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Boosting youth employment through public works

Maikel Lieuw-Kie-Song
Susana Puerto
Mito Tsukamoto

Employment
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Preface

The primary goal of the ILO is to work with member States towards achieving full and productive employment and decent work for all. This goal is elaborated in the ILO Declaration on Social Justice for a Fair Globalization (2008) ¹, which has been widely adopted by the international community. Comprehensive and integrated perspectives to achieve this goal are embedded in the Employment Policy Convention of 1964 (No. 122), the Global Employment Agenda (2003) and – in response to the 2008 global economic crisis – the Global Jobs Pact (2009) and the conclusions of the *Recurrent Discussion Reports on Employment* (2010 and 2014).

The Employment Policy Department (EMPLOYMENT) is engaged in global advocacy and in supporting member States in placing more and better jobs at the centre of economic and social policies and growth and development strategies. Policy research and knowledge generation and dissemination are essential components of the Employment Policy Department's activities. The resulting publications include books, country policy reviews, policy and research briefs and working papers. ²

The *Employment Working Paper* series is designed to disseminate the main findings of research on a broad range of topics undertaken by the branches of the Department. The working papers are intended to encourage the exchange of ideas and to stimulate debate. The views expressed within them are the responsibility of the authors and do not necessarily represent those of the ILO.

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¹ See http://www.ilo.org/global/about-the-ilo/mission-and-objectives/WCMS_099766/lang--en/indx.htm

² See <http://www.ilo.org/employment>.

Foreword

In response to the global youth jobs crisis, governments, employers and labour unions identified youth employment the central topic of the 101st session of the International Labour Conference in 2012. Entitled *The Youth Employment Crisis: A call for action*, the conference resolution reminds the international community that investing in young people is crucial for development.

The ILO has responded to this call by investing more into understanding “what works” in youth employment, including through a focus on the generation of evidence in the “Area of Critical Importance on Jobs and Skills for Youth” and through its technical cooperation portfolio.

The following paper “Boosting Youth Employment through Public Works” explores the role of public employment programmes in addressing some of the critical barriers young people face today in gaining meaningful skills and accessing decent work. These programmes aim at increasing aggregate demand for labour in contexts where markets are unable to create productive employment on the required scale. As part of a wider employment and social protection policy and through local resource-based approaches, public employment programmes complement employment creation by the private sector and offer a policy instrument with which to tackle the problems of unemployment and underemployment in developing and developed economies. Their potential to support youth’s transition into the labour market is sizable and not sufficiently examined.

The paper highlights the available evidence about the impact of these programmes on labour market and other outcomes of youth. It reviews national programmes across the globe and explores the extent to which the programmes directly benefit young women and men as well as key design and implementation features, from wage setting to alignment with other employment and social protection measures.

These lessons learned from various experiences and conclusions are of significant importance to the ILO in its quest for promoting more and better jobs for inclusive growth and improved youth employment prospects.

We thank the authors, Maikel Lieuw-Kie-Song, Susana Puerto and Mito Tsukamoto for their contribution to this important topic.

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The findings of the report were presented and discussed during the ILO Knowledge Sharing Event on Boosting Youth Employment through Public Works, held on 29–30 June 2015 in Addis Ababa, Ethiopia. The authors are grateful to the participants of the workshop for their input, which was incorporated into the final report.

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Abbreviations

CfW	cash for work
CfWTEP (Liberia)	Cash for Work Temporary Employment Project
CWP (South Africa)	Community Work Programme
CBPWP (South Africa)	Community Based Public Works Programme
EPWP (South Africa)	Expanded Public Works Programme
HABP (Ethiopia)	Household Asset Building Programme
ILO	International Labour Organization
ISPA	Inter-agency Social Protection Assessment initiative
<i>Jefes</i> (Argentina)	<i>Jefes y Jefas de Hogar</i>
LIWP (Yemen)	Labour Intensive Works Project
LYEP	Liberia Youth Employment Program
MASAF (Malawi)	Malawi Social Action Fund
MGNREGA (India)	Mahatma Gandhi National Rural Employment Guarantee Act
PALS (Cambodia)	Productive Assets and Livelihood Support
PATI (El Salvador)	<i>Programa de Apoyo Temporal al Ingreso</i>
PEJEDEC (Cote d'Ivoire)	<i>Projet Emploi Jeune et Développement des Compétences</i>
PEP	public employment programme
PET (Mexico)	<i>Programa Empleo Temporal</i>
PSNP (Ethiopia)	Productive Safety Net Programme
PWP	public works programme
THIMO (Cote d'Ivoire)	<i>Travaux Publics à Haute Intensité de Main d'œuvre</i>
WfW (South Africa)	Working for Water
WWS (Latvia)	Workplace with Stipend
YES-CWP (Liberia)	Youth Employment and Skills – Community Works Programme
YESD (Kenya)	Youth Employment for Sustainable Development Project
YESP (Sierra Leone)	Youth Employment Support Project

Glossary of programmes reviewed

Programme name, abbreviation, country	Brief description
Argentina	
<i>Jefes y Jefas de Hogar</i> / Heads of Households Programme (<i>Jefes</i>) (2001–2009)	<i>Jefes</i> was initiated in response to the 2001 economic and financial crisis in Argentina. It provided part-time work (20 hours a week) to households with children of school age or younger. A wide variety of activities were included, from small infrastructure, food security, training and labour support work to community-based enterprises and cooperatives. The programme was closed in 2009, but at its peak in 2002 it provided employment to 2 million households.
Cambodia	
Productive Assets and Livelihood Support (PALS) (2014)	PALS was a pilot project aiming to enhance livelihoods through asset creation interventions. The PALS programme provided employment opportunities for food insecure households. Through a participatory process, communities selected assets that contributed to higher agricultural productivity, increased access to markets and social infrastructure, and improved resilience to climate shocks.
Cote d'Ivoire	
<i>Projet Emploi Jeune et Développement des Compétences</i> (Youth Employment and Skills Development Project) (PEJEDEC) (2012–current)	PEJEDEC has a labour-intensive public works component (THIMO) that provides 6 months of employment in work related to urban road maintenance. The project was specifically designed with impact evaluation in mind and allows for a comparison of youth who were part of the programme with youth who were not. It also involves providing different types of supplementary intervention, such as training in other income generation activities and job-search skills, to test which of these are most effective.
El Salvador	
<i>Programa de Apoyo Temporal al Ingreso</i> / Programme for Temporary Income Support (PATI) (2010–current)	PATI started in 2010 and provides temporary income support to vulnerable urban populations through their participation in community projects. It seeks to increase their employability by enhancing basic skills and connecting them to labour markets. The programme aims to decrease youth crime and violence. The programme has had about 18,000 participants per annum.
Ethiopia	
Productive Safety Net Programme (PSNP) (2005–current)	PSNP is a combination of a public employment and food/cash transfer programme that targets food insecure households in Ethiopia. Households that are able to supply labour are provided with work for 6 months of the year. Activities focus on natural resource management and basic rural infrastructure. The transfer component provides food or cash to households that are unable to supply labour. PSNP provides an income to approximately 1.2 million households per annum.
Household Asset Building Programme (HABP) (2005–current)	HABP is a complementary programme to PSNP and is not a public employment programme. It provides agricultural extension support and microfinance to PSNP households to enable them to increase their household assets and so supporting them to exit PSNP.
India	
Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) (2005–current)	The MGNREGA, which was passed in 2005, mandates every state in India to establish a scheme that guarantees 100 days of employment per year to every rural household. The scheme's activities focus on natural resource management and infrastructure, in particular community assets that increase agricultural productivity. It currently provides employment to approximately 50 million households per annum.

Programme name, abbreviation, country	Brief description
Kenya	
Youth Employment for Sustainable Development (YESD) (2013–current)	YESD is a youth-targeted training and enterprise development programme. It trained 830 youths to become road-building contractors, with skills in different road-building techniques that are highly suitable to rural roads.
Latvia	
Workplace with Stipend (WWS) (2009–2011)	The WWS programme was implemented in Latvia in response to the 2009 economic crisis. It provided temporary employment to the unemployed who were not eligible for other types of unemployment benefit. Work activities were very simple, typically involving cleaning and greening. WWS ran for 2 years and provided work to 55,000 people per annum.
Liberia	
Cash for Work Temporary Employment Project (CfWTEP) (2008–2010)	CfWTEP was initiated in response to the food, financial and fuel crisis of 2008. It provided the poor with 40 days of paid work on simple projects, which included street cleaning, clearing of roadsides and cleaning of roadside trenches. It reached approximately 15000 people per annum.
Liberia Youth Employment Program (LYEP) (2013–current)	LYEP aims to provide employment for vulnerable youth (18–35 years of age) and increase employability. It provides employment for a full year and focuses on waste collection and disposal. It also aims to provide youth with vocational training. The programme provides work to approximately 17,000 people per annum.
Youth Employment and Skills – Community Works Programme (YES-CWP) (2010–2014)	YES-CWP was initiated as a continuation of the CfWTEP in Liberia, with a youth target of 75 per cent, and also included life skills training for youth. It reached about 45,000 people over its 2 years.
Mexico	
<i>Programa Empleo Temporal</i> (Programme for Temporary Employment) (PET) (1994–current)	PET was launched after the 1994 economic crisis in Mexico. It provides project-based employment in villages of less than 5,000 people. Projects can include construction and maintenance of rural roads, or they can be social or environmental in nature. Projects can be proposed by participants.
Sierra Leone	
Youth Employment Support Project (YESP) (2010–2012)	The YESP included a labour-intensive public employment component, the objective of which was to provide a safety net and income supplement to highly vulnerable youth. The project targeted poor and vulnerable communities, and included rural road rehabilitation, agriculture and environmental projects. YESP reached approximately 17,000 people.
South Africa	
Community Based Public Works Programme (CBPWP) (1994–2004)	The CBPWP implemented infrastructure and livelihood projects with high degrees of community involvement. It targeted disadvantaged communities.
Community Work Programme (CWP) (2008–current)	The CWP is a sub-programme of the EPWP that was initiated in 2008. It provides ongoing part-time employment (2 days a week) in the poorest communities in South Africa. Communities decide on the type of useful work that is to be implemented. The CWP currently provides work to approximately 100,000 people per annum.
Expanded Public Works Programme (EPWP) (2004–current)	The EPWP is a national umbrella programme that started in 2004 and succeeded the CBPWP. It targets four sectors (namely infrastructure, environmental, social and the non-state sector) with a number of sub-programmes and a uniform set of employment conditions. It currently provides employment to approximately 1 million people per annum.
<i>Gundo Lashu</i> (Our Victory) (1999–2003)	<i>Gundo Lashu</i> was a provincial labour-intensive road-building programme that provided training on labour-intensive construction techniques to small contractors.
Working for Water (WfW) (1995–current)	Working for water is an environmental public employment programme under EPWP. It started in 1995 and aims to remove invasive alien plants that threaten native species and groundwater reserves. It targets the poor unemployed and provides work to approximately 40,000 people per annum.

Programme name, abbreviation, country	Brief description
<i>Zibambele</i> (Doing it ourselves) (199?–current)	<i>Zibambele</i> is a programme that provides routine rural road maintenance by employing mostly women-headed households on an ongoing and part-time basis (1.5 days a week) to maintain stretches of road. It provides jobs to approximately 40,000 women in rural areas of the KwaZulu-Natal province.
Yemen	
Labour Intensive Works Project (LIWP) (2008–current)	The LIWP is a national programme that started in 2008 and targets vulnerable households in the most remote villages in Yemen. Its activities typically involve rural road construction and water storage and irrigation-related infrastructure. It reached around 107,000 households between 2010 and 2013.

1. Introduction¹

There are about 1.2 billion youth worldwide, aged 15 to 24, and nearly 74 million of them are looking for a job.² Such a sizable youth cohort presents an opportunity for growth, but it could also become a source of instability if youth joblessness is not addressed by effective interventions.

The recent economic crisis affected youth labour markets and led to a period of increasing unemployment among young people. The global youth unemployment rate has settled at 13 per cent, remaining steady since 2012, and is estimated to have increased only slightly to 13.1 per cent in 2015 (ILO, 2015a).

With the unemployment rate for youth globally triple that for adults,³ young people have to deal with additional hurdles in accessing the labour market, and even once they have entered the market, they are at a high risk of landing low-quality jobs. Youth's labour market disadvantages relative to adults vary widely across regions and countries. Between 2009 and 2010, at the height of the economic crisis, the ratio of youth to adult unemployment rates in South-East Asia and the Pacific increased from 4.6 to 6. At the country level, ILO estimates for 2014 place the ratio of youth to adult unemployment rates in Egypt, Indonesia and Sri Lanka at 6.1, 7.4 and 8.3, respectively.

As the youth employment challenge is expected to persist, action must be taken to test, scale and replicate solutions that provide effective and timely support to youth in their transition to decent work. According to the Youth Employment Inventory, a global repository of information from 874 youth employment programmes, only 10 per cent of the 747 programmes from developing and transition economies had assessed the net change in beneficiaries' outcomes that could be attributed to their intervention. The lack of evaluation evidence hinders appropriate policy and programming decisions and is particularly acute in Africa, Asia and the Middle East. Across intervention types, there is a significant gap in knowledge on the role of public employment programmes (PEPs) in improving labour market outcomes for youth. What design features determine programme success? What are the differential impacts on young women and men? What are good practices in serving youth through PEPs?

The need to fill this knowledge gap and for further investment in what works was echoed by governments and social partners during the 2012 International Labour Conference. The ILO was then charged with strengthening the evidence base on youth employment interventions (ILO, 2012). In its follow-up to the conference, the ILO made "What works in youth employment" the focus of its second area of critical importance: "Jobs and skills for youth" (ILO, 2014).

This paper focuses on the role of PEPs in boosting labour market outcomes for young people. PEPs, also known as public works programmes,⁴ are important policy instruments for employment creation, and have been used in a variety of contexts to create employment for the otherwise unemployed and provide useful public assets and services in the process.

¹ Analyses of youth labour market information and trends come from the ILO's *Global Employment Trends for Youth 2015* report (ILO, 2015a).

² According to ILO's *World Employment Social Outlook: Trends 2015* almost 74 million young people were looking for work in 2014, which is three times the number of adults (ILO, 2015b).

³ The ratio of youth to adult unemployment rates worldwide has been between 2.8 and 2.9 per cent for the past 15 years (ILO, 2015a).

⁴ There is no consensus on the terminology to be used to refer to these programmes and different institutions use different terms, including public works, public employment, productive safety net, cash-for-work and make-work programmes.

The paper reviews hard and soft evidence from PEPs implemented worldwide, with and without a youth lens, recognizing the vast literature on PEPs and the limited age-disaggregated information available on this type of programme.

The paper relies on a desktop literature review and, where relevant, includes analyses of data electronically available, in particular for PEPs in India and Mexico. It also identifies important knowledge gaps in the literature and makes recommendations for further research.

The review made use of the Public Works Tool recently developed under the auspices of the Inter-agency Social Protection Assessment (ISPA) initiative, which aims at supporting the assessment of PEPs in a consistent manner so as to improve the design, performance and delivery of programmes. The tool was applied to gather information and assess performance of PEPs in South Africa, Ethiopia, India, Cambodia and Kenya. The review followed the underlying structure of the Public Works Tool, concentrating on key topics of interest, from targeting and benefits to harmonization with other programmes.

The paper is structured as follows. This chapter has presented an overview of the youth employment challenge globally and by regions and has highlighted the existing gaps in our understanding of what works in youth employment. Chapter 2 presents some of the overall and cross-cutting impacts of PEPs on areas of acute interest to youth policy: labour market outcomes, education outcomes and community cohesion. Chapter 3 presents evidence on the participation of youth in PEPs. Chapter 4 discusses the benefits of PEPs, delving into wage setting and their implementation. Chapter 5 looks at the costs and cost-effectiveness of PEPs, and Chapter 6 discusses harmonization strategies between PEPs and other youth policies and interventions. Conclusions and recommendations are presented in Chapter 7.

The paper includes a glossary of the different PEPs reviewed and cited throughout the text.

2. The cross-cutting impacts of public employment programmes

PEPs are multi-dimensional in nature, allowing the achievement of both socio-economic and labour markets outcomes. They are commonly used to increase aggregate demand for labour in times of crisis or in contexts where markets are unable to create jobs at the required scale and unemployment is an ongoing challenge. As part of a wider employment and social protection policy, PEPs can complement employment creation by the private sector and offer a policy instrument with which to tackle the problems of unemployment and underemployment in developing economies. These programmes also connect individuals, often unskilled, disadvantaged or long-term unemployed, to the labour market, thus mitigating the depreciation of human capital. While often associated with infrastructure and construction works, PEPs are highly versatile, comprising social and environmental works as well as multi-sectoral, community-driven programmes (Lieuw-Kie-Song et al., 2010). Work experience and skills acquired through PEPs can improve young persons' employability, while the generated income can increase consumption of goods and services by participants, which in turn has a direct positive impact on communities and local enterprises (ILO, 2015a).

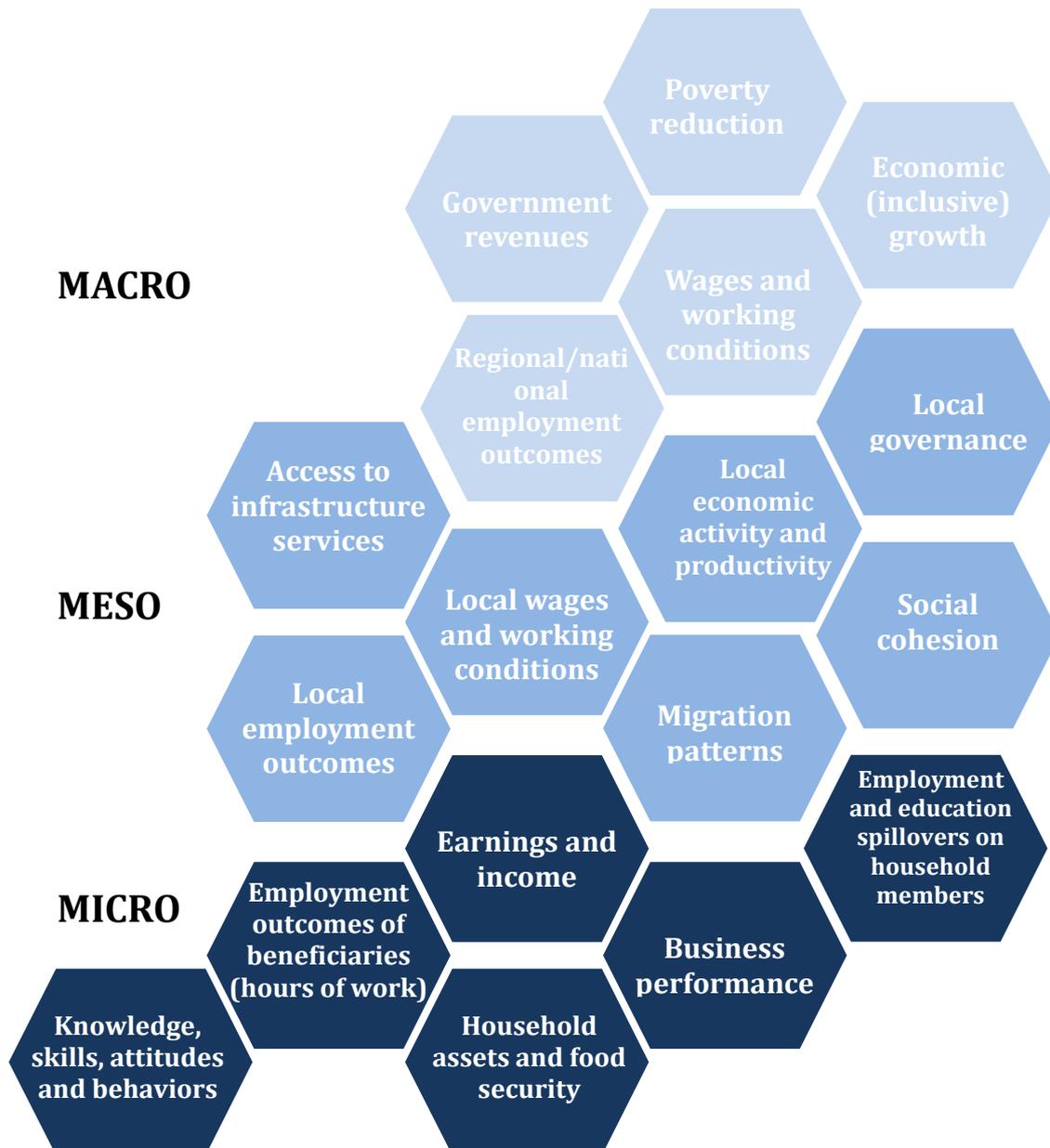
The objectives of PEPs are threefold:

- **Promote employment:** PEPs rely on employment-intensive investment strategies to facilitate direct job creation and boost the employability and future employment prospects of beneficiaries.⁵ The jobs provide immediate work experience through the creation of public assets and services and expose beneficiaries to a variety of technical and non-technical skills; from knowledge or know-how needed to perform specific duties to softer skills, such as the ability to learn and adapt and to listen and communicate effectively.
- **Raise income levels:** The employment created through PEPs leads to higher earnings, improving incomes and food security among beneficiaries. The ability of PEPs to smooth consumption and stabilize income makes them a regular component of wider employment policies, as well as suitable as a safety net measure to boost incomes of the poor or those affected by sharp economic crises or seasonal shocks.
- **Improve quality of life and market functioning:** Assets and services created through PEPs have an ultimate impact on life quality in targeted communities through improved access to social and infrastructure services, from water, sanitation and roads to schools and hospitals. They also facilitate access to markets and production inputs (e.g. agricultural land and irrigation) and the functioning of watersheds and other natural resources. The resulting improvements in connectivity increase productivity and stimulate trade and economic growth.

With such wide-ranging objectives, PEPs have the potential to alter socio-economic and labour market outcomes at different levels. Figure 1 offers a view of some of the impacts at individual and household level (micro level), at community level (or meso level), and at national or regional level (macro level). Annex 1 delves further into potential impacts of PEPs and provides examples of metrics to assess changes in outcomes of interest.

⁵ ILO's Human Resources Development Recommendation, 2004 (Recommendation No. 195) defines employability as relating to "portable competencies and qualifications that enhance an individual's capacity to make use of the education and training opportunities available in order to secure and retain decent work, to progress within the enterprise and between jobs, and to cope with changing technology and labour market conditions" (para. I.2(d)).

Figure 1: Micro, meso and macro level impacts of PEPs



Rigorous evidence on the impact and effectiveness of PEPs is generally scarce. Based on hard and soft evidence, this chapter summarizes some of the results observed from PEPs – not only those specific to youth – in three spectrums: labour market outcomes, education outcomes, and a range of observed impacts on communities.

2.1. Impacts on labour market outcomes

There is little information about the impact of PEPs on labour market outcomes for youth. The scant evidence there is comes primarily from Europe, does not focus on youth, and leaves important questions about the drivers of success (or failure) of PEPs unanswered.

A recent meta-analysis by Card et al. (2010) argues that subsidized public sector employment programmes are generally less successful at improving employment outcomes than other types of active labour market policies (ALMPs), such as skills training, job-search assistance and subsidized private sector employment. The authors suggest that the limited employment outcomes might be due to PEPs only having a minor impact on skills-building, which could have slowed down the transition of beneficiaries into unsubsidized jobs.⁶ However, it is important to highlight that most of the evidence reviewed comes from Germanic, Nordic and Anglo-Saxon countries, and there is limited information about the impact of PEPs in developing countries.

An impact evaluation of the *Jefes* programme in **Argentina** – a policy response to the economic crisis of the late 1990s and early 2000s – showed that PEPs can positively impact employment outcomes. In this evaluation, Galasso and Ravallion (2003) found a reduction of 2.5 percentage points in unemployment rates and increased female labour force participation due to the programme. In addition, the evaluation showed that in the absence of the programme 26 per cent of participants would have been unemployed and 23 per cent inactive. Despite weak enforcement of the programme’s eligibility criteria, the evaluation showed effective outreach to the poor and an ability to protect against further income drops.

Impact evaluation evidence from youth-targeted PEPs includes programmes implemented in the United Kingdom, Germany and Cote d’Ivoire. The New Deal for Young People (NDYP) programme was introduced in the **United Kingdom** in 1998 to help the young unemployed into work and to increase their employability. This was to be achieved by providing multi-staged job-search assistance followed by a menu of training, education, wage subsidy or reinstatement in the labour market through voluntary work or environmental services. Employment in environmental services acted as a PEP, providing jobs for youth in housing projects, forest and park management and reclamation of derelict or waste land. Evaluations of NDYP showed that the PEP component had limited to no impact with regards to post-programme employment, particularly vis-à-vis the wage subsidies, which were a more effective means of exiting unemployment and securing unsubsidized employment (Dorsett, 2006). Similarly, a comparison of **German** ALMPs indicated negative or null impacts from PEPs in both the short and long terms (Caliendo et al., 2011).

An ongoing impact evaluation of the emergency Youth Employment and Skills Development Project (PEJEDEC) in **Cote d’Ivoire** has shown some promising results. The programme was established in 2012 to support the economic recovery after the post-electoral crisis. Early results showed positive impacts on participating youth in terms of the probability of hours worked in wage employment⁷ and a 40 per cent increase in earnings, compared with youth in the control group. These impacts were also found to be much larger for female participants, with wage income among young women more than nine times as high as that of women in the control group (Premand et al., 2015). While of short-term nature, the evaluation results contrast with those of evaluated programmes implemented in developed countries and points to the need for further experimentation in developing contexts.

⁶ The meta-analysis does not capture programme effects on intermediate outcomes, such as skills, knowledge or attitudes.

⁷ In the context of Cote d’Ivoire open unemployment among youth is very low as they cannot afford to be unemployed and so most participants were either self-employed or working on an informal basis but with very low incomes. They shift to working for the THIMO because it offers higher as well as more stable income.

The complexity in the design of PEPs underlies a number of transmission channels that shape programme impact and are often overlooked by evaluations. Some key design features that determine programme effectiveness include:

- wage setting, and how the wage rate compares with local market wages;
- work duration, i.e. how many work days are offered through the programme;
- coverage and accessibility, i.e. how easily and reliably workers can access PEP work as compared to other work;
- timing, i.e. when the work is on offer;
- type of work offered and how it compares with other available work;
- location of work offered, i.e. where the work is available and the distance from communities or programme participants' dwellings;
- flexibility in working hours;
- payment type, e.g. daily, by task, by piece; and
- frequency and speed of payment, i.e. how quickly the PEP is able to pay programme participants.

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in **India** offers an opportunity to explore the heterogeneity of impacts of PEPs on the labour market. With a rights-based and demand-driven approach, employment is currently provided to approximately 50 million households per year under MGNREGA.⁸

Reviewing MGNREGA's impacts through a series of field surveys, Verma and Shah (2012) found that an offer of 100 days of convenient and accessible work close to home and at competitive wages:

- increased labour market participation, particularly among women;
- reduced the gender wage gap;
- partitioned the labour market into two: MGNREGA and the residual labour market; given the large coverage of the programme, this created labour shortages and increased wage rates in the residual market; and
- set wage-floors and provided greater bargaining power to the labourers by introducing a high opportunity cost for their time.

Qualitative measures indicate that the programme has had negative impacts on work ethics among labourers.

While the review does not rely on a rigorous counterfactual approach, it highlights differentiated impacts of MGNREGA throughout the country and offers a typology of interactions between the programme and the local labour markets (Figure 2).

⁸ The MGNREG Act mandates each state to establish a scheme to provide this guaranteed employment. It is common practice however to refer to both the Act and its mandated schemes using the abbreviation MGNREGA.

Figure 2: Interactions of PEPs with local labour markets

	Type I Misfit PEP wages < local wages	Type II Insignificant PEP wages > local wages	Type III Potentially Significant PEP wages > local wages	Type IV Significant PEP wages > local wages
Labour market conditions	<ul style="list-style-type: none"> • There is a booming local labour market offering higher than official minimum wages. = no demand for the programme. 	<ul style="list-style-type: none"> • The scale of PEP work on offer is insignificant vis-à-vis local demand. 	<ul style="list-style-type: none"> • Wages and scale of PEP work are appealing and significant but poor programme implementation deters demand. 	<ul style="list-style-type: none"> • PEP is attractive and significant vis-à-vis local demand and has potential to influence agricultural labour markets.
Implications	<ul style="list-style-type: none"> • (-) PEP likely to make little impact on (already tight) local labour markets; • (+) Can potentially bring new entrants to the labour force, e.g. economically inactive women, elderly and disabled; • (-) If imposed by administration, the PEP may lead to poor implementation, corruption and reduce productivity of agriculture. 	<ul style="list-style-type: none"> • Community demands a more forceful implementation and at a larger scale in order to satisfy the labour demand; • (±) PEP unlikely to have significant impact on the local labour market; • (±) Wages in the residual market unlikely to be affected and will continue to remain depressed. 	<ul style="list-style-type: none"> • (±) The potential positive labour market impact is deterred by administrative bottlenecks and/or systemic corruption; • (-) Labourers will return to residual labour market and/or migration. 	<ul style="list-style-type: none"> • High interest in the PEP in the community driven by non-wage benefits; • (+) Higher wages and better work conditions for labourers; • (+) Fixing of wage-floor at the PEP level and greater bargaining power for labourers; • (+) Reduction in distress migration; • (+) Reduced wage inequality between women and men; • (±) Creation of rural assets can benefit entire community if implemented well; • (±) Segmentation of the labour market into: (a) less productivity-sensitive PEP market comprising mostly women, elderly and disabled; and (b) highly productivity-sensitive residual market comprising productive young people;

Source: Adapted from Verma and Shah, 2012.

The implications of such interactions suggest that positive net impacts are maximized when the programme (i) is large enough to widely attract labour supply, (ii) offers a competitive wage, (iii) follows the implementation protocols closely and (iv) has the potential to significantly alter the structure, conduct and performance of agricultural labour markets.

2.2. Impacts on education outcomes: schooling and school attendance

PEPs can have mixed impacts on education outcomes for participating households. On the one hand, higher incomes can increase the ability of households to invest in education and therefore cover related school enrolment and attendance fees; on the other hand, the increased demand for labour could result in households pulling children out of school in order to support household chores or other unpaid family work.

Table 1 summarizes the effects documented by different studies on the impacts of PEPs on school attendance. In general, the evidence shows PEPs to have positive or neutral effects on school attendance; that is, the programmes are not enticing children or youth to leave school in order to work on the programme or undertake substitute work in the household. However, it is important for PEPs to mitigate such risk through provisions such as excluding child labour from the programme, setting minimum age limits and requiring

proof that dependants are enrolled in school. Further investments in education and in raising awareness of its benefits may also reduce the risk of school dropout.

Table 1: Summary of the impacts of PEPs on school attendance

Country	Programme	Effect	Reference
Argentina	<i>Jefes</i>	The programme led to a 1.8 percentage point increase in school attendance, which translated into 34,000 more children attending school.	Juras, 2014
Ethiopia	PSNP	In 2006, 49.7 per cent of respondents stated that they kept their children in school longer than in the previous year, and 43 per cent attributed this to the PSNP. Additionally, 38.8 per cent of respondents said that they had enrolled more children in school than in the previous year, of which 32.6 per cent attributed this to the PSNP.	World Bank, 2010
		"... PWP has a positive effect on the time children spend on schooling, studying and on the highest grade completed, although these effects are not statistically significant ... For girls we found a statistically significant effect of PWP on time spent studying at home".	Woldehanna, 2009
India	MGNREGA	35 per cent of the respondents (out of 938 respondents) felt that their children's education had benefitted from their participation in MGNREGA.	Mistry and Jaswal, 2009
		"... we can view this effect as an increase of almost 22.3 per cent in school-attendance rate".	Afridi et al., 2013
Sierra Leone	YESP	No effect on school attendance.	Rosas and Sabarwal, 2014
South Africa	<i>Zibambele</i>	Participation in the PEP raised the percentage of households with regular school attendance by all children from 67 per cent to 90 per cent, a statistically significant improvement in attendance rates. Moreover 26 per cent of households where only some children used to go to school shifted into regular school attendance for all children subsequent to PEP employment.	McCord, 2004
	<i>Gundo Lashu</i>	98 per cent of <i>Gundo Lashu</i> households with current PEP employment and school-age children reported that all their children went to school regularly at the time of the interview, while for households with former PEP workers the rate was 96 per cent, rising from 93 per cent and 95 per cent, respectively, prior to PEP employment. These attendance rates are not statistically different for current or formerly employed <i>Gundo Lashu</i> households, and there is no indication of a change in attendance after PEP participation.	McCord, 2004
Yemen	LIWP	Positive impact on enrolment for boys aged under 15 of about 8 percentage points. For males older than 15, there is no impact on enrolment. Enrolment is generally much higher for boys than for girls and there does not appear to be any impact on girls' enrolment, while there is a slight negative (but not statistically significant) impact on enrolment for young women.	Christian et al., 2013

Source: Authors' own elaboration

2.3. Impacts on communities

There is some qualitative evidence on the impact of PEPs on local communities, particularly on social cohesion, capabilities and community empowerment. These positive impacts are driven by the ability of the programmes to (i) raise incomes in the communities, (ii) increase labour force participation rates, (iii) entice community participation in decision-making, (iv) facilitate access to locally useful assets and services and (v) reduce violence and crime. Negative impacts on community cohesion and confidence may arise from programme mismanagement, unaddressed corruption and unfinished projects.

The Community Work Programme (CWP) provides insights on PEPs' impacts on the communities in South Africa. Langa (2011) found that CWP, and the organizational workshop designed to train and prepare communities to implement CWP, led to psychological and economic empowerment of people in the Bokfontein community (one of the first communities where CWP was implemented), improving their confidence to contribute meaningfully to the reconstruction and development process.

Similarly, Vawda et al. (2013) find positive impacts of CWP on local skills and capabilities. They argue that impacts respond to the ability of the programme to provide (i) regular structured employment and work experience, (ii) a steady basic income, (iii) on-the-job training delivering both technical and soft skills (including teamwork and the practice of *Ubuntu*⁹) and (iv) training and awareness-raising on improvement and protection of public goods, services and community assets. In addition to the observed improvements in capabilities, the study observes increased self-employment levels, employability (through higher skills), access to social capital (networks) and household food security. More research is needed to further document what these impacts are and how PEPs affect the local communities.¹⁰

In Cote d'Ivoire, the ongoing impact evaluation of the labour-intensive public works component of the PEJEDEC project provides more rigorous evidence of its impact on young people's attitudes and behaviour. The participants reported higher levels of confidence in the future and emotional stability. Observations based on list experiments showed a positive spill over effect on the community, manifested as a decrease in physical assaults committed by the programme beneficiaries (Premand et al., 2015).

⁹ *Ubuntu* is a southern African philosophical term which could be translated as "human kindness" or "a person is a person through other people".

¹⁰ The Centre for the Study of Violence and Reconciliation in South Africa is currently conducting a study of the effects of the CWP on crime and violence.

3. Participation and targeting of youth

3.1. Participation of youth in PEPs

The primary manner in which youth can benefit from PEPs is through participation in a programme. It is thus important to examine the degree to which youth participate in PEPs and the factors that influence their participation. Two caveats need to pre-empt this discussion. First, it should be noted that no evidence or research was found which specifically looks at the factors that influence the participation of youth. So while several studies examine how factors such as education, gender or household income affect participation, none of them looks specifically at how these affect young people's participation.

The second point is that youth are not immune to factors generally affecting participation. For example, if the overall participation of women is low in a programme because the work offered is in the construction sector and there is no culture of women working in construction, then the participation of young women also tends to be relatively low. The data on the LIWP in Yemen is a good example of such a situation. Youth participation tends to follow the trends associated with factors such as gender, education, household income and net wage gain. Knowledge of these factors can thus guide us in looking at the specific issue of youth participation. The question that emerges in this regard is whether there is an important difference in the degree to which these factors affect participation among youth versus non-youth.

These two points then allow for a discussion of the factors that affect participation at a more general level, recognizing the lack of research on youth, but drawing on the empirical evidence of the factors that are generally important in determining participation in PEPs. It allows us to make inferences about what may affect the participation of youth and as to formulate questions for further research and investigation.

Table 2: Youth participation in different PEPs

Country	Programme	Year for data	Youth definition ¹	Age bracket for data	Youth or available age bracket participation (%)	Source
Cote d'Ivoire	PEJEDEC-THIMO	2012–2015	NA ²	18–30	100	
Sierra Leone	YESP	2011/12	15–35	15–35	92	Rosas and Sabarwal, 2014
Liberia	YES-CWP	2012	18–35	18–35	67	www.lace.org.lr
Liberia	CfWTEP	2010	18–35	18–35	59	Andrews et al., 2011
South Africa	EPWP	2013/14	18–35	18–35	49	EPWP 2013/14 4th quarter report, www.epwp.gov.za
Argentina	<i>Jefes</i>	2002	15–29	18–30	37, 3–39, 5	Neffa, 2009
El Salvador	PATI	2013	15–24	16–24	39	El Salvador SP assessment report
Mexico	PET	2012	12–30	16–31	29	www.cipet.gov.mx
India	MGNREGA	2013/14	15–29	18–30	15	www.nrega.nic.in
Yemen	LIWP	2012	15–24	15–24	15 ³	Egel and Al-Maweri 2011
Latvia	WWS	2009/10	13–25	15–25	9	Hazans, 2012

1 Youth definitions obtained from www.youthpolicy.org. 2 No official definition of youth available for Cote d'Ivoire according to www.youthpolicy.org. 3 Approximate value estimated from figures in source.

Table 2 summarizes the participation of youth in the different programmes reviewed for which such data are available. Care should be taken in comparing these programmes as their designs, youth age ranges and contexts vary. The difference in the age ranges used in the definition of youth is particularly important when comparing these figures. For example, in El Salvador the definition of youth spans only an 8-year period, while in most of the African countries it spans 17 years, and even up to 20 in Sierra Leone. This definition thus greatly influences the probability of youth participating in a programme. What is also striking is that for three of the programmes, the basis on which the data on the age of participants was collected is not consistent with the definition of youth in that particular country, thus making it difficult to accurately assess participation of young people in the programme.

The first observation is that the youth participation rates across programmes vary considerably, even though youth are eligible for all of these programmes. The figures cannot always be compared as different definitions of youth may have been used. However, this raises the question of what are the possible reasons for this high degree of variation? This question is explored further below using Table 3, which lists the same programmes, but organized based on their targeting strategies.

The eleven programmes can be grouped into three categories based on their targeting approach: (a) programmes that target the individual and explicitly target young people, (b) programmes that target the individual but do not target youth, and (c) programmes that target households. This is shown in Table 3. This exercise reveals that explicit targeting of young people has a positive impact in terms of higher youth participation in PEPs.¹¹ And while this may seem obvious, it should be kept in mind that youth are eligible to participate

¹¹ While the participation rate for El Salvador seems relatively low, it should be kept in mind how narrow the definition of youth is in this country as compared with the other countries.

in all of the programmes listed. The point here is that it seems that merely ensuring that youth are eligible does not appear to be sufficient to stimulate their participation, but that more proactive measures may be required to encourage their participation. A second point, which is elaborated upon further in section 3.3.1, is that targeting youth is fairly straightforward in terms of administrative implementation and is an effective way to increase youth participation.

Table 3: Youth participation and targeting approaches in different PEPs

Country	Programme	Youth a target group? (target)	Target (individuals or households)	Youth or available age bracket participation (%)	Targeting strategy
South Africa	EPWP	Yes (40%)	Individual	49	Categorical (youth) + community (poor + unemployed) + self-targeting
Liberia	YES-CWP	Yes (75%)	Individual	67	Categorical (youth) + community (vulnerable)
Sierra Leone	YESP	Yes (100%)	Individual	92	Categorical + self-targeting
El Salvador	PATI	Yes ¹	Individual	39	
Cote d'Ivoire	PEJEDEC-THIMO	Yes	Individual	100	Categorical (youth) + self-targeting
Mexico	PET	No	Individual	29	Geographical (small towns and village)
Liberia	CfWTEP	No	Individual	59	Community/lottery (Vulnerable)
Latvia	WWS	No	Individual	9	Registered unemployed with Ministry of Labour + self-targeting
Argentina	<i>Jefes</i>	No ²	Household	37, 3–39, 5	Categorical (households with school age dependants) + self-targeting
India	MGNREGA	No	Household	15	Universal in rural areas + self-targeting
Yemen	LIWP	No	Household	15	Geographical (remote villages) + community (poorest)

¹ Preference was given to participants aged between 16 and 24 who also met the other eligibility requirements. ² While the programme was not specifically targeted at youth, one eligibility requirement was that participating households had dependent children, and so young people with small children would be part of the target group.

The three programmes that target individuals but do not define youth as a specific target group have a wide variation in their youth participation rates. In these programmes youth participation seems to depend more on the local context and the characteristics of youth, which vary significantly among these countries.

For the group of programmes that target households, there was a high degree of youth participation in Argentina, while in India and Yemen it was relatively low. This is probably, at least partially, due to the fact that in Argentina only households with dependent children were eligible for the programme, which would include a lot of households headed by people under 30 years of age. From this it would seem that the most effective way to ensure that youth participate is to simply target youth using categorical¹² targeting based on their age. This may not always be sufficient, however, for two main reasons. The first is that in some contexts it may be difficult to exclude non-youth from a programme, especially if there is no other employment or income support available for them. The second is that in some countries youth, or specific categories of youth, may not find PEP work attractive, despite being unemployed or having a lower income than that being offered by the programme. This then raises questions about how to attract youth in such circumstances.

These questions are somewhat analogous to the questions on female participation in PEPs, which was very low a few decades ago but has increased after features that are now known to make PEPs more attractive to women were included. These include offering work close to home, flexible working hours, options of part-time work, availability of childcare, etc. These features are now much better understood and are common in most PEPs that aim to ensure female participation. The challenge ahead is to identify a similar set of features that would make PEPs more attractive to different categories of youth and to ensure that they are included in programmes and contexts where higher youth participation is desired.

3.2. Eligibility and definition of target group

The manner in which eligibility criteria are set and target groups defined is important for the participation of youth. Age limits or age requirements are an obvious eligibility condition. From the perspective of youth participation and how youth is defined, the lower age limit for participation in the programme is of greatest interest as the upper age limit (if any) is not an impediment to youth participation.

In some countries the age range used to define youth is so broad that it includes youth of non-working age. In such contexts it is useful to talk of working-age youth and non-working-age youth. Only the working-age youth would be eligible for participation in the programme.

A slightly more challenging issue arising from setting the lower age limit for participation relates to schooling. While in many countries the legal working age is typically 16, or even 15, most programmes tend to have an age threshold of 18. The most common reason for this is to prevent youth who are in school from leaving education to participate in the PEP. And although this makes sense, the result is that the programme excludes those young people who are already in the labour market and who could potentially benefit from working in a PEP. If this group is particularly large or vulnerable, one may consider making a provision to include them and, where feasible, to encourage

¹² While it is common in PEP and social protection literature to use the term categorical targeting, the linguistically correct term is categorical, which is used in this paper

them to complete their secondary education or take up training, as with the PATI programme in El Salvador.

For youth aged over 18, none of the programmes reviewed imposed any exclusions to participation. The general practice therefore is that age is not a restriction for working-age youth to participate in PEPs.

Another, more complicated eligibility issue relates to how programmes target households and how that affects youth participation. This could be one of the factors explaining the low participation rate of youth versus non-youth in MGNREGA in India. The figures in Table 4 show the participations rates in MGNREGA as 6.6 per cent for youth and 22.2 per cent for non-youth.

Table 4: Rural population and MGNREGA participation in India

Age group	All rural India (millions)	Percentage of total rural	Registered for MGNREGA (millions)	Percentage of total rural	Working on MGNREGA (millions)	Percentage of total rural
18–89	504.9	100.0	317.5	62.9	80.1	16.0
18–30	194.2	38.5	58.2	29.9	11.7	6.0
31–89	310.7	61.5	259.4	83.5	69.0	22.2

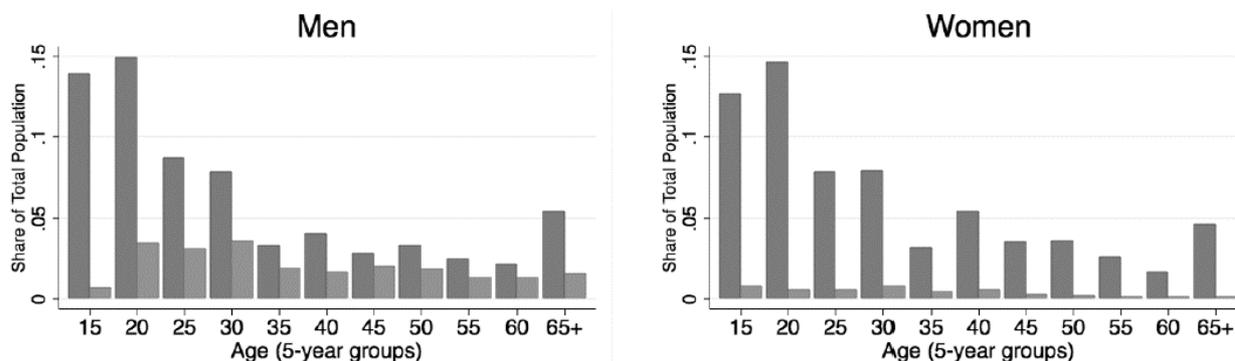
Source: Based on MGNREGA and 2010 census data

In programmes that target households, it is generally assumed that the head of the household is the main point of contact for the programme (i.e. in the household-targeted programmes in Argentina, Ethiopia, India and Yemen). While youth participation is not an issue in households headed by young people, it raises some questions where youth form part of a larger household.

One question is the position and influence of youth within the household. For example, are youth able to take the initiative and work in a PEP without the permission or approval of the head of the household? And, if there is competition for the work and income between young and older members of the household, who is likely to take priority?

Figure 3 presents the results from an impact evaluation of the LIWP in Yemen, a household-targeted programme. It shows that while there is a high prevalence of youth (blue bars show population), relatively few actually participate (red bars). These figures clearly point to a bias towards the participation of older men. In the view of the evaluators, this bias reflects the approach used whereby work is assigned to households and "they" (the older men) can allocate this work within the household "as they wish" (Egel and Al-Maweri, 2011).

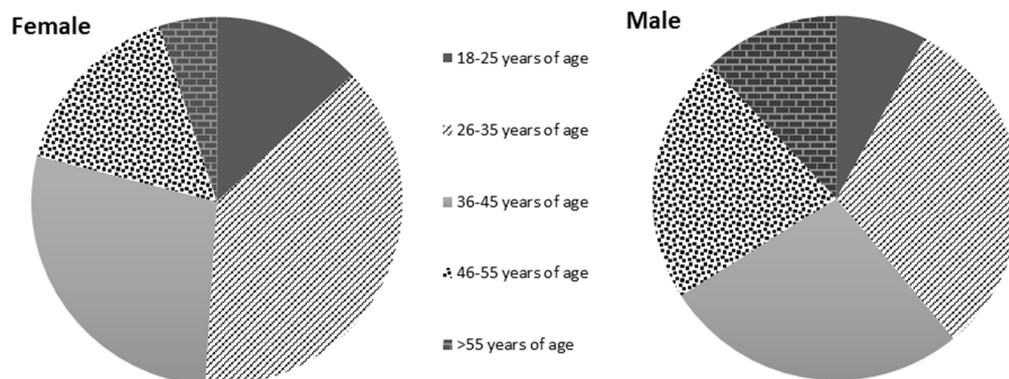
Figure 3: LIWP participation rates by age



Note: Blue bars = full LIWP households sample; red bars = participants in LIWP projects.
Source: Egel and Al-Maweri, 2011.

Another household-related eligibility requirement may be the presence of dependent children in the household, as was the case in the *Jefes* programme in Argentina.¹³ Such a requirement excludes youth-headed households with no children (yet), regardless of their interest, willingness to work or meeting other targeting criteria. However, it does target younger households as they are more likely to have dependent children. Figure 4 supports this, showing relatively low participation among 18–25-year-olds, who are less likely to have dependent children in the household, compared with the 25–35 years age group.

Figure 4: Jefes participants by age groups



Another important issue for household-targeted programmes relates to that of perception and communication. How households are targeted and communicated with can affect the way youth interpret their eligibility for and role in the programme. Young people who are not heads of households may assume that they are not a part of the target group and that they would be excluded if they came forward and applied. This is particularly true in contexts where there is considerable competition over participation and rationing measures are in place.

Therefore, programmes that primarily target households but aim to achieve high levels of participation among youth must introduce appropriate measures into their programme design. One option would be to allocate more working days to households with young people of working age and to make such households the primary target group. These

¹³ Where this is not a requirement, it often a basis for giving preference either through giving preferences to higher numbers of dependents or through how vulnerability is assessed.

measures could also be applied to programmes that specifically target youth-headed households.

3.3. Targeting mechanisms

The most common targeting methods used in PEPs are:

- categorical targeting;
- self-targeting, using the wage rate and the type of work;
- geographical targeting;
- community-based targeting, to identify the most vulnerable/poorest, usually using proxies for vulnerability and poverty.

Most programmes use a combination of these targeting methods. Their implications for targeting youth are discussed below.

3.3.1. *Categorical targeting*

Categorical targeting is an effective method for targeting youth. Categorical targeting involves using the national definition of youth as the basis for eligibility, ensuring that all or a minimum share of participants is within that age category. It is a fairly simple approach to administer. One may encounter some ambiguity over conformity with the age limits, but these need not be strictly upheld. For instance, in circumstances where youth are defined as individuals aged below 25, 26-year-olds who meet all the other targeting and eligibility criteria should not be prevented from participating. Implementing categorical targeting alone can be effective in ensuring a high percentage of youth, particularly when programmes are small and have many more people interested than can be accommodated.

The programmes in Cote d'Ivoire, Liberia, Sierra Leone and South Africa are good examples of effectively using categorical targeting along with quotas for youth to ensure high levels of youth participation. However, there may also be political limits to categorical targeting, in that if programmes are heavily oversubscribed, there may be resistance to the exclusion of non-youth, which can create tensions that complicate programme implementation.¹⁴

At the same time, it may prove challenging to secure the desired levels of youth participation in larger programmes through categorical targeting alone. Hence, additional targeting mechanisms may be necessary to achieve this objective.

3.3.2. *Self-targeting*

Self-targeting mechanisms rely on individuals deciding whether or not to work in a PEP based on the programme's package of wages and working conditions. How young people will respond to a given wage rate will depend on what wage they could potentially earn through other work, their reservation wage or their expected net wage gain. However, the common approach of setting the PEP wage rate on a par with or below the market wage usually does not factor in whether the market wage for youth is different from those for other groups. Again a gender analogy is useful to illustrate this point. It is now understood that in many areas or countries, there is a gender wage gap, whereby market wages for

¹⁴ This is the most likely reason why the youth target in Liberia was not achieved in some counties.

women are lower than those for men. In such contexts, if a programme offers the same wages to men and women, it will be relatively more attractive for women to participate. It is assumed that the same can be held true when it comes to young people: if youth tend to earn lower wages in comparison to adults, self-targeting may be achieved through setting the wages at the same level as the market wages of adult workers.¹⁵ While there is considerable evidence on the net wage gain of participants, which will be presented in Chapter 5, there is little relevant evidence on the difference in net wage gain between youth and adults.

The review of the YESP programme in Sierra Leone offers some interesting insight on self-targeting. The programme paid below market wages, yet 92 per cent of participants were youth, suggesting that reservation wages for youth are low. An evaluation of the programme concluded that this cash-for-work (CfW) programme primarily reached youth with low levels of education working in the agricultural sector – a third of whom were female. At the same time, the programme did not necessarily reach the poor (Rosas and Sabarwal, 2014). One possible explanation is that young people from well-to-do households joined the programme to supplement their income. This example shows that while the self-targeting measure of offering a wage lower than the market wage did work in drawing in a higher proportion of younger people, it failed to reach out to the poor, which was the ultimate target group of the YESP programme.

Mexico’s PET programme also relied on self-targeting using the wage rate, but did not target youth specifically. The results presented in Table 5 show lower youth participation compared with other age groups: only 2.5 per cent of youth in rural areas participated in PET compared with 4.4 per cent of adults.

Table 5: Rural population and participation in PET in Mexico

Age group	All rural Mexico ¹ (millions)	Percentage of total rural	Working on PET (millions)	Percentage PET of total rural population
16 and above	21.0	100.0	0.76	3.6
16–31	8.7	41.3	0.22	2.6
Above 31	12.3	58.7	0.54	4.4

¹ This is the population in all settlements with fewer than 5,000 people. The Mexican census data do not distinguish between rural and urban, but rather use the number of inhabitants in a settlement to categorize the locality of the population. PET’s targeting is consistent with this as it targets villages with inhabitants of fewer than 5,000 people, although not all villages of fewer than 5,000 people are automatically targeted, but only those that score low on a given index, such as the Human Development Index.

Source: Compiled by authors based on PET and census data.

The other programme feature that has a self-targeting effect is the nature of the work offered. The programmes in South Africa and Mexico that have a lot of diversity in the types of work offered yielded different results in terms of youth participation, though to a varying degree, and with more pronounced differences in South Africa than in Mexico. The youth participation rates in the different sectors of the EPWP are shown in Table 6. The table shows that type of work can influence the level of youth participation and therefore that it should be given due consideration in the design of youth-targeted PEPs.

Table 6: Youth and female participation per subsector in the EPWP, 2013/14

¹⁵ The only relevant evidence found so far is that in Yemen the wage rates for young people tend to be lower than those for older people.

EPWP sector	Youth (18–35) participation (%)	Female participation (%)
Social	43	84
Environmental	58	54
Infrastructure	43	48
Non-profit organizations	51	73
Community work programmes	48	72
All	49	62

Note: Definition of youth in South Africa is up to 35 years.

Source: DPW 4th Quarter Report for 2013/14.

3.3.3. *Geographical targeting*

Geographic targeting focuses on the recruitment of workers residing in certain areas, such as the regions with lower levels of economic development, or workers who live in proximity to a work site. Arguably the most important point is not to assume that demographics are similar across the country or region targeted. The proportion of youth in the population may vary significantly between urban and rural areas; the same applies for levels of education, unemployment rates, the age at which youth leave the household and their vulnerability. One programmatic option may be to prioritize the areas with the highest number of unemployed and underemployed youth. Another option can be to adjust the youth target to reflect different demographics, with higher quotas in areas with a greater share of young people. However, this would need to be weighed against the downsides of such an approach, including overcomplicating programmes. None of the programmes reviewed adjusted their geographical targeting specifically to young people.

The programmes in Mexico and Yemen use an interesting geographical targeting approach, whereby the programmes focus on villages with fewer than 5,000 inhabitants in Mexico and fewer than 300 in Yemen. These programmes do not target youth and both have relatively low youth participation. Nonetheless, this is an interesting approach, and one that could prove effective in programmes that aim to reach youth in small villages that are difficult to reach through other policy measures, and can be easily combined with categorical targeting as necessary.

3.3.4. *Community-based targeting*

Community-based targeting relies on the community to identify the most deserving beneficiaries of the state programme. Communities select participants based on a set of eligibility and prioritization criteria. The degree to which community-based targeting reaches youth will largely depend on how these criteria are set with regards to youth and how well they are understood in the community. Given the relative ease of identifying youth (as compared to, for example, the poor or the most vulnerable) communities are well placed to target youth.

However, the success of community-based targeting depends on the degree to which young people participate in the community structures that implement the targeting procedures. Young people's concerns may be overlooked and their comparative vulnerability misjudged during the decision-making process if they are not represented in the consultations. It is therefore paramount that youth are part of the community structures. Yet of the programmes reviewed, only PSNP in Ethiopia had a specific requirement to have a youth representative on the Community Food Security Task Team (Government of Ethiopia, 2012).

3.4. Other factors affecting the participation of youth

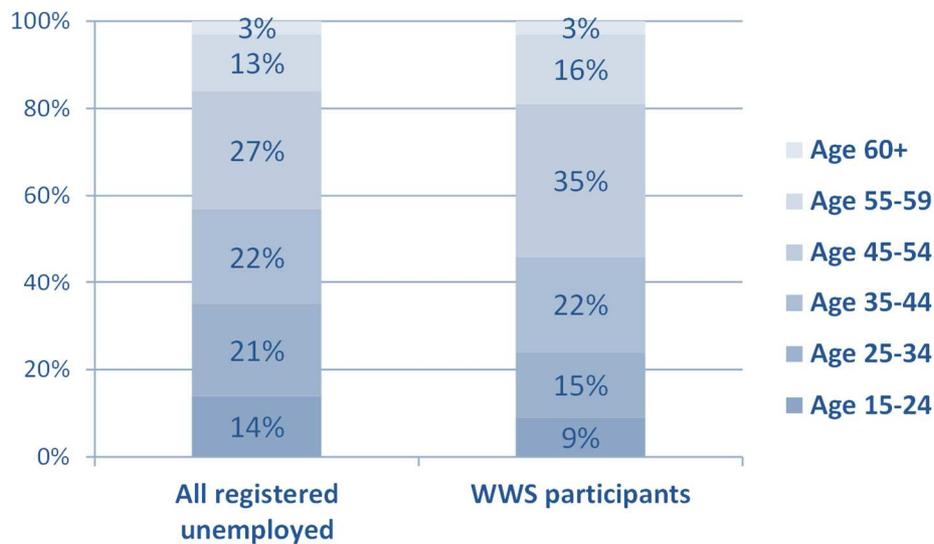
There are many other factors that influence youth participation in addition to those discussed above,¹⁶ of which education is perhaps the most interesting and relevant for the participation of youth. This section looks at the existing evidence on whether or not level of education affects participation in PEPs.

Findings on how levels of education can determine participation in PEPs vary. Studies in India that investigated this question have yielded mixed results. In some states, education levels were found to negatively affect the participation, while in other states no significant effects were found (Kumar, 2013; De and Bhattacharyya, 2013). Another study, which looked more specifically at how different levels of education affect participation, found that the impact is negative, but only among those who have higher education. At the same time, it seemed to be of lesser importance whether participants had completed primary or secondary education (Jha et al., 2010).

These findings are consistent with findings from other countries. For instance, in the Workplace with Stipend (WWS) programme in Latvia, post-secondary education was found to be a significant determinant of participation, while secondary education was not (Azam et al., 2012). Figure 5 compares the participation rates of those in specific age brackets with the number of unemployed for those age brackets. It shows that in the WWS programme, young people were under-represented compared with their share in unemployment. The target group in Latvia was not in fact youth, but unemployed individuals without access to any unemployment benefits. It was also found that education matters most at the two ends of the education spectrum. Those with higher (post-secondary) education were much less likely to work in the WWS programme, while those with basic education were more likely to get involved, as shown in Figure 6. These findings are echoed by Azam et al. (2012), who found that higher education in particular negatively affected WWS participation. The evaluation of the *Jefes* programme in Argentina also revealed little impact on participation of education at primary and secondary levels (Galasso and Ravallion, 2003).

¹⁶ Such factors include, for example, race, caste, household income, proximity of home to administrative centres, household size, inclusion of training components and many others.

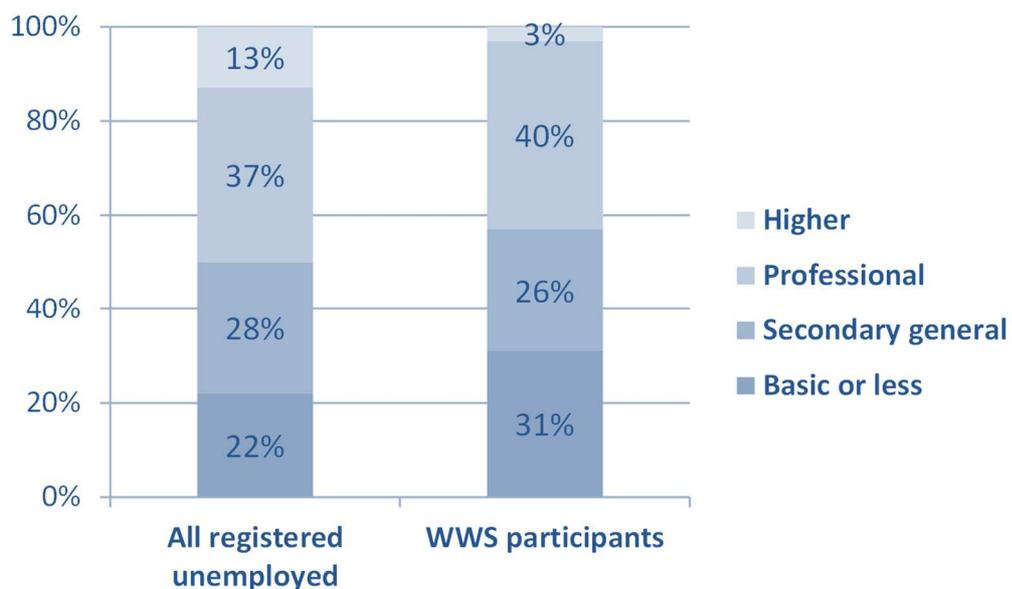
Figure 5: Age distributions of the unemployed and of WWS participants



Source: Hazans, 2012.

If it is assumed that the young are generally more likely to have a higher level of educational attainment than older people, then part of the reason for the low participation of youth may relate to level of education. This is, however, not conclusive. While these findings are not surprising, it is still worth investigating how these effects manifest themselves when it comes to youth and whether they are strong or weak. If education levels of youth are very important in determining their participation, programmes can be designed to better target educated youth. Alternative methods of addressing young people may need to be considered to reach out to the more educated unemployed or underemployed young people.

Figure 6: Educational attainment levels of the unemployed and WWS participants



Source: Hazans, 2012.

4. Benefits and use of income

4.1. Setting benefit levels

How to set the benefit or wage levels for PEPs remains an ongoing debate and different governments and agencies have developed their own approaches in this regard. These different approaches are well articulated and documented.¹⁷

Perhaps the biggest controversy about setting benefits levels is how effective and desirable it is to use the wage rate as a self-targeting mechanism. The World Bank generally advocates (Subbarao et al., 2013) that the wages should be set below market wages because it:

- will enhance self-targeting and encourage only the poorest to participate in the programme;
- avoids distorting the labour market, in particular through increasing local wage rates and displacement from other work;
- maximizes coverage or the number of participants who can benefit, given a fixed budget allocation;
- recognizes that in some settings minimum wages can be relatively high and often do not reflect market wages.

The ILO is generally of the view that the self-targeting effect of setting a low wage rate should not be the overriding principle in setting the wage rate because:

- in principle, PEPs offer employment which should comply with national labour legislation, including minimum wages;
- evidence shows that it is not always an effective targeting mechanism for reaching the most vulnerable (McCord, 2004; Vaidya, 2010; Rosas and Sabarwal, 2014);
- setting the wage rate too low can undermine existing labour practices, as well as the very income transfer and social protection objectives of the programme;
- in situations where there is widespread non-compliance with labour legislation on minimum wages and conditions of work, or the local labour market is not functioning well, distorting this labour market may be a desirable outcome.

In India, MGNREGA has actually helped increase rural minimum wages in some states over the years, and has in general put upward pressure on rural wage rates, thereby also lifting the incomes of non-participants and of the rural poor in general. This is one example of how PEPs can also contribute to distorting the labour market, influencing it in a positive manner.

Given the extensive literature available capturing these two approaches, this study only addresses the question of whether the setting of benefits should be approached any differently in programmes that target youth. Arguments for a different approach for youth could stem from two possible situations encountered, namely:

- youth have different reservation or market wages;

¹⁷ See for example ILO (2013), Vaidya (2013) and Subbarao et al. (2013).

- youth tend to use the income from PEPs differently, i.e. to achieve different objectives.

One or both of these arguments could justify using a different approach to setting the benefit level and could result in either a higher or lower wage level for youth-targeted PEPs. To the best knowledge of the authors, none of these questions have been explored in studies or evaluations, but some studies provide some indications and insights into these questions and will be discussed below.

4.2. Youth and PEP reservation wages

The ILO carried out detailed studies on recommended wage levels for PEPs in several countries, including Cambodia and Timor-Leste. These studies surveyed potential participants, allowing for age disaggregation of respondents. From this data it was possible to assess whether youth in these countries would be available to work in PEPs, whether they had different reservation wages, and whether different behaviour could be observed from non-youth if a PEP offered a certain wage rate.

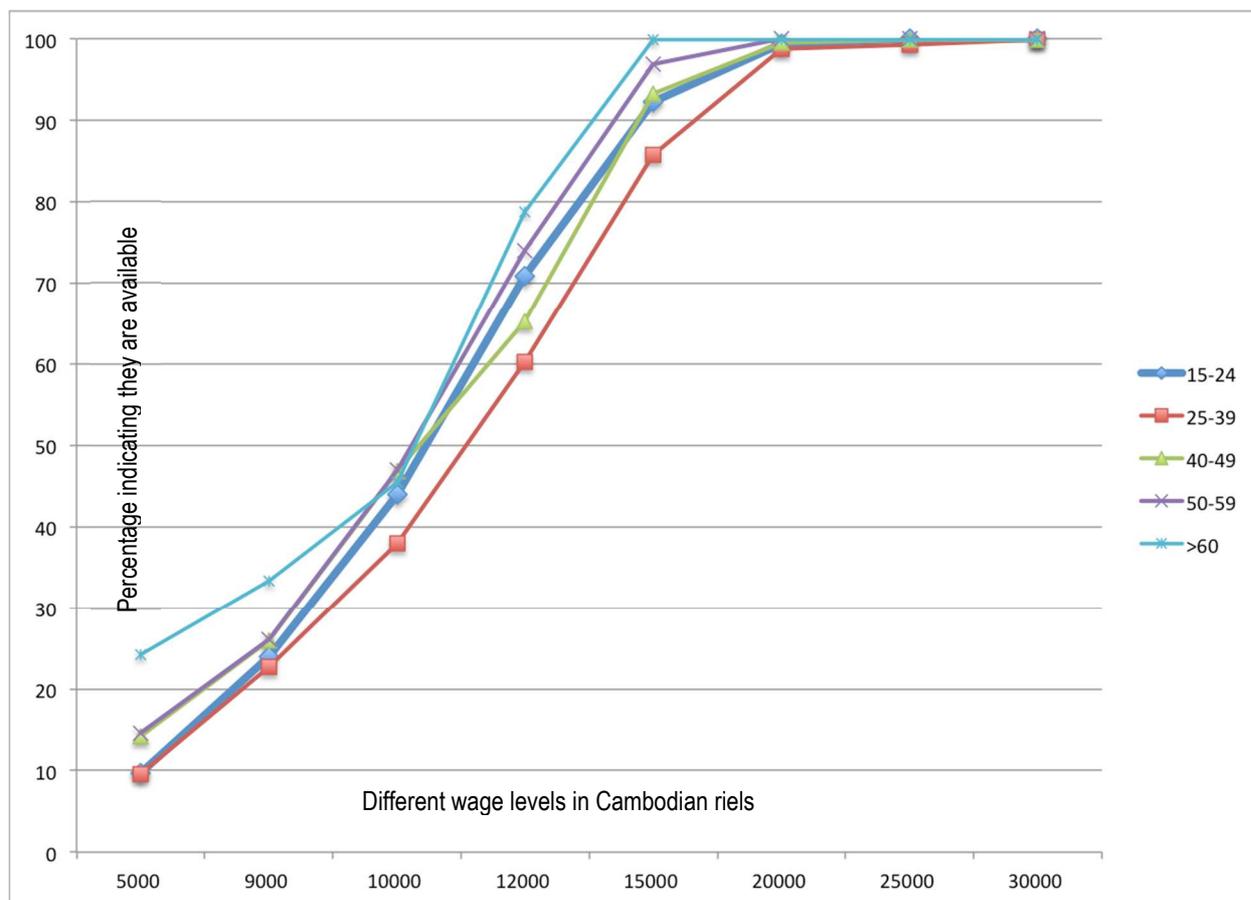
In the Cambodia study (Vaidya, 2010) youth were categorized as those in the 15–24 age range.¹⁸ In terms of availability, youth were neither over nor underrepresented in terms of their numbers. Those in the 25–49 age group were the most available (i.e. overrepresented) and those in the over-49 age group were underrepresented. The study also found that the relationship between age and acceptable wage was complex and found no evidence of a youth reservation wage gap. Interestingly, there seemed to be more of a reservation wage gap between those in the 15–39 age group and older age groups, with the latter willing to accept lower wage rates. The detailed results are presented graphically in Figure 7. The over-60 age group is seen as the most willing to work for lower wages, the 25–39 age group the least willing to do so, and the 15–24-year-olds as between these two groups.

The study also looked at the evidence on cash earnings for those who had either been engaged in paid employment or had earnings from businesses in the previous four weeks (about one-third of the economically active). Here again, there was no significant difference in the distribution of the wage earnings in the 15–24 and 25–39 age groups.

A subsequent pilot project, the Productive Assets and Livelihoods Support programme (PALS) incorporated some of these findings and set a wage rate of 13,500 riels. Unfortunately, there are no age data available on the participants in PALS and thus it is not possible to compare the programme results with the findings of this study.

¹⁸ The official definition in Cambodia is 15–30. However, it was not possible to disaggregate the data at this stage to align with this age bracket.

Figure 7: Cumulative percentages of those willing to work at different wage levels by age group



Source: Compiled by the authors based on data from Vaidya, 2010.

In Timor-Leste the proportion of youth (15–24) willing to work at \$2.00 per day was not significantly higher than that for older age categories (70.6 per cent for youth and 68.5 per cent for non-youth). For those in the 15–19 age group, the proportion was similar to that for the 25–29 age group, while for the 20–24 age group the proportion was significantly lower than for the 25-plus age groups. This would imply a higher reservation wage for the 20–24 age group (Vaidya, 2008).

Finally, the YESP programme in Sierra Leone is worth mentioning again as 92 per cent of participants were youth with a wage rate apparently well below the prevailing market wages (Rosas and Sabarwal, 2014) and there was substantial oversubscription.¹⁹ This would imply that youth in Sierra Leone are willing to accept wages well below the market wage.

¹⁹ It is also worth mentioning that the low wage rate did not ensure good poverty targeting. The income profile of the beneficiaries was very much in line with national income profiles, meaning it could as well have been random. The impact evaluation goes on to conclude that self-targeting alone was unlikely to achieve better targeting given the overwhelming demand, even at these low wage rates (Rosas and Sabarwal, 2014).

Box 1: Youth with dependants and dependent youths

It is likely that an important determinant on youth behaviour with regards to PEP participation, acceptable wage levels and use of income is whether the youth heads her or his own household and has dependants, or whether the youth is part of a larger household where she or he remains at least partially dependent on other members of the household. It is, however, impossible to predict that one or the other group will have higher or lower reservation wages.

Youth with dependants may be more desperate for income and so have a lower reservation wage, or they may be more selective as they need a certain minimum income to take care of their dependants and so will hold out for a higher wage. Youth who are dependants may also have a lower reservation wage as they may see it as a complementary income to increase their own or overall household income, or they may have higher reservation wages as they are able to hold out longer since they have a broader household to support them. This question is therefore an empirical one, and one that is likely to vary a lot from one country context to another.

4.3. Evidence on the use of PEP income by youth

With regards to objectives and the use of PEP income, it is conceivable that PEPs that specifically target youth may have additional objectives related to education or skills development or are linked to other active labour market interventions or entrepreneurship promotion. In such instances there are examples where the financial benefits are complemented by non-wage benefits, such as training, entitlement to training, or wage subsidy vouchers. This will be explored in more detail in the chapter on harmonization, skills and entrepreneurship. However, if there is evidence that youth are inclined to use their PEP earnings for such purposes anyway, it may also make sense to encourage their participation in PEPs or to increase the wage benefit to put them in a better position to achieve these objectives.

Although limited, the evidence emerging from the early impact assessment of PEJEDEC in Cote d'Ivoire is very promising. This study, which compares participants with a control group, found an increase of 30 per cent in the propensity to save, and an increase in actual monthly savings of \$15 per month, which is equivalent to 15 per cent of the monthly income from the programme. It was also found that there was a 93 per cent increase in investments in training, education or productive assets. However, the bulk of programme income is spent on basic necessities: the evaluation registered an increase of 32 per cent in expenditure on these necessities, demonstrating the safety net function of the programme (Premand et al., 2015).

The programmes in Liberia and Sierra Leone also had very high youth participation rates (recognizing that in both countries the definition of youth extends to 35) and so the spending patterns of these programmes could be seen as providing an insight into how youth in these countries use their earnings.

Table 7 illustrates the use of project income by households in CfwTEP in Liberia. Close to 60 per cent of participants in this programme are considered youth. The high share of expenditure on education is noteworthy, however this may relate to the timing of the projects, which occurred at the beginning of the school year.

Table 7: Use of project income by households in CFWTEP in Liberia

Category	Share of Funds
Education	31
Living expenses	28
Health care	8.4
Farm investment	8.2
House repair	8.2
Non-farm investment	6.0
Debt repayment	3.6
Acquiring household assets	2.9
Transfer	1.3
Funeral	1.2
Celebrations	1.1
Total	100

Source: Andrews et al., 2011.

The YSEP in Sierra Leone had an even higher youth participation rate, at 92 per cent. It could thus be argued that the conclusions from the impact evaluation of this study more or less relate directly to the impacts of the PEP on youth. The most important conclusions from the impact assessment are that (Rosas and Sabarwal, 2014):

- participants spend 18 per cent more on medication and education than control households;
- treatment households were 34 per cent more likely to own goats or pigs and the number of poultry owned was 26 per cent higher than in control households;
- only 8.9 per cent of control households reported that someone in the household had set up a new enterprise in the last 3 months, compared to 33.6 per cent in the treatment group;
- treatment households reported spending 8 per cent more on food in the past month than control households. Household expenditures on hygiene products and on home improvements also increased, by 15 and 33 per cent, respectively;
- but at the same time, there are some puzzling decreases in the household spending on fuel (19 per cent) for lighting, heating and cooking.

Other studies also investigated whether some of the PEP income was used to cover expenses related to education through surveying participants on whether they use their income on education-related expenses. Table 8 provides an overview of findings from various surveys around the world.

Table 8: Overview of findings on PEP income used for education

Country	Programme	Percentage of participants who used income for education	Percentage of PEP income used on education	Reference
Liberia	CfWTEP		31 ¹	Andrews et al., 2011
India	MGNREGA		10–15	Babu and Rao, 2010
India	MGNREGA (Bihar, AP and Rajasthan)		2–9	Sharma (unpublished)
South Africa	EPWP	7.1 ²		Meyer et al., 2007
Ethiopia	PSNP	15.2	2.5	Devereux and Solomon, 2006
Malawi	MASAF PWP	11.6		Wadonda Consult., 2000
South Africa	<i>Zibambele</i>	82		McCord, 2004
	<i>Gundo Lashu</i>	37		McCord, 2004

¹ Most frequent use of the income. ² Percentage reporting that the main expenditure from income was on education.

The figures in Table 8 highlight that expenditure on education by PEP beneficiaries is common, and in some cases can constitute a significant portion of the income. In Liberia, education was found to be the number one expense. The findings on the impact that PEPs have on school attendance have already been discussed (section 2.2). There is evidence of the use of PEP income for education, as well as improved school attendance, from PEPs in Ethiopia, India and South Africa. It is thus possible to conclude that expenditure of income on education has been a factor contributing to the increased school attendance.

As clear from the case studies discussed above, the increased income is spent sensibly, on food, clothing, education, improvement of dwellings, health care, household assets and other productive investments. The degree to which the income is used for these purposes differs significantly from programme to programme and depends perhaps as much on the local context as it does on the programme design.

5. Costs and cost-effectiveness of PEPs

5.1. Approaches to comparing costs and cost-effectiveness

There are several ways in which the costs of PEPs are compared and their effectiveness is assessed. The costs of programmes are difficult to compare across countries. Wage costs will vary depending on market wage rates and productivity. Non-wage costs will vary even more, depending on the costs of material, tools, equipment, supervision, management, engineering design and overheads.

One measure that is commonly used is the labour intensity of a programme since it is simple to calculate and the data are generally available. Labour intensity is defined as the total wage cost divided by the total programme cost. It does not really compare costs, but rather what percentage of every dollar spent in the programme goes on wages.

For programmes with a strong anti-poverty or social protection focus, a commonly used approach is based on the “Appraising Workfare” method (Ravallion, 1998). This approach evaluates PEPs based on how cost-effectively they can transfer \$1 of benefit to the poor. While this approach aims to make programme appraisals easier, in practice, because of data requirements, it remains difficult to apply and often further simplification is necessary. The simplified version uses two parameters in addition to labour intensity to assess the cost-effectiveness of transferring income to the poor. These are the targeting efficacy (the percentage of those working who are poor) and the net wage gain (the income from the programme minus the cost of participating in the programme). The costs of participation include the opportunity costs and are usually the most significant factor in reducing the net wage gain.

Another approach used to measure the cost-effectiveness of programmes that aim to intensify the use of labour is to compare the cost of such programmes with the cost of constructing similar infrastructure using more conventional methods (i.e. equipment-based approach). Such comparisons can be made by looking only at the direct financial costs of construction, or at the broader economic costs, also taking into account the effects on unemployment, local economies and poverty reduction. This approach is mostly used in programmes that have a stronger investment rather than social protection focus.

5.2. Cost for person-year of employment created

Table 9 presents the costs per person-year of employment created for the programmes for which the relevant data are available.²⁰ A person-year of employment is assumed to be 230 working days per year. The figures are provided in local currencies. Because wage rates vary significantly from country to country, the labour intensity and wage rate for each programme is also provided, as this then makes comparison across countries more feasible.

Table 9: Cost of creating a full-time equivalent job for different PEPs

Country	Programme	Year for data	Cost per FTE (\$) ¹	Daily wage rate (\$)	Labour intensity (%)
South Africa	EPWP (overall)	2012/13	6 509	7.95	30
	CWP	2012/13	2 097	7.83	60
	Infrastructure sector	2012/13	12 037	7.83	19
	Environmental sector	2012/13	4 448	7.83	47
Mexico	PET	2009	1 142	4.20	75
India	MGNREGA	2013/14	721	1.82	60
Liberia	CfWTEP	2010	1 015	3.00	71
	LYEP	2013	2 711	4.00	63
	YES-CWP	2010–2013	958	3.00	80
Latvia	WWS	2009/10	2 982	10.08	80
Argentina	<i>Jefes</i>	2003	1 933	7.50	
Sierra Leone	YESP	2011/12	1 084	1.57	60
El Salvador	PATI	2013	6 615	20.00	75
Yemen	LIWP	2012	2 432	7.50	83
Kenya	YESD	2014	5 481	1.38	45
Ethiopia	PSNP	2010	387	0.91	80

¹ Calculated using the total programme costs, including materials, equipment etc.

There is clearly a wide variation in cost per full-time equivalent (FTE) created and the two factors that largely determine this “unit cost” are the daily wage rate and labour intensity. High wage costs increase the cost per FTE, while high labour intensity reduces it.

This approach is very simplistic and, most notably, ignores the importance of human investment, assets and services that the PEP provides. It is critical therefore that the non-wage costs are not simply seen as programme expenses to be minimized in order to increase cost-effectiveness, as the long-term benefit of PEPs is the services and assets created. While high labour intensity reduces the cost per FTE, it also tends to limit the type of assets that can be provided. Even on simpler projects, the labour cost can be pushed so high that the non-wage costs become insufficient to ensure productive work. For example, even a project as basic as street sweeping requires a sufficient number of brooms, supply containers or bags and some means of transportation to remove the garbage.

²⁰ It should be noted that the LYEP in Liberia is also included in this, but that it is a distinct programme from YES-CWP, which is discussed in more detail in other sections.

5.3. Income foregone and net wage gains from selected programmes

Some of the issues omitted in previous sections for the sake of simplicity but which may be important to consider in policy-making are presented below. Two important factors often incorporated into the cost-effectiveness analysis of PEPs, especially those that have a strong social protection focus, are the net wage gain and the targeting efficacy.

The concept of net wage gain is based on the argument that the costs of participating in a PEP should be subtracted from the wages earned in order to determine programme's actual benefit to participants. This cost of participation in turn can consist of real cost (for example transportation) as well as opportunity cost, typically the income foregone from other work²¹ that the participant cannot take up because she or he is working on the PEP. Because of the common practice of PEPs offering work close to home, transportation costs are generally assumed to be zero unless there is a clear indication that this is not the case. The net wage gain in PEPs is therefore generally calculated as the wages earned minus any income foregone.

Table 10: Net wage gain in selected PEPs

Programme	Estimated net wage gain	Comments
MGNREGA, India (State of Bihar only)	61–65%	Three distinct groups could be identified: one with close to 100%, one where it was 50% and one that gained very little from participation
CfWTEP, Liberia	93%	High, but other employment opportunities were very limited
Jefes, Argentina	Approximately two-thirds	Women had higher gains than men
LIWP, Yemen	Approximately 90%	Estimated not from surveys but from a comparison of control and treatment groups
EPWP, South Africa (<i>Zibambele</i> and <i>Gundo Lashu</i> sub-programmes)	87% for <i>Zibambele</i> and 80% for <i>Gundo Lashu</i>	Significant variation registered, with a quarter having very low gains and three-quarters having very high gains

Table 10 provides estimates of the net wage gain for some of the programmes reviewed. The high degree of variation between participants is noteworthy and must be taken into account when making assessments. It is particularly important in contexts where youth unemployment rates are much higher than average. The net wage gain for young people who experience difficulties entering the labour market can be expected to be relatively high.

5.4. Targeting efficacy

Targeting efficacy is essentially how effective the programme is at reaching the target group, and is generally taken as the percentage of participants in the PEP that meet all the targeting and eligibility criteria. Participants who do not meet these requirements are considered “inclusion errors” and payments made to them as “leakages”. While such an approach could also be considered when assessing youth-targeted programmes, care should be taken when doing so as there are significant limitations to this approach.

If the targeting efficacy is incorporated into the cost-effectiveness analysis, there can be important implications for the results obtained. In the case of a youth-targeted

²¹ For unpaid work foregone, for example working on one's own land, this is often estimated based on the value of time.

programme, for example, if only 70 per cent of the participants were youth, then all wage payments to the 30 per cent of non-youth participants would be considered leakage; this would make the programme much less cost-effective. If a programme has the sole objective of providing income to youth, then such an approach may be considered appropriate, but if there are multiple objectives, which is generally the case with PEPs, then the participation of non-youth will have a number of benefits that should not be disregarded. These include the indirect benefits to young family members accrued through older relatives participating in the programme.

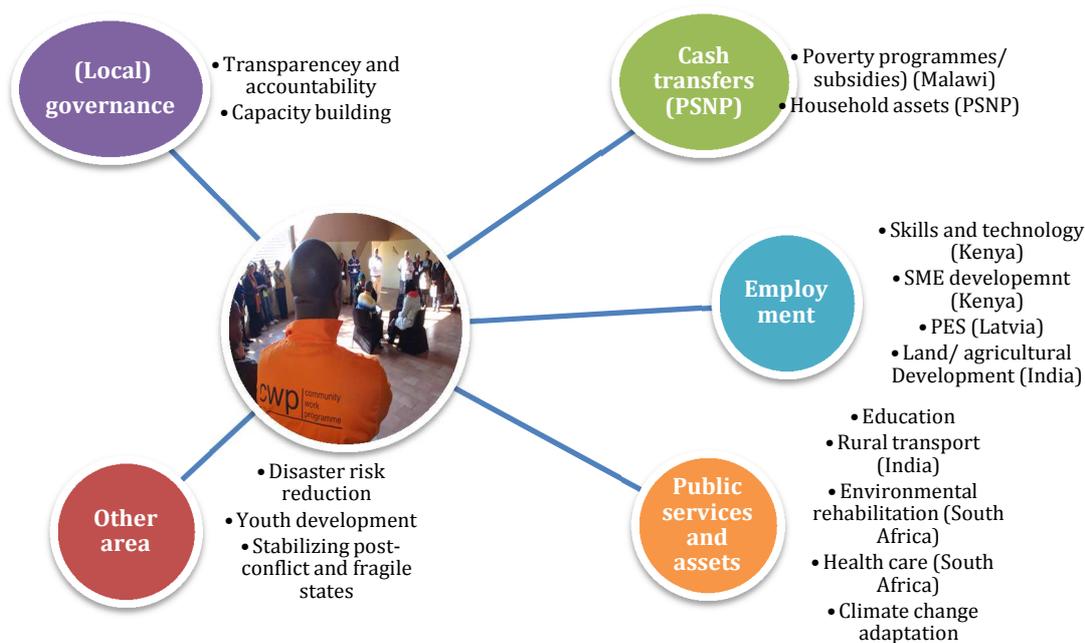
If the PEP aims to provide services and assets, then the non-youth who have worked would have made a contribution to this and thus the wages they have earned doing so should not be considered as leakage. Furthermore, those non-youth may meet most of the other targeting criteria, such as being poor, vulnerable or unemployed. Considering employment provided to such group as leakage would therefore also seem to undermine the cost-effectiveness of the PEP. It is therefore recommended that the common practice of factoring the targeting efficacy into the cost-effectiveness calculations is not done, or is done only with extreme care in the case of youth-targeted programmes.

6. Coordinated action with other youth policies and programmes

6.1. PEPs and coordinated action

Because of their multi-dimensional character, PEPs provide lots of opportunities for harmonization and synergies with other policies and programmes. The three main areas of such harmonization relate to the three main outcomes of PEPs: employment creation, social protection and contributions to public services and assets. In each of these areas PEPs can contribute or strengthen the implementation of related policies and programmes. As PEPs are scaled up, this coordinated action and alignment become a necessity to ensure that inconsistencies and conflicts are avoided between the PEP and other programmes. So from this perspective, pursuing coordinated action can deliver clear benefits and synergies, while ignoring it can lead to conflicts and threaten the potential beneficial impacts that such national programmes could have in the long run.

Figure 8: Areas for harmonization between PEPs and other policies



PEPs can create synergies in a number of other areas in addition its main outputs. Coordinated action can result in strengthening the local government, improving its ability to implement local projects and interact with local constituents, including youth. As the local government generally plays a critical role in PEPs, ensuring that it has the capacity to fulfil its PEP mandates often requires alignment with local government, decentralization and capacity-building efforts.

The multi-faceted nature of PEPs lends itself to fostering linkages and integration with our initiatives, especially given the involvement of several government ministries in the implementation of such programmes.

6.2. Coordinated action with other youth policies

6.2.1. *Definitions of youth for targeting and monitoring*

Perhaps the most obvious area in need of coordinated action between PEPs and youth policy is the definition of youth and indicators required to capture their participation. PEPs should adopt the official national definition of youth and maintain data in a manner that aligns with this definition. Where the youth age bracket is quite wide, for example 18–35 or 12–30, it is also recommended that PEPs collect their data to allow for tracing applicants in different age brackets within the youth definition. Surprisingly few PEPs have done this successfully and thoroughly.

This onus rests both on the ministries or agencies implementing PEPs and on those responsible for youth, and also on those responsible for collecting employment data. Once definitions of youth are applied consistently, monitoring, evaluating and comparing different youth-targeted interventions will become much more effective.

6.2.2. *Education*

PEPs can be designed in a way that encourages young people to enrol and complete their schooling. As discussed in sections 2.2 and 4.3, PEPs can facilitate increased school attendance through a combination of increased household income (to cover the cost of education) and a targeting strategy that excludes youth of school-going age from participating in the programme. Moreover, in Argentina, employment in *Jefes* for parents was conditional on their children's school enrolment: the households were required to submit proof of school enrolment of any household members of school-going age. This was a relatively simple and easy to implement measure, which is likely to have contributed to the increase in school attendance observed during the *Jefes* programme (Juras, 2014).

Where it is believed that the additional income from PEPs will contribute to covering the costs of education, parents with children of school-going age may need to be targeted. Furthermore, offering PEP employment to young people during school holiday periods can potentially provide them with an opportunity to earn an income to cover their further education. This option should be taken into consideration in conjunction with the minimum employment age.

PEPs can also make a contribution to enhancing education by investing in improvements to school infrastructure. This could make education more accessible, or enhance the overall educational experience by improving classrooms and school facilities, such as toilets, sports grounds or playgrounds.

6.2.3. *PEPs and training and capacity building*

Given the fact that training is often seen as an important or core component of youth employment interventions it is important to explain how such training can be integrated into, or aligned with, PEPs. PEPs create various opportunities and platforms for training and capacity building. However, there is a degree of confusion when it comes to designing the training component of a PEP, in particular in terms of feasibility and the appropriateness of training provided.

Conceptually, it is important that a clear distinction is made between capacity building for enhanced implementation of PEPs and training that is related to improving the skills and employability of PEP participants. There is also an area of overlap, where the

training of participants is meant to enable them to perform better in doing the programme-related work, but where this training also enhances their ability to find work outside the PEP.

The examples below illustrate these differences, and at the same time elaborate on the opportunities and limitations often encountered in practice.

Training of participants

Table 11 summarizes the training interventions for participants included in four of the PEPs reviewed. All of these four programmes had the objective of providing training to *all* PEP participants. YESD participants did receive technical training, although the programme was implemented on a small scale thus making this easier to implement. YES-CWP was on a larger scale and provided only a standardized life skills training programme (8 days). However, the experiences with the larger programmes PATI and the EPWP were not so straightforward and a number of challenges arose. For example, the 2014 assessment of ISPA (El Salvador) found that:

Administrative and survey data indicate an uneven provision in quantity and quality of trainings and orientation. More generally, there seems to be a basic mismatch between the market and participants' demand for trainings – that is, there is weak correlation between the type and profile of opportunities supplied and expressed demand.

In South Africa, where the number of people to be trained per annum was even larger, the experience was similar, and the target of training all participants in the programme was not achieved. Because the targets for the numbers of participants increased significantly in the second phase of the programme, the training policy was changed so that it was no longer planned to provide training to every participant in the programme.

Table 11: PEPs with training components for participants

Programme	YESD	YES-CWP	PATI	EPWP
Country	Kenya	Liberia	El Salvador	South Africa
Type of training	Technical on implementation of <i>Do-nou</i> ¹ and cobblestone paving (18–35 days)	Standard 8-day life skills training	Technical (80 days), job search and self-employment (16 days)	Life skills and technical
Target group	Unemployed youth in poor sub-districts	Poor unemployed youth	Unemployed people residing in informal settlements	Unemployed people residing in poor communities
Number of participants and trainees (per annum)	870	15 000	17 000	Up to 300 000
Programme implementation		One single agency using NGO subcontractors	Centralized management with implementation of specific activities by training organizations and municipalities	Highly decentralized, budgets and implementation devolved to all levels of government
Training implementation		PEP implementation agency	National public-private training institution (technical), Ministry of Labour (MOL) (job search)	MOL through private training providers

¹ *Do-nou* is a technique to construct or strengthen the base course or roads using sand bags. It was developed in Japan and is very suitable for low-volume rural roads. *Do-nou* is a Japanese word meaning “wrapping soil in a bag”.

The lessons from these four programmes are that as programme size increases, so does the challenge of providing training. This is linked not only to the need for increased training capacity, but also to the fact that as the pool of participants increases, so does the diversity of their training needs, as well as their geographical spread. These factors then make it increasingly difficult to provide training that caters for the needs and interests of all participants. This points to one of the limitations of incorporating training into PEPs: as they get larger, it becomes increasingly difficult to train all the participants.

This does not mean that there should not be training of participants on large PEPs, but rather that training needs to be delivered in a more selective and targeted way. The EPWP has taken such an approach in its phases 2 and 3, whereby training is focused on specific subgroups or only done in sub programmes where it is seen as essential for doing the work provided by the PEP. Another approach is to establish complementary training programmes that have PEP participants as a target group, but which are not operationally and financially part of the programme. The HABP in Ethiopia can serve as an example: although it involves interventions in addition to training, it targets only a subset of PSNP participants.

Capacity building

The training that is part of capacity building in PEPs is mainly aimed at improving the overall implementation of the programme. For a PEP to be implemented well, different capabilities are needed at different levels. The aim of capacity building is to ensure that these needs are met. It is generally needs-driven and responds to capacity gaps identified through appraisal or implementation of the PEP. Depending on the nature of the PEP activities and the skill levels of participants, this training may also target participants.

However, the main focus remains on increasing their ability to do the PEP work. While it is a welcome outcome that the acquired skills enhance the beneficiaries' future job prospects, it is not the main objective.

However, the capacity needs of PEPs can be substantial and in this regard they often provide opportunities for more educated and skilled youth to work on implementing the programme. Such work can be directly with the agency implementing the PEP, or with third parties, usually contractors or NGOs, who are contracted to implement the PEP or related projects.

In India, the Ministry of Rural Development, which is responsible for MGREGA, has decided to establish a new cadre of field supervisory staff, referred to as "barefoot technicians" (BFTs). The objective of this intervention is to improve work operations and, in the long term, to achieve improvements in the quality and sustainability of the assets produced. To fill the shortage of technical staff, the Government intends to recruit and train people with basic 10-year education to take charge of daily supervision of MGNREGA work sites. The candidate BFTs will receive 3 months of training covering technical, administrative and managerial subjects. The BFT programme aims to have national coverage and so an estimated 50,000 BFTs are to be trained and subsequently employed on a long-term basis. While youth will not be a specific target group for these opportunities, it is expected that there will be a high share of young people, given the entry requirements and the opportunity of longer-term employment.

6.2.4. PEPs and youth development

PEPs can also be used as a platform for broader youth development interventions that aim to combine the income and work experience of PEPs with a range of other interventions, including technical or vocational training, life skills training, career guidance, entrepreneurship and job search support. The National Youth Service (NYS) components of the EPWP in South Africa and the PATI programme in El Salvador are examples of such approaches.

In South Africa, the NYS programme engages young people for a 1-year period and provides a combination of life skills, technical training, counselling and an opportunity to work on a public service project. In the EPWP, the NYS programme specifically focuses on building maintenance. Training is given in vocational areas such as painting, carpentry and plumbing, and the public service component entails maintenance of public buildings such as government offices, schools, clinics, courts and police stations. Approximately 5,000 youth participated in the NYS component of the EPWP in 2012/13 (out of 941,000 EPWP participants).

PATI in El Salvador provides temporary income support to vulnerable urban populations in exchange for their participation in training programmes and projects chosen by communities over a period of 6 months (5 days per week, 6 hours per day). The training seeks to increase the employability of participants by enhancing their basic skills and connecting them to labour markets. PATI participants receive 96 hours of training, comprising 80 hours of technical training and 16 hours of training for job searching or self-employment (ISPA, 2014).

6.2.5. Entrepreneurship and procurement

PEPs have also been used to promote entrepreneurship, in particular by supporting the development of contractors. Using contractors to implement projects and, where there is scope to do so, increasing the participation of small enterprises in publicly funded infrastructure have been shown to help young people to establish themselves as contractors. The ILO has used this approach in many countries in Africa and Latin America. One of the programmes that uses this approach is YESD in Kenya, which trains youth in technical skills and supports them to become contractors for simple rural road construction projects.

7. Conclusions and recommendations

7.1. Conclusions

7.1.1. *General conclusions*

The evidence and discussions above allow us to draw a number of general conclusions with regard to the role of PEPs in boosting youth employment.

- PEPs can make an important contribution to addressing unemployment and underemployment among youth by offering opportunities to work and earn an income.
- Evidence from the review of PEPs globally shows that such programmes largely have a positive or neutral impact on school attendance. The positive impact on school attendance is ensured through careful programme design, such that it does not permit the participation of school-aged youth. There is no evidence of PEPs negatively affecting school attendance by children in participating households.
- The limited evidence available shows that youth do not appear to have reservation wages different from adults when it comes to PEPs, and therefore a differentiated approach to wage setting in youth-targeted programmes is not required. However, in contexts where young people's market wages are different from those of adults, this may have to be factored into the programme design.
- There is little evidence available on whether youth use their income from PEPs differently from non-youth. This knowledge gap needs to be filled in order to better understand the impact of income generated from PEPs on youth.
- Providing “in kind” benefits to participants in youth-targeted PEPs, such as training, education and placement support, is generally viewed as a more secure way of ensuring youth profit from such interventions, rather than offering additional income to enable them to procure these independently.
- Wage rate and labour intensity are the two design features that affect the cost per person-year of work created under a PEP, which can vary greatly.
- When estimating the cost-effectiveness of a PEP, it is important not to limit consideration to the cost per person-year of work created, but to assess a range of benefits. These should include the benefit derived from utilization of the assets and services delivered through the programme, as well as the benefit to otherwise unemployed young people from engaging in productive work. While the lack of research and data makes many of such benefits difficult to quantify, they cannot be dismissed.
- The higher unemployment rates and lower wages often observed among youth in a range of contexts result in a lower opportunity cost being borne by young people participating in PEPs. This consideration should also be factored in when estimating the cost-effectiveness of a PEP.
- If the targeting efficacy is used to assess the cost-effectiveness of a programme, the consequences of a decision to treat participation of non-youth as a leakage on the programme's cost-effectiveness are likely to be highly significant and should thus be made with great care.
- Given the multi-dimensional nature of public work programmes, a number of ways to coordinate action with related programmes to deliver effective interventions can be considered:

- PEPs can be linked to youth development interventions, such as provision of training, entrepreneurship, career guidance and access to credit. Moreover, PEPs can assist in both targeting (identifying youth willing to work) and offering opportunities for work experience.
- PEPs can be instrumental in responding to several policy priorities concurrently, for instance by delivering public infrastructure or health-care services.
- Depending on the scale of a PEP, it may be advisable to target specific subgroups of youth and to provide complementary interventions, such as training, access to credit, mentoring etc.

7.1.2. *Conclusions on youth participation and targeting in PEPs*

The evidence on participation and the different approaches to targeting shows large variation. And while some of the variation is influenced by the targeting practices, there are also design features other than targeting mechanisms that influence youth participation. However, this study has identified knowledge gaps in understanding how design features, such as proximity of work, flexibility of working hours, nature of the work, wage rates and working conditions, affect the participation of youth. Nonetheless, the following conclusions can be drawn.

First, youth participation in PEPs is not automatic and if youth are targeted it is important to explicitly identify them as a target group. This should be clearly reflected in the programme's communication strategy, including with the targeted community. Consideration should also be given to setting a quantitative target for youth participation. While this alone may not be enough to increase youth participation to the desired level, it will make youth participation easier to administer and monitor, simpler to communicate and, in many contexts, more justifiable.

Second, in the design of programmes (even those not exclusively targeting youth) it may be necessary to explicitly identify youth as a target group if there are concerns that youth may be excluded from participating in the programme. This could happen for a number of reasons, such as cultural, lack of information, discrimination, miscommunication etc. Setting a target for youth participation may enable youth to access opportunities along with other members of the target group.

Third, the degree of young people's participation in PEPs is affected by the nature of the work offered. Evidence confirms that, much like the way the nature of work influences women's participation in PEPs, the appeal of various components of PEPs (social, environmental or infrastructure) differs depending on the specific interests of subgroups of young women and men.

A fourth factor that influences participation in PEPs is the education levels of young people and the level of skill required for the work in the programme. Despite the intuitive assumption that educated youth find programmes that offers unskilled work unattractive, the limited empirical evidence available yields conflicting conclusions as to the importance of education in determining participation. This is especially true when comparing education with other factors, such as income, household size and gender. Of all categories of youth, by education level, only those with post-secondary education were found not to participate in PEPs.

Fifth, care should be taken not to inadvertently exclude youth, particularly from household-targeted programmes. If there is any ambiguity about the degree of priority given to youth in a household-targeted programme, younger household members may end up being afforded a weak or no role in determining their participation in the PEP – the decision may instead be made by other members of the household.

Finally, there is the issue of self-targeting and wage levels. It is possible that in some countries, the market wages for working-age youth among the usual PEP target groups (rural, poor, vulnerable, unemployed) differ from the market wages of non-youth, as was the case in Yemen (Engel and Al-Maweri, 2011). The difference between market wage rates for young people and wages offered by the programme becomes an important determinant of youth's participation. A PEP is more attractive when the remuneration it offers exceeds the market wage, and vice versa.

However, before firm conclusions can be drawn, more research is needed on the broader context in which the PEP operates and how it influences youth participation. For example, in the case of MGNREGA, care needs to be taken in interpreting the low participation of youth. Evidence reveals that MGNREGA work draws in a higher share of old people because it is not as physically demanding as work in the agricultural sector. As a result, a higher share of young people engage in paid work as agricultural labourers. MGNREGA's most significant effect on young men has therefore been an increase in the wage rate, partially achieved through setting a wage floor and partially through pulling older men from agricultural labour into MGNREGA work and creating a relative scarcity of labour.

7.2. Recommendations

7.2.1. Recommendations for the design of PEPs

Youth definitions and indicators

The first recommendations links to the consistent use of definitions and indicators in PEPs.

The definition of youth and any indicators used should be consistent with the national definitions. These should be incorporated consistently in all the monitoring and reporting systems and protocols of PEPs, as well as any surveys and evaluations carried out. It would also be useful for these to be consistent with other available population and labour market data.

Capturing the participants' dates of birth along with other individual participant data is vital to enable analysis of participation by age, and not simply by general categories of youth or non-youth. Date of birth data enable disaggregation of participants into specific age groups. This is especially useful in contexts where definition of youth is quite wide, which is the case in a number of African countries, where youth is defined as those up to 35 years of age.

Programmes that do not capture individual participant data, but just collect reports on the numbers of participants on each project, should aim to ensure that it is still possible to disaggregate data by both gender and age, as there are significant differences in patterns of participation between young women and men.

These recommendations are for all PEPs, whether they are specifically targeted at youth or not.

Targeting youth

The experience and evidence from the PEPs reviewed suggest that programmes that want to target youth and achieve a high rate of youth participation can adopt some or all of the relatively simple measures listed below:

- Incorporate young people's participation as one of the programme objectives and ensure that communication of the programme reflects this, for instance through referring to youth in the name of the programme.
- Consistently communicate that youth are a target group of the project.
- Set a quota or target for the participation of youth.

Furthermore, in programmes with several targeting criteria, the importance of targeting youth and the extent to which preference will be assigned to young people should clearly articulated.

In household-targeted programmes it is recommended that targeting and eligibility criteria are set in a manner that limits competition for the work between youth and non-youth members of the household. This can be done through allowing multiple members of the households to work in the programme. Another option can be to allocate extra days of work to households with working-age youth members, to further reduce possible competition.

Subcategories of youth

Measures that have proven to be effective in targeting subcategories of participants, such as women, the poor or the most vulnerable, seem to apply to youth as well, or at least no evidence has emerged to the contrary. Therefore, if a programme aims to attract young women, the measures known to be effective in targeting women, such as work close to home, provision of child care as part of the project, and flexible or part-time working hours, are expected to be attractive to young women as well.

Given the diversity among youth, it is also recommended that subcategories of youth to be targeted in the PEP are identified in the programme design and targeting criteria and other design features are aligned to the needs of these subgroups. Among the groups of youth that can especially benefit from participating in PEPs are new entrants into the labour force, long-term unemployed and working-age youth with secondary education or lower.

With regards to assessing the cost-effectiveness of PEPs in reaching youth, it is recommended that:

- the net wage gain for youth is assessed separately from that for participants overall;
- participation of non-youth is not considered a leakage;
- attempts are made to assess the benefits to youth of having an opportunity to work, in particular where programmes reach those who work for the first time or those who were long-term unemployed prior to joining;
- the benefits of the services and assets are also factored into the cost-effectiveness.

7.2.2. *Recommendations for further research*

This review has identified many possible areas for further research, depending on how PEPs are to be used to contribute to boosting youth employment.

The first range of research questions relates to the impacts of PEPs on youth who participate. These include the possible individual and household-level impacts that are provided in Figure 1 and whether youth are affected by these differently. Of particular interest is whether youth use the earned income differently and whether the skills and work experience they acquire improve their employability. In addition, the less-quantifiable effects of PEPs, such as gains in self-confidence and social status, are worth researching.

The second area of research relates to what kind of assets and services could best be part of youth-targeted PEPs. If there are large numbers of educated unemployed youth, it may be possible to harness their skills by selecting assets and services that require skilled labour. Furthermore, some assets and services may also be especially beneficial to youth, which may increase their interest in participating in the programme.

The third area of research recommended relates to coordinating action in the framework of PEPs with other common interventions that target youth, in particular entrepreneurship support, provision of vocational training, access to credit, internships and employment services. As the examples in this paper show, attempts have been made to foster coordinated action in all these areas, but more rigorous testing of different approaches and combinations of interventions is required to enable more effective design of such interventions.

A fourth area of recommended research is to improve methods and approaches to assess and quantify the benefits of having the opportunity to work, in particular for youth who have not been in wage employment before or have been unemployed for a long time. It could be possible that, for this group, participation in the PEP may have greater benefits in terms of improving their employability through providing an avenue to gain work experience.

Finally, more research is required on what influences youth participation in PEPs. While considerable research is available on the factors that influence overall participation in specific PEPs, surprisingly little research was found that explicitly looks at the factors that influence youth participation. However, many of the surveys done on PEPs in general can allow this question to be explored. The first objective of this paper is therefore to generally raise awareness about youth participation in PEPs, so that such questions can be included in future research and evaluations. Some suggested research questions are listed below:

- What are the factors that determine youth participation and which are the most important?
- How do household-targeted programmes affect youth participation?
- How do levels of education affect youth participation?
- How do programme features such as proximity to work, flexibility of working hours, duration and working conditions affect youth participation?
- Do youth respond differently to self-targeting through set wage rates?
- Which activities are more appealing to youth and which are not and why?
- Do youth find skilled work more attractive?
- How do communication of programmes and youth's perceptions of programmes affect their participation?

- Do youth tend to participate for longer or shorter periods when such options exist?
- How does income and poverty among youth affect their participation?
- How does the incorporation of training components affect the participation of youth?

7.2.3. *Recommendations for further development of the ISPA tool*

The use of the ISPA PEP Tool proved to be beneficial in terms of its aim to develop standard data for assessing public employment and public works programmes. The tool is generally very comprehensive and only a few gaps have been identified. The most important gap is with regard to questions about youth participation and targeting, and this segment of the tool could be strengthened.

The tool is quite ambitious in that it aims to be suitable for PEPs of different types and scales, including those with multiple objectives, but it is mainly designed to assess primarily social protection programmes. The limitation of this is that it is not suitable for, or at least a lot of care should be taken when using it for, programmes that are primarily investment focused or have substantial skills components, as these will appear ineffective or not very cost-effective as social protection tools. However, the tool could be used to assess how these programmes perform in achieving their secondary social protection objectives, but this should be explicit, and care should be taken when comparing such an investment programme with one that is primarily a social protection programme.

Both types of programme can and should have standard questions embedded about youth participation and targeting. It would be recommended to consider developing a similar standard PEP tool that covers not only the social protection spectrum, but also the larger spectrum of public works, which includes infrastructure and other types of investment. This should ensure that standard questions and indicators are included on youth participation in both.

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Annex

Annex 1: Impact levels of PEPs and monitoring indicators

Micro level Impacts on individuals and households		Meso level Impacts on the communities		Macro level Impacts at regional or country level	
<i>Impact on</i>	<i>Possible indicators</i>	<i>Impact on</i>	<i>Possible indicators</i>	<i>Impact on</i>	<i>Possible indicators</i>
Household income and expenditure	Changes in quantum of income and expenditure, changes in patterns of income and expenditure	Employment outcomes	Changes in local employment, unemployment, underemployment and labour force participation	Employment outcomes	Changes in employment rates, unemployment rates, underemployment rates and labour force participation
Employment outcomes of programme beneficiaries	Hours worked, unemployment duration, duration of transition to stable employment and quality of employment. Ability to access more skilled work	Local wages and working conditions	Changes in local wages (gender disaggregated), changes in local working conditions	Wages and working conditions	Impacts on overall wages and working conditions
Knowledge, skills, attitudes and behaviours	Changes in knowledge score metrics. Changes in vocational or technical, professional/personal, core work skills	Access to infrastructure services	Access to water (lower cost, less time, more reliable), education (higher attendance, fewer dropouts, fewer absences, shorter travel times) and health care (more regular and frequent access, less travel time), more children able to access social assistance and school meals	GDP growth	Effect on GDP direct and indirect, multipliers
Household assets	Assets acquired or disposed of	Use of local assets and services	Increased use of assets created, maintained or now made more accessible: roads, water wells, clinics, schools, community centres, etc.	Inclusive growth	Distribution of growth/changes in wage share, changes among the poor

Micro level Impacts on individuals and households		Meso level Impacts on the communities		Macro level Impacts at regional or country level	
Improvement of dwelling	Investments in improving housing/dwellings	Local economic activity and productivity	Changes in local demand, number of businesses, changes in profits and sales at the business level and changes in consumption and savings at household level	Government revenues	Changes in tax revenue
Household food security	Calorific intake, more frequent and more regular meals/more nutritious meals	Food security	Fewer food insecure households	Poverty reduction	Poverty headcount, depth of poverty
Increased productivity	Changes in production quantity normalized by time and production inputs	Social cohesion	Changes in patterns of crime, (domestic) violence, unrests and protests	Reduction in vulnerability	Fewer food insecure households, savings
Employment outcomes of household members	Hours worked, unemployment duration, duration of transition to stable employment, and quality of employment. Changes in unpaid family work. Changes in child labour	Local governance and government	Increased voter turnout, better functioning local structures, more regular meetings, more democratic decision-making, larger budgets managed and spent locally		
School attendance	Changes in school attendance	Migration	Changes in migration patterns (migration in and out of the community)		
		Local environment	Improvements to the local environment (water availability and quality, agricultural land, water management)		
		Women's empowerment	Women's participation in programme, labour market participation, access to income/households resources, involvement in decision-making		
		Poverty reduction	Local poverty headcount, depth of poverty		
		Reduced vulnerability	Reduced distress sales of assets, increased savings, consumption smoothing		

Annex 2: Details of net wage gains for selected programmes

MGNREGA in the State of Bihar, India

Results of a study on net wage gain due to MGNREGA in Bihar by Dutta et al. (2014) found that forgone income is significant. Two rounds of surveys were conducted in the study. In the first round it was found that the mean income foregone was around 35 per cent of programme income. In the second round it was 39 per cent, although it varies considerably between workers. Three distinct groups of participants were identified – those for whom there is no likely income loss from joining the programme, those for whom about half of the MGNREGA wage represents a net income gain, and those for whom there is only a small net income gain from joining the programme. These latter beneficiaries would have earned an amount close to the amount earned on MGNREGA but possibly would have had to migrate and bear costs to do so. There would probably also be unobserved non-financial benefits from MGNREGA that make it more desirable than alternative, equally remunerated casual work.

CfWTEP in Liberia

The evaluation of the CfWTEP did not find evidence that significant wage losses had occurred, likely due to the high pre-existing levels of unemployment in the project communities. That is, 93 per cent of the wages earned through the programme were estimated to be net wage gain. This may seem high, but given the lack of gainful employment for most individuals in Liberia, it is likely that most of the wages obtained through the programme contributed directly to *additional* consumption and investments in human development (Andrews et al., 2011).

Jefes in Argentina

An assessment of the income foregone in the *Jefes* programme, which offers 20 hours of part-time work a week, concluded that it was approximately one-third of programme earnings. Again there was significant variation. In general, females tended to have a higher net wage gain (partially explaining their high levels of participation), mostly because they were more likely to have been drawn from unemployment or inactivity and thus had no foregone income. Those who had left other employment, on the other hand, had a much lower net wage gain (Galasso and Ravallion, 2003).

LIWP in Yemen

Instead of using surveys in which participants provide information about income foregone, the net income gain in Yemen was estimated by comparing actual incomes before and during the programme. If the increase in income was close to the wages earned on the PEP (and there are no other additional sources of income besides the PEP) then the net income gain should be close to zero.

The results from the LIWP impact evaluation in Yemen allow for such an analysis to be done. Instead of trying to estimate the opportunity costs, the evaluation compared the income of treatment and control groups, before and during the PEP. Here it was found that the increase in household income of the treatment group (about \$500 per annum) was very close to the actual benefit transferred by the programme (\$550), implying a low income foregone of \$50, or 9 per cent.

Zibambele and Gundo Lashu, South Africa

In South Africa, McCord (2004) estimated the incomes forgone and net wage gains for participants in two programmes that had different operational modalities and objectives. *Zibambele* in the province of KwaZulu-Natal has strong social protection objectives and is a routine road maintenance programme that targets the poorest female-headed households and provides them with regular, part-time (1.5 days a week) ongoing work. *Gundo Lashu* was designed much more as an investment programme and is a labour-intensive road construction programme that aims to increase labour-intensity of road construction and rehabilitation and provides full-time employment on a project basis. This allowed for a comparison between these two programmes, which in many ways present two typical PEP approaches.

Among *Zibambele* workers, 28 per cent reported income forgone: the mean income foregone was 148 rand per month, which represents 48 per cent of the total transfer of 320 rand. For the remaining 72 per cent of the participants, there was no income foregone and so the net wage gain equalled the programme income. For all the participants the mean income foregone was thus 41 rand, or 13 per cent, or a net wage gain of 87 per cent.²²

In *Gundo Lashu*, 31 per cent of workers reported income foregone: the mean foregone income was 383 rand, which represents 67 per cent of the transfer.²³ For the remainder for whom there was no income foregone the net wage gain was equal to the programme income of 572 rand per month. When considering all the participants, the mean income foregone was 20 per cent and the net wage gain was 80 per cent.

Three per cent of the total *Gundo Lashu* workforce reported income forgone that was greater than or equal to their PEP income, resulting in zero or negative net income gains. In *Zibambele* this figure was 1.5 per cent. In these cases employment offering a higher remuneration than the PEP wage had been given up in order to participate in the PEP. Focus group discussions with participants from both programmes revealed similar reasons for this seemingly irrational decision. The reason for this was that the regular and certain employment offered by the PEP was considered superior to the more uncertain and discontinuous employment otherwise available to the participants, and this may account for the giving up of more highly paid, but less consistent work opportunities. In the *Zibambele* focus groups, workers unanimously agreed that they would prefer regular *Zibambele* employment, at 350 rand per month, to a significantly higher wage on a temporary, short-term or uncertain basis. One worker stated that she had rejected temporary employment valued at 700 rand per month, as it would have entailed terminating the *Zibambele* contract, with its attendant benefits.

²² As calculated by the authors based on the data in McCord, 2004.

²³ There was a clear difference between men and women. For women the net gain was 46 per cent of the transfer, but for men it was only 19 per cent. However, the sample of this subgroup was quite small ($n = 41$).

Annex 3: An overview of youth participation in PEPs

This annex presents evidence on the participation of youth in PEPs and the factors that trigger such participation. The availability of data on youth participation varies considerably from programme to programme. While youth-targeted PEPs are by design more prone to measure youth participation, others have limited information on the involvement of young men and women in the programmes. The annex builds on evidence from MGNREGA in India and *Programa Empleo Temporal* (PET) in Mexico, where the availability of online information on participants allows for age disaggregated analyses. Other countries for which evidence is presented, but in less detail, are Liberia, Argentina, Latvia, Sierra Leone, South Africa, Yemen and El Salvador.

India: Mahatma Gandhi National Rural Employment Guarantee Act

A number of variables affect youth participation, including: the percentage of youth registered as part of the household in a programme, education level and the type of activity of work offered; but, in general, the factors that determine participation – in the case of MGNREGA – are not specific to youth.

MGNREGA is rights based and neither targets nor excludes youth. It is a universal programme for which all rural households are eligible. This makes it a particularly interesting case as, at least in theory, the participation of youth would mainly be driven by their interests and needs.

The minimum age for participation in MGNREGA is 18 years. MGNREGA's website (www.nrega.nic.in) offers information on the age distribution of those who have worked on the programme. It is important to clarify that when a household first registers for the scheme, all household members who could work on MGNREGA are registered on the job card, and that more than one person from a household can work on the programme. The data provided on the website are for the number of individuals, not the number of households, who have worked on the scheme. According to the data, 80.1 million persons between 18 and 89 years of age worked on MGNREGA between 2012 and 2013 and of those 11.7 million were in the 18–30 years age bracket.

It was also possible to obtain the 2010 census data and this was used to determine the total rural adult population (total eligible population), and the percentage that falls within the 18–30 age bracket. It was found that 38.5 per cent of the rural adult population was in the 18–30 years age bracket. This was compared with the participation data available from MGNREGA; the results are presented in Table A1. This shows that in 2012/2013, of all those registered for MGNREGA only 18.3 per cent were in the 18–30 bracket, while only 14.5 per cent of all those working were in this same age bracket. If youth were participating in proportion to their numbers, these figures should have been closer to 38.5 per cent.

Table A1: Rural population and MGNREGA participation in India

Age group	All rural India (millions)	Percentage of total rural	Registered for MGNREGA (millions)	Percentage of total rural	Working on MGNREGA (millions)	Percentage of total rural
18–89	504.9	100.0	317.5	62.9	80.1	16.0
18–30	194.2	38.5	58.2	29.9	11.7	6.0
31–89	310.7	61.5	259.4	83.5	69.0	22.2

Source: Based on MGNREGA and 2010 census data.

However, there is considerable variation between states. For example, in Gujarat every other youth is registered for MGNREGA, while in Kerala it is less than 1 in 7 youth. Furthermore, Chhattisgarh and Gujarat have the highest percentages of youth working, with 20.1 and 19.6 per cent of those working in MGNREGA in the 18–30 years age bracket. On the low end of youth participation, Goa and Kerala also have the lowest percentage of youth working in MGNREGA, with 2.7 and 3.3 per cent, respectively, of those working being youth.

The data also enable calculation of the percentage of those registered who have actually worked in the scheme, or the probability of a registered person in a certain age group actually working. When this is done, youth are the second least likely age group to participate, but only after over-80 years age group. As a whole, only 1 in 5 youth registered to work on MGNREGA actually worked on the scheme in 2013/14, as opposed to 1 in 4 in the 31–40 age group and 1 in 3.6 for the 41–50 and 51–60 age groups.

It should be noted however that the degree to which registered youth actually work seems to follow the overall pattern of registration. So in states where a high percentage of the population is registered for work, there is a corresponding higher percentage of youth who have worked, and vice versa. This implies that many of the factors that determine MGNREGA participation are not specific to youth, and are most probably overall demand for work and the ability of MGNREGA in the state to actually provide work as requested.

However, this does not mean that there are no specific factors influencing youth. An interesting case in point here is Kerala, which reportedly has the highest youth rural unemployment rate in India, at 21.4 per cent,²⁴ and the second lowest youth participation rate in MGNREGA, at only 3.3 per cent of rural youth working in the scheme. The relatively high levels of education of youth in Kerala and the higher GDP per capita could explain this contradiction, but the degree to which more highly educated youth are reluctant to take up the unskilled work offered by MGNREGA warrants further research. Various studies have given contradictory results of the effect of education and MGNREGA participation, but none of these has looked at the combination of age and education.²⁵

It is also important to point out that in MGNREGA, typically the head of the household registers the household and its members. Given the high rates of registration of those in the older age brackets, it is likely that many of the youth registered are those living in a household with an older head of household, who registers the youth as a member of the household. Furthermore, given the low registration and participation of those in the 18–30 years age bracket compared with those above 31 years, it is also likely that it is the households headed by persons in the 18–30 years age bracket that are not participating in MGNREGA.

²⁴ <http://www.livemint.com/Politics/rmxquBMhnmzwwXtxWm9m1H/Unemployment-among-rural-youth-at-highest-level-since-9394.html>

²⁵ See Kumar and Maruthi (2011). The main findings were that the household size, land owned, BPL card, wage rate, ages of members, education and other work opportunities were the major factors determining MGNREGA participation. Vatta et al. (2011) on the other hand found that at the worker age and education level were not found to be significant for participation.

Confirming this would require data on the ages of the heads of households; these were not available, but could potentially be retrieved given full access to the MGNREGA database.

Finally, the research from two papers that looked at MGNREGA in specific districts is worth mentioning, as it provides some further insights on the participation of youth.

Data from Sinha (2014) for one state (Chhattisgarh) allow for profiling of the usual economic activities of youth and for comparisons with those in other age groups. In this state 16.2 per cent of those working on MGNREGA were youth (age 18–30), and the profile of this group was very similar to the profile of the rest of the participants in terms of scheduled castes (SC), scheduled tribes (ST), and other backward classes (OBC), and in terms of employment and other livelihoods. The data provide no indication that youth of a ST, SC or OBC are more likely to participate in MGNREGA than non-youth of these categories. They also show that like the rest of the rural population, the usual activity of the youth participating in MGNREGA is either working in agriculture, unemployed or general casual labour.

Other research conducted by De and Bhattacharya (2013) investigated female participation in MGNREGA in one district in the state of Assam, and looked at how age affects participation in MGNREGA. Unfortunately, they used different age cohorts in their survey (14–25, 26–35), so their data are not strictly comparable with data using the 18–30 years age group. Some of their observations are presented in Table A2.

The research showed that in this district, many more men than women participate (4.6 men to every woman), but that participation rates vary between age groups. Among women working in MGNREGA, more tend to be young, whereas male participation is more evenly spread across age groups. This could be due to provision of childcare and work close to home, features that would presumably be attractive to young women with small children.

Table A2: Distribution of men and women participating in MGNREGA across age brackets for Morigaon district, Assam

	Age group				
	14–25	26–35	36–45	46–55	Above 56
Distribution of all participants across age groups (%)	9	35	27	20	5
Distribution of female participants across age groups (%)	11	41	20	28	0
Distribution of male participants across age groups (%)	8.5	34	33	18	7.5
Ratio of men to women in each age group	3.5	3.8	7.4	2.9	(men only)

Source: De and Bhattacharya, 2013.

While youth participation declined, young women managed to benefit from the overall gender shift on road and environmental works.

The PET programme targets individuals, not households, and its data are thus for individuals only. PET does provide data on a separate registration or application process, and so there are only data for participation. As with MGNREGA, it was also possible to obtain census data from Mexico and so to compare the number of PET participants with the overall population. The PET programme targeted villages with fewer than 5,000 people. Census data for these villages show that there are 21.0 million people above 16 years of age, 8.7 million of whom are in the 16–31 age group.

The analysis shows (Table A3) that while 16–31-year-olds constitute 41.3 per cent of the total eligible population, they comprised only 29.2 per cent of PET participants. And while 4.4 per cent of the rural population above 31 years old worked on PET in 2012, only 2.6 per cent of the rural population in 16–31 years age bracket did so. These figures suggest that youth are underrepresented in PET.

Table A3: Rural population and participation in PET in Mexico

Age group	All rural Mexico ¹ (millions)	Percentage of total rural	Working on PET (millions)	Percentage PET of total rural adult population
16 and above	21.0	100.0	0.76	3.6
16–31	8.7	41.3	0.22	2.6
Above 31	12.3	58.7	0.54	4.4

¹ This is the population in all settlements with less than 5000 people. The Mexican census data does not distinguish between rural and urban, but rather uses the number of inhabitants in a settlement to categorize the locality of the population. PET's targeting is consistent with this as it targets villages with inhabitants of less than 5000 people, although not all villages of less than 5000 people are automatically targeted, but only those that score low on a specific index akin the HDI.

Source: Compiled by authors based on PET and census data.

The data for PET also provide specifics on participation by gender. Data are available from 2002, allowing for comparisons to be made across time. For this purpose some data from 2002 are compared with those of 2012. The first general point to be made is that the programme was almost half the size in 2012 than in 2002. However, taking this into account, some other shifts took place over that time. First, the overall youth participation decreased from 34.1 per cent in 2002 to 29.2 per cent in 2012. However, a look at the participation of young men and women shows that the relative participation of women went up from 10.0 per cent in 2002 to 13.3 per cent in 2012. This gender shift occurred in all age groups, with the overall participation of women increasing from 26.2 per cent of all participants in 2002 to 45.4 per cent in 2012. Among youth, the percentage of women increased from 29.4 to 45.5 per cent.

Another interesting observation from the PET data is that participation rates for youth and gender also vary according to the type of work being offered. PET offers work on social, environmental or road-related projects. Youth participation in these three areas differed, but not to a high degree. In 2002 the average participation rates for youth and women in the three types of projects were between 29.8 and 35.9 per cent and in 2012 they were between 27.2 and 32.3 per cent. However, there was a shift in the participation of young women in the different projects. Between the 2002 and 2012, the biggest shift in this was the participation of young women in the roads and environmental projects. While in 2002 only 6.7 per cent of participants on roads projects and 8.4 per cent on environmental projects were women, by

2012 these had increased to 11.2 and 14.7 per cent, respectively. The data for the roads projects show is that while youth participation declined, young women did manage to benefit from the overall gender shift that took place in the programme, particularly in road and environmental work, which had a very low percentage of female participation at the start of the programme.

Liberia: Youth Employment and Skills – Community Works Programme

Youth is only one of the several targeting and eligibility criteria.

Another programme for which disaggregated data are available is YES-CWP in Liberia. This was a youth-targeted programme, which had a target of 75 per cent youth. The target and youth focus emerged from the experience of the programme's predecessor, the CfWTEP, which did not specifically target youth but had youth participation of almost 60 per cent. This led to the explicit focus of YES-CWP on youth (Andrews et al., 2011).

YES-CWP was consistently referred to and communicated as a youth programme, and in the selection of participants, their age was considered as an explicit factor. Youth was not the only targeting criteria. The programme was open to people older than the 35 years cut-off if they showed high vulnerability. The YES-CWP achieved 66.5 per cent youth participation, higher than its predecessor, but still below the target of 75 per cent. This target was achieved in 7 out of 15 provinces. Also notable is the gender balance that the programme achieved among youth and non-youth groups. Women comprised 48.2 per cent of all youth and 32.1 per cent of all participants.²⁶

Argentina: Jefes y Jefas de Hogar (Heads of Households)

Youth participation may be affected by other criteria placed on a programme, and one cannot assume that low participation is because they found other work

While no detailed disaggregated data are available for the *Jefes* programme in Argentina, Neffa (2009) offers an overall review that looks into the participation of young people in the programme. The age distributions of male and female participants of the programme are presented in Figure 4 in the main text.

For both men and women, the proportion of those in the 18–25 years age group is relatively small. However, it should be noted that one eligibility requirement for *Jefes* is that there are dependent children in the household. This meant that 18–25-year-olds without children of their own were essentially excluded, which partially explains why this age group is relatively small in terms participation. However, youth extends to 30 years of age in Argentina and so, with the inclusion of this age group, youth participation goes up to around 38 per cent.

Another observation from this review is that while those who are younger than the median (35 years old) are more likely to be reinserted into the labour market; those with the

²⁶ Data on participants available on the LACE website: www.lace.org.lb

best success in this regard are those in the 25–35 years age group, *not* the 18–25 year olds. Furthermore those who had previous formal work experience were most likely to find work again, and those are less likely to be in the 18–25 years age bracket. The low participation of people in this age bracket is therefore probably not because of them leaving the programme to take up other work, although this needs to be investigated in more detail.

Latvia: Workplace with Stipends

Higher educated youth may not have the incentive to work for the WWS.

The WWS programme in Latvia was implemented in response to the 2009 economic crisis, which severely affected Latvia. No detailed data on this programme are available, but Hazans (2012), in a case study of the programme, compares the participation rates of those in specific age brackets with the unemployment rates for those age brackets. Figures 5 and 6 in the main text show that on WWS, youth were underrepresented when compared with their numbers among the unemployed. However, the target group in Latvia was unemployed people with no access to any unemployment benefits – there was no focus on youth.

The case study considered the educational profile of the unemployed and those in WWS and found that education matters most at the two ends of the education spectrum. Those with higher (post-secondary) education were much less likely to work on WWS, while those with basic education were more likely to do so, as shown in Figure 6. These findings are similar to those by Azam et al. (2012), who found that higher education in particular negatively affects WWS participation. If it is assumed that the young are generally more likely to have higher education than older people, then part of the reason for the low participation of youth may relate to level of education. This is, however, not conclusive.

Sierra Leone: Youth Employment Support Project

CfW programmes have the potential to reach youth with low levels of education, especially in the agricultural sector

YESP was targeted at youth (defined in Sierra Leone as those aged 15–35) in poor and vulnerable communities. Youth made up 92 per cent of participants, and 33 per cent of the participants were female (but there are no data on the share of female youth participants). Female participation varied by sub-project type, with the share of female beneficiaries highest among rice sub-projects (43 per cent) and lowest among roads sub-projects (30 per cent). An evaluation of YESP concluded that this CfW programme primarily reached youth with low levels of education working in the agricultural sector, with about a third being female. However, it did not necessarily reach the poor, despite paying below the market wage rate (Rosas and Sabarwal, 2014), most probably because relatively well-to-do people in these areas joined the programme to supplement their income.

South Africa: Expanded Public Works Programme

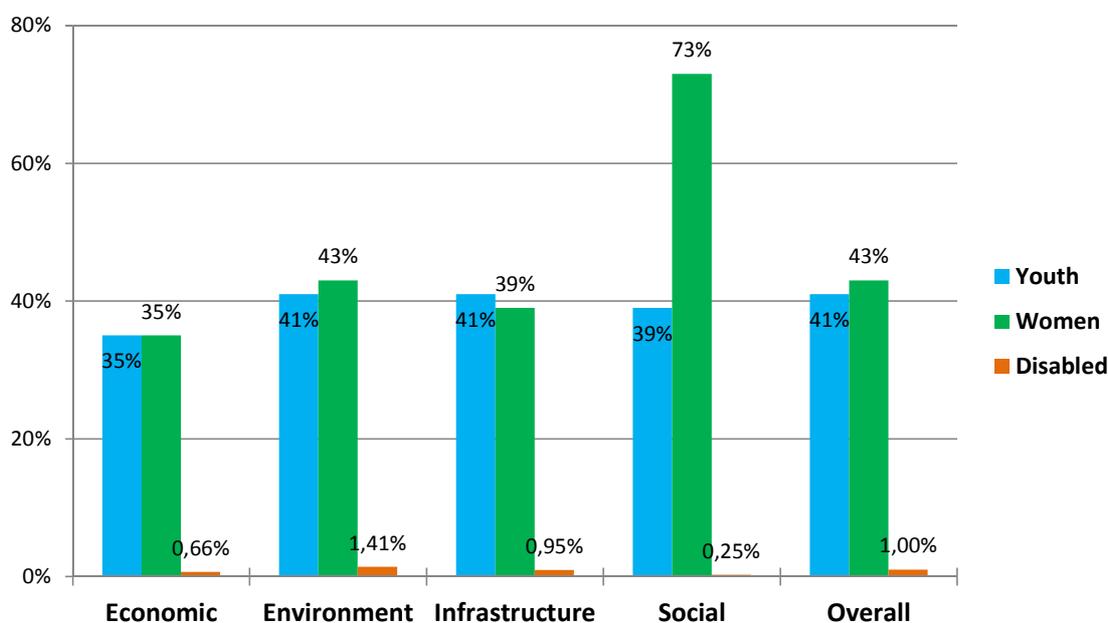
Environmental, social and community work programmes offer more skilled work and tend to attract higher youth participation.

The EPWP, launched in 2004 in South Africa, is a nationwide programme that aims to increase the labour intensity of government-funded projects in four sectors, namely infrastructure, environmental, social and non-state. It has a target that 40 per cent of participants should be youth, classified as aged 18–35 in South Africa. The programme therefore monitors the participation of youth, but only aggregated data are available through its quarterly reports. The EPWP also has targets and monitors the participation of women, but the data are collected in such a way that it is not possible to disaggregate the youth data by gender, or vice versa.

The programme consists of a number of sectors and subprogrammes. Participation rates for youth and women, groups with a participation target, are provided in Table 6 in the main text for the most recent year available.

This data show that about half the participants in EPWP are youth and that this varies per sector, with the environment sector having the highest youth participation (58 per cent) and the social sector the lowest (43 per cent). It should also be noted, however, that the participation rates of youth have varied considerably over the course of the programme. Figure A1 shows the participation rate for the first 5 years of the programme period (2003/04 to 2008/09): the youth participation rates were much lower in these initial five years.

Figure A1: Designated groups as percentage of work opportunities created for first 5-year phase of EPWP (2004–2009)



Source: DPW, 2010.

The main reasons for this increase are likely to be the much stronger emphasis placed on communicating that EPWP is also intended for youth, stricter monitoring of the minimum 40 per cent youth quota, and the inclusion of more diverse and skilled types of work in recent years, including programmes on adult literacy, classroom aides, care for those living with

HIV/AIDS and school feeding programmes. These types of activities all require higher skill levels and thus tend to attract a different profile of participants.

Yemen: Labour Intensive Works Project

On household-targeted programmes, the heads of households may prefer to participate rather than having youth members of the households work in the PEP.

The LIWP launched in 2008 primarily targets rural households in some of the smallest and most isolated villages in Yemen. Its aim is to bridge the consumption gap related to agricultural seasons, while also building community assets. It has no specific youth focus. Despite Yemen having a young population, only about 15 per cent of participants were in the youth age group (Al-Maweri and Egel, 2011), as shown in Figure 3 in the main text. The participation of young women, like the participation of women overall, was very low, as shown in the figure.

One reason for the low participation of youth put forward by the evaluators of the LIWP is that the programme is targeted at households and that elderly heads of households prefer to take up the work themselves rather than allocate it to youth members of the household.

El Salvador: Programa de Apoyo Temporal al Ingreso

Including training components can make a programme more attractive to youth.

The PATI programme in El Salvador was not exclusively targeted at youth, but youth (defined as 16–24 years of age) were given preference in the targeting process. The programme also aimed at assisting participants entering the labour market and as such included a training component that is perceived as making it more appealing to youth. However, youth participation was only 39 per cent; 62 per cent of the participants were female, but no figures on female youth participation are available.²⁷

²⁷ Information obtained from the ISPA country report on PATI in El Salvador

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