to under IDA19 that included lessons and guidance on the cost, credibility, reliability, and relative value of various types of estimations for different sector and country contexts. In addition, outreach activities included presentations to World Bank Group staff and external audiences.

Knowledge Program for Jobs: From Jobs Analytics to Support for Jobs Operations. This initiative identified solutions and produced global goods from recently completed analytical work, applied research, and diagnostics to build capacity for jobs-oriented operations by the WBG and other development actors. The team developed and published the following policy notes in 2023: (i) Adapting Skills Training to Address Constraints to Women's Participation, (ii) Adapting Jobs Policies and Programs in the Face of Accelerated Technological Change, (iii) Agriculture, Jobs, and Value Chains in Africa, (iv) Supporting Jobs in Fragility, Conflict, and Violence Situations, (v) Addressing Employment Obstacles for Young Syrian Refugee Women, (vi) Jobs Interventions for Refugees and Internally Displaced Person, and (vii) Jobs Interventions for Young Women in Digital Economy.

As part of diagnosing jobs challenges in different countries, the team also developed and published a comprehensive <u>step-by-step guidance to perform jobs diagnostics</u> and <u>an online portal on Jobs Diagnostics</u> to find disaggregated and comparable global jobs indicators for all countries and share standardized labor variables from household surveys, updated data tools and guidelines produced by the WBG's Jobs Group for country Jobs Diagnostics, and our latest reports.

Finally, the grant supported a comprehensive e-learning course on the fundamentals of Jobs for WBG staff and external audiences. The Jobs Labor and Migration Course and Jobs Diagnostics and Solutions Course launched in 2019 are <u>available online</u>.

WINDOW 2: MEASUREMENT

The Jobs MDTF grants financed under Window 2 invests in evidence-based jobs initiatives by (a) upgrading country-level data and diagnostics on job outcomes to enable such initiatives and (b) advancing the technical capacity for measuring job outcomes to provide policymakers with improved information on the expected impact of their interventions.

Jobs Flagship Report. Funded through the Jobs Umbrella MDTF, the Flagship Report re-evaluates the Jobs Agenda in the aftermath of COVID-19 to identify policy, regulatory, and investment priorities that account for different country income levels, development challenges, and opportunities. The Report's goal is to support the creation of better jobs for more people, especially women, and propose short- and medium-term priorities to improve job outcomes. The Jobs Flagship builds on lessons learned about jobs challenges and solutions in the Jobs Group and across the WBG and incorporates new empirical analysis on patterns of economic transformation in developing regions, the green transition, human capital, gender, private sector development, and labor regulations.

All chapters of the report were completed, and an overview report was also submitted for internal review in June 2023. Moreover, the team produced several outputs which will be published with the report, first a country growth episodes database, then a global macroeconomic database from 1991 to 2019 standardizing data across sources (ILO-International Labour Organization) data, Penn World Tables, and the UNU WIDER/GCGD Economic Transformation Database. Third, detailed standardized labor indicators at national and subnational levels for 14 country case studies; in each of these

countries, analysis had been made of jobs and structural transformation with a view to identifying how the country's path differs from the global pattern and generating hypotheses about what may be the cause. An author's Workshop was held in March 2023 with chapter reviewers, Jobs Group managers held further consultations in Berlin in December 2023, and internal consultations culminated in the decision to prepare a position paper on Growth and Jobs.

Flagship report lessons include:

- Job challenges depend greatly upon a country's stages of development and the drivers and path of economic growth. Economic growth is necessary to create better jobs for more people, but growth alone is insufficient to deliver better jobs. With the wrong balance in growth and jobs' strategies, countries can fail to improve agricultural productivity, industrialize, and urbanize without costly congestion effects. Unbalanced policies can disincentivize the creation and expansion of organizations and innovation in labor-intensive sectors. These policies can trap workers in low-productivity, under-capitalized, and low-skilled dead-end jobs in fragmented, informal self-employment. An imbalance between human capital investments and public and private investments in physical capital can limit labor demand and create unemployment and underemployment among dissatisfied youth.
- Improving productivity and the quality of jobs requires higher levels of productive organization, physical capital and human capital investment, and technological upgrading. These long-term investments depend on supportive infrastructure, product and labor market regulations, education and skills policies, and a business-friendly investment and innovation climate. Competition-oriented market-based private sector policies for production drive higher labor productivity. Stable macroeconomic management maintains the country's competitiveness, allowing producers to take advantage of new markets at home and abroad. Workers must adapt to these new opportunities and may need to acquire new skills and move for new jobs.
- Reallocation to higher-productivity work can also require proactive support from Governments to ensure that labor is mobile between sectors and places.
- Policies must adapt to rapid physical and human capital changes and technologies. The private
 sector's incentives may not lead to growth in production that makes the best use of a country's
 comparative advantage or is good for the planet, particularly in labor-abundant, low-income
 countries with access to natural and mineral resources. A country following a growth path
 that is neither pro-people nor pro-planet will need policies to generate technological change.
- Accelerating and facilitating structural transformation is especially important for productivity gains and agglomeration externalities in lower- and lower-middle-income countries.

Jobs and Sustainable Development. The Jobs and Sustainable Development grant informs sustainable development strategies by generating knowledge on the implications of digital technologies, the green economy, and labor mobility on employment outcomes. All activities were finalized in 2023. The grant analytical activities were organized under three pillars: 1) jobs and digital agriculture, 2) jobs in towns and territories, and 3) green perspectives on jobs.

In 2023, the team published two papers contributing to the second pillar:

- A paper on two case studies in Tunisia that analyzed internal migration in two secondary cities and explores how well migrants integrate into local labor markets. Using a unique internal migration survey collected in 2021, the team examined labor market integration patterns of migrants compared to residents, focusing on migration flows after the Tunisian uprising of 2010-11. They found that migrants to these two secondary cities are either better or equally likely to find a job and have the same income level as urban residents. Migrants are more likely to be younger, educated, and less involved in agricultural activity than urban residents. The results show also that the gap closes between migrants and urban-residents in the core-city more than in the peripheral areas.
- The second paper explored the effects of internal migration on urban labor markets in Uganda. The authors tested for agglomeration effects in Ugandan cities from 2005 to 2015 using nationally representative household panel data, census data, and geospatial data. The results show that wages, household income, and household consumption are positively influenced by urban density increases from migrants and natives. The study presents improved approaches to estimating agglomeration effects in low- and middle-income countries. Further, this is the first study to estimate agglomeration effects in sub-Saharan African cities.

Towards Improved Data on Labor Mobility and Territorial Development Policies (Phase 2). Building on the first phase of the partnership, the second phase aims to strengthen data analysis of and update tools to measure labor mobility and migration, including links to climate change.

Under the Rome Jobs, Labor Mobility and Sustainability Development Program, the Development Data Group and the Jobs Group have improved the data quality underlying client country development policies and WBG operations related to jobs and migration. Both IFAD and FAO have incorporated methodological improvements into their operations.

Better understanding of jobs and labor mobility challenges, including the drivers and impacts of labor mobility, such as climate change, and the obstacles faced by formal and informal businesses, to grow and create more employment is an important focus of the newly established Jobs and Labor mobility program. As highlighted by the World Development Report 2023, there are different types of movements, and each category calls for different policy priorities. The WDR eventually calls for additional data and evidence to better profile the migrants and inform policymakers. In that respect, the ongoing work complements the phase 1 work program by addressing some of the data and analytical gaps related to that work. In this second phase, emphasis is also being given to improving the understanding of the linkages between climate-related shocks and economic mobility and the extent to which the latter is a viable adaptation strategy for affected households and under specific circumstances.

The Labor Mobility Program has transformed how data is used to design evidence-based policies. The program has improved our understanding of migratory flows by providing a more comprehensive picture of household dynamics and their motivations. The program is still working on understanding how migration aspirations are transformed into actual plans, actions, and moves. The labor and migration measurement work done initially in Ghana and Nigeria has informed analysis in other countries, such as Ethiopia, Tanzania, and Malawi, with potential future use in Morocco and Tunisia.

The program also addresses a knowledge gap on the size and profile of the informal sector, which is critical to inclusive growth. This focus will allow us to understand firms' productivity levels, constraints, and gender gaps in productivity in the informal sector.

Finally, National Statistical Offices and Development Partners can use the project's tools to improve and increase the availability of data on labor mobility and migration and inform long-term labor mobility policies for more and better job creation in the context of the economic and green transformation. The Jobs Group can also share findings with policymaking and investment projects.

IFC Jobs model. The Jobs Umbrella MDTF supported a grant in 2023 to take the first steps towards a WBG-wide jobs estimation framework by documenting and peer reviewing the IFC's estimation framework, developing pilot applications to WBG operations, and exploring potential governance and implementation structures. Over the grant period, the team wrote and peer-reviewed 10 technical notes, developed an overview document, prepared three short non-technical briefs, and a case study report on a pilot project in Kenya. The new WBG corporate scorecard will feature a jobs indicator, and IFC's methodology has been presented and shared as part of the working group discussions to develop a common WBG approach. Moreover, IFC will continue to share the expertise gained in the scorecard discussions and assess IFC's development impact via job creation.

WINDOW 3: INFLUENCE THROUGH PARTNERSHIP AND INNOVATION

Under this window, the Jobs MDTF identified cutting-edge solutions to job challenges and influenced non-WBG strategies by convening key stakeholders to learn from MDTF outputs. In 2023, work under Solution for Youth Employment (S4YE) Phase II continued, while WBG teams made substantial progress through grants financed under the Jobs after COVID (JAC) initiative.

Solutions for Youth Employment (S4YE) Phase II

The objective of the S4YE Global Program Phase II is to identify, curate, and learn from innovative solutions in youth employment and convene a learning community that includes WBG teams (across GPs and IFC) as well as external partners, including nongovernmental organizations (NGOs), private sector companies, think tanks, foundations, and youth. In 2023, S4YE continued to lead the knowledge agenda on youth employment through new publications and discussion notes, learning events, government learning networks of governments, private sector partnerships for WBG operations, and technical support for WBG teams. These initiatives help address the global youth employment crisis and foster innovative solutions for youth employment. Annex 1 provides a detailed list of S4YE publications and events in 2023.

Governance and Partnership Management

The S4YE Steering Committee has played a crucial role in providing high-level strategic guidance and decision-making for the S4YE work program. In 2023, the Steering Committee (SC) organized two meetings (May and November) to discuss key themes such as Jobs in the Gig Economy and Scaling High Impact Innovations in Youth Employment. These meetings have facilitated the introduction of new representatives and the sharing of key achievements and work plans.

S4YE is also focused on revitalizing private sector partnerships and engaging strategic players in the creative sector, such as UNESCO, OECD, and AFD—Metis Fund. Furthermore, S4YE is partnering with the International Labour Organization on the Circular Economy to support an enabling environment for job creation and decent and sustainable work in the circular economy across value chains, regions, and countries.

Thematic Working Groups and Solution Notes

In collaboration with the Digital Development Global Practice, the S4YE team launched a global report on online gig work: Working Without Borders: The Promise and Peril of Online Gig Work. The report has generated significant engagement online on World Bank web pages and social media. In addition, S4YE team has created a pipeline of follow-on notes and blogs to share report findings and maintain thought leadership in this space.

In partnership with the Environment, Natural Resources, and Blue Economy Global Practice, the team launched a <u>new discussion note</u> that explores how the 'blue economy' can support both environmental and social objectives to drive development and create opportunities for youth.

S4YE also helped launch the Creative Economy Alliance for Diversity and Youth in May 2023. This is a global multi-stakeholder partnership to enhance productive and diverse youth employment in creative industries. The alliance hosted webinars and events to promote diversity in the creative economy and facilitated discussions on the role of generative artificial intelligence in the creative sector.

Finally, in partnership with the Labor and Skills Global Solutions Group (GSG), S4YE released a <u>draft discussion note</u> that highlights job matching platforms by public agencies that leverage advanced technology to connect job seekers and employers. It explores trends in technical features, deployment, and implementation of these platforms.

Operations Support

S4YE has positioned itself as a global curator and convenor of youth employment innovations. In November 2023, S4YE organized a two-day virtual Innovation Exchange and Partner Summit. The Partner Summit brought together over 1,000 S4YE partners from 124 countries. The Summit focused on three objectives: (1) implications of recent developments in generative artificial intelligence mean for youth employment; (2) innovative solutions to youth employment led by S4YE partners; and (3) youth as solution-creators for development challenges.

The team also strengthened its support role to internal WBG teams by working with different Global Practices and the IFC to provide support and technical advice to several TTLs on a wide range of themes such as online gig jobs, jobs for women in unconventional sectors, the water innovation challenge, digital skills, and jobs for youth in the creative sector.

In addition, S4YE created public goods that serve as open resources for youth employment practitioners. These include <u>S4YE's Knowledge Repository</u>, a global inventory of practical toolkits,

¹ This is part of a specific grant, "Global Online Gig Jobs," which is also summarized under the Jobs after COVID section of this report.