



THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP
FOR OFFICIAL USE ONLY

Report No: PAD2761

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED CREDIT

IN THE AMOUNT OF SDR 86.4 MILLION
(US\$120 MILLION EQUIVALENT)

TO

NEPAL

FOR A

YOUTH EMPLOYMENT TRANSFORMATION INITIATIVE PROJECT

August 16, 2019

Social Protection and Jobs Global Practice
South Asia Region

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.

CURRENCY EQUIVALENTS

Exchange Rate Effective June 30, 2019

Currency Unit = Nepalese Rupee (NPR)

NPR 110 = US\$1

US\$1.39 = SDR 1

FISCAL YEAR

July 1 – June 30

ABBREVIATIONS AND ACRONYMS

AGEI	Adolescent Girls Employment Initiative
CBS	Central Bureau of Statistics
CPF	Country Partnership Framework
DFID	U.K. Department for International Development
ESC	Employment Service Center
ESMF	Environmental and Social Management Framework
EVENT	Enhanced Vocational Education and Training Project
GBV	Gender-based Violence
GDP	Gross Domestic Product
GoN	Government of Nepal
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
ILO	International Labour Organization
IPs	Indigenous Peoples
IOM	International Organization for Migration
IUFR	Interim Unaudited Financial Report
KEP	Karnali Employment Program
LL	Local Level
LIFE	Labor Market Information and Employment Services
M&E	Monitoring and Evaluation
MIS	Management Information System
MOF	Ministry of Finance
MOLESS	Ministry of Labor, Employment, and Social Security
MOSD	Ministry of Social Development
NEET	Not in Education, Employment or Training
NEMIS	National Employment Management Information System
PDO	Project Development Objective
PMEP	Prime Minister's Employment Program

PMU	Project Management Unit
POM	Project Operations Manual
PPP	Purchasing Power Parity
PSC	Project Steering Committee
PTC	Project Technical Committee
PWP	Public Works Program
RAP	Rural Access Program
RCIW	Rural Community Infrastructure Works
RMR	Risk Mitigation Regime
SDC	Swiss Development Corporation
SMEs	Small and Medium Enterprises
SOE	Statement of Expenditure
STEP	Systematic Tracking of Exchanges in Procurement
TA	Technical Assistance
VCDF	Vulnerable Community Development Framework

Regional Vice President: Hartwig Schafer

Country Director: Idah Z. Pswarayi-Riddihough

Regional Director: Lynne Sherburne-Benz

Country Manager: Faris H. Hadad-Zervos

Practice Manager: Stefano Paternostro



TABLE OF CONTENTS

DATASHEET	Error! Bookmark not defined.
I. STRATEGIC CONTEXT	1
A. Country Context.....	1
B. Sectoral and Institutional Context	2
C. Relevance to Higher Level Objectives	4
II. PROJECT DESCRIPTION.....	4
A. Project Development Objective	4
B. Project Components	5
C. Project Beneficiaries	7
D. Results Chain.....	7
E. Rationale for Bank Involvement and Role of Partners	8
F. Lessons Learned and Reflected in the Project Design.....	8
III. IMPLEMENTATION ARRANGEMENTS	9
A. Institutional and Implementation Arrangements	9
B. Results Monitoring and Evaluation Arrangements	10
C. Sustainability.....	10
IV. PROJECT APPRAISAL SUMMARY	10
A. Technical, Economic and Financial Analysis	10
B. Fiduciary	11
C. Safeguards.....	12
D. Gender.....	13
E. Climate Co-Benefits.....	13
F. Grievance Redress Mechanisms	13
V. KEY RISKS	14
VI. RESULTS FRAMEWORK AND MONITORING	16
ANNEX 1: IMPLEMENTATION ARRANGMENTS AND SUPPORT PLANS	24
ANNEX 2: BRIEF DESCRIPTION OF PRIME MINISTER’S EMPLOYMENT PROGRAM	30
ANNEX 3: DESCRIPTION OF PROJECT COMPONENTS.....	32
ANNEX 4: ECONOMIC AND FINANCIAL ANALYSIS.....	35
ANNEX 5: GENDER ANALYSIS, ACTIVITIES AND MONITORING.....	39
ANNEX 6: TEAM LIST	43



DATASHEET

BASIC INFORMATION

Country(ies)	Project Name	
Nepal	Youth Employment Transformation Initiative Project	
Project ID	Financing Instrument	Environmental Assessment Category
P160696	Investment Project Financing	B-Partial Assessment

Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Disbursement-linked Indicators (DLIs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	

Expected Approval Date	Expected Closing Date
12-Sep-2019	30-Jun-2024

Bank/IFC Collaboration

No

Proposed Development Objective(s)

To improve employment services and labor market outcomes, especially for youth.

Components

Component Name	Cost (US\$, millions)
Strengthening of employment promotion systems and services	44.50

Improving labor market outcomes of the vulnerable	67.00
Project management, monitoring and evaluation, and capacity building	8.50

Organizations

Borrower:	Government of Nepal
Implementing Agency:	Ministry of Labor, Employment and Social Security

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	120.00
Total Financing	120.00
of which IBRD/IDA	120.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	120.00
IDA Credit	120.00

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
National PBA	120.00	0.00	0.00	120.00
Total	120.00	0.00	0.00	120.00

Expected Disbursements (in US\$, Millions)

WB Fiscal Year	2020	2021	2022	2023	2024	2025
Annual	24.00	38.00	37.00	10.00	10.00	1.00
Cumulative	24.00	62.00	99.00	109.00	119.00	120.00

INSTITUTIONAL DATA

Practice Area (Lead)

Social Protection & Jobs

Contributing Practice Areas

Jobs

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

Gender Tag

Does the project plan to undertake any of the following?

a. Analysis to identify Project-relevant gaps between males and females, especially in light of country gaps identified through SCD and CPF	Yes
b. Specific action(s) to address the gender gaps identified in (a) and/or to improve women or men's empowerment	Yes
c. Include Indicators in results framework to monitor outcomes from actions identified in (b)	Yes

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category

Rating

1. Political and Governance	● Substantial
2. Macroeconomic	● Moderate
3. Sector Strategies and Policies	● Substantial
4. Technical Design of Project or Program	● Moderate
5. Institutional Capacity for Implementation and Sustainability	● High
6. Fiduciary	● Substantial
7. Environment and Social	● Moderate
8. Stakeholders	● Substantial
9. Other	
10. Overall	● Substantial



COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

Yes No

Does the project require any waivers of Bank policies?

Yes No

Safeguard Policies Triggered by the Project

	Yes	No
Environmental Assessment OP/BP 4.01	✓	
Performance Standards for Private Sector Activities OP/BP 4.03		✓
Natural Habitats OP/BP 4.04		✓
Forests OP/BP 4.36		✓
Pest Management OP 4.09		✓
Physical Cultural Resources OP/BP 4.11		✓
Indigenous Peoples OP/BP 4.10	✓	
Involuntary Resettlement OP/BP 4.12		✓
Safety of Dams OP/BP 4.37		✓
Projects on International Waterways OP/BP 7.50		✓
Projects in Disputed Areas OP/BP 7.60		✓

Legal Covenants

Sections and Description

The Recipient shall establish and thereafter maintain throughout the period of implementation of the Project not later than two (2) months after the Effective Date, an Inter-Ministerial Project Steering Committee with composition and terms of reference satisfactory to the Association

Sections and Description

The Recipient shall establish and thereafter maintain throughout the period of implementation of the Project not later than three (3) months after the Effective Date, a Project Technical Committee to provide technical guidance to the Project consisting of officials and technical experts of relevant ministries/agencies as well as the private sector

Sections and Description



The Recipient shall establish and thereafter maintain throughout the period of implementation of the Project not later than two (2) months after the Effective Date, a Project Management Unit, which will oversee the overall Project implementation, manage the day-to-day operations, including procurement, financial management, safeguards and monitoring and evaluation, and provide guidance, technical support and training to LLs, and will prepare and consolidate financial and implementation reports. The PMU shall be led by a National Project Director and staffed with professionals, all of whom shall have qualifications, experience and terms of reference satisfactory to the Association

Sections and Description

The Recipient shall appoint a Provincial Project Coordinator in each of the seven Provincial Governments, who will be the Under Secretary of the respective MoSD and shall carry out monitoring and evaluation activities and coordinate between the Federal Government, the Provincial Governments and the LLs

Sections and Description

No later than two (2) months after the Effective Date, the Recipient shall assign at least two (2) finance officers to the PMU with qualifications and terms of reference acceptable to the Association

Sections and Description

Not later than six (6) months after the Effective Date, the Recipient shall hire at least one administrative support staff for each ESC with qualifications and terms of reference acceptable to the Association

Sections and Description

Not later than four (4) months after the Effective Date, the Recipient shall hire a procurement consultant with qualifications and terms of reference acceptable to the Association to support the PMU in carrying out Project procurement.

Sections and Description

The Recipient, through appropriate procedures and transaction mechanisms with LLs, shall ensure that the LLs, with the support of the ESCs, are responsible for management, and basic functions of financial management, procurement and safeguards associated with their respective activities under the Project. To that end, the Recipient shall: (a) include in the Operating Guidelines, appropriate provisions to ensure that the terms of this Agreement and the POM are passed down to all LLs as special conditions for their respective Conditional Grants; and (b) ensure that all LLs receive all relevant documents describing in detail the responsibilities of all LLs in relation to the implementation of their respective activities under the Project in accordance with this Agreement.

Conditions

Type	Description
Disbursement	No withdrawal shall be made: under Categories 2(a) and (b), until and unless: reports satisfactory to the Association have been furnished to the Association showing that the Recipient has implemented reporting procedures to ensure appropriate and timely reporting by the LLs to the Federal Government on the use of the proceeds of the Financing for their intended purposes



Type Disbursement	Description No withdrawal shall be made:under Categories 2(a) and (b), until and unless: (ii) evidence satisfactory to the Association has been furnished to Association that the Recipient has complied with Section I.A.6 of Schedule 2 to this Agreement
Type Effectiveness	Description The Additional Condition of Effectiveness consists of the adoption of the Project Operations Manual in form and substance satisfactory to the Association in accordance with Section I.B.1. of Schedule 2 to this Agreement



I. STRATEGIC CONTEXT

A. Country Context

1. Over the past decade, Nepal's economy has performed reasonably well. Real growth domestic product (GDP) growth averaged 4.9 percent (at market prices) over 2010-19. Although declining as a share in the economy, agriculture continues to play a large role, contributing over 29 percent of GDP in FY2019. The service sector has grown in importance, accounting for 46 percent of GDP in FY2019. Industry and manufacturing have grown more slowly and their relative share in the economy has averaged 14 percent of GDP over the past decade. Similarly, exports continue to struggle, while imports are fueled by remittances. Remittances have remained stable, with its share as a percentage of GDP averaging 24.5 percent, supported by an increased transfer of funds through formal channels in recent years. Inflation has been in single digits for most of the past decade, with the peg of the Nepalese rupee to the Indian rupee providing a nominal anchor. Fiscal balances remained sustainable owing to strong revenue growth and modest spending. However, the federal government is now sharing revenue and transferring grants to provinces and Local Levels, as part of the recent reforms linked to federalism. The poverty headcount ratio (at the international \$1.90 / day line) is estimated to have fallen to 10 percent in 2017 (from 15 percent in 2010). At a higher line of \$3.20 a day, poverty is estimated at 43 percent in 2017, down from 51 percent in 2011, indicating widespread vulnerability. According to the 2018 Multidimension Poverty Index (MPI), about 29 percent of Nepal's population is multidimensionally poor. However, these gains remain vulnerable to shocks and setbacks, as evidenced by the 2015 earthquakes which were followed by trade disruptions resulting, in GDP growth of 0.6 percent in 2016, the lowest in 14 years.

2. Data released by the Central Bureau of Statistics (CBS) (consisting of a revision of the FY2018 growth rate coupled with the preliminary estimate for FY2019), show that growth has been strong. Good monsoons together with increased commercialization of agriculture, the availability of fertilizers and seeds, and irrigation facilities helped raise production of paddy, maize, and wheat to historic highs and increased the contribution of the agriculture sector to GDP growth from 0.9 percentage points in FY2018 to 1.6 percentage points in FY2019. As a result, GDP growth increased from 6.7 percent in FY2018 to the estimated 7.1 percent in FY2019. Government revenue continued to perform well but spending also picked up significantly in FY2018 and FY2019 compared to previous years. Nevertheless, ambitious expenditure targets envisioned in the budget have not been met and the quality of spending has not improved with 60 percent of the capital spending occurring in the last quarter of FY2018. Federalism has also exacerbated the challenges linked to weak budget execution; and spending pressures have increased in FY2018 and FY2019 due to federal transfers to provincial and local governments.

3. Updated inflation estimates show it slowed to 3.5 percent year on year in October 2018 but increased to 5.3 percent (year on year) in May 2019 owing to a sharp uptick in vegetable prices. Meanwhile, credit growth slowed to 21.5 percent (y/y) in May 2019 compared to its peak of 25.2 percent in October 2018. However, it remains higher than the growth in deposits, causing the credit to core capital plus deposit ratio to breach the regulatory limit of 80 percent. On the external side, the cumulative effect of a sharp trade balance deterioration and a slow growth of remittances is putting significant pressure on the current account.

4. A new government, backed by an unprecedented majority in Parliament, which took office on February 15, 2018 has recently completed one year. This follows successful elections for all three tiers (local, province and federal) of the new state architecture defined by the Constitution of Nepal,



marking a protracted-but-successful conclusion of a political transition that began with the signing of the Comprehensive Peace Accord in November 2006. Provincial governments largely mirror the coalition at the center. At the sub-national level, funds, functions and functionaries hitherto managed by the central, district and village authorities are moving to the seven new provinces and 753 local levels for which new legislation, institutions and administrative procedures are being formalized as constitutionally prescribed. Meanwhile, the central level authority is being streamlined with a focus on national policies and oversight. This profound level of state restructuring is expected to result in improved outreach and service delivery in the medium term but is likely to take time before becoming fully operational.

B. Sectoral and Institutional Context

5. Nepal's emerging demographic transition offers the possibility of a significant dividend if the emerging youth workforce can be channeled into more productive jobs. In 2011, of the total population of 26.5 million, nearly 21 percent was between 16 and 25 years and 41 percent between 16 and 40 years, providing the country with an ongoing opportunity to benefit from the first demographic dividend.¹ Nepal's emerging demographic transition will reduce the dependency ratio steadily up to 2030.

6. Nepal's labor force is overwhelmingly rural and informal. Nepal is a largely agrarian economy with low labor productivity. Over 80 percent of the population lives in rural areas and close to 90 percent of all jobs are in the informal sector.² Only 17 percent of the labor force had wage jobs (13 percent of them in the private sector and 4 percent in the public sector). Wage employment is concentrated in urban areas. Urbanization has been fueled by the migration of the rural population to more urban areas for jobs as young men seek opportunities mainly into low-skilled service activities.

7. Most young market entrants get absorbed in low-income jobs in the informal sector or in unskilled jobs abroad. The labor force is growing by around 400,000 a year. Most employed workers report that they found work through friends or family and the main difficulty that they experience in finding employment is insufficient employment opportunities or low remuneration offered. Many young men go abroad for work in unskilled jobs, particularly to countries in the Middle East, Republic of Korea, Malaysia, and, of course, India.

8. Provision of skilling in Nepal is vast but access is not equitable, particularly in rural areas and for the most vulnerable. Training rates tend to be higher in Nepal than other parts of South Asia, at 10 percent for Nepal compared to Bangladesh and Pakistan, and considerably higher than for India (3 percent). However, within the country, rates tend to be higher for those who are older, wealthier, more educated, and from traditionally advantaged groups. The modality of skills provision is also not associated with wage earnings for the trainees.³

9. Females face additional challenges in accessing the labor market (see Annex 5 for further details). Females are more likely to be out of the labor force (and not in education, employment or training [NEET]) and are also less likely to be searching for work. Between 2003/04 and 2010/11,

¹ Census, 2011, Global Monitoring Report 2015/16.

² Around 35 percent of jobs are in self-employment and 46 percent are unpaid family jobs. Unpaid family jobs account for 57 percent of all agricultural jobs and are especially common among youth and females (World Bank Group. 2017. *Nepal LFS 2008 and Understanding the Labor Market Decisions and Outcomes of Nepal's Young Adults*).

³ Raju, Dhushyanth. 2018. "Youth Labor Skill Training in Nepal." Jobs Working Paper No 11, World Bank, Washington, DC.



participation of women in the labor force declined by 6 percentage points.⁴ Women's employment rates are lower than men. Women in the formal sector represent less than 1.5 percent of overall employment (CBS 2009). Moreover, there are significant gender pay gaps, with women's pay an estimated 59.5 percent of men's pay.⁵ Many women also face workplace harassment and violence, as well as other constraints such as the absence of separate toilets and inflexible working hours. There are also additional social norms that affect women's decision making about labor markets.

10. In line with the right to employment guaranteed in Article 33 of the Constitution of Nepal, the Government of Nepal (GoN) has prioritized the jobs agenda. Policy reforms are reflected in recent budget speeches and the approval of laws including the Labor Act 2017, Contributory Social Security Act 2017 and the Right to Employment Act 2018. The GoN with support from development partners has several initiatives underway on the supply side, such as World Bank-financed Enhanced Vocational Education and Training Project II. However, there continues to be a lack of a systematic approach to supporting young women and men to (re)enter the labor market. This is further exacerbated by a lack of a robust information system that allows the GoN to fully understand the needs of the labor market. On the labor demand side, domestic jobs growth has been constrained by multiple factors surrounding private sector development. At the same time, the new federal structure may offer increased opportunities for temporary local employment contracted by Local Levels.

11. The Constitution has identified exclusive and concurrent powers regarding labor and employment between the federal government, provincial government, and local levels. At the federal level, the Ministry of Labor, Employment, and Social Security (MOLESS) is responsible for plan and program formulation, implementation, and monitoring and evaluation (M&E) of labor and employment policies; the provision of employment services; job creation; data collection and analysis on the labor market; social security of laborers; management of relationships between major stakeholders; foreign employment and labor permits. The Local Government Operation Act, 2017 details the roles and functions of the LLs around labor and employment. These include (a) establishment of an employment management information system (EMIS), (b) information management of laborers, (c) data collection and management of competent human resources in different sectors, and (d) management and operation of employment information centers.

12. GoN initiated implementation of the Prime Minister's Employment Program (PMEP) in 2019. This flagship program envisions guaranteeing minimum employment of 100 days of work to the registered unemployed in labor-intensive public works programs (PWPs) or a subsistence wage in the absence of work, to the eligible households. It targets unemployed individuals for short-term employment and prioritizes the most vulnerable. It also envisions the establishment of Employment Service Centers (ESCs) in each local level.

13. The 'Youth Employment Transformation Initiative' project will aim to address gaps in the labor supply-side interventions and complement ongoing initiatives on the labor demand side. On the supply side, the project will aim to address the lack of a systematic approach to the provision and management of employment promotion services and systems to support job seekers. On the demand side, the project will aim to generate short-term temporary employment opportunities for the most vulnerable, which can improve their short- and medium-term productivity. The focus on youth will address risks of fragility and conflict.

⁴ The female labor force participation was about 79.6 percent in 2016, which is still higher than that of other South Asian countries.

⁵ This gender pay gap could be partially attributed to the difference in the working hours.



C. Relevance to Higher Level Objectives

14. The project supports the GoN's national goals of increased productivity, income, and employment in the domestic labor market and reduction in poverty. It does this through links with three priority areas: (a) creation of better-quality jobs for young people, with a priority to women; (b) promotion of sectors that create jobs and employment opportunities; and (c) enhancement in the quality of public service delivery and good governance (Budget Speech 2018–19 and 15th Development Plan). The project is consistent with the country's vision of "Prosperous Nepal, Happy Nepali" and its priorities. The project aligns with PMEP.

15. The project draws on financing available under the IDA18 Risk Mitigation Regime (RMR), which recognizes the role of domestic job creation in addressing the drivers of fragility. Nepal is vulnerable to fragility risks, which stem from a combination of structural causes and short-term drivers such as the horizontal and spatial inequities; patronage, and corruption; transition to federalism; lack of domestic employment for youth and dependency on foreign labor migration; and vulnerability to climate change and regular disasters. This project will primarily help mitigate the risks linked to the inadequate domestic employment for youth and dependency on foreign labor migration. In addition, it will address some of the risks linked to (a) horizontal and spatial inequities and (b) vulnerability to climate change and regular disasters. The project prioritizes youth, underserved vulnerable communities and women (see Annex 5). The project's support to use of temporary employment as a 'quick win' which specifically addresses some of the drivers of fragility identified in the Country Partnership Framework (CPF) and is directly supported by the resources made available through the IDA18 RMR. The project team has worked with inputs from the fragility, conflict, and violence team. These fragility risks were noted in Nepal's Systematic Country Diagnostics, and addressed through the focus areas of the Country Partnership Framework (FY2019-2023).

16. The proposed project is in line with the current CPF for FY2019–FY2023 (Report No. 121029).⁶ The CPF prioritizes (a) strengthening public institutions for effective economic management, service delivery, and public investment not only at the national level but also at provincial and local levels and (b) inclusion and diversity to achieve greater inclusion for the poor, vulnerable, and marginalized groups, with greater resilience against climate change, natural disasters, and other exogenous shocks. The proposed operation will contribute to these areas through (a) capacity building of MOLESS and the LLs' service delivery around employment services and temporary employment; and (b) improvement in youth labor market outcomes. The project is also supported by the Nepal Jobs Platform Advisory Services and Analytics.

II. PROJECT DESCRIPTION

A. Project Development Objective

PDO Statement

17. The Project Development Objective (PDO) is to improve employment services and labor market outcomes, especially for youth. Improved labor market outcomes for youth refer to increased earnings/improved livelihoods for the individual beneficiaries of the project.

⁶ The CPF was discussed in the Board on August 7, 2018.



PDO-Level Indicators

18. The project aims to support an integrated set of demand- and supply-side interventions to improve job outcomes, especially for young men and women. The project's performance in achieving its development objective would be measured through the following key indicators:

- (a) Number of Employment Service Centers (ESCs) which are established and functional
- (b) Percentage of people (disaggregated by gender and age group) supported by the project who take up a training, temporary work, or employment opportunity within one year of registration
- (c) Percentage of total project beneficiaries who are youth

B. Project Components

19. The project, over a five-year period, will support three components. Component 1 will strengthen the employment promotion systems and services aimed at increasing employability and facilitation of labor market insertion of Nepalese youth (job seekers and the unemployed). Component 2 will improve labor market outcomes of the vulnerable unemployed through efficient delivery of temporary employment programs with a "plus" training component. Components 1 and 2 will formulate their activities and objectives aligned to the GoN's PMEP. Component 3 will support the implementation of the project and its management, capacity building, and M&E. The project will be implemented across the country.

Component 1: Strengthening of employment promotion systems and services (US\$44.5 million equivalent)

20. The objective of Component 1 is to support the GoN in building a platform for a systematic approach to provision of employment promotion services. The component will achieve this through (a) support to establish functional ESCs and (b) development of a holistic national employment management information system (NEMIS) to support program management and evidence-based employment policy formulation.

Subcomponent 1a: Increasing access to employment opportunities

21. This subcomponent will support effective and systematic provision of employment promotion and unemployment support services by strengthening the ESCs in the LLs to deliver their functions. The core functions of the ESCs are outreach; registration of the unemployed and other job seekers; profiling and referral to relevant employment opportunities and tailored employment support options; and to ensure effective PMEP implementation. Selected ESCs will provide additional services for females, such as formation and facilitation of 'ready-to-work job clubs' in selected locations,⁷ to assist them in entering and navigating the labor market.

22. The subcomponent will use synergies with other existing projects that focus on provision of employment promotion services (such as skill training, apprenticeship, and on-the-job training, self-employment, and enterprise development support and safe migration information provided).

⁷ Job club and soft skill training services will be provided only in a few select locations where they are most needed and used (resulting in coverage of approximately 20 percent of all ESCs).



Subcomponent 1b: Developing a holistic National Employment Management Information System

23. Subcomponent 1b will support development of a holistic NEMIS for the efficient and effective functioning of employment promotion services (including the PMEP). This will include identification and support of design enhancements (including interoperability with relevant systems outside of MOLESS); hardware and software procurement; strengthening the unemployment and jobseeker registration, monitoring, and updating functions; enhancing the temporary employment module; expanding the jobs portal functionality; and integrating other relevant information management systems into a holistic NEMIS which is effectively used for program management and policy making.

Component 2: Improving labor market outcomes of the vulnerable (US\$67 million equivalent)

24. Component 2 aims to support skills and productivity enhancement for poor and vulnerable job seekers through temporary employment with on-the-job training and life-skills training, aligned to the PMEP. Upon selection as per PMEP guidelines, the beneficiaries will receive (a) up to 100 days of temporary employment in maintenance of public assets and provision of services and (b) up to 50 days of remunerated on-the-job training and life skills training.

Subcomponent 2a: Creating Temporary employment opportunities in maintenance of public assets and provision of services

25. The subcomponent will finance cash benefits for up to 100 days per individual for an average of 40 individuals per LL.⁸ This will benefit around 30,000 - 35,000 individuals (measured by the WB corporate indicator “beneficiaries of social safety net program” in the results framework in Annex 1) and create about 3-3.5 million workdays a year. The selection of the beneficiaries will aim to achieve 60% female participation, to contribute to closing the gender gap in participation (see Annex 5). The cash benefits for temporary employment are defined as a daily remuneration set as the minimum wage rate as per the PMEP guidelines. This activity aims at improving access to and quality of services by maintaining the functionality of key public assets and supporting provision of services.

26. Cash benefits will be paid into individual bank accounts. In exceptional cases where the infrastructure does not exist, as per the PMEP guidelines, alternative modalities can be used where justified by the LLs. The project funds will be made available to the LLs as Conditional Grants. The project will not finance inputs such as material, equipment, and safety gears for the selected tasks.

Subcomponent 2b: Improving the employability of the temporary employment beneficiaries

27. The sub-component is expected to improve employability of the beneficiaries through provision of up to 50 days of on-the-job and life skills training (employment plus) with benefits aligned with the daily minimum wage as per the PMEP Guidelines for those individuals selected in subcomponent 2a.

28. The training activities are expected to increase skills and employability of the beneficiaries, to help them to become less vulnerable to shocks and ‘graduate’ from poverty. The life skills sessions will also include women’s empowerment, gender, reproductive health and family planning to address key determinants of the gender gap in labor force participation. These modules will be designed based on

⁸ Nepal has 753 LLs.



existing curricula in consultation with technical and vocational education and training stakeholders in Nepal. No certification will be provided to the beneficiaries.

29. This activity will finance the design and implementation of on-the-job and life skills training activities, as well as the cash benefits. The design and delivery of the training modules will be outsourced by the Project Management Unit (PMU). The proposed set of on-the-job training and life skills modules will be defined in the POM, and cash benefits will be paid as in subcomponent 2a

Component 3: Project management, monitoring and evaluation, and capacity building (US\$8.5 million equivalent)

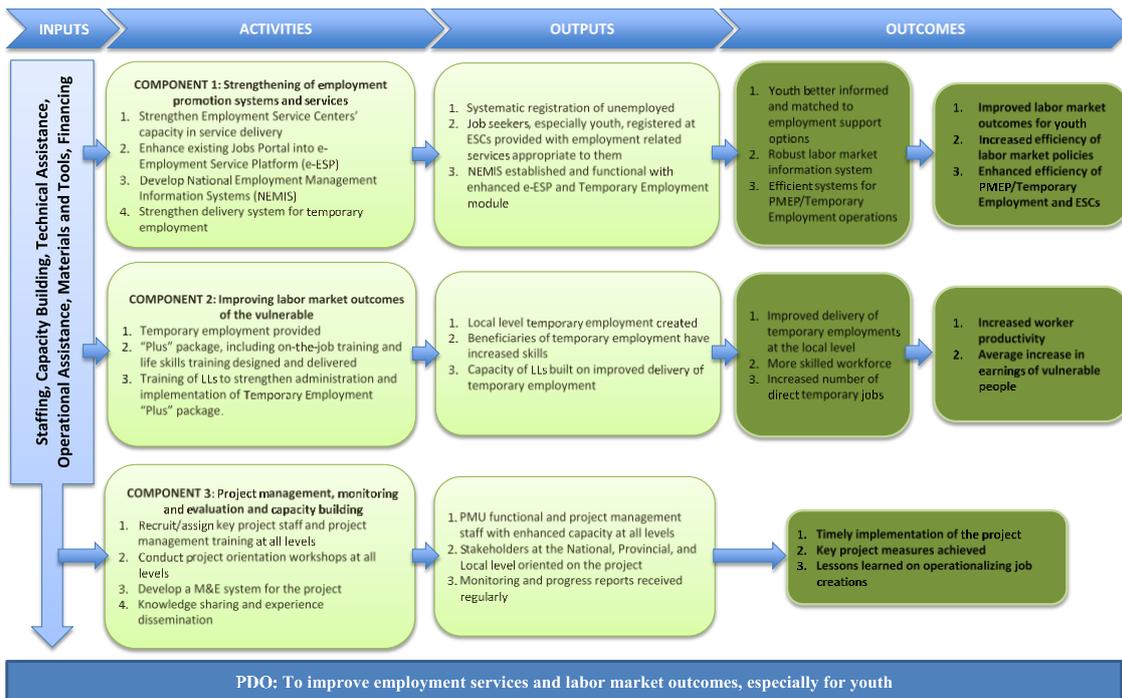
30. Component 3 will support (a) the establishment and maintenance of effective implementation and coordination arrangements at the federal, provincial and local levels; (b) the setup of an M&E mechanism to track the progress (spot checks, beneficiary feedback mechanisms, a grievance redress system, and policy reviews) and conduct evaluations (including a robust impact evaluation); (c) conducting regular sector policy reviews; and (d) capacity-building programs for project implementation, management, PMEP service delivery, and cross-component activities.

C. Project Beneficiaries

31. The direct beneficiaries of the project are job seekers, unemployed people, low-income workers across the entire country, most of whom will be youth. Youth are defined as individuals aged 16–40 years, based on Nepal’s official definition of youth. The project includes activities to ensure strong participation of women in these groups and address gender gaps (see Annex 5). The project beneficiaries also include the federal government, provincial government, and Local Levels.

D. Results Chain

Figure 1. Project Results Chain





32. The proposed results chain for the project is presented above (figure 1). The final intended outcomes of the project include (a) improved labor market outcomes for young men and women, (b) increased efficiency of labor market policies, (c) enhanced efficiency of the PMEP/temporary employment and ESCs, (d) increased worker productivity, and (e) an average increase in earning of the vulnerable. The description of the PDO indicators and the intermediate results indicators are reflected in section VI (Results Framework).

E. Rationale for Bank Involvement and Role of Partners

33. As noted in the 2017 Nepal Risk and Resilience Assessment Report, Nepal's lack of economic competitiveness remains a key source of fragility as the lack of adequate opportunity, unemployment, poverty, and unequal access continue to create risks for the future. With this backdrop, the project will consolidate pilot efforts on employment services and temporary employment (supported by other development partners and the Government) and combine it with World Bank's experiences and global knowledge, to support the Government to successfully implement their flagship program, PMEP.

34. The Bank's support will strengthen the Government's employment information services and systems, closely aligning with the need for continuation of service delivery as well as equity across diversely capacitated municipalities; help mitigate risks to individuals and the economy, through the creation of domestic job opportunities (temporary employment); and support access to opportunities for the vulnerable, which can build their skills and abilities, helping them to graduate out of poverty.

35. The ILO, SDC, DFID, and IOM are the key development partners of MOLESS. The IOM largely supports migration-related activities, SDC supports migration information services, the ILO supports a range of related activities, including past support to employment service and the design of a jobs portal; and DFID is providing technical assistance (TA) to the PMEP. The Bank is closely coordinating with the ILO, DFID, and SDC. Additionally, Asian Development Bank and United States Agency for International Development are active in related areas such as skills training and education. Civil society organizations have a strong advocacy role in ensuring youth employment remains a national priority.

F. Lessons Learned and Reflected in the Project Design

36. The design reflects lessons from projects in Nepal as well as from experiences garnered internationally. It builds on World Bank knowledge and experiences in Social Protection and Jobs; Finance, Competitiveness, and Innovation; Education; Agriculture; and the Jobs Group. The project also operationalizes select recommendations from the World Development Reports of 2011 and 2018. Specific to Nepal, the design reflects recommendations of the ESW on Youth Employment in Nepal⁹.

37. Globally it builds on concepts and lessons learned from relevant World Bank-financed projects in Benin, China, Mongolia, Kenya, Tunisia, Mozambique, South Africa, and Kosovo. In Nepal, it builds on Bank-financed projects including Enhanced Vocational Education and Training; Strengthening Systems for Social Protection and Civil Registration; Poverty Alleviation Fund; Project for Strengthening the National Rural Transport Program and the Jobs Platform. It also garners lessons from the MOLESS experience with employment and migration information provision.¹⁰ The project also builds on lessons in Nepal from Karnali Employment Program (KEP), Rural Access Program (RAP)

⁹ Raju, Dhushyanth, and Jasmine Rajbhandary, eds. "Youth Employment in Nepal." (2018).

¹⁰ Labor Market Information and Services project supported by ILO (with Korean financing) which piloted ESCs and the Safer Migration project supported by Helvetas (with SDC financing) which provides safer migration information to potential migrants



and Rural Community Infrastructure Works (RCIW). This project will coordinate with existing initiatives to ensure the unemployed have information about various opportunities and that it does not duplicate any ongoing projects.

38. The lessons learned indicate: (i) importance of recognition of the specific characteristics and needs of each beneficiary, in particular to recognize that women face additional barriers to labor force participation; (ii) combining cash incentives and training to increase the employability of beneficiaries; (iii) extending job related skills to the most vulnerable in more rural areas; (iv) integrating disaster risk management and adaptation to climate change with temporary employment programs; (v) ensuring robust systems for management and implementation of the temporary employment (vi) need for strong engagement of the private sector in delivering employment services; and (vii) bringing about multiplier effects at the household level by enhancing women's economic empowerment.

III. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

39. The implementing agency of this project will be MOLESS. The institutional and implementation arrangement of the project is closely aligned with the Government's flagship program, the PMEP, which is under MOLESS.

40. An inter-ministerial Project Steering Committee (PSC) will be established, chaired by the MOLESS Secretary, to provide policy guidance and cross-sectoral coordination. The PSC will consist of senior officials including members of the Steering Committee in the Right to Employment Act and up to two representatives of the private sector. A Project Technical Committee (PTC) consisting of officials and technical experts of relevant ministries/agencies as well as the private sector will also be set up to provide technical guidance.

41. MOLESS will set up a PMU to oversee the overall project implementation, manage the day-to-day operations including management of procurement, financial management, safeguards, and monitoring & evaluation (M&E); and provide guidance and training to the LLs. The PMU will be led by a National Project Director who is the Joint Secretary in MOLESS heading the PMEP. Two Under Secretaries of the PMEP will be component managers. In addition, there will be two finance officers, and two section officers. The PMU will also consist of project financed consultants. The number of consultants at the PMU will be reviewed regularly and can be reduced as the PMU capacity increases.

42. At the provincial and local levels, the project will align with the PMEP institutional arrangements. As such in each province, there will be a provincial project coordinator, who will be the Under Secretary of the provincial Ministry of Social Development (MOSD). The provincial coordinator will carry out M&E activities and maintain coordination between the local levels and MOLESS. S/he can be supported by an assistant to be financed by the project.

43. The LLs, with the support of ESC personnel, will be responsible for project management covering basic functions of financial management, procurement, and safeguards. One of the personnel supported by the project financing will have administrative responsibilities. ESCs will coordinate with the local steering committees.



B. Results Monitoring and Evaluation Arrangements

44. The proposed PMU will have the primary responsibility for all monitoring and reporting activities required for the project. A rigorous M&E system will be established to measure the project's progress toward the results indicators. The project's M&E framework will also involve spot checks, audits, beneficiary assessments, public hearings and performance evaluations to be financed under Component 3. Mechanisms to increase accountability, including GRM designed to receive complaints, and others as in PMEP guidelines, will be enhanced during project implementation. The project may design an impact evaluation that will analyze the impact of key interventions.

45. The PMU will produce timely progress reports to monitor outputs and results against the PDOs. The format of these reports will be agreed upon with the World Bank and reflected in the POM. These assessments will allow tracking of project progress, inform further scale-up, calibrate its processes, and provide information on beneficiary perception and feedback, and measure outcomes and results. A comprehensive midterm review will be carried out within 30 months after project effectiveness. In addition, both the PMU and the Bank will prepare an Implementation Completion and Results Report within six months of project closing.

C. Sustainability

46. The client ownership of this project is strong because it supports the Government's development priorities and is aligned with the PMEP, the Government's flagship program. The project is designed to ensure sustainability. Part of the project financing is focused on strengthening and building the existing employment services and systems at the local and the national level. The project will provide initial support to assist the ESCs to deliver their functions. Once these administrative infrastructures are in place, the Government is expected to cover necessary recurrent costs.

IV. PROJECT APPRAISAL SUMMARY

A. Technical, Economic and Financial Analysis

Technical Analysis

47. The project design reflects strong analytical and technical underpinnings. It emerged from the Bank's ESW on Youth Employment in Nepal and builds on some of the key findings of the report, especially regarding women and the vulnerable. The project interventions build on nationally and internationally garnered experiences (including World Bank supported programs in Tunisia, Kenya and South Africa), as well as global good practices on integrated approach to employment. The inputs to the design came from a multi sectoral World Bank team, as well as consultations held locally, including with youth organizations and the private sector.

48. The project is designed to increase the impact of a newly initiated flagship program, the PMEP. The design supports enhancements to three aspects of the PMEP - employment services, employment opportunities for the vulnerable, and information integration and management. The interventions support the ESCs to ensure a holistic approach to the services as well as recognition of the varied needs of the unemployed, including women. The interventions also combine learnings from social protection programs that aim at graduating beneficiaries from poverty by combining the provision of temporary employment opportunities with skill training. The design of a national employment



management information system, to support these activities and build an interoperable database linked to other programs, supports the Government in its aim of program consolidation.

Economic Analysis

56. The economic analysis largely focuses on component 2, as it is the largest component and there is the most quantitative evidence available for activities financed (temporary employment opportunities). When compared to international benchmarks, the program cost per beneficiary is low, at US\$ 1,292 per beneficiary. The total costs of Building Resources Across Communities' Targeting the Ultra Poor Program ranged from purchasing power parity (PPP) US\$1,455 per household (India) to PPP US\$5,962 (Pakistan) although they offer more benefits, including cash grants or startup grants for the self-employed. Details of the full analysis for all components using a combination of quantitative and qualitative approaches, supplemented by evidence from impact evaluations and other studies are specified in Annex 4.

B. Fiduciary

(i) Financial Management

57. MOLESS does not have experience with World Bank financed projects. The Accounts/Finance Unit of MOLESS currently comprises of the finance chief, finance officer, and an accountant. For the PMU, it has been agreed that two finance officers will be assigned within two months of project effectiveness. Additionally, a financial management consultant will be hired for the PMU to support with project reporting, and at the LLs, it has been agreed that one of the project-financed ESC personnel will have administrative responsibilities.

58. The required budget for the Project will be provided as IDA source under the PMEP budget line, except for expenditures to be incurred by the LLs which will be budgeted as Conditional Grants (one of the four types of transfers from the Federal Government to the Local Levels). The activities to be financed will be specified in the Line Ministry Budget Information System (LMBIS).

59. The required internal controls will be detailed and incorporated in the POM. Given that internal controls system is yet to be implemented in LLs, it has been agreed with MOF, to include the provisions of the POM as well as the provisions of the FA, as required conditions, in the Operating Guidelines for Conditional Grant, and that this would be a Disbursement Condition for the expenditures incurred at LLs.

60. The financial progress of the project will be reported on a quadrimester basis through the Interim Unaudited Financial Reports (IUFRs) to be submitted within 60 days from the end of each period. Further financial management, fund flow, and fund monitoring details including the financial progress reporting details are specified in Annex 1.

(ii) Disbursement

61. The PMU will manage disbursements with the Bank including for the expenditures incurred by LLs. The disbursements from the World Bank will be based on statements of expenditures (SOEs). Based on the expenditure reports, including from LLs, Federal Government will prepare consolidated report for claiming reimbursement from the Bank. In general, the payments for project expenditures will be pre-financed from the Government treasury, which will be periodically reimbursed from the World Bank based on SOEs. Direct payment to various payees (except for expenditures incurred at the



LL) can also be requested directly from the World Bank for amounts above the threshold specified in the Disbursement and Financial Information Letter.

(iii) Procurement

62. MOLESS does not have experience in implementing a World Bank-financed project and currently does not have a dedicated procurement person. Similarly, in the new federal structure, many of the LLs do not have adequate knowledge and experienced procurement personnel. As detailed in the Project Procurement Strategy for Development, to address this shortcoming, the project will hire procurement consultant to support the PMU and ensure that one of the project-financed ESC personnel will have administrative responsibilities. Additionally, the POM will include a procurement section to guide procurement at the federal and local levels. PMU will update the Procurement Plan in accordance with achieved progress. The procurement consultant will also help build capacity of the PMU.

63. The World Bank's Standard Procurement Documents shall be used for all contracts subject to international competitive procurement and selection of all types of consultants as specified in the approved Procurement Plan tables in Systematic Tracking of Exchanges in Procurement (STEP). In accordance with paragraph 5.3 of the Procurement Regulations, when approaching the national market (as specified in the Procurement Plan tables in STEP), the country's own procurement procedures may be used with applicable caveats.

C. Safeguards

(i) Environmental Safeguards

64. The project has been categorized as a Category 'B' project in accordance with OP/BP 4.01 - Environmental Assessment. Given the nature of the activities to be financed, this project will not have any large-scale or irreversible adverse environmental or social impacts. Component 2, which will support temporary employment in maintenance of public assets and provision of services, will not have major safeguard issues except for occupational health and safety issues.

65. To mitigate any adverse impacts from project implementation, the Government has drafted an Environmental and Social Management Framework (ESMF), which provides full guidance to identify and address environmental and social issues. It constitutes a screening exercise that every activity executed by the project needs to undergo to determine the key environmental and social issues/concerns and the nature and magnitude of the potential environmental and social impacts that are likely to arise. It identifies the requirements and responsibilities for preparing assessment reports and safeguard tools such as ESMPs. The ESMF will be a living document which will be periodically revised and updated.

66. The Government prepared and disclosed a draft ESMF for consultations in-country on January 13, 2019, on MOLESS website. A national consultation was held on January 17, 2019. The ESMF was submitted to the World Bank on January 13, 2019. The final ESMF was disclosed by MOLESS on May 29, 2019 and through the World Bank's website on June 3, 2019. In addition, as a proactive measure, the project will strive to adopt environment good practices such as waste management, purchase of energy efficient goods, and recyclable and reusable hardware goods and to reduce the environmental impacts of government operations and promote environmental stewardship by integrating environmental performance considerations in the procurement process.



(ii) Social Safeguards

67. The project is expected to generate positive social impacts through its effort to improve labor market outcomes for disadvantaged youth, in particular women, indigenous peoples (IPs), and vulnerable groups through increased access to information and employment support services including counseling, placements, ready-to-work jobs clubs, and referral systems; and creation of jobs in maintenance of public assets and ensuring inclusion in the process. As a national project, this will be implemented across the country and hence will have an impact on large proportion of IPs and vulnerable groups residing in different locations. Therefore, the World Bank's OP 4.10 - Indigenous Peoples will be triggered. The project does not envision the acquisition of new land and thus will not trigger OP/BP 4.12 - Involuntary Resettlement.

68. An ESMF has been prepared, which ensures compliance with key safeguard issues that are triggered by the project. The ESMF includes a Vulnerable Community Development Framework (VCDF), which includes a working definition of vulnerable groups relevant to the project; review of analysis of relevant Nepali laws and the World Bank's safeguards policies related to gender, IPs, and vulnerable groups; analysis of the positive and negative social impacts of the project activities under each component on IPs/vulnerable groups; and activities to mitigate the potential risks. The VCDF also includes actions to maximize project benefits by beneficiaries; mechanisms to monitor indicators; GRM; consultation, communication, and beneficiary feedback strategy; and the budget for the implementation of the VCDF. The VCDF focuses on targeted outreach to vulnerable groups through the ESC's outreach strategy and mobilization; facilitating of appropriate skills training for jobs to IPs/vulnerable groups, awareness on labor standards, work place harassment, and gender-based violence (GBV); and adoption of environmental and social considerations and inclusive processes.

D. Gender

69. The project also places a strong focus on gender equity (see additional details in Annex 5). Given the labor force disparities between men and women, the social barriers that women face in the labor market, and the large number of working-age women who are left behind in many communities due to high male migration, it is critical to ensure that women are appropriately targeted and are beneficiaries of this project. Under every component, there are specific activities to ensure a careful and gender-sensitive approach which can support in empowering women and reduce gender disparities in the labor market. In addition, the beneficiaries of component 2 will include 60 percent of women, thereby addressing some of the gender gap in labor force participation.

E. Climate Co-Benefits

70. The project will work toward addressing climate change vulnerabilities under the activities supported under Component 2. The specific activities under Component 2 would include enabling affected project beneficiaries to build resilience to the impacts of climate change (climate change adaptation). This could be through training in basic skills, sanitary and health practices, and nutrition in Subcomponent 2b. Priority would be given to support temporary employment where the maintenance of assets (Subcomponent 2a) focuses on sustainable land and water management that aims to improve local populations' resilience to climate variability. The climate co-benefits are estimated at about 17%.

F. Grievance Redress Mechanisms

71. The project will invest in strengthening the GRM of MOLESS/PMEP so that aggrieved



stakeholders can channel their complaints and/or feedback through a properly designed system to elicit responses from the Government. Supporting development and implementation of robust GRMs, for the registration of the unemployed, placement, other ESC services, and short-term employment opportunities, will be prioritized in both Components 1 and 2. Under Component 3, there will be a project-wide GRM, integrated in the NEMIS, that will be supported and implemented, as part of project management and monitoring.

72. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

V. KEY RISKS

A. Overall Risk Rating and Explanation of Key Risks

73. The overall risk rating is Substantial. The country's evolving political environment and uncertainty during the federalism transition is of concern. Other sources of considerable risk include the inadequate institutional capacity of the Government bureaucracy, and the need to engage with a range of stakeholders. The key risks and mitigation measures are discussed in the following paragraphs.

74. Political and governance risks are rated as Substantial. In contrast to the frequent changes in government that characterized Nepal's decade-long transition to federalism, the new government enjoys an unprecedented super-majority in the parliament. Along with new constitutional checks and a far fewer number of political parties, there is a much greater degree of optimism for stability in the coming days. However, state restructuring on this scale is uncharted territory for Nepal and a smooth transition from the previous unitary system to the new federal one remains a daunting task. The new system, in principle, provides opportunities to decentralize development benefits and make service delivery more effective and accountable. However, the risks of jurisdictional overlap between the three tiers of government, lack of clarity and coherence between policies and devolved powers, and duplication of efforts will remain high during the coming few years. Key aspects of the new system require further definition and may continue to be contested by different population groups. Despite the lack of clarity at this early stage to define roles, rules and create governance capacity at the provincial and local levels, the overall political and governance risk has decreased. These risks are partially mitigated as MOLESS, the Provinces and the LLs have recently signed tripartite Memorandums of Understanding to implement the PMEP. This agreement sets out clear roles of each level for PMEP implementation. The project will also regularly have orientation activities at all levels to ensure continued clarity of roles. Additionally, the implementing agency and the World Bank will ensure that they stay abreast on any changes to the jurisdiction and roles of the three tiers of government, and if necessary, flexibly adjusting the project design or implementation strategy.



75. Risks related to the technical design are Substantial. As key activities financed require following rigorous processes for implementation across all 753 LLs, coordination with other stakeholders, reliance on new tools and technologies (MIS, e-banking, online registration of beneficiaries), the technical design risk is rated as substantial. Mitigation measures include establishment of a project technical committee, to ensure appropriate guidance, regular orientation activities for all levels, and addition of technical experts to the PMU.

76. Institutional capacity is assessed as a High risk. The current MOLESS management is fully committed to the reform agenda to be supported with this project. However, as MOLESS has not previously implemented World Bank projects it is not familiar with World Bank requirements. Implementation will also require cooperation from the LLs, and their capacity is extremely varied. The nationwide scope of the project is also expected to stretch the capacity considerably. Primary mitigation measures would be to strengthen the Government's project implementation capacity by financing a range of individuals to support the PMU and ESCs in every LL and involve all relevant stakeholders through awareness-raising and training activities.

77. The integrated fiduciary risk is assessed as Substantial. This is a substantial risk considering the size and the scope of the project and the limited capacity of MOLESS to effectively manage fiduciary requirements of a nationwide project. MOLESS has no exposure, as an institution, to World Bank procurement procedures. The varied and generally low capacity across LLs, which will be implementing a large portion of the project adds further fiduciary risk. Finally, the project entails complex procurement with regard to the value and volume of procurement. As mitigation measures, the fiduciary management capacity of the PMU and the LLs will be strengthened by training existing procurement and financial management staff and hiring of skilled personnel. Furthermore, the POM will include a detailed section on procurement, contract management, procurement record keeping, budgeting, accounting, internal control, and financial reporting.

78. The stakeholder risk is Substantial as the major project activities will be implemented at the local level involving a range of other stakeholders including private sector. This will be mitigated through a series of consultative/orientation workshops at the federal, provincial, and local levels. In addition, there will be an inter-ministerial steering committee for the project and coordination with the Local Level Steering Committees.



VI. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Nepal

Youth Employment Transformation Initiative Project

Project Development Objectives(s)

To improve employment services and labor market outcomes, especially for youth.

Project Development Objective Indicators

Indicator Name	DLI	Baseline	End Target
to improve employment services and labor market market outcomes especially for youth			
Percentage of people (disaggregated by gender and age group) supported by the project who take up a training, temporary work, or employment opportunity within one year of registration (Percentage)		0.00	40.00
Number of Employment Service Centers (ESCs) which are established and functional (Number)		0.00	753.00
Percentage of total project beneficiaries who are youth (Percentage)		0.00	60.00



Intermediate Results Indicators by Components

Indicator Name	DLI	Baseline	End Target
Component 1 Strengthening of employment promotion systems and service			
Number of Local Levels where gender sensitive outreach campaign has been conducted (Number)		0.00	753.00
Number of Local Levels where ESC personnel is trained on delivery of ESC functions (Number)		0.00	753.00
National Employment Management Information System (NEMIS) established and functional (Text)		Jobs portal exist and temporary employment module of NEMIS designing underway	National Employment Management Information System (NEMIS) established and functional
Component 2: Improving labor market outcomes of the vulnerable			
Number of workdays created through temporary employment programs (Number (Thousand))		0.00	10,000.00
Number of beneficiaries that completed on-the-job and life skills training (Number)		0.00	59,500.00
Number of Local Levels trained on managing and implementation of temporary employment programs (Number)		0.00	753.00
Beneficiaries of social safety net programs (CRI, Number)		0.00	100,000.00
Beneficiaries of social safety net programs - Female (CRI, Number)		0.00	60,000.00
Component 3: Project management, monitoring and evaluation and capacity building			
Percentage of grievances registered related to the delivery of the project which are addressed as per the agreed service standard (Percentage)		0.00	80.00
Percentage of project beneficiaries satisfied with the employment services received (disaggregated by gender) (Percentage)		0.00	80.00



Indicators to be Mapped	Baseline	End Target
PDO Indicators		
Number of beneficiaries (to be defined) (Number)		

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage of people (disaggregated by gender and age group) supported by the project who take up a training, temporary work, or employment opportunity within one year of registration	In order to access employment services, youth will register at the Employment Service Centers (ESCs). The indicator measures the percentage of those youth (among those registered) who are provided with the employment services and take up any of three services within one year of registration. Data will be disaggregated by gender and age groups (age groups will be 16-40, 40+ in order to capture the youth group, defined as 16-40, aligning	Annual	National Employment Management Information System	National Employment Management Information System	MOLESS



	with the GON definition of youth) and by the type of services received				
Number of Employment Service Centers (ESCs) which are established and functional	A functional ESC means an ESC which is able to do at least 3 of the following: (i) register, profile and counsel job seekers and unemployed in all 753 LLs; (ii) provide referral services; (iii) coordinate provision of temporary employment ; (iv) provide inputs into NEMIS and generate reports based on NEMIS data; and (v) verify eligibility for minimum income guarantee based on HH income and receipt of Social Assistance.	One-time	MOLESS Administrative Data	MOLESS Administrative Data	MOLESS
Percentage of total project beneficiaries who are youth	Youth are defined as those aged 16-40, in alignment with the GON's definition of youth Beneficiaries are all those who register at the ESC.	Annual	National Employment Management Information System	National Employment Management Information System	MOLESS



Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of Local Levels where gender sensitive outreach campaign has been conducted	Gender sensitive outreach campaigns include messaging around access to labor markets tailored specifically to women.	Annual	MOLESS Administrative Data	MOLESS Administrative Data	MOLESS
Number of Local Levels where ESC personnel is trained on delivery of ESC functions	The indicator includes both initial and refresher trainings as well as training associated with development of additional modules and support packages. Training on coordination with temporary employment is included. ESC personnel refer to both government and project financed staff.	Annual	MOLESS Administrative data	MOLESS administrative data	MOLESS
National Employment Management Information System (NEMIS) established and functional	A functional NEMIS is one which will enable users to (i) track registration of the unemployed and job seekers, referrals and placement, and track outcomes of each registered individual, (ii) access consolidated database of all available employment	One time	MOLESS	MOLESS	MOLESS



	opportunities and support services, (iii) track temporary employment activities, (iv) monitor PMEP progress, (v) aggregate information from other relevant sources and (vii) monitor grievances. In addition, a functional NEMIS will be interoperable with all relevant databases such as the SSA database, and consolidate information across sectors and sources to build e-Employment Service platform.				
Number of workdays created through temporary employment programs	Temporary employment days generated by LLs following the POM, for which the cash benefits are paid for by the project	Annual	Temporary employment module of NEMIS	Temporary employment module of NEMIS	MOLESS
Number of beneficiaries that completed on-the-job and life skills training	The on-the-job and life skills refers to the on-the-job training on relevant trades and occupations as well as life skills training such as in soft skills, creation of groups and establishment of group-based savings mechanisms and psycho social	Annual	Temporary employment module of NEMIS	Temporary employment module of NEMIS	MOLESS



	support/mentoring/coaching provided to temporary employment beneficiaries in order to improve their productivity and future employability. The data will be disaggregated by gender and youth (defined as 16-40 years of age).				
Number of Local Levels trained on managing and implementation of temporary employment programs	At least one LL staff in each LL trained on temporary employment and temporary employment plus guidelines, implementation and monitoring	Annual	ESC/MOLESS	Temporary employment assistant at ESC to keep account and PMU to update aggregate numbers of trained LLs	ESC/MOLESS
Beneficiaries of social safety net programs		Annual	Temporary employment module of NEMIS	For the purposes of this project, the temporary employment plus activities under Component 2, focused on the most vulnerable are referred to as safety nets. The data collection will be based on the Temporary employment module of NEMIS.	MOLESS



Beneficiaries of social safety net programs - Female		Annual	Temporary employment module of NEMIS	For the purposes of this project, the temporary employment plus activities under Component 2, focused on the most vulnerable are referred to as safety nets. The project targets 60% women for this activity and therefore targets reaching 60,000 women. As such the data collection will be based on the Temporary employment module of NEMIS.	MOLESS
Percentage of grievances registered related to the delivery of the project which are addressed as per the agreed service standard	The project will establish an online grievance redress system at the national and local level and report on the nature and kind of grievances received and addressed. Grievances may be related to any of the project components. The service standard will be defined.	Annual	Online grievance redress system	Online grievance redress system	MOLESS



Percentage of project beneficiaries satisfied with the employment services received (disaggregated by gender)	Results of beneficiary assessment which includes beneficiaries of all major project activities. The beneficiary assessment will be representative of social and age categories	Twice during the project period	MOLESS beneficiary assessment	Beneficiary assessment	MOLESS
---	--	---------------------------------	-------------------------------	------------------------	--------



ANNEX 1: IMPLEMENTATION ARRANGMENTS AND SUPPORT PLANS

Implementation Arrangements

1. The implementing agency of this project will be MOLESS. The project is closely aligned with the Government's flagship program, the PMEP, which is under MOLESS. The implementation arrangements have been closely aligned with the institutional setup of the PMEP.
2. An inter-ministerial Project Steering Committee (PSC) will be established, chaired by the MOLESS Secretary, to provide policy guidance and cross-sectoral coordination. The PSC would consist of senior officials from the National Planning Commission, Ministry of Finance (MOF), Ministry of Industry, Ministry of Physical Infrastructure, Office of the Prime Minister (according to the Steering Committee in the Right to Employment Act) as well as representatives of the Ministry of Agriculture, Ministry of Education, Ministry of Youth and Sports, and Ministry of Tourism and up to two representatives of the private sector. A Project Technical Committee (PTC) with subcommittees consisting of officials and technical experts of relevant ministries/agencies as well as the private sector will also be set up to provide technical guidance to the proposed project.
3. MOLESS will set up a PMU to oversee the overall project implementation, manage the day-to-day operations, and provide guidance and training to the LLs. The PMU will be led by a National Project Director who will be the Joint Secretary who leads the PMEP in MOLESS. The component managers will be the two Under Secretaries of the PMEP, with one leading Components 1 and 2, and the other leading Component 3. In addition, there will be two finance officers, and two Section Officers. The PMU will consist of MOLESS staff and project-financed consultants. The consultants in the PMU include one financial management specialist, one procurement specialist, one environmental safeguards specialist, one social safeguards specialist, one communications specialist, one IT/management information system specialist, one M&E specialist, and one project officer. The number of consultants at the PMU will be reviewed regularly and can be reduced as the PMU capacity increases. The PMU housed in MOLESS will oversee the overall implementation of the project activities and administer day-to-day operations that include management of procurement, financial management safeguards, and M&E.
4. At the provincial and local levels, the proposed project will align with the PMEP institutional arrangements as appropriate. As such in each of the seven provinces, there will be a provincial project coordinator, who will be the Under Secretary of the provincial Ministry of Social Development (MOSD). The provincial coordinator will carry out M&E activities and maintain coordination between the Local Levels and the federal government. S/he can be supported by an assistant to be financed by the project.
5. The LLs, with the support of ESC staff, will be responsible for project management covering basic functions of financial management, procurement, and safeguards. One of the personnel supported by the project financing will have administrative responsibilities.



Figure 1.1. Project Institutional and Implementation Arrangements

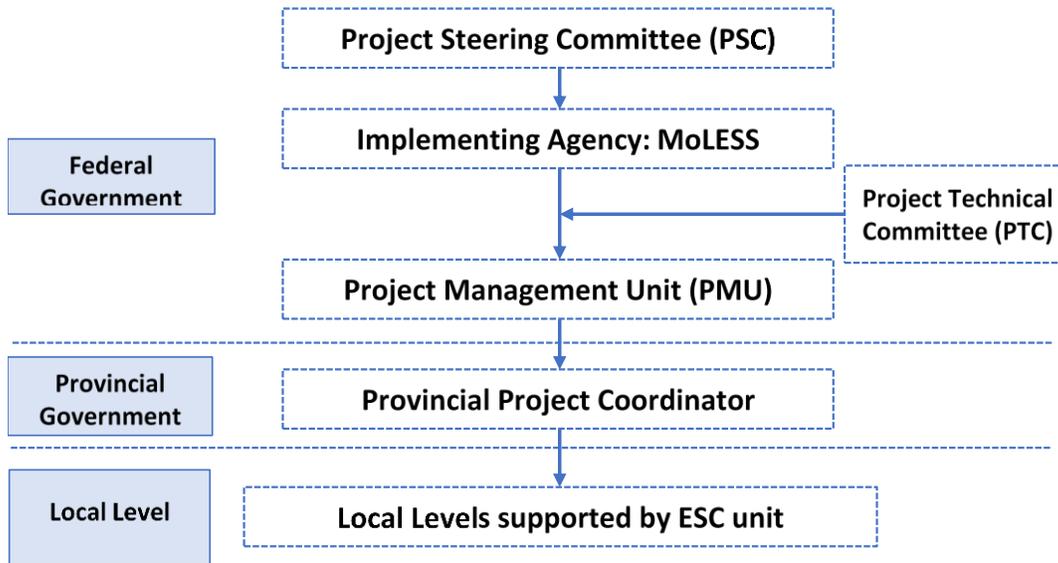
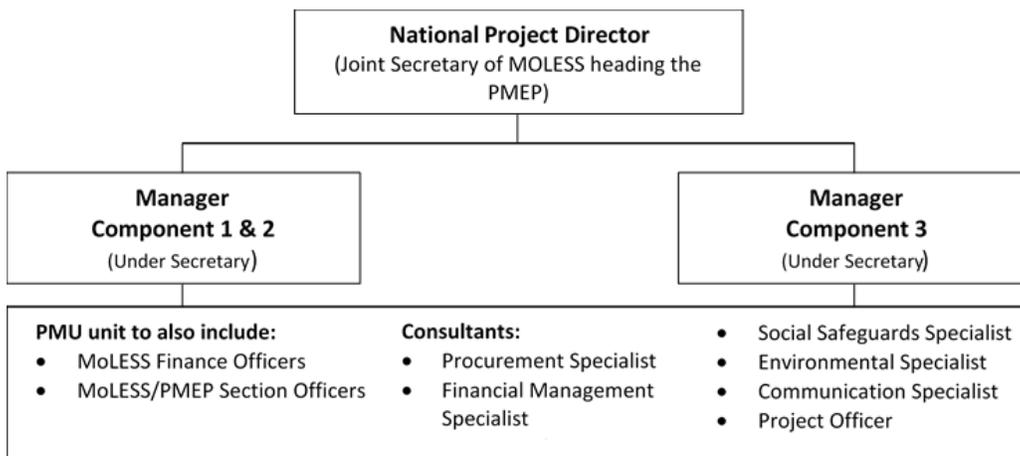


Figure 1.2. PMU Structure



Financial Management

6. MOLESS has experience with an active project funded by Swiss Development Cooperation (SDC) but does not have experience with World Bank financed projects. The Accounts/Finance Unit currently comprises the finance chief, finance officer, and an accountant. Considering the scope of the project in all 753 LLs, it has been agreed that two finance officers will be assigned to the PMU/PMEP within two months of project effectiveness. Also, to support the PMU for coordination, oversight, and overall effective financial management, it has also been agreed that a financial management consultant may be hired. As support is required to ensure timely and quality reporting of project expenditures from



the LLs, it has been agreed that one of the project-financed ESC staff will have an administrative background. It is agreed that such staff will be hired within six months from the project effectiveness.

7. There is a separate budget line for Prime Minister Employment Program under MOLESS in the Red Book. The required budget for the Project will be provided as IDA source under the same except for the expenditures to be incurred by LLs which will be budgeted separately as Conditional Grants (one of the four types of transfers from the Federal government to the Local Levels). The expenditures to be incurred in LLs are for Component 1 - Service delivery contractors' salaries, ESC operational costs and ESC equipment and Component 2 - Benefits to temporary employment beneficiaries. The activities to be financed by the Conditional Grants will be specified in the Line Ministry Budget Information System. The Conditional Grants will be provided by the Federal Government to the LLs on quadrimester (every four months) basis based on the quadrimester expenditure reports provided by the LLs. From the Conditional Grants, in addition to ESC salaries and operational costs, LLs will also be paying cash benefits to temporary employment beneficiaries into individual bank accounts. In exceptional cases, where the infrastructure doesn't exist, as per the PMEP guidelines alternative modalities will be used based on justification by LLs.

8. The details on project operations including required internal controls will be incorporated in the POM. Given that internal controls system is yet to be established in LLs, it has been agreed with MOF to include the provisions of the POM as well as the provisions of the FA, as required conditions in the Operating Guidelines for Conditional Grant, and that this would be a Disbursement Condition for the funds flowing to the LLs.

9. The financial progress of the project will be reported on a quadrimester basis through the Interim Unaudited Financial Reports (IUFRs) to be submitted within 60 days from the end of each period. Regarding the expenditures to be incurred by LLs, as the mechanism of periodic reporting from LLs has not been established yet, establishment of the same is also proposed as Disbursement condition. PMU will consolidate financial information received from LLs into the IUFR. Given the involvement of 753 LLs, the external audit report for each year of project implementation will be submitted within nine months from the fiscal year-end.

Procurement

10. MOLESS does not have experience in implementing a World Bank-financed project and currently does not have a dedicated procurement person. Similarly, given the newly constituted federal structure, many of the LL offices do not have adequately knowledgeable and experienced procurement personnel.

11. To address this shortcoming, the project shall hire an individual procurement consultant to support the PMU in carrying out project procurement. This support shall include preparation of Procurement Plan, development of necessary bid documents, issuing of bid invitations, bid evaluations and awards, contract monitoring and continuous hand-on guidance and training to counterparts at the PMU as well as at the LLs. The consultants will also be required to prepare a Procurement Manual (part of the POM) to be followed by other procurement centres at the local levels and to liaise with these offices to prepare regular project procurement progress reports. They will accordingly update the Procurement Plan in accordance with achieved progress. The procurement consultant will also build



up capacity of the PMU.

12. The World Bank's Standard Procurement Documents shall be used for all contracts subject to international competitive procurement and selection of all types of consultants as specified in the approved Procurement Plan tables in Systematic Tracking of Exchanges in Procurement (STEP). In accordance with paragraph 5.3 of the Procurement Regulations, when approaching the national market (as specified in the Procurement Plan tables in STEP), the country's own procurement procedures may be used with applicable caveats.

Strategy and Approach for Implementation Support

13. The World Bank will support the implementation based on the risks identified and the mitigation measures proposed in the risk section. The implementation support is an important part of the overall collaboration with MOLESS. The World Bank team will provide the necessary support to facilitate achievement of the PDO linked to the results/outcomes defined in the results framework. The support will be focused on four dimensions: technical advice, fiduciary management, safeguards, and M&E. The World Bank will bring in expertise in the areas of employment services, public works, industry linkage, capacity building, M&E, and others as needed. The World Bank will provide training and guidance on procurement, financial management, and social and environmental aspects of project management. The World Bank team will provide support through regular communication and meetings, regular supervision missions, technical assistance in thematic areas, project document review, and routine communications.

Implementation Plan

14. The World Bank team will conduct implementation support regularly throughout the implementation period. The implementation support mission will be carried out twice a year to review the project performance. The project is expected to become effective in FY2020 and have a five-year implementation period. During the first year of implementation, the project will have one project launch workshop nationally as well as in selected LLs from seven provinces. The World Bank team will provide intensive technical guidance and operational training as needed. Following the rollout of the component activities, the World Bank task team will conduct field visits to the province and selected LLs where activities are being implemented. The World Bank team will emphasize that the PMU prepare progress reports and annual plans as a basis for the project implementation review. The technical missions will be organized between the regular implementation support missions, as needed. As the task team leader (TTL) as well as the technical staff/consultants are based in Nepal, with the remote support from the specialists based at HQs, there will be regular meetings with the relevant PMU component managers, to ensure appropriate technical support is provided to assist the MOLESS to achieve timely implementation.

15. A mid-term review (MTR) would be conducted within 30 months from effectiveness. The MTR would assess the overall implementation performance and the progress towards the achievement of the PDO. Based on the assessment of progress at the mid-point, recommendations for amendments to the project would be discussed and proposed as necessary.



16. The World Bank team will be led by the TTLs and consist of experts/specialists on relevant technical areas, fiduciary management, safeguards, and general operations management. The main focus and detailed skills required are summarized below:

(a) **Procurement.** The World Bank team will ensure that procurement is conducted in accordance with the World Bank Procurement Regulations for IPF Borrowers by: (i) providing training to the PMU and the local levels that will take some procurement responsibilities; (ii) reviewing procurement documents and providing timely feedback on procurement issues; and (iii) conducting field supervision/reviews at least twice a year to inspect the actual deployment and utilization of procured goods, services, or work.

(b) **Financial management.** The World Bank team will provide support by (i) carrying out regular desk reviews and communications with borrowers; (ii) monitoring the continuing adequacy of the financial management arrangements including accounting, auditing, budgeting, financial reporting, internal control, and funds flow; (iii) conducting site visits twice a year or as necessary; and (iv) following up on action plans agreed as well as on observations derived from reviews of audit reports, management letters, and interim financial reports.

(c) **Safeguards.** The World Bank team will closely monitor the implementation of ESMF and VCDF and other social aspects during project implementation to ensure compliance with the World Bank’s safeguard policies. The safeguard specialists will join the implementation support missions and visit the project sites twice a year. The World Bank team will monitor the activities to ensure that there are no negative environmental impacts during the implementation.

(d) **Technical support.** Key areas of TA for the project include, but are not limited to, the employment services provision, data collection and analysis, MIS enhancement, provision of temporary employment and on-the-job training, and M&E. The World Bank team will mobilize an expert team who will be part of the World Bank’s supervision missions as needed and provide timely guidance on technical issues. Other development partners will also be providing technical support to the MOLESS for project implementation.

(e) **Monitoring and evaluation.** The World Bank team will organize training on M&E for the MOLESS, PMU, provincial coordinators and LLs/ESCs in this regard and provide technical advice to the evaluation studies to be financed by the project. Further, through regular interaction with the MOLESS and PMU, the World Bank team will emphasize regular updates of the indicators defined in the results framework.

Table 1.1. Skills Mix Required for Implementation Support

Skills Needed	Number of Staff Weeks	Number of Trips	Comments
Task team leadership	10 SWs first 12 months, 8 SWs second 12 months, and then 8 SWs annually	At least twice a year	TTL based in Nepal
Labor Market Economist	8 SWs annually for first two years and then 6 SWs annually	At least twice a year	
Social protection Specialist	8 SWs annually for first two years and then 6	At least twice	



Skills Needed	Number of Staff Weeks	Number of Trips	Comments
	SWs annually	a year	
Procurement	6 SWs first 12 months and then 4 SWs annually	Twice a year	Country office
Financial Management	6 SWs first 12 months and then 4 SWs annually	Twice a year	Country office
Social Safeguards	4 SWs first 12 months and then 2 SWs annually	Twice a year	Country office
Environmental Safeguards	4 SWs first 12 months and then 2 SWs annually	Twice a year	Country office
MIS	6 SWs first 12 months, and then 4 SWs annually	At least twice a year	Consultant
Institutional capacity building	4 SWs first 12 months and then 4 SWs annually	At least twice a year	Local consultant
M&E	6 SWs first 12 months, 4 SWs in year 2-4; and then 6 weeks in year 5	Twice a year	Local consultant

Note: SW = staff week.



ANNEX 2: BRIEF DESCRIPTION OF PRIME MINISTER'S EMPLOYMENT PROGRAM

1. The PMEP is the Government's flagship employment program. The first of its kind, the PMEP seeks to provide minimum employment guarantee as a safety net. The program was announced in FY2018/19, with an allocation of US\$31 million, and aims to gradually end labor flight by creating job opportunities at home.
2. The PMEP aims to (a) implement the right to employment enshrined in the Constitution by guaranteeing minimum employment to all citizens, (b) reduce dependence on foreign employment by promoting domestic employment, (c) contribute to poverty reduction and social security through cash-for-work schemes, and (d) improve the living standards of people by developing public assets.
3. The program seeks to establish ESCs in all 753 LL units to undertake registration and verification of, and provide placement support to, the unemployed. The program does not define unemployment in strict economic terms but more broadly to cover those with less than 100 days of work or equivalent income, thereby including the underemployed. It envisions guaranteeing minimum 100 days of work in labor-intensive PWWs or a subsistence wage in the absence of work to all citizens. This subsistence wage is allocated on a household basis and is provided in the event of failure to provide full 100 days of work. The beneficiary will receive subsistence wage equivalent to 50 percent of the total wage for unworked days and amounts to approximately US\$235 per household. Those individuals who do not accept the job offered are considered as voluntarily unemployed and excluded from receiving any cash benefits under the program.
4. The program specifically targets unemployed individuals between 18 and 59 years. It prioritizes households that are the poorest of the poor (with an annual cash income less than the wages from minimum 100 days of employment or self-employment); households without any member with minimum employment; subsistence farming households with less than six months of food sufficiency; female-headed households, Dalits, and endangered ethnicities, as well as households with martyrs or members who have disappeared during the conflict; and households with no other physically abled, working-age members. While the program largely focuses on relatively low-skilled and unskilled workers through placements in public works, it does emphasize liaising with the private sector and nongovernment organizations for skilled jobs.
5. Jobs are expected to be created at the local level to build or rehabilitate local infrastructure as part of the LLs' regular development activities. The program covers all sectors including transport and energy, drinking water and sanitation, irrigation, urban development, health and education, tourism, reconstruction, agriculture, information and communication technology, forestry and environment, community infrastructure, and other sectors with potential for significant jobs creation. The guidelines mandate the use of labor-based technology and prioritization and hiring of unemployed workers registered at the ESCs. The program also makes provisions for special skills-based training of up to 10 days through the MOLESS's Vocational Skills Development and Training Center.
6. In addition to the employment guarantee support, the PMEP also provides additional employment support including training and access to subsidized credit for self-employment and vocational and skills training components. The program also includes a provision for wage subsidy to



industries that agree to provide traineeships (at most three months) and subsequent employment to workers. The provision covers 30 percent of the minimum salary of the employee for the period of traineeship.

7. The PMEP is a national project to be executed at the local levels through the ESCs. The program is to be implemented in coordination with all three tiers of government—federal, provincial, and local—including coordination with potential employers. Each ESC will be staffed with an employment coordinator in charge of all ESC functions including maintenance, update and verification of the registered unemployed, collection of data on local jobs, subsequent placements, and monitoring.

8. The PMEP targets creating 100,000 jobs and 50,000 trained individuals per year.



ANNEX 3: DESCRIPTION OF PROJECT COMPONENTS

1. The project, over a five-year period, will support three components. Component 1 will strengthen the employment promotion systems and services aimed at increasing employability and facilitation of labor market insertion of Nepalese youth (female, job seekers, and/or the unemployed). Component 2 will improve labor market outcomes of the vulnerable unemployed through efficient delivery of temporary employment programs with a “plus” component. Both Components 1 and 2 will formulate their activities and objectives aligned to the GoN’s PMEP. Component 3 will support the implementation of the project and its management, capacity building, and M&E. The project will be implemented across the country.

Component 1: Strengthening of employment promotion systems and services (US\$44.5 million equivalent)

2. The objective of Component 1 is to support the GoN in building a platform for systematic provision of employment promotion services. Activities supported by Component 1 will build the foundation for (a) effective delivery of the PMEP; (b) increased access to employment and training opportunities, including those generated under project Component 2; and (c) an integrated approach to social protection and employment promotion services. The component will achieve this through (a) support to establish functional ESCs and (b) development of a holistic National Employment Management Information System (NEMIS) to support program management and employment policy formulation.

Subcomponent 1a: Increasing access to employment opportunities

3. This subcomponent will support effective and systematic provision of employment promotion and unemployment support services by strengthening the ESCs in the LLs to deliver their functions. The core functions of the ESCs are outreach; registration of the unemployed and other job seekers; profiling and referral to relevant jobs (including placement into temporary employment programs), and other employment promotion services tailored to beneficiaries’ needs and aspirations; and to ensure effective implementation of PMEP. Given that young females are likely to face additional challenges while entering and navigating the labor market, selected ESCs will provide additional services for females, such as formation and facilitation of ‘ready-to-work job clubs’ in selected locations (see Annex 5).¹¹

4. The subcomponent will use synergies with existing government and donor projects that focus on provision of employment promotion services (such as skill training, apprenticeship, on-the-job training, self-employment, and enterprise development support and safe migration information provided).

Subcomponent 1b: Development of holistic national employment management information system (EMIS)

5. Subcomponent 1b will support development of a holistic NEMIS for the efficient and effective functioning of employment promotion services in Nepal (including the PMEP). This will include assessments of existing systems and data availability, identification of needed design enhancements

¹¹ Job club and soft skill training services will be provided only in a few select locations where they are predicted to be the most needed and used (resulting in coverage of approximately 20 percent of all ESCs).



(including user interface), hardware and software procurement, and capacity building necessary to ensure that information from these systems is effectively used for program management and policy making.

6. The assessments and enhancements will be made around four areas: (a) strengthening of unemployment and job seeker registration, profiling, placement, referral and monitoring; (b) enhancement of temporary employment module in the NEMIS which will include modules for selection, enrollment, payment, grievance redress mechanism (GRM), and citizen engagement; (c) expansion of jobs portal functionality; (d) integration of information from other relevant MISs in and outside of MOLESS and other data sources.¹² The holistic NEMIS will integrate, synthesize and present information from all these systems and sources in a way that will allow the GoN to track placements and generate statistics on unemployed, job seekers,¹³ employers, job listings, local and national skills demand, and existing employment support programs.

Component 2: Improving labor market outcomes of the vulnerable (US\$67 million equivalent)

7. Component 2 aims to support skills and productivity enhancement for poor and vulnerable job seekers through on-the-job training and life-skills training along with temporary employment aligned to the PMEP. More specifically, this component will support the Government initiative of providing temporary employment and on-the-job technical and life-skills training to the unemployed (focusing on youth) registered in the ESCs. Beneficiary selection will ensure women represent 60 percent of beneficiaries (this is reflected in the WB corporate indicator “Beneficiaries of social safety net programs - Female” in the results framework presented in Annex 1). This will contribute to addressing gender gaps in labor force participation. Upon selection, the beneficiaries will receive the following packages of support: (a) A total of up to 100 days of temporary employment in maintenance of public assets and provision of services and (b) Up to 50 days of remunerated on-the-job training and life skills training.

Subcomponent 2a: Temporary employment in maintenance of public assets and provision of services

8. The subcomponent will finance cash benefits for an average of 40 individuals per LL,¹⁴ benefiting around 30-35,000 individuals and creating about 3 – 3.5 million workdays a year. The selection of the beneficiaries will ensure a gender balance of workers. The cash benefits for temporary employment are defined as a daily remuneration set as the minimum wage rate according to the PMEP guidelines.

9. This activity will complement temporary employment opportunities financed through the LL development plans and aims at improving access to and quality of services by maintaining the functionality of key public assets and supporting provision of services. Temporary work could be in sectors including (a) maintenance and cleaning of roads, irrigation canals, schools, community centers and health facilities, public parks, and water taps/wells/pumps; (b) afforestation; (c) provision of child and elderly care support; (d) delivery youth sports activities; and (e) support to reading clubs in primary schools. Particularly for road maintenance, the activity will build on the experiences of road maintenance groups in Rural Access Program (RAP) and Strengthening National Rural Transport Program.

¹² Other data source could include information from private sector job search platforms and labor market and establishment surveys.

¹³ Information on unemployed and job seekers will be disaggregated by gender, caste, age, location, and so on.

¹⁴ Nepal has 753 LGs.



10. Cash benefits will be paid into individual bank accounts in most cases. In exceptional cases where the infrastructure does not exist LLs, as per the PMEP guidelines, alternative modalities will be used based on justification by LLs. The project funds will be made available to the LLs as Conditional Grants. The project will not finance inputs such as material, equipment, and safety gears for the selected tasks.

Subcomponent 2b: Improving employability of the beneficiaries

11. The sub-component is expected to improve employability of the beneficiaries through provision of up to 50 days of on-the-job and life skills training (employment plus) with benefits aligned with the daily minimum wage as per the PMEP Guidelines, for those individuals selected in subcomponent 2a.

12. The on-the-job training activities are expected to increase skills for temporary employees as well as their employability to access other employment opportunities. The training will be delivered through short on-the-job training modules focused on specific trades.

13. The life skills sessions are expected to promote goal setting and decision making among beneficiaries and financial literacy to promote some behavioral changes and help them engage in more productive and sustainable activities, enabling them to become less vulnerable to shocks and 'graduate' from poverty. The life skills sessions will build on existing knowledge and experience will also address gender issues through delivery of specific sessions on women's empowerment and gender, including modules on reproductive health and family planning. These modules will be designed based on existing curricula in consultation with technical and vocational education and training stakeholders in Nepal. No certification will be provided to the beneficiaries.

14. This activity will finance the design and implementation of on-the-job and life skills training activities, as well as the cash benefits. The design and delivery of the training modules will be outsourced by the Project Management Unit (PMU). The proposed set of on-the-job training and life skills modules will be defined in the POM, and cash benefits will be paid as in subcomponent 2a.

Component 3: Project management, monitoring and evaluation, and capacity building (US\$8.5 million equivalent)

15. Component 3 will support (a) the establishment and maintenance of effective implementation and coordination arrangements at the federal, provincial, and local levels; (b) the setup of an M&E mechanism to track the progress (spot checks, beneficiary feedback mechanisms, a grievance redress system, and policy reviews) and conduct evaluations (including a robust impact evaluation); and (c) capacity-building programs for project implementation, management, PMEP service delivery, and cross-component activities.

16. Under capacity building, this component will cover orientation and training on general project management (including procurement, financial management and safeguards) and support communication with government agencies, partners, civil societies, private sector, beneficiaries, and other stakeholders. Capacity-building activities at the local level will aim to improve the administrative capacity of the LLs to deliver and manage temporary employment plus programs and support the ESC staff. To strengthen the PMEP service delivery, this component will also support the development and delivery of training materials and training of trainers.



ANNEX 4: ECONOMIC AND FINANCIAL ANALYSIS

Overview

1. Economic benefits of this project come from addressing constraints on both the supply and demand sides of the labor market and from an integration of supply- and demand-side interventions. Given a wide range of benefits that the project provides, the economic analysis uses a combination of quantitative and qualitative approaches. In cases where a cost-benefit approach is not feasible, the analysis draws on evidence from impact evaluations and other studies to supplement qualitative assessment of benefits from interventions supported (Components 1 and 2).

Component 1: Strengthening of employment promotion systems and services

2. Component 1 is expected to deliver benefits (a) directly to job seekers (including the unemployed and those looking to improve their employment) through increasing equity in access to employment promotion services; providing additional services such as counseling, 'ready-to-work' job clubs, and employability (soft) skills training; and providing local service delivery; (b) indirectly to the private sector through better alignment of employment promotion services with their needs due to local service delivery; and (c) indirectly to the GoN through increasing its ability to monitor program and policy performance

3. One of the key objectives of Component 1 is to increase access to employment promotion services and employment. As stated in the Context section, currently, close to 70 percent of those who are employed have found their jobs through family and friends.¹⁵ This puts those coming from vulnerable backgrounds, as well as internal migrants, at a disadvantage due to potentially limited reach of their social network. Furthermore, this link between employment and social network is likely to lock individuals coming from vulnerable backgrounds (either due to income, caste, or ethnicity, for example) in a cycle of poverty and vulnerable low-productivity employment.

4. Component 1 addresses this challenge through two avenues: provision of job placement, where possible, and provision of counseling and subsequent referral of these beneficiaries into employment promotion services they might need to avail before being able to enter the labor market (such as soft, technical, and entrepreneurship skills training or access to capital). Public provision in these services (even if outsourced on a performance-based contract to the private sector provider) and expansion of services beyond labor intermediation are two key elements for the ability of the component to deliver benefit (in particular for hard-to-place individuals).

5. Evidence on cost-effectiveness and effectiveness of public employment services, especially in lower-income country contexts, is mixed.¹⁶ However, if the service is effective, to ensure that it benefits

¹⁵ Raju, Dhushyanth, and Jasmine Rajbhandary, eds. "Youth Employment in Nepal." (2018).

¹⁶ Card, David, Jochen Kluve, and Andrea Weber. 2015. "What works? A meta-analysis of Recent Active Labor Market Program Evaluations." Discussion Paper. National Bureau of Economic Research; Fox, Louise and Upaasna Kaul. 2018. "The Evidence is in: How Should Youth Employment Programs in Low-Income Countries Be Designed?" Policy Research Working Paper. WPS8500. World Bank.



hard-to-place (and the most vulnerable) individuals, it is important that there is public provision of it. Evidence from Nepal shows that private sector (for-profit) labor intermediation is less successful and not financially viable when services target low-skilled individuals. Furthermore, international evidence suggests that public employment service (conditional on some degree of effectiveness) significantly reduces job search time for hard-to-place individuals compared to private placement service provision.¹⁷

6. Expansion of services beyond labor intermediation, in this case, is also an important contributor to the success of the intervention. For example, in France, the addition of counseling to labor intermediation provided by public employment services increased job seekers' chances of exiting unemployment by 50 percent and the probability of finding a stable job by 34 percent compared to the counterfactual.¹⁸ Moreover, evidence from developing country contexts shows that provision of soft skills (also known as employability or transferable) training is more likely to have an effect on employment outcomes than labor intermediation. Findings from the evaluation of the AGEI in Nepal lend further support to the positive impact of soft skills training.¹⁹ Additionally, as the intervention increases access to other employment support services that it does not provide directly, it increases access to services like self-employment support which are more likely to have a positive impact in a country such as Nepal.²⁰

7. Component 1 also delivers a range of benefits through potentially increasing the access of female job seekers to soft skills training, technical skills training, and self-employment support interventions (see Annex 5). Evidence from Nepal and Colombia shows that females are much more likely to benefit from training than males in terms of both employment and earnings.²¹ Yet, analysis of nationally representative data from Nepal shows that females are less likely to participate in vocational trainings (despite the fact that females express a higher willingness to partake in training). Their participation in training was also closely correlated with their formal education and income status. Similarly, international evidence from interventions in Sri Lanka, Uganda, and Morocco, to name a few, shows that women are likely to benefit from access to self-employment support. As the component sets out to increase access of women to these beneficial interventions, their likely positive impact on female employment and earnings can at least in part be attributed to the project.

8. Delivery of services at a local level is another important feature that, depending on the institutional arrangement, is likely to result in positive impacts on service delivery. Quantification of these benefits is challenging as their effectiveness depends on institutional setup and country context. However, assuming the presence of an appropriate accountability and management framework, a recent study by the European Commission finds decentralized delivery of employment promotion services to be beneficial due to (a) better knowledge of local needs by local decision makers, (b) links between better performance

¹⁷ Krug, Gerhard, and Gesine Stephan. 2016. "Private and Public Placement Services for Hard-to-Place Unemployed: Results from a Randomized Field Experiment." ILR Review.

¹⁸ Behaghel, Luc, Bruno Crpon, and Marc Gurgand. 2014. "Private and Public Provision of Counseling to Job Seekers: Evidence from a Large Controlled Experiment." *American Economic Journal: Applied Economics*, 6(4): 142-174

¹⁹ Chakravarty, Shubha, Mattias Lundberg, Plamen Nikolov, and Juliane Zenker. The role of training programs for youth employment in Nepal: Impact evaluation report on the employment fund. The World Bank, 2016.

²⁰ Fox and Kaul (2018).

²¹ Raju, Dhushyanth, and Jasmine Rajbhandary, eds. "Youth Employment in Nepal." (2018); Chakravarty, Shubha, Mattias Lundberg, Plamen Nikolov, and Juliane Zenker. The role of training programs for youth employment in Nepal: Impact evaluation report on the employment fund. The World Bank, 2016.



and local ownership, and (c) increased ability of public employment officials to build ties with local service providers and the private sector.²² To strengthen these potential benefits further, Component 1 mandates local public employment service providers to establish and maintain strong ties with the local private sector, which has been shown to be an important factor for the successful performance of such services according to a recent study by the Organization for Economic Co-operation and Development.²³

9. Lastly, strengthening of information management systems, while hard to quantify, delivers benefits to the GoN and indirectly to the job seekers and unemployed as it allows the GoN to better identify labor market failures and assess faster the effectiveness of interventions designed to address them. Furthermore, in the short run, information produced by the established system allows service providers to identify labor market needs faster, improving their overall impact on the labor market. In addition, it provides faster access to crucial information for new labor market entrants, internal migrants (that are less likely to be familiar with local labor market conditions), and other job seekers (that can more efficiently allocate their human capital investments).

Component 2: Improving labor market outcomes of the vulnerable

10. Component 2 benefits are expected to come from a concerted effort to enhance the employment promotion aspect of traditional labor-intensive PWPs. This will be achieved through the addition of on-the-job and life/employability skills training for public work beneficiaries and through improving the LL's capacity in terms of project selection and temporary employment governance and delivery.

11. Labor-intensive public works in community development driven programs are a cost-effective means of constructing and maintaining public assets that address deficits in basic services infrastructure and access to markets, while providing income support to poor households. Empirical evidence indicates that the temporary cash transfers can have a significant development impact, leading, for example, to increased spending on health, education, and food security, as well as to economic investment.²⁴ In Nepal, the key labor-intensive PWPs to date, RAP, RCIW and KEP, were envisioned primarily as poverty reduction and infrastructure creation/maintenance programs. Hence, by design, they did not aim to increase employability per se. Thus, while RAP, for example, had strong effects on household consumption and resilience, the employment effects were relatively weak and came from increased connectivity produced by the project.²⁵

12. To increase the employability and graduation from poverty effect of income support programs (including cash transfers, in-kind transfers, and public works), countries are increasingly engaged in supplementing them with other interventions such as skill training, mentorship, financial literacy, savings accounts, and employability/soft skills trainings. The evidence of success of such programs to date has been mostly positive. For example, a pooled sample of reviewed data from randomized control trial

²² European Commission. 2014. "Central Steering and Local Autonomy in Public Employment Services." Analytical Paper.

²³ Organization for Economic Cooperation and Development. 2015. "Strengthening Public Employment Services." Paper prepared for the G20 Employment Working Group.

²⁴ Andrews, Colin; Del Ninno, Carlo; Rodriguez Alas, Claudia P; Subbarao, Kalanidhi. 2012. *Public works as a safety net : design, evidence, and implementation (English)*. Directions in development; human development. Washington D.C. : The World Bank.

²⁵ Freer, Gordon; Hedley, Ed and Vishal Gadhavi. "Connect Review: 1st Phase." Results in Development. 2018. Submitted by itad: <http://rapnepal.com/content/independent-review-connect-component-rap3-first-phase-review>.



assessment of such programs in six different developing countries has identified a positive impact on the total time spent working, as beneficiaries spent on average 17.5 more minutes a day working which is 10 percent more than control households.²⁶ Similarly, when in Uganda, the Women's Income Generating Support program provided business skills training and follow-up visits to ultrapoor women in the north of the country in addition to simple cash transfer,²⁷ participants nearly doubled their earnings, and household consumption increased by about a third.²⁸ In Ethiopia's Productive Safety Net Program, inclusion of productive interventions (such as access to credit and training on farming techniques and soil and water conservation) on top of consumption support improved agricultural technologies and the propensity of beneficiaries to operate nonfarm businesses.²⁹

13. Component 2 will also likely strengthen the employment impacts of the locally provided temporary employment through its contribution to improvement in institutional capacity of the LLs to execute and manage programs by promoting greater civic participation, voice, and accountability in local governance; delivering cost-effective and timely services within a decentralized context. Information, capacity building, and training will be provided to the LLs' authorities so that more effective programs are designed to address constraints such as the low levels of literacy in few communities, elite capture, and exclusion of women and vulnerable groups (including the those with disability). This will further promote inclusion effects of these programs.,

14. Lastly, in addition to potential benefits, the per beneficiary cost of Nepal's public sector labor-intensive public works compares favorably to similar programs. Partial per beneficiary cost is estimated at US\$775 for 150 days of employment and training. This amount excludes capital and supervision costs but encompasses labor-wages support worth US\$675 (at US\$4.5 a day for 150 days) and US\$100 on several basic and life-skills trainings courses, coaching, and psychosocial support. Based on international evidence, the estimated full cost per beneficiary is around US\$1,292 per beneficiary.³⁰ When compared to international benchmarks, the program cost per beneficiary is reasonable and still low compared to other more intensive graduation programs in the region. The total costs of BRAC Targeting the Ultra Poor Program ranged from PPP US\$1,455 per household (India) to PPP US\$5,962 (Pakistan) while offering more benefits, including cash grants or start-up grants for the self-employed. The adaptation of a support package to labor-intensive public works to Nepal is performed to ensure it could be delivered at scale at limited costs as a pilot phase.

²⁶ Banerjee, Abhijit, Esther Duflo, Nathanael Goldberg, Dean Karlan, Robert Osei, William Parienté, Jeremy Shapiro, Bram Thuysbaert, and Christopher Udry. "A multifaceted program causes lasting progress for the very poor: Evidence from six countries." *Science* 348, no. 6236 (2015): 1260799.

²⁷ For the purposes of this economic analysis it is assumed that cash received through cash transfer and cash received through a poverty reduction public works employment are equivalent.

²⁸ Blattman, Christopher, Eric Green, Jeannie Annan, and Julian Jamison. "The returns to cash and microenterprise support among the ultra-poor: A field experiment." *Columbia Univ. Work. Pap* (2014).

²⁹ Gilligan, Daniel O., John Hoddinott, and Alemayehu Seyoum Taffesse. "The impact of Ethiopia's Productive Safety Net Programme and its linkages." *The journal of development studies* 45, no. 10 (2009): 1684-1706.

³⁰ Assuming wage and training support represent 60% of the total cost.



ANNEX 5: GENDER ANALYSIS, ACTIVITIES AND MONITORING

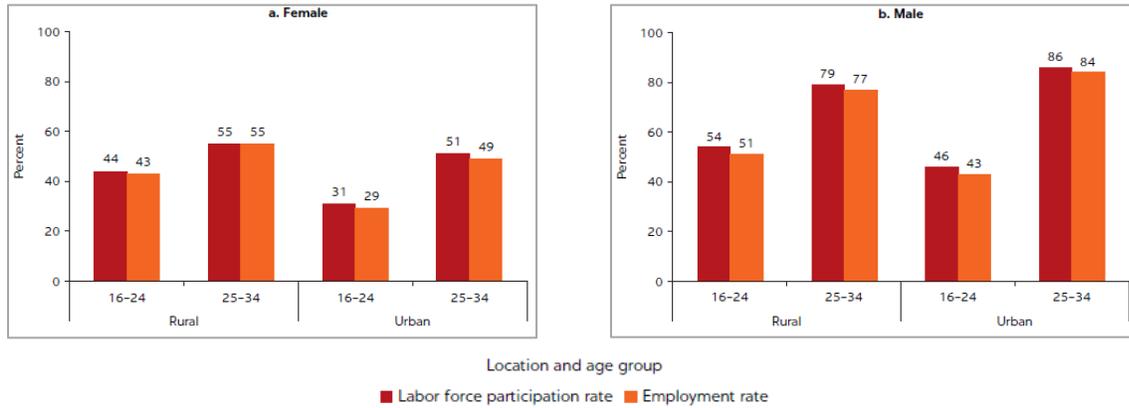
Gender Analysis

Women's Labor Market Participation and Employment

1. Between 2003/04 and 2010/11, participation of women in the labor force has declined overall by 6 percentage points. Nevertheless, estimated at about 79.6 percent in 2016, the participation rate remained higher than that of other South Asian countries. There were also differences in urban versus rural participation rates for females. More specifically, the share of young females (16–34 age group) who are NEET has increased for rural areas and decreased for urban areas between 2003/04 and 2010/11. Females face additional challenges in accessing the labor market. Females are more likely to be out of the labor force (and NEET) and are also less likely to be searching for work when available. The constant pressure to juggle work and household responsibilities hinder women's full participation in economic activities. Additionally, participation in noneconomic activities was one of the key factors preventing young females from looking for both employment and more hours of employment.
2. In the 16–24 age group, 60 percent of women are not working; sizable shares of these individuals are attending school. In the 25–34 age group, 47 percent of women are not working, consistent with documented gender divisions of roles within and outside of the labor market. Among those not working, 4 percent of women are available to work. Among those not working and available to work, 38 percent of women are actively searching for work. For individuals that are not working and not available for work, majority of the women report that they are either attending schools or engaged in noneconomic activities.
3. In particular, the share of female youth that are NEET has increased from 27 percent to 36 percent for rural women ages 16–24 and from 16 percent to 45 percent for rural women ages 25–34. In contrast, the NEET share decreased from 36 percent to 25 percent and from 57 percent to 46 percent for urban women in the age groups 16–24 and 25–34, respectively.
4. Among women that are employed but working fewer hours (35 hours or less), the main reason is engagement in noneconomic activities: 33 percent of those in the 16–24 age group and 63 percent of those in the 25–34 age group. Out of those employed, the share of young females employed in wage employment has decreased by approximately 20 percent for both urban and rural areas between 2003/04 and 2010/11. It declined from 87 percent to 68 percent and from 45 percent to 21 percent for females ages 16–24 in rural and urban areas, respectively, and from 83 percent to 68 percent and from 44 percent to 20 percent for females ages 25–34, respectively, in the same areas.
5. Furthermore, young women were more likely to be self-employed, while males were more likely to be wage-employed, with about 70 percent of females ages 16–34 being employed in agricultural self-employment in rural areas, in comparison to 37 percent and 50 percent of rural men ages 16–24 and 25–34, respectively, being self-employed in agriculture.
6. Figure 4.1 presents the gender gaps in labor force participation, observed for women both in urban and rural areas, and for all age groups among youth.



Figure 4.1. Labor Force Participation and Employment Rates among Youth 2010/11



Source: Estimated using 2010–11 Nepal Living Standards Survey data.

Note: Estimates are adjusted for sampling weights.

Challenges at the Workplace

7. Like in many developing countries, Nepal’s economy is heavily dependent on the informal sector. Women in the formal sector represent less than 1.5 percent of the overall employment (CBS 2009). Due to social obligations and limited access to education and other skill training, most women tend to get employed in the informal sector. Moreover, there are significant gender pay gaps, where women’s pay is estimated to be 59.5 percent of men’s pay, though the ILO labor report partly points this to the difference in the working hours.³¹ Along with gender pay gap, women also face workplace harassment and violence. Prevalence of sexual harassment is said to be higher in the carpet industry, the garment industry, and other service sector industries like hotel and airlines,³² which have been big sources of jobs for internal female migrants. Further, lack of enabling working environment like separate toilets, flexible working hours and support mechanisms, and adequate grievance mechanisms are additional issues concerning women at workplace.

Women and Entrepreneurship

8. While opportunities and conditions for women entrepreneurs in Nepal are improving, their numbers are still in the minority. Of the 111,442 operational SMEs in Nepal, only 14,291 SMEs (12.8 percent) are fully or partially owned by women entrepreneurs, providing employment to about 200,000 employees, of which 112,000 are women.³³ In addition to social factors, access to formal credit is another area where women face additional challenges. Access to credit, which is largely collateral based (land and

³¹ Coyle, D., Shrestha, R., & Thapa, C. J. (2014). Women’s insecurities and the workplace in Nepal A study from Banke and Bara districts. Kathmandu: Forum for Women, Law and Development, Informal Sector Service Center, Institute of Human Rights Communication Nepal, International Alert, National Business Initiative, Saferworld

³² ILO . (2004). Sexual Harassment at the Workplace in Nepal. International Labour Organization : International Labour Organization and Coyle, D., Shrestha, R., & Thapa, C. J. (2014). Women’s insecurities and the workplace in Nepal A study from Banke and Bara districts. Kathmandu: Forum for Women, Law and Development, Informal Sector Service Center, Institute of Human Rights Communication Nepal, International Alert, National Business Initiative, Saferworld.

³³ IFC, 2012. SME Gender Baseline Estimation for IFC’s Financial Markets Portfolio



real estate) in Nepal, is a major constraint voiced across all SMEs, regardless of gender. However, unbalanced distribution of resources and limited access to property often pose additional difficulties for women. According to the census of Nepal 2011, only 19.71 percent of women have asset ownership.³⁴ Under such circumstances, women-led enterprises are often limited to informal and home-based businesses as larger businesses require a bigger investment and pose bigger risks for women.

Gender Activities in Project

9. The project places a strong focus on addressing the gender gap identified earlier. Given the disparities between men and women, the social barriers that women face in the labor market, and the large number of working-age women who are left behind in many communities due to high male migration, it is critical to ensure that women are appropriately targeted and are beneficiaries of this project.

10. The project activities focus on gender equity through a series of specific activities:

- Targeted outreach to women through the ESC’s outreach strategy and mobilization,
- A target of 60 percent female in temporary employment activities,
- Female-friendly temporary employment activities,
- Life-skills training inclusive of modules to address women-specific challenges: financial literacy, reproductive health, women’s empowerment and coaching/counseling on aspirations, self-esteem, goal setting, decision making, and communication and leadership, and therefore will assist women in seeking labor market opportunities, starting businesses, or adjusting to being in the workforce,
- Establishment and facilitation of female jobs clubs, for young women who may need a peer support and mentorship mechanism as they transition to the formal workforce, and
- Information about GBV in the workplace will be provided to men and women by the ESCs, as well as part of the life-skills training provided for the temporary employment beneficiaries.

Monitoring gender activities

11. These activities will be monitored in the Results Framework through the gender disaggregation of beneficiaries in various components as well as tracking of gender sensitive outreach campaigns conducted. Specific indicators are:

12. PDO level:

- a. The indicator is the “share of people (disaggregated by gender and age group) supported by the project who take up a training, temporary work, or employment opportunity within

³⁴ For more see: (CBS, 2012)



one year of registration (Percentage)". The indicator will be disaggregated by gender and age groups, and, for each of these, by the type of services received.

13. Intermediate level:

- a. Number of Local Levels where gender sensitive outreach campaign has been conducted,
- b. Number of beneficiaries that completed on-the-job and/or life skills training (disaggregated by gender),
- c. Number of female beneficiaries from the program under component 2, reflected by the WB corporate indicator "Beneficiaries of social safety net programs – Female" in the results framework,
- d. Percentage of project beneficiaries satisfied with the employment services received (disaggregated by gender)

**ANNEX 6: TEAM LIST**

Bank Staff				
Name	Role	Title	Specialization	Unit
Jasmine Rajbhandary	Team Leader (ADM Responsible / TF Eligible)	Senior Social Protection Specialist	Social Protection and Jobs	GSP06
Annu Rajbhandari	Safeguards Specialist (ADM Responsible)	Environmental Specialist	Environmental Specialist	GEN06
Hanna Jang	Counsel	Counsel	Legal	LEGES
Jaya Sharma	Gender/Safeguard Specialist (ADM Responsible)	Senior Social Development Specialist	Gender and Social Safeguards	GEN06
Shambhu Prasad Uprety	Procurement Specialist (ADM Responsible)	Senior Procurement Specialist	Procurement and Fiduciary	GGO06
Timila Shrestha	Financial Management Specialist (ADM Responsible)	Financial Management Specialist	Financial Management	GGO24
Anastasiya Denisova	Team Member	Economist	Operations	GSP06
Anupa Aryal Pant	Team Member	Private Sector Development Specialist	Private Sector Development	GFCMT
Ashim Nepal	Team Member	Financial Sector Specialist	Financial Sector	GFCS1
Jyoti Maya Pandey	Team Member	Social Protection Specialist	Social Protection and Jobs	GSP06
Karishma Wasti	Team Member	Agricultural Specialist	Agriculture and livelihood	GFA12
Lansong Zhang	Team Member	Operations Officer	Operations	GSP02
Maheshwar Shrestha	Team Member	Economist	Social Protection and Jobs	GSP02
Maya Sherpa	Team Member	Economist	Education	GED06
Phillippe Leite	Team Member	Senior Social Protection Specialist	Social Protection and Jobs	GSP06
Ruchita Manghnani	Team Member	Economist	Financial Management	GFCSS
Sangeeta Goyal	Team Member	Economist	Education	GED06



Bank Staff				
Name	Role	Title	Specialization	Unit
Satish Kumar Shivakumar	Team Member	Finance Officer	Finance	WFACS
Shubha Chakravarty	Team Member	Senior Economist	Social Protection and Jobs	GSP06
Srivathsan Sridharan	Team Member	Finance Analyst	Finance	WFACS
Tara Shrestha	Team Member	Program Assistant	Operations	SACNP

Extended Team				
Name	Role	Title	Specialization	Unit
Anupama Shakya	Team Member	Research Analyst	Social Protection and Jobs	GSP06
Basanta Raj Gautam	Team Member	Consultant	Federalism and Governance	GSP06
Dhruba Raj Pant	Team Member	Consultant	Environment and Social Safeguards	GSP06
Kiran Ranjan Baral	Team Member	Consultant	Procurement	GSP06
Suravi Bhandary	Team Member	Consultant	Social Protection and Jobs	GSP06