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Job Opportunities for Young Women and Men (JOY)

Independent Final Project Evaluation

Project INS/06/50/NET

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Acronyms

APINDO	Employers' Association of Indonesia (English translation)
BPS	Central Bureau of Statistics (English translation)
CU	Credit Union
CTA	Chief Technical Advisor (project leader)
DAC	Development Assistance Committee
DWCP	Decent Work Country Programme
EAST	Education and Skills Training for Youth Employment (ILO project)
ESC	Employment Service Centre
ILO	International Labour Organization
I-YEN	Indonesian Youth Employment Network
IYES	Improve Your Exhibition Skills
JOI	Job Opportunity Index
JOY	Job Opportunities for Young Women and Men
KSBSI	Confederation of Indonesian Prosperity Trade Union (English translation)
LED	Local Economic Development
MOMT	Ministry of Manpower and Transmigration
NICP	Netherlands-ILO Cooperation Programme
OECD	Organization for Economic Cooperation and Development
PUM	Netherlands Network of Retired Professionals
RENSTRA	National and Provincial Strategic Action Plans (English translation)
RPJM	Medium Term Development Plan (English translation)
SIYB	Start and Improve Your Business
SME	Small and Medium Enterprise
TC/RAM	Technical Cooperation Resource Allocation Mechanism
UN	United Nations
UNPAD	University of Padjajaran
UNDP	United Nations Development Programme

1 Executive summary

Although known and referred to as JOY, the full name of the project is *Employment-intensive growth for Indonesia: Job opportunities for young men and women*. It started with a budget of \$2.4 million, which was increased in 2009 to \$2.8 million following a reallocation of funds within the various NICP projects.

The project started in March 2007 and finished, as planned, in April 2010. Its overall objective was to “create income earning opportunities for young women and men in Indonesia, through complementing national policies and local initiatives that lead to more employment growth”.

1.1. Relevance

Young people in Indonesia have difficulty in finding, or remaining in, employment, not because they lack skills or knowledge, but because they do not benefit as much as adults from the existing employment opportunities. They represent 60% of the total unemployed.

With its overall objective of “contributing to poverty reduction and the creation of income earning opportunities, especially for young women and men, through complementary national policies and national initiatives that lead to more employment-intensive growth” JOY fully supports the country’s development plan, and has, in addition, achieved the goal of further strengthening this position by mainstreaming youth employment in Indonesia’s new Mid Term Development Plan (RPJM 2010-2014) Indonesia’s and by revitalizing the I-YEN secretariat.

JOY also brings substantial support to the ILO’s role as the coordinating agency for UNDAF’s sub-outcome on employment creation, employability, entrepreneurship and equal opportunities. JOY was also instrumental in revitalizing Indonesia’s Youth Employment Action Plan, which is central to the Government of Indonesia’s role as a Lead Country of the UN-World Bank-ILO Youth employment Network.

1.2. Design

JOY is the result of an ambitious design combining a “top down” (policy level) component with a “bottom up” (local level) component.

The policy level component seeks to mainstream decent and productive employment into national economic and social policies by (i) building the capacities of tripartite constituents and other relevant stakeholders to engage in economic and social policy development and implementation, (ii) establishing mechanism for enhanced coordination and networking on employment issues, (iii) strengthening the capacities of the Central Bureau of Statistics (BPS) and Ministry of Manpower and Transmigration (MOMT) to collect and use sex- and age-disaggregated labour market data, and (iv) strengthening MOMT and the National Professional Certification Board’s capacity to improve the certification system and relevance of competency-based training.

The local level components seeks to have youth employment policies and local economic activities implemented in East Java by local representatives of ILO

constituents and communities of the area by (i) strengthening the capacity of local stakeholders to design and implement youth employment policies, (ii) strengthening the capacity of local communities to undertake partnership-based LED programmes benefiting young women and men, (iii) establishing LED initiatives, one of them involving the promotion of employment infrastructure investments and (iv) spreading examples of good practices within East Java and Indonesia.

Both these components are intended to be mutually reinforcing to support the achievement of the overall objective of “poverty reduction and the creation of income earning opportunities for young women and men in Indonesia, through complementary national policies and local initiatives that lead to more employment-intensive economic growth”. In parallel, the project also seeks to bridge the supply and demand side of the economy by commissioning sectoral research, by outsourcing the development of a labour market programme with the University of Padjaran, and by building the capacity of Employment Services Centres.

1.3. Efficiency

The project was successful at making its partners understand that it was not only a relatively short project, but also one with no money to invest in actual employment creating activities. Instead, JOY has played a role of catalyst between local economic players, international development bodies and micro finance institutions with results that went far beyond what was planned and which would have never been possible on its planned budget.

JOY managed to spend its whole budget of \$2.8m in the allocated time frame of 3 years. Compared to the initial project plan, the budget was increased by around \$400,000 and the staff comprised one additional local project coordinator.

In the area of Local Economic Development, JOY achieved considerable progress at very little cost thanks to its capacity at acting as an “opportunity maker”. It did this by tapping on the potential of external expertise, such as the volunteer experts from the Dutch PUM programme, which provided the pilot LED communities with considerable expertise at no cost to the project or to the ILO, and with tangible results. In addition, the project has played a pivotal role in leveraging extra funding for communities involved in LED activities, such as the construction of biogas units or of a Tourism Information Centre.

1.4. Effectiveness and progress

JOY was a slow starter. Conceived as a 3-year project starting in March 2007, the project did not start to be really productive until early 2008 mainly due to recruitment problems. In June 2008, the project team was complete, even if further changes still took place in 2009, when the local coordinator in Malang resigned and had to be replaced, and a third chief technical advisor had to be appointed.

The last two years of the project saw a frenetic rhythm of activities take place. Indicator after indicator, output after output, the project came to some sense and realised most of what it was supposed to achieve, even if a certain deviation from initial plans can be found here and there.

Under Component 1 (policy-level), JOY’s main achievements are:

- An effective and close-knit collaboration between the private sector and government structures. For instance, the Government of Pasuruan and Malang pledged Rupiahs 200 million and 50 million respectively, to support the LED forums to finance the now established agribusiness festivals.
- The establishment of a certification body for eco-tourism based on local initiatives undertaken, under JOY leadership, in East Java.
- The launching of a Labour Market Development Programme with the University of Padjajaran (UNPAD), a reputable Indonesian university. Students have begun to apply for the September session.

Under Component 2 (local level), highlights can be summarised under 3 main items:

- Setting up of Employment Service Centres: the project has assisted the set up and operation of 2 Employment Service Centres (ESC) in Pasuruan and Surabaya. The results are being looked at closely by other ILO projects and also by other bilateral cooperation projects, some of them much bigger. JOY stands out by its pragmatic approach to the capacity building of ESC. Training work still needs to be carried out to strengthen the youth focus of the staff, but the centres are already operating and welcoming users.
- The running of LED programmes: JOY has spearheaded discussions at local level resulting in the provincial and national endorsement in 3 important areas: waste management, tourism development and biogas. With regards to tourism development, JOY has facilitated the adaptation from the French volcano theme park of the Vulcania Theme Park in East Java. The project is now well into the hands of national and provincial administrations, as the national government has pledged support for the development of the Bromo-Semeru-Tengger National Park. JOY was also influential in bringing together a wide range of partners, from international technical cooperation (SNV), a Dutch NGO (HIVOS, Humanist Institute for Development Cooperation), local microfinance institutions, local governments, private households, etc. for the development of the biogas activities. Under the Biogas programme, a family with two cows can run a simple biogas plant and generate enough gas to power a stove and a light. The employment impact of these activities is estimates at 3,000 jobs and Biogas managers expect 400 family plants to be created in 2010, although this is probably very optimistic.
- Knowledge sharing was both a means and an end for the project. JOY produced regular newsletters and commissioned several publications e.g. on the importance of sector planning; a Labour Market Study of the Food and Beverages Manufacturing Sector in Indonesia; a research on the demand and supply of skills in the hotel and tourism sector. Not all publications were of equal value (only four were actually published) and they didn't all have a sufficient focus on the youth and gender employment dimension. Two youth employment conferences were organised in 2009 and 2010, which involved social partners, national, regional and district level partners, as well as donors, representatives from Indonesian universities and youth entrepreneurs groups.

1.5. Evaluation Methods

The evaluation took place between 5 – 16 April 2010. The methodology relied mainly on qualitative information. The evaluators collected data through a desk review of project documents, progress reports and other documents produced by the project. These data were then verified, compared, and cross-validated through field visits, interviews and participation at the final Youth Employment Conference. At interviews and visits in East Java, the evaluators were accompanied by either one of the two local project coordinators.

UN evaluation norms and standards, OECD/DAC evaluation quality standards and ethical safeguards were all followed during the evaluation.

1.6. Impact and Sustainability

A lot of progress has been achieved in the last year of operation in terms of sustainability. The Mid Term Evaluation conducted in April 2009 was pointing towards a number of uncertainties with regards to the sustainability of various components of the project, for instance with regards to the LED forum. The final evaluation found that much of these uncertainties have been lifted in the last year, while other constraints appeared, for instance with the Job Opportunity Index.

Overall, the message that JOY was coming to an unequivocal end has been well understood by its partners at national and local level. In most cases, the withdrawal of the project should go well even if there remains a need for light monitoring, in particular for some of the biggest outcomes such as the revitalisation of the I-YEN or the touristic promotion of the Bromo-Semeru-Tengger National Park.

1.7. Lessons learnt:

1.7.1 Some challenges

- Youth and women's groups were not represented in the stakeholders, even though the project document specifies them as representative groups to be involved in the project implementation.
- Gender equality promotion activities have remained relatively limited in scope, and as a result, the gender treatment of youth employment issues remains weak. It must however be emphasised that the project document itself remains very vague when it comes to proposing concrete and measurable gender-specific activities.
- There has been very little use of labour market data for underpinning actions or informing decisions, even though labour force data exist.

1.7.2 Good practices

- The ownership building strategies of JOY have been central to the project implementation and constitute one of the project's strengths.
- Anchorage into local context and practices meant that JOY acted as an agent of change which allowed it to avoid replicating existing initiatives but instead multiply their potential.

- JOY has taken advantage of wide range of communication channels. It has established a bi-yearly newsletter, easily accessible on the Internet, it is often quoted in the press, and its last Youth Employment Conference was broadcast live on Indonesia's national news TV channel.

1.7.3 A favourable environment

- The ILO has an enduring history of collaboration with the Indonesian government for employment matters at large and youth employment in particular. As the Mid Term Evaluation noted, JOY has managed to make the most of this legacy and "to position itself well to advance its own project objectives and those of the DWCP" in the Medium Term Development Planning process.
- The project benefited from a conducive socio-economic environment characterised by such practices as Gotong Royong, village youth groups established in the Sukarno era, etc., indicative of a mind set open to consultative practices.
- Young people represent a very high proportion of the population and of the labour force. Young people represent 28% of the total population. The median age in Indonesia is 27, just 2 years above the international definition of youth. Young people are therefore bound to benefit from employment interventions, even if not specifically targeted.

1.7.4 Project level

At project level, there are a number of factors worth highlighting which contributed to the project's productivity:

- An action-led, pragmatic, management, in particular from 2008 until the end (and exception made of the 6-month period when the project did not have a full time leader) has managed to translate what can be seen as ambitious but diverging development objectives into manageable outputs and activities.
- A flexible donor framework (that of the NICP) which allowed for adjustments to the project design to be made. As the Mid Term Evaluation noted, the changes made were valid and in line with the project's broad objectives and the DWCP.
- Last, but certainly not least, the project could count on a team of young, committed and dynamic staff. From Jakarta-based staff to local coordinators, all seemed in full control of the project's objectives and constraints. The capacity of the project to make productive linkages between the public and private sectors owes a lot to their creativity and professionalism.

1.8. Conclusion

JOY has earned itself a very good reputation in the country, but also in the region, and truly deserves it. Partners, at national, local and community level, from high-ranking officials to direct beneficiaries are very comfortable explaining how the project has been beneficial for the country, the province or the individuals. The same people enjoy what seems to be a warm relationship with all the project staff. It is a fact that the evaluators have not recorded one word of dissension from the many interviewees. In the 3 years of its operation, therefore, the project has left its mark in

the institutional scenery of Indonesia and has strengthened the ILO's reputation and contribution to the promotion of employment in Indonesia.

However, JOY appears like the Swiss Army Knife of youth employment programme. It aims to do a lot of things, which are all independently valid and well executed, but which are only loosely connected to each other. Added to the fact that the project underwent several leadership changes, this may explain why the project lacked an overall sense of strategy and ended spreading itself thin for some aspects, for instance on addressing gender issues, or by not making operative linkages between the work done on the improvement on labour market information separately and that on the certification of vocational training.

Overall, it appears that the project successes are more the result of the convergence of favourable factors, such as a long-standing ILO presence in Indonesia or of favourable demographics and of intense work and opportunity seeking on the part of the staff rather than the result of thoroughly thought through strategy. With this in mind, the replication of the project in its current shape and in other countries is far from assured.

1.9. Recommendations

The project has now finished and is leaving behind a number of activities which should, as per the project document, be completely sustainable. The evaluation has found that even though most activities had indeed reached a high level of autonomy, things being what they are, there is still a need for light monitoring on the part of the ILO. The final evaluation is making recommendations along the 12 following points:

1.9.1 Post-JOY monitoring and follow up

1. Products of the project, such as JOI, or by-products, such as the presentation on Youth Employment in Indonesia, presented at the 2010 Youth Employment Conference, should be incorporated in the next edition of *Social and Labour Trends of Indonesia*. This would ensure that youth issues are given prominence and that youth data are analysed, used and made available to stakeholders.
2. Follow up on successful individuals for improved sustainability and up scaling. Successful beneficiaries, often small entrepreneurs, are willing to provide assistance in return for what they have received. This can be through mentoring budding entrepreneurs, taking on apprentices, committing themselves to improving employment conditions, sharing their experience, etc.
3. Promote JOY's practices and results on the Bangkok-hosted Asia-Pacific Youth Net platform (<http://ap-youthnet.ilobkk.or.th/>).
4. Keep light monitoring of key outputs of the project such as the revitalization of the I-YEN and the Vulcania's Master Plan. Both of them have received strong expressions of commitment on the part of institutional partners but light monitoring from the ILO Jakarta would ensure that they reach their potential.
5. Rapidly identify the monitoring responsibilities within the ILO, such as a Jakarta-based programme officer, or make use of existing projects, such as EAST, who have some shared interests in seeing some outputs of JOY come to full potential, e.g. the setting up of ESCs and the continuation of JOI.

6. Conduct an impact evaluation in 6 months or 1 year to take the full measure of activities such as Vulcania, the ESCs, the first scholastic year of the Labour Market Development Programme, the I-YEN secretariat. Equally important, but complicated to realise, will be the employment impact evaluation of enterprises created or supported through the LED process.

1.9.2 Application for other or future technical cooperation projects

7. Adopt a more reactive recruitment strategy to avoid that posts remain vacant for too long and to ensure that key skills are present in the team. For instance, there were strong skills with regards to LED, but serious lack thereof with regards to employment and labour markets and to gender.
8. Integrate a gender strategy, with specific and priced activities at the project design stage. The recruitment strategy for the project should ensure that gender expertise is present in the team or that gender training is provided for the staff. The roles and responsibilities of ILO Jakarta, the Decent Work country team and GENDER in monitoring gender performance should be strengthened.
9. Make more use of labour market analysis as baseline data and for advocacy purposes. Projects such as JOY should set an example on how to use data, such as that produced by BPS, for instance on its regular newsletter or could advocate for strengthened youth and gender analysis in the ILO *Social and Labour Trends of Indonesia*.
10. Explore the youth employment of the manufacturing sector, as the presentation made at the 2010 at the Youth Employment Conference highlighted a strong correlation between the crash in manufacturing output following the 2008 financial crisis and the ensuing boom in youth unemployment.
11. Ensure that youth and women groups are consulted in projects such as JOY. This is important to take the full measure of the cross-disciplinary problems that young women and men face.
12. Design a strategy ensuring that employment created in the scope of projects such as JOY be compatible with decent work requirements. Many of the jobs created fell short of decent work standards, even though they represented opportunities for local economic development. This is a challenge because JOY is about creating job opportunities rather than jobs themselves, but a challenge that no one but the ILO is in a better position to tackle.

2 Project background

2.1. Indonesia: Social and Economic Contexts

Indonesia boasts the world's 16th largest area (2 million square kilometres) and the world's fourth largest population (240 million people). About 28% (almost a third!) of the total population is less than 15 years old, 50% is less than 27, and the young labour force, i.e. men and women aged 15-24 working or available for work, also represent a quarter of the total labour force.

Administratively, the country has embarked on a course of decentralisation since 1999 which resulted in the transfer of important areas of responsibilities to its 33 provinces and 440 districts. Matters pertaining to public works, health, education, land issues, manpower, etc., are handled at local levels. At the provincial level, however, responsibilities are less defined, which results in unclear linkages between policy making at national level and implementation at provincial or district levels.

Economically, Indonesia has seen a steady GDP growth up to 2008, averaging 5 to 6% per annum, in spite of a series of natural disasters such as the tsunami of December 2004, and major earthquakes in 2005, 2006 and 2009. The economic growth continued through 2008, showing signs of slowing down only in the last year – but still expected to reach 3 to 5 %. Most likely, the economy has been cushioned by factors such as strengthened macro economic management and oversight of the financial sector or such as the large share of domestic household consumption in GDP.¹ As will be elaborated later, the employment outcomes of the 1997 and 2008 financial crises are felt particularly strongly among vulnerable groups such as women or young people and have contributed to the growth of informal employment.

2.2. The Netherlands ILO Cooperation Programme (NICP)

The project is one of 18 projects implemented under the Netherlands-ILO Partnership Agreement (NICP), established in 2006. The NICP sought to promote through a series of projects in support of specific Decent Work Country Programmes a number of crosscutting goals. These included gender, tripartism and social dialogue.

The project builds upon earlier work by the ILO in supporting the Indonesian government on issues related to youth employment, through such projects as:

- Entrepreneurship Culture and Business Creation for Youth Employment in Aceh;
- Youth employment in Indonesia: Policy and action;
- Employment for youth in Indonesia: Employable skills and enterprise development;
- Boosting youth employability in the construction industry.

JOY further complements the ongoing EAST project, funded by the Netherlands Embassy.

¹ Labour and Social Trends in Indonesia, ILO, 2009. P. 1.

2.3. The JOY project

Although known and referred to as JOY, the full name of the project is *Employment-intensive growth for Indonesia: Job opportunities for young men and women*. It started with a budget of \$2.4 million, which was later increased to \$2.8 million following a reallocation of funds within the various NICP projects.

The project started in March 2007 and finished, as planned, April 2010. Its objective was to “create income earning opportunities for young women and men in Indonesia, through complementing national policies and local initiatives that lead to more employment growth”. It combined a “top down” (policy level) component with “bottom up” (local level) component.

The policy level component sought to mainstream decent and productive employment into national economic and social policies by (i) building the capacities of tripartite constituents and other relevant stakeholders to engage in economic and social policy development and implementation, (ii) establishing mechanism for enhanced coordination and networking on employment issues, (iii) strengthening the capacities of the Central Bureau of Statistics (BPS) and Ministry of Manpower and Transmigration (MOMT) to collect and use sex- and age-disaggregated labour market data, and (iv) strengthening MOMT and the National Professional Certification Board’s capacity to improve the certification system and relevance of competency-based training.

The local level components sought to have youth employment policies and local economic activities implemented in East Java by local representatives of ILO constituents and communities of the area by (i) strengthening the capacity of local stakeholders to design and implement youth employment policies, (ii) strengthening the capacity of local communities to undertake partnership-based LED programmes benefiting young women and men, (iii) establishing LED initiatives, one of them involving the promotion of employment infrastructure investments and (iv) spreading examples of good practices within East Java and Indonesia.

These two components were intended to be mutually reinforcing.

3 The evaluation

3.1. Purpose

This final evaluation is to review the overall progress made in the implementation of the project. The overall objective of JOY should be looked at to measure progress made towards achieving impact after three years of implementation.

Of primary importance is for the evaluation to examine the project design, implementation strategy and adjustments, institutional arrangements and partnership, and project set ups within the context of rising youth unemployment and a decentralization process in which power is being handed down to provincial offices. The evaluation should yield a contextualized analysis of the response and adjustments deployed by the project, the effectiveness of their adjustments and factors affecting the implementation. It should also spell out concrete recommendations on needed adjustments for improving implementation in later projects.

The evaluation should yield a set of knowledge to help guide future ILO integrated projects that adopt a top-down and bottom up approach to tackling youth unemployment.

The evaluation should address the overall ILO evaluation criteria such as relevance and strategic fit of the project, validity of project design, project progress and effectiveness, efficiency of resource use, effectiveness of management arrangement and impact orientation and sustainability as defined in the ILO Guidelines for Planning and Managing Project Evaluations 2006. The evaluation should also systematically consider gender equality in the evaluation process as defined in the ILO guidelines on “Considering Gender in Monitoring and Evaluation of Projects, September 2007.”

3.2. Scope

The evaluation covers the whole project period and takes into account the midterm evaluation’s findings and recommendations. Geographically, it covers the region of activity of the Project, i.e. Jakarta and East Java.

The clients of the evaluation are (i) the ILO Office for Indonesia and Timor-Leste in Jakarta, (ii) the project partners, namely the central government ministries, including the Ministry of Manpower and National Planning Bureau (BAPPENAS), social partner organisations (i.e., APINDO and workers’ unions), as well as their counterpart decentralized offices at the provincial level (iii) the LED forum in East Java, (iv) the donor who will receive the evaluation report as part of overall ILO reporting on the NICP.

3.3. Methodology

The evaluation team was led by Nicolas Serrière, training officer and specialist on youth employment issues from the International Training Centre of the ILO in Turin. He was assisted by Ms Sinta Satriana, national consultant. The evaluation manager was Peter Rademaker, from the Bureau of Programming and Management, ILO.

The evaluation took place between 5 – 16 April 2010. Field based visits were organised in East Java (Surabaya, Pasuruan and Malang) during the first week, from 5 to 9 April and focused on the presentations of successful examples of enterprise creation and development, on interviews with local government institutions, on discussions with LED forum participants and, generally, to visits to stakeholders and other beneficiaries of the project. The second week was spent in Jakarta for more policy-based discussions with government at the national level. The evaluation period was concluded with a two- day Conference on Youth Employment, organised jointly by JOY and Bappenas. A presentation of preliminary findings of the evaluation was done at this occasion.

The methodology relied mainly on qualitative information. The evaluators collected data through a desk review of project documents, progress reports and other documents produced by the project. These data were then verified, compared, and cross-validated through field visits, interviews and participation at the final Youth Employment Conference. The full list of documents used and analysed is provided in the Bibliography. In all, around 37 interviews and field visits took place in the districts of Surabaya, Pasuruan, and Malang over the course of the 2 weeks.

At interviews and visits in East Java, the evaluators were accompanied by either one of the two local project coordinators.

UN evaluation norms and standards, OECD/DAC evaluation quality standards and ethical safeguards were all followed during the evaluation.

3.4. Methodology issues

3.4.1 Lack of quantitative data

The reliance on qualitative information, i.e. interviews, site visits, desk reviews, etc., inevitably poses the question of subjectivity of interpretation and of proper understanding and treatment of the information received.

There are three main reasons to explain why qualitative information was the main source of information for the evaluation of the project.

Firstly, there is very little baseline data available, against which statistical analysis could have been produced, and the little data that were available (e.g. the indicators used in the project documents) wouldn't have been of much use for evaluating the project. For instance, the indicators about the situation of young people on the labour markets in Indonesia were very broad and not sex-disaggregated. Comparing the initial indicators with updated ones would not lead to any reliable conclusions because of the absence of control groups or of other predefined method of comparison. This shortcoming could be somewhat overcome with a properly timed impact evaluation, which would look at the specific outcomes of the project.

In addition, at the level of project design, the few project indicators, which have an element of quantity ("evaluation of training events", "a minimum of 3 policies adopted", "two LED initiatives operational in East Java", etc.), are output indicators. Even they are best assessed through interviews or through the perusal of progress reports than through statistical analysis.

Finally, a very important element of the work, and of the success, of the JOY project, has been acting as an *agent of change*, for instance by facilitating exchanges between micro credit institutions and development agencies or between government institutions and local entrepreneurs. These achievements may seem intangible but can be assessed by the successful development of LED forums, documented by the number of activities which, in turn are best accounted for by the protagonists themselves.

3.4.2 Selection bias

All interviews and visits were selected and organised by project staff, but requests for additional visits were acted upon. All components of the project received sufficient coverage in terms of choice of interviews and visits as Box 1 below shows (sites visited or interviews carried out are indicated in *italic*). Only the policy component pertaining to the capacity building of the National Professional Certification Board could have benefited from strategic interviews. The evaluation team was able to meet the consultants responsible for providing advice on which occupational fields to concentrate, but no one specifically from the Certification

Board. Finally, most of the interviews and visits arranged for the final evaluation were very similar to those of the Mid Term Evaluation.

Box 1: Mapping of the evaluators' team visits and interviews under their relevant component and output.

Component 1:

Decent and productive employment will have been better mainstreamed into national economic and social policies and a national employment strategy that incorporates the Decent Work Agenda and the Global Employment Agenda will have been adopted and implemented.

Output 1.1 Strengthened institutional capacities of the social partners and other key stakeholders, including women's groups and youth organizations, to engage in economic and social policy development and implementation

- The development of the key strategies for youth employment in Indonesia
Interview with the consultant in charge of drafting the report underlying the revival of I-YEN.
- Youth Employment Conference
Two such conferences were organised, one in 2009 and one in 2010. The evaluators attended the latter. The 2010 Conference was said to be of much higher quality than previous ones.

Output 1.2 Establishment of a mechanism for enhanced systematic coordination and networking on employment issues

- Revitalization of I-YEN
The evaluators met with the Director of Employment of Bappenas, who confirmed the mainstreaming of youth employment issues in Indonesia Mid Term Development Plan (RPJM).

Output 1.3 Strengthened capacities of the Central Bureau of Statistics (BPS) and Ministry of Manpower and Transmigration (MOMT) to collect and utilize for policy-making and monitoring sex, age, and region disaggregated labour market data

- Development of a Labour Market Degree Programme
The evaluators were provided a copy of the Programme being developed and discussed its pertinence and quality with the ILO's economist.

Output 1.4 Strengthened capacities of MOMT, the National Professional Certification Board and other relevant authorities in implementing policies towards an improved certification system and competency-based training at the national and local levels and oriented towards private sector needs

- Support to National Certification Body (BNSP)
The evaluators met with the consultants responsible for identifying the economic sectors to prioritize the certification policy. However, no meetings were held with BNSP itself.

Component 2:

Local representatives of the ILO constituents and East Java will have implemented youth employment policies and local economic activities in selected areas.

Output 2.1 Strengthened institutional capacities of the constituents, local communities and other stakeholders in East Java to formulate and implement youth employment policies

- Support to Employment Service Centre (ESC) in Surabaya and Pasuruan
- Feasibility study of Vulcania Park
- Training of 2 cooperative managers in Turin

Although varied levels of preparedness could be sensed at the two ESC visited, the Surabaya and Pasuruan ESCs seemed adequately equipped to carry out their mission without the presence of JOY. The Vulcania Park has gained support from the national government and is already creating indirect employment creation effects through the establishment of rest areas and related side businesses.

Output 2.2 Strengthened capacities of local communities to design and undertake locally-driven, partnership-based LED programmes benefiting young women and men

- Creating a Tourism Centre at Village Level through Strategic Alliances
- Public-private partnerships facilitated by the JOY:
 - With Biogas project
 - With PUM experts (for capacity building, feasibility studies)
 - With Micro Finance Institutions
- TOT for training providers (e.g. SME clinic, VEDS and private training providers such as Tiara handicraft)
- Capacity building of Gotong Royong leaders

Although there are other activities under this output, such as the running of a Tourism Festival in Poncokusumo and Tukur, the activities mentioned above have been visited first hand by the evaluators. With regards to the Gotong Royong activity, the project has not actually been the initiator of an employment-intensive investment but harnessed an existing practice in Indonesian villages. The project did however work towards improving the technical quality of the work undertaken under this traditional scheme by providing training to Gotong Royong leaders and by publishing a technical manual: "Management of rural roads in Indonesia using a participatory model – Technical guidelines for Supervisors"

Output 2.3 Two LED initiatives undertaken

- LED forums in Tukur and Poncokusumo

Meetings with LED forum members were organised, which confirmed the progress that the forum help achieve in strengthening public-private relations.

Output 2.4 Examples of good practice developed, tested and disseminated both within East Java and throughout Indonesia

- Youth Employment Conference.
- Production of leaflets, publications, participation in TV talk shows, etc

Overall, the project managed to engage in a productive communication and knowledge dissemination strategy. The last conference organised was a success. However out of the 10 studies commissioned, only 4 were good enough to be published: (1) Crisis and tourism; (2) Labour conditions in forestry; (3) Rural roads and (4) Apprenticeships.

4 Relevance and strategic fit

4.1. Tackling the youth employment problems in Indonesia

The sustained economic growth that Indonesia enjoyed in the years preceding the 2008 financial crisis has not been particularly employment intensive for the adults, and even less for the youth. The graph below shows that employment growth for people aged 15 and above has consistently remained below the growth of the population and that of the labour force. The graph also shows a situation of acute employment problems for young people. The gap between employment and labour force levels for young people was highest in 2005, when unemployment reached 33%. Today, the situation has improved somewhat, with youth unemployment standing at 22.9%. Yet, young people are still 4 times more likely to be unemployed than adults, they represent 60% of all unemployed in Indonesia, and there has been no employment growth for them.²

Graph 1: Population and labour market trends in Indonesia, 1991-2009, 1991 base year, by age. Source: KILM 2009 (ILO estimates)



One impact of the 2008 financial crisis has been the rise of informal employment. As wage employment decreased, and in the absence of any social protection packages such as unemployment benefits, people have been forced to take on any jobs they could find, even the lowest paid or low skilled ones. This contributed to increasing the vulnerability for many in the labour market, notably among young people and

² "Youth Employment in Indonesia, Facts and figures", presented by Mr. Kazutoshi Chatani, ILO economist, at the Youth Employment Conference, 15 April 2010.

women. In 2006, it was already estimated that 60% of young people were in informal employment. The figure is, in all likelihood, even higher now.

At the same time, education figures show a higher than ever participation of young people in schools and a decreasing illiteracy rate. Young people have difficulty in finding, or remaining in, employment, not because they lack skills or knowledge, but because, as in the rest of the world, they do not benefit as much as adults from the existing employment opportunities. The relevance of JOY in this context is then without question.

4.2. A long standing ILO presence

The challenges associated with youth employment have long been recognised in Indonesia, which was one of the first countries to become a lead country in the UN-World Bank-ILO Youth Employment Network and to present, in 2003, one of the first National Youth Employment Action Plan.

The ILO has been working in Indonesia all along these years, focusing its action for the benefit of young men and women along the following lines:

- The promotion of policies and legislation creating an enabling environment for youth employment;
- Building capacity and demand for processes that identify integrated policies and programmes based on the needs of youth with regard to employment and livelihoods;
- Promoting youth employment and entrepreneurship through education and training systems;
- Raising awareness and generating understanding of the situation of youth and employment through data and research;
- Social dialogue and capacity development among constituents to enhance their participation and influence in national initiatives.³

With its overall objective of ...

...contributing to poverty reduction and the creation of income earning opportunities, especially for young women and men, through complementary national policies and national initiatives that lead to more employment-intensive growth...

... JOY fully addresses the goals of the country's development plan, and has, in addition, the goal of further strengthening this position by mainstreaming youth employment in Indonesia's Mid Term Development Plan (RPJM) and by revitalizing the I-YEN secretariat.

4.3. JOY, Indonesia's Decent Work Country Programme and UNDAF

The 2008 financial crisis has reinforced the government of Indonesia's intention to boost decent employment by increasing the employability of young people. This was already reflected in the second priority of the DWCP (Employment creation for

³ *Independent evaluation of the ILO's strategy to increase member State's capacity to develop policies and programmes focused on youth employment, ILO, 2009. P. 64.*

poverty reduction and livelihoods recovery, especially for the youth), which advocates notably for employment target in the RPJM and for education and training systems and policies to better equip young people for employment and entrepreneurship.

4.3.1 Entrepreneurship training and information on opportunities in the labour market

There are a number of elements which relate directly to some of JOY's objectives and activities. For instance, one of the DWCP's performance indicators is that "entrepreneurship training is provided to young people leaving school, giving them clear information on opportunities in the labour market". JOY's work on the Job Opportunity Index clearly goes in that sense. In addition, JOY contributed to improving knowledge on the labour market by commissioning a number of studies exploring, for instance, the employment potential of various economic sectors or the bridging of skills gap on the labour market by looking at apprenticeship. One study focused on the manufacturing sector which helped identify 15 companies as case studies. The interview with the Director of Employment from Bappenas confirmed that the studies produced by JOY are considered informative and useful by the stakeholders.

4.3.2 Updated and pertinent vocational training

Another performance indicator of the Indonesia's DWCP is that "vocational training centres (BLK) are revitalized and sensitive to labour market needs". Here again, JOY had clear activities in that area, with a component targeting the capacity of 20 BLKs in terms of regenerated infrastructure and assistance in the succession planning of retiring or outdated trainers. In addition, JOY benefits from the expertise of EAST, another ILO project with a strong youth component whilst reaching out areas that EAST does not cover (i.e. East Java). This capacity building was done with the assistance of the Turin Centre in December 2008 which organised a workshop on competency-based training.

4.3.3 Green jobs

Although not present in the DWCP, green jobs have reached a high level of priority for the Government of Indonesia. Likewise, green jobs were not initially present in JOY's design, but the project has been able to quickly, and efficiently, develop activities in that area. In February 2009, contacts were established with the ILO Green Jobs coordinator. JOY had a very effective role as capacity builder: it developed interesting and fruitful connections with Dutch NGOs and companies for the launch of the biogas sector in the two districts of East Java. This resulted in the transfer of knowledge and technology in the area of cow dung treatment for the generation of cooking gas and electricity. Policy discussions between JOY and local governments led to the adoption by local governments of more adapted local legislation on waste management.

4.3.4 JOY and UNDAF

At the level of employment promotion, the ILO is the lead agency in coordinating the UN System's initiatives under the UNDAF sub-outcome focusing on employment

creation, employability, entrepreneurship and equal opportunities. In addition, the UN system supports the Government of Indonesia in its lead role in the global Youth Employment Network, and in the implementation of the Indonesia Youth Employment Action Plan. The development objectives of JOY fit squarely in the execution framework of these partnerships.

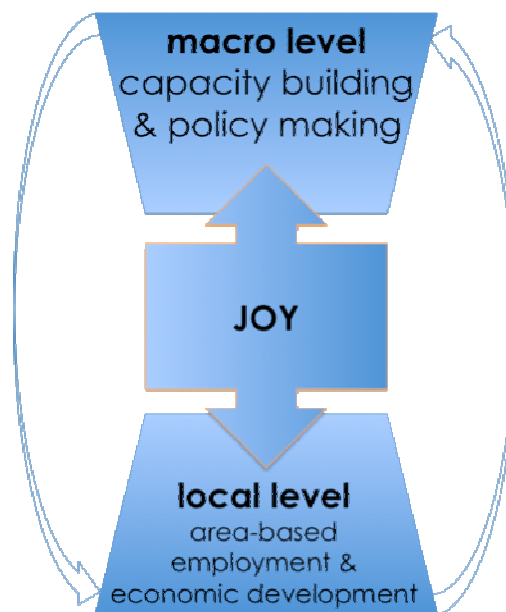
5 Validity of design

5.1. Combining a top down and bottom up approach

JOY is the result of an ambitious design combining a “top down” (policy level) component with a “bottom up” (local level) component, which are intended to be mutually reinforcing, as illustrated in Figure 1, to support the achievement of the overall objective of “poverty reduction and the creation of income earning opportunities for young women and men in Indonesia, through complementary national policies and local initiatives that lead to more employment-intensive economic growth”.

The policy level component seeks to mainstream decent and productive employment into national economic and social policies whilst the local level components seeks to have youth employment policies and local economic activities implemented in East Java by local representatives of ILO constituents and communities of the area.

Figure 1: JOY’s mutually reinforcing components



5.2. Bridging the supply and demand of labour

In addition to combining policy and local level interventions, the project also seeks to act on the supply side and demand side of the economy.

For instance, on the supply side, it is acting towards improving the employability of the labour force, by providing support to the BNSP. It has also supported the capacity building of vocational training centre managers and instructors by sending 20 of

them to a tailor-made training course on VET management at the Turin Centre (in collaboration with EAST project) and trained VET instructors on competency-based training.

On the demand side, JOY relies on its support for local economic development in East Java, which has seen the creation of a Tourism Centre in Nongkojajar, the development of agro industries in the Poncokusumo region, the organisation of an agro festival in the Bromo region, among other things.

Supply and demand of labour are then bridged by newly set up employment centres in Pasuruan and Surabaya, and through the development of the Job Opportunity Index.

5.3. Implementation strategy

As mentioned above, JOY is a complex project, which faced an important challenge in linking its policy level activities to its more practical, ground-level activities. Although some shortcomings can be observed, JOY has largely managed to fulfill its goal and its implementation strategy could rely on 2 main factors to explain this success:

5.3.1 A long-standing ILO presence

JOY is a complex project whose design and success needs to be seen in the context of the previous work done by the ILO in the area of youth employment. Such complex undertaking would have been very difficult to realise in 3 years if it weren't for previous work done by the ILO or for the synergies that could be created with other projects such as EAST. For instance, JOY was able to build on previous work done for the first Indonesia Youth Employment Strategy, and could rely on the long standing political support of key officials, such as the Senior Advisor to the Ministry at the Coordinating Ministry for Economics, formerly responsible for the I-YEN.

5.3.2 A strong youth presence in the country's population and labour force profile

For a project centered on youth employment opportunities for young men and women, neither components have activities that are particularly youth or gender-specific.

A first explanation for this is the demographics of Indonesia's labor force, as Table 1 below shows:

Table 1: Labour force participation rate, 2006, by sex and by age groups.
Source: KILM 2009, national labour force survey data

	Male	Female
Adults	95%	50%
Youth	63%	43%

Apart from that of adult female participation, these rates are very high. They add to the fact that 60% of all unemployed are young. Young people are therefore very present on the labour force, and these indicators point towards serious shortcomings

in terms of quality and quantity of work. In these circumstances, any intervention aiming at improving the employment situation in general will inevitably benefit young people. Many activities of the project, in the absence of specific youth targets, rely on this situation for their ultimate relevance and success.

For instance, LED activities, even though they were selected through a participatory, bottom-up, process, were not based on evidence, but rather on the what common knowledge presented as youth or gender-friendly activities. The development of the master's degree programme in labour market development, or the various sectoral studies commissioned, have the (very) long-ranging potential of improving employment outcomes through more skilled and well-informed institutions, and, as a result, youth employment outcomes.

Gender equality promotion activities too have suffered from the lack of specific mention or budget in the project design. When mentioned, it is often in broad, generic, terms, for instance in output 1.3 *“Strengthened capacities of the CBS (BPS) & MoMT to collect and utilize policy-making and monitoring sex- and age-disaggregated labour market data”*. In other words, gender issues have been treated right from the design stage as a cross cutting theme, but were not translated into explicit activities. Yet, data from Table 1 show that women, young and adult, are far less involved in the labour than males and would therefore require much more explicit and targeted interventions than those planned in the project.

5.3.3 Conclusion

JOY appears like the Swiss Army Knife of youth employment programmes. It aims to do a lot of things, which are all independently valid, but which are only loosely connected to each other. Added to the fact that the project underwent several leadership changes, this may explain why the project lacked an overall sense of strategy and ended spreading itself thin for some outcomes, for instance on addressing gender issues, or by not making operative linkages between the work done on the improvement on labour market information separately and that on the certification of vocational training.

Admittedly, the project being about the creation of job *opportunities* rather than jobs themselves, and because it has a very important policy-level component, it would not be fair to judge the project's achievements entirely on its capacity at creating employment. Nevertheless, the absence of explicit targets and priced activities with regards to vulnerable groups mean that the potential for the creation of employment for young men and women was not maximised.

6 Efficiency of resource use

“In the beginning, we didn't trust the ILO, because we didn't understand why they didn't come with a budget. Then the trust grew and we understood that the ILO was here to build bridges”

These are the words of a LED forum member in Malang. They are interesting words, because in one way or another, other interviewees expressed similar sentiments. They point at some intrinsic difficulties of the project, which was to achieve some ambitious results with lasting policy impact over a short period of time, and with the

clearly stated constraint that budget was going to be small and limited in time. They also underline a main achievement of the project, which has played a role of catalyst between local economic players, international development bodies and micro finance institutions.

JOY managed to spend its whole budget of \$2.8m in the allocated time frame of 3 years. Compared to the initial project plan, the budget was increased by around \$400,000 and the staff comprised one additional local project coordinator.

The staff appeared very committed and very competent, both in Jakarta and in the provinces. The evaluator travelled with the local coordinators for most of the field visits, and they appeared well in control of the project's objectives and seemed to have established warm and trusty relations with the project beneficiaries.

6.1. Capacity building and consultants

Financial records were not shared with the evaluators, so it is not possible to assess the internal efficiency of the project. It appears however that a big line of expense related to capacity building and knowledge sharing. For instance in the financing of training of beneficiaries, at the Turin training Centre (2 members of the LED forum participated in the distance course on local economic development) or in Indonesia. One of the latest major examples is the 3-day expert conference ("Routes out of the Crisis: Strategies for Local Employment Development Recovery, Skills Development and Social Protection in Asia") organised jointly with the Training Centre and the OECD in December 2009 in Malang, East Java.

Another big line of expense has been the hiring of consultants for the development of methodological tools, with various successes:

- Research studies were commissioned to explore the employment potential in the sectors of food and beverage, electrical and electronics and textiles, clothing and footwear. However, only four of them were of sufficient quality to be published. Of those published, such as that on the employment potential of the tourism sector is neither youth nor gender specific.
- Consultants were engaged to develop the Jobs Opportunity Index and to provide advice on Employment Services Centre development. Here again, some time and money were spent unproductively as the initial consultant hired did not deliver quality products. JOY was nevertheless able to address the issue in time and hire another consultant. However, the index was last updated in 2009 and there are no plans to keep updating it.
- JOY invested in the development of a Masters' programme on labour market development and planning, which will run in September 2010, and for which students are already registering.
- Finally, consultants were hired to provide technical assistance to the BNSP and support the increased utilisation of competency-based qualifications. Launched in November 2009 and planned to last until March 2010, it is not entirely clear whether this study will actually benefit BNSP once JOY finishes and stops sustaining this advisory work.

6.2. JOY, an agent of change, at little cost

It must be noted that JOY managed to achieve considerable progress at very little cost, its role of “opportunity maker”.

- The project’s use of volunteer expert from the Dutch PUM programme has provided the pilot LED communities with considerable expertise at no cost to them or to the ILO, and with tangible results:

Once established, the Pasuruan LED forum invited with the help of JOY an expert sponsored by PUM — Netherlands Senior Experts — to assess the tourism potentials of the area. Together with the LED members, the expert concluded that tourism in Nongkojajar could be better developed if tourists who drove past the area on their way to Bromo Mountain would stop over and explore the area. This was how the impetus was created for the creation in April 2009 of the Tourist Information Centre in Nongkojajar.

PUM experts came several times at their own costs, providing advice to entrepreneurs. One such entrepreneur stands out: the Director of Condido Agro, which has seen its operation in volume and value increase tenfold and which went from 17 to 70 employees in 2 years (80% of them women, and all between 18-30 years old). The Director was invited at PUM’s expenses to visit Dutch seed companies.

- The project has played a pivotal role in leveraging extra funding for communities involved in LED activities:

This includes access to the €8 million biogas fund, the \$400,000 funding from Rabobank for the communities’ microfinancing needs and sponsorship support for the Bromo Agrofestival in Pasuruan. As part of its support for the LED activities in Tukur, the project facilitated the link between the LED forum and Sawiran Credit Union as well as between the Sawiran Credit Union with Rabobank Foundation in the effort to expand the access to capital, not only for existing members of the CU but also for other non-CU member farmers within the LED scope. The credit union has been providing credit and saving services to 900 members who are organised in crops and dairy farmer associations. The project has been working to link this credit union with the biogas programme as a means to broaden its coverage to more farmers while at the same time, through cooperation with Rabobank Foundation, enable CU to get additional capital funds to be able to cater for the additional clients.

7 Project results and effectiveness

Overall, the project has largely achieved its objectives and outputs but it is probably worth noting that JOY is not a project for which qualitative outputs are the most appropriate to assess its success. In fact, the Mid Term Evaluation had remarked on the paucity of the baseline data available, and had recommended that it be improved to ease the final evaluation. The final evaluation also found that baseline data was weak when it came to evaluate the project against set indicators. For instance, there is very little reliance on micro economic data to assess labour performance of young people, even at district level. However, even if such data had been available, it is

unlikely that the impact of the project could have been accurately assessed because of the actual goals of the project.

Eventually, it is more appropriate to evaluate the overall result of the project against its policy work. For instance, the revitalisation of I-YEN and the mainstreaming of youth employment in the national employment policy were publicly, and rightly, recognised as an achievement of the project at the last Youth Employment Conference in April 2010. The project has had other achievements, the most notable of them are highlighted here below.

7.1. Project highlights

JOY was a slow starter. Conceived as a 3-year project starting in May 2007, the project didn't start to be really productive until early 2008 mainly due to recruitment problems. In June 2008, the project team was complete, even if further changes still took place in 2009, when the local coordinator in Malang resigned and had to be replaced, and a third chief technical advisor had to be appointed.

The last period of the project saw a frenetic rhythm of activities take place. Indicator after indicator, output after output, the project comes to some sense, even if a certain deviation from initial plans can be found here and there.

7.1.1 Component 1: mainstreaming decent and productive employment into national economic and social policies

Overall, this component can be considered to have been achieved. The main elements of this objective represented the main items on the agenda of the final Youth Employment Conference organised jointly by the ILO (through JOY) and Bappenas in April 2010. This was an important event, not only because it officially announced the termination of JOY, but also because it officialised the re-launching of the I-YEN secretariat. At this occasion, the integration of youth employment in the Government's Medium Term Development Plan (RPJM) 2009-2014 was restated, and further confirmed directly to the evaluators by the Director of Labour and Job Creation, Bappenas.

Major outputs under this objective include the following:

- An effective and close-knit collaboration between the private sector and government structures, which translated into practical commitment from local stakeholders in local economic and social policy development. One example of such commitment is the financial support by local governments for the continuation of the LED forum established by JOY: the Government of Pasuruan and Malang pledged Rupiahs 200 million and 50 million respectively, which will serve to support the now established agribusiness festivals.
- The development of a policy formulation tool, the Job Opportunity Index (JOI), in collaboration with the MOMT. The JOI is based on the extraction and analysis of classified advertisement for jobs from a number of local papers (one of them covering 4 regions). JOI provides useful information about the trends of labour demand and about the skills in demand. Because of the general lack of information on skills and education, ILO-EAST has shown a keen interest in the

experience, with a view to benefit directly from its findings and also to expand it to the region

- Establishment of a certification body for eco-tourism based on local initiatives undertaken, under JOY leadership, in East Java.
- Launching of a Labour Market Development Programme with the University of Padjajaran (UNPAD), a reputable Indonesian university. The programme will be integrated in the university's existing master program in applied economics. Students have begun to apply for the September session.

7.1.2 Component 2: youth employment policies and local economic activities implemented in East Java by local representatives of ILO constituents and communities

This component too can also be considered as achieved. Here follows a selection of activities, namely the setting up of the Employment Service Centres, the LED programmes and knowledge sharing.

Employment Service Centres set up

A main achievement of this component is the setting up and functioning of the Employment Service Centres which provide local government strong instruments with which to “design and implement youth employment policies”.

The first ESC that the evaluators have visited has been set up at district level and is located within the Manpower office in Pasuruan. It is situated in small but functional offices, which allow for a personalised management of visitors. Job seekers can also refer to a psychologist. The fact that the ESC is situated on government premises may rebuke some potential users but the professionalism and commitment of the staff, witnessed first hand by the evaluators, may be enough to reassure ESC clients that useful assistance can indeed be obtained.

The second ESC is set up at provincial level in Surabaya. The premises are much bigger and situated on the same precincts as a SME “clinic” and SME associations. This makes for easily identifiable synergies, for instance in terms of vocational and entrepreneurship advice. During the interview with three managers of the Centre (the Director was not available for the meeting), the evaluators found that the ESC was not ready to function successfully on its own. All basic requirements were present, such as a nicely laid out interior, a couple of computers for new users to register, a dozen of chairs for waiting people, etc. But the staff didn't seem to have the right understanding of their mission. For instance, some managers were requesting that they needed a team of at least 8 people in order to provide their services in a proper manner (in that instance, psychological and vocational guidance). Yet, when asked about how many clients the Centre was expecting to serve per month, he was unable to provide neither estimates nor informed guests. His grasp of employment problems that can affect young people in the area was also quite limited, and he clearly intended the Centre to be used by educated job seekers. Young informal workers, for instance, who might be looking for vocational guidance or advice on how to be able to get better, more formal jobs, didn't seem to be on the radar of the ESC.

These reservations aside, the positive impact of the JOY project on these two ESC can easily be established. For instance, compared to other ESCs, which have been set up through other technical cooperation projects in other regions, the Surabaya and Pasuruan ESCs appear to be in a much better position to carry out their mission. The evaluation team did not actually visit other employment centres, but was told on several occasions and by different people, that the other centres only received material assistance, such as computer, but no assistance on how to set them up or use them. In fact, JOY's work with the ESC has been mentioned several times, for instance by the EAST project manager or by government officials, as very useful.

LED programmes running

Another very successful achievement is linked to output 2.2 ("strengthened capacities of local communities to design and undertake locally-driven, partnership based LED programmes benefitting young women and men").

It has already been mentioned that the local governments of Pasuruan and Malang committed themselves to supporting the LED forums.

In addition, local initiatives have led to provincial and national endorsement in 3 important areas: waste management, tourism development and biogas. Thanks to support by the JOY project, the 2 districts of the projects have been the first ones to draft a waste management policy based on national law. In tourism, JOY has been instrumental in enabling the development of a Master Plan (i.e. the last phase before the launch of the project implementation) for the adaptation from the French volcano theme park of the Vulcania Theme Park in East Java. Official support has been received from the national government by its provincial counterparts for the promotion of the Bromo region as a new tourism destination, indicating that the project is now well into the hands of national and provincial administrations.

JOY was also influential in bringing together a wide range of partners, from international technical cooperation (SNV), a Dutch NGO (HIVOS, Humanist Institute for Development Cooperation), local microfinance institutions, local governments, private households, etc. for the development of the biogas activities. Under the Biogas programme, a family with two cows can run a simple biogas plant and generate enough gas to power a stove and a light. In addition to the environmental benefits, the programme has strong employment and economic benefits. For instance, the construction of the biogas plant requires the labour of one builder and one apprentice for a whole week. As with all construction activities, there are other benefits for local carpenters, electricians, suppliers of construction material, etc. In terms of employment creation, JOY estimates that 3,000 jobs will be created and Biogas managers expect 400 family plants to be created in 2010. This is probably over optimistic, but the impact evaluation will be crucial in determining the true employment impact of this endeavour.

Knowledge sharing

JOY's activities in that area can be seen as both a means and an end. The project has been very effective at implementing knowledge sharing activities and at publicising its own methodology (see bullet points below):

- The production and distribution of a bi-yearly JOY Newsletters outlining project activities and progress, easily accessible on the Internet.
- The commission of several publications: study on the importance of sector planning; a Labour Market Study of the Food and Beverages Manufacturing Sector in Indonesia; a research on the demand and supply of skills in the hotel and tourism sector; a series of case studies regarding employment policies in five countries; a paper on Green Jobs; a review of the existing competency based vocational education and training system in Indonesia; and a report on JOI – labour based demand approach. However, only 4 of these publications have been published due to quality issues.
- The organisation of youth employment conferences in 2009 and 2010. JOY worked with the I-YEN to host these important events, involving social partners, national, regional and district level partners, as well as donors, representatives from Indonesian universities and youth groups. The conferences provided guidelines on an employment policy framework for Indonesia to help implement existing strategies and policies contained within the RPJM.
- The JOY team have shared their LED experiences with GTZ, UNIDO, UNDP, FAO and international NGOs such as Swiss Contact and Mercy Corps. Some of these partners were present at the final Youth Employment Conference.
- A 28-minute video about JOY's LED component has been prepared and was run on screens during the final Youth Employment Conference (“The LED process in Indonesia: Young People at Work”).
- The issue of youth employment was discussed during a one-hour television programme on a national information channel during the last Youth Employment Conference.
- The organization of a study tour to the United Kingdom and the Netherlands in February 2009 for ILO constituents and partners of the projects to meet their counterparts. Other visits were also organised to Yogyakarta and Malaysia regarding tourism development; and to Central Java (Sragen and Semarang) regarding vocational training.

In conclusion, knowledge sharing has been at the forefront of most activities precisely because it is through a constant communication process and a full awareness of the scope of activities being undertaken that local stakeholders are best placed to ensure the project's sustainability.

7.2. Some challenges

Inevitably, there are a number of activities that couldn't go as well as planned. These include:

- Youth and women's groups are not represented in the stakeholders, even though the project document specifies them as representative groups to be involved in the project implementation.

- Gender equality promotion activities have remained relatively limited in scope: the JOY project participated in a series of discussions to develop a country office strategy to implement the Gender Mainstreaming Strategies (GEMS) toolkit and all project documents (including consultant reports, terms of reference and publications) are reviewed by the gender focal points in the office. In April 2010, with funding from the JOY project, a senior gender specialist has identified and addressed the gender capacity of key stakeholders of the Indonesia DWCP, both at national level and provincial level (East Java), and in coordination with workers and employers' organisations. Yet, there doesn't seem to be much progress in the way of gender mainstreaming since the Mid Term Evaluation.
- Gender treatment of youth employment issues remains weak. At best, there have been some opportunities of training offered to project staff about gender mainstreaming and the agribusinesses that were chosen were thought to be gender-friendly. It must however be emphasised that the project document itself remains very vague when it comes to proposing concrete and measurable gender-specific activities.
- There is very little use of labour market data for underpinning actions or informing decisions, even though labour force data exist. Admittedly, available data show gaps particularly with regards to education and training information⁴ and labour market data is not always in a user-friendly format. However, some efforts could have been done to better use available data and help disseminate them, for instance through the regular JOY newsletters.
- Only 4 of the studies commissioned were of sufficient quality to be published. They are the studies on Crisis and tourism; Labour conditions in forestry; Rural roads; and Apprenticeship. This represents wastage of funds and missed opportunities to communicate on realities of youth employment problems or, depending on the study, a missed opportunity to investigate on economic sectors with high youth employment potential worth investing in. Those published do not always have a sufficient focus on the youth and gender employment dimension. The study on Crisis and tourism, for instance, barely mentions the potential of tourism for youth employment.
- The employment-intensive component of the project (*Output 2.3: specific local economic development initiatives undertaken, one involving the promotion of employment intensive infrastructure investments*) is only partially realised. The project harnessed the potential of local social practices whereby villagers mutualise their resources, usually their time, to carry out infrastructure improvements. This practice, called Gotong Royong, has long existed in Indonesia and the action of JOY improved the quality of the work undertaken by providing technical training to the group leaders, but did not really contribute to creating employment. In addition, this practice is only youth-friendly because of the demographic profile of the population. The evaluators took part in one such training session. The group of around 40-50 people was indeed largely constituted of young persons, but only one woman was present.

⁴ This was confirmed to the evaluators during a discussion with the EAST CTA.

7.3. Overall assessment of the project progress and effectiveness

Overall the project can be seen as a very productive and successful one. It has engaged in an impressive whirlwind of activities and has managed to ensure that most of them have reached a high potential of sustainability, even if the coherence between all of them is not always obvious.

The project really shines when it comes to its LED activities. They are the most achieved and often are the result of very creative networking. It comes as no surprise that one of the most consistent appointments in the project has actually been that of the LED specialist, who later took over as CTA in 2009. The establishment of the LED forums, in particular, can be considered as a real example of good practice when it comes to productive consultative processes, between the local communities, the private sector and the local governments.

8 Effectiveness of management arrangements⁵

8.1.1 Project set up and staff

The JOY project is based in the ILO office in Jakarta with two field staff based in East Java (one in Surabaya and one in Malang, located in Bappeda, the Ministry of Planning). The evaluators had the opportunity to observe staff in a variety of project situations (from routine discussions with stakeholders to meetings with senior political figures, including the Governor of East Java) and all were clearly capable, knowledgeable and professional in their fields of specialty. Team members appear to enjoy good working relationships with each other and with other ILO staff, have a thorough knowledge of their roles and responsibilities and communicate effectively.

However, given the project's explicit goals with regards to both employment and gender, efforts should have been made by ILO Jakarta to ensure that pertinent expertise is present in the project team at the time of recruitment. This would have facilitated a greater coherence in the employment-related activities of the project, for instance putting greater emphasis on the micro-analysis of labour market trends for the mainstreaming of youth employment concerns – the lack of such knowledge among stakeholders was striking during the interviews. It would also have contributed to the better integration of gender work in the project, thus mitigating the evaporation of the gender goals as the project was rolled out.

8.1.2 Project partners and stakeholder representation

JOY's project partners are the Ministry of Manpower and Transmigration, the National Development Planning Agency, the Coordinating Ministry for Economic Affairs, provincial and local governments, workers' organizations (especially, KSBSI, the Confederation of Indonesian Prosperity Trade Union) and employer's

⁵ This section is largely taken and adapted from section 4.5 of the Mid Term Project Evaluation. Parts used are those for which the evaluators found no difference from one year to the next (the Mid Term Evaluation took place in March 2009 and the final evaluation in April 2010) and for which information could be verified. Where applicable, information was of course updated or added and appears in italics. Both sections should therefore be seen as complementary and the original text is added in the Annexes for easy comparison.

organizations (especially APINDO, the Employers' Association of Indonesia). The evaluators met with representatives of these organizations and all were satisfied with JOY and felt well informed about project activities. UNDP and the World Bank are also listed as project partners, but no contact was made with them in the evaluation.

Apart from the LED forum, youth and gender groups were however missing from the range of partners that JOY worked with. The Head of Youth Division was present at the interview with KBSI. The discussion with her was very interesting in that she had first hand knowledge of the employment problems of the youth and was able to express them better than most of the other interviewees. The problems she mentioned related to the prevalence of precarious employment among young people: according to her, 75% of young people have short-term contracts. Women represent 60% in certain sectors, like textile and electronics. The Head of Youth Division also lamented the fact that young people have very little knowledge about their rights. In fact, young people are often afraid of joining unions. She also mentioned the problems with export processing zones, which tend to institutionalise precarious employment at wages inferior to the national minimum wage.

The project's management links with other projects based in the ILO office appeared sound, including with the EAST project. The EAST Chief Technical Advisor highlighted a number of areas of cooperation, such as a survey of the business climate in Indonesia and with regards to the capacity building of BSNP. EAST sees itself as having a field implementation role and sees JOY as complementing this through policy development. *In fact, the history of ILO intervention is so long and varied, that it happened more than once that the interviewees had difficulty in recalling which activities were part of, say, EAST or JOY, expressing a lack of differentiation among ILO project. This is not in itself negative, as long as the ILO is well recognised among stakeholders.*

8.1.3 Project in the ILO

Of course, the ILO also provided other support to the project. *The Director and Deputy Director of the Jakarta office have been closely involved with the JOY project, guiding its implementation and attending events and launches, such as the April 2010 Youth Employment Conference. The office's economist filled the Project Manager role in the first half of 2008 and developed important relationships for the project. ILO enterprise and LED specialists in the ILO's Geneva headquarters have had a continuing involvement in the project, including providing access to documentation on good practice and general advice of implementation. Also, links have been made with the ILO's Green Jobs advisor in Geneva and there are plans to work with the Government of Indonesia to develop ways of making jobs greener. Waste management and biogas activities have been underway and have shown interesting developments, in particular with regards to the provincial adaptation of national legislation. Local administrators in the province of Malang, for instance, are particularly grateful for the institutional support provided by JOY for a more effective implementation of waste management regulations. The final evaluators could not assess the impact on youth and women employment accurately.*

8.1.4 Implementation and monitoring

JOY's monitoring and evaluation systems require the submission of half-yearly and yearly progress reports which are distributed within the ILO and to the donor, the Government of the Netherlands. ILO staff indicated that the donor was not deeply involved in the day-to-day delivery of the programme and its monitoring activities concentrated on the level of expenditure. The adjustments made to planned outputs and activities in mid-2008, for example, do not seem to have required donor approval and, as mentioned earlier, the donor provided additional funding to JOY towards the end of 2008.

Maintaining flexibility in project implementation is, of course, desirable, but management arrangements need to remain disciplined. Reasons for project variations need to be documented and justified, particularly when such changes are not exposed to external scrutiny or approval by donor organisations. *All of the changes made to the project have been valid in that they have enable the project to arrive at tangible and institutional changes compatible with its development objective. Thanks to the professionalism of its staff, the project has remained on track, but there is always a risk that the changes operated could have gone wrong.*

Overall, however, the final evaluation, like the mid term evaluation, found that JOY's management arrangements were sound.

9 Impact orientation and sustainability

A lot of progress has been achieved in the last year of operation. The Mid Term Evaluation was pointing towards a number of uncertainties with regards to the sustainability of various components of the project, for instance with regards to the LED forum. The final evaluation found that much of these uncertainties have been lifted in the last year, while other constraints appeared, for instance with the Job Opportunity Index. Overall, the message that JOY was coming to an unequivocal end has been well understood by its partners at national and local level. In most cases, the withdrawal of the project should go well even if there remains a need for light monitoring, in particular for the biggest outcomes such as the revitalisation of the YEN or the touristic promotion of the Bromo valley. The elements with highest potential for sustainability and of particular interest for a future impact evaluation are reviewed below:

9.1. National level

9.1.1 Revitalisation of I-YEN (Indonesia Youth Employment Network)

The final Youth Employment Conference on 15-16 April was organised jointly with Bappenas, who made available their meeting room for the first day. The State Minister for National Development Planning (Bappenas) and the Minister of Manpower and Transmigration were both planned to open the Conference. Unsurprisingly they did not actually participate personally in the Conference, but their endorsement of the conference is certainly an indication that JOY, in the wake of the sustained presence of ILO in Indonesia, has managed to take the issue of youth employment at the highest level.

Establishing I-YEN at this level is not a small achievement. Indonesia is not new to youth employment issues. It was one the first ILO-UN-World Bank YEN lead country, and one whose youth action plan was drafted in 2003. Yet, until now, it had failed to translate into policy issues. JOY was influential, according to many sources (including Director of Labour and Job Creation in Bappenas, now in charge of I-YEN) to revitalise the network and to bring the treatment of youth employment problems at the level of Indonesia's Mid Term Development Plan. I-YEN is now staffed, albeit by junior officials, and has been allocated office space, which gives further weight to Bappenas' the commitment.

Yet, the follow up and monitoring of I-YEN from external parties remains highly advisable if only to maintain the momentum that has now been created.

9.1.2 The Labour Market Development Programme

The labour market development programme addresses output 1.3 (*Strengthened capacities of Central Bureau of Statistics (BPS) and Ministry of Manpower and Transmigration (MOMT) to collect and utilize for policy-making and monitoring sex- and age- disaggregated labour market data*). This is the result of an agreement between JOY and the University of Padjajaran (UNPAD), a reputable Indonesian university.

This represents an adaptation of what this output initially require, as the results will only be felt once the programme is actually running, and even then, it will remain to be seen whether students actively contribute to the better understanding to the labour market situation in Indonesia. Discussions with the ILO economist confirm that the programme is valid, even if the evaluators have doubts about its full pertinence with developing countries contexts and about its capacity at emphasising youth and gender labour market challenges. For instance, the labour market analysis module has one specific session about the labour market challenges of senior workers, which, considering the age structure of the country, isn't a particularly pressing issue⁶. Women and child work issues get joint coverage in one session and youth employment issues, on the other hand, do not get coverage in the Labour market analysis module.

However, this activity is now well in the hands of the university and the first programme will start in September 2010.

9.1.3 Social partners

The meetings with social partners proved little conclusive. The evaluators met with the Secretary General of APINDO who appeared to confuse the activities of JOY and EAST. It has not been possible to meet with KBSI's Secretary General and the evaluators had a discussion instead with KBSI's Committee Organizer and Youth Committee Leader. Whilst neither of them was particularly cognizant of JOY's activities, there were very knowledgeable about the youth employment challenges in Indonesia. Hence the topic of the discussion was revolved on the prevalence of precarious employment for young people, particularly in the manufacturing sector in

⁶ The CIA Factbook Internet page indicates that people aged 65 years and above represent 6% of the population with a life expectancy of 70 years.

export processing zones. Their knowledge of such issues was much deeper than for many other interviewees, even among ESCs' staff or Bappenas, and further pointed to the need for JOY or similar projects to give more emphasis to the voices of the youth themselves and to improve the availability of labour market data about youth employment outcomes.

An interview with the Programme Officer for Workers' Activities back at the ILO office in Jakarta yielded more information. He informed the evaluators that JOY was seen as useful mainly because of its capacity building activities. Training was provided to union members who were sent to the ILO Turin Centre. Upon their return, 3 of the trainees became resource persons themselves, and became very active in organizing further training in East Java.

The impact on social partners was therefore seen mainly at the capacity building level, for which continuous activities are needed. Further implication of social partners in policy discussions should also be envisaged.

9.2. Local level

9.2.1 LED activities

The efforts put into local economic development are bearing fruit. In addition to the activities mentioned earlier, the achievements relate to the amount of co-financing that JOY has managed to attract, in particular from the direct beneficiaries. The local governments of Malang and Pasuruan are committing Rp 50 and 200 million respectively (around US\$5,000 and 20,000) to sustain the LED forums and agrofestivals that JOY helped set up. The Mid Term Evaluation was pointing out how little prepared the LED forum seemed to be. One year later, meetings with the forum members showed a different picture. The local coordinators have done a very good job at gradually pulling out of the forum. Meanwhile, the LED processes put in place by JOY have attracted attention from other provinces, and replication is now underway in the region of Maluku, with a collaboration of JOY and UNIDO.

Jointly with OECD, JOY organised a workshop on "strategies for local employment recovery" in December 2009, in Malang. This workshop, LED forum members said, has been instrumental in building the confidence of local communities about the touristic potential of their region, in particular of the Bromo region. Since then, side activities have developed, benefiting from the investments realised for the Vulcania project.

The Vulcania project seems to have reached cruising speed. The feasibility project has given way to a Master Plan, sponsored by JOY but endorsed by the Ministry of Home Affairs through a Memorandum of Understanding, which is paving the way to the implementation phase of the project. The government of Malang has agreed to concede land for the construction of the park and to engage in infrastructure development upon the beginning of the project. At the time of the evaluators' visit, the head of tourism had just received confirmation by the national government that the project would receive assistance from national budgets as well.

9.2.2 How a workshop on improving exhibition skills benefited handicapped workers

The evaluators visited Tiara Handicraft in Surabaya, whose director, Ms Titi, has attended a training facilitated by JOY on “Improve Your Exhibition Skills” early in 2009. She was very positive about the training and she claimed that it enabled her to become a much more successful seller. She now routinely sells 100% of her stock at the exhibits that she attends, as opposed to 40% before the training. Her success story doesn’t stop here because what really makes her business unique is that she is also specializing on the rehabilitation of handicapped workers through vocational skills. She has been running this business since 1999, and in the last decade, 500 trainees (almost all below 30 and 60 to 70% women) have received training and worked in her workshop. She has created links with Surabaya City to provide assistance to poor women.

The evaluators have visited the workshop. The achievements of this entrepreneur are impressive and her courage immense. She shares her workshop, kitchen and house with her trainees, who can be more than 20 at a time. The question of decent working environment can however not be avoided, and is an area that the impact evaluation should cover; the point would of course not be to condemn such activities because of their incapacity at providing decent working and living conditions, but on exploring avenues on how they can be assisted to climb up the decent work ladder.

From the same Improve Your Exhibition Skills workshop, 2 other entrepreneurs can be considered as successful (but where not visited by the evaluators)

9.2.3 Setting up of a Tourism Centre in Nongkojajar

The LED forums, the Provincial Tourism Board of East Java, the National Association of Tour Operators (ASITA) and the Ministry of Tourism have worked together to promote tourism in the Pasuruan and Malang districts. A local tourism centre, the Nongkojajar Tourism Information Centre (NTIC), was created in May 2009 and has already hosted over 200 local and overseas tourists, including a group of 50 people from Singapore and of 35 people from Malaysia. Interestingly, the Centre also acts as a meeting point for young people, who can have access to its bar and its computer facilities. There are plans for a PUM senior expert to return to the NTIC in 2010 to provide advanced training on tourism management and planning. English language classes has also been started to improve communication skills of the staff. It employs 17 people, albeit on a very precarious basis.

9.2.4 Fresh flower business in Pasuruan

For many years, Tuttur of Pasuruan has produced flowers and plants for local buyers. Identified by the LED forum as an industry with economic potential and has acted to receive advice from PUM experts. The director of the Condido Flower Research Centre and Association, who also acts as a dynamic secretary of the LED forum of Tuttur, has managed to improve his business and increase his turn over tenfold since 2008, and is planning for international expansion. He is employing around 70 people, most of them women, on a full time basis. By his own admission, his staff is paid less than the minimum wage.

Other flower growers from Pasuruan and Malang, all members of the ILO LED forums in Tukur and Poncokusumo, have participated in the national flower exhibition event in Tomohon, Sulawesi in July 2008. This is an area of business with strong potential. The customer base is growing fast, with a growing domestic demand, meanwhile the Middle East is becoming the fastest growing flower buyer for Indonesia. The show provided an opportunity to reveal the high quality flowers of Tukur and Poncokusumo to a professional audience and to establish the necessary contacts. The employment impact of these activities is likely to grow in the coming months.

10 Lessons learnt

JOY has earned itself a very good reputation in the country, but also in the region, and truly deserves it. Visiting the project sites leaves an impression of a whirlwind of activities. Partners, at national, local and community level, from high-ranking officials to direct beneficiaries are very comfortable explaining how the project has been beneficial for the country, the province or the individuals. The same people enjoy what seems to be a warm relationship with all the project staff. It is a fact that the evaluators have not recorded one word of dissension from the many interviewees. In the 3 years of its operation, therefore, the project has left its mark in the institutional scenery of Indonesia and has strengthened the ILO's reputation and contribution to the promotion of employment in Indonesia.

Overall, however, it appears that the project successes are more the result of the convergence of favourable factors and of intense work and opportunity seeking on the part of the staff rather than the result of thoroughly thought through strategy. With this in mind, the replication of the project in its current shape and in other countries is far from assured.

This section on lessons learnt attempts to extract the good practices of the project, but also the factors which contributed to their development, both external and internal to the project.

10.1. Good practices

- The ownership building strategies of JOY have been central to the project implementation and constitute one of the project's strengths. Practically all components have benefited from consultative approaches. The LED processes are explored in more detailed in the next paragraph. Other processes include the commission of sectoral studies with planned impact on the training certifications of BNSP. An impact evaluation will be needed in some time in order to find out whether expectations have been met (especially since not all studies have been published). The Employment Service Centres have developed beyond what was initially planned to provide full fledge employment services – such as guidance, placement, training, basically as labour market mediators – because there was local political interest in doing so.
- The process used by the team in introducing the LED component of project to stakeholders in East Java and in selecting pilot communities appears to have worked very well. Expressions of interest were sought from 29 districts in East Java and 14 made submissions. An initial workshop at the provincial level

involved a broad cross-section of the community and identified the LED districts that best met a set of selection criteria. A later district level workshop identified the sub-districts (the communities of Tukur and Poncokusumo). Lastly, the LED forums were established through community-based workshops.⁷ This process has generated interest in other parts of the country and the province of Maluku is about to launch LED forums with the technical expertise of JOY and UNIDO.

- Anchorage into local context and practices meant that JOY acted as an agent of change which allowed it to avoid replicating existing initiatives but instead multiply their potential. JOY positioned itself at the centre of international development initiatives, finance institutions and international expert networks, which led, at very little cost, to achievements that were not planned in the project document. For instance, by bringing together HIVOS, PUM, local microfinance institutions, Rabobank, Vulcania, JOY contributed to the growth of their respective activities with undeniable impact at local level. Anchorage into local context also means that such practices as Gotong Royong were used to pursue the project objectives, in full respect of local customs.
- Knowledge sharing. JOY has taken advantage of wide range of communication channels. It has established a bi-yearly newsletter, easily accessible on the Internet, it is often quoted in the press, and its last Youth Employment Conference was broadcast live on Indonesia's national news TV channel. Its achievements have crossed province borders as the province of Maluku have requested that JOY's LED processes be replicated there. Technical cooperation projects from a variety of sources (ILO of course, mainly through EAST, but also the Japanese bilateral cooperation agency) are watching closely the results of the setting up of the employment centres and of the JOI). Concomitantly to the final evaluation, plans were being made to establish an Internet platform, although the evaluators would see it as more fitting that JOY makes full use of the ILO regional youth platform hosted in Bangkok, the Asia Pacific Youth Net platform. In short however, the knowledge-sharing component of the project is a truly successful one.

10.2. A favourable environment

- The ILO has an enduring history of collaboration with the Indonesian government for employment matters at large and youth employment in particular. Although not the only international agency to do so, nor the one with most funds, the ILO's comparative advantage in the area of employment policy is well understood and highly valued with key line ministries. As the Mid Term Evaluation noted, JOY has managed to make the most of this legacy and "to position itself well to advance its own project objectives and those of the DWCP" in the Medium Term Development Planning process.
- Indonesia has a tradition of top-down approach to development, but at the local level, the project benefited from a conducive socio-economic environment characterised by such practices as Gotong Royong, village youth groups

⁷ This example of good practice is taken from the Mid Term Evaluation, as its pertinence is still valid at the end of the project.

established in the Sukarno era, etc., indicative of a mind set open to consultative practices.

- Favourable demographics: as mentioned earlier, young people represent a very high proportion of the population and of the labour force. Young people represent 28% of the total population. The median age in Indonesia is 27 (meaning that 50% of Indonesia's population is under 27 and, conversely, that 50% is above 27), just 2 years above the international definition of youth. Young people are therefore bound to benefit from employment interventions, even if not specifically targeted.

10.3. Project level

At project level, there are a number of factors worth highlighting which contributed to the project's productivity:

- An action-led, pragmatic, management, in particular from 2008 until the end (and exception made of the 6-month period when the project did not have a full time leader) has managed to translate what can be seen as ambitious but diverging development objectives into manageable outputs and activities.
- A flexible donor framework (that of the NICP) which allowed for adjustments to the project design to be made. As the Mid Term Evaluation noted, the changes made were valid and in line with the project's broad objectives and the DWCP. On the other hand, the process for making these adjustments may have exposed deficiencies in the project's monitoring arrangements. Flexibility in the project is desirable, but if changes to outputs and activities are too fluid and are not subject to external scrutiny, there is the risk that project resources can be misdirected or spread too thinly.
- Last, but certainly not least, the project could count on a team of young, committed and dynamic staff. From Jakarta-based staff to local coordinators, all seemed in full control of the project's objectives and constraints. The capacity of the project to make productive linkages between the public and private sectors owes a lot to their creativity and professionalism.

11 Recommendations

The project has now finished and is leaving behind a number of activities which should, as per the project document, be completely sustainable. The evaluation has found that even though most activities had indeed reached a high level of autonomy, things being what they are, there is still a need for light monitoring on the part of the ILO.

The recommendations of the final evaluation therefore go along two lines. The first line of recommendations identifies those areas of the project that would require further attention, and which could be taken up by an impact evaluation. The second line of recommendations is geared more towards issues to consider should this project be used for as a basis for future technical cooperation projects.

11.1. Post-JOY monitoring and follow up

1. *Further mainstreaming of youth labour market outcomes:*

Products of the project, such as JOI, or by-products, such as the presentation on Youth Employment in Indonesia, presented at the Youth Employment Conference on 15 April, should be incorporated in the next edition of *Social and Labour Trends of Indonesia*. This would ensure that youth issues are given prominence and that youth data, which are available from BPS, are analysed, used and disseminated. Currently, BPS produces extensive data in formats that are not at all user friendly, and which are therefore very little used. Examples of quality analysis and dissemination would promote their usage and eventual availability. In addition, it is crucial that key stakeholders are updated about actual youth employment issues. The final evaluators have found very little evidence of project partners being up to date with such issues.

2. *Follow up on successful individuals for improved sustainability and up scaling:*

One way to envisage sustainability is to call on successful recipients of project assistance to build on their success. The management of the successful seeds export business Condido, has indicated its willingness to receive further assistance (technical or networking), even at a cost. When asked by the evaluator, the management confirmed to be willing to “repay” the assistance he’s received, even in kind. This can be through mentoring of budding entrepreneurs, taking on apprentices, improving employment conditions, sharing his experience. Other candidates for this approach would be Tiara Handicraft and the Tourism Information Centre of Nongkojajar.

The success of the training of people with a handicap also provides interesting avenues for future technical cooperation activities, as it provides opportunities for both the social and labour market integration of very vulnerable groups.

3. *Promote JOY’s results on the Internet:*

Knowledge sharing: JOY could have had its own website to share the results of its actions. In terms of Internet presence, it has worked with a consultant to revamp the I-YEN website. With the project finished, it would be useful to share its practices and results on the Bangkok-hosted Asia-Pacific Youth Net platform (<http://ap-youthnet.ilobkk.or.th/>).

4. *Keep light monitoring of key outputs of the project:*

What is recommended by light monitoring is a personalised follow up of some activities that have reached a sufficient level of development to be sustainable but for which a gentle push might be needed to keep the momentum going. Two outputs in particular would benefit from this kind of monitoring: the revitalization of the I-YEN and the Vulcania’s Master Plan. Both of them have received strong expressions of

commitment on the part of institutional partners but are still deemed to be in need of attention if they are to reach their potential.

5. *Rapid identification of monitoring responsibility within the ILO:*

In order to go ahead with the light monitoring, follow up responsibilities should be decided very quickly. For the 2 items of Recommendation 4, a Jakarta-based programme officer would be suitable. This would mirror the period when JOY did not have a full time CTA. There are other outputs of JOY for which synergies can be built on. EAST, for instance, could benefit from the initial work done on ESCs in Surabaya and Malang. As these 2 ESCs are outside of its area of intervention, it might require some adjustment in the project implementation. EAST could also make the most of JOI as an analytical tool (which is likely to otherwise be left to decline). There is currently other development work being done, notably by the Japanese Technical Cooperation, on the capacity building of ESCs, but ILO should make the most of the better reputation it enjoys on the matter.

6. *Conducting an impact evaluation in 6 months or 1 year:*

It is very important that an impact evaluation be conducted in at least 6 months, preferably 1 year. The Evaluator is aware that the RO Bangkok is already considering this, but the timing is important. It should be done preferably not before 1 year to take the full measure of activities such as Vulcania, the ESCs, the first scholastic year of the Labour Market Development Programme, the I-YEN secretariat. Equally important, but complicated to realise, will be the employment impact evaluation of enterprises created or supported by the Project's direct or indirect services. Enterprises having benefited from the direct intervention of the project include Condido and Tiara Handicraft; more broadly, the impact evaluator would have to focus on the activities of the LED forum to attempt to trace all creation of enterprises and to identify the development of the existing ones. One way to do this is by cross checking with the local microfinance institutions. Finally, the impact evaluation could also assess the decent work dimension of employment created. At the time of the final evaluation, the decent work dimension rated quite low, and it was clear that priority of both employees and employers is about the job itself rather than the conditions of employment.

11.2. Application for other or future technical cooperation projects

7. *More reactive recruitment capacity:*

Recruitment should be more reactive to avoid protracted period of vacant posts. The project was left for over 6 months without a full time leader (even though a Jakarta-based programme official filled in the position on a part time basis), and without a local coordinator. The project remained productive thanks to the professionalism of the whole team, but its overall coherence suffered as a result.

8. *Improved gender-specificity:*

The project design must be a lot more gender-specific, with regards to the use and collection of data (for monitoring, implementation, reporting and evaluation purposes) and with regards to activities. A gender strategy should be included right from the project design stage. The recruitment strategy for the project should ensure that gender expertise is present in the team or that gender training is provided for the staff. The roles and responsibilities of ILO Jakarta, the Decent Work country team and GENDER in monitoring gender performance should be strengthened.

9. *Strengthened labour market analysis for use as baseline data and for advocacy purposes:*

Employment promotion project such as JOY should spearhead the use of employment data for analysis and monitoring and for improving general knowledge about the country's labour market situation. In this case, there is a clear case of missed opportunity as BPS does provide data on a regional basis. The benefits would have been many: inform stakeholders of the true issues at stake – the evaluators found that interviewees often relied on the same data or on the same ideas about youth employment challenges. The project could have set an example on how to use data, for instance on its regular newsletter or could have pushed for more elaborate section on youth employment in the *Social and Labour Trends of Indonesia*.

10. *Exploring youth employment in manufacturing:*

This recommendation is linked to the previous one. Manufacturing was not retained during the LED workshops as a crucial economic activity for young people. Yet, the analysis presented by the ILO Economist at the Youth Employment Conference highlighted a strong correlation between the crash in manufacturing output following the global crisis and the ensuing boom of youth unemployment. This clearly upholds manufacturing as a crucial area of intervention for improving youth employment in Indonesia.

11. *Ensure that consultation and partnership are extended to youth and women's groups:*

Youth employment problems are cross-disciplinary problems which need holistic treatment. Which is why youth and gender groups, other than youth entrepreneurs groups, must be full-fledged stakeholders at the design and implementation stages of the project. Although this aspect featured in JOY's original project document, it remained without effect in the implementation phase. This would surely have led to the identification of problems of a more social nature which often need to be tackled when designing with youth employment (such as dealing with social reintegration of marginalised youth before attempting their labour market reintegration). It is worth noting, also, that Indonesia benefits from social structure conducive to such wide representation, through for instance the Gotong Royong, the village youth groups established under the Sokarno era, or youth focal points in trade unions.

12. Decent employment

Employment created in the scope of the project was not found to be of the decent kind, or at least was missing many dimensions of the decent work paradigm. Going back on the Condido examples, many people were given employment with one-year contract, but at a wage level below that of the Indonesian minimum wage. Workers are the Tiara Handicraft company lived and worked in cramped, unsafe and unhygienic situations; the employer cannot be blamed, she actually shares her house with her workers, who would otherwise most likely end up on the streets as beggars. In other words, this is a sensible issue, and the point should not be to condemn such practices, but really to identify what can be done to help all these enterprises to provide decent work in a sustainable manner. There can be no better fitting challenge for the ILO.

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Annex A: Independent Final Evaluation: terms of reference

1. Background of the JOY project

The Job Opportunities for Youth –JOY- project is the Indonesian component of a three-year initiative funded by the NICP – Netherlands-ILO Cooperation Programme. JOY, which saw its budget increase from US 2,483,785 to US 2,757,980 in the course of its three-year duration, has had for objective to “Create income earning opportunities for young women and men in Indonesia, through complementing national policies and local initiatives that lead to more employment intensive growth”. The JOY project will close on April 30, 2010.

In Indonesia, the transition to democratic governance and a decentralised system of government has resulted in significant progress, with growth rates of over 5% being experience over past couple of years and prospects for higher levels in the next two to three years. Despite this optimism open unemployment had risen from 8.1% in 2001 to 10.4% in 2006.

What is more significant is that youth unemployment in 2006 was three times higher than for the general population, at 30.6%. Moreover, the associated employment challenge facing Indonesia includes the following:

- Poverty and the employment challenge: The Indonesian economy needs to have a comprehensive employment strategy at the national and decentralized levels to increase the number of productive, remunerative jobs in order to reduce poverty, unemployment and underemployment.
- Youth and the employment challenge: 61% of the total number of unemployed are between the ages of 15 and 24 years with lack of opportunities and technical skills.
- Enterprises, the informal economy and the employment challenge: Approximately 70% of Indonesians work in the informal economy in which the conditions of work and salaries can lead to an ongoing group of ‘working poor’ that lack basic protection and income from their work.
- Skills and employment challenge: Many young people leave school and attempt to enter the workforce prematurely, not only for financial reasons, but also because they believe that prolonging education will not enhance their chances of getting a job as the education and vocational training system often fails to prepare young people with the skills needed for employment.
- Decentralization and employment challenge: Policy work at the national level must be linked to local interventions to expand the tasks of planning, monitoring and evaluating regional development to the local levels.

In order to address these problems, the JOY project sought to enhance the capacity of both national and sub-national policy makers and planners to develop and implement policies and projects that lead to more employment-intensive growth; particularly for young women and men. Sub-national policy work will be complemented by the demonstration of Local Economic Development (LED) activities. These objectives are elaborated in figure 1, while the vehicles for supporting implementation are outlined figures 2 and 3. Essentially, at the national level the project will mainstream decent and productive employment policies for youth into national and economic policies. At the decentralised level the project will work with local government and communities

organized into LED forums in view to stimulate economic activity and job creation for youth⁸.

The midterm independent evaluation was carried out in early 2009 with several lessons learnt and recommendations to be followed up by the project.

As part of the requirements to monitor effectiveness and to review project activities, with a view to making recommendations for future improvements, an independent end of project- evaluation is proposed. The evaluation follows ILO guidelines and procedures on evaluation, compliant with UN and international evaluation standards.

2. Purpose, scope and clients of the evaluation

Purpose:

This final evaluation is to review the overall progress made in the implementation of the project. The overall objective of JOY should be looked at to measure progress made towards achieving impact after three years of implementation.

Of primary importance is for the evaluation to examine the project design, implementation strategy and adjustments, institutional arrangements and partnership, and project set ups within the context of rising youth unemployment and a decentralization process in which power is being handed down to provincial offices. The evaluation should yield a contextualized analysis of the response and adjustments deployed by the project, the effectiveness of their adjustments and factors affecting the implementation. It should also spell out concrete recommendations on needed adjustments for improving implementation in later projects.

The evaluation should yield a set of knowledge to help guide future ILO integrated projects that adopt a top-down and bottom up approach to tackling youth unemployment. The results of the evaluation, lessons learnt and good practice will be posted on the Indonesian platform for knowledge sharing among ILO staff. The evaluation should also highlight lessons and good practices on employment policy and LED at the decentralized levels.

The evaluation should address the overall ILO evaluation criteria such as relevance and strategic fit of the project, validity of project design, project progress and effectiveness, efficiency of resource use, effectiveness of management arrangement and impact orientation and sustainability as defined in the ILO Guidelines for Planning and Managing Project Evaluations 2006. The evaluation should also systematically consider gender equality in the evaluation process as defined in the ILO guidelines on "Considering Gender in Monitoring and Evaluation of Projects, September 2007."

⁸ The recommendations of the mid-term evaluation of the JOY project have been taken on board in the second phase of the project. This evaluation pointed to the need to define a vehicle for supporting employment and that a contract amendment should have been undertaken during the early stages of the project's implementation. In this respect the present team have made a number of changes to the original terms of reference in response to changing circumstances. These changes are outlined in the appropriate sections of the present report.

In addition, the JOY team recognised that it is very ambitious to develop a national employment policy and to use this as the vehicle for implementation. Therefore, in addition to the mainstreaming of employment into areas of government policy, the JOY team proposed to work with the country's planning unit to develop a sector employment strategy for one of the sub-sectors in the labour intensive manufacturing sector. This area has been identified as a priority by the government and the JOY team will support employment planning in this area. In addition a decentralised sector approach will be implemented at the provincial level in East Java to support employment planning. However, the emphasis will be given to specific sub-sectors in agricultural and tourism.

3. Scope

The evaluation covers the whole project period and takes into account the midterm evaluation's findings and recommendations.

The clients of the evaluation are (i) the ILO office in Jakarta, (ii) the project partners, namely the centralized government ministries, including the Ministry of Manpower and BAPPENAS, the Social Partner organisations, as well as their counterpart decentralized offices at the provincial level (iii) the LED forum in East Java, (iv) the donor who will receive the evaluation report as part of overall ILO reporting on the NICP.

4. Methodology

The methodology will combine quantitative and qualitative approaches. The evaluator will collect data through a desk review and verify them through field visits, interviews and workshops. During the process of data gathering the evaluator will compare, validate and cross-validate data of different sources (project staff, project partners and beneficiaries) and different methodologies (desk review, site visits and interviews).

The evaluation will assess the extent to which the project has implemented the recommendations of the independent mid-term evaluation and achieved the expected outcomes and outputs. The following areas will need to be covered in the process (the evaluator may select the most relevant issues and add to the points presented below):

Relevance and strategic fit

Did the project address a relevant need and decent work deficit? Was it aligned with the DWCP? Was a needs-analysis carried out at the beginning of project reflecting the various needs of different stakeholders? Did more relevant needs emerge that the project should have addressed? How did the project align with and support national development plans (Indonesia's RPJM), as well as projects and priorities of the national social partners?

How does the project align with and support cross cutting issues such as (i) gender mainstreaming, (ii) tripartism and social dialogue, (iii) contribution to partnership and interagency cooperation (UNDAF etc), (iv) sustainability and knowledge sharing.

How well did the project complement and fit with other ILO projects in Indonesia? How well does the project complement and link to activities of other agencies and donors at local level?

Validity of design

- ✓ Were the planned project objectives and outcomes relevant and realistic to the situation on the ground? Do they need to be adapted to specific (local, sectoral etc.) needs or conditions?
- ✓ Did outputs causally link to the intended outcomes (immediate objectives) that link to broader impact (development objective)?
- ✓ How strategic were partners in terms of mandate, influence, capacities and commitment?
- ✓ What are the main means of action? Are they appropriate and effective to achieve the planned objectives?
- ✓ How appropriate and useful are the indicators described in the project document in assessing the project's progress?
- ✓ Are the targeted indicator values realistic and can they be tracked?
- ✓ If the project was run again, how should they be modified to be more useful?
- ✓ Were the indicators gender-sensitive?

Project results and effectiveness

- ✓ To what extent has action been taken on mid-term evaluation's recommendations?
- ✓ Has the project achieved its planned objectives?
- ✓ Has the quantity and quality of the outputs produced been satisfactory? Did the benefits accrue equally to men and women?
- ✓ Are the project partners using the outputs?
- ✓ Will they continue to use them now the project has ended?
- ✓ Have the outputs been transformed by project partners into expected outcomes?
- ✓ How were stakeholders involved in project implementation?
- ✓ How effective was the project in establishing national ownership?
- ✓ Were the project management and the implementation participatory and was this participation contributing towards achievement of the project objectives?
- ✓ Was the project appropriately responsive to political, legal, economic, institutional etc. changes in the project environment?
- ✓ Did the project produce demonstrated successes?
- ✓ In which areas (geographic, sectoral, issue) did the project have the greatest achievements? Why was this and what were the supporting factors? How can future projects build on or expand these achievements?
- ✓ In which areas did the project have the least achievements? What were the constraining factors and why? How could they have been overcome?

Efficiency of resource use

- ✓ Were resources (funds, human resources, time, expertise etc.) allocated strategically to achieve outcomes?
- ✓ Were resources used efficiently? Were activities supporting the strategy cost-effective?
- ✓ In general, did the results achieved justify the costs?
- ✓ Could the same results have been attained with fewer resources?
- ✓ Were project funds and activities delivered in a timely manner? If not, what were the bottlenecks encountered?
- ✓ What were the financial results of the project? (Look at commitments versus disbursements and projected commitments).

Effectiveness of management arrangements

- ✓ Were management capacities adequate?
- ✓ Was there a clear understanding of roles and responsibilities by all parties involved?
- ✓ Did the project receive adequate political, technical and administrative support from its national partners?
- ✓ Did implementing partners provide for effective project implementation?
- ✓ Did the project receive adequate administrative, technical and - if needed - political support from the ILO office in the field, field technical specialists and the responsible technical units at headquarters?
- ✓ How effectively did the project management monitor project performance?
- ✓ Was a monitoring and evaluation system in place during the project and how effective is it?
- ✓ Was relevant information and data systematically collected and collated? Was the data disaggregated by sex (and by other relevant characteristics if relevant)?
- ✓ Was information being regularly analysed to feed into management decisions?

Impact orientation and sustainability

- ✓ In how far did the project make a significant contribution to broader and longer-term development impact (look at sustainability and local ownership of the project)?

- ✓ How effective and realistic was the exit strategy of the project? Was the project gradually being handed over to the national partners?
- ✓ How effectively has the project built necessary capacity of people and institutions (of national partners and implementing partners)?
- ✓ Has the project successfully built or strengthened an enabling environment (laws, policies, people's attitudes etc.)?
- ✓ Are the project results, achievements and benefits likely to be durable?
- ✓ Are results anchored in national institutions and can the partners maintain them financially at end of project?

5. Description of tasks

The evaluator is required to:

- Undertake a desk review of existing materials and relevant information on the project;
- At the central government level hold bilateral meetings with the relevant stakeholders like the Ministry of Planning, the Ministry of Manpower, the employers' organization APINDO and the different trade unions on how they perceive the project implementation. Similar regional and district level meetings will have to be held in East Java with at least a selection of key local stakeholders.
- Discuss with selected ILO technical units, specialists and project staff
- Formulate any relevant findings, lessons learnt and recommendations for consideration by the ILO and the stakeholders
- Present the findings at a stakeholders' workshop and incorporate comments into the final evaluation report;
- Submit a draft and final copy of evaluation report.

Desk Review

The evaluator will review the following documents before conducting any interviews or trips to Indonesia: project documentation, progress reports, work plans, mission reports, baseline surveys, monitoring data, workshop reports, country data etc.

Individual interviews with ILO Staff

The evaluator will discuss with the ILO JOY project staff, including those based in the head office in Jakarta and those in Surabaya and Malang. It will also be necessary to conduct discussions with staff on other ILO project in Indonesia in order to access the nature and extent of collaboration.

Field interviews

The evaluator will travel to the JOY project offices in Surabaya and Malang in accordance with the evaluator's requests and consistent with these terms of reference.

Field visits

The discussions and interviews will be complemented with field visits to the sites of activities and discussion with relevant organizations involved and/or benefiting from ILO interventions in those localities in accordance with the evaluator's requests and consistent with these terms of reference. Amongst the most important target group will be the members who comprise the LED forums.

Stakeholder Workshop, Debriefing

Based on the above findings, the evaluator will organize a workshop to present and discuss preliminary findings and recommendations with the key national partners and the project team.

Post-trip debriefing

In addition, the evaluator will debrief the Project CTA, the ILO/Jakarta office and the ILO backstopping unit about the course of the evaluation and the support received.

Key deliverable

Draft evaluation report and final evaluation report that presents the findings including concrete recommendations. The quality of the evaluation report will be determined by conformance with ILO quality checklist for evaluation report. An evaluation summary in ILO's standard format is also required.

6. Management arrangements

The evaluation will be carried out by an international consultant who has knowledge and experience in relevant technical field as well as in conducting evaluations. She/he will report to the evaluation manager, Mr. Peter Rademaker. As necessary interpreters will be made available, a local consultant may also be employed to assist for specific parts, e.g. the field work.

The project management of JOY and ILO Jakarta will provide logistic and administrative support to the evaluation throughout the process. The project staff will ensure:

- Prepare the in-country mission and work of the evaluator in cooperation with the evaluation manager, including detailed schedule, lists of proposed people to be interviewed including ILO staff in Indonesia and elsewhere in the ILO
- Provide a detailed list of key project stakeholders
- Ensure project documentation is up to date and easily accessible;
- Provide support to the evaluator during the in-country work including arranging of transportation locally. A detailed itinerary will be provided to the evaluator prior to embarking on interviews;

The preliminary evaluation findings will be discussed in a stakeholder workshop. Results of this workshop will be incorporate in the draft report to be sent to the evaluation manager 2 weeks after the workshop. The evaluation manager will circulate the draft report to ILO staff involved in the Indonesia JOY Project, the ILO/Jakarta Director and the regional evaluation focal person at ILO Regional Office – Bangkok. ILO/Jakarta may want to also circulate the draft report to constituents or seek their views directly on particular issues. Any observations received will be incorporated by the evaluator into the final report.

Findings of the evaluation will be circulated among ILO colleagues involved in Jakarta and stakeholders and posted on the Indonesian platform to strengthen organisational learning. Also, copy of the evaluation summary will be posted on the EVAL internet-based evaluation report database.

The evaluation is anticipated to start in early April 2010 and will run for a total of 10 working days (2 weeks) at least, with at least 3 days in East Java and the stakeholder workshop towards the end. The exact number of days and the programme will be decided jointly with the consultant.

Figure 1:

Development Objective

To contribute to poverty reduction and the creation of income earning opportunities, especially for young women and men in Indonesia, through complementary national policies and local initiatives that lead to more employment-intensive economic growth

Immediate Objective 1:

Decent and productive employment for youth will have been better mainstreamed into national economic & social policies through the adoption & implementation of national employment strategy that incorporates the DW & Global Employment Agenda

Immediate Objective 2:

Local representatives of the ILO constituents and communities in East Java will have implemented youth employment policies and local development for decent work activities in selected areas

OUTPUT

1.1 Strengthened institutional capacities of the social partners and other key stakeholders, including women's groups and youth organizations, to engage in economic and social policy development and implementation.

1.2 Establishment of a mechanism for enhanced systematic coordination and networking on employment issues.

1.3 Strengthened capacities of the Central Bureau of Statistics (BPS) & Ministry of Manpower & Transmigration (MOMT) to collect and utilize for policy-making and monitoring sex, age, & region disaggregated labour market data

1.4 Strengthened capacities of MOMT, the National Professional Certification Board and other relevant authorities in implementing policies towards an improved certification system and competency-based training at the national and local levels and oriented towards private sector needs

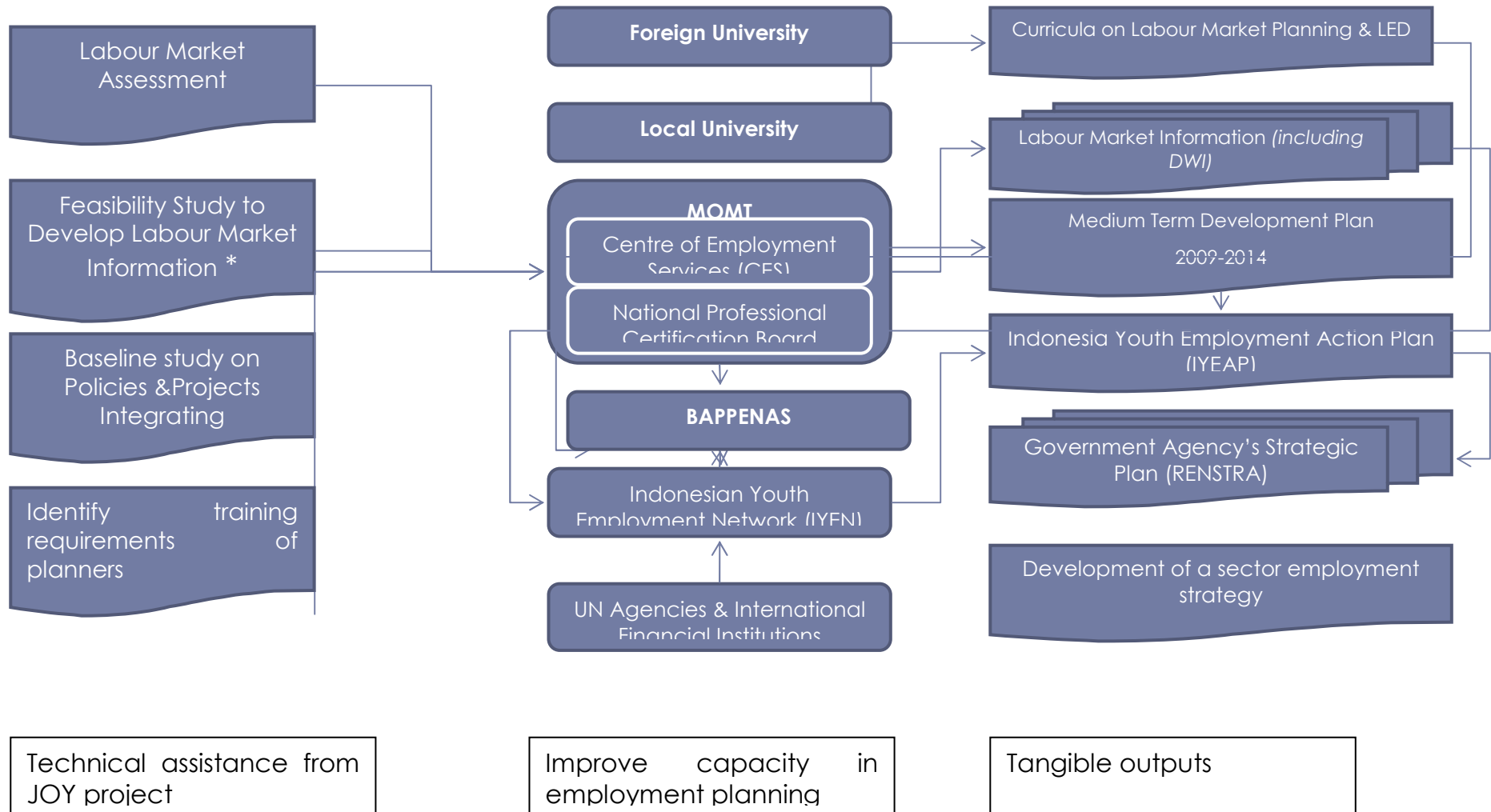
2.1 Strengthened institutional capacities of the constituents, local communities and other stakeholders in East Java to formulate and implement youth employment policies

2.2 Strengthened capacities of local communities to design and undertake locally-driven, partnership-based LED project benefiting young women and men

2.3 Specific local development initiatives undertaken, one involving the promotion of employment intensive infrastructure investments

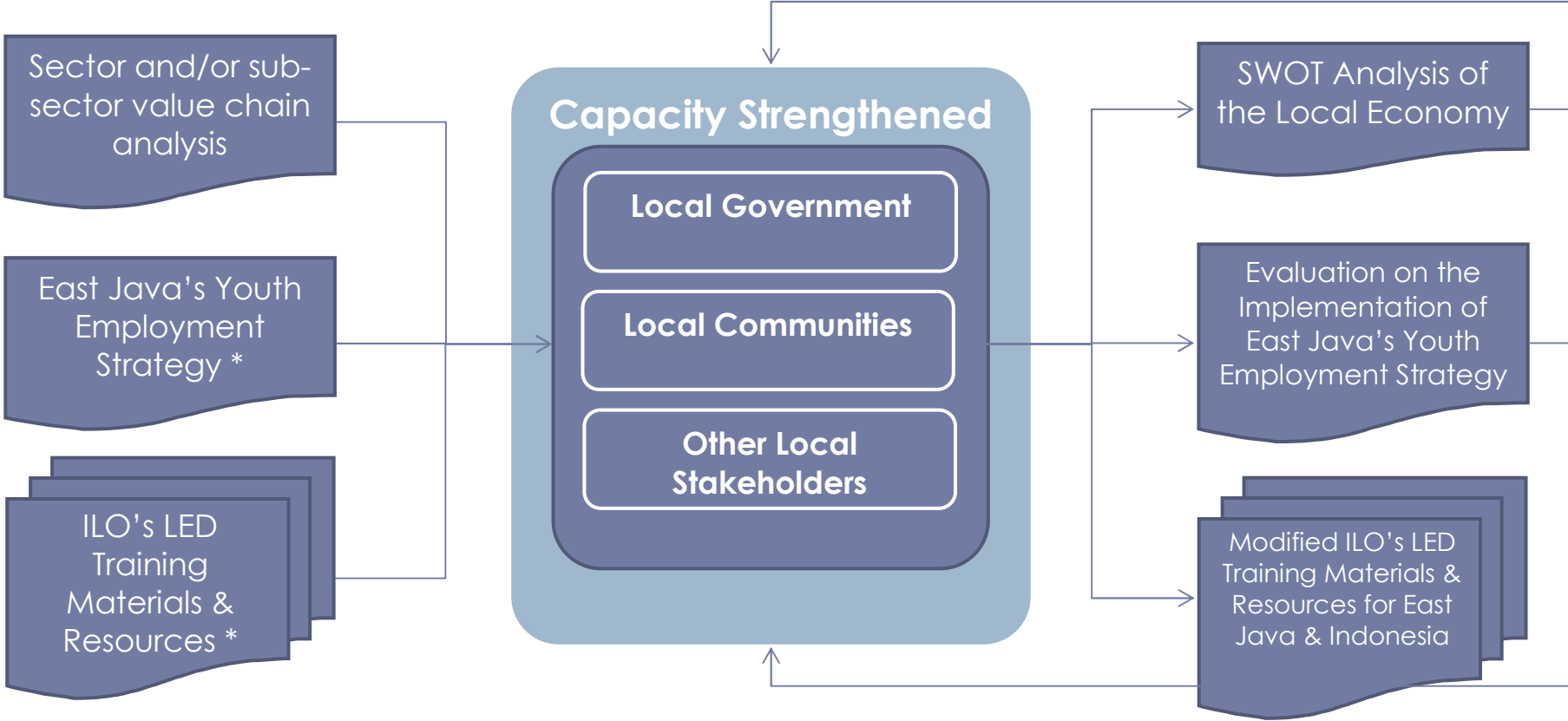
2.4 Examples of good practice, developed, tested and disseminated both within East Java and throughout Indonesia

Figure 2: National Level: Mainstreamed Decent & Productive Employment for Youth into National Economic & Social Policies



* This has been developed at the national level, but not at the provincial level

Figure 3: East Java Province: Implemented Youth Employment Policies & Local Development for Decent Work Activities in Selected Areas.



* Has been developed.

Annex B: People interviewed

Institution	Name	Position
JAKARTA		
ILO	Mr. Matthieu Cognac	CTA, JOY project
ILO Jakarta	Mr. Patrick Daru	CTA, EAST project
ILO Jakarta	Mr. Suharjono	Programme Officer for Worker's Activities
ILO Jakarta	Ms. Milda	National Economist
ILO Jakarta	Mr. Kazutoshi Chatani	ILO's Economist
ILO's Consultant	Mrs. Diah Widarti	Consultant for Key Strategies for Youth
Coordinating Ministry for Economics	Mr. Komara Djaja	Senior Advisor to the Ministry, formerly responsible for the I-YEN
KSBSI Trade Union Federation	Mr. Andi William	Committee Organiser
KSBSI Trade Union Federation	Ms. Ayu	Head of Youth Division
BNSP (National Certification Body)	(name?)	Consultants
Bappenas	Mrs. Hayu Parasati	Director of Rural and Urban
Bappenas	Mrs. Rahma Iryanti	Director of Labour and Job Creation
SURABAYA		
Tiara Handicraft	Mrs. Titi	Director of Tiara Handicraft
Provincial Office of Tourism	Mr. Djoni Irianto	Head of Tourism Office
SME clinic	Mr. Anang Mashudi	Head of cooperative development sub division
SME Clinic	Mr. Ruly Kusumahadi	The director of Clinic
Provincial Office of Manpower and transmigration	Mr. Budi Rahardjo	PO for Employment Service Centre
Ubaya (Surabaya University)	Mr. Budi Santoso Goutama	Consultant for the development of ESC Jawatimur, Director
PASURUAN		
Pasuruan LED Forum	Mr. Mashuda Mr. Ahmad Rajasa	Secretary of LED forum Representative of district government
Setiakawan Dairy Cooperative, Pasuruan	Mr. Harianto	Secretary of the cooperative
Nongkojajar Tourist Information Centre	Mr. Rudi Cahyono	Manager of NTIC
CU Sawiran	Mr. Aan	Vice Manager
Condido Flower Farm	Mr. Mashuda	Production Manager
Pasuruan Manpower Office	Mr. Agus Hadi	Head of Placement and Training Division
Pasuruan Manpower Office	Mr. Agus Hermawan	Head of Training Section
Pasuruan Manpower Office	Mr. Sudar	Head of Placement Section
MALANG		
ILO Consultant	Mr. Bas Athmer	International for the development of Gotong Royong guideline
ILO Consultant	Mr. Bagus Murdianto	National consultant for the development of Gotong Royong guideline

Institution	Name	Position
Office of Planning (Bappeda) Malang	Dr. Nehrudin/Tomie Herawanto	Head of Bappeda/Economic section of Bappeda
Office of Public Works	Mr. Agus Prajitno	Head of Technical section of Public work department
VEDC	Mrs. Agung Supriatna	Head of Environment Department
Poncokusumo LED forum	Mr. Rawi Cs.	Head of LED forum
Poncokusumo farmer group	Mr. Suparman	Head of farmer group
Poncokusumo LED forum	Mr. Ahmad Bakin	Head of Wringin anom village
Poncokusumo LED forum	Mr. Ruslan	Head of Argosuko village
Kan Jabung Cooperative	Mr. Sugeng Widodo	Manager of Agriculture Division of KAN

Annex C: Section 4.5 of the Independent mid-term project evaluation

The JOY project is based in the ILO office in Jakarta with two field staff based in East Java (one in Surabaya and one in Malang, located in Bappeda, the Ministry of Planning). The Evaluation Consultant had the opportunity to observe staff in a variety of project situations (from routine discussions with stakeholders to meetings with senior political figures, including the Governor of East Java) and all were clearly capable, knowledgeable and professional. Team members appear to enjoy good working relationships with each other and with other ILO staff, have a thorough knowledge of their roles and responsibilities and communicate effectively.

The location of the project in the ILO office, rather than within the one of partner organisations, was considered, on balance, to be appropriate. Although an argument could be made that locating the project within one of the ministries would enhance the project's capacity to effect change from within, the synergies JOY has with other ILO projects and activities, as well as its importance in advancing the DWCP agenda, make its location within the ILO office probably the right decision.

JOY's project partners are the Ministry of Manpower and Transmigration, the National Development Planning Agency, the Coordinating Ministry for Economic Affairs, provincial and local governments, workers' organizations (especially, KSBSI, the Confederation of Indonesian Prosperity Trade Union) and employer's organizations (especially APINDO, the Employers' Association of Indonesia). The Evaluation Consultant met with representatives of these organizations and all were satisfied with JOY and felt well informed about project activities. (UNDP and the World Bank are also listed as project partners, but no contact was made with them in the evaluation.)

Given the number of activities the project is managing, staff are given an appropriate level of autonomy in their day-to-day work – the Project Manager does not “micro-manage” the project. For example, the LED component of the project is given a fairly free rein to follow up opportunities that advance local development goals.

The project's management links with other projects based in the ILO office appeared sound, including with the EAST project. The EAST Chief Technical Advisor highlighted a number of areas of cooperation, including the co-funding of the upcoming National Youth Employment Conference and a survey of the business climate in Indonesia. EAST sees itself as having a field implementation role and sees JOY as complementing this through policy development.

Some concerns were expressed by JOY project staff about the nature and extent of internal administrative support provided by the ILO office in Jakarta. Specifically, project staff indicated that more administrative “backstopping” support should be provided. The Evaluation Consultant met with the staff member designated as providing this support and he described his role in terms of monitoring, checking, managing relationships and linking the project to broader DWCP priorities. It may be appropriate for ILO management to review the nature of internal administrative support for JOY to ensure that all parties understand exactly what support is intended. *(See Recommendation 6g)*

Of course, other support was also provided to the project by the ILO. The Director and Deputy Director of the Jakarta office have been closely involved with the JOY project, guiding its implementation and attending events and launches. The office's economist filled the Project Manager role in the first half of 2008 and developed important relationships for the project. ILO enterprise and LED specialists in the ILO's Geneva headquarters have had a continuing involvement in the project, including providing access to documentation on good practice and general advice of implementation. The Coordinating Ministry for Economic Affairs, for example, highlighted the value of Geneva's advice on youth employment indicators and said that the national statistics bureau and the Ministry of Manpower and Transmigration were currently examining how these might be incorporated in to the Medium Term Development Plan and strategic action plans. Also, links have been made with the ILO's Green Jobs advisor in Geneva and there are plans to work with the Government of Indonesia to develop ways of making jobs greener. JOY is currently undertaking case study research in this area.

JOY's monitoring and evaluation systems require the submission of half-yearly and yearly progress reports which are distributed within the ILO and to the donor, the Government of the Netherlands. ILO staff indicated that the donor was not deeply involved in the day-to-day delivery of the programme and its monitoring activities concentrated on the level of expenditure. The adjustments made to planned outputs and activities in mid-2008, for example, do not seem to have required donor approval and, as mentioned earlier, the donor provided additional funding to JOY towards the end of 2008.

Maintaining flexibility in project implementation is, of course, desirable, but management arrangements need to remain disciplined. Reasons for project variations need to be documented and justified, particularly when such changes are not exposed to external scrutiny or approval by donor organisations. All of the changes made to the project seem valid, but there is a risk that the project could move in new directions at a whim. Where project objectives are considered to be subsidiary to broader organisational goals (such as the DWCP) there is also the risk of project resources being hijacked for other purposes, leaving the project struggling to meet its deadlines and its own specific objectives.

Overall, JOY's management arrangements seem sound. The project has necessarily concentrated on making up lost time by quickly getting activities happening, but probably needs now to revisit some of its basic project documentation – including redefining baseline data (for any future evaluation), updating and documenting activities attached to each output, collecting and compiling relevant information and data (including gender-related data), and incorporating these changes in a work plan for the project's final year. (*See Recommendation 6a*) Expertise on how best to address gender mainstreaming through the project is also needed. (*See Recommendation 6b*).