

face when applying to large-scale business plan competitions and can inform policies for competing in entrepreneurial settings.

Private Sector

IFC Global Employability Program. [IFC's Employability program](#) supports tertiary education institutions to prepare students for the job market by assessing how well institutions promote student employability and providing higher education institutions with bespoke evidence-driven recommendations for improvement and hands on training and technical support.

As of the grant's close in December 2023, IFC has provided Employability Assessments to 66 institutions. Another 55 institutions have been Benchmarked in Nigeria and Jordan in partnership with regulatory bodies for higher education, and another 241 institutions have completed the Employability Benchmarking online at [vitaeready.org](#). In 2023, four modules on career services, employability key performance indicators, industry advisory committees, and micro-credentials were completed and published as publicly available open-access versions or as longer versions for registered higher education institutions on the WBG Open Learning Campus. Publicly available online training modules have been accessed 1,076 times on [vitaeready.org](#) as of December 2023, while online versions of the modules have been accessed by 129 users from 11 higher education institutions. HEI staff have also completed 51 trainings on the online modules. In 2023, two pages of the Vitae website were completed: [the employability benchmarking data section of the website](#) with data enhancements, and the [digital skills page](#); and the digital skills questionnaire was finalized and has now collected data from 32 institutions.

Firm Dynamics Diagnostics Toolkit. The grant financed under the JAC initiative of the Jobs Umbrella MDTF developed a modular firm dynamics diagnostic toolkit that examines the business environment constraints to private sector growth in countries. This is version 2.0 of the Investment Climate Assessments. This funding contributes to the module on inclusivity.

In 2023, the team finalized an informality toolkit to analyze informal sector opportunities for formalization. The toolkit helps countries prioritize structural reforms and identify specific policy actions to support the formalization of informal businesses. The toolkit leverages existing data from several sources, standardizes quantitative tools, and offers metrics to conduct diagnostic analysis and policy assessments to help countries assess (i) constraints to formalizing firms, (ii) identification of firms that would benefit the most from formalization, and (iii) the policies that maximize formalization while supporting productivity and investment growth.

The toolkit includes a manual on assessing informality across countries and related data tools. It also provides accompanying documentation and STATA codes that allow replication for new countries.

IFC West Africa Small Loan Guarantee Program (SLGP). IFC's Small Loan Guarantee Program (SLGP) is a Risk risk-sharing facility (RSF) that aims to make a meaningful contribution to financial inclusion and job creation and bridging the SME finance gap by supporting the financing needs of SMEs in vulnerable macroeconomic environments. The JAC grant supported the study of the business activity, economic growth, and employment stories of SME borrowers who have obtained access to finance through the SLGP program in West Africa.

The study aimed to generate knowledge that can help maximize the positive impact of RSF products on businesses' resilience, their ability to keep and create jobs, and inform improvements in the design and service delivery of RSFs. It had three key areas of focus. First, the study analyzed the 'borrower story' of SMEs through in-depth interviews and client-provided lending performance data to understand how taking out a loan supported these businesses' growth and resilience. Second, the study analyzed the role of lending on the intention to hire, actual hiring, and the outlook of enterprises. Third, the study focused on analyzing how the product design of RSFs, particularly the SLGP program, can be improved based on the reported experiences of SMEs and client banks.

In 2023, the market and fieldwork qualitative research focused on SMEs in Côte d'Ivoire with a total of 97 face-to-face interviews with SME owners and managers who are clients of NSIA Bank (*Nouvelle Société Inter africaine d'Assurance*) and BACI Bank (*Banque de l'Atlantique Côte d'Ivoire*). The study examined how participant loans and access to finance influence the trajectory of their businesses. The report's findings indicate that the top barriers for SMEs are financial constraints, followed by market expansion, competition, human resources, operations, and customer and supplier relationships. SMEs also prefer short-term financing due to their higher accessibility; they face complex loan application processes, burdensome collateral requirements, and high interest rates. Loans mostly affected the SME's specific business needs, revenue growth, and recruitment, although with varying levels across enterprises.

Haiti. This grant financed through JAC supported the [Private Sector Jobs and Economic Transformation \(PSJET\) project \(P173743\)](#) to design business development services that build firm resilience to crises and support the recovery of post-COVID-19 job creation in the fragile Haitian context. In 2023, the team assessed firm needs and vulnerability and adapted the training curriculum to incorporate Business Continuity Planning and for risks related to violence and insecurity.

Green Jobs

Impact of the green transition on employment and livelihoods of poor and vulnerable households. The JAC-supported grant produces policy-relevant evidence on climate change's risks to the poor and vulnerable and how to protect them from welfare losses and benefit from the low-carbon transition.

This grant aims to address the knowledge gap on the impacts of the green transition through innovations in both data and methodologies. Specifically, the objective is to support Poverty Assessments by (i) assessing the extent to which existing microdata from household income and expenditure and labor force surveys can answer these questions and identifying data gaps; (ii) examining opportunities for supplementing microsurvey data with other sources to improve baseline understanding of the distributional incidence of jobs, skill sets, and livelihoods disaggregating by location and sector; (iii) piloting analytical innovations that combine this larger data infrastructure with methodological improvements in microsimulation methods to get a deeper sense of the labor market and distributional impacts of a range of policies and interventions that will support the green transition; and (iv) piloting analytical innovations to integrate microsimulation with macro modeling better using this richer data infrastructure.

During 2023, a review on green skills was completed, covering the definition of green jobs, methods to measure green jobs, and general green job trends. This literature review will serve as a valuable

resource to inform WBG Country Climate and Development Reports, Poverty Assessments, and operations supporting the green transition. The team is currently working on a just transition note as background to a paper on climate and equity frameworks to guide policy action, an empirical analysis on estimating the impacts of trade policy on green jobs in Brazil, and on integrating spatial data on air pollution with data on jobs outcomes in Pakistan.

Indonesia. The JAC initiative financed “building back better by way of green jobs and investing in green skills,” a grant to fill a knowledge gap in developing a methodology for developing countries to identify skills for green jobs and to test it in Indonesia, a middle-income country that would profit by greening its economy.

In 2023, the team developed the preliminary design of the toolkit to identify green skills, including the methodology for the selection of occupations, innovative listing approach, and upgraded questionnaire on occupation-specific skills and tasks, which is upcoming in 2024. Training on the methodological approach proposed took place in July 2023 and involved Bappenas, BPS, and MoM as well as knowledge sharing with the US Department of Labor O*NET division.

The methodology developed under this grant is currently used by several World Bank teams and their clients across the globe.

BOX 3

BUILDING BACK BETTER: PIONEERING GREEN JOBS AND SKILLS MEASUREMENT IN INDONESIA

In pursuit of a greener economy, Indonesia has recognized the potential for economic growth and improved employment outcomes. A measurement approach to predict in-demand skills in the green transition supports Indonesia’s goals.

The first step behind this innovation was reviewing existing definitions and methods to identify green jobs and skills. This analysis led to a [new methodology](#) suitable for the specific question on skill needs relevant to Indonesia. The toolkit includes a dictionary of green terms to identify green tasks within job descriptions and a detailed step-by-step guide to replicate the methodology. It is [publicly available](#) and can be adjusted for different data sources.

The applications of this new approach are far-reaching. It has informed the [definition of green jobs](#) that the Ministry of National Development Planning of Indonesia will use in their regulations and the Roadmap for Green Jobs, launched in November 2023. It is also expected to be utilized by the National Bureau of Statistics to monitor green job targets in the National Medium Term Development Plan for 2025–2029. The Skills for Energy Transition Survey, a pilot instrument in Indonesia designed with JAC’s support, is set to capture the current and future state of occupations in the energy sector. This survey will provide valuable data to guide upskilling and reskilling initiatives, ensuring the workforce is prepared for the green transition.

Moreover, World Bank teams in other countries and international organizations such as the ILO and GIZ have adopted the methodology. Its practicality is evident in the [Labor Market Information and Skills System Transformation for Labor Market Flexibility](#) project in Indonesia, which will further refine the method by tagging green jobs and identifying associated skills needs.

Economic transformation and green jobs in West Africa. This JAC-supported grant provides technical assistance and develops operational tools to incorporate an inclusive Jobs and Economic Transformation approach (JET) into country programs and projects in the Africa region.

During 2023, the grant supported the intensification of activities supporting both portfolio-level and project-level tasks and deepening the dialogue on JET across the three WBG Vice Presidential Units (Human Development Global Practice Group, Equitable Growth, Finance and Institutions, and Sustainable Development). The Cameroon Country Partnership Framework adopted an inclusive JET focus, and the Task Team also provided support to the [West Africa Coastal Areas Resilience Investment Project \(WACA\)](#) to use the same approach for project design and implementation. Teams have started using the approach for the Ghana Performance and Learning Review and the next Cameroon Country Partnership Framework, but this work will need to continue with other resources, given that the grant has closed.

The team completed a “how to” presentation on how an inclusive Jobs and Economic Transformation lens can maximize jobs’ impacts at a portfolio and project level. The presentation drew on lessons learned from the grant and incorporated comments from WBG staff engaging on the job’s agenda across Global Practices and VPUs. Another presentation specifically focused on how projects and knowledge products can support better jobs for the poor in Africa. Presented at a Social Protection and Jobs all Africa staff meeting in October 2023, teams are already using these products in dialogues with clients. For example, a WBG recently adapted and presented the approach at a workshop of the Economic Community of Central African States.

Education

India. The JAC initiative financed a grant to leverage research on vocational education in schools in the context of the [Supporting Andhra’s Learning Transformation \(SALT\)](#) project, which improves learning outcomes, quality of teaching practices, and school management in basic education. The project directly supports the Department of School Education of the Government of Andhra Pradesh, which has the mandate and the funds to provide school-based vocational education but lacks the institutional capacity and technical background.

The grant ended in 2023, during which the team built on the data collection carried out in previous years. The team finalized the two main outputs, a conceptual framework and implementation roadmap, which indicate how to better align with student aspirations and aptitudes by offering multiple vocational trades in schools. They also align with the national legislation and framework while proposing a cost-feasible approach to service provision for the government.

The main lessons learned from this analysis include:

- Bridging the gap between students’ aspirations and aptitudes requires a continued focus on reducing learning poverty and improving students’ learning levels in STEM education.
- Parent engagement in career counseling is important for student aspirations and for the inclusion of girls into non-conventional trades.
- Data on students’ aspirations and aptitudes needs to form the basis for selecting the vocational trades offered in schools, and schools need to offer multiple trades.

- The model for offering multiple trades across schools must entail ‘no’ or ‘minimal’ cost increment through dynamic procurement and efficient deployment of human resources.
- Maintaining student interest in vocational education requires (a) appropriate career counseling, (b) provision of trades that interest the student, and (c) starting as early as upper primary grades with pre-vocational courses.
- Poor socio-emotional skills remain a concern for the industry and will continue to be a subject of further research.

Based on these lessons learned, the state of Andhra Pradesh has opened discussions with the World Bank team to use some of the funds under the existing World Bank-supported project to provide universal career aptitude and aspiration assessments and associated career counseling to students entering secondary and senior secondary education in government-managed schools.

Innovation Challenge on Jobs and Migration

This grant aims to build evidence on effective, operational, and scalable solutions that maximize the economic and job benefits from safe, orderly, and regular migration. Implementation started in the second half of 2023, and four proposals were selected to examine labor market outcomes for migrants, host communities, and sending communities. These include: 1) the Malengo scholarship program for Ugandan university students to study in Germany; 2) the recent nation-wide migration reform in Spain; 3) the Talent Beyond Boundaries program that addresses migration barriers and matches employers with refugees; and 4) the Na’amal program that assists skilled refugees and host communities to access freelance online gig jobs through training and mentoring.

The first proposal with an inception report is “Malengo: Moving to Opportunities Abroad.” This report provides the first experimental evidence of the effects of international educational migration on a diverse range of outcomes through collaboration with Malengo, an NGO that supports high school graduates from Uganda in completing a bachelor’s degree in Germany. Their selection process includes a lottery component to overcome selection bias and a randomized controlled trial. This study aims to understand how educational migration affects students’ educational and labor market outcomes, their subjective well-being, aspirations, political attitudes, and economic preferences. The study also aims to investigate the nature of spillovers in home communities and understand how remittances, knowledge transfer, role model effects, and the physical absence of migrants influence families who stay in Uganda.

The second inception report is “An Empirical Assessment of the 2022 Spanish Immigration Reform.” This research aims to assess a comprehensive Immigration Reform introduced in Spain in 2022 to address two key issues: filling the skills gap while taking advantage of the human capital embodied in the irregular migrant populations already residing in rich countries. The research will analyze how Spain’s 2022 Immigration Reform, with its unique characteristics and timing, influences the dynamics of immigrant integration and labor markets. This policy evaluation studies the impact of speeding up regularization processes for irregular migrants on immigrant populations and broader society. Also, it aims to shed light on how this reform aligns with or diverges from the lessons drawn from similar initiatives worldwide.