is probable that the influx of such a large number of refugees has increased competition in the informal sector, creating downward pressure on wages and working conditions for young people.

Young women, in particular, face high barriers to entering the labour market, a situation which is aggravated by existing skills and jobs mismatches. Although young women in Jordan tend to be more educated than young men, their labour force participation is considerably lower, while their unemployment rate is higher. Young women suffer from rigid labour-market related social norms that limit their employment options to a small number of professions.

Moreover, the shift away from public sector employment has disproportionately impacted the labour market prospects of young women, particularly those in rural areas. For women, public sector jobs are more attractive because they are associated with more flexible working arrangements, allowing women to combine work and household duties more effectively, and also providing socially acceptable working conditions. Since the public sector employs a higher share of women than the private sector, the shift away from public sector employment has been particularly detrimental to the employment prospects of young women. In rural areas, young women have few opportunities for formal employment outside the public sector.

Other barriers for young people on the labour market include skills mismatches, particularly skills shortages, and a lack of access to finance for aspiring entrepreneurs.

1 Assaad et al. (2012).
Many labour market entrants lack the combination of technical and soft skills demanded by the labour market, and the private sector does not provide sufficient training to address these constraints. Skills mismatches are aggravated by enrolment choices which are motivated more by prestige than by labour market demands. About half of all small and medium-sized enterprises (SMEs) identify access to finance as one of the major constraints for their business, limiting their potential to create additional jobs.

Global evidence suggests that ALMPs for young people can be effective at improving youth labour market outcomes. ALMPs aim either to increase the employability of young people or to stimulate job creation. For instance, they train young people to acquire crucial hard and soft skills, or provide individual career counselling. To help create jobs, they also facilitate entrepreneurship, providing wage subsidies which ease the transition to employment. However, global evidence from rigorous impact evaluations on the effects of ALMPs on young people’s outcomes is scarce for middle-income countries, and for Jordan in particular.

The Youth Employment Inventory (YEI) Jordan database characterizes the current landscape of ALMPs for youth in Jordan. Information from 84 ALMPs, implemented in Jordan since 2012, were collected through in-depth interviews with programme managers, guided by a standardized questionnaire. The YEI Jordan provides information about the programme characteristics, including about the monitoring and evaluation system.

Skills training and employment service interventions are the most common ALMP categories, while two-thirds of interventions combine different programme types. The most frequent combination of services is a mix of skills training and employment services, while entrepreneurship promotion is less frequently provided, often as a “stand-alone” intervention. Subsidized employment programmes represent the smallest group of programmes in the YEI and are almost always combined with skills training components.

The Jordanian Government and non-governmental organizations (NGOs) are the two main implementers of ALMPs, which range from pilot projects to large-scale programmes. Private sector entities are involved as the lead implementing agency in 27 per cent of all interventions. Slightly more than half (54 per cent) of all interventions are implemented cooperatively, i.e. different types of agencies cooperate as lead implementers. There is wide variation in the number of beneficiaries of programmes, which range from pilot projects with fewer than 100 participants to large-scale programmes targeting several thousands.

Comparing the current landscape of ALMPs in Jordan with global evidence and the local challenges facing young people on the labour market yields five main recommendations for policy-makers and practitioners:

I. **Prioritize investments in decent jobs for young people**

The labour market integration of its young people is central to Jordan’s economic prospects. Efforts need to promote stronger and more inclusive growth, and private sector jobs, especially for the youth, women and in less economically developed regions. Given the size of the current youth cohort in Jordan, further increased by the recent influx of refugees, improving the labour market prospects of youth is also crucial for the country’s political and social stability. In light of the restructuring of the
Jordanian economy over the past few decades, private sector enterprises need to be the engine of job creation for young people.

As analysis from the YEI Jordan shows, well-designed and appropriately targeted ALMPs can play a crucial role in improving labour market outcomes of young people in Jordan but, in order to be effective, they need to be embedded in a framework of pro-employment macroeconomic reforms and adequate sectoral policies. Pro-employment macroeconomic policies for Jordan should include designing trade, investment, industrial and agricultural policies with a view to increasing these sectors’ competitiveness and employment creation capacity.

II. Improve the labour market opportunities of young women, especially those in rural areas

The low labour force participation rate and limited employment options of young women exacerbate the skills mismatch and constrain the country’s economic growth. Young women in Jordan are well educated, but rigid social norms keep them out of the labour force or steer them towards a small number of professions with limited prospects for gainful employment. In addition, discriminatory hiring practices and labour market segregation make it difficult for young women to find suitable employment beyond these professions. These issues are amplified for job seekers in rural areas which present additional challenges including the small size of local labour markets, distance from market centres, a high incidence of informality, working poverty and domestic work and difficulties in applying labour market laws and regulations. ALMPs that target these specific constraints faced by young women trying to enter the labour market will allow Jordan to capitalize on young women’s past investments in education.

There are a number of measures that could help to improve the labour market prospects of young women. Through reforming labour market regulations, policy-makers can improve working conditions for young women. Employers need to be incentivized to offer family-friendly working conditions, such as shorter working days, the option to work from home and part-time work opportunities, as well as establishing maternity and paternity leave schemes. In rural areas, young women, who are increasingly well-educated, can find employment opportunities in post-harvest and processing industries targeted at higher value export markets. ALMPs can play an important role in providing young women with the right skill sets for these emerging industries. This, however, requires also implementing policies to improve working conditions for young women to increase the attractiveness of jobs in these industries. Finally, public awareness campaigns, coupled with demand-side incentives, such as wage subsidies, can contribute to gradually expanding the range of jobs that are considered acceptable for women and promote female employment in non-traditional sectors, such as manufacturing.

III. Design ALMPs with an eye to global good practice and adapt them to local challenges

Comparing ALMPs for youth in Jordan with global good practice suggests that there is scope for improvement. In an initial step, policy-makers, development partners and the private sector should work towards consolidating the existing diverse
ALMP portfolio, including encouraging coordination between implementing partners that currently run a variety of small to medium-sized programmes. Moreover, skills training should aim to combine workplace- and classroom-based components with soft skills training and increased private sector involvement to ensure a demand-driven focus. Entrepreneurship promotion programmes should more frequently include a component that facilitates access to finance, such as small grants for micro-enterprises and more flexible loans for small youth-led firms with the potential for job creation. These programmes would also benefit from increased efforts to enhance the prestige of self-employment within Jordanian society.

**ALMPs should more specifically target the most vulnerable groups of youth and address the role of work-related social norms in reducing skills mismatches.** The majority of interventions target highly educated young people, while there is a lack of interventions specifically targeting marginalized young women and other groups of young people, such as those in rural areas, who are currently disadvantaged on the labour market. Many ALMPs do not appear to systematically assess which groups of young people participate and how and whether methods of targeting programmes can be improved. Moreover, there is a lack of programmes that aim to overcome the labour-market related misconceptions and rigid social norms that channel women into a narrow range of professions. Well-targeted employment services and subsidized employment programmes could contribute to boosting employment among young women in Jordan.

**IV. Improve the labour market access of refugees while safeguarding working conditions**

The access of young refugee populations to employment and labour markets as well as their capacity for collective representation needs to be improved, in a manner that does not displace young Jordanians. This includes regular dialogue with national policy makers, trade unions and employers’ organisations as well as development partners on how to provide access to work for Syrian refugees. This approach ensures a win-win situation that yields social and economic dividends for the host economies as well.

Creating immediate jobs and improving economically critical infrastructure can be achieved through Employment Intensive Investment Programmes (EIIP). These programmes promote local resource-based technologies optimising the use of labour and local procurement, thus increasing indirect and induced job creation while improving decent work standards for workers.

**Improve the regulatory framework for Syrian workers in the labour market** through innovative approaches that allow for refugees to access work permits, introducing job placement mechanisms, and promoting measures preventing unacceptable working conditions in terms of occupational safety and health. Moreover, enforcement of the minimum wage policy should be strengthened to avoid downward pressure on wages.

**V. Promote evidence-based programming of ALMPs through a culture of monitoring, evaluation and learning**

A key element of a successful youth investment strategy is the establishment of a culture of monitoring, evaluation and learning. Jordan has a diverse and expanding
landscape of ALMPs for young people. However, there is a lack of evidence on which programmes are best suited to alleviate constraints on the most vulnerable individuals and most disadvantaged groups in the labour market, most notably women and youth in rural areas.

To ensure the allocation of funds to high-impact projects, all ALMPs should be accompanied by lean but effective monitoring and evaluation (M&E) tools supported by modern management systems. This concerns both programmes implemented by the Government and by NGOs, and requires an adequate budget for M&E, which should be complemented by (i) results-based programming, (ii) outcome-based procurement of service providers and (iii) performance-based management of ALMPs. Collaborations with experienced national and international research teams to conduct evaluations can also lead to a transfer of technical knowledge and strengthen local M&E capacities.

However, more and better evidence-based programming will not simply take place spontaneously; it requires a joint effort by the Government and donors with an appropriate balance of rules and incentives for programme implementers. Because the benefits of better M&E practices are wide-ranging, there is a strong rationale for development partners to contribute towards making investments in Jordanian youth more effective. This should also include provision of technical and financial support to project implementers on how to design monitoring systems and how to conduct impact evaluations. Furthermore, agencies and development partners should adopt stricter rules for implementers by requiring M&E frameworks as an essential element of project proposals and mandating public dissemination of a set of standard key performance indicators of the intervention.
Section 1
Section 1: Introduction

1.1 Background

Young people in Jordan face significant challenges in finding decent and productive work. Annual economic growth rates remain low and a large and increasing proportion of young people, especially young women, are unable to find jobs or do not participate in the labour market. The political instability in neighbouring countries creates economic instability within Jordan, and the recent influx of Syrian refugees increases the number of young people looking for gainful employment. Moreover, while the enrolment rate of young women in higher education has surpassed that of young men, their labour force participation has not kept pace and remains low. Without work and adequate income, many young people in Jordan have difficulties to cover their living costs, support a family and fulfil society’s expectations.

While there is no silver bullet, research from around the world shows that active labour market policies (ALMPs) that target young people can improve the labour market situation of youth. Skills training, employment services, entrepreneurship promotion and subsidized employment programmes can increase labour force participation and positively affect labour market outcomes, such as the probability of finding productive and decent employment (see Box 1.1 for a definition of ALMPs). However, evidence on the impact of ALMPs for youth in Jordan is scarce.

This report builds on information from 84 recent ALMPs for youth in Jordan, implemented by public and non-public providers, and a validation workshop conducted with youth employment stakeholders in Jordan. The review analyses information from the Youth Employment Inventory (YEI) Jordan, a database of youth employment interventions created by the ILO in 2016. While not providing an exhaustive listing of all ALMPs implemented in Jordan over the recent decades, this database offers information about the design, characteristics and achievements of major youth employment programmes and provides a solid estimate of the relative distribution of programmes by type.

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2 This study focuses on ALMPs that provide services directly to young people. The reform of labour market legislation and regulations, as well as the formulation of a coherent national labour employment strategy are equally important factors, but are beyond the scope of this report.

3 The Youth Employment Inventory is a multi-agency initiative involving the ILO, the World Bank and the German Federal Ministry of Economic Cooperation and Development which aims to gather information and evidence on youth employment programmes around the world. At the time of writing this report, the YEI database comprised more than 1,000 programmes implemented in 120 countries. For each of those programmes, the database provides information on the implementing agency, type of programme, target groups, number of beneficiaries, funding agencies, funding amount and type of evaluation conducted.
**Box 1.1 Definition of active labour market policies (ALMPs)**

ALMPs provide or facilitate access to decent employment, thereby reducing poverty, creating equity and offering security in a changing environment. Unlike passive labour market policies (PLMPs), ALMPs primarily focus on increasing employment quality and quantity rather than other relief options, such as wage replacements. Both supply-side and demand-side measures fall within this category. Typical programmes on the labour-demand side are public employment programmes and interventions to foster self-employment and entrepreneurship. Concerning labour supply, skills training programmes are most prominent, these also being the most common ALMP in general. Finally, ALMPs can also address market frictions by providing labour market information, offering employment services and registering vacancies. Good ALMPs are additionally characterized as those that encourage and allow for social dialogue; collective bargaining mechanisms should not be compromised by incentives provided by ALMPs.

Sources: ILO (2003).

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**1.2 Youth Employment Inventory research methodology**

The research methodology relies on extensive desk research, complemented by structured interviews with implementing agencies. The research process for compiling the Youth Employment Inventory Jordan started with an initial mapping of ALMPs, based on online research and consultations with local youth employment stakeholders. This mapping exercise identified over 200 interventions, from which a sample of 84 programmes were selected that fulfilled the following criteria:

1. targets a minimum of 150 beneficiaries;\(^4\)
2. serves mainly young people in the age group 15 to 30 years old (includes interventions targeting young people only or untargeted programmes with high levels of youth participation);
3. provides a direct service to young people in the form of skills training, entrepreneurship promotion, employment services or subsidized employment or a combination of these services (see the definition of ALMPs in box 1.1); and
4. is either ongoing in 2016 or has been completed in the period between January 2012 and January 2016.

While the study sample managed to capture Jordan’s diverse landscape of ALMPs for young people, the selected programmes do not cover the entire map of labour market policies in Jordan. The research team balanced the selection of interventions by taking into consideration small-scale as well as large-scale interventions from different regions,

\(^4\) Exceptions to the minimum targeted number of 150 beneficiaries were made for programmes with innovative elements in project design, for programmes that target disadvantaged young people (e.g. young people with disabilities, young women or refugees) and entrepreneurship promotion programmes which may not reach a very high number of beneficiaries (e.g. incubators that invest heavily in individuals and provide a relatively high level of start-up funding or have a regional outreach). Ten programmes were treated as exceptions, with a total targeted number of young people between 20 and 140, see also Section 3.1.
implemented and financed by different entities (public and non-public providers). However, willingness to share information and implementing agencies’ availability for interview also determined, to some extent, the selection of the interventions.

**Managers of the selected programmes were contacted for a personal interview to collect information about design features, characteristics, effectiveness and cost figures.** Each interview, based on the YEI Jordan questionnaire took two to three hours. The YEI questionnaire was adapted to the Jordanian context and captured, first, information about whether an intervention has been implemented nationwide or in selected governorates. Second, respondents were asked about the scope and type of intervention (e.g. services provided, such as skills training, entrepreneurship promotion, etc.). Third, the questionnaire included questions about the objectives of the intervention and what type of labour market barriers the interventions addressed. Additional areas relate to the status and timing of the intervention, the beneficiaries and implementing agencies as well as evaluation information and costs. Unfortunately, most programmes did not share or did not have available information related to programme costs. This limits the analysis and potential recommendations regarding cost-effectiveness of programmes.

**The findings from the YEI Jordan were further discussed with youth employment stakeholders during a validation workshop in Amman in August 2016.** Their review of the results and feedback on the recommendations have informed this report.

### 1.3 Overview of the report

**The report is divided into three main sections that mirror the main research objectives:**

**Section 2** describes the current youth labour market situation in Jordan and identifies key barriers that Jordanian youth face when trying to enter and remain in the labour market, with a focus on the challenges encountered by young women and vulnerable youth, often located in rural areas. It also gives a brief overview of the labour market effects of the large number of Syrian refugees that are currently hosted by Jordan.

**Section 3** provides an overview of the diverse landscape of ALMPs for youth in Jordan, based on the YEI Jordan, both in terms of types of projects undertaken and stakeholders. Moreover, it compares the emerging picture with global evidence on good practices for ALMPs for youth, as well as detailing the specific challenges facing young people on the Jordanian labour market.

**Section 4** concludes with five recommendations for policy-makers and practitioners involved in the design or implementation of policies and ALMPs for youth employment in Jordan. The recommendations focus on the current scope of the potential of investments in youth, the special situation of young women on the Jordanian labour market, possible improvements in the design of ALMPs for young people, improving the labour market integration of refugees while safeguarding working conditions, and the establishment of a culture of learning around ALMPs for youth to increase their effectiveness at improving labour market outcomes for Jordanian youth.

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5 Questions were added allowing the research team to assess, for example, whether interventions are also targeting refugees.
Section 2: The labour market situation of young people in Jordan

2.1 Youth labour market outcomes in Jordan

In Jordan, the current cohort of young people aged 15 to 24 is particularly large. In 2016, 18.9 per cent of the Jordanian population fell within this age group, in comparison to 16.9 per cent in the Middle East and North Africa (MENA) region and 16.0 per cent worldwide.\(^6\)

At present, economic growth in Jordan is sluggish, and the economy is not creating a sufficient number of jobs to absorb the cohort of young people entering the labour market. Recent conventional economic reforms have led to some level of macroeconomic stability but they have not necessarily led to a reduction in unemployment. Real GDP growth was estimated at 2 per cent in 2016, compared to 2.4 per cent in 2015 and 3.1 per cent in 2014. Over the same period, the overall unemployment rate among Jordanians has increased from 11.9 per cent to a historical high of 15.3 per cent in 2016.\(^7\) This situation is compounded by the nature of government’s investment and trade strategies, which is focused on export promotion and has particularly focused on low manufacturing sectors, such as apparel manufacturing, that offer poor working conditions, making them less attractive to domestic workers. These processes have not been particularly employment friendly, especially for women workers.

The rural economy and the agriculture sector in particular have been growing, having doubled its share of GDP from 2 to 4 per cent in the past five years. The Jordan Economic Growth Plan (JEGP) has set a target of 5 per cent annual GDP growth. The expectation is that agriculture must grow by 10 per cent annually to meet this target. This would also present a potential for job creation for young people in the agricultural sector and related value chains. Despite its modest contribution to national GDP, the sector is important in Jordan due to its influence on the socio-economic fabric and its role in political stability, as well as its central role in food security, rural development and job opportunities. The major components of the agriculture sector are horticulture, the poultry industry and small-scale herding. In recent years, agricultural exports to neighbouring countries have increased considerably.\(^8\)

While agriculture contributes only a small share to Jordan’s GDP, it is an increasingly important source of employment in rural areas, in particular for women. They generally work as subsistence farmers, paid or unpaid workers on family farms or as entrepreneurs running on- or off-farm enterprises. Moreover, the agricultural sector is of particular importance since rural areas are home to a larger share of poor and vulnerable people,\(^9\) and

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\(^7\) DOS (2017).
\(^8\) World Bank (2017).
because women play an important role in rural value chains. In addition, women provide the bulk of unpaid care and domestic work in rural areas, thereby supporting current and future generations of rural workers within their households and communities. Despite their significant contribution to the agriculture sector, rural women typically find themselves in disadvantaged positions. Compared to their male counterparts, they tend to face more restricted access to productive resources and assets, financial services and social protection.

**Overall, youth labour force participation in Jordan is low, especially among young women.** The youth labour force participation rate\(^{10}\) has declined over the past ten years and is estimated to stand at 23.3 per cent in 2016, an extremely low rate compared with the MENA region (31.7 per cent) and the world (45.8 per cent).\(^{11}\) The strikingly low labour force participation among young people in Jordan is caused by a combination of factors:

- **Women are unlikely to participate in the labour market, although they tend to be highly skilled.** Levels of education among young women in the region have been increasing rapidly over the past three decades and, overall, gender gaps in educational attainment have almost disappeared. Researchers and policy-makers have labelled this phenomenon the “MENA gender paradox”.\(^{12}\) In fact, Only 9.0 per cent of young women participated in the labour force in 2016, compared to 37.1 per cent of young men (Figure 2.1). Moreover, about 40 per cent of young women were neither working nor enrolled in education, and of these only one-quarter expressed an intention to work in the future.\(^{13}\) This is despite the fact that Jordanian women have one of the highest literacy rates in the Middle East, at 97 per cent, and 70 per cent of unemployed women have bachelor’s degrees, compared with only 25 per cent of unemployed men.\(^{14}\)

- **One of the main reasons behind the “MENA gender paradox” is that restructuring of Arab economies and a shrinking public sector have substantially altered opportunity structures for women.** And while opportunities for private wage employment are growing, albeit from a low starting point, they often fail to offer working conditions that are acceptable for women, given the prevailing gender roles and norms in the region. Many workplaces do not meet women’s “reservation working conditions”, which would include sexual and reputational safety, preventing contact with male clients or owners and bosses in non-public spaces and the workplace being geographically accessible without excessive commuting.\(^{15}\) Moreover, married women often find it hard to reconcile domestic responsibilities with private wage employment and therefore frequently leave employment once getting married.

- **There is a tendency for young Jordanians – women, in particular – to continue their education because they are unable to find employment or jobs that fulfil their expectations.** This has been reflected in increasing enrolment rates for tertiary education (Figure 2.2).\(^{16}\) Notably, the tertiary enrolment rate has been higher for women than for men throughout the past 16 years. At the same time, youth unemployment...
Promoting youth employment and empowerment of young women in Jordan

Labour force participation rates for youth aged 15–24

Source: ILO modelled estimates, see ILO (2017)

rates are highest for young people with tertiary education (29.5 per cent, compared to 22.8 per cent with secondary and 20.3 per cent with primary education or less).17

■ Discouraged workers are withdrawing from the labour market. The high youth unemployment rate, particularly among young women, leads to a general perception of poor prospects of finding a job.

Jordanian youth in the age group 15–24 years old are the group most affected by unemployment, with an unemployment rate of 34 per cent in 2016.18 Youth unemployment is exceptionally high compared to both the MENA average (29.7 per cent) and the world average (13.6 per cent). Moreover, long-term youth unemployment (a year or longer in duration) is a serious concern in Jordan, affecting 56 per cent of the unemployed people aged 15–29 in 2014.19

More than half of the young women in the labour force are unemployed. The gap between female and male youth unemployment rates in Jordan is larger than the MENA average (Figure 2.3).

Those in employment tend to have contracts, but are often informally employed. More than 90 per cent of employed women and men have a written contract, some of which

17 Figures for the 2012/13 period reported by the ILO (2015a) for the 15–24-year-old age group.
18 Unless otherwise indicated, the youth unemployment and labour force participation rates presented in the text are modelled ILO estimates, available at www.ilo.org/ilostat.
19 Barcucci and Mryyan (2014).
Figure 2.2 Gross enrolment rates in tertiary education

Source: UNESCO, derived from the World Bank’s World Development Indicators.

Figure 2.3 Unemployment rates for youth aged 15–24

Source: ILO modelled estimates, see ILO (2017).
have benefits attached. Only 2 per cent of the employed are in involuntary part-time employment, expressing the wish to increase their working hours. However, half of the employed youth (53 per cent) are employed informally in the formal sector, which means that they have contracts but do not have access to paid sick leave or a pension scheme, they earn a below-average wage or have to work an excessive number of hours.

**While the public sector has traditionally been important for job creation, the most notable change in the labour market over the past 15 years has been the shift towards private sector employment.** As a result, there are fewer public sector openings and competition for public sector jobs has stiffened. In spite of these changes, the public sector remains the favoured choice of youth. This preference also reflects the fact that working conditions in the public sector are still relatively good (despite, for example, a reduction in the proportion of wages in the Government’s civil servant wage bill), and employees in the private sector are more likely to encounter less favourable working conditions, such as below-average salaries or excessive working hours (public–private sector divide).

**The shift away from public sector employment has impacted the labour market prospects of young women, particularly those in rural areas.** Since the public sector employs a higher share of women than the private sector, the shift away from public sector employment has been particularly detrimental to the employment prospects of young women. Especially in rural areas, young women have few opportunities for formal employment outside the public sector.

Even though Jordan is considered to be a hub for start-ups, not many young people are self-employed and young people’s overall sceptical attitude towards self-employment may not have kept pace with the changing structure of employment towards small businesses in Jordan.

**Micro, small and medium-sized enterprises (MSMEs) are the backbone of job-creation in the private sector.** They represent 95 per cent of all Jordanian enterprises and employ 72 per cent of the total labour force in the private sector, with small and medium-sized enterprises (SMEs) employing 32.7 per cent and micro-enterprises 38.7 per cent. In addition, although Jordan is already considered to be one of the start-up hubs in the MENA region, in practice there is a lack of financing provision for start-ups, which may contribute to reconciling this perception with the apparent lack of enthusiasm on the part of Jordanian youth to buy into the entrepreneurial culture.

**The number of foreign workers employed by the private sector is higher than the number of Jordanians (foreign–national worker divide).** Many of these foreign workers are either informally employed in the formal sector or work in the informal sector (formal–informal divide). This creates inequalities with, on the one hand, jobseekers with the same skill

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20 Some 66 per cent had access to social security contributions, 63 per cent were entitled to paid annual leave (62.7 per cent) and 60 per cent to medical insurance coverage. The statistics in this paragraph are taken from Barcucci and Mryyan (2014).
23 Brown et al. (2014); Elkhafif et al. (2012).
24 Assaad et al. (2012).
26 This paragraph is based on the Jordan National Employment Strategy 2011–2020.
levels earning lower wages and getting fewer benefits than their peers and, on the other hand, companies having to deal with different labour cost structures. Inadequate enforcement of existing laws (for example, regarding minimum wages) and the prospects of the significant profits to be made by employing workers informally contribute to sustaining the foreign–national worker divide. Competition at the low-paid end of the private sector labour market has intensified since the onset of the Syrian conflict and the influx of refugees.27

2.2 Impacts of the Syrian refugee crisis

As of July 2017, more than 660,000 refugees coming from Syria were registered in Jordan by the Office of the United Nations High Commissioner for Refugees (UNHCR), which amounts to almost 10 per cent of the Jordanian population.28 Refugee settlements are concentrated in the north of Jordan, in Irbid and Al-Mafraq, as well as in Central Jordan, in Zarqa and Amman. Approximately 80 per cent of Syrian refugees live in non-camp settings; the other 20 per cent live in the refugee camps (namely, Za'atari, Marjeb al-Fahood, Cyber City and Al-Azraq).29 The governorates most severely affected by the influx of refugees caused by the Syrian crisis are Amman, where 27 per cent of the Syrian refugees have settled, followed by Al-Mafraq with 26 per cent, Irbid with 24 per cent and Zarqa with 11 per cent. The highest densities of refugee populations can be found in Mafraq (18 per cent) and Irbid (10 per cent).30

The Syrian refugees in Jordan are very young, the majority are female (52 per cent) and, on average, they have a lower level of education than the Jordanian population. The clear majority (84 per cent) of the female Syrian refugees have only had primary school education or below, around 11 per cent have attended secondary education and only 5 per cent have a higher degree. Syrian refugees are younger in comparison to the Jordanian population. A large share of the Syrian refugees are children aged 0–4 years old (around 20 per cent), and more than half are under the age of 18. Enrolment rates in basic education are much lower (65 per cent) compared to those of Jordanians (at almost 100 per cent).31 The young age of many refugees has policy implications: access to education for these children and young people, as well as age-appropriate physical and psychological health care, is crucial to avoid negative long-term consequences for the refugee population, as well as the host communities.

Refugees are likely to compete with informal, low-skilled labour, affecting the most vulnerable segments of the Jordanian working population. Due to both their relatively low average skill level and the restrictive labour market regulations for Syrian refugees, most Syrian refugees are working in low-paid jobs in the large informal sector. Male Syrian refugees are mainly working informally in sectors that are not attractive to Jordanians, such as agriculture, construction, food services and retail trade. Female Syrian refugees are engaging in informal and home-based businesses (e.g. sewing, cooking, baking, cleaning, informal hair salons), and may compete with Jordanian women engaging in similar activities.32 This suggests that displacement of labour is occurring in local and informal

28 UNHCR (2016).
29 The biggest refugee camp in Jordan (Za’atari in Mafraq) holds over 80,000 registered refugees, see also Verme et al. (2016).
30 Numbers are taken from Ajluni and Kawar (2014).
31 ILO and Fafo (2015); Verme et al. (2016).
settings, which are mainly (but not solely) occupied by other migrant workers, although it is not fully captured by the unemployment rate.33

A combination of weak enforcement of regulations concerning the minimum wage and working conditions and the greater willingness of Syrian refugees to accept both low wages and working conditions that are not considered tolerable by Jordanians may create downward pressure on wages and working conditions. Jordan has experienced a series of (peaceful) protests, mostly concerning low wages, in the years 2011 and 2012. Greater pressure on the labour market may also lead to increased tension and unrest if these issues are not addressed.34 The pressures on social stability may intensify once humanitarian aid and other support for the refugees is scaled down.

2.3 Barriers facing young people attempting to enter and remain in the labour market

Transition from school to work can be extremely long in Jordan. A school-to-work transition survey conducted in 2012 showed that transition from work into stable and satisfactory employment can take up to three years for those who do not start working immediately after graduation.35 This creates frustration and feelings of hopelessness and demotivation among young people, causing them to continue in education, or to detach from labour force participation altogether.

Barriers preventing young people from entering and remaining in the labour market can be classified as typical labour supply or labour demand challenges and some barriers affect both the supply and the demand side (see Figure 2.4). Key supply-side barriers facing young people attempting to enter and remain in the labour market are detailed below.

Figure 2.4 Key labour market challenges facing young people in Jordan

Source: Author’s own representation.

33 Stave and Hillesund (2015).
34 Ajuni and Kawar (2014).
35 Barucci and Mryyan (2014). A young person who has completed the transition to work is either employed in an unsatisfactory or a satisfactory stable job, in satisfactory temporary job or in satisfactory self-employment.
Promoting youth employment and empowerment of young women in Jordan

- **Negative stigma attached to certain jobs and to self-employment.** There is a prevailing perception in Jordanian society that self-employment and certain jobs (including jobs in the services sector and jobs that involve physical labour, such as construction work) are undesirable because they lower a person’s social status. These beliefs are a strong factor in discouraging young people from undertaking jobs which lack prestige. The problem is compounded by the widespread perception that accepting a less prestigious job will negatively affect a person’s career options in the long run, although Jordanian employers have in fact been found to prefer young people with job experience, including experience gained in less prestigious jobs.

- **The public sector is the employer of choice for entry-level positions.** Public sector jobs are prestigious and offer a high level of compensation, good working conditions (e.g. short working hours, scholarships and attractive pension schemes) and job security. Family support allows many young people to wait for the opportunity to gain a job that meet their expectations (high reservation wage).

- **Compared to other countries, Jordanian employers provide little on-the-job training to address the skills mismatch.** Employers in Jordan are deterred from hiring young people by their lack of applied hard skills and work-related soft skills. However, instead of investing in training young people, employers deal with the lack of local skills in high-demand technical and vocational fields by employing a large number of migrant workers, most notably in the textile and apparel industry.

**Labour demand challenges faced by young people in Jordan include:**

- **Jobs in the public sector, for many young people the employer of choice for entry-level positions, are becoming increasingly rare.** As in many other countries in the region, a restructuring of the economy in Jordan away from state-led growth has led to a sharp decrease in the number of public sector jobs over the past few decades (see Section 2.1). While, in 1985, the proportion of labour market entrants with secondary education and above obtaining a first job in the public sector was around 60 per cent, this figure had declined to around 35 per cent in 2010. This trend disproportionally affects young women, for whom public sector jobs – in contrast to employment in the informal economy – offered acceptable working conditions (see below).

- **Formal private sector jobs have not fully compensated for the jobs lost in the public sector.** Where formal jobs for young people are available, the requirement to work an excessive number of hours is a barrier to keeping those jobs in the long run. The informal economy frequently offers even poorer working conditions, where low-productivity jobs come with low pay and also offer little or no social protection, such as health insurance or employers’ contributions towards a pension scheme.

- **Lack of access to finance for aspiring entrepreneurs.** This barrier is more pronounced in Jordan than in other countries of the MENA region, and the situation has worsened.

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36 Brown et al. (2014).
37 Groh et al. (2014).
38 World Bank (2015); Brown et al. (2014).
40 Assaad et al. (2016).
41 Barucci and Mryyan (2014). The study finds that 22 per cent of young men and 11 per cent of young women worked an excessive number of hours – more than 60 hours per week.
since 2006. In the enterprise survey conducted by the World Bank in 2013, 42.8 per cent of the surveyed firms in Jordan identified restricted access to financing as one of the major constraints on their business. This compares to a rate of 35.7 per cent in the MENA region as a whole and the worldwide average of 25.7 per cent. This constraint is especially challenging for small (48.7 per cent) and medium-sized (33.1 per cent) firms but less marked for larger firms (18.7 per cent).42 Without access to financing, the capacity of small and medium-sized firms to grow their business and to create additional jobs is constrained.

There are also several important labour market barriers with both a supply- and a demand-side dimension, most importantly a mismatch between jobs and skills. There are also expectations from family and society that do not necessarily reflect young people’s own preferences and interests.

- **The country is experiencing a mismatch between jobs and skills.** Skills mismatch in the country can be assessed at either the level of the individual job seeker or the level of the employer. A young job-seeker can either be underskilled or overskilled, although in Jordan the underskilled dimension is more commonly referred to and is often associated with shortcomings in the education system, including underperforming technical and vocational education and training. Skills mismatch is also partly a consequence of a rapid increase in the average level of education in an economy with sluggish growth rates that is transforming only slowly. As a result, many young people work in jobs for which they are over-qualified.43

- **On the level of the employer, we can refer to skills gaps or skills shortages, usually measured in terms of unfilled and hard-to-fill vacancies.** The extent of skills shortages are usually measured through enterprise or human resource surveys though in Jordan the extent of the skills shortage issue can be observed in the high proportion of migrants working in the semi-skilled and low-skilled sectors such as in the garment industry.

- **Young women face particular difficulties, which restrict their employment options to the public sector and a narrow range of other professions.** They are encouraged to enrol in education, social sciences, humanities, arts and certain medical studies that are less in demand. The range of professions that are perceived as acceptable for women is extremely narrow. For example, occupations that require frequent interactions with unknown males, such as the tourism industry and the hospitality sector, are considered less appropriate, whereas employment in the government sector with well-defined rules is perceived as being more appropriate. Women have much lower participation rates in TVET programmes than men, which limits their chances of finding employment. Furthermore, inadequate public transportation systems and related safety and security issues can also make the prospect of regular commuting untenable.44

42 World Bank (2013a), (2013b), (2015). Small firms are categorized as those with 9–15 employees, medium-sized firms those with 20–99 employees and large firms those with 100 or more employees.
43 Barcucci and Mryyan (2014). The study finds that 52 per cent of the employed young people were affected by qualifications mismatch. Undereducated youth accounted for 43 per cent of the employed, while 9 per cent of those working were overeducated for the job they held at the time of the survey.
44 Brown et al. (2014).
Many women find it difficult to reconcile domestic responsibilities with employment and therefore leave the labour market once they get married. Private sector employment is perceived to be particularly unconducive to meeting family responsibilities. Indeed, recent research suggested that young Jordanian women who work in the private sector are much more likely to leave their jobs upon marriage than those in public-sector jobs. For young women with children, childcare facilities are often not available. As the duty to establish a childcare facility is, in part, linked to the size of a firm’s female labour force, some employers might choose to avoid hiring young women.

Often, young people do not have access to information about job opportunities and miss the chance of being hired because of the widespread practice of recruiting and hiring young people through informal networks (“Wasta”). Job recruitment is often carried out by word of mouth and informal networks (family and friends). Knowing people in high positions can be critical for getting a job, especially higher level and governmental positions. This practice makes jobs available to people who do not have suitable skills and are not qualified to undertake them.

Transportation challenges deter young people from joining employment or training. Issues concerning transportation are often the reason for young people not taking up or having to leave a job. The main challenges are the high cost of transportation, the unreliability of the public transport system and limited service hours or stops in places where transport is needed. These issues of transportation disproportionally affect young women and other young people that are currently disadvantaged on the labour market.

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45 Assaad et al. (2012).
46 Assaad et al. (2017).
48 Ibid.
ALMPs for young people are an instrument to reduce youth unemployment by mitigating imperfections and frictions in the labour market, such as a lack of skills or education, or discrimination against certain groups of jobseekers. In general, they aim to increase the employability of young people (supply side), stimulate job creation (demand side) and/or match jobseekers and employers. The YEI Jordan consists of a sample of 84 such ALMPs for youth in Jordan, completed between January 2012 and January 2016, or which were ongoing in 2016. The purpose of this section is to give an overview of the landscape of ALMPs for youth as represented in the YEI Jordan (Sections 3.1 and 3.2) before comparing them with both global good practice and the local challenges that are specific to the Jordanian labour market for youth (Sections 3.3 and 3.4). These comparisons aim at stimulating knowledge exchange taking into account on the one hand lessons learned from other developing and developed countries and on the other hand specific youth employment challenges in Jordan as detailed in the previous section.

3.1 The current landscape of ALMPs for young people

ALMPs can be divided into four main categories: skills training, employment services, entrepreneurship promotion and subsidized employment. Each of these four main categories comprises a set of subcategories of services (Box 3.1).

Skills training programmes and employment services are expected to increase employability and facilitate job matching. Skills training programmes are intended to upgrade hard and soft skills and to match them with the needs of the labour market. If skills training occurs on the job (e.g. onsite training, apprenticeships, internships), it also allows trainees to gain relevant work experience and employers to trial and assess potential workers. Employment services provide jobseekers with the means of improving the way they showcase their competencies and skills, address information deficits on both the jobseekers’ and the employers’ side in terms of available jobs and job candidates, improve matching, increase job-search efficiency and enhance career prospects.

Entrepreneurship promotion and subsidized employment services contribute to job creation. Entrepreneurship promotion programmes provide the knowledge and skills required to start and run a business. They facilitate access to financial and non-financial resources (e.g. business networks, value chains). Subsidized employment programmes also offer opportunities to accumulate work experience and motivate employers to create and maintain job opportunities. The experience of being in a working environment which such programmes provide allows people to feel connected to the labour market.

The most commonly provided services in the YEI Jordan are skills training (technical and vocational skills) and employment services, whereas entrepreneurship promotion and subsidized employment programmes are less frequently offered. As shown in
Box 3.1 Description of services provided by the different types of ALMPs

Skills training services include technical and vocational education and training (TVET), soft skills training and training to acquire basic literacy and numeracy skills (second chance initiatives). TVET takes place in both formal and informal contexts and can be provided in classrooms or at the workplace (in the form of on-the-job training, apprenticeships or internships). Skills training interventions are often accompanied by financial or non-financial support services for trainees to facilitate participation in the training (such as training allowances, transport or childcare provision), incentives for trainees (e.g. certificates or accreditation of skills) and incentives for employers to provide training (such as contributions towards the salaries of trainees). Also, skills training interventions sometimes include institutional capacity building to augment trainers’ skills or improve the curriculum.

Employment services come in the form of job-search assistance (e.g. providing general information to jobseekers and employers), job counselling (e.g. personalized information or job market advice, career guidance, including training on job-search skills, such as CV writing and job interview techniques) and job placement services (e.g. facilitation or provision of contracts). In some countries, it is common to combine these services with benefits for jobseekers (e.g. financial support/allowances for jobseekers) and sanctions when jobseekers fail to comply with the rules and requirements governing the receipt of benefits.

Entrepreneurship promotion services include entrepreneurship training, advisory services (non-financial services offered at various stages of a business start-up, such as mentoring, technical coaching, provision of access to networks, support and advice in business formalization) and provision or facilitation of access to (micro-) finance for business creation or expansion.

Subsidized employment takes the form of wage subsidy programmes for employers (including other financial incentives, such as social security coverage or labour tax reductions), public work/employment guarantees programmes (e.g. employment in work-intensive projects, such as large-scale construction work, mainly for low-skilled jobseekers) or employment in a public service or participation in voluntary service (such as employment in maintenance-related work or providing care for elderly people).

Figure 3.1, panel A, 77 per cent (63 interventions) of the ALMPs in the inventory include a skills training component, 61 per cent (51) employment services, 36 per cent (30) entrepreneurship promotion services and 12 per cent (10) subsidized employment. Note that, since many interventions offer more than one service, the sum of all percentages exceeds 100 per cent.

Most interventions incorporate multiple programme components, i.e. a combination of different services from the skills training, employment services, entrepreneurship promotion and subsidized employment categories. Almost two-thirds (62 per cent) of the interventions offer multiple programme components (Figure 3.1, panel C). The most common combination of services is a mix of skills training and employment services (35 per cent). Entrepreneurship promotion (18 per cent) and skills training (15 per cent) are the most frequent “stand-alone” services that are not combined with other services. Employment services are rarely offered as a stand-alone intervention (5 per cent). All subsidized employment services are combined with services from the other main categories and all the subsidized employment interventions except one include a skills training component.
Figure 3.1 Types of services offered by the interventions

Table 3.1 Main categories of services

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skills Training</td>
<td>40%</td>
</tr>
<tr>
<td>Employment Services</td>
<td>30%</td>
</tr>
<tr>
<td>Entrepreneurship Promotion</td>
<td>20%</td>
</tr>
<tr>
<td>Subsidized Employment</td>
<td>10%</td>
</tr>
</tbody>
</table>

Figure 3.1b Targeted areas

- Rural areas: 17%
- Urban areas: 62%
- Both: 21%

“Note: Interventions could indicate several main categories of services which is why the sum of main service categories add up to more than 100 per cent.”

Figure 3.1c Combinations of main services types

- Stand alone: 10%
- 2 Services types: 30%
- 3 Services types: 20%
- 4 Services types: 20%

Figure 3.1d Number of beneficiaries by main service type in five categories

Source: Youth Employment Inventory Jordan
The majority of the programmes were relatively recent or ongoing at the time of the inventory. Of all programmes included in the YEI Jordan, 85 per cent started in 2012 or later and 77 per cent were ongoing at the time of the inventory. On average, the programmes have been running for approximately three and a half years. The majority of them (75 per cent) are designed as ongoing programmes rather than projects with definite start and end dates.

Most interventions provide short term services to beneficiaries, with a duration of up to six months. The time that participants spend in the programmes ranges from seven days to three years. However, the majority of the interventions have a duration of between one and six months (65 per cent), followed by a duration of seven to 12 months (22 per cent). Only a few interventions are shorter than one month (4 per cent) or longer than one year (9 per cent). In some cases, the short duration of an intervention might mean that there is insufficient time for youth to acquire the skills necessary to gain employment. Skills training providers often argue that the lack of funding is the main reason for not providing longer training courses.49

Figure 3.2 Frequencies of ALMPs by governorate

Note: The map is based on the “Jordan Situation Map as of 28 March 2017” provided by the UN High Commissioner for Refugees. The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the ILO.

Source: Youth Employment Inventory Jordan.

49 A view expressed by the participants of the validation workshop.
The inventory includes a balance of interventions targeting rural and urban areas and interventions from all regions. Of the 84 interventions in the sample, 62 per cent target both urban and rural areas and a comparable share of the interventions focus exclusively on urban and rural areas (21 and 17 per cent, respectively) (Figure 3.1, panel B). Services provided by interventions focusing primarily on urban vs. rural areas did not differ significantly.

Moreover, interventions are implemented in all governorates in Jordan, but with significant regional variation. Around two-thirds (64 per cent) of interventions are implemented in selected governorates only while 30 interventions (36 per cent) have a nationwide coverage. As the map in figure 3.2 shows, the number of interventions implemented in selected governorates varies from fewer than five in Madaba (1) and Aqaba (3) to over 20 in Ma’an (21) and Amman (23). Overall, governorates with high refugee density and high numbers of unemployed people are more frequently targeted.

The number of participants in the interventions varies greatly. As displayed in Table 3.1, the number of participants ranges from as few as 20 to as many as 38,000. However, the median number of beneficiaries is 339 for all interventions, slightly higher for entrepreneurship promotion programmes and slightly lower for the three other intervention types. Figure 3.1, panel D shows that the clear majority of interventions are within the 100–1,000 participants range and only a few programmes have more than 5,000 beneficiaries.

Table 3.1 Number of beneficiaries by intervention type – summary statistics

<table>
<thead>
<tr>
<th>Intervention Type</th>
<th>All</th>
<th>Skills training</th>
<th>Employment services</th>
<th>Entrepreneurship promotion</th>
<th>Subsidized employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>1 531</td>
<td>1 043</td>
<td>1 625</td>
<td>1 167</td>
<td>352</td>
</tr>
<tr>
<td>Median</td>
<td>339</td>
<td>290</td>
<td>293</td>
<td>363</td>
<td>270</td>
</tr>
<tr>
<td>Maximum</td>
<td>38 000</td>
<td>14 500</td>
<td>38 000</td>
<td>9 373</td>
<td>898</td>
</tr>
<tr>
<td>Minimum</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>50</td>
<td>80</td>
</tr>
</tbody>
</table>

Source: Youth Employment Inventory Jordan

The limited information available on intervention budgets and expenses suggests that unit costs vary greatly among ALMPs. Even though the YEI questionnaire included a detailed section on intervention costs, only very limited data were obtained on this aspect. This was due, in part, to a reluctance on the part of programme managers to share information but also because these data were not readily available; for example, only one intervention stated that it had conducted a cost-benefit analysis. For 30 out of 84 interventions, the total programme costs are available and budgets range from US$70,000 to US$33 million.51

50 Of the 54 interventions that do not have nationwide coverage, 30 ALMPs focus on one governorate, 11 are implemented in two or three governorates and 13 are run in four or more governorates.
51 In many cases, these total programme costs also include components and activities outside the ALMP included in the YEI. Therefore, it would be misleading to calculate and compare costs per beneficiary.
### Table 3.2 Relevant instruments, target groups, and intended effects of ALMPs

<table>
<thead>
<tr>
<th>Target area</th>
<th>Category</th>
<th>Instruments</th>
<th>Targeted workers</th>
<th>Intended effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour Demand</td>
<td>I. Provide Incentives for retaining employment</td>
<td>Work sharing and short work</td>
<td>Insiders</td>
<td>Reduce outflow from employment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wage Subsidies</td>
<td></td>
<td>Retain labour market attachment</td>
</tr>
<tr>
<td></td>
<td>II. Provide Incentives for creating employment</td>
<td>Hiring subsidies</td>
<td>Outsiders</td>
<td>Increase inflow into employment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Business start-up support</td>
<td></td>
<td>Increase labour market attachment</td>
</tr>
<tr>
<td>Labour Supply</td>
<td>III. Provide incentives for seeking and keeping a job</td>
<td>In-work benefits, subsidies, tax credits</td>
<td>Insiders and Outsiders</td>
<td>Increase inflow into employment by strengthening work incentives</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Public works</td>
<td>Outsiders</td>
<td>Increase inflow into employment by strengthening work incentives</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Increase labor market attachment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Activation and workfare</td>
<td>Outsiders</td>
<td>Increase inflow into employment by strengthening work incentives</td>
</tr>
<tr>
<td></td>
<td>IV. Provide incentives for human capital enhancement</td>
<td>Sanctions</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>On-the-job training</td>
<td>Outsiders and insiders</td>
<td>Increase inflow into employment</td>
</tr>
<tr>
<td>Labor Market</td>
<td>V. Improved labor market matching</td>
<td>Job search assistance</td>
<td>Outsiders</td>
<td>Matching Improve job search efficiency</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Employer intermediation services</td>
<td>Outsiders and insiders</td>
<td>Improve job search efficiency</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Counseling and monitoring</td>
<td>Outsider</td>
<td>Improve match quality</td>
</tr>
</tbody>
</table>

Source: Adapted from Brown and Koettl (2015)
3.2 Stakeholders in the funding and implementation of ALMPs for youth

The Jordanian Government and foreign donor agencies play the biggest roles in funding youth employment programmes (Figure 3.3, panel A). Some 39 per cent of the interventions receive funding contributions from donor country agencies and 38 per cent from the Jordanian Government. The involvement of other types of funding agencies is much more limited.

The Jordanian Government and non-governmental organizations (NGOs) are the main implementing agencies (Figure 3.3, panel B). The majority of the interventions (58 per cent) are implemented by an NGO as the lead agency, followed by the Jordanian Government (48 per cent). Private sector entities are involved as lead implementing agency in 27 per cent of all interventions. Multilateral organizations and donor agencies are less well-represented, with 19 per cent and 12 per cent shares respectively. NGOs take the lead for interventions with an entrepreneurship component, whereas the Government has the lead for interventions that provide subsidized employment. Nine out of the ten interventions that provide subsidized employment do so with governmental involvement.

The interventions implemented with private sector cooperation provide skills training, and often operate without offering direct financial benefits for companies. Of the interventions that have private sector involvement (23), almost all (91 per cent) include a skills training component, and only seven (30 per cent) involve wage subsidies and/or financial incentives for the employers to provide training. Private sector involvement in skills training ensures that the skills acquired are relevant to the labour market, allows employers to test trainees, and provides trainees with work experience, which can be an advantage for young people when searching for a job. The private sector’s interest in cooperating to implement interventions that provide technical and vocational training offers a great opportunity that participants should embrace.
Cooperation between different types of implementing agencies can be strengthened, particularly by the involvement of and cooperation with the private sector. Slightly more than half of all interventions are implemented cooperatively (54 per cent), i.e. different types of agencies cooperate as lead implementers. In only 12 per cent of cases, however, do the Government and private sector organizations cooperate.

### 3.3 How ALMPs for youth align with global practices and local demands

Meta-analyses at the global level show that ALMPs reduce unemployment, increase labour market participation and are particularly beneficial for low-skilled individuals. Taking together findings from over 100 individual impact evaluations, Kluve et al. (2016) detect a small and heterogeneous but significant positive effect on youth labour market outcomes.

Global evidence also highlights the fact that positive impacts on youth employment outcomes depend on contextual and programme design factors and often need time to fully materialize. While some employment programmes can show positive short-term effects, interventions often need time to translate into more successful labour market integration in the medium term (one to two years after the intervention) or long run (two to three years after the intervention). Comprehensive programmes that combine different components (i.e. skills training, employment services, entrepreneurship promotion and subsidized employment) tend to be more successful at improving labour market outcomes.

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52 Escudero (2015); Groh et al. (2012).
53 Kluve et al. (2016); Card et al. (2015). McKenzie (2017) reviews 24 experimental impact evaluations of vocational training, employment subsidies and job-matching programmes (with no age restrictions) and finds that only one-third of the studies report positive results on formal job creation.
for young people. Moreover, profiling and careful targeting of beneficiaries, as well as performance-based incentive systems for (private sector) service providers, are associated with better youth labour market outcomes.

Researchers agree that youth employment interventions work differently for high-, middle- and low-income countries. Hence, care must be taken when interpreting results and trying to apply them to a specific country and context. There is no “one-size-fits-all” solution that can be derived from global evidence, and hence no substitute for rigorous evaluations of ALMPs in Jordan itself.

Evidence on the impact of ALMPs is rare in Jordan, as it is in other MENA countries. More rigorous research on the effectiveness of youth employment interventions is needed to gain a better understanding of what works and why, and what country-specific factors should be taken into account when designing policies and interventions. The YEI Jordan identified only three studies which evaluate the effects of youth employment interventions using rigorous methods that allow the impact of the interventions to be determined. These three studies examine the effects of soft skills training, job-search assistance and wage subsidies on employment, earnings and psycho-social outcomes. Consequently, there are large gaps in our understanding of the effectiveness of different types of ALMPs in Jordan. The increasing adherence to rigorous global monitoring and evaluation standards has the potential to close these gaps in the years to come.

Most interventions in the YEI Jordan are designed to address skills mismatch and job-matching problems. The focus of the interventions in the sample is on dealing with inadequate skills (technical and soft skills) and job-matching problems (Figure 3.4). The

Figure 3.4 Labour market barrier addressed by the intervention

![Diagram of labour market barriers addressed by the intervention]

Note: One intervention can address more than one barrier and thus percentages add up to more than 100 per cent.
Source: Youth Employment Inventory Jordan

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54 Ibid.
55 Ibid.
56 The three studies – Groh et al. (2012), Groh et al. (2014) and Morton and Montgomery (2012) – have rigorous research designs, i.e. they include a control group and randomized assignment of individuals to a treatment or a control group.
most frequently addressed labour market barriers are inadequate technical skills (targeted by 63 per cent of the interventions), followed by job-matching problems (60 per cent), inadequate soft or life skills (43 per cent) and lack of labour market demand (42 per cent). Less frequently addressed labour market barriers are the lack of financial capital (15 per cent), lack of labour market information (12 per cent), discrimination in the labour market (6 per cent) and inappropriate general education (1 per cent).

While the focus on skills training provision and job-matching problems may be justified, given that skills mismatches are a barrier to entering the labour market, only a small share of interventions addresses other key barriers, such as discrimination against young women or the lack of financial capital for aspiring entrepreneurs. Moreover, the global evidence suggests that much depends on the specific design of the programmes and on the effective combination of training components. The following section therefore reviews the global evidence on each type of ALMP for youth and compares the results to the programmes that fall into the respective category in the YEI Jordan.

3.3.1 Skills training programmes

Evidence on the effectiveness of skills training programmes

Global evidence suggests that well-designed skills training programmes can improve labour market outcomes. Skills training is the most frequently provided ALMP in Jordan, as recorded in the YEI. However, in terms of the programmes’ effectiveness, much depends on the needs of beneficiaries and the specific programme design.57

Positive effects can only be expected when the transition phase from school to work or the period of unemployment after the training provision is not too long and not associated with skills depreciation. In Jordan, the transition period from school to work can be extremely long, especially for young people who do not manage to transit from their first job into permanent or satisfactory employment. They face transition periods of up to three years and long durations of unemployment (a year or more) during this period.

Global evidence does not show systematic effects of stand-alone soft skills training provision on labour market outcomes, despite the growing demand by employers for such skills. A rigorous study from Jordan58 showed that soft skills training for female college graduates had only negligible effects on the likelihood of working in the short term, and no effects in the long term. It did, however, lead to improvements in participants’ outlook on life and to a reduction in depression. The authors of the study suggest that soft skills training may have psychosocial benefits for participants that are indirectly important for the labour market. However, global evidence suggests that soft skill training may be more effective when combined with skills training and a workplace-based training component.

Positive skills development outcomes are particularly important for rural areas, where working poverty and unemployment are often more pronounced. Literature shows that education and skills increase the ability to innovate and adopt new technologies in rural areas, and enhance farm performance. Evidence from Asia suggests that better education

57 The global evidence in this section is based on the meta-analysis by Kluve et al. (2016), unless otherwise stated.
58 Groh et al. (2012).
and training increases the chances to find high-paying non-farm employment, whereas lack of education tends to limit options to agriculture or low-wage non-farm employment. Informal apprenticeships have proven to be an important training system in the informal economy, through a training agreement that is embedded in the local norms and traditions

More needs to be done to improve measurements of labour market outcomes of youth after they attend training programmes. Even though most interventions combine skills training programmes with employment services (see section 3.3.2 below), only a few interventions report on labour market outcomes, e.g. the percentage of young people that subsequently found jobs. The interventions that do report on this show wide variation in the percentage of participants that find employment after participating in the training.

Comparing skills training programmes in Jordan with global good practices and local demands

An analysis of the skills training programmes in the YEI Jordan suggests that skills training may benefit from a more demand-driven approach and greater private sector involvement. To address the existing skills mismatches more effectively, interventions should increasingly combine workplace- and classroom-based components with the acquisition of soft skills. Moreover, skills training in Jordan may benefit from a better accreditation process and a more focused targeting of young women and other groups of young people that face significant challenges in the labour market.

Adequately designed skills training can help to address the skills mismatch that is a key barrier for young people on the labour market. Programmes should aim to equip young people with the specific hard, non-cognitive and soft skills (e.g. language skills, team working ability, problem-solving techniques) that are demanded by the labour market, but for which training is currently not adequately provided by either the school system or the private sector itself.

In Jordan, technical and vocational education and training (TVET) is by far the most widely provided type of skills training. A total of 85 per cent of the skills training initiatives in the YEI Jordan fall within this category, the majority of which are provided in informal settings (Figure 3.5).

From analysis of the available evidence, the following recommendations for approaches which would improve the design of skills training programmes for youth in Jordan emerge:

- **A demand-driven and competency-based approach to training that ensures relevance of skills to the labour market.** The private sector (companies, employers, etc.) should be actively involved in developing the curriculum and in delivering the training in order to equip youth with skills that match employers’ needs. A competency-based approach enables young people to accomplish tasks according to the expected standards in the sector in a real-world setting (accomplishing tasks in less than ideal conditions, dealing with stressful situations, etc.). In Jordan, only a little over one-third of the TVET programmes (36 per cent) are implemented in cooperation with the private sector.

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59 Angel et al. (2010); Independent Evaluation Group (IEG) (2013).
60 ILO (2015b).
A combination of classroom-based training and workplace training. Adopting a multi-setting approach to training provision allows trainees to apply theoretical knowledge in a real-world setting in order to acquire work-related technical and soft skills, such as time management, professionalism or communication competence. It also helps trainees to develop a professional network, allows employers to test the skills and competencies of trainees and facilitates recruitment by employers after the training has been completed. Box 3.2 presents an example of such a skills training programme. Moreover, classroom-based skills training that jointly addresses hard and soft skills tends to be most promising.

In Jordan, only 30 per cent of TVET training programmes combine workplace- and classroom-based settings, and only 36 per cent of skills training programmes combine hard with soft skills (Figure 3.5). One-third of the programmes combine workplace-based training and soft skills training.

Involvement of private sector companies in training provision is highly desirable but the potential for long-term job creation in Jordan may be limited. In several training programmes in the YEI, private sector companies provided on-the-job training, offered internships and cooperated in developing training curricula. However, some programmes encountered obstacles in their cooperation with the private sector, mainly linked to long-term perspectives. Even though companies were willing to provide internship opportunities for young people as part of the interventions, they proved unwilling to offer regular employment after the completion of the internship. Thus, skills training providers should prioritize working with companies with the potential and capacity to keep young people once the on-the-job-training period ends.

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61 Angel et al. (2010); IEG (2013).
62 Angel et al. (2010).
Promoting youth employment and empowerment of young women in Jordan

- **Accreditation and certification of skills to provide credibility when approaching employers in order to smooth the school-to-work transition.** Young jobseekers face the challenge of convincing employers of their competencies, especially first-time jobseekers with no previous work experience. Employers are reluctant to hire them, especially when the quality of their education and the usefulness of their skills is uncertain. An official system of accreditation and certification of skills, based on a common standard recognized by employers, improves transparency and helps jobseekers to credibly signal their competencies to employers. However, only a few interventions in the YEI Jordan (17 per cent) provide certification of skills or facilitate access to formal accreditation procedures.

- **Provide support services to allow disadvantaged groups to participate.** Adequate support services can facilitate the participation of young women, young people with a low-income background and young people with disabilities. These services can include training with flexible schedules and childcare opportunities and transportation stipends (or alternative arrangements when no appropriate public transport is available). Even though a little more than half (56 per cent) of the interventions in the YEI Jordan provide support services of some kind, the vast majority of the interventions do not have measures in place to specifically address the challenges facing young women.

- **Combining training with employment services.** Embedding employment services, such as job-search and placement assistance and job counselling, within other active measures for youth can help to improve post-training employment rates. In line with

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**Box 3.2. Training in Water and Energy Efficiency Development Project (TWEED): A multi-setting approach to skills training**

The intervention provides vocational training at the semi-skilled, skilled and craftsman level in the water and energy sector with the aim of achieving a more efficient use of water and energy in the building sector (course duration is 9–18 months depending on the final level achieved). The vocational training includes classroom-based instruction as well as practical training in companies and a soft skills component. The training curriculum is accredited. Graduates of the programme are matched with potential employers using an online platform. Additionally, individuals with entrepreneurial experience and interest can participate in a two-week training course to run or improve their own businesses in this sector. The intervention supports the Vocational Training Corporation (VTC) in reforming its range of training options, formulating uniform training standards and providing training for trainers.

The intervention started in 2013 and is ongoing in 2016. It is implemented nationwide by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), in cooperation with the VTC and the Jordanian Construction Contractors Association (JCCA). It is financed by the German Federal Ministry for Economic Cooperation and Development (BMZ). The intervention aims to provide training for at least 400 participants by 2019.

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63 Angel et al. (2010); IEG (2013).
64 Angel et al. (2010).
65 Youth for the Future (Y4F) (2014).
66 Fares and Puerto (2009); IEG (2013).
Promoting youth employment and empowerment of young women in Jordan

Global good practice, 75 per cent of the interventions in the YEI Jordan that provide skills training to participants combine it with employment services. The combination of employment services with employment training can facilitate matching between participants and employers post-training, despite the fact that employers’ practice of hiring and recruiting through informal networks makes it difficult for many young people in Jordan to access jobs.

Integration of digital skills. Training in skills related to information and communication technology (ICT) is required in an increasing number of fields.\(^{67}\) An ongoing programme aimed at increasing the employability of young people in the ICT sector is featured in Box 3.3.

3.3.2 Employment services programmes

Evidence on the effectiveness of employment services programmes

Global evidence on the effectiveness of such programmes is scarce and does not tend to find large effects, although it is unclear to what extent these findings apply to Jordan. The available global evidence suggests that outcomes are mostly transitory and short term with no indication that the services act as a stepping stone for future employment. However, this global evidence comes mainly from high-income countries and it is not clear to what extent it applies to Jordan.

\(^{67}\) S4YE (2015).

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**Box 3.3 Fursati Lil tamayyoz (FLT): A comprehensive approach to increase the employability of young people in the ICT sector**

The FLT intervention is a one-year training programme for university students (aged 22–26) consisting of six phases designed to coincide with the academic school cycle. Phase 1 introduces participants to the vision and mission of the intervention, prepares participants to interact more easily with schools (in phases 2 and 4) and provides soft skills and preliminary technical ICT training. In phases 2 and 4 participants apply what they have learned by providing technical support to schools which are integrating technology into their educational processes (in a total of eight months’ internship). Phase 3 consists of specialized ICT technical training, offers guidance on the skills and specializations needed by the job market and raises awareness about self-employment opportunities in the ICT sector. In phase 5, participants undertake four months of on-the-job training in an ICT company. During all phases participants are guided and counselled by mentors from the private sector (phase 6) to prepare them for the job market. In addition to these activities, the intervention upgrades the participating schools’ technical infrastructure to enhance the ICT teaching and learning process and make it more interactive, and establishes dialogue and volunteering clubs in schools for students in Grades 8–10.

The intervention is implemented in ten governorates (in Irbid, Jersh, Ajloun, Amman, Zarqa, Madaba, Tafila, Karak, Ma’an and Aqaba) across Jordan. It has been operating since 2013, implemented by the Jordan Education Initiative (JEI), and is funded by the Employment – Technical and Vocational Education and Training Fund (E-TVET Fund).
Design and type of employment services vary greatly between high-, middle- and low-income countries, limiting the possibility of formulating global good practices. In high-income countries, these interventions are often large-scale public sector programmes combining unemployment benefits with mandatory participation in job-search activities and sanctions for failing to comply with these rules. In low- and middle-income countries, access to social benefits is often restricted or absent and the capacity of the public sector to provide such services is limited. Most of the evidence on employment services in low-income countries comes from smaller scale pilot interventions targeting a specific group, which makes it difficult to formulate global good practices.

Evidence from Jordan is scarce and suggests that employment services programmes have room for improvement, especially for highly educated youth. Only ten interventions (out of 51) report on success rates (i.e. the percentage of participants that found employment) and these rates vary markedly. Moreover, rigorous impact evaluations are typically not conducted. See Box 3.4 for an example of an ongoing employment service programme in Jordan.

There is one impact evaluation that studies the effects of job-search assistance to link college graduates and companies in the urban area of Amman.\textsuperscript{68} The research found marginal effects of job-search assistance on the probability of finding employment. Even though the graduates obtained jobs, they did not find them through the job-search service but used other channels. Firms were able to fill the positions quickly without a job-matching service. This underlines the important role that informal networks play in recruiting and hiring in Jordan. The author of the study suggests that job-matching services may be inefficient and ineffective in Jordan when targeting relatively well-educated young people who are queuing for prestigious jobs that fit their personal career expectations.

\textbf{Box 3.4 Career guidance offices (CGOs): Employment services for students}

The intervention aims to increase the employability of university students (aged 18–30) by providing labour market information, career guidance and job placement services. The services are provided in CGOs which are located at universities around the country. They offer students general labour market information (e.g. job postings), advice and guidance related to the personal professional goals and corresponding career options of the students. They recommend students to companies for internships or employment. The CGOs cooperate closely with private and public sector entities, which provide job postings to the CGOs and receive recommendations for filling their vacancies.

From 2012 to 2015, over 38,000 students used the services of these offices. The intervention started in 2012 and is ongoing in 2016. This intervention is implemented nationwide by the King Abdullah II Fund for Development (KAFD) in cooperation with Jordanian universities (both private and public) and the Ministry of Education. It is funded by the Ministry of Planning and International Cooperation (MOPIC) as well as by private and public universities.

\textsuperscript{68} Groh et al. (2014).
Comparing employment services programmes in Jordan with global good practices and local demands

Employment services included in the YEI Jordan mainly consist of job placement and job counselling or a combination of the two (Figure 3.6). In contrast to the global trend that employment services are provided as a single-pronged intervention (generally in the form of job counselling and job-search assistance),69 employment services in the sample are often provided in combination with skills training (Figure 3.1, panel C). There were only four interventions in the sample that provided employment services without combining them with a skills training component. It is also important to bear in mind the fact that the YEI Jordan does not include public employment services.

The ability to compare the current landscape of employment services with good practices is limited. There are few global good practice recommendations, owing to both the scarcity of rigorous impact evaluations and the context specificity. However, the types of employment services currently provided do give information about which constraints the employment services programmes in the country primarily address (Figure 3.6 and Figure 3.1, panel C):

- **Almost all interventions (92 per cent) in the inventory provide employment services in combination with TVET, a form of skills training.** Since skills mismatch is a key constraint for youth in the Jordanian labour market, the effectiveness of employment services may increase if the skills mismatch is addressed simultaneously, so the combination of these types of services makes sense in the Jordanian context.

- **Job counselling is the most frequently provided employment service.** Some 61 per cent of the interventions provide job counselling, often in combination with another

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**Figure 3.6** Types of employment services

![Diagram showing types of employment services](image)

Source: Youth Employment Inventory Jordan

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69 Kluve et al. (2016).
employment service. Job counselling in the form of personalized career guidance is used by the interventions to help young people develop career paths, improve their application documents and prepare them for job interviews. Potentially, such counselling provides an opportunity to address young people’s misconceptions regarding salaries and types of job, as well as the concern that accepting low-prestige jobs will negatively affect their future careers. Moreover, young people could be guided towards fields of employment (i.e. technical training and education) in which demand is higher than in others (e.g. social sciences).

- **The provision of job placement (57 per cent) and job-search assistance (24 per cent) can potentially help to overcome discrimination in hiring practices.** Such discrimination may be related to the gender of the applicant or to a preference for hiring through informal networks. In overcoming either obstacle, close cooperation with potential employers would be advantageous.

While existing employment services may address key barriers for youth on the Jordanian labour market, there is limited information to assess whether they do so effectively. Adapting current employment services to also address the constraints faced by Jordanian youth directly (for instance, by means of skills training or job placement assistance for young women) appears to offer the most promising approach, and combining interventions with a rigorous impact evaluation will be necessary to fill the present gaps in the evidence.

The scarce available evidence suggests the following good practices:

- **Targeting specific populations in smaller sectors and ensuring better inclusion of disadvantaged groups.** Private sector providers of employment services usually serve a more targeted population in urban areas within a smaller sector and are more focused on the employers’ needs. Public sector providers usually serve low-skilled individuals with lower levels of education located in disadvantaged areas. The private sector providers tend to ignore the more vulnerable youth (such as youth in rural settings and young women) and serve those groups that are more easily placed.70 In Jordan, the limited targeting of the most vulnerable groups of youth poses a challenge across all ALMPs (see Section 3.4.1).

- **Use of digital employment services.** The use of technologies such as the internet, online platforms and text messaging can help to connect employers and jobseekers at low cost and can broaden outreach in remote areas.71 The YEI Jordan does not include sufficient information to allow a systematic assessment of whether employment services already fully exploit the potential of such technology.

### 3.3.3 Entrepreneurship promotion programmes

**Evidence on the effectiveness of entrepreneurship promotion programmes**

While the global evidence base on entrepreneurship promotion programmes is relatively thin, the estimated effects of these programmes on employment and earnings are encouraging. A meta-analysis of the limited evidence on entrepreneurship promotion

70 Angel et al. (2010).
71 S4YE (2015).
interventions shows large effects compared to other ALMPs, especially in low- and middle-income countries. They lead to better employment outcomes (especially in terms of increased probability of employment and hours of work) and higher earnings. What is less clear is the extent to which entrepreneurship promotion programmes help to grow and expand existing businesses.72

These programmes seem to be most effective in environments where access to finance is restricted, and when particularly affected groups are targeted. Interventions that provide start-up grants, as stand-alone interventions or in combination with advisory services, show the greatest impact on business performance when targeting groups whose access to financing is restricted (such as vulnerable groups and young people).73

Financial inclusion can be particularly important for rural youth, where formal financial institutions have avoided or failed to offer sustainable services in rural areas. It is important that offers of credit are particularly attuned to rural households’ diverse sources of income from a variety of farm and non-farm activities like trading, food production and processing, livestock rearing, day labour or seasonal employment on farms or in the city. Particularly for youth interested in start-up businesses, appropriate insurance products need to be offered which reduce risks and dangers related to administrative barriers, rent seeking or environmental shocks.

Young entrepreneurs are more likely to employ other young people.74 Therefore, promoting entrepreneurship among young people can have multiplier effects, making it a particularly promising way of reducing youth unemployment.

Comparing entrepreneurship promotion programmes in Jordan with global good practices and local demands

Since entrepreneurship by youth in Jordan is currently likely to be held back by perceptions of its low prestige and a lack of access to finance, entrepreneurship promotion programmes may allow the realization of untapped potential. The efforts to promote entrepreneurial thinking in school curricula are laudable and may help to increase the willingness of Jordanian youth to participate in such programmes. Similarly, an approach which appears promising is to incorporate components of entrepreneurship training into the TVET system to prime young Jordanians at an early stage to regard self-employment more favourably and to create a culture of entrepreneurship among them.

Comparing the entrepreneurship programmes in the YEI Jordan with global good practice shows that mentoring is already widespread, whereas the credit constraints of aspiring entrepreneurs could be addressed more systematically. Programmes may also benefit from an increased combination of services, with a view to relaxing all constraints to entrepreneurship concurrently.

72 Kluve et al. (2016).
73 Kluve et al. (2016); S4YE (2015).
74 S4YE (2015).
Evidence for entrepreneurship promotion programmes is much less consistent than for other ALMPs, due in large part to the fact that, even at the global level, very few impact evaluations exist. Results, however, do suggest that impacts of entrepreneurship training might be substantial.\(^7^5\) Taking a closer look at the global evidence base, the following good practices emerge:

- **Provision of mentoring and coaching.** Successful entrepreneurship programmes provide mentorship during the start-up of an enterprise. Mentoring and coaching can enhance the chances of business survival.\(^7^6\) In line with global good practices, 90 per cent of the programmes that aim to promote entrepreneurship provide entrepreneurship training, and 74 per cent provide advisory services (figure 3.7).

- **Facilitation of access to finance through loans and grants.** In many countries, access to funding is restricted for business start-up or expansion. Compared to more experienced and older entrepreneurs, young people typically have fewer savings to invest, fewer collaterals and more limited information on where and how to access funding.\(^7^7\) Global evidence shows that young people with access to funds are more likely to start a business and stay with it.\(^7^8\) About half of the entrepreneurship promotion programmes in the YEI Jordan (47 per cent) facilitate access to finance in the form of grants or loans, and two programmes provide a mixture of both. There is wide variation in the amounts granted, ranging from US$500 to US$50,000.\(^7^9\)

\(^7^5\) Kluve et al. (2016).
\(^7^6\) S4YE (2015).
\(^7^7\) Ibid.
\(^7^8\) Kelley et al. (2016).
\(^7^9\) Unfortunately, the research team does not have information about the range of amounts offered as loans.
Promoting youth employment and empowerment of young women in Jordan

...are often too low to start or expand a business. They also criticized the lack of control systems to track how grant receivers spend the funds allocated to them. For an example of a project implemented in Jordan, see Box 3.5.

■ Explore potential of non-traditional financing schemes to overcome reluctance to accept interest-based borrowing. Where young people are uncomfortable with interest-based borrowing for religious reasons, asset-backed instruments, Sharia-compliant operating leases or the provision of third party guarantees can offer alternatives. One intervention that is taking an innovative approach to (micro-) finance is featured in Box 3.6. It allows young people to build up their own savings to start a business and uses an integrative approach by combining community development with job creation.

Box 3.5 The Rural Economic Growth and Employment Project (REGEP)

REGEP is a partnership with the International Fund for Agriculture Development that aims to reduce poverty, vulnerability and inequality in rural areas through creation of productive employment and income generating opportunities for the rural poor and vulnerable, especially youth and women. The project focuses on horticulture value chains, and high water value crops, while also boosting access to rural financial services and promoting entrepreneurship in the project area. Among other things, REGEP offers technical as well as financial support to MSME and saving and credit groups and associations.

REGEP’s M&E system concentrates on monitoring outputs (e.g. MSMEs benefiting from business mentoring schemes), outcomes (e.g. increase in value of sales for MSMEs) as well as conducting an impact assessment on the household, community and association level. The impact assessment will be based on random assignment of study participants to treatment and control groups. REGEP is implemented Jordan Enterprise Development Corporation (JEDCO).

Box 3.6 The Livelihoods and Emergency Employment: An integrative programme to promote entrepreneurship

The intervention promotes sustainable livelihoods by providing short-term employment through cash-for-work programmes and services for starting micro-businesses to unemployed, poor and vulnerable men and women aged 18–40. The programme starts with rapid income generation and capital building through a three-month short-term employment (cash-for-work programme) improving services and amenities for local residents and public facilities. Each month, 50 per cent of the cash is set aside, in line with the objective of encouraging a culture of savings. Those participants who are interested in developing business plans and investing their savings to establish a business participate in an entrepreneurial training course. Around 50 per cent of the most successful business plans have their savings multiplied to receive seed capital. During the start-up and expansion phase (which can last up to 24 months) beneficiaries are mentored and receive individual business support (including access to inputs, financing and markets, technical support, branding and packaging advice, etc.).

The intervention started in 2013 and is ongoing at 2016. It is implemented in Mafraq by the United Nations Development Programme (UNDP), Jordan River Foundation (JRF), Ruwwad Micro-venture Fund, the National Aid Fund (NAF), the Directorates of Tourism, Awqaf, Education and Health and the National Microfinance Bank (NMB). In the period from 2013 to 2015, the intervention served 739 participants.
Promoting youth employment and empowerment of young women in Jordan

- **Tackling knowledge and finance constraints simultaneously.** The constraints that youth face when starting a business often include a general lack of business knowledge and practical experience, insufficient funds and inability to obtain loans (e.g. due to high collateral requirements), a comparatively small network of business contacts and potential partners as well as gender barriers and discrimination.80 Two out of five entrepreneurship promotion programmes included in the YEI provide comprehensive packages including business training, access to microfinance and advisory services. Almost 70 per cent of the interventions offer at least two of the three services. Moreover, the incorporation of the ILO’s Know About Business curriculum in secondary and higher education is a step towards promoting entrepreneurial thinking and skills.81 For an example of an entrepreneurship programme in Jordan, see Box 3.7.

- **Targeting of suitable participants.** On a global scale, young people aged 25–34 years old display high levels of early-stage entrepreneurial activity.82 However, entrepreneurship is not ideal for everyone and supported individuals should be carefully selected. The entrepreneurship career path carries risks and is associated with many challenges. People that are intrinsically self-motivated seem to be more successful than others.83 Targeting such individuals and implementing a careful selection process (e.g. based on business plans) offers a more promising approach than a large-scale indiscriminate intervention.84 The YEI Jordan does not contain sufficient information to allow a systematic assessment of the extent to which the existing programmes to promote entrepreneurship adequately target promising participants.

**Box 3.7 SMEs promotion**

The SMEs Promotion Programme aims to promote entrepreneurship among university and community college graduates (aged 20–30 years old) through technical skills development, entrepreneurship training, business development services and micro financing. Additionally, the intervention provides employment services to graduates who are looking for a job. The intervention provides a six-month entrepreneurial capacity-building training programme to help unemployed university and community college graduates to startup their own businesses (e.g. chocolate making, pickle processing, traditional jewellery making, mushroom agriculture, yogurt production, traditional handicrafts, etc.). Participants are supported with advisory and business development services, including mentoring, support with business formalization, work plan development, access to market information relevant to their products and facilitation of networking among participants and other actors in the market. Participants can apply for a start-up loan to establish their businesses. The capacity-building training also includes technical vocational training, career guidance and counselling and job-search assistance. Participants are supported with a transport stipend, stationery and accommodation during the training period.

The intervention is implemented by the Enhanced Productivity Centers Program (IRADA), started in 2011 and ongoing in 2016. From 2011 to early 2016, 600 participants benefited from this intervention. This intervention is implemented nationwide and financed by IRADA.

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80 Angel et al. (2010).
81 ILO (2014b).
82 Kelley et al. (2016).
83 Angel et al. (2010); Almeida and Galasso (2007).
84 Bausch et al. (2017).
3.3.4 Subsidized employment programmes

Evidence on the effectiveness of subsidized employment programmes

The limited global evidence on wage subsidy programmes shows that their effects on employment probability and earnings have been modest on average, but with a large degree of heterogeneity. Design features that play a role include targeting (e.g. focusing on specific groups, general subsidies or hiring subsidies), the size and duration of the subsidy and the combination with other services and conditions attached to the subsidy. Moreover, the evidence suggests that these programmes seem to work better for women and younger individuals, especially for those from disadvantaged backgrounds, and tend to perform better in low- and middle-income countries than in high-income countries.\(^{85}\)

A study in Jordan\(^{86}\) on subsidized employment (providing job vouchers to subsidize the minimum wage) for female graduates of community colleges showed mixed effects for participants. The interventions had positive effects on outcomes outside the labour market in the form of improvements in participants’ psychosocial well-being. However, most employers had difficulties registering the subsidized employees and few salary components to the minimum wage covered by the vouchers were added. Many of the employers were not willing to continue the employment after the end of the subsidy. Moreover, this intervention differs from the other interventions in that it did not provide technical skills training and did not have any conditionality attached to the subsidy.

Subsidized employment also includes employment-intensive investments and public works programmes which provide infrastructure, jobs and income. Improved infrastructure is indispensable for enabling rural economic growth. Irrigation infrastructure can increase agricultural productivity; improved roads can reduce the cost of transport and improve access to markets; and access to electricity is critical for the growth of farm and non-farm businesses. Employment-intensive methods of constructing rural infrastructure have been proven to generate up to five times more jobs than equipment intensive methods.

Comparing subsidized employment programmes in Jordan with global good practices and local demands

Due to the lack of labour demand and slow private sector job growth, programmes that aim to create jobs deserve more attention. Currently, ten interventions in the YEI Jordan provide services in the subsidized employment category, making it the least frequently used type of ALMP for youth. Nine provide wage subsidies and one engages participants in a cash-for-work programme. There is no public works programme\(^{87}\) in the sample.

Wage subsidy programmes included in the YEI Jordan provide incentives for employers to hire individuals from disadvantaged groups, such as first-time jobseekers or women. They have the potential to reduce the long transition times from school to work and keep young people connected to the labour market. This is an especially important aspect in Jordan, because many young people face extended school-to-work transition periods,

\(^{85}\) Klueve et al. (2016).
\(^{86}\) Groh et al. (2012).
\(^{87}\) Provision of employment by the creation of predominantly public goods at a prescribed wage for those unable to find alternative employment.
including long spells of unemployment, a phase during which they may be affected by skill depreciation or withdraw from the labour market altogether.

The wage subsidy programmes follow global good practices in integrating skills training components and allowing a sufficient duration of the programme for skills formation, but their targeting and effects on long-term labour market outcomes remain largely unknown. The scarcity of evidence makes it difficult to assess whether and in which form subsidized employment programmes should be scaled up. The knowledge base can be expanded by increasing the monitoring and evaluation of the programmes.

Comparing the subsidized employment programmes in the YEI Jordan with global good practices and local conditions yields the following recommendations:

- **Allow for skills formation through allowing adequate duration of programmes and supplementary provision of skills training.** The period of employment should be of sufficient duration to allow participants to acquire skills on the job (learning by doing) or the programme should include a skills training component. Both approaches increase the employability of programme participants. All nine wage subsidy programmes in the YEI Jordan include an on-the-job training component. Skills training is provided in the form of on-the-job training by company staff during the first couple of months of the subsidized employment period of 12–18 months’ duration (for an example, see Box 3.8).

- **Balance conditionality and benefits for employers.** Interventions should have conditions attached to the subsidy (such as clauses forbidding early dismissal or post-subsidy employment stipulations) to avoid exploitation of the system by firms. However, the benefits (subsidy) must be big enough to encourage participation of firms. Most programmes have both benefits and conditionalities (such as post-subsidy employment) attached for employers. Benefits for the employer include coverage of 30–50 per cent of salaries and remittance of the employer’s social security cost share. Some of these programmes guarantee post-subsidy employment for a certain period (typically two to four years). An example of such a programme can be found in Box 3.9. One interesting feature of the intervention described is that it provides land to the company as an incentive to create jobs in regions with low growth and high levels of youth unemployment.

Additional good practices for which the YEI does not include sufficient information to permit a systematic assessment are:

- **Targeting:** to avoid the risk of subsidizing jobs that would have been created anyway in the absence of the subsidy, subsidized employment programmes should target a specific group of disadvantaged people.

- **Limiting the administrative burden for firms:** to increase firms’ participation in such programmes, administrative burdens for companies should be kept to a minimum, with all regulatory requirements clear and easy to understand.

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88 Unless indicated otherwise, the global evidence cited in this section is based on Kluve et al. (2016).
Promoting youth employment and empowerment of young women in Jordan

3.4 Cross-cutting challenges across ALMPs

Cross-cutting challenges exist in relation to programme targeting, the influence of work-related social norms and the lack of a comprehensive culture of monitoring, evaluation and learning. Addressing these constraints has the potential to render ALMPs of all types more effective at improving young people’s labour market outcomes.

3.4.1 Targeting

The largest group of interventions targets educated young people, such as college and university students as well as graduates, whereas there is a lack of interventions targeting young women and other groups of disadvantaged young people.

Box 3.8 Ministry of Labour (MOL): Training and Employment in Restaurants

The main objective of the Training and Employment in Restaurants intervention is to increase employability of unemployed young people (aged 18 and above) in restaurants. It is a combination of on-the-job training and employment over a period of 18 months. The on-the-job training component covers different types of occupations, such as receptionist and waiting staff. The initial matching of participants with employers is done by the MOL. Training is delivered by the staff of the participating restaurants during the initial months of employment. The MOL covers 30 per cent of trainees’ wages and their social security contributions, and provides 30 Jordanian dinar (JOD) for each trainee to cover transportation costs. Graduates of the intervention are offered jobs at the restaurants where they have been trained. The intervention started in 2014 and is ongoing in 2016.

The intervention is implemented nationwide by the MOL in cooperation with the participating restaurants. It is funded by the E-TVET Fund. In the period from 2014 to 2015 the intervention served 290 participants.

Box 3.9 Training and Employment in Paper and Carton Factories: An example of a wage subsidy programme implemented by the Ministry of Labour (MOL)

The main objective of this programme is to increase the employability of marginalized young people in southern Jordan and to create job opportunities for them in paper and carton factories. It is a wage subsidy programme combined with an on-the-job skills training component for a duration of 12 months. The on-the-job training covers a broad range of occupations, including machine operators, maintenance workers, filling and packaging workers and cleaning staff. Training is delivered by factory staff during the first few months of employment. During the 12-month period, MOL contributes 30 per cent to the trainees’ wages, covers their social security costs and provides 30 JOD to each trainee to cover transportation costs. In addition, the MOL supported the programme by providing the land on which to establish the factory. Following the training, graduates are offered a job at the factory for a period of four years.

The intervention started in 2015 and is ongoing in 2016. It targets poor and marginalized young people in the south of Jordan (Ma’an governorate). The intervention is implemented by the MOL in cooperation with private sector paper and carton factories. It is funded by the E-TVET Fund and aims to serve a total of 350 participants.
Given the high unemployment rate among youth with tertiary education, the focus on this group may be justified. However, 20 per cent of the interventions do not apply any targeting criteria related to gender, disability, income level, educational level, being at risk, or being a refugee (Figure 3.8). The most frequently applied criterion is preference of highly educated individuals (43 per cent).

This bias contributes to the lack of programmes which target disadvantaged groups: fewer than half of the interventions (45 per cent) target disadvantaged groups of young people. Of the programmes included in the YEI Jordan, 31 per cent target young people with a low-income background, 17 per cent target young people at risk, and 14 per cent target young people with low educational backgrounds. Only 7 per cent of the interventions target women, 12 per cent refugees (or both refugees and Jordanians) and 2 per cent people with disabilities.

Not specifically targeting disadvantaged groups carries the risk of neglecting those young people that are most in need. This is particularly relevant in Jordan, since disadvantaged people at the lower end of the skills spectrum are the ones most affected by the competition created by the Syrian refugee influx.

The clear majority of the interventions do not have measures in place to specifically address the challenges facing young women. Women have special needs relating to the security and location of the intervention, as well as the scheduling of activities. They face greater risks and restrictions regarding travelling alone in comparison to men. Their availability is influenced by responsibilities at home, such as taking care of children.

Figure 3.8 Applied targeting criteria

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89 This percentage does not take into account interventions that target non-refugees.
90 For example, young people who have problems with drug abuse or who are exposed to violence.
91 The low level of interventions targeting refugees does not take into account humanitarian relief programmes, which were not the focus of this assessment.
Providing accommodation near the training facilities or home-based delivery of services can help to overcome concerns related to security and privacy (for an example of such an intervention, see Box 3.10).

Moreover, many interventions lack information about the take-up and participation of beneficiaries. For instance, of the interventions that do not apply any targeting related to gender (72), only 30 per cent were able to provide information on female participation rates. Based on this information, there is a wide variation in female participation, ranging from 11 per cent to 94 per cent. This demonstrates:

- first, that it cannot be expected that women will participate in an intervention simply because the intervention is open to both male and female participants;
- second, it can be concluded that female participation rates vary significantly depending on the design of the intervention. Without information on the characteristics of participating young people, the interventions are unable to adapt the programme design, with a view to reaching out to potential participants of all genders.

Support services can offer a way to facilitate participation in an intervention targeting disadvantaged groups. Around half (52 per cent) of the programmes that provide skills training combine this component with support services to facilitate participation in the intervention or to encourage employers to provide training. Of these, over 94 per cent provide direct support to trainees, which is usually in the form of transportation stipends in the range of 30–60 JOD per month, sometimes combined with other support, such as training allowances (usually around 50 JOD per month) or payment of training fees and provision of food allowances or meals, stationery and accommodation. One intervention also mentioned insurance against work-related injuries, work uniforms and monetary awards for the best trainee.

Even though an intervention may not explicitly aim to exclude a certain group of people, the most vulnerable groups may be excluded in practice by a failure to take their specific needs into account. While a large share of the existing interventions is aimed at highly educated youth, there is a scarcity of interventions that target young women and

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**Box 3.10 Economic Empowerment of Jordanian Families at Irbid and Mafraq: An intervention that provides home-based services for female participants**

The intervention aims to strengthen families from both urban and rural areas with a low-income background by economically empowering female household members. It is a six-month programme, consisting of three interconnected components. The first component is an entrepreneurial training course, the second consists of vocational training, coaching and mentoring and the third provides women with loans as start-up funding. To facilitate participation in the intervention, the women receive transportation stipends, stationery and accommodation during the training. The second component is delivered in the women’s homes, in consideration of these women’s restricted mobility and availability over a longer period of time.

The intervention started in 2015 and is ongoing in 2016. It is implemented in Irbid and Mafraq by the Near East Foundation and financed by the United States Bureau of Population, Refugees, and Migration.
other disadvantaged groups. Moreover, interventions can benefit from a careful assessment of whether the design unintentionally creates barriers to participation for vulnerable groups of young people.

3.4.2 Work-related social norms

To overcome barriers faced by young people on the labour market, ALMPs must be accepted by both prospective participants and employers. The stigma attached to certain jobs and the belief that certain professions are unsuitable for women constitute two cross-cutting barriers to realizing the full potential of ALMPs.

There is a prevailing belief in the society that certain jobs are undesirable (culture of shame). Many young people in Jordan feel pressured by social norms and their social environment (families and friends) to enrol in secondary education and study subjects that provide prestige but where job prospects may be reduced. Furthermore, they are often influenced to turn down jobs which are perceived as undesirable by their peers. As long as this pressure exists, trying to influence young people directly may have only limited effect. In particular, skills training or employment services aimed at facilitating the transition to manual-labour jobs or entrepreneurship promotion programmes may lack acceptance due to the perception of low prestige associated with such jobs.

More specifically, certain professions are considered to be unsuitable for women. Instead, young women in particular seem to be pressured to engage in non-technical fields, for which less demand exists in the labour market. Therefore, encouraging young women to take a new direction and pursue technical education and professions could be a strategy to improve the very low employment rates of young women. Encouragements, for example through the formal educational system, however, need to be combined with the provision of concrete training opportunities. An example of one intervention that encourages young women to engage in “non-traditional women’s jobs” is provided in Box 3.11.

Increasing the acceptance of low prestige professions and relaxing gender barriers might require also involving participant’s families and their communities at large. Since none of the programmes in the inventory mentioned also reaching out to the

Box 3.11 Training on Electricity for Women: Promoting non-traditional jobs for women

The main objective of the Women Training on Electricity intervention is to enhance employability of vulnerable young women (aged 18–30 years old) by providing technical skills training in electricity meter assembly. The intervention provides a three-month workplace-based technical vocational training course. Participants are trained by the factory staff on the technical skills required to assemble electricity meters. Throughout the three months of training, participants receive a transportation stipend (JOD 50). After successful completion of the training, the young women are hired by the factory as permanent employees.

The intervention is implemented in Ma’an and financed by Maan Development Company and Electricity Factory at Maan governorate. It started in 2015, is ongoing in 2016 and aims to serve around 150 beneficiaries.
participants’ families, their peers or communities, it may be beneficial to explore the potential of broadening the focus of interventions in these directions. While individual ALMPs can hardly be expected to change established social norms and role models by itself, involving the social network (such as families, friends) can increase the acceptance of the intervention and enhance its specific long-term effects.

3.4.3 Monitoring, evaluation and learning

Many programmes in the YEI Jordan have difficulty collecting information on labour market outcomes. As shown in Figure 3.9, 80 per cent of the interventions collect basic descriptive data, 18 per cent have a performance or process evaluation and 2 per cent of the interventions have a rigorous impact evaluation (see Box 3.11 for a description of the types of evaluations).

Basic descriptive information includes outputs of a programme, such as the number of beneficiaries served, percentage of female and male participants, drop-out rates and percentages as well as the number of beneficiaries that successfully graduated from the programme. However, the majority of interventions only report on the total number of beneficiaries served in a specific timeframe, but not on, for example, drop-out rates or lessons learned from project implementation. They also typically do not report female participation rates, although this is a crucial variable given the specific constraints that young women face in the Jordanian labour market.

Monitoring and evaluation (M&E) provides the basis for learning and improving programme design, and thereby achieving better labour market outcomes for the targeted group of young people. Monitoring is the continuous collection of information and data during project implementation whereas evaluation means analysing this data at a specific
point in time to draw conclusions on different aspects related to implementation, design and results of a programme. It means measuring and analysing results and achievements on outputs (What did the programme do?), outcome (What benefits were created for the target group?) and impact level (What longer term goals did the project contribute to?) (see also Figure 3.10).

While rigorous impact evaluations and cost-benefit analysis tend to be rather expensive and usually require the support of researchers, process (Box 3.13) and performance evaluations can be implemented regardless of the size of an intervention. In addition, concerns about the cost of a rigorous evaluation should be weighed against the potentially much larger cost of ineffective programme design and allocation of funds.

The lack of a culture of monitoring, evaluation and learning hampers the accumulation of knowledge about which interventions are most successful in improving labour market outcomes for youth. The limited information that is currently collected usually does not allow conclusions to be drawn on whether the programme has actually improved the situation of the participants. Only a few programmes report on outcomes for the beneficiaries, such as increased skills or enhanced knowledge among participants, or on the number of participants subsequently employed or businesses established (performance or process evaluation). In particular, there is a lack of evidence on which ALMPs are best suited to alleviating the constraints faced by young women on the Jordanian labour market, and which ALMPs are most successful in helping the most vulnerable youth, often located in rural areas.

<table>
<thead>
<tr>
<th>Box 3.12 Types of evaluations</th>
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<tbody>
<tr>
<td><strong>A process evaluation</strong> assesses whether the activities of a programme were implemented as planned, the targeted beneficiaries reached and desired outputs achieved. It aims to answer questions such as: Were the activities implemented in the right place, at the right time and for the targeted beneficiaries? What were the obstacles, challenges and opportunities that the programme encountered and how did they affect the implementation? Answering such questions leads to improved and more efficient and effective project implementation.</td>
</tr>
<tr>
<td><strong>A performance evaluation</strong> measures the outcomes of the programmes for the beneficiaries, i.e. to what extent did the project influence the beneficiaries’ behaviours, knowledge and attitudes and to what extent this has improved the lives of people. It answers questions such as: Did the intervention reach its objectives? Were the participants able to find jobs or establish a business?</td>
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<tr>
<td><strong>An impact evaluation</strong> determines whether the results of the project can be attributed to the project or not. It focuses on the question of the extent to which the (positive) observed changes of beneficiaries (e.g. improved knowledge, enhanced employability, increased earnings) were driven by the project activities or external factors by comparing the situation of project beneficiaries (the intervention group) to the situation of the people that did not participate in the programme (the control group). It answers the question of the extent to which the intervention contributed to improving the situation for its beneficiaries.</td>
</tr>
<tr>
<td><strong>A cost-benefit analysis</strong> assesses whether the benefits and positive effects of a programme outweigh its costs.</td>
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</table>
Figure 3.10 Levels of measuring performance of a development programme

**Impact**
- Long-term effects on the lives of people/community/society (e.g., increasing labour force participation of women, decreasing youth unemployment, increased socio-economic status)

**Outcomes**
- Changes within people and benefits attached (e.g., improved vocational skills, better business knowledge, better signalling, improved employability, increased entrepreneurial activity/business start-ups, increased earnings or profits)

**Outputs**
- Services delivered, products produced, facilities provided, infrastructure set up that aim to trigger changes and benefits for people (trainings delivered and participants trained, trainers trained, coaching provided, online platform created, seed funds provided)

**Activities**
- Actions taken within the programme to produce outputs

Source: Swiss Academy for Development, author’s own representation.

Box 3.13 Mowgli Mentoring: Empowering entrepreneurs and strengthening their businesses in Jordan

This intervention aims to create and sustain jobs in SMEs and to contribute to the sustainable development of society by providing mentoring support to young entrepreneurs. A process evaluation was conducted, covering the period from 2009 to 2015. During that period, the intervention supported 155 entrepreneurs to create 225 new jobs and to safeguard 476 existing jobs in their enterprises. The cost-benefit analysis undertaken as part of the process evaluation compared the number of created and safeguarded jobs to the programme cost, and found that the benefits of the programme considerably exceeded its cost.

The intervention was launched in 2009 by the Mowgli Mentoring Foundation in 2009. The process evaluation was carried out by Mowgli and verified by BDO LLP in the United Kingdom.

It is not clear whether monitoring and evaluation information is not systematically collected or if intervention implementers are not willing to share this information. In either case, the small existing evidence base on the effectiveness of ALMPs in Jordan and the Middle East in general means that efforts to promote a culture of monitoring, evaluation and learning, coupled with the mandatory disclosure of evaluation results, promise high returns in terms of more effective ALMPs for youth in Jordan.
Promoting youth employment and empowerment of young women in Jordan

Section 4
With almost a quarter of Jordanian youth being unemployed, efforts to reduce youth unemployment should concentrate on formulating policies which integrate both skills and jobs strategies. The recent influx of more than 650,000 Syrian refugees, many of them young, renders it particularly salient to explore new ways of promoting youth employment. Comparing interventions in the YEI Jordan with global good practices and local challenges, and discussions with key youth employment stakeholders in Jordan have led to the recommendation of the following five main policy options:

I. Prioritize investments in decent jobs for young people

The labour market integration of its young people is central to Jordan’s economic prospects. Efforts are needed to promote stronger and more inclusive growth, and private sector jobs, especially for the youth, women and in less economically developed regions. Given the size of the current youth cohort in Jordan, further increased by the recent influx of refugees, improving the labour market prospects of youth is also crucial for the country’s political and social stability. In light of the restructuring of the Jordanian economy over the past few decades, private sector enterprises must be the engine of job creation for young people.

To increase their effectiveness, ALMPs need to be embedded in a framework of pro-employment macroeconomic reforms and adequate sectoral policies. ALMPs can be effective in addressing localised labour market challenges and providing a solution to specific sectoral problems. However, ALMPs should also be seen as part of a larger employment policy framework that includes comprehensive set of policies that support job creation in both rural and urban areas. On the demand side, pro-employment macroeconomic policies for Jordan should include investment in and credit for the development of employment-intensive economic sectors, such as designing trade, investment, industrial and agricultural policies with a view to increasing the sectors’ competitiveness and capacity for employment creation. Foreign investment in Jordan, currently concentrated in sectors characterised by low wages and poor working conditions, needs to be more focused on sectors that produce high value-added products, with better potential of decent jobs creation. To stimulate labour force participation among Jordanians, jobs need to provide higher wages and better working conditions than employment in the basic manufacturing and service sectors that have witnessed expansions in the past. Innovative and productive SMEs must be supported by lowering

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92 While 650,000 represents the number of Syrian refugees so far registered by the United Nations High Commission for Refugees, Jordanian authorities estimate the total number of registered and unregistered refugees to be 1.3 million.

93 See Taghdisi-Rad (2012) who observes that foreign investments in Jordan are concentrated in special “industrial zones”, the mining sector as service sectors, notably tourism.
regulatory barriers to firm entry and providing adequate credit schemes to enable business growth. In all reforms, built-in social dialogue mechanisms should ensure that policies can adjust flexibly to changing labour market conditions and demands.\textsuperscript{94}

II. Improve the labour market opportunities of young women, especially those in rural areas

The low labour force participation rate and limited employment options of young women exacerbate the skills mismatch and constrain the country’s economic growth. Young women in Jordan tend to be highly educated, but rigid social norms keep them out of the labour force or steer them towards a small number of professions with limited prospects for gainful employment, and discriminatory hiring practices make it difficult for young women to find suitable employment beyond these professions. The challenge is more pronounced for women in rural areas where workers are unpaid family workers or self-employed, and exposed to precarious jobs and low pay. ALMPs that target these specific constraints faced by young women on the labour market will allow the economy to capitalize on past investments in education.

The following measures would help to improve the labour market prospects of young women:

- **Encourage employment of young women through improving working conditions, including through adapted labour market regulations.** Regulations should incentivize employers to offer family-friendly working conditions, such as shorter work days, the option to work from home and part-time work opportunities. Importantly, maternity and paternity leave schemes should be designed to impose minimal financial burdens on employers, especially for SMEs. Financing family-friendly policies through social insurance systems or tax revenues avoids discouraging employers from hiring young women.

- **Promote modern employment opportunities for women in rural areas.** Due to their restricted mobility and the limited number of modern jobs in local labour markets, young rural women are increasingly unemployed or outside the labour force. However, due to the increased levels of education in rural areas, there is also the potential for higher rates of female employment in post-harvest and processing industries targeted at export markets. ALMPs can play an important role in providing young women with the right skill sets for these emerging industries. This should, however, be accompanied by a set of policies to improve working conditions (see point above) to make these jobs more attractive for young women.

- **Gradually work towards expanding the range of jobs that are acceptable for women.** This may include public awareness campaigns aimed at both men and women, and incentivizing employers in non-traditional sectors, such as manufacturing, to employ women under conditions that are deemed to be safe and practical for women, especially those with domestic and family responsibilities.

\textsuperscript{94} See ILO (2014a) for an overview on pro-employment macroeconomic policy frameworks and Taghdisi- Rad (2012) for a detailed review of macroeconomic policies in Jordan.
III. Design ALMPs with an eye to global good practice and adapt them to local challenges

Comparing the currently existing ALMPs for youth in Jordan with global good practice and considering the specific circumstances of the Jordanian labour market yields the following recommendations:

- **Policy-makers, development partners and the private sector should work towards consolidation of the existing diverse ALMP portfolio.** The landscape of ALMPs for young people in Jordan is extremely diverse with many implementing partners running a variety of mainly small to medium-sized programmes. There is room for improvement in the cooperation between different types of implementers and most notably with the private sector. The Jordanian Government could play a leading role in building up major programmes that come with some built-in flexibility and adaptability to local contexts, including partnerships, but at the same time become more efficient through scaling effects.

- **Skills training programmes would benefit from a more demand-driven approach and greater private sector involvement.** Implementers should aim to combine workplace- and classroom-based components with the acquisition of soft skills. Moreover, skills training would benefit from a more focused targeting of young women and other disadvantaged groups, and a more systematic accreditation process. This also implies the need for the Government to play a more active role in terms of coordinating and overseeing youth employment stakeholders.

- **Entrepreneurship promotion programmes should address the credit constraints of aspiring entrepreneurs in a more systematic manner.** This should include provision of small start-up grants for micro-enterprises to support subsistence work in the low-skill sector and more flexible loans for small youth-led firms to grow and create jobs. Programmes may also benefit from an increased combination of different services – including efforts to enhance the prestige of self-employment – with a view to relaxing the main constraints to entrepreneurship simultaneously. The effectiveness of these ALMPs can be increased by reducing the administrative and bureaucratic costs of running a small business. This would also support much-needed formalization efforts among micro and small enterprises.

- **Employment services and subsidized employment programmes should more specifically target the most vulnerable groups of youth, such as young women.** Counselling and job placement activities should clarify the ways in which labour market prospects depend on the choice of enrolment and profession. This can help to reduce the influence of social norms and the creation of skill mismatches. At the same time, given the high share of unemployment among university graduates, ALMPs shortening the school to work transition among highly educated young people need to be maintained and strengthened.

IV. Improve the labour market access of refugees while safeguarding working conditions.

Promoting access of young refugees to employment and labour markets, in a manner that does not displace young Jordanians and developing their capacity for collective representation. This includes regular dialogue with national policy makers, trade unions
and employers’ organisations as well as development partners on how to provide access to work for Syrian refugees. This approach ensures a win-win situation that yields social and economic dividends for the host economies as well.

Creating immediate jobs and improving economically critical infrastructure through Employment Intensive Investment Programmes (EIIP). These programmes promote local resource-based technologies optimising the use of labour and local procurement, thus increasing indirect and induced job creation while improving Decent Work standards for workers.

Improving the regulatory framework for Syrian workers in the labour market through innovative approaches that allow for refugees to access work permits, introducing job placement mechanisms, and promoting measures preventing unacceptable working conditions in terms of occupational safety and health. Moreover, enforcement of the minimum wage policy should be strengthened to avoid downward pressure on wages.

V. Promote evidence-based programming of ALMPs through a culture of monitoring, evaluation and learning

A key element of a successful youth investment strategy is the establishment of a culture of monitoring, evaluation and learning. Although the diverse and expanding landscape of ALMPs for youth generates numerous valuable lessons about which approaches are most promising in the Jordanian context, it is abundantly clear that these lessons are currently not being learned and disseminated. There is a lack of evidence on which ALMPs are best suited to alleviating the constraints faced by young women on the Jordanian labour market, and which ALMPs are most successful in helping the most vulnerable youth, many times located in rural areas.

To ensure the allocation of funds in high-impact projects, all ALMPs should be accompanied by a lean but effective M&E system supported by modern management procedures. This concerns both programmes implemented by the Government and by NGOs, and requires a sufficient budget to be allocated for M&E, which should be complemented by (i) results-based programming, (ii) outcome-based procurement of service providers and (iii) performance-based management of ALMPs. These management practices can facilitate not only the uptake of lessons learned but also integrate essential M&E functions, such as indicator development, data collection and reporting, into the daily operations of programme implementation. Implementers of ALMPs need to have better access to easy-to-use and adaptive but informative M&E tools, including modern ICT solutions. Collaborations with experienced national and international research teams to conduct evaluations can also lead to a transfer of technical knowledge and strengthen local M&E capacities.

The promotion of evidence-based programming therefore requires a joint effort by the Government and donors with the right balance of rules and incentives for programme implementers. On the one hand, agencies and development partners should adopt stricter rules for implementers by requiring project proposals to include M&E frameworks and mandating the public dissemination of a set of standard key performance indicators of the intervention. Moreover, project proposals should be required to incorporate lessons learned from past evaluations. On the other hand, incentives could include showcasing of
government agencies and NGOs that have participated in robust evaluations, establishing an award for the best ALMP evaluation(s) of the year, providing an independent funding pool to support quality evaluations or setting up a technical assistance facility to support implementing agencies in developing strong M&E frameworks as part of their programme design. The commitment of the Government of Jordan to develop a performance management framework as part of its “Human Resource Development Strategy” constitutes a step in the right direction.95

By promoting a culture of monitoring, evaluation and learning, the development partners can contribute to making investments in Jordanian youth more effective. Evidence on the effectiveness of ALMPs for youth has the characteristics of a global “public good”. Since global evidence suggests that ALMPs tend to take time to unfold their full impact, the funding of more ambitious evaluations that allow for the measurement of longer term outcomes (e.g. one to three years after the intervention has ended) would be worthwhile. Improving the effectiveness of ALMPs for youth in addressing the youth unemployment crisis in Jordan would allow young people to fulfil to their potential, thereby fostering economic prosperity as well as political and social stability.


The ILO Taqeeem “Impact Report” series disseminates research reports from Taqeeem-supported impact evaluations. The goal is to improve the evidence base for “what works” in the effective design and implementation of integrated employment policy responses for youth and women’s employment.

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