

JOBS IN THE WORLD BANK GROUP EVOLUTION ROADMAP

A confluence of crises—including COVID-19 crisis and other pandemics; increasing fragility, conflict, and forced displacement; the accelerating effects of climate change and associated disasters; and environmental degradation—has contributed to a worldwide economic downturn. Many countries have lost decades of development progress and seen profound impacts on human capital, especially for the poorest people. Failure to confront these challenges may lead to sustained reductions in productivity and income, exacerbating poverty and inequality in the world's poorest nations.

The WBG is undergoing a deep transformation—guided by the Evolution Roadmap—to align its vision and mission with the current challenges experienced by developing countries, especially those in fragility, conflict, and violence (FCV) contexts. The WBG's revised mission, “to create a world free of poverty on a livable planet,” emphasizes inclusiveness, resilience, and sustainability. Realizing this vision requires increased financing, improved results, and coordinated efforts from the entire development community. The WBG aims to help countries get development progress back on track by expanding its financial capacity to better respond to today's priorities and challenges. Additionally, the WBG is enhancing its impact and strengthening its operations through improvements in the country engagement model, analytics, financial instruments, and incentives, all under the strengthened One WBG approach, under which each of the WBG institutions, despite their own country membership, governing boards, and articles of agreement, will work as one to serve the WBG partner countries.

In this context, the Jobs Agenda supported by the Jobs MDTF remains at the core of the following WBG strategic priorities reflected in “[Evolving the World Bank Group's Mission, Operations, and Resources: A Roadmap](#)” and further supported by the [WBG 2023 Annual Report](#):

- **Supporting inclusive and sustainable growth.** WBG's investments to create jobs, inclusive economic transformation, and infrastructure will continue to be crucial to reducing poverty. Growing economies that generate more and better jobs require macroeconomic stability, a supportive business environment for private sector development, a stable and inclusive financial system, and increased digital technology and connectivity. As a critical step to ensuring that people living in poverty benefit from job and economic opportunities in growing economies, the WBG will continue to support investments in human capital, social protection systems, and public service delivery.
- **Closing gender gaps.** The WBG will continue to focus on closing gender gaps. As further supported by the [WBG Gender Strategy 2024–30](#), the WBG will support efforts to accelerate gender equality for a sustainable, resilient, and inclusive future in alignment with the World Bank Group Evolution Roadmap. The Strategy emphasizes ending gender-based violence; expanding care, digital, mobility and other enabling services; and engaging women as leaders. This support will be critical to removing barriers and ensuring women and other gender minorities have equal opportunities to jobs.

- **Strengthening support for climate action.** WBG climate finance and private capital will direct action to the largest mitigation and adaptation opportunities for specific country needs and circumstances, reducing greenhouse gas emissions, decelerating climate change, and helping countries adapt. Achieving these important, ambitious goals requires understanding the impact of climate adaptation and mitigation actions on workers, the potential for sustainable economic opportunities, current and future demand for green skills in a low-carbon economy.
- **Investing in nature to support lives and livelihoods.** The WBG will continue to support greener development to tackle interconnected biodiversity, climate, and pollution crises. By using nature's value for sustainable land, sea, and freshwater resource management that creates jobs, countries can strengthen their livelihoods and resilience to climate change.
- **Investing in digital development to address global challenges.** Responding to today's complex development challenges and building resilience will demand maximizing the benefits of digital infrastructure and technologies while mitigating potential risks. These investments are key to supporting job creation and developing skills for youth, women, and other vulnerable groups.
- **Supporting pandemic prevention, preparedness, and response capacity in client countries.** The WBG will continue to scale up support for pandemic management to help protect vulnerable communities and reduce health, social, and economic impacts of future pandemics and epidemics. Pandemic prevention, preparedness, and response that prevents job and income losses can protect the formal and informal workforce and their families.

The WBG held its first Jobs Day in November 2023 to reflect on lessons learned and set job agenda priorities. This day identified critical analytical and operational issues to deliver more and better jobs that align with increasing demand for World Bank initiatives underpinned by the Jobs MDTF. Jobs Day takeaways include:

- **Enhanced data collection and measurement.** Accurate and comprehensive data is crucial for understanding labor market dynamics and the effectiveness of job creation initiatives. Improved data collection methods and metrics will help the World Bank develop better-targeted policies and programs.
- **Improved coordination and collaboration across World Bank units.** The complexity of job-related issues requires a cross-cutting approach that involves multiple sectors and disciplines. Enhanced collaboration will ensure that different units within the World Bank can work together more effectively, leveraging their expertise to address the multifaceted nature of employment challenges.
- **Tailored jobs strategies for different country contexts.** There is no one-size-fits-all solution for job creation, as economic conditions, labor markets, and social structures vary significantly from one country to another. Tailoring strategies to the specific circumstances of each country leads to more effective and sustainable outcomes.

A new Corporate Scorecard indicator was designed to measure results on jobs, building on Jobs MDTF investments in jobs estimation. As part of the WBG evolution, the World Bank's Executive Board endorsed a proposal in December 2023 for a [new corporate scorecard \(CSC\)](#). This new scorecard helps the World Bank Group double down on its commitment to accountability and

transparency, evidence-based decisions, our partnerships, and tangible outcomes. The scorecard measures how people's lives have improved through 22 indicators to capture the impact of our work in development areas of importance to our client countries. Recognizing that most people, and especially poor people, earn most of their income from work, one of the new indicators is "number of new or better jobs" that measures the aggregate number of new or better-paid jobs created directly or indirectly by IBRD, IDA, IFC, and MIGA interventions. The indicator will capture the effects of interventions that enhance the potential for individuals to obtain jobs, whether through investments in human capital and skills (supply side), or by promoting growth of firms and employment opportunities in the private sector (demand side), or reforms that facilitate the reallocation to better jobs. A technical working group developed a harmonized methodology for estimating the indicator considering the various methodological challenges associated with measuring jobs. The scorecard and detailed methodologies will be available online to facilitate harmonization with other multilateral development banks. The activities of the Jobs MDTF have been instrumental to inform the conception and design of the new CSC indicator on jobs. For example, the SEJLS program helped identify and map the key jobs impact of standard WBG interventions across sectors. Moreover, the IDA JET indirect jobs measurement pilots allowed to test a range of different methodologies to measure indirect jobs effects and map each project type to the most appropriate measurement technique.

THE JOBS LENS IN IDA 21

The jobs agenda remains central to development. Labor income is the single most important driver of poverty reduction, but people in IDA countries earn very little from their work. The working-age population of today's IDA countries is set to double by 2050. Currently, one in every five workers in the global working-age population resides in IDA countries. By 2050, this proportion is projected to increase to one in every three workers as the working-age population of today's IDA countries surges from 1 billion to 2 billion and remains constant elsewhere. Increasing the overall share of workers engaged in more productive activities that yield higher pay in the face of this demographic shift will represent an enormous challenge. For women and youth, the challenge of finding productive employment is even more daunting, and it requires special focus.

Experience shows that boosting productive employment requires coordinated interventions across the economy. In that context, IDA 21 will apply a cross-cutting but coordinated framework to spur better jobs under three dimensions: production, people, and places. Policies for **production** unlock constraints to expanded production by firms and rapid productivity growth to raise the labor demand, increasing earnings and employment. Policies for **people** foster the supply of skills over the lifecycle, beginning with investments to ensure strong foundational skills in childhood, extending to quality secondary, technical, and tertiary education, and beyond that to lifelong, on-the-job learning. Policies for **places** ensure that people and firms are able to locate in places where they can be most productive, and that the characteristics of places support enables productivity.

Under IDA21, the links between analytics and policy and investment lending interventions will be strengthened in a coordinated way across sectors. Moreover, medium to long-run priorities will be accompanied by short-term policy measures to address new sources of vulnerability. To support reforms and investments that boost countries' productive employment prospects, IDA21

will address constraints across the above-mentioned three pillars. IDA's enhanced focus on jobs has led to a change in the mix of jobs interventions to focus on complementary growth policies. For example, demand-side interventions, such as business enabling environment, access to finance, and agriculture value chain support, will be more prevalent. This will result in a more comprehensive approach to encompass productivity-enhancing reforms into core analytical products, e.g., the new Growth and Jobs reports (former Country Economic Memorandum) and Country Private Sector Diagnostics (CPSDs). The policy recommendations of these analytical pieces and others will serve as anchors for more robust policy and investment lending operations. Significant emphasis will be placed on coordinating IDA engagements across sectors at the country level with the lenses of jobs.

JOBS GROUP MOVE

As part of the Evolution Roadmap, the WBG is not only refocusing its funding mechanism but also transforming its approach to knowledge. As we work to improve our ability to innovate, move faster, and respond better to clients' development priorities, a new WBG structure will be in place starting in July 2024. It will include five vertical knowledge vice-presidencies: People, Prosperity, Planet, Infrastructure, and Digital. Across these verticals, the WBG will measure its impact on gender equality, jobs for young people, and climate. In this context, the Jobs Group will move to the Prosperity vertical under the Economic Policies department (formerly Macroeconomics, Trade and Investment)—which leads the Bank's policy work across all client countries. This new institutional setup elevates the Jobs Agenda in the context of the World Bank policy engagement with its clients and ensures that the critical analytical undertakings on jobs provide a robust evidence base to design effective jobs strategies across the portfolio.

