



# Evaluation Summaries

## Employment-intensive growth for Indonesia: Job opportunities for young men and women (JOY)

### Quick Facts

**Countries:** *Indonesia*

**Final Evaluation:** *April 2010*

**Mode of Evaluation:** *Independent*

**Technical Area:** *Employment*

**Evaluation Management:** *Peter Rademaker, EMP/ENTERPRISE*

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**Project End:** April 2010

**Project Code:** *INS/06/50/NET*

**Donor:** Netherlands (2.8 million US\$)

**Keywords:** Youth Employment, labour-intensive employment

### Background & Context

Although known and referred to as JOY, the full name of the project is *Employment-intensive growth for Indonesia: Job opportunities for young men and women*. It started with a budget of \$2.4 million, which was increased in 2009 to \$2.8 million following a reallocation of funds within the various NICP projects. The project started in March 2007 and finished, as planned, in April 2010. Its overall objective was to “create income earning opportunities for young women and men in Indonesia, through complementing national policies and local initiatives that lead to more employment growth”.

### Relevance

Young people in Indonesia have difficulty in finding, or remaining in, employment, not because they lack skills or knowledge, but because they do not benefit as much as adults from the existing employment opportunities. They represent 60% of the total unemployed.

With its overall objective of “contributing to poverty reduction and the creation of income earning opportunities, especially for young women and men, through complementary national policies and national initiatives that lead to more employment-intensive growth” JOY fully supports the country’s development plan, and has, in addition, achieved the goal of further strengthening this position by mainstreaming youth employment in Indonesia’s new Mid Term Development Plan (RPJM 2010-2014) Indonesia’s and by revitalizing the I-YEN secretariat.

JOY also brings substantial support to the ILO’s role as the coordinating agency for UNDAF’s sub-outcome on employment creation, employability, entrepreneurship and equal opportunities. JOY was also instrumental in revitalizing Indonesia’s Youth Employment Action Plan, which is central to the Government of Indonesia’s role as a Lead Country of the UN-World Bank-ILO Youth employment Network.

### Design

JOY is the result of an ambitious design combining a “top down” (policy level) component with a “bottom up” (local level) component. The policy level component seeks

to mainstream decent and productive employment into national economic and social policies by (i) building the capacities of tripartite constituents and other relevant stakeholders to engage in economic and social policy development and implementation, (ii) establishing mechanism for enhanced coordination and networking on employment issues, (iii) strengthening the capacities of the Central Bureau of Statistics (BPS) and Ministry of Manpower and Transmigration (MOMT) to collect and use sex- and age-disaggregated labour market data, and (iv) strengthening MOMT and the National Professional Certification Board's capacity to improve the certification system and relevance of competency-based training.

The local level components seeks to have youth employment policies and local economic activities implemented in East Java by local representatives of ILO constituents and communities of the area by (i) strengthening the capacity of local stakeholders to design and implement youth employment policies, (ii) strengthening the capacity of local communities to undertake partnership-based LED programmes benefiting young women and men, (iii) establishing LED initiatives, one of them involving the promotion of employment infrastructure investments and (iv) spreading examples of good practices within East Java and Indonesia. Both these components are intended to be mutually reinforcing to support the achievement of the overall objective of "poverty reduction and the creation of income earning opportunities for young women and men in Indonesia, through complementary national policies and local initiatives that lead to more employment-intensive economic growth". In parallel, the project also seeks to bridge the supply and demand side of the economy by commissioning sectoral research, by outsourcing the development of a labour market programme with the University of Padjaran, and by building the capacity of Employment Services Centres.

## Evaluation Methods

The evaluation took place between 5 – 16 April 2010. The methodology relied mainly on qualitative information. The evaluators collected data through a desk review of project documents, progress reports and other documents produced by the project. These data were then verified, compared, and cross-validated through field visits, interviews and participation at the final Youth Employment Conference. At interviews and visits in East Java, the evaluators were accompanied by either one of the two local project coordinators. UN evaluation norms and standards, OECD/DAC evaluation quality standards and ethical safeguards were all followed during the evaluation.

## Main Findings & Conclusions

The project was successful at making its partners understand that it was not only a relatively short project, but also one with no money to invest in actual employment creating activities. Instead, JOY has played a role of catalyst between local economic players, international development bodies and micro finance institutions with results that went far beyond what was planned and which would have never been possible on its planned budget. JOY managed to spend its whole budget of \$2.8m in the allocated time frame of 3 years. Compared to the initial project plan, the budget was increased by around \$400,000 and the staff comprised one additional local project coordinator.

In the area of Local Economic Development, JOY achieved considerable progress at very little cost thanks to its capacity at acting as an "opportunity maker". It did this by tapping on the potential of external expertise, such as the volunteer experts from the Dutch PUM programme, which provided the pilot LED communities with considerable expertise at no cost to the project or to the ILO, and with tangible results. In addition, the project has played a pivotal role in leveraging extra funding for communities involved in LED activities, such as the construction of biogas units or of a Tourism Information Centre.

## Effectiveness and progress

JOY was a slow starter. Conceived as a 3-year project starting in March 2007, the project did not start to be really productive until early 2008 mainly due to recruitment problems. In June 2008, the project team was complete, even if further changes still took place in 2009, when the local coordinator in Malang resigned and had to be replaced, and a third chief technical advisor had to be appointed.

The last two years of the project saw a frenetic rhythm of activities take place. Indicator after indicator, output after output, the project came to some sense and realised most of what it was supposed to achieve, even if a certain deviation from initial plans can be found here and there.

Under Component 1 (policy-level), JOY's main achievements are:

- An effective and close-knit collaboration between the private sector and government structures. For instance, the Government of Pasuruan and Malang pledged Rupiahs 200 million and 50 million respectively, to support the LED forums to finance the now established agribusiness festivals.
- The establishment of a certification body for eco-tourism based on local initiatives undertaken in East Java.
- The launching of a Labour Market Development Programme with the University of Padjajaran (UNPAD), a reputable Indonesian university. Students have begun to apply for the September session.

Under Component 2 (local level), highlights can be summarised under 3 main items:

- Setting up of Employment Service Centres: the project has assisted the set up and operation of 2 Employment Service Centres (ESC) in Pasuruan and Surabaya. The results are being looked at closely by other ILO projects and also by other bilateral cooperation projects, some of them much bigger. JOY stands out by its pragmatic approach to the capacity building of ESC. Training work still needs to be carried out to strengthen the youth

focus of the staff, but the centres are already operating and welcoming users.

- The running of LED programmes: JOY has spearheaded discussions at local level resulting in the provincial and national endorsement in 3 important areas: waste management, tourism development and biogas. With regards to tourism development, JOY has facilitated the adaptation from the French volcano theme park of the Vulcania Theme Park in East Java. The project is now well into the hands of national and provincial administrations, as the national government has pledged support for the development of the Bromo-Semeru-Tengger National Park. JOY was also influential in bringing together a wide range of partners, from international technical cooperation (SNV), a Dutch NGO (HIVOS, Humanist Institute for Development Cooperation), local microfinance institutions, local governments, private households, etc. for the development of the biogas activities. Under the Biogas programme, a family with two cows can run a simple biogas plant and generate enough gas to power a stove and a light. The employment impact of these activities is estimated at 3,000 jobs and Biogas managers expect 400 family plants to be created in 2010, although this is probably very optimistic.
- Knowledge sharing was both a means and an end for the project. JOY produced regular newsletters and commissioned several publications e.g. on the importance of sector planning; a Labour Market Study of the Food and Beverages Manufacturing Sector in Indonesia; a research on the demand and supply of skills in the hotel and tourism sector. Not all publications were of equal value (only four were actually published) and they didn't all have a sufficient focus on the youth and gender employment dimension. Two youth employment conferences were organised in 2009 and 2010, which involved social partners, national, regional and district

level partners, as well as donors, representatives from Indonesian universities and youth entrepreneurs groups.

### **Impact and Sustainability**

A lot of progress has been achieved in the last year of operation in terms of sustainability. The Mid Term Evaluation conducted in April 2009 was pointing towards a number of uncertainties with regards to the sustainability of various components of the project, for instance with regards to the LED forum. The final evaluation found that much of these uncertainties have been lifted in the last year, while other constraints appeared, for instance with the Job Opportunity Index.

Overall, the message that JOY was coming to an unequivocal end has been well understood by its partners at national and local level. In most cases, the withdrawal of the project should go well even if there remains a need for light monitoring, in particular for some of the biggest outcomes such as the revitalisation of the I-YEN or the touristic promotion of the Bromo-Semeru-Tengger National Park.

### **Conclusion**

JOY has earned itself a very good reputation in the country, but also in the region, and truly deserves it. Partners, at national, local and community level, from high-ranking officials to direct beneficiaries are very comfortable explaining how the project has been beneficial for the country, the province or the individuals. The same people enjoy what seems to be a warm relationship with all the project staff. It is a fact that the evaluators have not recorded one word of dissension from the many interviewees. In the 3 years of its operation, therefore, the project has left its mark in the institutional scenery of Indonesia and has strengthened the ILO's reputation and contribution to the promotion of employment in Indonesia.

However, JOY appears like the Swiss Army Knife of youth employment programme. It aims to do a lot of things, which are all independently valid and well executed, but

which are only loosely connected to each other. Added to the fact that the project underwent several leadership changes, this may explain why the project lacked an overall sense of strategy and ended spreading itself thin for some aspects, for instance on addressing gender issues, or by not making operative linkages between the work done on the improvement on labour market information separately and that on the certification of vocational training.

Overall, it appears that the project successes are more the result of the convergence of favourable factors, such as a long-standing ILO presence in Indonesia or of favourable demographics and of intense work and opportunity seeking on the part of the staff rather than the result of thoroughly thought through strategy. With this in mind, the replication of the project in its current shape and in other countries is far from assured.

## **Recommendations & Lessons Learned**

### **Recommendations**

The project has now finished and is leaving behind a number of activities which should, as per the project document, be completely sustainable. The evaluation has found that even though most activities had indeed reached a high level of autonomy, things being what they are, there is still a need for light monitoring on the part of the ILO. The final evaluation is making recommendations along the 12 following points:

### **Post-JOY monitoring and follow up**

1. Products of the project, such as JOI, or by-products, such as the presentation on Youth Employment in Indonesia, presented at the 2010 Youth Employment Conference, should be incorporated in the next edition of *Social and Labour Trends of Indonesia*. This would ensure that youth issues are given prominence and that youth data are analysed, used and made available to stakeholders.

2. Follow up on successful individuals for improved sustainability and up scaling. Successful beneficiaries, often small entrepreneurs, are willing to provide assistance in return for what they have received. This can be through mentoring budding entrepreneurs, taking on apprentices, committing themselves to improving employment conditions, sharing their experience, etc.
  3. Promote JOY's practices and results on the Bangkok-hosted Asia-Pacific Youth Net platform (<http://ap-youthnet.lobkk.or.th/>).
  4. Keep light monitoring of key outputs of the project such as the revitalization of the I-YEN and the Vulcania's Master Plan. Both of them have received strong expressions of commitment on the part of institutional partners but light monitoring from the ILO Jakarta would ensure that they reach their potential.
  5. Rapidly identify the monitoring responsibilities within the ILO, such as a Jakarta-based programme officer, or make use of existing projects, such as EAST, who have some shared interests in seeing some outputs of JOY come to full potential, e.g. the setting up of ESCs and the continuation of JOI.
  6. Conduct an impact evaluation in 6 months or 1 year to take the full measure of activities such as Vulcania, the ESCs, the first scholastic year of the Labour Market Development Programme, the I-YEN secretariat. Equally important, but complicated to realise, will be the employment impact evaluation of enterprises created or supported through the LED process.
- Application for other or future technical cooperation projects**
7. Adopt a more reactive recruitment strategy to avoid that posts remain vacant for too long and to ensure that key skills are present in the team. For instance, there were strong skills with regards to LED, but serious lack thereof with regards to employment and labour markets and to gender.
  8. Integrate a gender strategy, with specific and priced activities at the project design stage. The recruitment strategy for the project should ensure that gender expertise is present in the team or that gender training is provided for the staff. The roles and responsibilities of ILO Jakarta, the Decent Work country team and GENDER in monitoring gender performance should be strengthened.
  9. Make more use of labour market analysis as baseline data and for advocacy purposes. Projects such as JOY should set an example on how to use data, such as that produced by BPS, for instance on its regular newsletter or could advocate for strengthened youth and gender analysis in the *ILO Social and Labour Trends of Indonesia*.
  10. Explore the youth employment of the manufacturing sector, as the presentation made at the 2010 at the Youth Employment Conference highlighted a strong correlation between the crash in manufacturing output following the 2008 financial crisis and the ensuing boom in youth unemployment.
  11. Ensure that youth and women groups are consulted in projects such as JOY. This is important to take the full measure of the cross-disciplinary problems that young women and men face.
  12. Design a strategy ensuring that employment created in the scope of projects such as JOY be compatible with decent work requirements. Many of the jobs created fell short of decent work standards, even though they represented opportunities for local economic development. This is a challenge because JOY is about creating job opportunities rather than jobs themselves, but a challenge that no one but the ILO is in a better position to tackle.

### **Important lessons learned**

- Youth and women's groups were not represented in the stakeholders, even though the project document specifies them as representative groups to be involved in the project implementation.
- Gender equality promotion activities have remained relatively limited in scope, and as a result, the gender treatment of youth employment issues remains weak. It must however be emphasised that the project document itself remains very vague when it comes to proposing concrete and measurable gender-specific activities.
- There has been very little use of labour market data for underpinning actions or informing decisions, even though labour force data exist.

### **Good practices**

- The ownership building strategies of JOY have been central to the project implementation and constitute one of the project's strengths.
- Anchorage into local context and practices meant that JOY acted as an agent of change which allowed it to avoid replicating existing initiatives but instead multiply their potential.
- JOY has taken advantage of wide range of communication channels. It has established a bi-yearly newsletter, easily accessible on the Internet, it is often quoted in the press, and its last Youth Employment Conference was broadcast live on Indonesia's national news TV channel.

### **A favourable environment**

- The ILO has an enduring history of collaboration with the Indonesian government for employment matters at large and youth employment in particular. As the Mid Term Evaluation noted, JOY has managed to make the most of this legacy and "to position itself well to advance its own project objectives and

those of the DWCP" in the Medium Term Development Planning process.

- The project benefited from a conducive socio-economic environment characterised by such practices as Gotong Royong, village youth groups established in the Sukarno era, etc., indicative of a mind set open to consultative practices.