International Labour Organization

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Boosting Decent Jobs and Enhancing Skills for the Youth in Rwanda’s Digital Economy – Internal Midterm evaluation

QUICK FACTS

Countries: Rwanda

Evaluation date: 13 May 2026

Evaluation type: Project

Evaluation timing: Mid-term

Administrative Office: CO-Dar Es Salaam

Technical Office: RO-Africa, EMPLAB, SKILLS, ENTERPRISES

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DC Symbol: RWA/23/01/LUX

Donor(s) & budget: Ministry of Foreign and European Affairs, Luxembourg; Euro 4,000,000

Key Words: Digital Economy, Digital skills, Digital enterprises, digital job creation, Digitalisation and decent work

This "internal evaluation" as per ILO/EVAL types of evaluation of the ILO followed a formalized evaluation process managed by an officer of the Regional Programming Unit of the Regional Office for Africa of the ILO. The purpose of internal evaluations largely serves organizational learning.

BACKGROUND & CONTEXT	
Summary of the project purpose, logic and structure	The *Boosting Decent Jobs and Enhancing Skills for the Youth in Rwanda's Digital Economy* project responds to Rwanda's urgent youth employment challenges within a rapidly evolving digital economy. Rwanda faces a fast-growing youth population, high underemployment, widespread informality, and persistent skills mismatches. At the same time, the country has made digital transformation a national priority. The project is implemented under the ILO–ITU–AU Joint Programme and aligns with the Global Initiative for Decent Jobs for Youth, Rwanda's Vision 2050, the National Strategy for Transformation (NST1/NST2), and the National Employment Policy. The project adopts a systems-based approach. It recognises that decent youth employment in the digital economy cannot be delivered through isolated interventions. Instead, it requires coordinated action across four interconnected areas: digital job creation and enterprise development; digital skills supply; school-to-work and skills-to-enterprise transitions; and multi-stakeholder partnerships and governance. The programme therefore focuses on policy support, institutional strengthening, skills systems reform, work-based learning, entrepreneurship support, and evidence generation.
Present situation of the project	The project is at mid-term status, having completed half of its tenure of four years
Purpose, scope and clients of the evaluation	The Mid-Term Evaluation (MTE) was conducted after two years of implementation, covering the period from January 2024 to December 2025. The evaluation serves two main purposes: accountability to the donor and national partners and learning to strengthen implementation during the remaining project period. The evaluation follows ILO evaluation policy and applies the OECD-DAC criteria of relevance, coherence, effectiveness, efficiency, impact, and sustainability, with attention to cross-cutting issues and management arrangements. Given its mid-term nature, the evaluation did not seek to attribute final impact. Instead, it assessed progress toward outcomes, tested

	the validity of the ToC, identified early signs of systemic shifts, and highlighted enabling and constraining factors affecting performance.
Methodology of evaluation	The evaluation used a theory-based, systems-oriented, mixed-methods approach. Data collection included document review, key informant interviews, focus group discussions, and analysis of monitoring and diagnostic data. More than forty stakeholders were consulted, including government institutions, employers' and workers' organisations, training providers, youth, entrepreneurs, and development partners. Gender equality and inclusion were integrated throughout the evaluation.

MAIN FINDINGS & CONCLUSIONS	**Relevance** The evaluation finds that the project remains highly relevant. The design is well grounded in Rwanda's labour-market context and policy priorities. It responds directly to high youth underemployment, informality, digital skills gaps, and weak school-to-work transitions. The focus on digital transformation is timely and aligned with national strategies. The project has also shown strong responsiveness to evolving priorities. It has adapted to new policy developments, including the review of the National Employment Policy (NEP) and the growing emphasis on digital skills, internships, and apprenticeships. Increasing attention to gender, persons with disabilities, and vulnerable youth reflects responsiveness to beneficiary needs, although inclusion gaps remain. **Coherence** The project demonstrates strong internal and external coherence. Internally, activities across policy support, skills development, entrepreneurship, and employment services are conceptually aligned. Externally, the project complements national programmes and aligns with other UN and development partner initiatives. The project actively avoids duplication by embedding tools and reforms within existing institutions. It works through ministries,

training bodies, Hanga hubs, employment service centres, and employer organisations. However, the evaluation notes that Rwanda's youth employment and digital skills landscape is crowded. Coordination demands are high, especially at district level, and some overlap risks persist outside the project's direct control.

Effectiveness

The project has made solid mid-term progress toward its intended outcomes. Major achievements include high-quality labour-market diagnostics, institutionalisation of entrepreneurship and digital skills tools, redesign of the National Internship Programme, piloting of quality apprenticeships, and strengthened career guidance systems. Partnerships with government, employers, and workers are strong at national level.

However, outcome-level results such as job creation, job placement, enterprise growth, and improvements in job quality /decent work are not yet measurable at scale. This reflects the project's systems-change orientation, where impacts are expected to emerge over a longer period. Private-sector engagement in internships and apprenticeships remains uneven, particularly beyond the ICT sector.

Management arrangement

Roles and responsibilities among ILO offices, national partners, and stakeholders are generally clear and functional. National-level governance structures, including tripartite platforms, are effective. However, reliance on international backstopping increased costs and limited national capacity building. District-level coordination and ownership remain weaker and require strengthening.

Efficiency

Resource allocation has generally been strategic. Spending has prioritised core implementation and partnerships. Some components, particularly skills development and intermediation, progressed more slowly than planned due to procurement delays and the technical complexity of systems reform.

The project relied heavily on ILO international technical support. With the lean project team in Kigali, it was necessary to get this backstopping and technical support from the ILO regional and HQ teams to maintain delivery timelines and for high quality delivery of certain outputs (assessments, NEP reviews etc). This ensured quality and technical alignment. With about 50% of resources already spent (by December 2025) and another 25%, earmarked for 2026 for specific activities, the project has some flexibility (with 25% remaining budget), to introduce new initiatives in the remaining two years (2026, 2027). Efficient use of remaining resources will require strong prioritisation.

Impact

Early signs of impact are visible at the level of policies, institutional behaviour, and norms. The project has helped shift thinking away from fragmented interventions toward integrated demand-supply-intermediation approaches. Systems for internships, apprenticeships, digital skills, and entrepreneurship are stronger than at project start.

Direct labour-market impacts, such as reduced NEET rates or widespread decent job creation, are not yet observed. Some entrepreneurs and trainees report improved confidence, skills, and business practices, indicating promising last-mile effects. These remain fragile and require consolidation and follow-up.

Sustainability

Sustainability prospects are strongest where interventions are embedded in national systems. Institutionalised curricula, standards, policies, and partnership mechanisms are likely to endure beyond the project. However, sustainability risks remain, particularly in scaling pilots, sustaining district-level delivery, securing financing for youth enterprises, and expanding MSME absorption of digital skills.

The project contributes as one actor within a broader system. Long-term sustainability depends on continued government commitment, private-sector engagement, financing mechanisms, and coordinated development partner support.

	Conclusions The project is on the right strategic trajectory. Its principal challenge at mid-term is not relevance, design, or legitimacy, but conversion—translating strong foundations, credible pilots, and system-level reforms into sustained, inclusive employment and entrepreneurship outcomes for young women and men. The remaining implementation period therefore represents a critical opportunity to consolidate systems, deepen decentralised delivery, strengthen demand-side absorption, and rigorously track outcomes so that the project's systems-change ambition generate momentum for lasting impact.

RECOMMENDATIONS, LESSONS LEARNED AND GOOD PRACTICES	
Main Recommendations	**Recommendation 1: Institute a 'System Consolidation' Phase (6-12 months) Before Project Completion:** • ***Identify High-Potential Initiatives****, within the existing project portfolio:* Systematically review all project components to pinpoint those showing strong promise—such as Innovate4DigiJobs—and prioritise them for further support. • ***Allocate Acceleration Grants****:* Establish mini-grant schemes for youth enterprises and start-ups that demonstrate measurable progress and potential for scale, including those emerging from flagship initiatives. • ***Establish Financial Institution Partnerships****:* Collaborate with financial institutions to develop and deliver tailored financial products for supported start-ups, ensuring access to capital and growth opportunities. • ***Connect with Marketing BDS Providers****:* Form partnerships with marketing business development service providers to facilitate market linkages, helping start-ups accelerate their commercial rollout and reach new customers. • ***Provide Policy Advocacy Support****:* Offer targeted advocacy and policy guidance to enable MSMEs and youth enterprises to achieve formalisation, navigate regulatory environments and access relevant opportunities.

- ***Deliver Ongoing Post-Implementation Support:*** Implement structured follow-up mechanisms for all supported initiatives, including mentoring, technical assistance, and resource mobilisation.

Recommendation 2: Deepen Decentralised Delivery and District-Level Institutionalisation:

- ***Identify and Action in a Few Pilot Districts:*** The project can run a pilot of strengthening convening mechanism in a few select districts.
- ***Unite Development Partners to Plan and Deliver Synergistically at District Level*:** Especially for addressing systemic constraints being observed in some of the initiatives, for example, this mechanism can develop strategies for the operational sustainability of both ESCs and Hanga hubs.
- ***Improve Data Systems, Employer Engagement and Impact Assessments***: To accelerate decentralised delivery and district-level impact, it would be essential to strengthen data systems, employer engagement and impact assessment of the initiatives at district level.

Recommendation 3: Strengthen Inclusion of Women, Rural NEET Youth, and PWDs:

- ***Establish a Working Group:*** The project can establish a working group to review existing inclusion numbers for women, NEET, rural youth and PWDs across all initiatives. Based on the evidence and gaps discovered, update all subcontracts and MoUs for strengthen inclusion criteria, with the objective of completing this review by Q3 of the current year.
- ***Integrate Targeted Support for Improved Social Inclusion:*** The working group can develop specific targeted measures such as financial Subsidies, data and device support, and transport allowances for women, NEET youth, rural youth, and PWDs across all ongoing and future initiatives, commencing roll-out in Q4.
- ***Enhance Digital Platforms Accessibility:*** The working group can also identify barriers experienced by the rural youth, women, NEET and women in accessing digital platform. This then can

	lead to improving platform design standards, accessible versions and outreach activities by the end of the year. **Recommendation 4: Expand MSME /Employer Engagement :** • ***Review and Scale up Existing (and Promising) Initiatives*****:** Some of the existing project initiatives have shown promise, for example PSF's training to 100 MSMEs is expected to increase formalisation, digitisation, business improvement and job placements. • ***Develop Sector-Specific Employer Compacts****:* In line with the NIP redesign, the project can facilitate targeted collaboration and skills development. For instance, a retail compact could involve partnerships with local supermarkets to offer digital inventory management training, while in agriculture, apprenticeships might focus on digital farm management tools. Piloting apprenticeships in non-ICT sectors will provide practical experience to youth trainees, significantly improving their employability and readiness for the evolving job market. • ***Run Recognition Schemes:*** The project can introduce light-touch incentives, such as recognition schemes and supervision support, to encourage MSME participation. For example, logistics companies adopting digital scheduling tools could be recognised for innovation, motivating further engagement and adoption of digital practices across the sector. **Recommendation 5: Improve Monitoring of Employment Outcomes:** • ***Review and Refine Systems Change ToC and Accompanying M&E Framework****:* Develop a refreshed M&E framework based on an updated conceptualisation of the systems-change ToC. • ***Launch Tracer Studies and other measurements in 2026****:* Initiate early tracer studies and other measurements to follow up on outcomes and impacts related to internships, apprenticeships, and entrepreneurship. By tracking participant journeys, the project will be able to demonstrate its contribution to employment and entrepreneurship, motivating continued investment and engagement. • ***Improve Digital Platforms for Tracking Outcomes at ESCs and Hanga hubs****:* Assign a dedicated team to digitise placement tracking via ESCs and monitor entrepreneurship journeys

	through Hanga hubs. Ultimately, these improvements will strengthen the visibility of employment and entrepreneurship outcomes, helping the project to adapt interventions and maximise impact. • ***Ensure Collection of Disaggregated Data***: Collect outcome data disaggregated by NEET, rural youth, sex, and disability status. The project team in Kigali can gather and analyse this data. This will help the project identify service delivery gaps and tailor interventions to reach marginalised groups more effectively. **Recommendation 6: Plan for the Second Phase**: • ***Establish the National Digital Skills Framework and System (Flagship Phase II Reform):*** Strengthen a National Digital Skills Framework with clear pathways. Scale digital campuses to all TVETs by end of year two of the second phase. Institutionalise continuous labour-market intelligence, setting up annual skills demand surveys and reporting mechanisms. • ***Expand Work-Based Learning into a National Apprenticeship Ecosystem***: *D*evelop sector-specific apprenticeship standards for at least five priority industries within two years. Aim to increase SME participation in apprenticeships by 30% by the end of the second year. Provide incentives for SMEs to host apprentices and track their engagement through the M&E system. • ***Establish a Youth Digital Enterprise Fund:*** Blend grants, loans, and mentorship, prioritising women, rural youth, and persons with disabilities. Link financing to SIYB/DYB certification and target at least 500 youth-led enterprises during the second phase of four to five years. • ***Strengthen Decentralised Governance and Coordination at district level:*** *A*cross all districts in the country. Use project diagnostics as shared evidence for planning. Introduce joint reporting standards across partners, with annual reviews to adjust strategies and targets. • **Consolidate Digital Job-Search and Labour-Market Information Systems**: Integrate job-matching tools with district employment centres. Expand digital literacy modules for job seekers. Link platforms to private job boards and sector associations, aiming for a 25% increase in platform usage by job seekers within two years.

	• ***Strengthen Social Dialogue at District and Sector Levels***: Establish district-level tripartite forums. Include gender and disability as standing agenda items. Expand dialogue to platform work, job quality, and fair transition issues, with biannual stakeholder meetings to review progress.
Main lessons learned and good practices	The project at the Mid-Term has the following twelve exemplary achievements, emerging good practices and lessons to offer — each one grounded in what worked in Rwanda and directly applicable to other African contexts, especially any country designing and implementing digital economy project focussed on digital skills, digital jobs, or youth entrepreneurship and employment. These emerging good practices and lessons are also applicable to countries where digital ecosystems are fragmented and centralised. 1. Start With Diagnostics Before Designing Interventions (good practice) 2. Institutionalise Tools Instead of Running Parallel Programmes (Lesson) 3. Use Multi-Stakeholder Governance Platforms - SSCs, Technical Advisory Groups (good practice) 4. Build Private Sector Engagement Mechanisms — Don't Assume It Will Happen (Lesson) 5. Decentralise Delivery to Reach Rural and Vulnerable Youth (Lesson) 6. Decentralised Delivery Systems Require Stronger Ecosystem Partners, Local Capacity and Coordination (Lesson) 7. Combine Digital Skills with Work-Based Learning (Good practice) 8. Digital Enterprises Need Tailored Financial Products (Lesson) 9. Apply Adaptive Management to Overcome Procurement and Capacity Constraints (good practice) 10. Use Innovation Challenges to Identify High-Capacity Innovative Local Partners (good practice) 11. Integrate Gender and Disability Inclusion into Programme Design - Not as Add-Ons (Good practice) 12. Use Social Dialogue to Strengthen Legitimacy and ILS Alignment (Good practice)

	Overall, the ILO Rwanda project demonstrates that successful digital economy programmes require evidence-driven design, strong institutionalisation, structured private sector engagement, decentralised delivery, access to finance, tailored financial products, social inclusion by design, tripartite governance, social dialogue for gig workers, adaptive management and System-level thinking. These emerging good practices and lessons are transferable and can potentially strengthen ILO's digital economy portfolio across different countries of the African continent.