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Report No: PAD3303

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT

IN THE AMOUNT OF SDR 55.8 MILLION
(US\$80 MILLION EQUIVALENT)

INCLUDING THE AMOUNT OF SDR 13.95 MILLION
(US\$20 MILLION EQUIVALENT)
FROM THE WINDOW FOR HOST COMMUNITIES AND REFUGEES

TO THE

REPUBLIC OF BURUNDI

FOR A

BURUNDI SKILLS FOR JOBS: WOMEN AND YOUTH PROJECT

June 3, 2021

Education Global Practice
Eastern and Southern Africa Region

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CURRENCY EQUIVALENTS
(Exchange Rate Effective April 30, 2021)

Currency Unit = Burundian Franc (BIF)

BIF 1,973 = US\$1

US\$1 = SDR 0.6963

FISCAL YEAR
July 1 — June 30

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ABBREVIATIONS AND ACRONYMS

| | |
|----------|--|
| AfDB | African Development Bank |
| AIB | Association of Industrialists of Burundi |
| BDS | Business Development Services |
| BPC | Business Plan Competition |
| BSF | Libraries Without Borders (<i>Bibliothèques Sans Frontières</i>) |
| CBA | Cost-Benefit Analysis |
| CCIB | Chamber of Commerce and Industry of Burundi |
| CEMs | Job Training Center (<i>Centres d'Enseignement des Métiers</i>) |
| CFA | Artisanship Training Center (<i>Centres de Formation Artisanale</i>) |
| CFP | Professional Training Center (<i>Centres de Formation Professionnelle</i>) |
| CHASSA | Sectorial Chamber of Arts and Crafts (<i>Chambre Sectorielle Art et Artisanat</i>) |
| COVID-19 | Coronavirus Disease |
| CPF | Country Partnership Framework |
| DA | Designated Account |
| DFID | Department for International Development |
| DISF | Digital Innovator Seed Fund |
| ECVMB | Integrated Household Living Conditions Survey (<i>Enquêtes sur les Conditions de Vie des Ménages au Burundi</i>) |
| ENABEL | Belgian Development Agency (<i>Agence Belge de Développement</i>) |
| ESCP | Environmental and Social Commitment Plan |
| ESF | Environmental and Social Framework |
| ESMF | Environmental and Social Management Framework |
| ESMP | Environmental and Social Management Plan |
| ESS | Environmental and Social Standards |
| ETS | Secondary Technical School (<i>Ecoles Techniques Secondaires</i>) |
| FM | Financial Management |
| GBV | Gender-Based Violence |
| GDP | Gross Domestic Product |
| GoB | Government of Burundi |
| HCI | Human Capital Index |
| ICT | Information and Communication Technology |
| IDP | Institutional Development Plan |
| IFC | International Finance Corporation |
| IFR | Interim Financial Report |
| IOM | International Organization for Migration |
| IPF | Investment Project Financing |
| IRR | Internal Rate of Return |
| LMP | Labor Management Procedures |
| M&E | Monitoring and Evaluation |
| MCP | Master Craftsperson |
| MNESR | Ministry of National Education and Scientific Research (<i>Ministère de l'Éducation Nationale et de la Recherche Scientifique</i>) |

| | |
|--------|--|
| MoU | Memorandum of Understanding |
| NDP | National Development Plan |
| NEET | Not in Employment, Education, or Training |
| NGO | Nongovernmental Organization |
| NPV | Net Present Value |
| OHS | Occupational Health and Safety |
| OPCS | Operations Policy and Country Services |
| PASEC | The Program for the Analysis of Education Systems (<i>Programme d'analyse des systèmes éducatifs de la CONFEMEN</i>) |
| PFS | Project Financial Statement |
| PIM | Project Implementation Manual |
| PIU | Project Implementation Unit |
| PoC | Person of Concern |
| POM | Project Operations Manual |
| PPSD | Project Procurement Strategy for Development |
| RAF | Administration and Finance Officer (<i>Responsable Administratif et Financier</i>) |
| RRRP | Regional Refugee Response Plan |
| SC | Steering Committee |
| SEAH | Sexual Exploitation, Abuse, and Harassment |
| SEP | Stakeholder Engagement Plan |
| SMEs | Small and Medium Enterprises |
| SOE | Statement of Expenditures |
| STEP | Systematic Tracking of Exchanges in Procurement |
| TA | Technical Assistance |
| ToR | Terms of Reference |
| ToT | Training of Trainers |
| TC | Technical Committee |
| TVET | Technical and Vocational Education and Training |
| UNDP | United Nations Development Programme |
| UNHCR | United Nations High Commissioner for Refugees |
| UNICEF | United Nations Children's Fund |
| WBG | World Bank Group |
| WHO | World Health Organization |
| WHR | Window for Host Communities and Refugees |
| WVI | World Vision International |
| YouWIN | Youth Enterprise with Innovation |



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DATASHEET

BASIC INFORMATION

| | | |
|--------------|--|--|
| Country(ies) | Project Name | |
| Burundi | Burundi Skills for Jobs: Women and Youth Project | |
| Project ID | Financing Instrument | Environmental and Social Risk Classification |
| P164416 | Investment Project Financing | Moderate |

Financing & Implementation Modalities

| | |
|---|--|
| <input type="checkbox"/> Multiphase Programmatic Approach (MPA) | <input checked="" type="checkbox"/> Contingent Emergency Response Component (CERC) |
| <input type="checkbox"/> Series of Projects (SOP) | <input checked="" type="checkbox"/> Fragile State(s) |
| <input type="checkbox"/> Performance-Based Conditions (PBCs) | <input type="checkbox"/> Small State(s) |
| <input type="checkbox"/> Financial Intermediaries (FI) | <input type="checkbox"/> Fragile within a non-fragile Country |
| <input type="checkbox"/> Project-Based Guarantee | <input type="checkbox"/> Conflict |
| <input type="checkbox"/> Deferred Drawdown | <input type="checkbox"/> Responding to Natural or Man-made Disaster |
| <input type="checkbox"/> Alternate Procurement Arrangements (APA) | <input type="checkbox"/> Hands-on Enhanced Implementation Support (HEIS) |

| | |
|------------------------|-----------------------|
| Expected Approval Date | Expected Closing Date |
| 25-Jun-2021 | 30-Oct-2026 |

Bank/IFC Collaboration

No

Proposed Development Objective(s)

The project development objective (PDO) is to improve access and market relevance of supported skills development training and entrepreneurship opportunities for youth, particularly for women and refugees.

Components

| Component Name | Cost (US\$, millions) |
|----------------|-----------------------|
|----------------|-----------------------|



| | |
|---|-------|
| Component 1: Improving Labor-Market Orientation of Skills Development | 50.00 |
| Component 2: Fostering Entrepreneurship | 20.00 |
| Component 3: Reinforcing Data Systems for Market-Oriented Skills Development, Project Management, and Monitoring and Evaluation | 10.00 |

Organizations

Borrower: Republic of Burundi
 Implementing Agency: Ministry of National Education and Scientific Research

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

| | |
|--------------------|-------|
| Total Project Cost | 80.00 |
| Total Financing | 80.00 |
| of which IBRD/IDA | 80.00 |
| Financing Gap | 0.00 |

DETAILS

World Bank Group Financing

| | |
|---|-------|
| International Development Association (IDA) | 80.00 |
| IDA Grant | 80.00 |

IDA Resources (in US\$, Millions)

| | Credit Amount | Grant Amount | Guarantee Amount | Total Amount |
|----------------|---------------|--------------|------------------|--------------|
| Burundi | 0.00 | 80.00 | 0.00 | 80.00 |
| National PBA | 0.00 | 60.00 | 0.00 | 60.00 |
| Refugee | 0.00 | 20.00 | 0.00 | 20.00 |
| Total | 0.00 | 80.00 | 0.00 | 80.00 |

Expected Disbursements (in US\$, Millions)



| WB Fiscal Year | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|----------------|------|------|-------|-------|-------|-------|-------|
| Annual | 0.00 | 5.00 | 22.50 | 22.50 | 17.50 | 10.00 | 2.50 |
| Cumulative | 0.00 | 5.00 | 27.50 | 50.00 | 67.50 | 77.50 | 80.00 |

INSTITUTIONAL DATA

Practice Area (Lead)

Education

Contributing Practice Areas

Finance, Competitiveness and Innovation

Climate Change and Disaster Screening

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

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

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

COMPLIANCE

Policy

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

Yes No



Does the project require any waivers of Bank policies?

Yes No

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

| E & S Standards | Relevance |
|---|------------------------|
| Assessment and Management of Environmental and Social Risks and Impacts | Relevant |
| Stakeholder Engagement and Information Disclosure | Relevant |
| Labor and Working Conditions | Relevant |
| Resource Efficiency and Pollution Prevention and Management | Relevant |
| Community Health and Safety | Relevant |
| Land Acquisition, Restrictions on Land Use and Involuntary Resettlement | Relevant |
| Biodiversity Conservation and Sustainable Management of Living Natural Resources | Relevant |
| Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities | Relevant |
| Cultural Heritage | Relevant |
| Financial Intermediaries | Not Currently Relevant |

NOTE: For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

Legal Covenants

Sections and Description

Schedule 2, Section I.A.1(i):

The Recipient shall recruit no later than 3 months after the Effective Date, and thereafter maintain, procurement specialist, financial management specialists; internal auditor; M&E specialist; two training engineering specialists; one social specialist with gender and GBV experience, one environmental specialist; each with qualifications, experience and terms of reference shall be acceptable to the Association;



Sections and Description

Schedule 2, Section I.A.1(ii):

The Recipient shall recruit no later than 6 months after the Effective Date, and thereafter maintain, an external auditor, with qualifications, experience and terms of reference shall be acceptable to the Association;

Sections and Description

Schedule 2, Section I.A.

The Recipient shall, not later than two (2) months after the Effective Date, establish and thereafter maintain, throughout the Project implementation period, with composition, mandate and resources satisfactory to the Association, a steering committee, to be chaired by the Minister of MNESR, or his representative, one vice chairperson, from the private sector, and to be comprised of, inter alia, representatives of the Recipient’s ministries responsible for Ministry of Public Service, Labor and Employment; Ministry of East African Community Affairs, Youth, Sports and Culture; Ministry of Finance, Budget and Economic Planning; Ministry of Environment, Agriculture and Livestock and the Ministry of National Solidarity, Social Affairs, Human Rights, as well as representatives from the private sector (“Steering Committee”).

Sections and Description

Schedule 2, Section I.A.

The Recipient shall no later than 2 months, establish and thereafter maintain, a technical committee, within the MNSER, with composition, mandate and resources satisfactory to the Association.

Sections and Description

Schedule 2, Section I.F.2

The Recipient shall not later than June 30 of each year, furnish the draft annual work plan and budget for the following year to the Association for its review, except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished not later than one (1) month after the Effective Date, and promptly thereafter finalize the draft annual work plan and budget, taking into account the Association’s comments thereon

Conditions

| Type | Financing source | Description |
|---------------|------------------|--|
| Effectiveness | IBRD/IDA | The Association is satisfied that the Recipient has an adequate refugee protection framework. |
| Effectiveness | IBRD/IDA | The Recipient has prepared a Project Implementation Manual, with contents, terms and conditions satisfactory to the Association. |



| Type | Financing source | Description |
|--------------|------------------|--|
| Disbursement | IBRD/IDA | <p>The Recipient shall undertake no activities under the CERC Part (and no activities shall be included in the CERC Part) unless and until the following conditions have been met in respect of said activities:</p> <p>(a) The Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and</p> <p>(b) The Recipient has prepared and disclosed all safeguards instruments required for said activities, in accordance with the CERC Operations Manual, the Association has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments.</p> |



I. STRATEGIC CONTEXT

A. Country Context

1. **Burundi has shown capacity for growth during periods of stability.** This landlocked country in the Great Lakes Region is the second most densely populated country in Africa, with a population of 11.5 million. Burundi has experienced high institutional and social fragility since its independence in 1962, with coups, regime changes, and political volatility generating cycles of violence and unrest that caused significant human loss, internal displacement and refugees. The stabilizing 2000 Arusha Peace Accords and democratic elections in 2005 paved the way for Burundi's accelerated growth. Between 2007 and 2014, growth averaged 4.3 percent annually, driven largely by the expansion of services followed by the industrial sector. However, the turmoil following the 2015 presidential elections plunged the country into a political crisis leading to a sharp decline in external support from major donors. Gross domestic product (GDP) declined by 3.9 percent in 2015, driven by a sharp drop in the urban formal and semiformal economy that is largely dependent on development aid. Burundi's economy began showing signs of economic recovery in 2017. Although GDP decelerated by 0.3 percent in 2020 due to the effects of Coronavirus Disease (COVID-19), in the scenario that the pandemic is brought under control in 2021, economic growth is projected at 2-3 percent during 2021-23.¹

2. **Burundi's economic and social development have been constrained by the dominance of low-productivity agriculture and limited economic diversification.** Agriculture contributes to 39.6 percent of GDP but continues to employ 83.5 percent of the population. While commercial agricultural production (tea, coffee, palm oil and cotton) is critical for the country's economic competitiveness and generates more than 40 percent of export revenues, a bulk of the population is engaged in subsistence farming where livelihoods are increasingly difficult to sustain because of high population growth and land degradation. The nascent industrial sector (consisting mainly of construction, agricultural processing, brewing, and energy) contributes 11 percent to GDP and employs 1.9 percent of the population, while the burgeoning tertiary sector now accounts for close to half of GDP and employs 10.7 percent of the population in services and 3.9 percent in trade. The Burundi National Development Plan for 2018–2027 (NDP) emphasizes the need to upgrade the skills of the country's workforce, improve the productivity of those working in agriculture, enable self-employment and entrepreneurship, and invest in the digital economy to foster economic growth and increase employment opportunities.

3. **Harnessing the power of youth will allow Burundi to foster robust growth.** With approximately 19 percent of its population ages 15–24 as of 2020, Burundi's youth are the country's most abundant asset. These youth represent over 35 percent of the workforce (ages 15 years and above) and are the foundation to a stable future. As a result of significant investments in health care and basic education over the last 15 years, this large, economically active cohort is also healthier and more educated than previous generations. For instance, Burundi's gross enrollment rate increased from 58 percent in 2000—one of the lowest in Sub-Saharan Africa—to 126 percent in 2017. The average schooling of the working population—and consequently worker productivity—will increase because of more educated younger cohorts. Worker productivity could improve even faster if further progress is achieved on the Human Capital agenda, including by empowering female youth to accelerate the demographic transition. The Human Capital

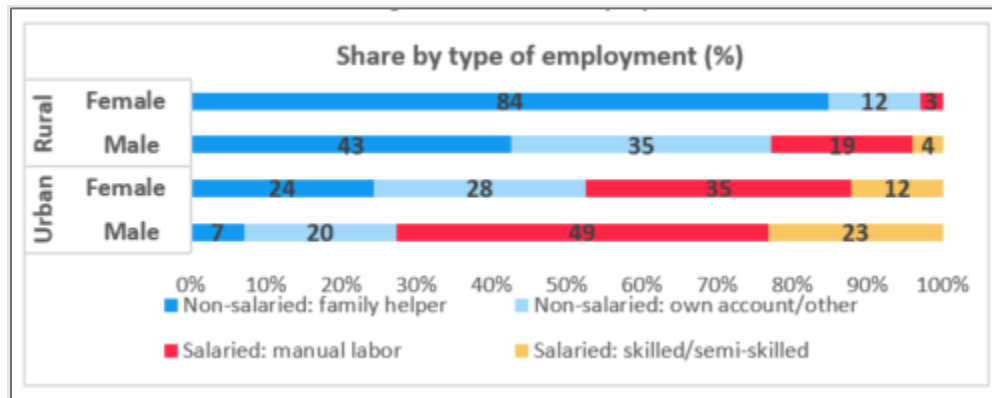
¹ World Bank Macro Poverty Outlook 2021. http://macropovertyoutlook.worldbank.org/mpo_files/mpo/mpo-sm21-bdi-scope.pdf



Index (HCI) illustrates that if Burundi, with its HCI score of 0.39 in 2020, achieves full health and complete education for its youth, GDP per worker would be 2.6 times higher than the current status quo.

4. **Investments in the skills of youth, especially of female youth, will allow Burundi to fully capitalize on the potential of Burundi’s workforce.** Approximately 150,000 young Burundians enter the labor market every year, with nine out of ten employed by the informal economy. According to official statistics, 14 percent of youth are not in employment, education or training (NEET). While Burundi remains a predominantly rural country (87 percent of the population are rural) the urban growth rate of 5.7 percent between 2000-2019 is one of the highest in the region, with over half of the urban population (61 percent) living in Bujumbura. However, increased urbanization has not translated evenly into more economic opportunity, particularly for the youth, and unemployment in Bujumbura worsened from 20.0 to 32.9 percent between 2014 and 2017. While women account for 52.7 percent of the workforce, but nearly all of those employed work in agriculture (96 percent of women versus 88 percent of men). In urban areas, 52 percent of women are engaged in non-salaried work, compared to 27 percent of men. In rural areas, only 3 percent of working women are employed in salaried work (Figure 1). The lack of skills and quality jobs for women has repercussions for women’s fertility decisions, and, ultimately, for the development of Burundi (see Box 1). Burundi’s Utilization-Adjusted HCI—a measure that captures how efficiently human capital is used in productive activities—is 0.28 for men and 0.32 for women.

Figure 1. Share of Employment across Urban and Rural Areas



Source: Enquête sur les Conditions de Vie des Ménages au Burundi (ECVMB, Integrated Household Living Conditions Survey) 2013–2014.

5. **With the right institutions and policies in place, gainfully employed youth, including young women, can increase the country’s capacity to save and make crucial investments** in physical capital, job training, and technological advancement, which could ultimately yield a rich demographic dividend for Burundi. Recognizing this potential, the Government has undertaken a reform agenda focused on improving access to quality education and youth employability and expanding economic opportunities for vulnerable groups such as the poor, women, and refugee and host communities.² Likewise, expanding

² World Bank Group Country Partnership Framework (CPF) for the Period FY19–FY23. <https://openknowledge.worldbank.org/bitstream/handle/10986/32114/Burundi-Country-Partnership-Framework-for-the-Period-FY19-FY23.pdf?sequence=1&isAllowed=y>; The reform agendas are outlined in Burundi’s National Development Plan (NDP) (2018–2027) and its National Youth Policy (2016–2026).



access of youth—both Burundi and refugee youth—to skills training and jobs will promote job creation and access to the labor market, thereby helping address critical factors affecting fragility in the country.³

Refugee Context

6. **Burundi is home to a large refugee population.** As of March 2021, Burundi was host to 75,448 refugees and asylum seekers, nearly all of whom are from the Democratic Republic of Congo.⁴ Over the last three years, 10,000 refugees have come to Burundi per year. Youth ages 15–24 years comprise 22 percent of the refugee population, with 11 percent being female youth, and approximately 9 percent of youth being persons with disabilities. Of the refugee population, some of whom have been in the country since the 1990s, 60 percent live in one of the five refugee camps located in four northeastern provinces.⁵ The remaining 40 percent live outside the camps, mostly in Bujumbura and in the provinces of Gatumba de Bujumbura Rural, Rumonge, Gihanga in Bubanza, Nyanza-Lac de Makamba, and Rugombo from Cibitoke. In Burundi, the host communities are the areas outside refugee camps. The most concentrated host communities are in the four provinces where the refugee camps are located and in Bujumbura and in the abovementioned provinces where most non-camp-based refugees reside.

7. **Burundi has demonstrated its openness and commitment to providing adequate protection to refugees over the last years, but the management of this situation is constrained by economic and political challenges.** In terms of a legal and institutional framework, Burundi is party to several international conventions and has enacted national laws related to addressing refugee issues. The country is a signatory to the 1951 Refugee Convention and 1967 Protocol. Law 1/32 of 2008 on Asylum and Protection of Refugees is consistent with international law. The World Bank, following consultation with the UNHCR, confirms that the protection framework for refugees continues to be adequate in Burundi.⁶ The World Bank will continue to coordinate with the UNHCR and monitor the refugee protection framework to ensure its adequacy over the project duration.

8. **The Government of Burundi (GoB) has provided an update to its 2018 Strategy in support of host communities and refugees;** this strategy has been deemed satisfactory and allows Burundi to meet one of the requirements for accessing the Window for Host Communities and Refugees (WHR) financing under IDA19.⁷ The 2018 Strategy, prepared as part of the eligibility process for accessing funds under the IDA18 sub-window for refugees and host communities, sought to (a) support area-based development approaches that will benefit both refugees and host communities and, in so doing, foster peaceful interaction between the two groups; (b) support agricultural livelihood for all; and (c) promote refugee

³ International Labour Organization. 2015. *Employment and Decent Work in Fragile Settings: A Compass to Orient the World of Work Drivers and Dynamics of Fragility in Africa*; African Development Bank. 2013. *Africa Economic Brief*.

⁴ Large numbers of the more than 400,000 Burundians who fled the country after the 2015 political instability are now beginning to return, with the United Nations High Commissioner for Refugees (UNHCR), and nearly 60,000–100,000 Burundian returnees are expected to be repatriated in 2021. Around 80 percent of the refugees are women and children.

⁵ Ruyigi Province, Muyinga Province, Ngozi Province, and Cankuzo Province.

⁶ Following the August 2020 update, the UNHCR had not updated its Refugee Protection Assessments in February 2021; however, the UNHCR has confirmed that there have been no significant or material changes to the refugee protection framework since August 2020.

⁷ Other eligibility criteria include that the country hosts at least 25,000 refugees or at least 0.1 percent of the country's population, according to the UNHCR data, and that the country adheres to an adequate framework for the protection of refugees, with adequacy determined by the World Bank in consultation with the UNHCR.



self-reliance.⁸ Following the 2018 Strategy, refugees have been given the right to choose to live in camps or urban settings, protection for refugees on national territory has been enhanced, and self-reliance of refugees in camps has been expanded. Likewise, since the 2018 Strategy, host communities have benefitted from support to refugees, such as from the World Bank-financed Integrated Community Development Project (P169315). The UNHCR and other humanitarian and development partners have also supported projects and activities to protect refugees and asylum seekers in Burundi and address forced displacement. Through a World Bank-supported intergovernmental platform, Burundi has also begun discussions to promote knowledge sharing and learning with the Governments of the Democratic Republic of Congo, Rwanda, Tanzania, Uganda, and Zambia. The 2021 update to the 2018 Strategy, the Strategic Note for the Support of Host Communities and Refugees in Burundi (the Note), calls for refugee youth to develop in-demand skills through tailored vocational training and expand access to financing and complementary support for starting entrepreneurial ventures to enable progressive empowerment of refugees and host communities. The Note likewise identifies the need to address the inactivity of the working population in refugee camps in general and refugee youth and women in particular. Improvement in the cohesion between refugees and host communities is indicated as a key objective of the Note.

B. Sectoral and Institutional Context

9. **Since 2005, the GoB has made impressive gains in building the foundational skills of its youth by simultaneously expanding access to education and ensuring its quality in the primary years.** With the introduction of free primary education in 2005, Burundi's youth have access to more schooling—the gross primary enrollment rate is over 120 percent (versus approximately 58 percent in 2000). Likewise, gross enrollment in lower secondary, increased from 32 percent in 2010 to 52 percent in 2020, and the expected years of school during the same period increased from 6.4 to 7.6 years. With increased access, the Government has made concerted efforts to ensure the quality of foundational learning, investing in high-quality instruction in the mother tongue (Kirundi) in the early grades, building a cadre of qualified and dedicated teachers, and fostering community engagement and support.⁹ The results from the *'Programme d'analyse des systèmes éducatifs de la CONFEMEN'* (Programme for the Analysis of Education Systems) (PASEC) student assessment indicate that children in Burundi perform better than their peers in other Sub-Saharan African Francophone countries in reading and mathematics, especially in the early grades. Despite exceptional gains in primary schooling, the country still faces challenges in secondary education where gross enrollment is 45 percent.

10. **As Burundi expanded education opportunities, girls were not left behind.** Following the introduction of free primary education in 2005, girls' enrollment increased sharply until gender parity in primary enrollment was achieved in 2011. In 2020, more girls enrolled in primary and secondary school

⁸ The strategy also includes a commitment to guarantee full freedom of movement for refugees, consistent with Law 1/32 of November 13, 2008, on Asylum and Protection of Refugees in Burundi. The strategy sets out two important points to guide government and international community action. First, it recognizes that humanitarian assistance must be complemented by development responses to address instances of protracted forced displacement. Second, the strategy identifies that the development response should integrate the needs of refugees and host communities, both of whom face similar challenges of inadequate access to basic services and insufficient livelihood opportunities.

Since then, the Government has established the Interministerial Committee for the Preparation of the Integrated Community Development Project in Burundi which, with support of the World Bank, prepared the Integrated Community Development Project (P169315).

⁹ World Bank. Africa Human Capital Plan Deep Dives. <https://pubdocs.worldbank.org/en/654061554987621944/HCP-Africa-Deep-Dives.pdf>



compared to boys, with girls expected to complete half a year more of schooling than boys (figure 2).¹⁰ Increased education for girls also has implications for other important adolescent outcomes.¹¹ Young women in Burundi today get married at a later age than their peers in other East African countries (at the age of 23), and adolescent girls between the ages of 15 and 19 also have fewer children than their peers in other East African countries (55 pregnancies per 1,000 women in 2018 [figure 3]).

Figure 2. Burundi’s Schooling Outcomes in the HCI, Girls and Boys

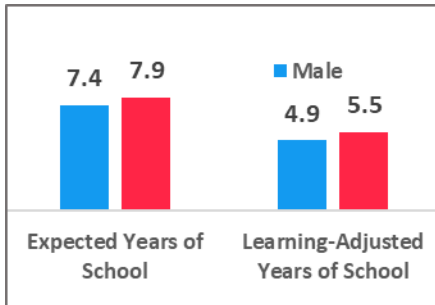
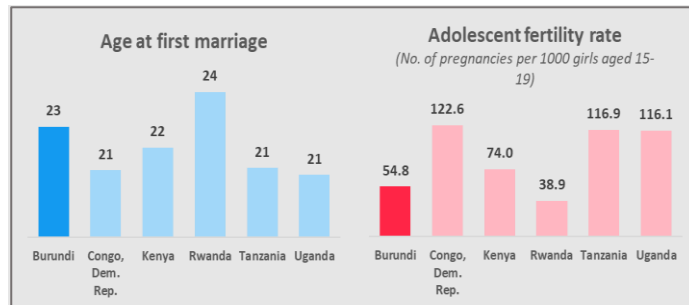


Figure 3. Age at First Marriage and Adolescent Fertility Rates in Burundi



Source: World Development Indicators, World Bank.

11. **The country has also seen improvements in secondary schooling, but completion rates remain low.** About 76 percent of children in primary progress to secondary school and secondary gross enrolment rates doubled in the last decade from 23 percent to 45 percent (figure 4). Girls are now enrolled in greater numbers than boys, and the country has a Gender Parity Index of 1.15. However, completion rates remain low at 30 percent (below the Sub-Saharan average of 44 percent) and have shown a downward trend post the political instability following the 2015 Presidential Elections (figure 5). While there are many factors driving low completion rates, overage enrolment is high (over 40 percent of 13–15-year-old students are enrolled in primary) and at 24 percent the country has some of the highest repetition rates in the region. Overage enrolment is often seen in post conflict countries as students re-enter the system once peaceful conditions are established; however, these students are also at greater risk of dropping out either because they get dissuaded or because they are pulled into the labor market to financially support their family. Girls are at even greater risk due to teenage pregnancy (box 1).

¹⁰ According to the HCI, the expected years of school is 7.9 for girls and 7.4 for boys; learning adjusted years of schooling is 5.5 for girls compared to 4.9 for boys.

¹¹ A study of Ghana’s free compulsory universal basic education found that girls who were exposed to free compulsory universal basic education had higher age at first marriage and lower fertility than girls who were not exposed to this reform.



Figure 4. Secondary Enrolment Rates (Gross), Girls and Boys

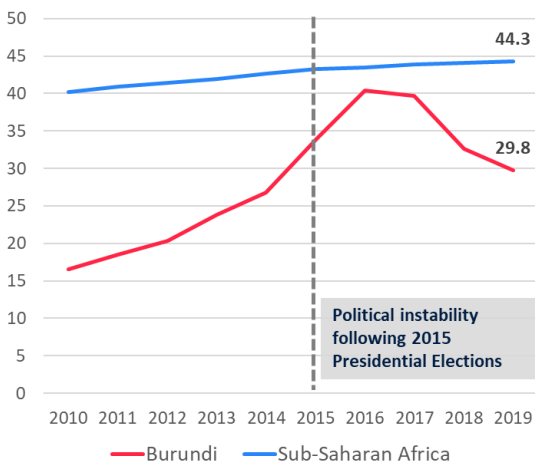
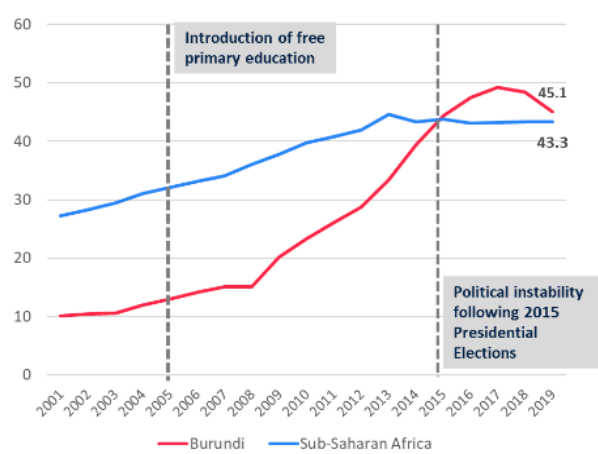


Figure 5. Lower Secondary Completion Rates (Gross), Girls and Boys

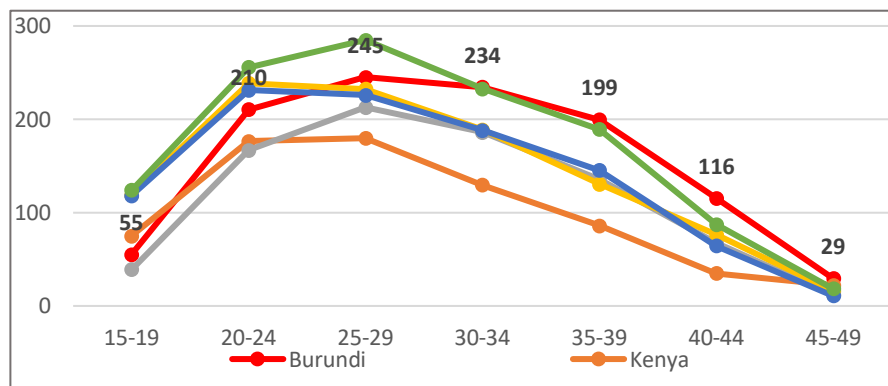


Source: World Development Indicators, World Bank

Box 1. Boosting Women’s Empowerment and Employment Opportunities

Burundi’s fertility rates are low for women ages 15–19 compared to other East African countries; however, these rates rise sharply for women ages 20–45 (figure 6). The country’s age-specific fertility rates for women ages 30–45 are the highest in the region, and its total fertility rate of six pregnancies per woman is the seventh highest in the world. With such persistently high fertility rates, Burundi’s population is expected to double by as early as 2040.

Figure 6. Age-Specific Fertility in East Africa



Source: World Population Prospects, 2019 Revision, United Nations Population Division.

While improving the access to contraceptives is necessary for reducing fertility rates, it is not sufficient. Fertility rates are closely tied to women’s education and employment outcomes. High fertility limits girls’ education and, hence, their participation in the workforce. This leaves most women in informal jobs that are low-productivity, low-skill, and low-wage, which deters Burundi’s realization of the demographic dividend. Providing women with job opportunities can increase the opportunity cost of having more children and, consequently, reduce fertility rates. For instance, a study in rural Senegal found that female employment reduced the number of children per woman by about 16 percent to 25 percent of the sample average (Van den Broeck and Miet Maertens 2015).¹²

¹² Goedele Van den Broeck & Kaat Van Hoyweghen & Miet Maertens, 2016. "Employment Conditions in the Senegalese Horticultural Export Industry: A Worker Perspective," Development Policy Review, Overseas Development Institute, vol. 34(2), pages 301-319, March.



Similarly, studies of women employed in light manufacturing in India and Bangladesh showed that these women had lower desired fertility (Sivasankaran 2014)¹³ and fewer children (Kabeer et al 2013).¹⁴

Better opportunities for women to earn and control income could contribute to broader economic development in Burundi. However, currently only 33 percent of girls complete secondary school and opportunities for skill development beyond secondary school are limited (of women ages 15–24, only 1 percent in rural areas and 2 percent in urban areas reported receiving any skills training or apprenticeship).

Burundi can encourage the participation of women in the workforce by expanding access to quality professional and technical training and supporting female entrepreneurs to build and grow their businesses. Experience from other countries has shown that female participation rates improve once the range of sectors covered in technical institutions and apprenticeship systems is broadened toward service sector professions, and getting women into traditionally male-dominated sectors can boost their incomes as well as that of their households. The challenge is to broaden the range of training programs offered toward digital jobs and trade specializations with high growth potential in the labor market that are more attractive to young women. In addition, sensitizing young women on the benefits of entering a vocational career and improving the attractiveness of training institutions for females can be effective in supporting increased female participation in skills development. Examples of sensitization approaches include employing more female teachers and reducing the gender bias of existing teachers and personnel; adopting flexible schedules and providing travel stipends; enhancing accessible sanitary facilities; introducing women-targeted counselling, mentoring, and peer groups; and adopting a strong and accessible anti-sexual harassment policy.

12. Without a robust secondary education, the majority of Burundi’s youth, particularly women, enter the labor market without the necessary technical and professional skills and entrepreneurship opportunities required to foster economic growth in the country. This calls for strong foundational skills and a balanced technical and professional skills development system, combining training at universities and at technical and vocational education and training (TVET) institutions with flexible, non-formal skills development options, and the recognition of informal skills development. In the context of the fourth industrial revolution, workers, technicians, and professionals at all levels will also need to be digitally proficient to be productive in the 21st century labor market. For entrepreneurial ventures to be successful, youth need to be equipped with the necessary knowledge and skills to design, finance, and manage start-up businesses. Refugee youth in particular face the same needs as the Burundian youth, as well as language training and access to resources, to enable them to build skills that they can apply in Burundi and contribute to the local economy or at their final destination (see Box 2).

Box 2. Education and Skills of Refugee Youth in Burundi

In Burundi, refugees residing in camps are provided with free assistance by the UNHCR, while refugees residing outside camps in urban areas must generally cover their own costs (for example, for education, health care, food, and housing). A pass is required for refugees to leave the camps for any reason, and refugee students and youth can request a special pass to leave the camp for educational purposes. Nursery, primary, and secondary education is offered in the camps and in the host communities; however, vocational and higher education institutions are available only outside the camps. The UNHCR also supports targeted training to refugees in urban areas.

Students within the refugee camps are provided with learning materials, including textbooks, and support in passing exams at the end of primary and secondary education. The UNHCR also supports school construction and recruitment and salaries of teachers inside the camps. The UNHCR also supports training in the Kirundi language

¹³ Anitha Sivasankaran, 2014. “Work and Women’s Marriage, Fertility and Empowerment: Evidence from Textile Mill Employment in India,” Harvard University.

¹⁴ : Naila Kabeer , Kirsty Milward & Ratna Sudarshan (2013) Organising women workers in the informal economy, Gender & Development, 21:2, 249-263, DOI: 10.1080/13552074.2013.802145



inside the refugee camps and for refugees residing in urban areas. Also, in urban areas of Bujumbura and Gatumba, United Nations Children’s Fund (UNICEF) and the UNHCR have provided school kits to children in public schools and travel subsidies and learning materials to students with special needs. Students in camps who successfully complete secondary education are supported by the UNHCR to enroll in universities for three years in Burundi through the Albert Einstein German Academic Refugee Initiative (DAFI) program, with approximately 70 students entering the program every year. Secondary school graduates who do not go to university, or those who have not graduated from secondary school, are offered training in the camps, such as theoretical training, practical training, and internships, including training in trades (for example, sewing, auto mechanic, and masonry) with support of the UNHCR. Outside the camps, refugee students and youth lack school kits and uniforms. Also, within camps, the UNHCR works with partners such as Libraries Without Borders (BSF) to provide digital skills training.

Refugee youth can access training opportunities outside the refugee camps by providing the Refugee Identification Card and other requirements specified by the institution for admission. The most significant obstacle to accessing training, apprenticeship, and entrepreneurship opportunities outside the refugee camps is the lack of financial means, including to pay for training opportunities; travel to training centers; and obtain financing from a bank to pursue further skill building and start ventures, which require up-front collateral and guarantees that many refugee youth lack. Likewise, lack of assets, land, and networks limit entrepreneurship opportunities that refugee youth can pursue. An additional key obstacle is the often long wait time to receive a certificate of equivalence to confirm a secondary school diploma. While refugee youth have the legal right to work in Burundi, in practice obtaining access to employment in formal structures is limited, and refugee youth are primarily employed in the informal sector, such as in small restaurants, vehicle garages, or hairdressing salons. Due to the overall limited number of employment opportunities outside the camps, many refugees choose to remain in the camps increasing their reliance on aid.

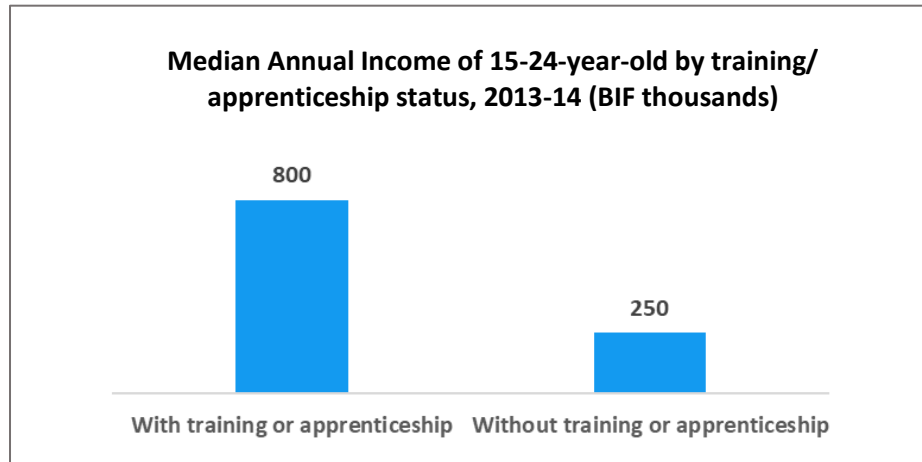
13. **Delivering on this mandate will require transformative thinking to reform the skills training sector to provide the opportunity for youth, including female youth, to build critical digital skills and engage in entrepreneurship** by (a) enhancing performance and accountability of the formal training sector by systematically deepening the involvement of industry in line with market needs, (b) modernizing and expanding informal apprenticeship training, (c) building digital skills increasingly required for jobs across all sectors and accessing information (such as on training and job opportunities), (d) promoting entrepreneurship to generate new jobs and employment demands, and (e) addressing the need for ‘soft’ skills (such as problem solving, critical thinking, and socioemotional) and applying these skills to support the development of the 21st century knowledge economy.

Enhancing Labor Market Responsiveness of the Skills Training System

14. **Skills are rewarded in Burundi’s labor market.** Burundians who report receiving technical or vocational training or apprenticeships earn three times more than those who report not receiving skill training (without controlling for other differences between the two groups [figure 7]). Among the workforce, being semiskilled or skilled leads to a salary that is 2.5 times higher for male workers, and more than four times higher for females, compared to manual labor. At the same time, firms in the private sector raise the issue of the lack of low- and medium-level technical and professional skills across all industries.



Figure 7. Share of Youth with Technical or Vocational Training or Apprenticeship



Source: ECVMB 2013–2014.

Note: The US dollar-Burundian franc exchange rate in 2013/14 was about BIF 1,500 per US\$1.

15. **The potential resources for skills development training remain underused.** Opportunities to strengthen the responsiveness of the training supply to the development needs and skills requirements in the labor market can be further exploited. Currently, in Burundi, the opportunities for Burundian youth to acquire relevant skills training are limited, especially for women. Enrolling in formal skills development through the formal TVET system is dependent upon passing the grade 9 national exam at completion of basic education—students who pass (generally 30 percent) are eligible to enroll in secondary technical schools (*Ecoles Techniques Secondaires*, ETSs) and professional training centers (*Centres de Formation Professionnelle*, CFPs), and students who do not pass (including those who do not attend up to grade 9) are eligible for formal training in job training centers (*Centres d’Enseignement des Métiers*, CEMs) and artisanship training centers (*Centres de Formation Artisanale*, CFAs) (see annex 3 for an overview of the existing system of formal skills training institutions). While the coverage of technical and vocational training has increased, formal TVET centers and schools admit only approximately 25,000 youth each year¹⁵ and only six percent of young males and two percent of young females in urban areas, and one percent of young males and females in rural areas report any technical or professional training or apprenticeship. Social norms around gender limit the time adolescent girls or young women have to pursue skills training and also dictate the type of training they are likely to pursue. While gender-disaggregated data on enrollment in training by sector are not currently available, consultations with development partners revealed that the small share of female youth who enroll in formal skills training or seek informal apprenticeships are more likely to opt for professions deemed suitable for women such as sewing and hairdressing. Female youth are less likely to acquire skills in highly remunerative sectors of the economy; for instance, according to the Ministry of National Education and Scientific Research (*Ministère de l’Education Nationale et de la Recherche Scientifique*, MNESR¹⁶), of the already small number of students enrolled in information and communication technology (ICT) courses in 2017/18 (3,431 students), only 25 percent were female.

¹⁵ In discussions with the private sector during the recent preparation of the World Bank-financed Local Development for Jobs Project.

¹⁶ Formerly the Ministry of Education and Technical and Professional Training (*Ministère de l’Enseignement de la Formation Technique et Professionnelle*, MEFTP).



16. **To improve relevance of skills development for employment, Burundi has made strides to increase cooperation between the TVET system and the private sector.** This represents an important step in improving the market orientation of skills development. At the national level, a partnership agreement between the GoB and the private sector, with the aim of better aligning training and employment, was signed by the MNESR; the Ministry of Civil Service, Labor, and Employment (*Ministère de la Fonction Publique, du Travail et de l'Emploi*); and several private sector organizations in June 2014. At the level of training delivery, memoranda of understanding (MoUs) have been signed between several CEMs and members of the sectoral chambers of arts and crafts. These agreements provide for joint management of pedagogical support units and are likely to be expanded to more CEMs. Close collaboration with the private sector has also emerged in the development of training programs for CEMs and CFPs by the Centre for Professional Competency Development and the formulation of a framework for national qualifications.

17. **While the Government is scaling up its investments in skills development institutions, institutional structures must also be strengthened to ensure quality and sustainability of reforms.** Specifically, supportive and regulatory capacities must be strengthened to ensure that the growth in the number of institutions and programs is accompanied by good and motivated teachers and instructors, innovative delivery systems to improve the teaching and learning, and systems for industry involvement.¹⁷ Strengthening the training system and the policy and regulatory environment for skills development is particularly critical for the Government to coordinate ongoing and future investments (including from development partners) in the skills space and ensure sustainable results (see annex 4 for donor mapping).

Modernizing and Expanding Informal Apprenticeship

18. **Informal apprenticeship is among the most effective pathways for youth to transition to employment and acquire skills required in a rapidly changing labor market.**¹⁸ Contrary to formal skills development, apprenticeship training, which is delivered by enterprises and within enterprises, is by nature demand driven and linked to the real world of work and labor market needs. International experience shows that apprenticeship training facilitates an early link of learners to the labor market. It is also the most accessible skills training opportunity for youth with low education and from poor households.¹⁹ Formal vocational programs are rarely tailored to their specific needs, constraints, and potential. Instead, the large and self-sustaining system of informal apprenticeships provides training for many of these youth and supports the development of skills needed in the informal economy.²⁰

19. **Despite its wide acceptance in the informal sector, the quality of skills development through informal apprenticeship is curtailed by skills limitations of the master craftspersons (MCPs), especially in relation to modern technology and business practices.** Furthermore, such training in the informal

¹⁷ For example, the Government of Gombe State has opened five new technical centers over the last year. New schemes to increase short-term employability skills training has been launched by the Federal Government, for example, through the N-Power scheme of the Office of the Vice President, and by states, for example the Lagos State Employment Trust Fund.

¹⁸ See, for example, Adams, Arvil Van. 2007. *The Role of Youth Skills Development in the Transition to Work: A Global Review*. Washington, DC: World Bank; Biavaschi, Constanza, Werner Eichhorst, Corrado Giulietti, Michael J. Kendzia, Alexander Muravyev, Janneke Pieters, Nuria Rodriguez-Planas, Ricarda Schmidl, and Klaus F. Zimmermann. 2012. *Youth Unemployment and Vocational Training*. Background Report to the World Development Report 2013.

¹⁹ An overview about informal apprenticeship training practice in Africa is provided in World Bank. 2017. *Apprenticeship Training in Africa*. World Bank Africa Regional Study on Skills Background Paper.

²⁰ Adams, Arvil V., Sara Johansson de Silva, and Setareh Razmara. 2013. *Improving Skills Development in the Informal Sector: Strategies for Sub-Saharan Africa*. Directions in Development. Washington, DC: World Bank.



sector does not provide a route into the formal labor market as learning outcomes of informal apprenticeships are usually not certified or formally recognized.²¹ Modernizing this informal apprenticeship system by improving its quality and linking it to formal certification has become an important approach to broaden access to market-relevant skills training in many other African countries, including in Ghana and Nigeria.²² In Burundi, the Belgian Cooperation (ENABEL) is providing financial and technical support to 13 pilot CEMs/CFPs in eight provinces, in partnership with the Sectorial Chamber of Arts and Crafts (CHASSA) under the Federal Chamber of Commerce and Industry, and to a newly established cooperative to promote and commercialize products by centers and Chamber of Trades and Craftsmen. Among the sectors targeted by ENABEL are agriculture and livestock, construction, beauty services, aquaculture, and beekeeping. Refugee youth outside the camps have the same access as non-refugee youth to take advantage of apprenticeships outside the refugee camps, and the UNHCR facilitates apprenticeships inside the camps.

Developing Digital Skills Required for the Modern Economy

20. **In developing its skills strategy, Burundi seeks to improve the existing skills in the traditional economy while building skills for the changing world of work driven by digital transformation.** The International Finance Corporation's (IFC) study *Digital Skills in Sub-Saharan Africa* (2019) estimates that by 2030 up to 50 percent of all jobs in Africa will require digital skills.²³ Digital skills is thus a cross-cutting skill required by all youth. Burundi will need new digital skillsets ranging from basic digital literacy to advanced, specialized digital skills and professional competencies for ICT professions in different sectors of the economy, including its traditional sectors, to increase competitiveness and generate new jobs. Digital skills can likewise empower and create new opportunities for individuals who have difficulties in accessing traditional job markets, enabling entry into the job market for vulnerable and previously unemployed youth including female youth. Digital skills also expand access to jobs outside Burundi, in the region and around the world, and especially for refugee youth who may wish to return to their country of origin or continue to another country as their final destination.

21. **Despite high demand for digital skills from employers and students, the supply and quality of training is limited.** In stakeholder consultations for Burundi's Digital Economy for Africa assessment, small and medium enterprises (SMEs) and large corporations, particularly in the telecom sector, indicated considerable unmet demand for skilled ICT professionals. There is also high demand for digital skills training among students who see the value and potential employment opportunities from having digital skills, as evidenced by the oversubscription to digital skills courses at higher education institutions. However, supply is constrained. The University of Burundi has only 117 students enrolled in ICT-related courses, of which only 14 students are female despite over 500 qualified applicants applying for admission every year. While some TVET and higher education institutions offer intermediate and advanced digital skills training, the existing capacity is weak. The TVET and higher education institutions lack competent teachers and relevant curricular content for digital skills; they have limited access to digital infrastructure

²¹ The trade testing system is theoretically open for informal sector workers but is not widely used by apprenticeship completers.

²² For example, the World Bank-supported Innovation Development and Effectiveness in the Acquisition of Skills (IDEAS) Project in Nigeria provides a comprehensive approach to modernize and improve the wide-spread informal apprenticeship system in the country and link it to qualifications on the National Skills Qualifications Framework. The World Bank is also involved in supporting apprenticeship training in the informal sector in Ghana.

²³ https://www.ifc.org/wps/wcm/connect/ed6362b3-aa34-42ac-ae9f-c739904951b1/Digital+Skills_Final_WEB_5-7-19.pdf?MOD=AJPERES&CVID=mGkaj-s.



such as computer terminals, digital equipment, and low connectivity and no national digital skills framework. For refugee youth in particular, the UNHCR supports initiatives of organizations such as BSF to deploy technology-supported learning to refugees inside camps, including digital skills training.²⁴

Fostering Entrepreneurship

22. Unleashing the potential of the private sector, by removing key binding constraints and encouraging transformational young entrepreneurs, will allow Burundi to create new and better jobs.

The country must overcome two challenges to boost opportunity entrepreneurship and enable entrepreneurs to grow their business faster, employ more people, and introduce innovation that could help fill important gaps in the market, while increasing productivity in the economy. To boost opportunity entrepreneurship, the first challenge is to create a new generation of entrepreneurs who are willing to take risks; have drive; and can leverage existing resources, capacity, and opportunities. The second challenge is to improve the entrepreneurship ecosystem, which currently does not meet the needs of entrepreneurs (see annex 9). One of the main drivers of conflict and instability in Burundi is the lack of economic opportunity, especially for youth, and building the entrepreneurial skills of refugee youth and host community youth can facilitate the creation of new economic opportunities to help address these challenges.

23. Access to capital is cited as a key constraint by entrepreneurs but fostering the supply of start-up capital is not enough.

The investment readiness or quality of the demand is also crucial. While young entrepreneurs, in Burundi and elsewhere, often have innovative ideas, many do not have these ideas fine-tuned to the stage where they can attract funding to develop and commercialize a minimum viable product or service. As international experiences show, the solution will require a mix of instruments that simultaneously address several entrepreneurial barriers. Ecosystem intermediaries can play an important role in supporting transformational entrepreneurs and addressing the supply and demand gap. Access to capital is a key constraint for refugee youth because they face the challenge of providing the required collateral to secure financing, which most refugee youth lack.

24. Female youth face greater constraints in accessing capital and building the necessary entrepreneurial skills to build a successful business.

Women have fewer assets than men. In Burundi, of the 80.2 percent of the population that owns land, 62.5 percent are men and 17.7 percent are women.²⁵ Facing discrimination in customary inheritance laws and challenges in accessing formal lines of credit due to lack of collateral, female-owned businesses tend to have slower growth and lower profits than male-owned businesses. Female entrepreneurs need training that allows them to overcome social gender roles and an aversion to risk and develop an 'entrepreneurial mindset' to, for example, look for ways to differentiate their business from others, anticipate problems, overcome setbacks, and foster planning skills to create opportunities.

²⁴ Support includes providing devices and digital content and conducting basic digital skills training. The BSF has three main platforms for using education technology including 'Ideas Box' (consisting of a digital and physical library in a box); 'Ideas Cube' (an offline server with digital content to which any wifi-enabled device can connect); and 'Kajou' (an SD card and mobile app pre-loaded with digital content, Kajou is owned by the BSF).

²⁵ General Population and Housing Census 2008, as reported in Ndikumana, Alain. 2015. "Gender Equality in Burundi: Why Does Support not Extend to Women's Right to Inherit Land?" Afrobarometer Policy Paper. 22.



C. Relevance to Higher Level Objectives

25. **The proposed project would support the first focus area of the World Bank Group CPF for Burundi for the Period FY19–FY23 of Building Human Capital and Inclusion (Report No. 122878) and is in line with the CPF’s strategic objective to improve youth employability.** The project is aligned with the CPF’s emphasis on a focused approach to support entrepreneurship and empowerment of youth and women and its strategic objectives of building sustainable food systems for nutrition and jobs and empowering the poor to build human capital (see annex 1 on adjustments to the World Bank Group’s country program in Burundi to mitigate economic and social impacts of the COVID-19 pandemic). The project is likewise aligned with the World Bank’s Strategy for Fragility, Conflict, and Violence 2020–2025, particularly its objective to address inclusion; strength resilience and a people-centered approach of the most vulnerable; and promote jobs and economic opportunities as it builds the skills and expands employment opportunities of at-risk female and male youth, including in the informal sector. The project is also aligned with the Next Generation Africa Climate Business Plan and its emphasis on food security and end-to-end responses that address risks and harness opportunities, so the population is food and nutritionally secure and the rural economy is resilient. The project is in part financed by the WHR²⁶ and contributes to achieving the objectives of the WHR of promoting medium- to long-term development opportunities for refugees and host communities by supporting the welfare of refugee youth and supporting their livelihoods.²⁷

26. **The project supports the Government’s high-priority agenda reflected in the NDP (2018–2027) and National Youth Policy (2016–2026)** of developing the country’s human capital; improving employment outcomes for its youth, including through a stronger partnership between the Government and the private sector; and enabling sustained, inclusive growth for economic resilience and sustainable development. It connects success in these areas to state stability and social cohesion, especially in a context of high population growth. This project is likewise aligned with the Democratic Republic of the Congo Regional Refugee Response Plan (RRRP) for 2021,²⁸ particularly in the context of the Burundi Refugee Response Plan with supporting refugee youth with vocational training and internships in local enterprises; training and financial support for income generating activities; and, particularly in the refugee camps, with soft skills training. The RRRP calls for partners to foster peaceful cohabitation between refugee and host communities through several projects focusing on social cohesion, livelihoods, health, and energy, including to strengthen mixed (refugee and host) committees, map potential conflicts, and implement mediation mechanisms and common recreational activities.²⁹ This project is aligned with all

²⁶ The WHR supports operations that focus on the medium- to long-term development needs of refugees and host communities and, one of its goals, aims to create social and economic development opportunities for refugee and host communities.

²⁷ In 2018, as part of the eligibility process for access to funds under the IDA18 sub-window for refugees and host communities, the Government prepared a strategy for a development approach to support refugees and host communities (Ministry of Finance, Budget, and Privatization [2018] *Stratégie du Burundi pour l’appui aux réfugiés et aux communautés hôtes*). The strategy indicates that one of the Government’s objectives is to encourage progressive empowerment of refugees living in camps and harmonize education and health systems in integrated development zones. A key component in the strategy is the provision of equipment for vocational schools.

²⁸ The 2021 Regional Refugee Response Plan (RRRP) for the Democratic Republic of the Congo (DRC) Situation details the inter-agency response for Congolese refugees in neighboring countries of asylum: Angola, Burundi, Republic of the Congo, Rwanda, United Republic of Tanzania, Uganda and Zambia.

²⁹ Including *Gruppo di Volontariato Civile*, International Organization for Migration (IOM), International Rescue Committee, Jesuit Refugee Service (JRS), United Nations Development Programme (UNDP), United Nations Population Fund, UNHCR, UNICEF, World Bank, World Vision International (WVI), and World Food Programme.



Livelihoods and Resilience goals of the 2021 RRRP,³⁰ which are being supported by the International Organization for Migration (IOM), Jesuit Refugee Service (JRS), United Nations Development Programme (UNDP), UNHCR, and World Vision international (WVI).

27. **The project is aligned with the World Bank’s Jobs and Economic Transformation agenda under IDA19, addressing the second pillar by raising the capacity of workers and entrepreneurs to raise their productivity and enhance their access to job opportunities.**³¹ The project will contribute to the African Union’s Digital Transformation Strategy for Africa, adopted in February 2020,³² and to the World Bank’s Digital Economy for Africa Initiative, which seeks to drive digital transformation of Africa and ensure its full participation in the global digital economy.³³ This project is envisioned to build a solid base of digitally skilled human capital to drive the digital transformation of Burundi in all sectors. Likewise, the project supports the World Bank’s IDA19 corporate digital commitments by increasing the number of people with advanced digital skills in Burundi and placing an emphasis on the digital skills of girls. Moreover, this project is aligned with the World Bank’s Africa Region Gender Action Plan (FY18–FY22) through the provision of formal and informal skills training and start-up entrepreneurial capital to address gender gaps in schooling, training, entrepreneurship, and jobs. The project is also aligned with the World Bank’s Africa Human Capital Plan launched in 2019 by preparing youth, including female and refugee youth, for skilled jobs and jobs of the future that leverage technology.

II. PROJECT DESCRIPTION

A. Project Development Objective

PDO Statement

28. The Project Development Objective (PDO) is to improve access and market relevance of supported skills development training and entrepreneurship opportunities for youth, particularly for women and refugees.

PDO Level Indicators

- Number of students who obtained certification from new, revised programs developed in TVET in collaboration with the private sector (disaggregated by gender and refugee)
- Number of youths obtaining recognized skills certification after completing an informal apprenticeship (disaggregated by gender and refugee)

³⁰ Specifically, 2,000 persons of concern (PoCs) (ages 18–59 years) were targeted by livelihoods interventions aimed at self-employment with own business/self-employed; 2,000 PoCs have received livelihood support, for example, cash grant for livelihoods recovery, inputs/tools/equipment for farming, livestock or business activity, small business development services (BDS), inclusion in/link to income opportunities, and so on; 1,000 PoCs were provided with entrepreneurship/business training; and 300 PoCs were enrolled in vocational trainings and who graduated successfully. The Democratic Republic of Congo RRRP 2021.

³¹ <http://documents1.worldbank.org/curated/en/381791564075012778/pdf/Special-Theme-Jobs-and-Economic-Transformation.pdf>.

³² <https://au.int/en/documents/20200518/digital-transformation-strategy-africa-2020-2030>.

³³ <https://www.worldbank.org/en/programs/all-africa-digital-transformation/ambition>.



- Number of students with advanced digital skills competencies at university level (disaggregated by gender and refugee)
- Number of beneficiaries of job-focused interventions (Core Results Indicator that will capture the number of young entrepreneurs who created new startups as a result of support received through the project, disaggregated by gender and refugees).

B. Project Components

29. The proposed project is a shift in the way skills development is delivered in the Burundian context—building a foundation for digital skills and investing in apprenticeships, entrepreneurship, and partnerships with private sector and world class universities. This departure in the design and delivery of relevant skills for employability will contribute to laying the building blocks that Burundi would be able to build upon for years to come. The project will be implemented over five years and is designed with a focus on relevant and modern day innovative skills for girls (see annex 5 for a detailed analysis) and youth so that they are able to meet the changing needs of the world of work and knowledge economy. Leveraging the WHR financing, the project is expected to directly benefit camp- and non-camp-based refugee youth over the time of the project and indirectly benefit non-youth refugees, including children who will become youth and adult refugees. Each subcomponent addresses the needs of refugee and host youth as integrated interventions to deliver impact and desired outcomes.³⁴ Targeted communication campaigns to engage Burundian returnee youth in project interventions will help ensure that these youth benefit from the project and are integrated into the broader Burundian community.

Component 1. Improving Labor-Market Orientation of Skills Development (US\$50 million equivalent, of which US\$15 million from WHR)

30. The aim of this component is to support strategic interventions at the institutional level and results orientation of supported skills development programs in priority economic sectors in Burundi.

Subcomponent 1.1: Enhancing Labor Market Responsiveness of Formal Training Providers (US\$5 million from WHR)

31. The aim is to sustainably enhance the labor market responsiveness of training with the aim of increasing the pool of competent workers for industry and enhancing the chances that labor market entrants will transition into good jobs. The key lever to initiate this transformation is to bring industry onto the campus. To this end, the project will provide grant funding for the development of a select number of TVET institutions into multipurpose sector training hubs and incentivize industry partners to assume a prominent role in institutional governance, management and planning, training, and service delivery. Five institutions have been assessed to serve as sectoral hubs in partnership with industry.³⁵ These hubs, which comprise three Secondary Technical School (ETSs) and two Professional Training

³⁴ World Bank Group Gender Equality, Poverty Reduction, and Inclusive Growth - Gender Strategy 2016–2023; Schuettler, Kirsten, and Laura Caron. 2020. “Jobs Interventions for Refugees and Internally Displaced Persons.” Working Paper 47, World Bank, Washington, DC.

³⁵ These include three ETSs specializing in agriculture, agri-business, and construction along with two CFPs specializing in livestock and ICT.



Centers (CFPs), will cover the entire system: each ETS hub will cover 33 public institutions and the CFP hubs will cover all 14 institutions.

32. As a pre-condition of being awarded a grant, sectoral training hubs must have signed an MoU with relevant companies or business institutions. An Institutional Development Plan (IDP) will set out goals and strategies for the development of the hub in line with the hub's comparative advantage and labor market needs. The main activities include (a) development and revision of curriculum for different training programs and qualification levels in line with projected skills demands in the labor market; (b) development and rollout of technical teachers and instructors training; (c) provision of appropriate energy-efficient equipment and teaching and learning materials; (d) development and delivery of digital skills, including for refugees; (e) climate risks and response trainings for directors, trainers, and students; and (f) climate-friendly rehabilitation work. The sector training hubs will be made accessible to specific social groups (Batwa, disabled people, and albinos) and refugees.

33. **Investing in building market-relevant skills of female youth.** Grants will also incentivize sector training hubs to support female youth to transition to more remunerative sectors of the labor market. Targeted communication campaigns, a flexible program design and travel stipends, and recruitment of female trainers will be used to address social constraints and encourage female participation (a detailed description is provided in annex 5). This subcomponent will also focus on building the skills of female refugee youth inside camps, through the scale-up of existing UNHCR skills training, and outside camps through access to the same program as the host communities.

Subcomponent 1.2: Modernizing and Expanding Informal Apprenticeships (US\$25 million, of which US\$4 million from WHR)

34. This subcomponent aims to support skills development and acquisition in the informal sector by scaling up the quality and recognition of informal apprenticeship program to meet the needs of youth ages 15–24 in urban and rural areas while also supporting the broad participation of girls, minorities, and refugees.

35. In close cooperation with local trade associations, the project will deliver an intervention package for the improvement and modernization of informal apprenticeships to selected informal sector clusters.³⁶ The project will start with the 20 trades developed with ENABEL's support, for which some competency-based training programs already exist. The informal apprenticeship package will include the following:

- (a) Developing and implementing practical and theoretical training programs, including evaluation tools for MCPs, apprentices, and guides, as well as theory, life skills for the green economy, and digital skills training
- (b) Capacity-building activities for traditional MCPs and trade and cluster organizations

³⁶ Apprenticeships in urban areas will be for various trades that are prevalent in the informal urban economy, whereas apprenticeships in rural areas will be for basic technical skills related to agriculture, husbandry, processing, and resource conservation.



- (c) Carrying out community-level communication campaigns to address social norms and provide information on program flexibility and returns to skills training in the labor market, especially to encourage female participation
- (d) Carrying out climate-friendly rehabilitation works in CEMs to enhance their operations and capacity. Stipends to cover transport, other training costs will be provided to incentivize especially vulnerable youth to participate in apprenticeships, including female youth and young people with disabilities.

36. Interventions will be implemented by MNESR supported by service providers (such as business associations, consultancy firms, and nongovernmental organizations [NGOs]) and build on best practices from Swisscontact in Burundi, which has trained youth in two provinces in partnership with artisan associations, and good practices in Africa, including Ghana, Benin, Cameroon, or Tanzania.

Subcomponent 1.3: Developing Digital Skills for the Knowledge Economy (US\$20 million, of which US\$6 million from WHR)

37. The aim of this subcomponent is to provide quality and adequately skilled digital professionals required by the labor market across all sectors and for Burundi's digital transformation. To achieve this, this subcomponent will create an anchor digital center at the University of Burundi to drive digital skills training across the education and training sector.

38. **Creating an anchor center at the University of Burundi as a new Institute of Computer Science/Computer Engineering and Digital Transformation (the Institute).** The new Institute to be set up at the University of Burundi will ensure the quality of digital skills development in the sector training hubs by supporting teacher training, reviewing and updating the curriculum, advising on necessary equipment and labs, and providing opportunities for students in these sector training hubs to visit a university and take short courses. The Institute will also provide training on multidisciplinary advanced digital skills to prepare a cohort of students able to apply digital technologies to solve Burundi's most pressing problem and to create new business models in all fields. The Institute will further support the general development of digital skills in wider education sector by building the capacity of ICT teachers and offering guidance on curriculum as well as contribute to the innovation ecosystem by setting and running an innovation center to promote innovation and entrepreneurship. Curriculum development and teacher trainings will incorporate climate change awareness. The project will identify a world-class foreign university with a strong engineering and computer science program to establish and manage the Institute in partnership with the University of Burundi.³⁷

39. **Attracting and retaining female participation in digital training.** Targeted communication campaigns and information sessions at the University of Burundi will encourage female professors to enroll in training of trainers (ToT) and students to enroll in digital training programs. The campaigns will provide information on potential labor market returns and connect potential participants with female mentors who can act as role models in the digital field. The component will set up peer groups to create

³⁷ A world-class foreign university is defined as a "university within the 50 or 100 top computer science universities according to Times Higher Education rankings." https://www.timeshighereducation.com/world-university-rankings/2020/subject-ranking/computer-science#!/page/0/length/25/sort_by/rank/sort_order/asc/cols/stats.



a safe space for female participants to have discussions, cultivate socioemotional skills, and build their networks (see annex 5 for details).

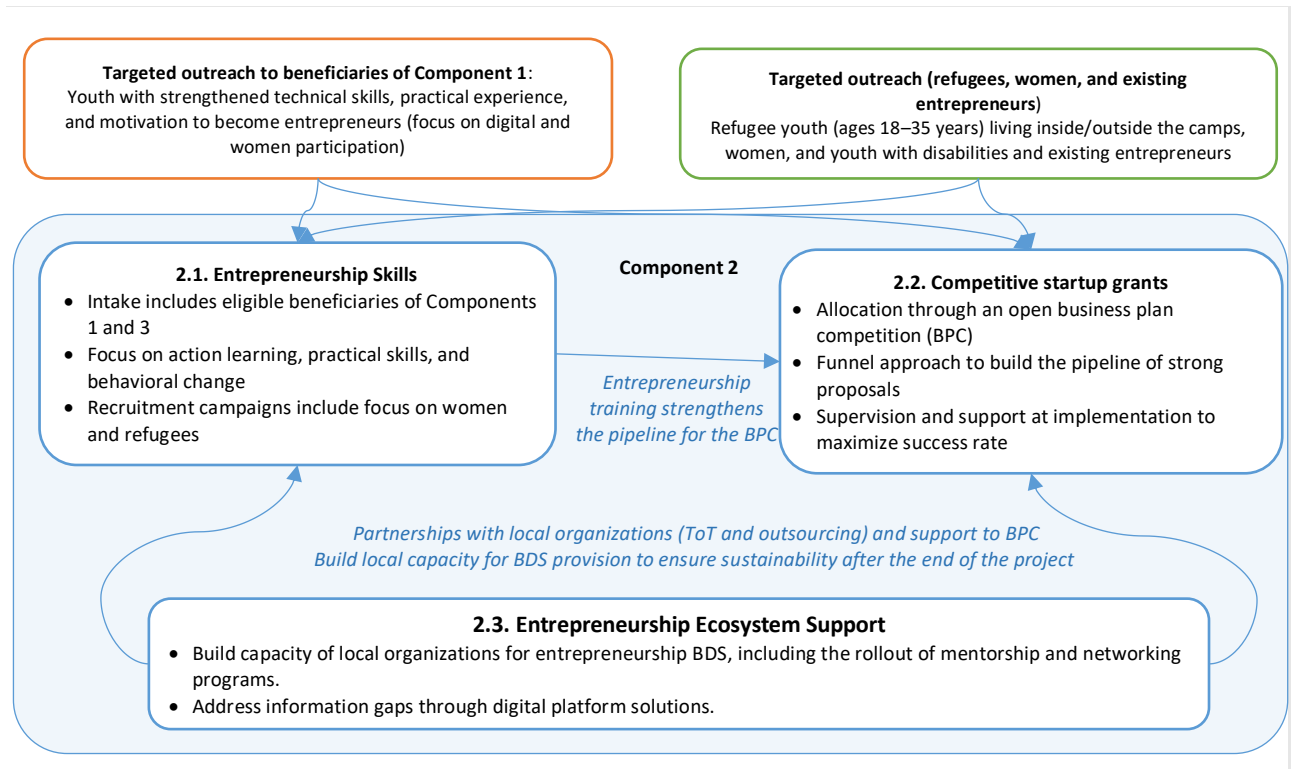
40. The Institute will provide opportunities for refugees to take part in digital skills training. The Institute will be expected to reach refugee populations through blended and remote learning interventions. Targeted messaging campaigns will invite camp-based refugee youth to participate in the digital skills training.

Component 2: Fostering Entrepreneurship (US\$20 million equivalent, of which US\$2.5 million from WHR)

41. **The objective of this component is to grow a new generation of opportunity entrepreneurs.** Opportunity entrepreneurs are those who start a business because they spot an opportunity in the market that they want to pursue. To become opportunity entrepreneurs, a mental and behavioral shift will be required because the majority of entrepreneurs in Burundi are necessity entrepreneurs who start a business because they do not have another means of generating income. The component will finance programs that aim to (a) build entrepreneurial skills through active learning (learning by doing); (b) support creation of new growth-oriented start-ups through small grants; and (c) strengthen entrepreneurship ecosystems for start-ups through networking and mentorship programs, a digital platform for young entrepreneurs, and technical assistance (TA) to ecosystem enablers. This component will target the beneficiaries of Component 1 (young alumni of training programs) and refugee youth who have technical skills and acquired professional experience, for example, those who have successfully completed the informal apprenticeship program and TVET and higher education diploma holders who have obtained initial work experience and demonstrated entrepreneurial aptitude. In addition, staff of organizations that provide entrepreneurship training and support (professors, teachers, coaches, and mentors) will benefit from the ToT programs to strengthen their ability to teach entrepreneurial skills and provide support services to new entrepreneurs and start-ups. The synergies among the activities of Component 2 and other components are described in figure 8.



Figure 8. Component 2 Activities and Links with Other Components



Subcomponent 2.1: Strengthening Entrepreneurial Skills (US\$8 million, of which US\$1 million from WHR)

42. **This subcomponent will support training in critical entrepreneurial skills, including psychosocial and behavioral training; training in the use of digital technology; and technical training in the development and implementation of business plans.** The training will be based on two elements: (a) the content of the training will be based on the principles of action and (b) the training will take place in an active learning mode (learning by doing). The training will be open to all the beneficiaries of Component 1; recent alumni of TVET, university programs, and training programs provided by donors; and young refugees. Participation of the youth refugees in entrepreneurship programs will link them to economic opportunities by building self-reliance and strengthening their resilience. The objective is to reinforce their skills in business start-up and management, market valuation and pricing, supply and demand, and understanding the regulatory environment and access to capital. Successful participants will also be coached in entrepreneurial and business socioemotional skills, including self-confidence, negotiation, preparation of resumes and business plans, and effective networking.

43. **The project will build on existing World Bank, IFC, and partners programs in support of young entrepreneurs.** Lessons of experience from Africa and other countries were considered for the design (annex 6). Training will build on the IFC's SME skills program (for example, Business Edge) and the programs of the World Bank Group (WBG) such as the Active Learning for Entrepreneurship Promotion Program (see box 3 for program methodology), Personal Initiative Training Program, and so on. The project will work with local partner organizations (universities, TVET institutions, incubators, and so on) for delivery of entrepreneurship skills training. The project will provide TA to these institutions to (a) develop the entrepreneurship curriculum that adapts to current scientific knowledge, builds on



international good practices, and blends well into the local context and (b) improve capacity of their staff through ToT programs. The cost of training of up to 6,000 beneficiaries will be covered under this subcomponent.

Box 3. Methodology of Active Learning for Young Entrepreneurs

Active learning programs are designed based on the action regulation theory featuring two key elements: (a) training content is based on action principles and (b) training content is delivered as learning-by-doing. Participants form teams of four to six members, and they work on a real start-up project. The goal is to launch a business that becomes profitable within the training period (12 weeks). During the training, the teams are provided with small amounts (loans or grants of US\$100) to start their business. Young people get experience of the entire entrepreneurial process: the preparation, launching, and management of a real business in a real context. They acquire equipment and raw materials, deal with suppliers, and enter the market to offer their product or service to customers. Active learning has an important effect on young people's behavior because it transforms knowledge into action. Participants receive feedback and thus develop a better understanding of an entrepreneur's tasks and challenges.

Rigorous impact evaluations have shown that action-oriented training has positive short- and long-term effects on entrepreneurial behavior. Furthermore, studies show that the positive impact is sustained over several years. Among these effects are that participants start 34 percent more businesses in one year after training and 20 percent more businesses two years after training. After action-oriented training, students also create 35 percent more jobs two years after training. This type of training was developed in collaboration between an international NGO, Move; the Leuphana University of Lüneburg; and several partner universities in Africa.

Subcomponent 2.2: Startup grants (US\$8 million, of which US\$1 million from WHR)

44. **The objective of this subcomponent is to provide start-up capital (financial subsidies) for motivated young entrepreneurs (ages 18–35 years) who have viable new business ideas but need the initial capital, hands-on experience, and mentorship in business practices to succeed.** This subcomponent will ensure the continuity of the GoB's informal learning program and entrepreneurship support program. The allocation will be based on an open competition and clear and transparent eligibility and selection criteria as established in the operations manual. The target audience will include the entrepreneurs outside of the training programs funded by the project, for example, entrepreneurs trained through donor-funded programs and existing entrepreneurs who want to expand their businesses in new, value adding areas by creating start-ups. To encourage the participation of women entrepreneurs, this subcomponent will establish a 50 percent grant allocation ratio for business plans prepared and submitted by women. Women entrepreneurs who meet all eligibility criteria will be given priority in the allocation of grants. This component will also ensure an equal opportunity for young refugees to compete for grants. Recruitment of refugees will be ensured through targeted communication and outreach to refugee communities. All business plan applications will be judged on technical merit and the pool of proposals will be anonymized during the evaluation process.

45. **This subcomponent will fund cash grants for business plans in productive sectors targeted by the project, including the development of businesses specifically focused on digital technology.** Grants will be awarded through BPCs for the launch of new start-ups. There might be multiple calls for proposals for the BPC: the first competition will be launched within the first year of project implementation, and the second will be launched 12–18 months later. These competitions will consist of four stages: (a) awareness-raising campaigns and clinics on the presentation of business ideas, including campaigns specifically tailored to encourage the participation of women; (b) evaluation of business plans by a tripartite panel of



experts (government, private sector, and independent experts) according to transparent criteria; (c) grants ranging from US\$500 to US\$7,000 for up to 4,000 entrepreneurs who have submitted high-quality business plans (grant portfolio of US\$8 million with an average grant of US\$2,000); and (d) supervision of business plan implementation and mandatory training and mentoring over 12–18 months. Eligible expenses will include services (including consulting and other services), staff salaries, and goods (such as equipment and spare parts) as part of the business plans approved for funding. After the launch of the enterprise, the young beneficiaries will receive personalized coaching, including regular visits from mentors and professional coaches. Periodic follow-up surveys will be conducted by the project to assess progress in implementing the business plans and support provided. This component will include an administrative cost of 30 percent (US\$2.4 million) for design, implementation, and supervision by a local or international partner (company or NGO) contracted through a competitive process.³⁸

46. **The BPCs' design will ensure participation of entrepreneurs among the special focus groups of this project, including digital entrepreneurs, women, youth living with disabilities, and refugees.** Women entrepreneurs who meet all eligibility criteria will be given priority in the allocation of grants. This component will also ensure an equal opportunity for young refugees to compete for grants. Recruitment of refugees will be ensured through targeted communication and outreach to refugee communities. All business plan applications will be judged on technical merit and the pool of proposals will be anonymized during the evaluation process.

Subcomponent 2.3: Entrepreneurship Ecosystem Support (US\$4 million, of which US\$0.5 million from WHR)

47. This subcomponent will help fill the gaps in Burundi's entrepreneurship ecosystem and increase sustainability of the impacts from Subcomponents 2.1 and 2.2 through (a) the rollout of networking and mentoring programs, (b) the setup of a digital platform for young entrepreneurs that improves access to information and provides a forum for public-private dialogue, and (c) capacity building of local ecosystem enablers that provide support and services to young entrepreneurs. All programs will be adapted to the needs of young entrepreneurs with a particular focus on women entrepreneurs and refugees. Under this subcomponent, five enabling organizations will be supported inside the camps (one organization per camp).

48. This subcomponent will support local organizations (associations, incubators, NGOs, cooperatives, BDS providers, and so on) and networks (successful entrepreneurs in Burundi, business associations, and diaspora networks) that offer support to young entrepreneurs, which serve as sources of knowledge and even angel finance. The subcomponent will finance TA and office equipment purchase for local organizations to enable them to better provide their services in the implementation of this project and beyond. Ongoing existing government-funded programs will also be supported to improve their targeting, effectiveness, and the capacity of government agencies implementing them. TA will help launch quality programs based on international best practices for the establishment of networking and mentoring programs for young entrepreneurs and dissemination of entrepreneurship information and programs for new BDSs, including digital start-ups.

³⁸ Grants will be disbursed on tranches, conditional to meeting the milestones defined in the grant agreements.



Component 3: Reinforcing Data Systems for Market-Oriented Skills Development, Project Management, and Monitoring and Evaluation (US\$10 million equivalent, of which US\$2.5 million from WHR)

Subcomponent 3.1: Reinforcing Data Systems for Market-Oriented Skills Development (US\$2 million equivalent, of which US\$0.5 million from WHR)

49. This subcomponent aims to strengthen job market information, enhance data for evidence-based approaches to improving skills development, and support project management and monitoring and evaluation (M&E). Specifically, this subcomponent will support the operationalization of an ICT platform that leverages social media to serve as an information hub where youths, including refugees, can access and exchange information about various training and income generating opportunities, in and outside Burundi, with specific fields for information on inclusion of females and minority groups.³⁹

Sub-component 3.2: Project Management and Monitoring and Evaluation Reinforcing Data Systems for Market-Oriented Skills Development (US\$8 million equivalent, of which US\$2 million from WHR)

50. Through the provision of goods, training, and operating costs, this subcomponent will support (a) the Project Implementation Unit (PIU) in the areas of project coordination, supervision, financial management (FM), communication and outreach, M&E, and procurement and (b) relevant governmental and implementation agencies, through conducting studies and supporting the implementation of institutional reforms that pertain to, among others, certification framework, recognition of prior learning, and TA to prepare the public partnership framework for the inclusion of the private sector in the governance of TVET Institutions.

Subcomponent 3.3: Contingent Emergency Response Component (US\$0)

51. A no-cost Contingent Emergency Response Component to allow for rapid reallocation of project proceeds in the event of a natural or man-made disaster or crisis that has caused, or is likely to imminently cause, a major adverse economic and/or social impact.

| Components | Amount (including the project preparation advance) |
|---|--|
| Component 1: Improving Labor-Market Orientation of Skills Development | US\$50 million |
| Component 2: Fostering Entrepreneurship | US\$20 million |
| Component 3: Reinforcing Data Systems for Market-Oriented Skills Development, Project Management, and Monitoring and Evaluation | US\$10 million |

³⁹ The concept of the platform has already been developed under the Project Preparation Advance.



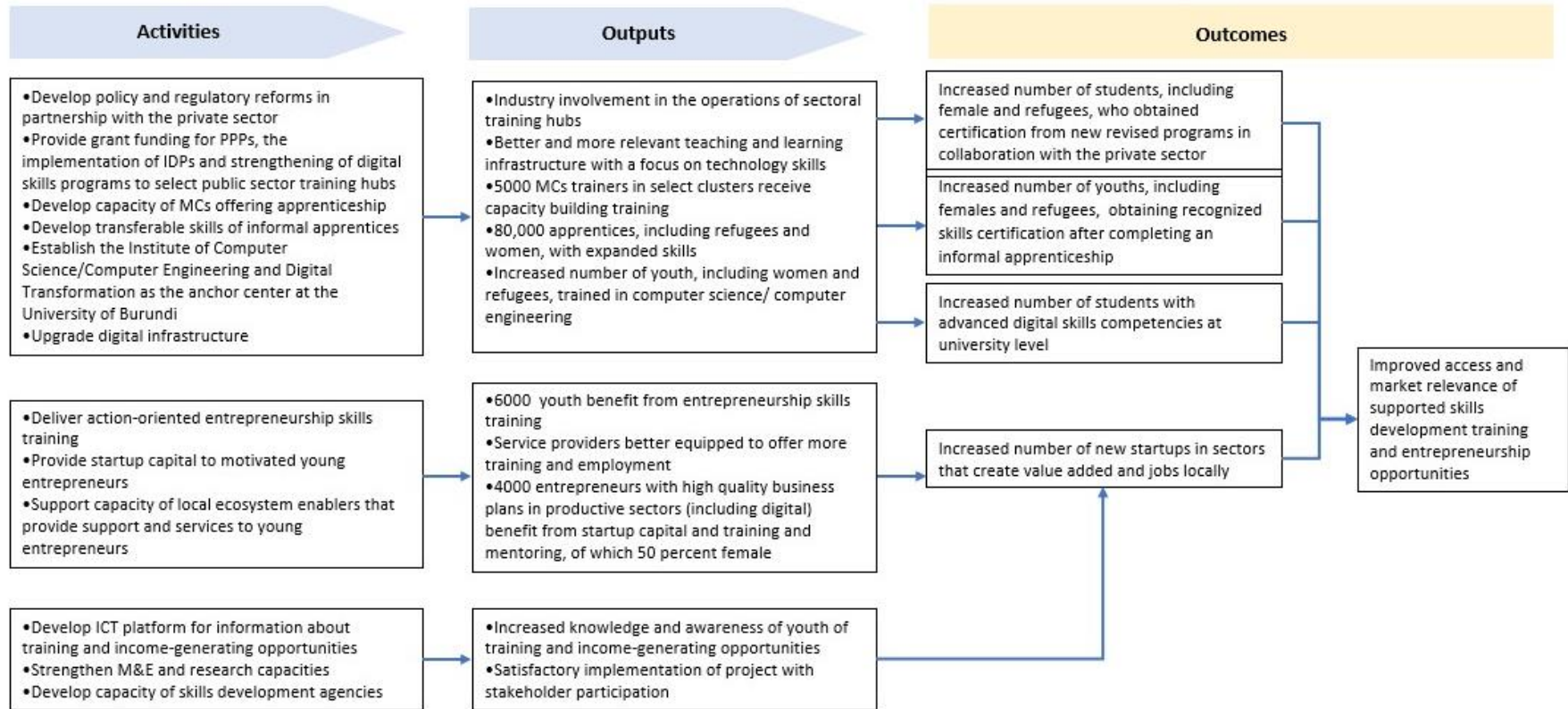
C. Project Beneficiaries

52. The project will directly benefit basic school leavers opting for technical education, unemployed individuals and workers already in the labor market, informal apprentices, MCPs, youth interested in digital skills and entrepreneurship development, staff working in public agencies, ministries managing and regulating skills development, and stakeholders who are involved in policy reform processes. In all its interventions, the project will set gender-specific targets to foster increased female participation across the skills development system and specific targets to include youth beneficiaries with disabilities. The number of direct beneficiaries is estimated at 120,000 over the project period, including 16,000 refugee youth (approximately 4,000 inside the camps and 12,000 outside the camps).⁴⁰ The disaggregation by gender and refugees at the PDO indicators level will allow for the Project to monitor progress towards the preset targets. The number of indirect beneficiaries, however, is significantly greater, comprising (a) all students participating in secondary TVET who will gain from an improved learning environment in TVET institutions and other training institutions resulting from investments in technical teachers training; (b) informal apprentices who will eventually be provided with reforms and recognition of prior learning opportunities; (c) the wider business community that will benefit from an increased supply of well-trained MCPs; and (d) at least 16,500 refugees who will indirectly benefit from the development of programs to support skill building and employability, such as the ICT platform connecting youth with information and opportunities for training and employment, which will be made available to all youth.

⁴⁰ It is estimated that the project will reach about 24,000 NEET youth each year, which represents an average of 16 percent of the total NEET population each year. Using the 2013–2014 household survey to estimate the share of the NEET youth population, it is estimated that about 6 percent (exactly 5.62 percent) of youth ages 15–24 were NEET. Assuming that this share remains the same over the lifetime of the project, and using the UNDP population projection to estimate the NEET population, the stock of the NEET population in 2021 is estimated to be 142,172 with an average annual flow of 5,509.



D. Results Chain





E. Rationale for Bank Involvement and Role of Partners

53. Besides much needed financing, the World Bank offers extensive regional and global experience in the proposed areas of interventions and is in a strong position to convene and engage government and nongovernmental stakeholders given its continued partnership with the Government through the 2015 crisis and its substantial portfolio that has been consistently responsive to the population's needs. Moreover, the project will build on lessons from and synergies with employment, value chain development, and social safety net initiatives in several World Bank-financed projects in the country. The World Bank's analytical services to the Government on skills development and economic competitiveness also inform the proposed project. The World Bank plans to continue learning about how to enhance skills acquisition and employment outcomes based on diagnostic, operational, and evaluative research during project implementation.

54. The project builds on and complements skills development and labor initiatives supported and financed by the UNHCR, the International Fund for Agricultural Development; African Development Bank (AfDB); ENBAEL; Swiss Agency for Development and Cooperation; All African Union; European Union; and governments of the Netherlands, Germany, and the United States, among other partners. For example, apprenticeship and skills development initiatives funded by ENABEL; European Union (implemented by *Volontariato Internazionale per lo Sviluppo*, CONCERN, and other NGOs); and Swiss Agency for Development and Cooperation (implemented by Swisscontact) inform Component 1. Initiatives of the UNHCR and UNHCR-supported programs inform the design of component activities aimed at refugee youth. Annex 4 contains detailed information about ongoing initiatives for youth employment and skills development outside formal institutions in Burundi.

55. The project will also coordinate efforts with other projects in the WBG portfolio that engage on the demand side of the labor market. In particular, the ongoing Burundi Local Development for Jobs Project (P155060), the pipeline Burundi Productive Safety Nets and Jobs Project (P175327), and the Envisaged Burundi Digital Foundations Project (P176396) will build the capacity of the private and public sector for creation of employment opportunities for youth.

F. Lessons Learned and Reflected in the Project Design

56. The project design incorporates several lessons learned, both from national and international experience in skills development, and from the World Bank's previous experience in this area.

57. **Collaboration with the private sector is crucial to develop skills training programs that are responsive to market needs.** Experience in other World Bank-supported projects in Africa (Lagos EKO Secondary Education Project, P106280) and elsewhere (Education to Work Transition Project Palestine, P158951) has shown that partnerships between training institutions and industries that are strategic and based on formal compacts represent a viable solution to crowd in private resources, improve demand responsiveness of training institutions, and prepare them for the challenges of future digital labor markets.

58. **Modernizing ubiquitous informal apprenticeships can yield large gains particularly for disadvantaged and out-of-school youth.** The quality of skills training delivered by informal apprenticeships hinges on MCPs, and a growing number of interventions throughout Africa provide evidence of the importance of systematically investing in capacity building of MCPs to ensure success in



improving skills of informal apprentices and increasing the number of apprentices in the long run. Furthermore, links to MCPs and trade associations also build links to local labor market and garner employer support for the programs. This project engages professional artisanal and trade associations and invests in the upgrading the skills and equipment of MCPs, thus also enhancing the productivity and job creation potential of microenterprises in the informal sector.

59. **Even basic digital literacy can create new opportunities for individuals who have difficulties in accessing traditional job markets.** The internet, and ICT more generally, have served to open up the process of information exchange between job seekers and employers, which lies at the heart of job search and recruitment processes.⁴¹ Therefore, in addition to establishing an anchor digital center at the University of Burundi to provide training in advanced digital skills, the project will also deliver basic and intermediate digital skills training at selected TVET institutes. Basic digital skills will allow trainees, particularly females and other disadvantaged groups, to access the ICT platform that will serve as an information hub where youth can access and exchange information about various training and income generating opportunities, in and outside Burundi, with specific fields for information on inclusion of females and minority groups.

60. **Socioemotional skills contribute significantly to youth employability.** Mounting global evidence suggests that employers value socioemotional skills like conscientiousness, leadership, teamwork, grit, and resilience in addition to technical competencies. As a result of gendered socialization, women in particular may lack the psychosocial skills required to advocate for themselves with employers or become successful entrepreneurs. Skills development projects in other countries have demonstrated the value of soft skills (communication, learning skills, and so on) to enhance success in working life. The project, therefore, aims to integrate socioemotional skills as part of all the training programs.

61. **BPCs have proven to be effective mechanisms to support early stage ideas, firms, or innovations.** According to the evaluation of 'Youth Enterprise with Innovation' (YouWIN) in Nigeria,⁴² BPCs successfully identified entrepreneurs with the potential to use the large amounts of capital offered as prizes and that these individuals appeared to be otherwise constrained from realizing this potential. Evidence from Kenya (Kenya Micro, Small, and Medium Enterprise Competitiveness Project, P085007 and Kenya Youth Employment and Opportunities, P151831) suggests that it is important to target young entrepreneurs up to the age of 35 because the highest likelihood to be an entrepreneur occurs between the ages of 29 and 35, and these young entrepreneurs are especially likely to hire youth under 29 years of age. Evidence from the projects also suggests that, for the successful implementation of a BPC in low capacity settings, it is crucial to set up a rigorous selection process implemented by professional management companies. Additionally, delivering the grant from BPC in tranches helped ensure accountability and minimize risks of misuse of funds.

62. **Skills training programs must adapt to address specific constraints women face to increase enrollment, retention, and graduation.** A growing body of research documents the specific constraints that women face in accessing skills training in Africa. These begin with the enabling environment where social norms dictate aspirations and influence decisions on education and employment for women. Women also face particular time constraints due to household tasks and the fear of harassment or

⁴¹ Barber, L. 2006. *e-Recruitment Developments*, Institute of Employment Studies. Brighton.

⁴² McKenzie, David. 2015. *Identifying and Spurring High-Growth Entrepreneurship Experimental Evidence from a Business Plan Competition*.



violence outside the home at training or employment sites. To address these constraints, the project incorporates best practices identified by the Africa Gender Innovations Lab, including (a) undertaking community sensitization campaigns to address social norms that limit female participation in skills training and the labor market; (b) encouraging female youth to enroll in training in traditionally male-dominated sectors by providing information on wages in these sectors; (c) hiring female trainers, where possible, and incentivizing trainers with bonuses when female students complete training; (d) providing credit-constrained female youth with access funds to undertake entrepreneurial activities; (e) providing training in socioemotional skills and skills relevant to the job market; and (f) setting up peer groups and mentoring opportunities for female participants.

63. **Refugee youth must be equipped with skills that allow them to effectively contribute to the host communities and are also transferable should they choose to return to their country of origin or travel on to their final destination.** Research shows that one-off interventions for skill building are not enough and consistent with best practices. The project holistically addresses skill development needs of youth through formal and informal skills training and entrepreneurship.⁴³ The project builds on lessons from successful interventions in Burundi⁴⁴ and outside the country⁴⁵ to develop digital skills of refugee youth and enable refugee and host community youth to leverage ICT to seek training and income generating opportunities. Building on the lessons from the Kenya Development Response to Displacement Impacts Project (DRDIP II, P161067), the project will facilitate training of refugee and non-refugee youth in vocational training institutions and at the University of Burundi, thereby strengthening cohesion between the two groups and forming a foundation for future collaboration in entrepreneurial ventures and apprenticeships. The project will build on the lessons from the Social Entrepreneurship, Empowerment, and Cohesion in Refugee and Host Communities in Turkey Project (P171456) in implementing training, mentoring, and coaching on entrepreneurship for women in refugee and host communities and for the administration of grants. As the project will facilitate refugee youth residing in camps to benefit from trainings and other project-related activities held outside camps, this project will coordinate with the Burundi Integrated Community Development Project (P169315).⁴⁶

Box 4. Lessons from International Experience in Building Skills and Entrepreneurship of Refugee and Host Communities Are Incorporated into Project Design

Language skills training. Research has shown that lack of language skills may be a barrier to the formation of social networks in the host country that would aid with finding employment. Along with lack of language skills, living in remote areas and camps combined with restrictions on freedom of movement from camps increases social isolation and makes it difficult to build networks with hosts. This project will support language skills training of refugee youth linked to work opportunities and enable refugee and host cooperation through inclusive skills and entrepreneurship training.

Building digital skills. Digital skills training has also shown positive results as skills, such as IT and coding, tend to be in high demand in countries of all income levels, are attractive for refugees because they are portable skills, offer a higher salary than many of the other jobs available, and allow individuals to work remotely. This project will support building of digital skills of refugee youth residing in and outside refugee camps through local TVET

⁴³ Schuettler and Caron 2020.

⁴⁴ Such as the UNHRC's partnership with the Association of Francophonie Universities and Connected Center Consortium to digitize courses at three local universities and to offer these courses through e-learning to refugee students.

⁴⁵ Jordan Youth, Technology, and Jobs Project (P170669).

⁴⁶ Designed to improve access to basic services and economic opportunities for host communities and refugees in the municipalities near Burundi's five refugee camps.



and university institutions and through the expansion of UNHCR-supported in-camp digital skills programs.

Job search assistance and matching. Job search assistance and matching programs (matching employers and employees) can help refugees overcome information asymmetries and lack of social networks. These types of interventions help make up for a lack of knowledge on how to search and apply for a job in the new location and information on the qualifications and skills required by employers. Evidence shows that job search assistance programs can be associated with positive effects on employment rates. This project will address information needs on job openings and training opportunities of refugee and host community youth by developing a job and training matching platform.

Source: Schuettler and Caron 2020.

III. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

64. The main implementing agency for the project will be MNESR, which manages the training institutions that host the various training activities supported by the project. At the same time, given that the issues that the project aims to tackle are multisectoral, several ministries and other agencies and stakeholders will partner in project implementation and management.

65. **Steering Committee (SC).** The project will be overseen by an SC, to be set up no later than two months after the effective date, to ensure that project activities are relevant to the different sectors and in line with the Government's priorities and private sector needs. Therefore, the SC will be chaired by the Minister of MNESR or his representative supported by one vice chairman from the private sector. From the public sector, the SC will have Permanent Secretary-level representation from the following ministries: Ministry of Public Service, Labor, and Employment; Ministry of East African Community Affairs, Youth, Sports, and Culture; Ministry of Finance, Budget, and Economic Planning; Ministry of Environment, Agriculture, and Livestock; and the Ministry of National Solidarity, Social Affairs, and Human Rights. The private sector will be represented by the following organizations: Chamber of Commerce and Industry of Burundi (CCIB), the Association of Industrialists of Burundi (AIB), the Association of Women Entrepreneurs and Women's Organizations, and CHASSA. The decentralized structures will be represented by the CCIB and CHASSA.

66. **The role of the SC will be to** (a) provide overall policy and strategic guidance to the PIU for project implementation, (b) approve the overall annual budgeted action plan prepared by the PIU and ensure that agreed performance targets and time lines for proposed activities under the different components are met, and (c) ensure effective project implementation by proactively addressing critical issues that could hinder implementation. The SC will meet at least twice a year to review the progress and activity report for the project prepared by the PIU and discuss its findings with the relevant stakeholders (for example, public and private sector agencies, NGOs, other donors, and so on etc.). The SC members will receive regular progress reports on each component and biannual audit reports and will coordinate the biannual supervision missions.

67. **The Technical Committee (TC)** ensures a technical follow-up of the project and reports to the SC. This committee will be set up no later than two months after the effective date and will be responsible for analyzing the annual action plans to be submitted for approval by the SC and providing feedback on the reports submitted by the PIU to the SC. The TC will facilitate the project's communication with the



implementation structures. The TC will be chaired by the Permanent Secretary and will include and will include representatives from the ministries represented in the SC. The TC may request technical expertise for the monitoring and review of project documents submitted to the SC

PIU

68. **To ensure day-to-day supervision of project execution, a PIU will be set up under the auspices of MNESR.** The PIU will be headed by a coordinator who will serve as the link between the SC and MNESR. Specifically, the PIU will (a) coordinate and monitor the day-to-day implementation of the project; (b) play the role of technical secretariat to the SC; (c) manage all fiduciary/M&E aspects of the project and prepare consolidated technical and financial reports; and (d) support, through Component 3, institutional capacity strengthening activities.

69. **To effectively carry out its mandate, the PIU will be staffed with relevant experts to support the coordinator in managing fiduciary, M&E, budgeting, and planning activities, as well as technical proposal evaluation.** The core team of the PIU will comprise the following staff: (a) procurement specialist(s), (b) FM specialist(s), (c) an internal auditor, (d) M&E specialist(s), (e) one social specialist with gender and gender-based violence (GBV) skills and one environmental specialist, (f) two training engineering specialists, and (g) any additional administrative support as necessary. The project will also hire an independent M&E consulting firm to collaborate closely with the project's M&E specialist(s). The consulting firm will assist with the production of an annual lessons learned/technical audit report and ensure objective assessment of progress made. It was also agreed that all the PIU staff would be recruited locally and on a competitive basis.

B. Results Monitoring and Evaluation Arrangements

70. The project will monitor and report on progress on the PDO-level indicators and sub-indicators, intermediate results indicators, and relevant core sector indicators, which are listed in the Results Framework and monitoring table at section IV, along with baseline and target values, data sources, and data collection methodologies and agencies. Biannual analysis of project management information by the PIU will inform project processes, allowing for timely actions and adjustments (including learning how to better support females and minority groups). Regular follow-ups by the frontline implementing agencies (that is, sectoral hubs, apprenticeship CEMs, and entrepreneurship implementing agencies) in the form of brief, agile tracer studies will be conducted, with on-the-ground support by a third party. Beneficiary surveys will be conducted by a third party annually to further measure achievement of results and inform adjustments that may be needed in project design and implementation arrangements. Periodic representative, sample-based, and unannounced monitoring visits are also expected to be conducted by third parties over the project period, to supplement internal monitoring and reporting. A midterm review will involve the project's stakeholders to collectively review project results and implementation arrangements.

71. At the PIU, an M&E system will be set up to host and manage operational data for project indicators. The PIU will work with the general secretary in charge of technical and vocational education and trades and the Bureau of Planning and Statistics under the Permanent Secretary at MNESR to attend to links and ultimate integration between the project's M&E system and the MNESR Education Management Information System. The M&E system will be supported by the World Bank's Geo-Enabling for Monitoring and Supervision (GEMS) initiative, which leverages the use of portable ICT tools



(smartphones and tablets) to gather geo-referenced project data that feeds directly into the central database. This capability will facilitate planning, remote supervision, third-party monitoring, and geo-mapping project beneficiary and implementation progress.

72. The project will support the development of data collection and management mechanisms and capabilities at frontline implementing agencies. With regard to Subcomponent 1.1. on enhancing labor market responsiveness of formal training providers, data and information will be submitted from the five hubs to the PIU on a quarterly basis. With regard to Subcomponent 1.2 on modernizing and expanding informal apprenticeship, data and information will be submitted from the 80 CEMs to the national industry apprenticeship unit on a monthly basis and then from the national industry apprenticeship unit to the PIU every quarter. With regard to Component 2 on fostering entrepreneurship, data and information will be submitted from the private sector implementing agencies to the PIU every quarter. Furthermore, in the second and fourth years of the Project, surveys will be conducted with beneficiaries to assess their satisfaction with project interventions.

C. Sustainability

73. Project sustainability is expected to be supported by a number of factors related to (a) national priorities; (b) the Government's ownership and commitment to skills development and this project illustrated by the strong team and commitment during preparation; (c) the engagement of multisectorial institutional, technical, professional, and beneficiary stakeholders in both the public and private sectors throughout project preparation and in implementation arrangements; and (d) project design elements that build on existing structures, promote systemic reforms, develop institutional and stakeholder capabilities, facilitate learning for improvements, and gradually increase the share of financing by the Government and the private sector. These enabling factors are presented in more detail in the following paragraphs.

74. The project is fully in line with the latest national policies, notably the NDP (2018–2027) and the National Youth Policy (2016–2026). These policies place a strong focus on human capital and the need to improve employment outcomes for its youth and enable sustained, inclusive growth for economic resilience, and sustainable development. The Government connects success in these areas to state stability and social cohesion, in a context of high population growth.

75. The project preparation process has taken an inter-ministerial approach since the start. There have been many consultations with the Ministry in charge of Finance and line Ministries in charge of Education, Labor, Youth, Agriculture, and supporting refugee and returnees. These consultations have taken place bilaterally and in inter-ministerial working sessions to discuss priority issues, solution options, project design, and implementation arrangements. Moreover, the Ministry in charge of Finance has indicated commitment to providing operational budget for technical and professional training, including new training windows, such as apprenticeship and entrepreneurship.

76. To further foster stakeholder buy-in, training institutions, private sector organizations, the Federal Chamber of Commerce, youth organizations, and minority groups' representatives have also been consulted throughout the project preparation process. In addition, project implementation will be overseen and supported by an SC and a TC that comprise representatives from the five ministries engaged during project preparation and representatives from the private sector. Public-private partnerships will also be central to the management and operation of each training institution supported by the project,



which will be further sustained by the introduction of policy and technical frameworks and information platforms that aim to improve the quality, labor market relevance, and employment outcomes of technical and professional training.

77. With regard to project design, various elements are put in place to increase effectiveness of project implementation and robustness of project outcomes in a sustainable manner. Project components will support the existing training institutions and universities and align them with sectors and value chains demonstrated to be most promising of future growth and employment. The MoUs between the TVET sector training hubs and private companies will support collaboration and coordination of the training hubs and private sector beyond project completion. Specifically, the Institute of Computer Science/Computer Engineering and Digital Transformation will be institutionalized at the University of Burundi to ensure that it continues beyond project completion. Likewise, the ICT platform for training and job seekers, public and private training and employment providers, and public sector entities, which will monitor employment supply and demand trends, will continue to operate beyond project completion. The project will likewise support the development or revision of critical frameworks, including the framework for public-private partnerships for engaging the private sector in skills development, the legal framework of TVET institutions, and the National Skills Qualification Framework for certification of skills acquired formally or informally (including digital skills). Performance-based conditions will support budget responsibility and commitment of the Government. Capacity building of trainers, institution managers, and project management personnel will be central to project interventions. Moreover, third-party monitoring to complement internal monitoring, process evaluations, and agile diagnostic and tracer studies will be planned for timely and continuous improvements in implementation and for lessons for next generations/scale-ups of project interventions.

IV. PROJECT APPRAISAL SUMMARY

A. Technical and Economic Analysis

78. **Youth outcomes in Burundi:** Accounting for close to one fifth of the country's population and 35 percent of its workforce, Burundi's youth has seen their economic outlook improve drastically since 2005. Through free primary education, the average years of schooling has increased by over a year between 2010 and 2020, and the gross enrollment rate has soared above 120 percent. Among its Francophone peers, Burundi now stands out as a top performer in primary educational outcomes.⁴⁷

79. **Youth in the labor force:** Much of the progress made in primary education has yet to transfer to employment and productivity gains: while basic education needs are now mostly met, secondary schooling can leave many youths ill-equipped to enter the labor market. 14 percent of Burundi's youth are neither in employment, education or training (NEET)⁴⁸; youth aged 15-24 have the nation's highest unemployment rates; and as many as 40 percent are underemployed. Women, in particular, are marginalized in employment outcomes. Despite accounting for over half of the workforce, they occupy disproportionate numbers of farming, unpaid, and unreported jobs. The need to transfer schooling gains to employment outcomes, in particular for women, is central to ensuring Burundi's lasting growth trajectory.

⁴⁷ PASEC2019 Qualité des Systèmes Éducatifs en Afrique Subsaharienne Francophone.

⁴⁸ Youth Labour Statistics, International Labour Organization, <https://ilostat.ilo.org/topics/youth/>.



80. **Low skills, low productivity:** Burundians with a training or apprenticeship education earn on average three times more than those without—and yet only 25,000 youth enter TVET programs each year, and less than 1 percent of 15–24-year-olds have completed a TVET curriculum.⁴⁹ Those that are self-employed often lack managerial and technical entrepreneurial skills that hinder their outcomes. Supplying more youth with hands-on skills, both through formal education and entrepreneurship trainings, can bridge the gap between schooling and productivity, thereby raising earnings for those engaged in such trades.

81. **Non-measurable impact:** The project is expected to provide higher income and employability to participants, along with other non-monetized benefits. Attracted by the higher quality of the local labor force, private sector development and tax revenue is expected to increase. Employment gains mechanically lower social safety expenditure and improve social participation. The country's most vulnerable populations—women, refugees, and returnees—are expected to benefit disproportionately by making up for their current lag in employment and earnings outcomes. Therefore, the values for internal rate of return (IRR) and net present value (NPV) generated are lower bounds as they are based only on quantifiable labor market returns, and do not include the valuation of positive externalities.

82. **Cost-benefit analysis:** The cost-benefit analysis undertaken uses conservative assumptions based on similar projects undertaken in comparable contexts. The analysis includes Components 1 and 2 of the project, which account for 88 percent of the project's budget, and each component is evaluated separately. For all components, working life is assumed to be 35 years, with a 7 percent discount rate, constant wages and a lifetime effect of the program on earnings and/or employment. The unemployment rate is 8 percent for all beneficiaries. Opportunity costs and post-program earnings are based on ECVMB 2013 survey data for project target sub-populations. There are no direct private costs to participating in the program, which lasts five years, with the last cohort of beneficiaries entering the labor market in 2029.

83. **NPV and IRR:** The NPV of Component 1 is estimated to be US\$95 million, with an IRR of 17.4 percent, with lower bounds of US\$40 million and 11.7 percent. Component 2 is projected to yield an NPV of US\$11 million and an IRR of 11.6 percent, with lower bounds of US\$1 million and 7.4 percent. Overall, the project yields an expected IRR of 16 percent, and an NPV of US\$106 million.

84. **Plausibility of estimates:** The returns to the project are comparable to those estimated for other development projects, and higher than for other forms of investment. These estimates are conservative and on the lower end of rates of return to other similar projects, which have been shown to yield returns of 10 to 30 percent for training and apprenticeship programs, and 30 to 50 percent for entrepreneurship grants and trainings.⁵⁰

85. **A climate and disaster risk screening** of the project was undertaken, which reveals that the risk is low. Burundi, like many other countries in the region, is vulnerable to the impact of climate change on many fronts considering its geography, climate, economic structure, population, and energy demands. Burundi is particularly vulnerable because a large share of its economy is dependent on climate-sensitive natural resources. As already mentioned, agriculture employs 85 percent of the population. Yet, many of

⁴⁹ ECVMB 2013/14

⁵⁰ Based on analysis of Kenya's Youth Empowerment Project (Honorati, 2015) and Uganda's start-up grants program (Blattman, Fiala, & Martinez, 2014). Blattman, C., Fiala, N., & Martinez, S. (2014). Generating skilled self-employment in developing countries: Experimental evidence from Uganda. *The Quarterly Journal of Economics*, 129(2), 697-752 || Honorati, M. (2015). The impact of private sector internship and training on urban youth in Kenya. *Poliyc Research Working Paper(7404)*.



the country's inhabitants combat food insecurity and malnutrition because of climate hazards, limited land access, and limited crop diversity. To realize its food security objectives, Burundi must boost the country's agriculture productivity, which is lowest in the region. The project intends to address this by upgrading the quality of formal and informal trainings to provide skilled trainees in the sector, some of whom can start their own projects with seed funding provided under the entrepreneurship fund. This will improve the livelihoods of the most vulnerable (unemployed youth) and increase their resilience to food insecurity. More specific climate mitigation and adaptation measures are included in annex 7.

B. Fiduciary

(i) Financial Management

86. This is a US\$80 million IDA Investment Project Financing (IPF). An FM assessment was carried out to determine whether (a) the implementing entity has adequate FM arrangements to ensure that project funds will be used for purposes intended, in an efficient and economical way; (b) project's financial reports will be prepared in an accurate, reliable, and timely manner; and (c) the entity's assets will be safeguarded. The assessment was carried out in accordance with the World Bank Directive: Financial Management Manual for World Bank IPF Operations issued on February 28, 2017.

87. To increase the ownership of government agencies and institutions over the management of the project activities, this project will be coordinated by the Permanent Secretary of MNESR. As the Ministry of Education has limited experience in managing World Bank-financed projects, it will be strengthened by the Implementation Support Unit, with additional external staff with qualifications and experience acceptable to the World Bank, to oversee the day-to-day coordination of the project activities.

88. The implementation of the FM arrangements under this project will consider gradually using part of the country systems when assessed acceptable. The FM arrangements for the project, including funds flow, internal controls, audit, and reporting, will be detailed in the project's PIM, which should be acceptable to the World Bank.

89. The inherent fiduciary risk is assessed as high for the following reasons:

- The inherent high FM risk at the country level
- The limited experience and capacity of MNESR in managing World Bank-financed projects
- The complexity of the project due to the number of key players involved in the project activities and funds flow challenges with transfer and management of significant amounts of funds by training centers and incentives for over 120,000 direct beneficiaries.

90. **The proposed mitigations measures include, but are not limited, to**

- Recruitment of FM staff within the Implementation Support Unit based on the needs identified (for example, Administrative and Finance Specialist (RAF), a chief accountant, accountants, a logistic specialist, and an internal auditor) to provide implementation support to the Permanent Secretary and ensure transparency in the use of project financing;



- Development of a PIM, which will include FM procedures;
- Use of mobile money system to transfer funds to trainees, as this has been proven to be less risky and more reliable;
- Setting-up of a computerized accounting system; and
- Increased implementation support by the World Bank staff.

91. Once the mitigations measures are implemented, the residual FM overall risk will be Substantial, which will satisfy the World Bank's minimum requirements.

Disbursement and Flow of Funds Arrangements

92. A Designated Account (DA) will be opened at the Central Bank. Replenishments to the DA will be made against withdrawal applications supported by Statements of Expenditures (SOEs). A switch to the report-based disbursement could be considered provided some conditions are met. The other methods of disbursing funds (reimbursement and direct payment) will also be available to the project.

(ii) Procurement

93. The procurement process will follow the requirements of the World Bank's Procurement Regulations for IPF Borrowers: Procurement in IPF Goods, Works, Non-Consulting, and Consulting Services dated July 1, 2016, and revised in November 2020 and as amended from time to time and applicable to IPF. The project will be subject to the World Bank's Anti-Corruption Guidelines of July 1, 2016.

94. When approaching the national market, as agreed in the Procurement Plan, the country's own procurement procedures may be used with the requirements set forth or referred to in the paragraphs 5.3 to 5.6 related to national Procurement Procedures. However, the Burundi standard bidding documents are not found acceptable to be used for national competitive bidding. The requirements to make them in compliance with clauses 5.3 to 5.6 of the Procurement Regulations and other statements were notified to the Government delegation. The requirements for national open competitive procurement are as shown in table 1.



Table 1. Requirements for National Open Competitive Procurement

| Requirements for National Open Competitive Procurement | Actions |
|---|---|
| (a) Open advertising of procurement opportunity at the national level | No action needed |
| (b) The procurement is open to eligible firms from any country. | No action needed |
| (c) The request for bids/request for proposals document shall require that bidders/proposers submitting bids/proposals present a signed acceptance at the time of bidding to be incorporated in any resulting contracts, confirming application of, and compliance with, the World Bank’s Anti-Corruption Guidelines, including without limitation the World Bank’s right to sanction and the World Bank’s inspection and audit rights. | The form elaborated by the World Bank must be added to each contract agreement with bidders/consultants |
| (d) Contracts with an appropriate allocation of responsibilities, risks, and liabilities | No action needed |
| (e) Publication of contract award information | No action needed |
| (f) Rights for the World Bank to review procurement documentation and activities | The requirement is included in the Procurement Plan. |
| (g) An effective complaints mechanism | The PIM must develop an effective complaints mechanism in line with World Bank Regulations. |
| (h) Maintenance of records of the procurement process | The PIM must spell out practical modalities and appropriate documentation to archive. |

95. Procurement for works, goods, and non-consulting and consulting services for the project will be carried out in accordance with World Bank procedures. The client prepared a Project Procurement Strategy for Development (PPSD (including Procurement Plan) which indicates, among others, whether or not

- (a) The national and international environment is favorable for procurement of goods intended for project implementation;
- (b) The national market is able to meet the needs of works, computer equipment, office equipment and furniture and office supplies, which will be purchased according to the relevant approved procedures;
- (c) The same applies to the market for consultant services; and
- (d) The contracts are open to the subregional and international market for specific supplies and services that may require the participation of companies located overseas.

96. The Procurement Plan, including its updates, includes for each contract: (a) a brief description of the activities/contracts, (b) the selection methods to be applied, (c) the cost estimates, (d) time frame and schedules, (e) the World Bank’s review requirements, and (f) any other relevant procurement information. The Procurement Plan covering the first 18 months of project implementation was approved by the World Bank on May 19, 2021. Any updates of the Procurement Plan will be submitted to the World Bank for approval. The Procurement Plan was prepared and finalized based on the PPCSD. It will set out the selection methods to be followed by the borrower during project implementation in the procurement of goods, works, and non-consulting and consulting services financed by the World Bank. The Procurement Plan will



be updated at least annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

97. **Systematic Tracking of Exchanges in Procurement (STEP).** The recipient shall use the World Bank’s online procurement planning and tracking tool (STEP) to prepare, clear, and update its Procurement Plans and conduct all procurement transactions. The details of the procurement activities prepared in the Procurement Plan will be transferred to the STEP tool. Initial training on the implementation of the STEP tool will be provided to the PIU staff involved in implementation of the project.

98. **Procurement risk assessment and mitigating measures.** MNESR will be responsible for implementing the project. A PIU will be created in MNESR and the key staff (including the national coordinator, FM specialist, and procurement specialist) will be hired through a competitive process. The procurement team shall be trained on procurement regulations and project activities. In the meantime, the overall responsibility for the management of the procurement aspects will be handled by the PIU for the AFCC2RI-Great Lakes Trade Facilitation - SOP2 [P155329] until the new PIU is established.

99. The procurement assessment shows that

- (a) The existing staff have limited procurement skills and insufficient experience in World Bank procurement procedures;
- (b) The tender committee is not trained in the World Bank procurement procedures;
- (c) There is no PIM with a procurement section in compliance with the World Bank Procurement Regulations. The MNESR is using a national procurement code which spells out procurement procedures that are not in compliance with the World Bank procedures; and
- (d) The filing system in place is not acceptable.

100. The project procurement risk before the mitigation measures is High. The risk is reduced to a residual rating of Substantial upon consideration of successful implementation of the mitigation measures. The procurement mitigation measures proposed by the procurement risk assessment are listed in table 2.

Table 2. Procurement Risk Mitigation Measures

| Implementing Agency | Procurement Mitigation Measures | By When |
|---------------------|---|---|
| MNESR | Recruit a procurement specialist | Within 3 months of signing the Financing Agreement |
| MNESR/World Bank | Train the procurement specialist and the tender committee in the World Bank’s New Procurement Framework | Within 3 months after the procurement specialist is recruited |
| MNESR | Elaborate and submit to IDA for approval a PIM with a procurement section | Within 3 months of signing the Financing Agreement |
| MNESR | Set up an acceptable filing system in the Project Coordinating Unit | Needs to be described in the PIM |



C. Safeguards

101. **Environmental and social risk management instruments.** A draft generic Environmental and Social Management Plan (ESMP) has been prepared to address the assessment and management of environmental and social risks and impacts, including a sexual exploitation, abuse, and harassment (SEAH) action plan oriented to prevent, mitigate, and respond to those risks of the subprojects consistent with Environmental and Social Standards (ESS)¹. The generic ESMP was prepared, disclosed, consulted upon and adopted prior to the end of the Project appraisal.

102. In addition to the generic ESMP, an Environmental and Social Commitment Plan (ESCP), a Stakeholder Engagement Plan (SEP), and Labor Management Procedures (LMP) have been prepared. These were consulted upon, adopted, and disclosed in-country and on the World Bank's website on May 4, 2021.

103. **ESS1: Assessment and Management of Environmental and Social Risks and Impacts.** The project has prepared a draft generic ESMP to address the assessment and management of environmental and social risks and impacts, including an SEAH action plan oriented to address those risks of the subprojects consistent with ESS¹. It focuses on simple, routine repair works and subprojects that are likely to have minimal or no adverse, environmental, or social risks and impacts. The draft generic ESMP contains annexes with specific, detailed, and tangible environmental, social, health, and safety measures that would mitigate the potential risks and impacts of simple, routine repair/rehabilitation works and subprojects, that are likely to have minimal or no adverse environmental or social risks and impacts, as well as environmental and social screening forms for small-scale rehabilitation subprojects and TVET institutions. In the generic ESMP, measures have been proposed to ensure awareness and prevention of the spread of COVID-19 among project facilities, workers, participants, and other project stakeholders. This draft generic ESMP was prepared, disclosed, consulted upon and adopted by the World Bank. Terms of reference (ToR) and final products of TA activities (development of an IDP and investment plan, development of critical policy and regulatory reforms to ensure that project-supported activities and initiatives can continue beyond project closure, development of a national digital skills competency framework, development and implementation of curriculum in close consultation with trade associations and key organizations, and provision of resource kits that would include guidance on how to engage with the apprentice to maximize benefits of the program to MCPs) shall include environmental and social considerations/workplace safety considerations. For example, for curriculum and resource kits, the following aspects shall be considered: consideration of specific training and support materials on occupational health and safety (OHS), curriculum linking OHS skills to each stage of the work process, and so on.

104. **Contract clauses.** Contractors will be required, as a condition of their contracts with the project, to either (a) implement and comply with the generic ESMP, including preparing any necessary rehabilitation activities procedures or management plans consistent with the requirements provided in the generic ESMP or (b) transform the generic ESMP into a site-specific ESMP including preparing any necessary rehabilitation activities procedures or management plans consistent with the requirements provided in the generic ESMP. Site-specific ESMPs to be prepared by contractors will be reviewed and cleared by the PIU and will be shared with the World Bank for information.

105. **Institutional capacity and arrangement for environmental and social management.** Under the MNESR) auspices, a PIU will be set up to ensure day-to-day supervision of project execution within three



months after the effective date. During project preparation, the existing PIU, which manages the Early Grade project (P161600), provided support. Although this existing PIU has experience with the old safeguards framework, the borrower has no experience implementing projects under the new Environmental and Social Framework (ESF); thus, its institutional capacity will have to be strengthened. The PIU to be set up should recruit, within 90 days of the project effectiveness date and before any field activities start, an environmental specialist (with skills in OHS) and a social development specialist (with gender and GBV skills) to implement, monitor, and report on all relevant environmental and social aspects during project implementation.

106. Assessment based on the tasks will be undertaken during project implementation to determine whether any additional and SEAH social experts, an environmental expert, and OHS assistants need to be recruited to strengthen the PIU. As the project scope is nationwide and proposes to target around 80 CEMs, which are expected to feature limited OHS management capacity, these specialists will support CEMs in developing and applying context-specific OHS procedures to deliver the promised product. In terms of safety and environment, the following measures are proposed: undertake regular site visits to check adherence to the environmental, OHS, and social clauses and principles; ensure social inclusion of vulnerable or marginalized groups; build capacity; support CEMs and other beneficiaries to prepare their site-specific ESMPs; include environmental and social considerations in simplified business plans, and so on.

107. **ESS10: Stakeholder Engagement and Information Disclosure.** In consultation with the World Bank, the PIU has prepared and disclosed a draft SEP, proportional to the nature and scale of the project and associated risks and impacts, to be implemented throughout the project cycle, and updated as needed throughout the life of the project. The SEP was based on the initial Environmental and Social Management Framework (ESMF) and Indigenous Peoples Planning Framework that were conducted in 2019 at the beginning of project preparation before the scope of the project was expanded . It has been developed in a participatory and inclusive manner.

108. **ESS2: Labor and Working Conditions.** The LMP will be prepared by the borrower to identify the main labor requirements and risks associated with the project and help the borrower determine the resources necessary to address project labor issues. The LMP will include procedures for the direct workers (for example, the PIU staff) and contracted workers, if applicable. It will develop a code of conduct addressing SEAH behaviors and the sanctions in case of infraction for all workers engaged with the project, including, but not limited to, the PIU staff, contractors, consultants, and so on. In addition, the project will ensure regular training for staff members on GBV, including SEAH risks and the consequences, the content of code of conduct, and the procedures established to denounce SEAH incidents.

109. **ESS3: Resource Efficiency and Pollution and Management.** Civil works related to the rehabilitation of existing facilities, procurement and usage of laboratory equipment (for an anchor center at the University of Burundi under Component 1), operation of a new Institute of Computer Science, and implementation of simplified business plans activities are related to ESS3 and risks, including waste generation, dust, and noise. On-farms and workshop-based vocational training will also generate waste. On-farm-based vocational training meant to intensify agricultural production and productivity goes hand in hand with the use of chemicals, such as pesticides and fertilizers, which, if not properly managed, will pose potential risks/impacts when selecting, handling, storing, transporting, and using those chemicals. Run-offs from overuse of chemical fertilizers have the tendency to enrich waterbodies with nutrients (mainly nitrogen and phosphorus), which may lead to eutrophication. The result of eutrophication is the



development of microalgae, which causes the gradual depletion of oxygen and has negative impacts on the aquatic ecosystems. Other potential risks may come from the improper management and disposal of hazardous waste generated by the treatment of livestock.

110. The generic ESMP has included mitigation measures to minimize and manage any impacts from environmental pollution, the management of pesticides, chemical fertilizers, and hazardous waste streams from livestock husbandry. The ESMP also has included good construction management practices proposed in the WBG Environmental and Health Safety Guidelines. The project is not expected to use significant quantities of water, given that potential water use will be limited to drinking and supply for sanitary facilities used by apprentices. However, during implementation, the borrower will evaluate the potential use of water for livestock operations and agricultural training activities. If potential water use is determined to be significant, a detailed water balance will be conducted before the initiation of those activities. All construction materials needed for the small-scale civil works (sand, stones, wood, and so on) will be obtained from licensed quarries and certified suppliers.

111. **ESS4: Community Health and Safety.** Anticipated risks and impacts include community health and safety risks associated with rehabilitation work, vocational training work, traffic safety, community exposure to diseases (COVID-19, HIV/AIDS, zoonoses, and so on), risks related to SEAH, hazardous materials and emergency preparedness. To address these reversible impacts, the draft generic ESMP has included the following:

- (a) Environmental, social, health, and safety measures applicable to most small-scale rehabilitation and construction works. These measures address SEAH risk management, including procedures to handle SEAH-related claims in an ethical and confidential manner, with a survivor centered-approach, and developing a referral pathway for survivors facilitating access to holistic care.
- (b) Environmental and social and OHS screening forms relevant for the identification and management of (i) suspected pests and diseases, (ii) OHS risks in TVET institutions; and (iii) requirements for provisioning and regulating ecosystem services on-farm training and pollution risks and impacts from activities supported by the small grants.

112. The project will apply the universal access approach to the design and rehabilitation of infrastructures, where technically feasible, to consider the needs of disabled students, university's personnel, and visitors accessing the new Institute of Computer Science. Health and safety considerations for trainees and trainers in the training institutions, including possible overcrowding, risks of zoonotic diseases for apprentices, adequate hygiene, and toilet facilities have been addressed in the draft generic ESMP.

113. **ESS5: Land Acquisition, Restrictions on Land use and Involuntary Resettlement.** Project works, including construction or rehabilitation of infrastructures, will be conducted within CEMS and are expected to be minor and unlikely to require land acquisition or permanent displacement of households or businesses. Unless further project development during preparation changes this approach, any minor or temporary displacement or disturbance of households, damage to crops or other assets due to project small-scale civil works can be addressed through mitigation measures and procedures described in the generic ESMP, contractors ESMPs and works contract, and the Project Implementation Manual (PIM). While it is understood that land acquisition and resource restriction are unlikely to be needed for the



project, the ESMP will have a chapter to set the basic rules to address any instances of (a) land donation (b) temporary land take or damage to property by contractors, and (c) any changes to land use within the boundaries of CEMs where people might be using the area, and (d) address the issues related to graves and shrines mentioned under ESS8.

114. **ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources.** No activity is expected to have adverse impact on critical habitats and/or protected areas. However, few farms may be located in/around sensitive areas in rural settings and depending on the number of farm apprentices placed in those farms, poaching risks could be envisioned. The draft generic ESMP has provided guidance on screening and mitigation measures to ensure that apprentices are not placed in farms under activities that alter or cause destruction of critical and/or natural habitats.

115. **ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities.** Because the project is nationwide in scope, it is expected that some project activities will occur in or near areas where indigenous peoples/Sub-Saharan African historically underserved traditional local communities are present. An Indigenous Peoples Planning Framework will be developed to ensure that indigenous people are consulted and informed in a culturally appropriate manner about the project’s design; impacts; and potential benefits for indigenous people communities, including girls and young women. In some cases, specific subproject facilities targeting, and possibly staffed by indigenous people, may need to be considered. The SEP will also indicate ways in which the project will ensure open and culturally appropriate communications with indigenous people communities, so they are aware of and able to take part in project activities. Coordination and oversight of the subcomponents on apprenticeships and fostering entrepreneurship will be undertaken by two TCs with at least one Batwa representative in each. Youth beneficiaries under both subcomponents will include at least a 1 percent Batwa representation.

116. **ESS8: Cultural Heritage.** No excavation or construction activity is planned for this project. Subprojects are not expected to affect cultural heritage. Chance finds procedures have been included in the generic ESMP as a precautionary measure in the event that previously unknown heritage resources or burial sites are exposed or found during the life of the project. These procedures will be included in all rehabilitation contracts to be taken into account where applicable.

D. Legal Operational Policies

| | Triggered? |
|---|------------|
| Projects on International Waterways OP 7.50 | No |
| Projects in Disputed Areas OP 7.60 | No |

V. KEY RISKS

Table 3. Key Risks

| Risk Categories | Rating |
|--------------------------|-------------|
| Political and governance | Substantial |
| Macroeconomic | Substantial |



| Risk Categories | Rating |
|--|--------------------|
| Sector strategies and policies | Moderate |
| Technical design of project | Moderate |
| Institutional capacity for implementation and sustainability | Substantial |
| Fiduciary | Substantial |
| Environment and social | Moderate |
| Stakeholders | Moderate |
| Other | Substantial |
| Overall | Substantial |

117. **Political and governance risks are rated substantial.** Despite its fragile institutions, Burundi witnessed peaceful elections in 2020 and a peaceful transition of power in 2021. The project objective lies at the heart of the new government’s priorities of focusing on expanding opportunities for youth, especially the most vulnerable. A continued strong collaborative partnership with MNESR, the lead implementing ministry and the presidency will be essential to ensure project sustainability. Internal and periodic third-party monitoring will be crucial risk mitigation strategies to ensure effective project implementation. The project also proposes close engagement with beneficiaries, communities, and civil society. Relations between refugees and host communities are generally good in Burundi, but the inclusion of refugee youth as project beneficiaries may take on political implications. The project will facilitate a coordinated dialogue with development partners to mitigate risks associated with engagement between members of the refugee and host communities. Monitoring and engagement with stakeholders will likely be constrained in the near future by the impacts of COVID-19 on the country. As of May 21, 2021, Burundi had 4,418 confirmed cases of COVID-19. It is likely that these official figures understate the scope of the problem due to limited testing capacity. However, no major lockdown provisions are currently in place, and COVID-19-related restrictions to granting of exit permits for camp-based refugees have been mostly lifted. However, should the COVID-19 situation become worse in the region, there is a risk that COVID-19-related restrictions may be reinstated.

118. **Macroeconomic risks are rated substantial.** High population growth is coupled with a massive influx of young people into the labor market and limited opportunities for business and job creation in the formal sector. While real GDP growth is estimated to decelerate in 2020, reflecting the impact of COVID-19, the World Bank Global Economic Prospects forecasts a modest economic recovery in 2021–2023, with real GDP growth averaging 2.5 percent per year. The proposed risk mitigation measures are strong, and implementation arrangements with the line ministry and other implementing partners will maximize effectiveness in the use of funds in a context of budget constraints.

119. **Institutional capacity risks are rated substantial.** The capacities of institutions for project implementation at the national and local levels are insufficient, particularly given the lack of institutional frameworks and experience for the apprenticeship and entrepreneurship pathways. There is minimal coordination between MNESR, the lead implementing agency, and the other relevant ministries, such as those in charge of agriculture, youth, and employment. In April 2018, technical and professional training was reassigned from the Ministry in charge of Labor to the Ministry in charge of Education. The proposed risk mitigation measures are investment in capacity development activities; creation of institutional bodies in partnership with the private sector to support coordination and oversight of the apprenticeship and entrepreneurship programs; and development of inter-ministerial frameworks to foster coordination, reduce institutional fragmentation, and foster coordination. The project will include a ministry wide onboarding program to build sustainable ownership and capacity for the wide set of reforms proposed in



this operation. The project will also support MNESR in building capacity and systems for M&E and understanding the additional third-party monitoring put in place.

120. **Fiduciary risks are rated substantial.** Governance risks come with transparency challenges that in turn cause risks in FM and procurement. Given the inherent fiduciary risk at the country level and the great number of key players involved in project activities, and considering the lack of experience and the limited capacity in financial and procurement management and accounting systems within MNESR to support transparent implementation of the project, the fiduciary risks have a high overall risk rating. However, once mitigations measures are implemented, the FM arrangements and procurement will have an overall risk rating of substantial, which will satisfy the World Bank's minimum requirements. The proposed risk mitigation measures are focus on the quality of the recruitment of personnel for the PIU; capacity development of implementing agencies at the national and provincial levels; prioritization of funds flow mechanisms that go most directly to beneficiaries; and application of best procurement, internal control, audit, and third-party monitoring practices.

121. **Other risks.** This risk relates to maintaining an adequate refugee protection framework. Government legislation allows for the right to work and freedom of movement for refugees. Unhindered movement in and out of camps is central to achievement of the PDO as refugees require access to training sites and economic centers for apprenticeships and entrepreneurial activities. Work has been completed by the World Bank, in close collaboration with the Government and UNHCR, to review current administrative practices with respect to freedom of movement. The Government is also preparing a ministerial ordinance to reaffirm refugees' full freedom of movement under Burundian law. However, Government commitment to the support and development of refugee populations might be challenged in the face of economic crises or other negative shocks (health epidemics and extreme climate events). Measures to directly mitigate this risk are not feasible within the project, but the situation will be monitored closely.



VI. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Burundi

Burundi Skills for Jobs: Women and Youth Project

Project Development Objectives(s)

The project development objective (PDO) is to improve access and market relevance of supported skills development training and entrepreneurship opportunities for youth, particularly for women and refugees.

Project Development Objective Indicators

| Indicator Name | PBC | Baseline | Intermediate Targets | End Target |
|--|-----|----------|----------------------|------------|
| | | | 1 | |
| To improve access and market relevance of supported skills development training | | | | |
| Number of students who obtained certification from new, revised programs in collaboration with the private sector (Number) | | 0.00 | 8,000.00 | 20,000.00 |
| Of which - Number of students who obtained certification from new, revised programs in collaboration with the private sector - Female (Number) | | 0.00 | 3,000.00 | 7,000.00 |
| Of which - Number of students who obtained certification from new, revised programs in collaboration with the private sector - Refugees (Number) | | 0.00 | 2,400.00 | 6,000.00 |
| Number of youths obtaining recognized skills certification after completing an informal apprenticeship (Number) | | 0.00 | 25,000.00 | 80,000.00 |



| Indicator Name | PBC | Baseline | Intermediate Targets | End Target |
|---|-----|----------|----------------------|------------|
| | | | 1 | |
| Of which - Number of youths obtaining recognized skills certification after completing an informal apprenticeship - Female (Number) | | 0.00 | 8,750.00 | 28,000.00 |
| Of which - number of youths obtaining recognized skills certification after completing an informal apprenticeship (Refugees) (Number) | | 0.00 | 2,875.00 | 9,200.00 |
| Number of students with advanced digital skills competencies at university level (Number) | | 117.00 | 300.00 | 1,000.00 |
| Of which number of students with advanced digital skills competencies at university level -- Female (Number) | | 14.00 | 75.00 | 350.00 |
| Of which number of students with advanced digital skills competencies at university level (Refugees) (Number) | | 0.00 | 50.00 | 240.00 |
| Creation of new startups by young entrepreneurs | | | | |
| Beneficiaries of job-focused interventions (CRI, Number) | | 0.00 | 1,500.00 | 4,000.00 |
| Beneficiaries of job-focused interventions - Female (CRI, Number) | | 0.00 | 750.00 | 2,000.00 |
| Beneficiaries of job-focused interventions - Refugees (Number) | | 0.00 | 180.00 | 480.00 |



Intermediate Results Indicators by Components

| Indicator Name | PBC | Baseline | Intermediate Targets | End Target |
|---|-----|----------|----------------------|------------|
| | | | 1 | |
| C1: Improving Labor-Market Orientation of Skills Development | | | | |
| TVET sector training hubs supported with functioning modernized governing board with industry partnership (Number) | | 0.00 | 3.00 | 5.00 |
| Number of training programs developed in partnership with the private sector in line with projected skills demands in the labor market (Number) | | 0.00 | 5.00 | 15.00 |
| Fully functioning upgraded CEMs that are improved with climate change mitigation considerations; are accessible to the disabled and include separate toilets for females (Number) | | 0.00 | 32.00 | 65.00 |
| MCPs supported by the project (Number) | | 0.00 | 2,000.00 | 5,000.00 |
| Share of CEMs supported with reporting and referral mechanisms for GBV affected youth (Percentage) | | 0.00 | 45.00 | 80.00 |
| New Institute of Computer Science/Computer Engineering and Digital Transformation is operational (Yes/No) | | No | Yes | Yes |
| C2: Fostering Entrepreneurship | | | | |
| Number of youths benefiting from entrepreneurship skills training (Number) | | 0.00 | 4,500.00 | 6,000.00 |
| Number of beneficiary youths benefiting from entrepreneurship skills training (Female) (Number) | | 0.00 | 2,250.00 | 3,000.00 |
| Number of beneficiary youths benefiting from entrepreneurship skills training (Refugees) (Number) | | 0.00 | 540.00 | 720.00 |
| Number of start-ups created through business | | 0.00 | 3,000.00 | 4,000.00 |



| Indicator Name | PBC | Baseline | Intermediate Targets | End Target |
|---|-----|----------|----------------------|------------|
| | | | 1 | |
| plan competitions (Number) | | | | |
| Number of enabling organizations benefitting from capacity development activities (Number) | | 0.00 | 30.00 | 40.00 |
| Number of enabling organizations benefitting from capacity development activities - operating inside the refugee camps (Number) | | 0.00 | 5.00 | 5.00 |
| C3: Reinforcing Data Systems for Market-Oriented Skills Development, Project Management, and M&E | | | | |
| ICT platform for information about training and income generating opportunities operational (Yes/No) | | No | Yes | Yes |
| Share of surveyed beneficiaries satisfied with project interventions (Percentage) | | 0.00 | 40.00 | 75.00 |
| Evaluation conducted on the impact of the enhancement of informal apprenticeship and foundational skills training on labor market outcomes (Yes/No) | | No | No | Yes |

Monitoring & Evaluation Plan: PDO Indicators

| Indicator Name | Definition/Description | Frequency | Datasource | Methodology for Data Collection | Responsibility for Data Collection |
|---|---|-----------|---|--|------------------------------------|
| Number of students who obtained certification from new, revised programs in collaboration with the private sector | The indicator measures the cumulated number of youth graduating from formal TVET institutions with certification from new and | Annual | Enrolment records at sector training hubs | Administrative data (registry of sector training hubs) | M&E specialist within the PIU |



| | | | | | |
|---|--|--------|---|---|-------------------------------|
| | revised programs in collaboration with the private sector. These programs will be defined in the POM and so will the parameters for the private sector collaboration and engagement | | | | |
| Of which - Number of students who obtained certification from new, revised programs in collaboration with the private sector - Female | The indicator measures the cumulated number of female youth graduating from formal TVET institutions with certification from new and revised programs in collaboration with the private sector. These programs will be defined in the POM and so will the parameters for the private sector collaboration and engagement | Annual | Enrolment records at sector training hubs | Administrative data (registry of sectoral hubs) | M&E specialist within the PIU |
| Of which - Number of students who obtained certification from new, revised programs in collaboration with the private sector - Refugees | The indicator measures the cumulated number of refugee youth graduating from formal TVET institutions with certification from new and revised programs in collaboration with the private sector. These programs will be defined in | Annual | Enrolment records at sector training hubs | Administrative data | M&E Specialist within the PIU |



| | | | | | |
|--|--|------------------------|---------------------------|--|-------------------------------|
| | the POM and so will the parameters for the private sector collaboration and engagement | | | | |
| Number of youths obtaining recognized skills certification after completing an informal apprenticeship | The indicator measures the cumulated number of all apprenticeship completers that were undergoing an apprenticeship training with a master craftsman in a cluster supported by the project and have successfully undergone an assessment leading to a certification. | Annual starting year 2 | Enrolment records of CEMs | Administrative data (registry of CEMs) | M&E specialist within the PIU |
| Of which - Number of youths obtaining recognized skills certification after completing an informal apprenticeship - Female | The indicator measures the cumulated number of all apprenticeship completers that were undergoing an apprenticeship training with a master craftsman in a cluster supported by the project and have successfully undergone an assessment leading to a certification. At least 35 percent of beneficiaries have to be female. | Annual starting year 2 | Enrolment records at CEMs | Administrative Data (registry of CEMs) | Industry Apprenticeship Unit |
| Of which - number of youths obtaining recognized skills certification after completing an | The indicator measures the cumulated number of refugee apprenticeship | Annual starting year 2 | Enrolment records at CEMs | Administrative data (registry records within the CEMs) | M&E Specialist within the PIU |



| | | | | | |
|--|---|------------------------------------|--------------------|--|--------------------|
| informal apprenticeship (Refugees) | completers that were undergoing an apprenticeship training with a master craftsman in a cluster supported by the project and have successfully undergone an assessment leading to a certification. | | | | |
| Number of students with advanced digital skills competencies at university level | Indicator measures digital skills competencies according to accepted standard measurements of graduates/completers of supported digital skills programs. The definition and measurement of advanced digital skills to be used for measuring this indicator will be disaggregated by type of training. Baseline will be established upon start of intervention and among graduates/completers from the third year of project, onwards using standard digital skills measurement tools. | Starting third year of the project | Assessment records | Administrative data (University of Burundi registry) | PIU M&E specialist |
| Of which number of students with advanced digital skills competencies | Indicator measures digital skills competencies | Annual starting year | Assessment records | Administrative data at the University of | PIU M&E Specialist |



| | | | | | |
|--|---|--------------------------|--------------------|--|-----------------------------|
| at university level -- Female | according to accepted standard measurements of female graduates/completers of supported digital skills programs. The definition and measurement of advanced digital skills to be used for measuring this indicator will be disaggregated by type of training. Baseline will be established upon start of intervention and among graduates/completers from the third year of project, onwards using standard digital skills measurement tools. | 3 | | Burundi | |
| Of which number of students with advanced digital skills competencies at university level (Refugees) | | | | | |
| Beneficiaries of job-focused interventions | | Annual, starting from Y2 | Procurement report | Administrative data, will capture the number of young entrepreneurs who benefitted from job-focused interventions including entrepreneurial skills training, subsidies and mentorship programs | M&E specialist with the PIU |



| | | | | | |
|---|--|--------------------------|---------------------|---------------------------|-----------------------------|
| | | | | and created new startups. | |
| Beneficiaries of job-focused interventions - Female | | Annual, starting with Y2 | Procurement reports | Administrative data | M&E specialist with the PIU |
| Beneficiaries of job-focused interventions - Refugees | Number of start-ups created through business plan competitions by refugee youths | Annual, starting Y2 | Procurement reports | Administrative data | M&E specialist with the PIU |

Monitoring & Evaluation Plan: Intermediate Results Indicators

| Indicator Name | Definition/Description | Frequency | Datasource | Methodology for Data Collection | Responsibility for Data Collection |
|---|--|------------------------|---|-------------------------------------|------------------------------------|
| TVET sector training hubs supported with functioning modernized governing board with industry partnership | Indicator counts the number of TVET sector training hubs supported under the project, in which a Governing Board has been formally established and is functional in accordance with the standards and functions defined in the PACEJ Project Implementation Manual (PIM). A Governing Board is considered functional when (1) the government agency, under which the TVET sector | Annual starting year 2 | Notes of board establishment, minutes of meetings | Administrative data (project files) | PIU M&E Specialist |



| | | | | | |
|--|--|------------------------|--|---------------------------------------|--------------------|
| | training hub is operating has officially appointed the Board through a written notice and appointed its members; (2) the Board has met at least once during the previous six months | | | | |
| Number of training programs developed in partnership with the private sector in line with projected skills demands in the labor market | The indicator measures the cumulated number of training programs delivered in supported TVET sector training hubs that have been subject to improvement through any of the following: curriculum revision; upgrading/revision of teaching and learning material; workshop/lab upgrading. The improvement must have been planned and implemented with involvement of the industry partner(s). | Annual since year 2 | Annual reports from supported TVET sector training hubs | Administrative data | M&E PIU Specialist |
| Fully functioning upgraded CEMs that are improved with climate change mitigation considerations; are accessible to the disabled and include separate toilets for females | The indicator measures the cumulated number of CEMs for which the upgrading has been completed according to agreed upon standards defined in the PIM. This upgrade has to include at minimum: (i) the installation | Annual starting year 2 | Procurement reports, site spot-checks using standardized evaluation form | On-site verification, project records | PIU M&E Specialist |



| | | | | | |
|--|--|------------------------|---|----------------------------------|--|
| | of solar panels and energy-efficient appliances, (ii) measures to make CEMs accessible to the disabled, and (iii) separate toilets for females. | | | | |
| MCPs supported by the project | Indicator counts the MCPs that have undergone training or have benefited from equipment. At least 20% of MCPs must be female. | Annual from Year 2 | CEMs project data | Administrative and project data | PIU M&E Specialist with industry apprenticeship unit |
| Share of CEMs supported with reporting and referral mechanisms for GBV affected youth | Indicator counts share of CEMs that have developed policies to deal with GBV accepted by the PIU and the World Bank. | Annual starting year 2 | Records from CEMs | Administrative data/Project data | M&E Specialist within the PIU |
| New Institute of Computer Science/Computer Engineering and Digital Transformation is operational | New Institute of Computer Science/Computer Engineering and Digital Transformation is operational in partnership with an education service provider receives students and delivers at least two training programs | Once in year 2 | Decree from the MNESR | Administrative data | M&E Specialist within the PIU |
| Number of youths benefiting from entrepreneurship skills training | Indicator measures the number of youths benefiting from entrepreneurship skills training offered by the project. The training will cover critical | Annual starting year 2 | Attendance list of entrepreneurship skills training | Project records | M&E Specialist within the PIU |



| | | | | | |
|---|--|-------------------------------|-------------------------|---|--|
| | <p>entrepreneurial skills, including psychosocial and behavioral training, training in the use of digital technology, and technical training in the development and implementation of business plans. The training will also be based on two elements: (i) the content of the training will be based on the principles of action, and (ii) the training will take place in an active learning mode (learning by doing).</p> | | | | |
| <p>Number of beneficiary youths benefiting from entrepreneurship skills training (Female)</p> | <p>Indicator measures the number of female youths benefiting from entrepreneurship skills training offered by the project. The training will cover critical entrepreneurial skills, including psychosocial and behavioral training, training in the use of digital technology, and technical training in the development and implementation of business plans. The training will also be based on two elements: (i) the content of</p> | <p>Annual starting year 2</p> | <p>Attendance lists</p> | <p>Administrative date (project records)</p> | <p>M&E Specialist within the PIU</p> |



| | | | | | |
|--|--|------------------------|--------------------|-------------------------------------|-------------------------------|
| | the training will be based on the principles of action, and (ii) the training will take place in an active learning mode (learning by doing). | | | | |
| Number of beneficiary youths benefiting from entrepreneurship skills training (Refugees) | Indicator measures the number of refugee youths benefiting from entrepreneurship skills training offered by the project. The training will cover critical entrepreneurial skills, including psychosocial and behavioral training, training in the use of digital technology, and technical training in the development and implementation of business plans. The training will also be based on two elements: (i) the content of the training will be based on the principles of action, and (ii) the training will take place in an active learning mode (learning by doing). | Annual starting year 2 | Attendance lists | Administrative data (project data) | M&E Specialist within the PIU |
| Number of start-ups created through business plan competitions | Number of startups registered by youths that benefitted from the subsidies of the Business Plan Competition | Annual starting F2 | Procurement report | Administrative data | M&E specialist within the PIU |



| | | | | | |
|--|--|------------------------|--------------------|--|-------------------------------------|
| Number of enabling organizations benefitting from capacity development activities | Local organizations (associations, incubators, NGOs, cooperatives, BDS providers, etc.) and networks (successful entrepreneurs in Burundi, business associations and diaspora networks) that benefitted from project's capacity development activities to improve quality and reach of support offered to startups and entrepreneurs in Burundi. | Annual | Procurement report | Administrative data | M&E specialist with the PIU |
| Number of enabling organizations benefitting from capacity development activities - operating inside the refugee camps | This indicator will capture the number of organization that provide targeted support to refugee entrepreneurs and are operating inside the refugees camps. | Annual | Procurement report | Administrative data | M&E specialist with the PIU |
| ICT platform for information about training and income generating opportunities operational | ICT platform for information about training and income generating opportunities operational as defined by the PIM | Annual starting year 2 | Reports | Website housed on the Ministry's page | M&E Specialist within the PIU |
| Share of surveyed beneficiaries satisfied with project interventions | Share beneficiaries that report having been satisfied with project interventions as defined by the PIM | Year 2 and Year 4 | Report to PIU | Beneficiary surveys | M&E PIU specialist with third party |
| Evaluation conducted on the impact of the enhancement of informal | The indicator captures whether defined steps of | According to Work | Reports (interim, | Project records, reports must be accepted by | M&E Specialist within the |



| | | | | | |
|--|--|--|------------------|------------|-----|
| apprenticeship and foundational skills training on labor market outcomes | the impact evaluation plan related to the informal apprenticeship and foundational skills training interventions are successfully completed at the planned point in time. The impact evaluation plan will be drawn up and approved during the first year of project implementation. The findings of the study will be used to inform project implementation and address grievances | Plan agreed at the beginning of Year 1 | draft and final) | World Bank | PIU |
|--|--|--|------------------|------------|-----|



ANNEX 1: Adjustments to the Country Program in Response to COVID-19

COUNTRY: Burundi

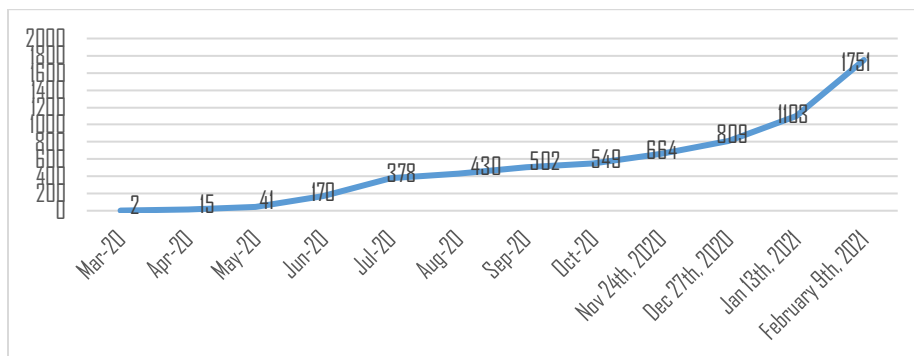
Burundi Skills for Jobs: Women and Youth Project

1. This annex summarizes adjustments made to the WBG country program in Burundi to mitigate economic and social impacts from the COVID-19 pandemic. Adjustments have been made in support of and aligned with the Government’s response plan and request for support, applying the WBG 2020 COVID-19 crisis response framework.

2. **Health impact.** The first two COVID-19 cases were detected on March 31, 2020, yet the number of reported cases remain low, under 10 cases per 100,000 persons and only three reported deaths. However, the cumulative reported cases continue to rise and more than doubled between December 27, 2020, and February 9, 2021. On May 21, 2021, the total number of cases reached 4,418. The rise takes place in the context of rapid acceleration of case numbers in Southern Africa (partly linked to a new variant of the virus) and could be explained by imported cases through land borders and a resumption of international flights as of December 2020. It should be noted that the number of reported cases and deaths only reflect those in a limited number of health facilities (focus on Bujumbura and entry points) and may be underestimated.

3. To mitigate health risks stemming from the movement of goods and people, the GoB (a) imposed, from March 6, 2020, a four-day quarantine on all passengers arriving from affected countries; (b) allowed for voluntary testing; (c) initiated a communication campaign advocating physical distance; and (d) reinforced control at land borders. Internal movement was not restricted—to limit economic costs. Burundian authorities swiftly responded to the early signs of the pandemic by putting in place a contingency plan. However, basic prevention measures were not implemented, including by government officials, and the Ministry of Health’s narrative has been—and continues to be-- that the pandemic is under control. The absence of reliable data and lack of testing lead to confusion as to the real situation. Burundi has not joined the COVAX initiative, nor has World Bank support for vaccinations and distribution been requested. Strong advocacy efforts for COVID-19 vaccination are carried out by development partners, including WHO, GAVI and UNICEF.

Figure A1.1. Monthly cumulative COVID-19 cases



Source: Burundi Health Ministry, March 2021



4. **Economic impact.** Real GDP growth for 2020 is estimated to have slowed to 0.3 percent, down from 1.8 percent in 2019, mainly due to the impacts from COVID-19. Inflation reached 7.5 percent in December 2020, up from deflationary outturns two years before, mainly due to increasing food prices and disruption to imported consumer products following COVID-19-related border closures.

5. The account deficit is estimated to have narrowed slightly, to 11.9 percent of GDP in 2020, down from 13.4 percent in 2019, helped mainly by lower oil prices. With only marginal foreign direct investment and declining capital account inflows, the account deficit was financed by commercial borrowing and especially trade credits, which may be building up. Forex market pressures increased with the parallel market premium averaging 70 percent at the end of December 2020. The fiscal deficit narrowed because of sharply lower capital expenditures, to cope with the loss in revenue amid already limited fiscal space, but remained high at an estimated 4.6 percent of GDP in 2020. As a result, public debt increased further, to an estimated 63.2 percent of GDP in 2020, down from 58.5 percent in 2019. As external financing remains scarce, financing the fiscal deficit relied heavily on domestic borrowing from the banking system. As of 2020, 74 percent of public debt was domestic.

6. With the loss of lives and the decline in economic activity, poverty, inequality, and unemployment levels may rise. Disruptions to supply chains, a slowdown in production and trade, and a general slowdown in the economy will, coupled with likely increases in health spending, affect household income and welfare. Agriculture and industry are faced with a lack of imported inputs, which may limit food production and food availability. Similarly, limitations to the export of primary products will likely worsen the existing foreign exchange shortages. Finally, disruptions in imported consumer goods may push up inflation.

7. **Government's COVID-19 response.** The GoB has developed a National COVID-19 Preparedness and Response Plan, at a total cost of US\$58.6 million. The plan, which follows the World Health Organization (WHO) guidance, is technically supported by specialized international agencies, including the WHO, and focuses on scaling up and strengthening aspects of COVID-19 preparedness and response, including coordination, surveillance, case management, communication, and social mobilization, psychosocial, and logistics and safety. The National Health Emergency SC oversees the overall coordination and implementation of the plan. Burundi is still reluctant to use COVID-19 vaccines and has not joined the COVAX initiative. Strong advocacy efforts for COVID-19 vaccination are being carried out by development partners, including WHO, GAVI⁵¹, and UNICEF.

8. **Adjustments to the World Bank's lending portfolio aim to mitigate the socioeconomic impact of the COVID-19 crisis in Burundi.** The response is aligned with the WBG structured around three different phases: (a) immediate response (relief), (b) recovery phase, and (c) resilience building phase. The immediate response phase aims to avoid the transmission of the virus and protect poor and vulnerable households from the economic impact of the crisis while increasing the capacity of the health system to respond to increasing number of patients who will show up at health centers and hospitals. The recovery phase aims to restore the economy to its previous state before the crisis through support to livelihoods and businesses. The resilience building phase will aim to accelerate recovery and strengthen economic resilience through an investment in government systems.

⁵¹ GAVI = Global Alliance for Vaccines and Immunization.



9. **Relief.** As part of the World Bank’s support to the relief phase, a US\$5 million COVID-19 Strategic Preparedness and Response Project (P173845) was approved in April 2020, in support of the Government’s COVID-19 response plan. The project supports (a) emergency COVID-19 response, (b) increased preparedness at the national and subnational levels, (c) community engagement and risk communication, and (d) implementation management and M&E. The GoB has not requested assistance in the acquisition and distribution of COVID-19 vaccines. Support is being provided to poor and vulnerable households through an ongoing social protection project, the Merankabandi Project (P151835). Further support may be provided through a follow-up engagement

10. **Restructuring.** In support of the restructuring phase, a proposed additional financing to the ongoing KIRA Health Project will ensure continued support to the results-based health financing approach adopted for improved maternal and child health in Burundi and mitigate impact from the pandemic on health services and outcomes. The project will also support the strengthening of laboratory capacities developed under the recently closed East Africa Public Health Laboratory Networking Project. Support under the project will ensure the provision of continued free health care services for children under five years of age and pregnant women; hence, limiting health care expenses and ensuring strides made to date to improve child and maternal health are not lost. The proposed KIRA additional financing would also contribute to strengthening the resilience of the Burundi health system to future epidemics/pandemics. Going forward, World Bank financing to support the restructuring phase is envisaged through operations aimed to strengthen the digital capacity and road infrastructure.

11. **Resilience.** The proposed Burundi Skills for Jobs: Women and Youth Project will support increased resilience, in people and in systems, together with a Productive Safety Nets and Jobs Project (P175327), which has a FY22 planned delivery date.

12. **Development partners are supporting the GoB in its response to COVID-19.** An interagency strategic plan was developed to support the GoB, identifying lead United Nations organizations to support implementation for each pillar of the GoB’s plan. Development partners such as GAVI, UNDP, AFDB, European Union, and the Global Fund have indicated financial support for the plan.



ANNEX 2: Implementation Arrangements and Support Plan

COUNTRY: Burundi

Burundi Skills for Jobs: Women and Youth Project

1. The main implementing agency for the project will be MNESR, which manages the training institutions that host the various training activities supported by the project. At the same time, given that the issues that the project aims to tackle are multisectoral, several ministries and other agencies and stakeholders will partner in project implementation and management.
2. **Steering Committee.** The project will be overseen by an SC, to be set up no later than two months after the effective date, to ensure that project activities are relevant to the different sectors and in line with the Government's priorities and private sector needs. Therefore, the SC will be chaired by the Minister of MNESR or his representative and supported by one vice chairman from the private sector. From the public sector, the SC will have Permanent Secretary-level representation from the following ministries: Ministry of Public Service, Labor, and Employment; Ministry of East African Community Affairs, Youth, Sports, and Culture; Ministry of Finance, Budget, and Economic Planning; Ministry of Environment, Agriculture, and Livestock; and Ministry of National Solidarity, Social Affairs, and Human Rights. The private sector will be represented by the following organizations: CCIB, AIB, the Association of Women Entrepreneurs and Women's Organizations, and CHASSA. The decentralized structures will be represented by the CCIB and CHASSA.
3. **The role of the SC will be to** (a) provide overall policy and strategic guidance to the PIU for project implementation, (b) approve the overall annual budgeted action plan prepared by the PIU and ensure that agreed performance targets and time lines for proposed activities under the different components are met, and (c) ensure effective project implementation by proactively addressing critical issues that could hinder implementation. The SC will meet at least twice a year to review the progress and activity report for the project prepared by the PIU and discuss its findings with the relevant stakeholders (for example, public and private sector agencies, NGOs, other donors, and so on). The SC members will receive regular progress reports on each component and biannual audit reports and will coordinate the biannual supervision missions.
4. **The Technical Committee** ensures technical follow-up of the project and reports to the SC. This committee will be set up no later than two months after the effective date and will be responsible for analyzing the annual action plans to be submitted for approval by the SC and providing feedback on the reports submitted by the PIU to the SC. The TC will facilitate the project's communication with the implementation structures. The TC will be chaired by the Permanent Secretary and will include representatives from ministries. The TC may request technical expertise for the monitoring and review of project documents submitted to the SC

PIU

5. **To ensure day-to-day supervision of project execution, a PIU will be set up under the auspices of MNESR.** The PIU will be headed by a coordinator who will serve as the link between the SC and MNESR. Specifically, the PIU will (a) coordinate and monitor the day-to-day implementation of the project; (b) play the role of technical secretariat to the SC; (c) manage all fiduciary/M&E aspects of the project and prepare



consolidated technical and financial reports; and (d) support, through Component 3, institutional capacity strengthening activities.

6. **To effectively carry out its mandate, the PIU will be staffed with the relevant experts to support the coordinator in managing fiduciary, M&E, budgeting, and planning activities, as well as technical proposal evaluation.** The core team of the PIU will comprise the following staff: (a) procurement specialist(s), (b) FM specialist(s), (c) an internal auditor, (d) M&E specialist(s), (e) two training engineering specialists, (f) one social specialist with GBV and gender skills and one environmental specialist, and (g) any additional administrative support as necessary. The project will also hire an independent M&E consulting firm to collaborate closely with the project's M&E specialist(s). The consulting firm will assist with the production of an annual lessons learned/technical audit report and ensure an objective assessment of progress made. It was also agreed that all PIU staff would be recruited locally and on a competitive basis.

7. Contextual fit will be a guiding principle for implementation arrangements and management. The Burundian context and the project objective require strong implementation readiness; sustained engagement with multiple ministries and government and other counterparts throughout project processes; streamlined funds flows, wherever possible, to get financial support as directly as possible to the end beneficiaries; constant technical and procedural support from the World Bank on project processes; and continual incremental learning and adaptations to changes in the political, economic, and social environments. A project preparation advance has helped advance analytical, advisory, and recruitment activities that will facilitate implementation readiness including

- (a) The elaboration of a decree on apprenticeship along with a draft procedures' manual;
- (b) Studies on the need's assessments of technical training centers;
- (c) The elaboration of a legal framework of technical and vocational training;
- (d) The development of a strategy for entrepreneurship development and a renewed mechanism for the integration of young people;
- (e) Recruitment of consultants to support the University of Burundi to put in place the institutional framework for a new Institute of Digital Transformation and support competitive selection of a foreign university partner; and
- (f) Recruitment of the PIU staff.

8. Continually updated assessments and guides, such as PIM, financial assessment, procurement assessment, and ESMP; will help with adaptations of project activities to contextual changes and incorporation of lessons learned during implementation. Periodic supervision missions and a mid-term review—in addition to internal and third-party monitoring—will contribute to fostering engagement with implementing partners and stakeholders and identifying and resolving implementation bottlenecks.

9. The current PIU managing the project preparation advance is finalizing the PIM with support from experts in the domains of intervention. Appropriate sequencing of activities over the project years will be key to enabling achievement of results. Table 2.1 provides a summary of key implementing agencies.



Table A2.1. Summary of Key Implementing Agencies

| | Key Implementing Agency/cies | |
|--|---|---|
| | Coordination and Supervision at Central Level | Frontline Implementation |
| Component 1: Improving Labor Market Orientation of Skills Development | | |
| Subcomponent 1.1: Enhancing Labor Market Responsiveness of Formal Training Providers | MNESR | 5 sector training hubs, with technical support and results monitoring support from third party |
| Sub-component 1.2: Modernizing and Expanding Informal Apprenticeships | MNESR, national industry apprenticeship unit | Industry apprenticeship unit within each of the 80 CEMs with representatives from local artisan and farmer associations with technical support and results monitoring support from third parties |
| Sub- component 1.3: Developing Digital Skills for the Knowledge Economy | MNESR | Education service provider, which is a university within the 50 or 100 top computer science universities according to Times Higher Education rankings, which will be responsible for curriculum development, blended learning, ToT, improving of teaching and learning facilities, and setting up and managing of an innovation center within the host institution. |
| Component 2: Fostering Entrepreneurship | | |
| Sub- component 2.1: Strengthening Entrepreneurial Skills | MNESR | Local partner organizations (universities, TVET institutions, and incubators) |
| Sub- component 2.2: Startup grants | MNESR | Local or international partner (company or NGO) contracted through a competitive process |
| Sub-component 2.3: Entrepreneurship Ecosystem Support | MNESR | Technical support to local organizations (associations, incubators, NGOs, cooperatives, and BDS providers) |
| Component 3: Reinforcing Data Systems for Market-Oriented Skills Development, Project Management, Monitoring and Evaluation | | |
| Sub- component 3.1: Reinforcing Data Systems for Market-Oriented Skills Development | MNESR, Ministry in charge of Labor, and Ministry in charge of Youth | |

Procurement

10. The procurement process will follow the requirements of the World Bank’s Procurement Regulations for IPF Borrowers: Procurement in Investment Project Financing Goods, Works, Non-Consulting, and Consulting Services dated July 1, 2016, and revised in November 2020 and as amended from time to time and applicable to IPF. The project will be subject to the World Bank’s Anti-Corruption Guidelines of July 1, 2016.

11. When approaching the national market, as agreed in the Procurement Plan, the country’s own procurement procedures may be used with the requirements set forth or referred to in the paragraphs



5.3 to 5.6 related to national Procurement Procedures. However, the Burundi standard bidding documents are not found acceptable to be used for national competitive bidding. The requirements to make them in compliance with clauses 5.3 to 5.6 of the Procurement Regulations and other statements were notified to the Government delegation. The requirements for national open competitive procurement are as shown in table 2.2.

Table A2.2 Requirements for National Open Competitive Procurement

| Requirements for National Open Competitive Procurement | Actions |
|---|---|
| (a) Open advertising of procurement opportunity at the national level | No action needed |
| (b) The procurement is open to eligible firms from any country. | No action needed |
| (c) The request for bids/request for proposals document shall require that bidders/proposers submitting bids/proposals present a signed acceptance at the time of bidding to be incorporated in any resulting contracts, confirming application of, and compliance with, the World Bank’s Anti-Corruption Guidelines, including without limitation the World Bank’s right to sanction and the World Bank’s inspection and audit rights. | The form elaborated by OPCS must be added to each contract agreement with bidders/consultants |
| (d) Contracts with an appropriate allocation of responsibilities, risks, and liabilities | No action needed |
| (e) Publication of contract award information | No action needed |
| (f) Rights for World the Bank to review procurement documentation and activities | The requirement was included in the Procurement Plan. |
| (g) An effective complaints mechanism | The PIM must develop an effective complaints mechanism in line with World Bank Regulations. |
| (h) Maintenance of records of the procurement process | The PIM must spell out practical modalities and appropriate documentation to archive. |

12. Procurement for works, goods, and non-consulting and consulting services for the project will be carried out in accordance with World Bank procedures. The client prepared a PSD (including Procurement Plan) which indicates, among others, whether or not

- (a) The national and international environment is favorable for procurement of goods intended for project implementation;
- (b) The national market is able to meet the needs of works, computer equipment, office equipment and furniture, and office supplies, which will be purchased according to the relevant approved procedures;
- (c) The same applies to the market for consultant services; and
- (d) The contracts are open to the subregional and international market for specific supplies and services that may require the participation of companies located overseas.

13. The Procurement Plan, including its updates, includes for each contract: (a) a brief description of the activities/contracts, (b) the selection methods to be applied, (c) the cost estimates, (d) time frame and schedules, (e) the World Bank’s review requirements, and (f) any other relevant procurement information.



The Procurement Plan covering the first 18 months of project implementation was approved by the World Bank on May 19, 2021. Any updates of the Procurement Plan will be submitted to the World Bank for approval. The Procurement Plan was prepared and finalized based on the PPSD. It will set out the selection methods to be followed by the borrower during project implementation in the procurement of goods, works, and non-consulting and consulting services financed by the World Bank. The Procurement Plan will be updated at least annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

14. **STEP.** The recipient shall use the World Bank’s online procurement planning and tracking tool (STEP) to prepare, clear, and update its Procurement Plans and conduct all procurement transactions. The details of the procurement activities prepared in the Procurement Plan will be transferred to the STEP tool. Initial training on the implementation of the STEP tool will be provided to the PIU staff involved in implementation of the project.

15. **Procurement risk assessment and mitigating measures.** MNESR will be responsible for implementing the project. A PIU will be created in MNESR, and the key staff (including the national coordinator, FM specialist, and procurement specialist) will be hired through a competitive process. The procurement team shall be trained on procurement regulations and project activities. In the meantime, the overall responsibility for the management of the procurement aspects will be handled by the PIU for the AFCC2RI-Great Lakes Trade Facilitation - SOP2 [P155329] until the new PIU is established.

16. The procurement assessment shows that
- (a) The existing staff have limited procurement skills, and insufficient experience in World Bank procurement procedures;
 - (b) The tender committee is not trained in the World Bank procurement procedures;
 - (c) There is no PIM with a procurement section in compliance with the World Bank Procurement Regulations. The MNESR is using a national procurement code which spells out procurement procedures that are not in compliance with the World Bank’s procedures; and
 - (d) The filing system in place is not acceptable.

17. The project procurement risk before the mitigation measures is High. The risk is reduced to a residual rating of Substantial upon consideration of successful implementation of the mitigation measures. The procurement mitigation measures proposed by the procurement risk assessment are listed in table 2.3.

Table A2.3. Procurement Risk Mitigation Measures

| Implementing Agency | Procurement Mitigation Measures | By When |
|----------------------------|---|---|
| MNESR | Recruitment of a procurement specialist | Within 3 months of signing the Financing Agreement |
| MNESR/World Bank | Train the procurement specialist and the tender committee in the World Bank’s New Procurement Framework | Within 3 months after the procurement specialist is recruited |



| Implementing Agency | Procurement Mitigation Measures | By When |
|---------------------|---|--|
| MNESR | Elaborate and submit to IDA for approval a PIM with Procurement section | Within 3 months of signing the Financing Agreement |
| MNESR | Set up an acceptable filing system in the Project Coordinating Unit | Needs to be described in the PIM |

FM Arrangements

18. **Risk assessment and mitigation measures.** The main risks that need to be addressed are as shown in table 2.4.

Table A2.4. Risks and Mitigating Measures

| Type of Risk | Description of Risk | Risk Rating | Risk Mitigating Measures Risk | Residual Risk Rating |
|----------------------|---|-------------|---|----------------------|
| Inherent Risk | | | | |
| Country level | High-risk country from the fiduciary perspective. Public Expenditure Review, Public Expenditure and Financial Accountability (PEFA) (2008 and 2014), and assessment of the country FM systems for use of country systems outlined critical weaknesses in public financial management and delayed audit of the state accounts. | H | <ul style="list-style-type: none"> The Government has shown interest to strengthen public FM. The project activities will be fully mainstreamed into the existing government system only if assessed as being acceptable to the World Bank. Ongoing Public Expenditure and Institutional Review (PEIR) in education to give a good understanding of financing landscape in the sector. | H |
| Entity level | <ul style="list-style-type: none"> Risk of ending up with ineligible expenditures because the MNESRS has limited capacity and knowledge of World Bank FM procedures. Poor FM performance of an existing project (P161600) in the sector. Relevant financial reports may not be prepared on time with acceptable quality regarding limited capacities of the ministry staff. | H | <ul style="list-style-type: none"> Qualified FM staff will be recruited to strengthen the existing capacity and systems within the MNESRS. Strict internal control measures to be deployed. External audit will be conducted by an appropriate audit firm. | H |
| Project Level | <ul style="list-style-type: none"> Capacities are likely to be challenged by the number of transactions. | | <ul style="list-style-type: none"> Clearly defined activities and funds flow mechanisms and accountability will be developed in the manual. | |



| Type of Risk | Description of Risk | Risk Rating | Risk Mitigating Measures Risk | Residual Risk Rating |
|---|---|-------------|---|----------------------|
| | <ul style="list-style-type: none"> Complexity of the project with many implementers involved, including communities for school constructions. | S | <ul style="list-style-type: none"> Qualified staff will be recruited to strengthen the existing capacity and systems within the MNESRS. | S |
| Overall inherent risk | | H | | H |
| Control Risks | | | | |
| Budgeting | <ul style="list-style-type: none"> Delayed submission of inputs from various entities (CEM, university, MCP, and so on) Delays in the preparation of annual work program and budget and approvals Poor quality budget Failure to monitor budgets versus actual expenditure. | S | <ul style="list-style-type: none"> Budgeting procedures and timetable to be clearly stipulated in the PIM. Staff with acceptable qualification and experiences will be recruited within the implementing unit. Budget execution report will be reviewed and commented upon during World Bank supervision missions. | S |
| Accounting | <ul style="list-style-type: none"> Failure to comply with internationally acceptable accounting standards Failure of the accounting system to generate reliable report for decision-making Failure to get qualified accounts for the PIU. | H | <ul style="list-style-type: none"> Reliable accounting system and acceptable to the World Bank will be set up. Strict adherence to internationally acceptable accounting standards. Continuous capacity building and training of staff working on the project. | S |
| Internal controls (including internal audit) | <ul style="list-style-type: none"> Weak internal control environment Ineffective internal audit function and inability to follow up reported internal control weakness. | S | <ul style="list-style-type: none"> Design strong internal control system in the manual of procedures. Recruit a qualified internal auditor to oversee the effectiveness of the control process. Close monitoring of internal control weaknesses identified. | S |
| Funds flow | <ul style="list-style-type: none"> The significant number of direct beneficiaries may increase the risk of funds disruption. Delayed transfer of funds to beneficiaries DA in Central Bank may delay payment of some suppliers, especially those | S | <ul style="list-style-type: none"> Potential issues identified during implementation will be addressed on time. Use of a secure mobile money system for payment of school grants through a database, which will include all the selected beneficiaries. | S |



| Type of Risk | Description of Risk | Risk Rating | Risk Mitigating Measures Risk | Residual Risk Rating |
|--------------------------------------|--|-------------|---|----------------------|
| | <p>with contracts denominated in a foreign currency.</p> <ul style="list-style-type: none"> Regarding the huge number of beneficiaries and the fact that they are spread over the countries, the payment of education allowances and other grants may be challenging. | | <ul style="list-style-type: none"> Celling for direct payments for contracts denominated in foreign currencies may be revised downward to allow more direct payments. | |
| Financial reporting | <ul style="list-style-type: none"> Delays in the submission of unaudited interim financial reports (IFRs). Delay in preparation of the project financial statements (PFSs). Unreliability of the financial statements. | S | <ul style="list-style-type: none"> Accounting system should help generate automatized reports. IFRs' format agreed upon within 3 months of effectiveness. Qualified staff to be recruited and capacity building to be provided to staff if required. | M |
| External auditing | The Country Supreme Audit Institution (Court of account) is still struggling with the audit backlog of the state accounts and may not be able to carry out the financial audit timely and in compliance with acceptable standards. | H | An international and qualified audit firm recruited (member of the International Federation of Accountants [IFAC] is mandatory) based on ToR and recruitment process acceptable to the World Bank. | S |
| Governance and accountability | <p>Possibility of circumventing internal control and abuse of administrative positions are potential risks.</p> <p>The identification of the direct beneficiaries may be biased in the absence of clear criteria.</p> | H | <p>Acceptable FM arrangements in place and monitored both by the internal auditor and the World Bank.</p> <p>Citizen engagement. The PIM should include a section describing the criteria and protocol of identification of beneficiaries.</p> | S |
| Overall control risk | | H | | S |
| Overall risk rating | | H | | S |

Note: H = High; M = Medium; S= Substantial.

Proposed Action Plan



Table A2.5. FM Action Plan

| Action | Responsible Entity | Deadline and Conditionality |
|--|---------------------------|---|
| Appoint FM staff within the Implementation Support Unit based on needs (for example, RAF, chief of accountant, accountants, logistic specialist) on the basis of ToR and recruitment procedure acceptable to the World Bank. | PIU | No later than 3 months after the effectiveness date |
| Prepare a PIM including the FM component | PIU | By effectiveness date |
| Set up a computerized FM system to record the project transactions | PIU | No later than 3 months after the effectiveness date |
| Recruit an independent audit firm for the financial audit of the project on the basis of short list and ToR acceptable to the World Bank. | PIU | Six months after project effectiveness |

19. In addition to the above mitigation measures, the project’s FM will be strengthened by adhering to the policies, rules, and procedures as stated in the PIM, which provides guidelines on budgeting, financial reporting; funds disbursement procedures; and FM monitoring, control, and external audit arrangements.

20. The details of the FM arrangements are described in the following paragraphs.

Details of FM and Disbursements Arrangements

Budgeting

21. The annual work program and budget, along with the disbursement forecast, will be developed by the PIU with inputs from different implementing entities. Review, approval, and monitoring process as well as the budget will be detailed in the PIM.

22. Approved budgets will then be submitted to IDA for a ‘no objection’ to ensure that the planned activities are in line with the project objectives.

23. Expenditures under each disbursement category will be monitored by the project FM team in the IFRs and any significant variances will be explained.

Accounting

Accounting - Staffing

24. The FM unit will be strengthened with a number of qualified FM staff and accountants including one senior FM specialist (RAF) and two accountants. The staff will be recruited on the basis of ToR acceptable to the World Bank and following a transparent recruitment process.



Accounting - Systems

25. The current accounting standards in use in Burundi for ongoing World Bank-financed projects will be applicable to the proposed project. A multi-projects software capable of generating reports such as the IFRs, withdraw applications, bank reconciliations, financial statements, and so on will be purchased.
26. The project code and chart of accounts will be developed to meet the specific needs of the project and documented in the PIM.
27. The computerized accounting system should be operational no later than three months after the effectiveness of the project.

Internal Controls and Internal Auditing

28. Key administrative, financial, and accounting procedures (including in the PIM), with key internal control procedures from transaction initiation, review, approval, recording, and reporting will be developed with clear segregation of duties.
29. The PIM should be prepared and approved by the World Bank by effectiveness date.
30. The PIU/FM staff should ensure that during implementation of the project, the proposed procedures defined in the PIM are adequately carried out to ensure that funds are being used for the intended purposes.
31. The internal audit functions will be performed by local audit firm member of the Order of Professional Accountants of Burundi *Ordre des Professionels Comptables du Burundi* (OPC).
32. The internal auditor is required to perform risk-based audits (internal audit plan should be approved by the World Bank one month before the end of the fiscal year) of the project activities and provide internal audit reports to the World Bank no later than two months after the audit is conducted.

External Auditing Arrangements

33. The PFSs will be carried out by independent audit firms from the short-listed firms and ToR agreed with the World Bank.
34. In line with the World Bank Access to Information Policy 2010, the audit report will be disclosed. The audit report, including management letter on the internal control, will be submitted to the World Bank no later than six months following the end of the fiscal year.

Reporting Arrangements

35. The project will produce the IFRs no later than 45 days after the end of each calendar quarter. The format of the IFR will be the same in most of the projects in Burundi. At the end of each fiscal year, the project will produce PFSs in accordance with the accounting standards already applicable to the existing projects. These PFSs will be audited by an independent audit firm.



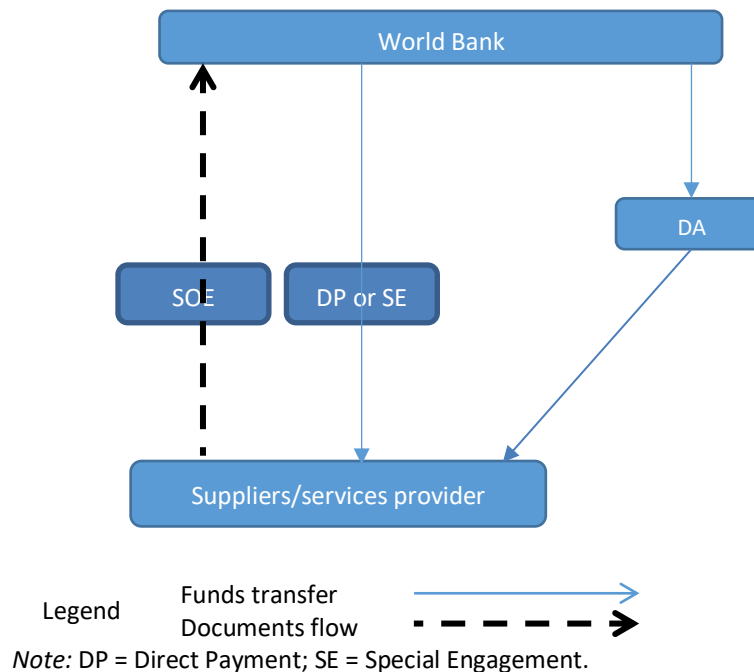
Disbursement and Flow of Funds Arrangements

36. Total budget for the project is US\$80 million. Proceeds of the grant will be used by the project in accordance with the Grant Agreement between the World Bank and GoB and the Disbursement and Financial Information Letter.

37. A DA will be opened at the Central Bank. Replenishments to the DA will be made against withdrawal applications supported by SOEs.

38. The report-based disbursement could be considered too provided some conditions are met. The other methods of disbursing funds (reimbursement and direct payment) will also be available to the project

Figure A2.1. Arrangements for Funds Transfer and Documentation Flows





ANNEX 3: Overview of Existing System of Formal Training Institutions

COUNTRY: Burundi

Burundi Skills for Jobs: Women and Youth Project

1. The skills system is currently undergoing significant development in terms of educational opportunities, with an increasing number of programs leading to higher-level qualifications (Master's and Doctoral programs). In 2018, the higher education system comprised 42 institutions, seven of which are public. During the 2017/18 academic year, approximately 3,431 students were enrolled in related courses, with only 25 percent of them female. The University of Burundi has a particular focus on engineering and ICT. Formal TVET below the university level is provided by different institutions, including ETSS, CEMs, CFPs, Centers for Professional Development, and CFAs, all managed under MNESR. Most students are enrolled in public and private ETSS, accessible only to basic education completers, and CEMs.
2. CEMs and CFPs are the most important institutions catering to youth leaving school without completing basic or secondary school vocational and technical skills. In 2017, 7,600 students were enrolled across 218 CEMs, of which 77 are managed by the private sector. Approximately 120 CEMs were built in 2016 under the National Communal Investment Fund and are intended to develop skills in the fields of agriculture and livestock. Apart from agriculture, which is the most important sector focus of these institutions, CEMs offer skills training in sewing, carpentry, masonry, and other trades. CEMs and the small CFPs are complemented by non-formal skills development and entrepreneurship initiatives, which by and large remain albeit of small scale. These include programs run by different ministries and NGOs, which are partly financed by development partners and international organizations provide financing to implement training, apprenticeship, and entrepreneurship initiatives outside Burundi's formal institutions.
3. Students at each formal training school or center may come from local areas or other parts of the country. Each ETS specializes in one domain or several closely related domains. School fees at public ETS are BIF 15,000 per trimester if the student receives meals and board and BIF 8,000 otherwise. At private ETSS, fees vary from one school to another. Training is free of charge at public CEMs, CFPs and CFAs, while fees vary across private centers. It should be noted that, by means of a convention, trainers at private CEMs and CFPs are paid by the Government.



ANNEX 4: Ongoing Initiatives for Youth Skills and Employment Outside of Formal Institutions in Burundi

COUNTRY: Burundi

Burundi Skills for Jobs: Women and Youth Project

| Implementing Agency | Type of Agency | Name of Initiative | Activities | Coverage | Number and Characteristics of Beneficiaries | Status of Operation | Duration | Budget | Funding Partners |
|--|----------------|---|--|---|---|---------------------|-----------|---|--|
| Ministry of Youth, Sports, and Culture | Public | Burundian Agency for Youth Employment (established in 2010) | Internship for first job. Sectors include agriculture, tourism, entrepreneurship, English | National | 250 youth with A2 diploma or higher | Ongoing | Long term | | International Fund for Agriculture Development, AfDB, U.S. Embassy |
| Ministry of Finance, Budget and Privatization; Burundian Agency for Public Works | Public | Local Development for Jobs (PDLE) | On-site training for hired public works workers | 3 largest towns: Bujumbura, Ngozi, and Gitega; province Kirundo | Mostly unemployed youth ages 18–30 years | Ongoing | 2017–2022 | US\$32,500,000 total for public works activities | World Bank |
| Ministry of Agriculture and Livestock | Public | Coffee Sector Competitiveness Project | Young males and females of local households producing coffee to be actively recruited to become interns and trainers. Study visits to promote entrepreneurial spirit and knowledge sharing | 6 provinces: Gitega, Karusi, Kayanza, Kirundo, Muyinga, and Ngozi | 90,000 young males and females | Ongoing | 2016–2022 | US\$6,200,000 total for training activities to improve coffee quality | World Bank, International Finance Cooperation, United States Agency for International Development (USAID), Government of Netherlands |



| Implementing Agency | Type of Agency | Name of Initiative | Activities | Coverage | Number and Characteristics of Beneficiaries | Status of Operation | Duration | Budget | Funding Partners |
|--|----------------|--|---|---|---|---------------------|-----------|---|---|
| Ministry of Agriculture and Livestock; Ministry of Public Service, Labor, and Employment | Public | Sector Development Program II (PRODEFI II) | Strengthening capacity of centers for reinforcement, innovations, and training (set up in last project phase); creation of 1,500 jobs and revenue generating activities in favor of rural youth; and integral and personalized support to selected rural youth on development and financing of business plans | 7 provinces: Bubanza, Cibitoke, Gitega, Karusi, Kayanza, Muramvya, and Ngozi | 1,500 youth | Ongoing | 2015–2021 | 1,854,400 (BIF, thousands) | International Fund for Agriculture Development; Burundi Business Incubator |
| Ministry of Finance, Budget, and Privatization; Ministry of Agriculture and Livestock | Public | Agriculture Productivity and Market Development Project – Additional Financing | Promotion of post-harvest technologies and development of entrepreneurial skills for rural youth | 10 provinces: Bururi, Bubanza, Cankuzo, Kirundo, Makamba, Muramvya, Muyinga, Mwaro, Ngozi, and Rutana | 27,000 households | Achieved | 2016–2020 | US\$11,000,000 total for activities supporting productivity and market access | World Bank, International Fund for Agriculture Development, European Union, Government of Netherlands |
| AVSI, CONCERN, Handicap International | NGO | Economic and Social Integration of | Technical training at professional centers or with artisan trainers, | Bujumbura, Gitega, and Kirundo | 2500+ youth between ages 15 and 25 years | Ongoing | 2018– | €2,000,000 | European Union |



| Implementing Agency | Type of Agency | Name of Initiative | Activities | Coverage | Number and Characteristics of Beneficiaries | Status of Operation | Duration | Budget | Funding Partners |
|---|----------------|---|--|--|---|---------------------|-----------|---------------|------------------|
| | | Youth through Work | practical internships in enterprises or with professionals, needs-based remedial literacy, business management training, and financing of equipment or capital for self-employment | | | | | | |
| CONCERN Worldwide, Great Lakes Inkingi Development (GLID) | NGO | Strengthening social cohesion and inclusive development through access of the most disadvantaged youth to sustainable income in urban areas | Training youth (beneficiaries selected based on poverty extreme and vulnerability criteria) on key market-relevant vocational skills and setting up and running a business | Kirundo (Bwambarangwe and Kirundo communes) | 1,000 youth | Achieved | 2017–2020 | US\$1,000,000 | European Union |
| <i>Volontariato Internazionale per lo Sviluppo</i> | NGO | <i>Bâtir l’avenir:</i> strengthening the role of out of school youth in TVET sector through | Training vulnerable out-of-school youth in the construction sector; collaboration with private sector associations to | Bujumbura Mairie (Musaga, Kanyosha), Gitega, and Kayanza | 1,700 trained, 600 inserted and 250 supported with kits | Achieved | 2016–2020 | US\$1,000,000 | European Union |



| Implementing Agency | Type of Agency | Name of Initiative | Activities | Coverage | Number and Characteristics of Beneficiaries | Status of Operation | Duration | Budget | Funding Partners |
|---|----------------|---|---|-------------------|--|---------------------|----------|---------------|------------------|
| | | establishment of partnership in construction sector | develop public-private partnership, combining theoretical and practical training and adaptation training to labor market needs, working with local authorities to establish procedures for skills certification | | | | | | |
| KIYO, Consortium Handicap International, Jumelage Jeunesse Burundi, FVS-AMADE | NGO | Empowerment of Young people in the service of peace and social cohesion | Training in training centers but also through apprenticeships with entrepreneurs; personalized social support; setting up solidarity groups and experience exchanges; supporting job search and start-up of income generating activities; sensitization among trainers, entrepreneurs, and craftsmen on the | Bujumbura, Gitega | 480 vulnerable young people (ages 16–24 years) | Ongoing | 2017– | US\$1,000,000 | European Union |



| Implementing Agency | Type of Agency | Name of Initiative | Activities | Coverage | Number and Characteristics of Beneficiaries | Status of Operation | Duration | Budget | Funding Partners |
|---|----------------|--|--|---|---|---------------------|-----------|----------|---|
| | | | inclusion of youth with disabilities | | | | | | |
| AVSI with Humanitarian Work for the Protection and Development of Children in Difficulty (<i>Œuvre Humanitaire pour la Protection et le Développement de l'Enfant en Difficulté</i> , OPDE) and Burundi Solidarity Association (<i>Cadre Associatif des Solidaires du Burundi</i> , CASB) | NGO | Socioeconomic integration of destitute youth in Bujumbura | Training on entrepreneurship and individual development activities for disadvantaged youth, their families, and craftsmen; learning activities for employment and creation of income generating activities; new model of training structured on process of accompaniment by tutors | Bujumbura Mairie | 1,000 young people, 100 craftsmen | Achieved | 2017–2020 | €699,484 | European Union |
| Help A Child with American Friends Service Committee (AFSC), <i>Cord Global</i> , <i>Mensen met een Missie</i> | NGO | Building Bridges in Burundi-Promoting social cohesion, human security and resilience for Burundian youth and | Youth empowerment through community solidarity group model which facilitates learning, capacity building and savings, building social and economic capital; technical/agricultural and vocational | Cibitoke, Bujumbura, Makamba, Rutana, Kirundo, and Bujumbura Mairie | | Ongoing | 2017–2021 | | Dutch Ministry of Foreign Affairs under Addressing Root Causes (ARC) Fund |



| Implementing Agency | Type of Agency | Name of Initiative | Activities | Coverage | Number and Characteristics of Beneficiaries | Status of Operation | Duration | Budget | Funding Partners |
|---------------------|----------------|---|---|----------|---|---------------------|----------|--------|--|
| | | local communities | training; development of inclusive agro-industrial models and small enterprises. Training on nonviolent communication and conflict management and sensitizing youth and community on transitional justice | | | | | | |
| Swisscontact | NGO | Promoting Market Oriented Skills Training and Employment Creation in the Great Lakes Region (PROMOST) | Short-term training, apprenticeship, and training of trainers | Kayanza | | Ongoing | 2017– | | Swiss Agency for Development and Cooperation |



ANNEX 5: Adapting the Burundi Youth Skills and Employment Project to Address Constraints to Female Participation in Skills Training

COUNTRY: Burundi

Burundi Skills for Jobs: Women and Youth Project

Analysis

1. **Women in Burundi account for 52.7 percent of the workforce but are more likely to have informal, low-wage, or unpaid jobs.** Around 71 percent of women in the country are unpaid compared to only 28.5 percent of men. Similarly, more men (18.6 percent) than women (7.2 percent) have waged jobs. In rural areas, only 3 percent of working women are employed in salaried work. In agriculture, the dominant sector in Burundi's economy, men are likely to be involved in the production of cash crops (such as coffee, cotton, and tea) and banana plantation while women are more likely than men to be engaged in subsistence farming (61 percent) and agricultural production that is unreported and unpaid. Burundi's industry sector employs 1 percent of total female workers and 4 percent of total male workers. The service sector employs 3 percent of total female workers and 10 percent of total male workers, and an estimated 70 percent of informal trade is undertaken by women.⁵²

2. **Further, while a large portion of women are self-employed, they often work in less remunerative sectors of the economy.** Self-employment and entrepreneurship can be important pathways to access the market and increase income in countries where the supply of quality wage jobs is limited. However, self-employed women in Burundi are concentrated in traditional sectors for microenterprises, retail trade, hospitality, and services, which have low product differentiation and low-demand products, which limits business growth. Female-owned businesses often have slower growth and lower profits than male-owned businesses, and the existing traditional business training available in Burundi does not often help address these gaps.

Factors Driving the Gaps

3. **Lack of skills training in high-productivity and high-wage sectors of the economy.** Currently, only 33 percent of girls complete secondary school, and opportunities for skill development beyond secondary school are limited (of women ages 15–24 years, only 1 percent in rural areas and 2 percent in urban areas reported receiving any skills training or apprenticeship). Consultations with development partners revealed that the small share of female youth that enroll in skills training or seek informal apprenticeships are more likely to opt for professions deemed suitable for women like sewing, hairdressing, and so on. Female youth are less likely to acquire skills in highly remunerative sectors of the economy; for instance, according to the MNESR, of the already small number of students enrolled in ICT courses in 2017/18 (3,431 students), only 25 percent were female.

4. **Social and gender norms are fairly set in Burundi, with women expected to take on household and childcare responsibilities.** The upbringing of girls is often centered on how to become a proper bride and housewife.⁵³ Consequently, female youth are less likely to aspire to or have the confidence to compete for remunerative jobs in traditionally male-dominated sectors of the economy or undertake entrepreneurial activity.

⁵² Burundi Country Private Sector Diagnostic Concept Note 2020.

⁵³ USAID 2018; Ndayiragije, Gad, *Images de la Femme au Burundi à Travers les Contes et les Épithalames: Mémoire de Master (Université d'Oslo Automne, 2011)*.



5. **Often training programs do not accommodate the specific time constraints of women.** The gendered distribution of roles and responsibilities also limit the time adolescent girls or young women have to pursue skills training or other productive activities. Women work 15–19 hours per day (compared to men who work 5–13 hours, depending on the season),⁵⁴ and mothers generally request their daughters to perform household work including cleaning the house, fetching water, cooking, and caring for younger siblings.
6. **Women are often deterred from enrolling in skills programs or taking on employment outside the house because of the high risk of GBV, which may occur at training or job sites, markets, and also en route to these locations.** A recent USAID study (2018) lists young women traveling to and from schools/training as a group at risk of GBV.
7. **The lack of access to capital and credit constrain women’s ability to engage in entrepreneurial activities.** Women typically have fewer assets than men. According to the 2008 General Population and Housing Census, 80.2 percent of the population owns land of which 62.5 percent are men and 17.7 percent are women.⁵⁵ In the absence of a formal inheritance law, women often are subject to discrimination enshrined in customary norms, in which the daughter “comes in fifth place in the order of succession.” Women also face challenges in accessing formal lines of credit due to a lack of collateral. USAID (2018) reports qualitative research that although Burundian women traditionally have more access to informal credit through community-based savings and lending groups, they rarely control the use of the credit at the household level.
8. **Female entrepreneurs may also need additional training that allows them to overcome social gender roles and an aversion to risk and develop an ‘entrepreneurial mindset.’** For example, a study in Togo found that female entrepreneurs who received ‘personal initiative training’—a proactive, self-starting approach that taught participants to look for ways to differentiate their business from others, anticipate problems, overcome setbacks, and foster better planning skills to create opportunities—saw their profits increase by 40 percent (compared to a 5 percent increase for those who received traditional business training). Entrepreneurs who took the personal initiative training introduced more innovative products into their line of business, borrowed more, and employed more workers.

Actions

9. **The Burundi Skills for Jobs: Women and Youth Project targets different groups of women across Burundi’s population.** These include out-of-school-youth in rural and urban areas; female youth enrolled in CEMs; female students in university; and female trainers, master craftswomen, and university professors. The project considers the particular constraints faced by each of these groups and embeds project design features across components to respond to these challenges.
10. **Train female youth in skills that are in demand in Burundi’s labor market.** Component 1 of the project will use jobs diagnostics and other available data to identify high productivity sectors where women are currently underrepresented and deliver both formal and informal skills training in these sectors to female youth. This will include a focus on digital skills to prepare young women for the knowledge economy. Under this component, at least 35 percent of the youth enrolled in training in remunerative sectors will be female.

⁵⁴ Catholic Relief Services. 2015. *Analyse des Barrières Liées au Genre dans la Lutte Contre la Malnutrition Chronique et le Retard de Croissance Chez les Enfants de 0 à 2 Ans* .

⁵⁵ Ndikumana 2015.



11. **Use communication campaigns within communities to create an enabling environment for female participation in skills training and entrepreneurial activities.** The project will need to address norms around female participation in the labor market that affect both the aspirations of young women and the views of their families and communities that make up the enabling environment. Under Subcomponents 1.1 and 1.2, communication campaigns that leverage partner organizations (community groups, microfinance organizations, and women’s associations) and target female youth, their parents, and communities will be used to actively recruit female participants. These campaigns will address social norms around female education and employment outside the home, provide information on the flexible program design that takes into consideration the particular time constraints women face, provide information on the labor market returns from skills training and different jobs that enrolled female youth can expect, and connect potential participants to role models in the field. Subcomponent 1.3 will also have a particular focus on enlisting female students to acquire digital skills through targeted messaging campaigns that provide information about job opportunities and labor market returns to digital skills. Component 2 will similarly encourage the participation of women entrepreneurs by establishing a 50 percent grant allocation ratio for business plans prepared and submitted by women.

12. Component 1 will also include wrap-around services specifically targeted at female participants to provide them with life skills coaching that will include nutrition; sexual and reproductive health; and socioemotional skills like self-confidence, communication, decision making, conflict resolution, violence prevention, and problem solving. The training will also cover job-related skills, such as preparing a curriculum vitae, improving decision-making, and managing time and stress.

13. **Hire female trainers and provide gender sensitization training and incentives to trainers.** Trainers and master craftsmen play an important role in challenging (or reinforcing) societal norms about what jobs are best suited to women. Components 1 and 2 of the Project will actively recruit female trainers and put women in skills training and entrepreneurship program leadership positions, to both serve as role models and lower barriers related to social norms. Female trainers and MCPs also reduce the real and perceived risk of sexual harassment or violence at the training site or workplace. In addition, all trainers will receive gender-sensitivity training and will be incentivized with bonuses when disadvantaged female youth complete training.

14. **Create peer groups and mentoring opportunities.** Components 1 and 2 of the project would facilitate the setting up of peer groups that will allow female youth to connect with like-minded peers and expand their professional networks. Where possible, female participants will also be connected with mentors who can act as role models and also provide networking opportunities as they attempt to grow their businesses.

15. **Design flexible training schedules that account for the particular time constraints faced by women.** To ensure that women enroll in and complete skills training, the training schedule will have to consider the competing demands on their time from housework, childcare, or other responsibilities. The project will undertake a survey of potential female participants to understand their time constraints and design a schedule that is responsive to these constraints.⁵⁶ The project will also attempt to select training locations that minimize travel time for target groups and explore the use of ‘blended’ or ‘e-learning’ solutions to provide female participants with scheduling flexibility and safety. Although adolescent fertility rates are comparatively low in Burundi, the project will use

⁵⁶ For instance, a project in Togo designed half-day training sessions, thrice per week, to enable female entrepreneurs to manage their businesses and enable earnings to fulfill family responsibilities. Morning sessions began after women left their children at school and before they needed to return home to prepare lunch. Afternoon sessions started after children returned to school and finished before trainees needed to prepare evening meals.



findings from the initial rollout phase to determine whether the provision of transportation allowances or childcare services would be beneficial to female participants.

16. **Establish a strong and clear code of conduct.** The project will include a clearly defined, strongly worded, and readily accessible anti-sexual harassment policy and code of conduct; a fair, accessible, and transparent complaints mechanism that ensures confidentiality and security; training and awareness raising; and M&E of these systems.

17. **Provide females enrolled in entrepreneurial training** with psychosocial and behavioral training, training in the use of digital technology, and technical training in the development and implementation of business plans.

18. **Provide female project participants with access to capital for entrepreneurial activities.** The lack of access to capital and credit constrain women's ability to engage in entrepreneurial activities. The apprenticeship fund and DISF under Component 2 ease this critical constraint. Female participants would be encouraged to apply to both funds using a targeted communication campaign (with female faculty eligible to apply for a DISF grant). Successful participants would be provided with coaching for entrepreneurial and business-related skills, including self-confidence, negotiation, preparing of curriculum vitae and business plans, and establishing and maintaining of business contacts.

19. The project will monitor

- The number and share of female students who obtained certification from new, revised programs developed in collaboration with the private sector;
- The number and share of female youth obtaining recognized skills certification after completing an informal apprenticeship;
- The number and share of female students with basic and advanced digital skills competencies at TVET and university level, disaggregated by gender; and
- The number of business plans benefiting from the start-up capital fund, training, and mentoring prepared and submitted by women.

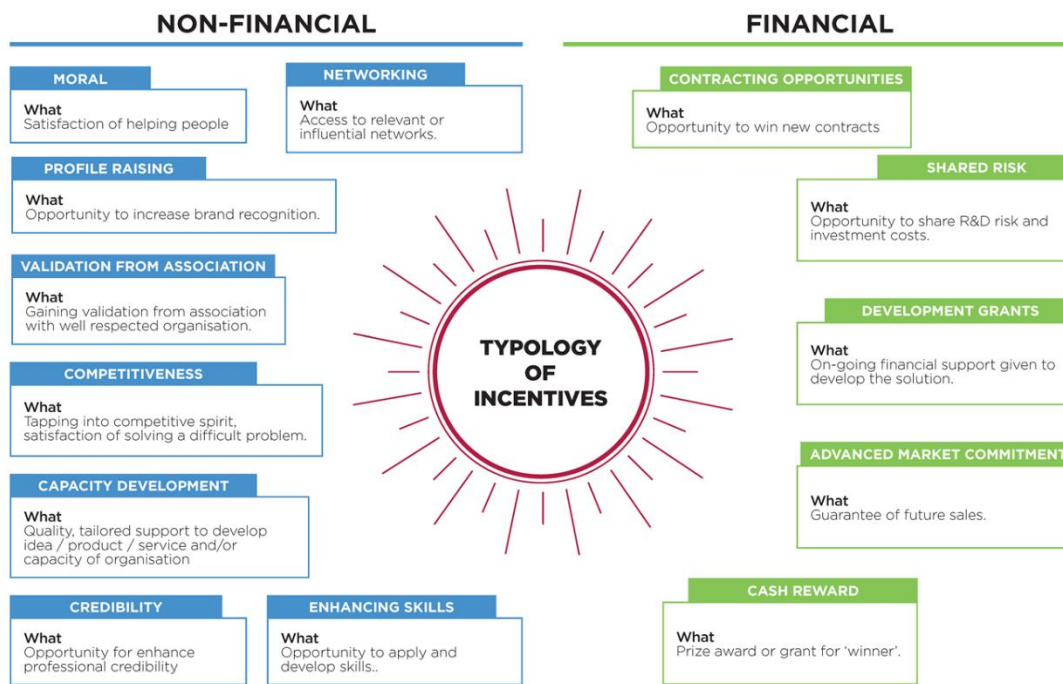


ANNEX 6. Supporting Youth and Women Entrepreneurs—Lessons from the WBG Projects

COUNTRY: Burundi
Burundi Skills for Jobs: Women and Youth Project

1. BPC is a term commonly used to describe a competitive process of identification of high potential entrepreneurs or firms. BPC is one of the broader tools of competitive support to SMEs. A defining characteristic of the BPC is that the intake mechanism is based on the submission of a business plan—a statement of business goals and plans for reaching them. Depending on the goal and target beneficiaries, BPCs can be stand-alone or programmatic and offer a variety of incentives (figure 6.1) and support mechanisms for the participants and winners. Support systems provided by the BPC programs often combine nonfinancial incentives (for example, TA pre- and/or post- competition) and funding for implementation of the business plan.

Figure 6.1. Typology of Incentives



Source: Agapitova, Natalia, and Ergun Ertekin.. 2016. The Art of Crowdsourcing. A Planning Guide for Development Practitioners.

2. There is a growing body of literature documenting BPCs as effective mechanisms to support early stage ideas, firms, or innovations. According to the evaluation of YouWIN (box 6.1) in Nigeria:⁵⁷

- (a) BPC led to greater firm entry, higher survival of existing businesses, higher profits and sales, and higher employment, including increases of over 20 percentage points in the likelihood of a firm having 10 or more workers. The selected firms were substantially more likely to launch, survive,

⁵⁷ McKenzie 2015.



make profits, and, most importantly, generate new jobs. BPC provided evidence how direct policy action can spur the growth of such firms.

- (b) **BPCs can be successful in identifying entrepreneurs with the potential to use the large amounts of capital offered as prizes and that these individuals appear to be otherwise constrained from realizing this potential.** They are an effective tool for identifying entrepreneurs with much greater scope for growth than the typical microenterprise and the prize money generates employment and firm growth that would not have otherwise happened.
- (c) **To maximize the impact of the BPC on job creation, it is important to cast a wide net.** Job creation impact from BPC targeting start-ups and scale-ups appear similar. Broad targeting of BPC allows capturing relevant and high-impact ideas from across the SME spectrum.

Box A6.1. YouWIN in Nigeria

The program was a partnership between the Nigerian Ministry of Finance, the UK's Department for International Development (DFID) and the World Bank. The Ministry of Finance paid for the grants, DFID contributed US\$2 million for administrative costs and the World Bank funded a large impact evaluation. The Government encouraged all Nigerians younger than 40 years and interested in creating a new business or expanding their existing one to submit an application. The competition was launched with much fanfare and 24,000 applications came in from across the country. About 85 percent of these applications were for new businesses and 15 percent were for existing ones. The vast majority came from men. Random assignment was used to select some of the winners from a pool of semifinalists, with US\$36 million in randomly allocated grant funding providing each winner with an average of almost US\$50,000.

3. **The World Bank was one of the first development agencies that funded entrepreneurs through BPC through its Development Marketplace Program.** Since 1998, Development Marketplace has awarded a combined pool of World Bank and partner funding of US\$132 million in competitive grants, which financed implementation of business plans submitted by grassroots entrepreneurs. In Africa, Development Marketplace competitions were held at the regional level (Lighting Africa 2007 and West Africa 2006) and country level in Cameroon in 2011; Ghana, Rwanda, Zambia, Zimbabwe, and Malawi in 2005; South Africa in 2004; Ethiopia and Sudan in 2003; and Burkina Faso in 2002.

Box A6.2. Development Marketplace 1998–2016

- 80 countries, 18 years, 60+ competitions
- Funding: WBG US\$52 million, partners US\$80 million
- 1,200+ social enterprises funded
- 250+ received capacity support
- Portfolio success rate 60–90%
- Funding span: US\$10,000–150,000
- Competition: 6–12 months
- Implementation: 1–2 years
- Brand adaptation, for example, Vietnam
- Contributed to US\$3+ billion WBG lending



4. The 2014 evaluation of the Development Marketplace Program concluded the following:⁵⁸
- (a) **BPC can achieve broader impact as part of a programmatic approach closely aligned to the countries' development priorities.** Although BPC could be effective as a stand-alone tool for awareness raising about the potential of entrepreneurs and can have a 'crowding-in' effect on the SME community by stimulating business idea generation, it is most impactful when it is embedded as part of the longer-term development strategies, often in combination with other instruments for SME support, like BDS.
 - (b) **Incentives provided by BPC need to be aligned with the needs of the target beneficiaries and cost-effective in addressing market and institutional constraints.** Incentives can range from non-monetary awards, small prizes, and larger investment grants that require supervision at implementation and could be associated with BDS. Awards and prizes have lower implementation costs and quicker feedback cycles,⁵⁹ while investment grants are more effective in building longer-term capabilities of entrepreneurs and firms and survival rate of the funded ventures. The so-called 'fund and forget' model was only marginally successful in achieving meaningful effects on firm survival and performance (in terms of profits and job creation). On the other hand, even small grants (US\$25,000–50,000) combined with capacity development and a communication campaign after the BPC award, helped generate additional financing for 80 percent of Development Marketplace grantees in the year following the award.
5. **Findings from YouWin in Nigeria and the Development Marketplace experience resonate with the lessons learned from other World Bank projects:**
- (a) **Côte d'Ivoire (through InfoDev and Technoserve programs):** (i) demand-driven approaches are essential; (ii) selectivity is needed to ensure success and have a demonstration effect that can have positive spillover to the target group; (iii) there is a need to address risks associated with implementation, including governance; (iv) provision of after care services to entrepreneurs to access additional financing, in addition to coaching, mentoring, and advice leading up to the award; and (v) extensive promotion of the competition before and after helps generate positive spillover and the crowding-in effect.
 - (b) **Kenya:**⁶⁰ Institutional bottlenecks may introduce significant delays in the process (that is, selection of the contractor to run the BPC finalized five years after Board approval in P085007). For the successful implementation of a BPC in low capacity settings, it is of crucial importance to set up a rigorous selection process implemented by professional management companies. Additionally, delivering the grant from the BPC in tranches helped ensure accountability and minimize risks of misuse of funds.
 - (c) **Rwanda⁶¹ and Uganda:** the success of the BPC component in enabling potential entrepreneurs was attributed to supporting services provided to participating SMEs (mentoring and hand-holding to

⁵⁸ World Bank. 2014. *Evaluation of the Development Marketplace Program 2009–2013*. Internal Report.

⁵⁹ Everett, B. 2011. *Evidence Review: Environmental Innovation Prizes for Development*.

⁶⁰ Kenya Micro, Small, and Medium Enterprise Competitiveness Project (P085007) and Kenya Youth Employment and Opportunities (P151831).

⁶¹ Competitiveness and Enterprise Development Project, P057295.



conceptualize their business ideas and prepare bankable projects). Providing access to training for business plan and pitch development can improve the quality of the business plans and their success rate.

- (d) **Nigeria and Kenya:** it is crucially important to target youth up to 35 years of age as job creators because the highest likelihood to be an entrepreneur occurs between the ages of 29 and 35 years and these young entrepreneurs are especially likely to hire youth under 29 years of age.

6. **A recent World Bank white paper by the Africa Gender Innovation Lab⁶² dedicated to gender and Entrepreneurship in Sub-Saharan Africa has provided a wealth of insight into the interventions that have been seen to consistently affect business outcomes of women entrepreneurs.** Most critical for the design for this intervention was the overall finding that in the case of Sub-Saharan Africa they found “only a small number of interventions that have consistently impacted the business outcomes for women entrepreneurs: providing access to savings accounts and in-kind/large grants” Campos and Gassier. It is important that the underlying constraints faced by women that shape their entrepreneurial choices are considered. Additionally, they tend to adopt fewer advanced business practices and largely operate in sectors where profits are lower.

7. **Results from the World Bank WomenX program in Pakistan and Nigeria, and experiences from other donors, provide many lessons that can be applicable to this project.** In particular, combining business education, access to networks, and mentoring to deliver a suite of services saw an exponential increase in intellectual, social, and financial capital. In these projects, 28 days of business education training was delivered over five months with one-to-one business advisory. Alongside the training, a six-month mentoring program took place with access to networks and markets (domestic and global) across the life of the project. The research report commissioned by the UN Foundation and Exxon Mobil, ‘Promoting Women’s Economic Empowerment’,⁶³ which is based on 136 empirical evaluations and 18 research efforts, shows the following:

- (a) Capital alone, as a small loan or a grant, is not enough to support women entrepreneurship, but pairing with specific business training and follow-up technical visits can help growth of women-owned start-ups. While providing more services is often expensive up front, it leads to a greater standard of living and is also cost-effective over time.
- (b) Another set of studies examining the impact of providing business training along with capital grants to female-owned microenterprises in Tanzania and Sri Lanka (Berge et al. 2011; de Mel et al. 2012) finds that the business training combined with cash grants may increase the profitability of female-owned businesses, but this effect may not be long lasting, which is an important aspect to pay attention to and mitigate for.

⁶² Campos, Francisco, and Marine Gassier. *Gender and Entrepreneurship in Sub-Saharan Africa*. White Paper, no date.

⁶³ UN Foundation and Exxon Mobil. 2016. *A Roadmap for Promoting Women’s Economic Empowerment* .



ANNEX 7: Climate Co-Benefits

COUNTRY: Burundi

Burundi Skills for Jobs: Women and Youth Project

1. **Vulnerability context:** This Project has been screened for climate change risks and a number of vulnerabilities were identified in the process. First, the mean **temperature** has increased by 0.7-0.9°C since the 1930's and is projected to increase by 2.1C by 2050. Second, a cyclical character of **rainfall** has been observed. It alternates between periods of rainfall surplus and periods of deficits. Inter-decadal variability operates on periods of around 10 years. Since 1999, the central plateau region has seen an increase in seasonal variability with a tendency towards a longer dry season from, 5-6 months instead of the normal 4 (June-September). Mean annual rainfall is projected to increase over Burundi by mid and late 21st century. Projections indicate increases in mean annual precipitation over eastern tropical Africa. Third, **droughts** repeatedly strike Burundi accounting for 67.8% of the distribution of natural hazards that occur in the country. They have devastating impacts on key economic sectors and can affect a large proportion of the population like the one that struck in 2004 and affected over 2 million Burundians. Fourth, **torrential rains** have caused massive flooding throughout the 20th century for Burundi, especially in the 1960's when the level of Lake Tanganyika increased by 4 meters causing districts in Bujumbura and Gatumba to flood. And in 2002, floods caused by heavy rain forced many people from their homes. Lastly, **storms** have affected thousands of people in the first decade of the 21st century with 15,500 people being affected in 2004 alone. These storms have brought torrential rains, lightning, and thunder during the rainy season, increasing people's vulnerability to loss of livestock, food insufficiency, decreased agricultural output, bush fires, and physical trauma.

2. **Intent to address vulnerability:** The Project intends to support the government's climate change vision which promotes development that is resilient to the harmful effects of climate change. Burundi's 2013 National Policy on Climate Change and the 2015 Burundi Intended Nationally Determined Contributions document underlines high food insecurity as one of the key detrimental climate effects in the country and outlines the country's adaptation needs, specifically the human and institutional capacity-building needs⁶⁴ and the technical and technological transfer needs.⁶⁵ The project is in alignment with this vision and would contribute to the building of the human and institutional capacity and enabling the use of technology and technical transfers especially in agriculture to upgrade the sector's productivity and consequently boost food security and reduce stunting.

3. **Project financing to bolster climate resilience:** The proposed Project would strengthen Burundi's overall adaptive capacity to cope with climate-induced shocks by targeting the country's climate-vulnerable population, such as those living in the Cibitoke, Bubanza and Bumbura Rural provinces, where for rural households it has become necessary to cope with lack of farmland by expanding into environmental protection areas, cultivating on

⁶⁴ Specifically, the country needs to: inform, educate and communicate about the climate, climate risks and adaptation technologies (development of the population's reactivity); strengthen the aptitudes of actors (especially women and farmers) in new technical processes, in the interest of intensified, sustainable production methods (new crop systems and techniques); encourage technology transfers between research institutes and agro-sylvo-pastoral actors; and support institutions in defining adaptation priorities by socioeconomic sector and foster inter-sectoral consistency, namely during the development of the National Adaptation Plan. Intended Nationally Determined Contribution (INDC) / Burundi 2015, https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Burundi%20First/Burundi_INDC-english%20version.pdf

⁶⁵ Specifically, the country needs to: support water resources control and management, intensification and diversification of agricultural production, enable security for livestock farming and support for the association of agriculture and livestock and support for the exploitation of fishing resources, improve the population's wellbeing, and expand the knowledge of spatial and temporal changes to the environment.



steep slopes without recourses to engage in sustainable practices for highlands, and draining wetlands for agricultural use. Such practices further worsen land degradation, and soil erosion in mountainous areas results in food shortage, unemployment, and social conflict, deepening instability by disrupting production systems and marketing channels by displacing the local farm population. Under this project, the skills of youth will be built to enable them to engage in, leverage, and benefit from adaptation and mitigation measures supported under the project. Table A7.1 outlines the specific mitigation measures (by component) which the project is undertaking to reduce greenhouse gas (GHG) emissions and adaptation measures to address climate risks and vulnerabilities.



Table A7.1. Climate Mitigation and Adaptation Measures

| | | Type of Activity | |
|------------------------------------|--|---|--|
| | | Mitigation | Adaptation |
| Component 1 | Improving Labor-Market Orientation of Skills Development (US\$50 Million) | | |
| Sub-Component 1.1 (US\$5 million): | Enhancing Labor Market Responsiveness of Formal Training Providers | <ul style="list-style-type: none"> Content on climate change mitigation, such as causes and impacts of climate change and activities that reduce, capture, or sequester GHG emissions, will be included in the trainer and teacher trainings curricula. | <ul style="list-style-type: none"> Two of the sector training hubs focus on the agriculture sector and all of the CEMs offer agriculture trainings. The interventions will focus on updating curricula and training of teachers and developing training techniques that improve agricultural practices and hence lead to improvements in livelihoods and increase the students and teachers' (and their families) resilience against food insecurity. This is a critical adaptation measure in view of the food security risks identified. In the selection of the CEMs, climate change adaptation conditions will be integrated as a priority investment area. This will strengthen the overall targeting of CEMs but also help reinforce the adaptation messaging. Key messages on the impact of climate change on nutrition and strategies to mitigate those effects will be displayed across the job training centers and all the sector training hubs. Furthermore, information on climate risk screenings and quick tips on how to deal with these risks will be displayed throughout all the institutions the project will support. School safety plans and evacuation protocols will be developed that take into account climate risks. The teacher trainings will include trainings on how to prepare and carry out evacuation protocols at the onset of climate change-induced emergencies. Content on climate change adaptation will be integrated in curriculum and teacher training (education about growing climate change issues, changing patterns of rain and floods, energy conservation techniques, emergency responses to storms). |



| | | |
|--|--|---|
| <p>Sub-Component 1.2 Modernizing and Expanding Informal Apprenticeships (US\$25 million):</p> | <ul style="list-style-type: none"> • The life skills training as part of the theoretical apprenticeship training will include life skills for the green economy, representing 10% of the overall training. Some of the activities will include (a) composting all non-animal based organic materials; (b) recycling materials, that is, installing recycling bins around the training centers—or have a recycling area; (c) adjusting so that the CEMs functioning is more ecofriendly; (d) encouraging change in purchasing habits—determining if there is a greener alternative to current/proposed purchases; and (e) promoting good practice measures such as water harvesting, plantations drives, and so on. As part of the rehabilitation efforts that will be done to all the project institutions, retrofitting education facilities will include installation of solar panels and using energy efficient appliances and equipment to minimize GHG emissions. | <ul style="list-style-type: none"> • The intervention package for the improvement and modernization of informal apprenticeships to selected informal sector clusters will include the development and implementation of training programs for master craftsmen, including to develop training techniques that improve agricultural practices and hence lead to improvements in livelihoods and increase the students and teachers’ (and their families) resilience against food insecurity. This is a critical adaptation measure in view of the food security risks identified. • School safety plans and evacuation protocols will be developed that take into account climate risks. The MCPs trainings will include trainings on how to prepare and carry out evacuation protocols at the onset of climate change-induced emergencies. • Content on climate change adaptation will be integrated into the training for master craftsmen (education about growing climate change issues, changing patterns of rain and floods, energy conservation techniques, emergency responses to storms). |
| <p>Sub-component 1.3 Developing Digital Skills for the Knowledge Economy (US\$20 million):</p> | <ul style="list-style-type: none"> • This component will support mitigation activities through the training of faculty members on climate change mitigation, such as energy conservation techniques. Likewise, the training materials will include content on climate mitigation. • Rehabilitation efforts of the Institute of Computer Science/Computer Engineering and Digital Transformation (the “Institute”) will include classrooms to be substantially more energy efficient. Some of these measures will include installing solar panels, using energy efficient appliances and equipment. • The messages delivered through the different online and offline channels will include information to raise awareness about climate change mitigation. • This component will also take into consideration the potential damage to the environment when distributing equipment. Thus, for instance, the use of batteries will be minimized, and low-intensive energy devices will be prioritized. | <ul style="list-style-type: none"> • The training materials for faculty members will incorporate content on climate change adaptation. Faculty members will also be trained to carry out evacuation protocols at the onset of climate change-induced emergencies. • Investing in online learning is in itself a climate change adaptation activity, because the installed capacity to deliver content through this format can be used also in the case of climate change-induced emergencies that make attendance physically impossible. The learning format will be designed to ensure continuity during climate related crises or events. • The messages delivered through the different online and offline channels will include information to raise awareness about climate change adaptation. |



| Component 2 Fostering Entrepreneurship (US\$20 million) | | |
|---|--|--|
| Sub-Component 2.1 Strengthening Entrepreneurial Skills (US\$8 million): | <ul style="list-style-type: none"> The life skills training as part of the entrepreneurship training will include life skills for the green economy: Some of the activities will include (a) composting all non-animal based organic materials; (b) recycling materials, that is, installing recycling bins or have a recycling area; (c) encouraging change in purchasing habits—determining if there is a greener alternative to current/proposed purchases; and (d) promoting good practice measures such as water-harvesting, plantations drives. | <ul style="list-style-type: none"> Climate adaptation, such as inter alia climate change adaptation trainings will be included as part of the technical assistance. |
| Sub-Component 2.2 Startup grants (US\$8 million): | <ul style="list-style-type: none"> As part of the provision for funding project business plans, dedicated seed funding will be allocated for business plans that support agriculture projects and which contribute to climate change mitigation specifically through containing the growth of agricultural GHG emissions. | <ul style="list-style-type: none"> Dedicated seed funding will be provided for projects that contribute to climate, including smart agriculture business plans that contribute to climate change adaptation (such as those that use improved irrigation techniques to adapt to droughts). It is estimated that most of the business funds will go towards agriculture ventures (at least 60 percent) that will increase the productivity of the sector and hence combat food insecurity and boost resilience of the population to climate change risks. |
| Sub-Component 2.3 Entrepreneurship Ecosystem Support (US\$ 4 million): | <ul style="list-style-type: none"> Office equipment support for local organizations to will include provision for recycling materials and energy efficient appliances and equipment where appropriate. | <ul style="list-style-type: none"> All the office equipment purchased will meet the highest standards of energy efficiency. The information exchange online platform will build capacity to provide information and facilitate public-private dialogue, and this information exchange format can also be used when climate change-induced emergencies make in-person knowledge exchange not possible. The information exchange online platform format will be designed to ensure continuity during climate-related crises or events. |
| Component 3: Reinforcing Data Systems for Market-Oriented Skills Development, Project Management, Monitoring and Evaluation (US\$10 million) | | |
| Sub-component 3.1: Reinforcing Data Systems for Market-Oriented Skills Development(US\$2 million) / Sub-component 3.2: Project Management and Monitoring and Evaluation (US\$8 million)/ Sub-component 3.3 Contingent Emergency Response (US\$ 0 million) | <ul style="list-style-type: none"> The messages delivered through the different online and offline channels will include information to raise awareness about climate change mitigation and the need to reduce GHG emissions in various sectors of the economy. | <ul style="list-style-type: none"> The messages delivered through the different online and offline channels will include information to raise awareness about climate change adaptation and ways communities can take steps to prepare better for the associated risks. The ICT platform will include a section on jobs in the green economy. |
| | The project management team will ensure that all climate change related activities are implemented as planned. This component will also include training of the relevant stakeholders to raise their awareness of climate disaster management and co-benefits of climate change mitigation. | |



ANNEX 8: Economic Analysis

COUNTRY: Burundi

Burundi Skills for Jobs: Women and Youth Project

Expected Development Impact

1. The project addresses several major challenges of the education and training system in Burundi. The proposed project will equip beneficiary youth with a set of technical and digital skills expected to help them better access jobs and higher earnings and further improve their opportunities by providing job search and matching support and seed funds to start their own projects. By improving the quality and relevance of skills training programs in formal and informal institutions, this project will support the youth to meet the needs of the Burundian economy in sectors with high labor potential. In turn, higher levels of education are expected to raise earnings, increase the probability of wage employment, and increase the likelihood of finding employment in more productive sectors.

2. The project addresses several major challenges of the education and training system in Burundi. The proposed project will equip beneficiary youths with a set of technical and digital skills expected to help them better access jobs and higher earnings, and further improve their opportunities by providing job search and matching support and seed funds to start their own projects. By improving the quality and relevance of skills training programs in formal and informal institutions, this project will support the youth to meet the needs of the of the Burundian economy in sectors with high labor potential. In turn, higher levels of education are expected to raise earnings, increase the probability of wage employment and increase the likelihood of finding employment in more productive sectors.

Cost-Benefit Analysis

3. Other non-monetized benefits are expected from the project, such as private sector development, tax revenue increases, and lowered social spending by the Government. Thus, the values for IRR and NPV generated are lower bounds as they are based only on quantifiable labor market returns, and do not include the valuation of positive externalities and spillover effects from the increase in education and skills of Burundi's youth.

4. The analysis includes Components 1 and 2 of the project, which account for 88 percent of the project's budget. The following assumptions are made for all project components. Agents earn a certain fixed annual income throughout their professional life, which lasts 35 working years. There is no inflation or wage growth. Yearly income is based on ECVMB data from 2013, by level of education of the targeted group. The unemployment rate is 8 percent for all graduates. The opportunity cost is the base salary of the targeted population group multiplied by the probability of employment pre-policy. A discount rate of 7 percent is assumed following the Central Bank's lending rate.

5. Further assumptions are needed specifically for Component 1. For subcomponents 1.1 and 1.3, youth are assumed to be NEET in the absence of the program. Their base wage is calculated using the average annual earnings of those having at most completed lower secondary school education. For subcomponent 1.2, youth are assumed to be employed at a lower wage in the absence of the apprenticeship. Their base wage is calculated using the average annual earnings of those having less than lower secondary school education. Apprenticeship programs, which can vary between 6 and 18 months in length, are assumed to last one year. The program is launched in 2021 but new trainings only begin at



the start of the 2022/23 school year. The program lasts for five years. The first cohort graduates in 2024, and the last cohort in 2029. There are no direct costs of partaking in the program. Eighty percent of targeted beneficiaries graduate from the program (that is, there is a 20 percent attrition rate).

6. Estimations of program effects are based on similar past projects and meta-analyses of vocational and skills training programs in low-income countries. For subcomponents 1.1 and 1.3, the median increase in income following these programs is between 17 percent (McKenzie, 2017)⁶⁶ and 26 percent (Honorati, 2015)⁶⁷, but can reach up to 80 percent for specific sub-populations (Adoho, Chakravarty, Korkoyah, Lundberg, & Tasneem, 2014)⁶⁸. This is in line with estimates of the returns to an additional year of higher education, which are estimated to be between 17 and 26 percent in neighboring countries (Patrinos & Montenegro, 2014)⁶⁹ (Psacharopoulos & Patrinos, 2018)⁷⁰. We use 17 percent as a conservative estimate.

7. For subcomponent 1.2, average income effects are even more heterogeneous. Programs have shown anywhere from no impact on earnings to doubling earnings of those without any education, highlighting decreasing returns as education levels rise. When targeting currently employed youth with no formal education, studies find earnings increases of 50 percent (Teal, 2016)⁷¹ (Monk, Sandefur, & Teal, 2008)⁷². We use 50 percent as our estimate.

8. The NPV of Component 1 is estimated to be US\$95 million, with an IRR of 17.4 percent. Subcomponent 1.1 yields an NPV of US\$19 million, and an IRR of 28.3 percent. Subcomponent 1.2 has an NPV of US\$60 million, and an IRR of 17.9 percent. Subcomponent 1.3 has an NPV of US\$16 million and a 13 percent IRR.

9. Sensitivity analyses are run using a 40-year working life, a 10 percent discount rate, and halved income effects of the policy. The lower bound estimate of US\$40 million NPV with an IRR of 11.7 percent is reached using the reduced income effects of the policy. A 10 percent discount rate yields an NPV of US\$48 million, and increasing the working years raises it to US\$100 million. These estimates are in line with the literature: analysis of the World Bank's Kenya Youth Empowerment Project (KYEP, P111546) yields a 10 to 30 percent rate of return, and apprenticeships in Ghana are estimated to have an IRR of 20 percent (Honorati, 2015)⁷³ (Monk, Sandefur, & Teal, 2008)⁷⁴.

10. The costs and benefits from all subcomponents of Component 2 are analyzed as a single unit. Component-specific assumptions are necessary once again. The policy is assumed to impact both income and job creations at the extensive margin, but have no impact on the probability of employment of

⁶⁶ McKenzie, D. (2017). Identifying and spurring high-growth entrepreneurship: experimental evidence from a business plan competition. *American Economic Review*, 107(8), 2278-2307.

⁶⁷ Honorati, M. (2015). The impact of private sector internship and training on urban youth in Kenya. *Policy Research Working Paper*(7404).

⁶⁸ Adoho, F., Chakravarty, S., Korkoyah, D., Lundberg, M., & Tasneem, A. (2014). The impact of an adolescent girls employment program. *Policy Research Working Paper*(6832).

⁶⁹ Patrinos, H., & Montenegro, C. (2014). Comparable Estimates of Returns to Schooling Around the World. *Policy Research Working Paper*(7020).

⁷⁰ Psacharopoulos, G., & Patrinos, H. (2018). Returns to Investment in Education. *Policy Research Working Paper*(8402).

⁷¹ Teal, F. (2016). Are Apprenticeships Beneficial in Sub-Saharan Africa? *IZA World of Labor*, 268.

⁷² Monk, C., Sandefur, J., & Teal, F. (2008). Does doing an apprenticeship pay off? Evidence from Ghana. *CSAE Working Papers*.

⁷³ Honorati, M. (2015). The impact of private sector internship and training on urban youth in Kenya. *Policy Research Working Paper*(7404).

⁷⁴ Autor, D. (2008). The economics of labor market intermediation: an analytical framework. *NBER Working Paper Series*.



beneficiaries, which is assumed to be 100 percent before and after the policy. The base wage of participants is calculated using the average annual earnings of the self-employed (excluding the farming sector), estimated at BIF 516,500. The program is a one-off event, and its effects are assumed to take place with a one-year lag after implementation. There are no opportunity costs or direct private costs to participation, as the program does not preclude from labor market participation during the treatment. We assume 50 percent of women beneficiaries.

11. Estimations of program effects are based on similar past projects. An entrepreneurship program in Uganda finds a 38 percent increase in income for grant and training recipients, and 0.26 new workers hired for every program participant (Blattman, Fiala, & Martinez, 2014)⁷⁵. Other programs show increases of 16 percent in employment (Kluve, et al., 2017)⁷⁶. Effects on sales and profits are not directly modeled in this analysis, but have been estimated at 15 percent increases (Chinen, de Hoop, Alcazar, Balarin, & Sennett, 2017)⁷⁷. We assume that Component 2 of the program increases wages by 38 percent and creates 26 percent new jobs.

12. Component 2 is projected to yield an NPV of US\$11 million and an IRR of 11.6 percent. Halving the income and employment effects (individually) yield lower bound estimates of respectively US\$1 million (7.4 percent) and US\$3 million (8.3 percent). These estimates are on the conservative side: Uganda's business start-up policy, similar in many ways to this project, is estimated to have yielded a rate of return of 30 to 50 percent (Blattman, Fiala, & Martinez, 2014)⁷⁸.

13. Component 3 is intended to increase the availability of labor market information to job seekers and employers. It is difficult to conduct an ex-ante cost-benefit analysis of such policies. This component is however expected to reduce friction and increase transparency in labor markets. Literature on similar policies show that increasing labor market information can aggregate information and disseminate it at very low costs, and have positive impacts on labor market outcomes (Autor, 2008)⁷⁹ (Sparreboom, 2013)⁸⁰.

14. Overall, the project yields an IRR of 16 percent, with an NPV of US\$106 million. Per beneficiary, this amounts to approximately US\$1,000, which aligned with similar projects.

15. Other non-monetized benefits are expected from the project, such as private sector development, tax revenue increases, and lowered social spending by the Government. Thus, the values for IRR and NPV generated are lower bounds as they are based only on quantifiable labor market returns and do not include the valuation of positive externalities and spillover effects from the increase in education and skills of Burundi's youth.

⁷⁵ Blattman, C., Fiala, N., & Martinez, S. (2014). Generating skilled self-employment in developing countries: Experimental evidence from Uganda. *The Quarterly Journal of Economics*, 129(2), 697-752.

⁷⁶ Kluve, J., Puerto, S., Robalino, D., Romero, J., Rother, F., Stöterau, J., . . . Witte, M. (2017). Interventions to improve the labour market outcomes of youth: A systematic review of training, entrepreneurship promotion, employment services and subsidized employment interventions. *Campbell Systematic Reviews*.

⁷⁷ Chinen, M., de Hoop, T., Alcazar, L., Balarin, M., & Sennett, J. (2017). Vocational and business training to improve women's labour market outcomes in low- and middle-income countries: a systematic review. *Campbell Systematic Reviews*.

⁷⁸ Blattman, C., Fiala, N., & Martinez, S. (2014). Generating skilled self-employment in developing countries: Experimental evidence from Uganda. *The Quarterly Journal of Economics*, 129(2), 697-752.

⁷⁹ Autor, D. (2008). The economics of labor market intermediation: an analytical framework. NBER Working Paper Series.

⁸⁰ Sparreboom, T. (2013). Labour market information and analysis systems. In S. Cazes, & S. Verick, *Perspectives on labour economics for development*. Geneva: International Labour Office.

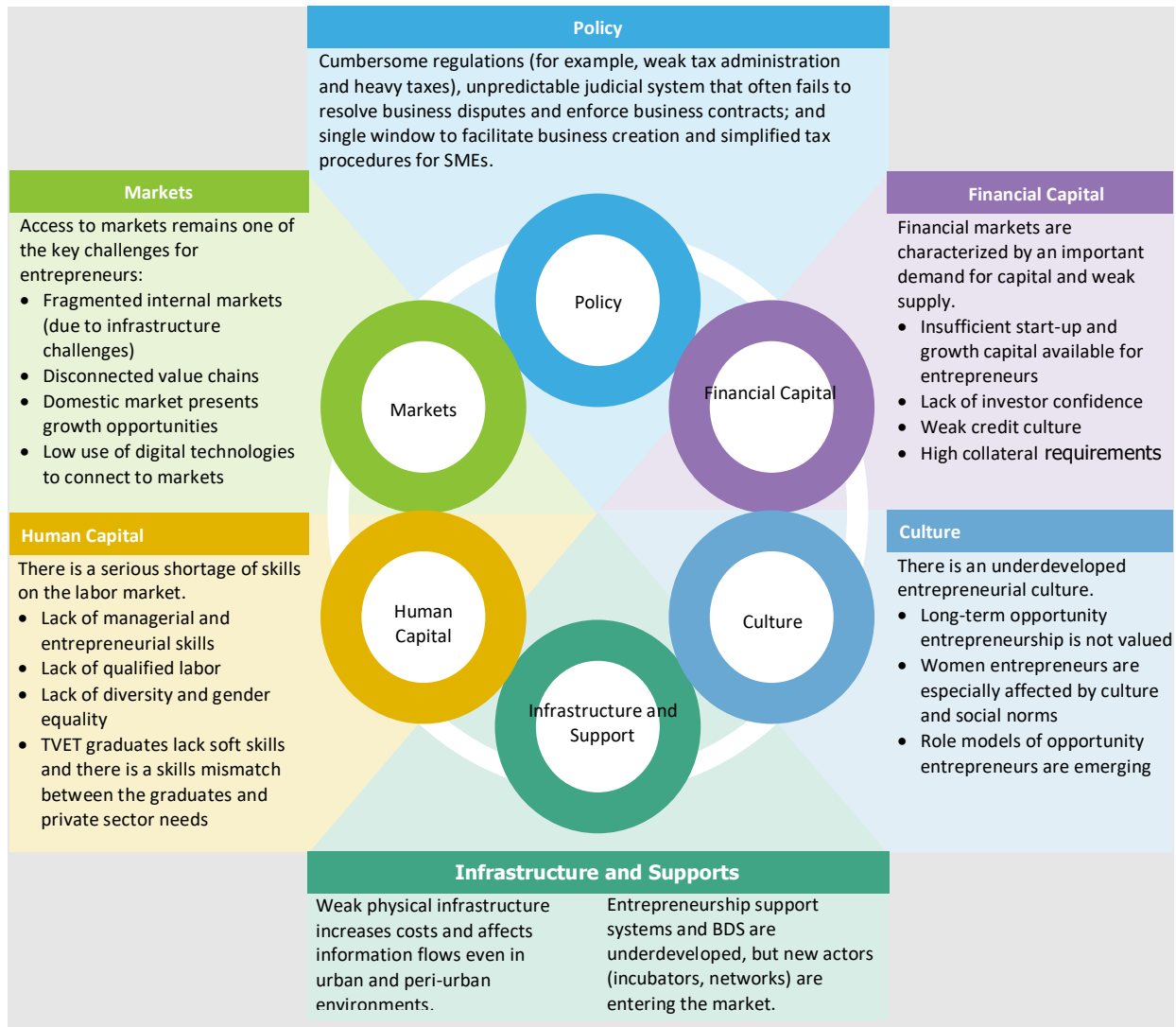


ANNEX 9: Entrepreneurship in Burundi

COUNTRY: Burundi

Burundi Skills for Jobs: Women and Youth Project

Figure 9.1. Entrepreneurship Ecosystem in Burundi



1. **Nurturing entrepreneurship skills and culture will be critically important to grow the next generation of transformational entrepreneurs in Burundi.** Entrepreneurial capability, which is often related to the ability of the entrepreneur to manage information, learn from experimentation, and internalize what he/she has learned to produce a better outcome in the future, is a key aspect of human capital development. For entrepreneurial ventures to be successful, youth need to be equipped with the necessary knowledge and skills to design, finance, and manage start-up businesses. Critical skills include cognitive skills, such as literacy and numeracy, that are needed to understand complex ideas, adapt effectively to the environment, and learn from experience; technical skills which encompass acquired knowledge, expertise, and interactions (such as mastery of tools and digital and other technologies)



needed to perform a specific job; and socioemotional skills to navigate interpersonal and social situations effectively, such as leadership, teamwork, self-control, and grit.⁸¹

2. **Access to capital is cited as a key constraint by entrepreneurs, but fostering the supply of start-up capital is not enough.** The investment readiness or quality of the demand is also crucial. Young entrepreneurs—in Burundi and elsewhere—often have innovative ideas but do not have these ideas fine-tuned to the stage where they can attract funding to develop a minimum viable product and commercialize their products or services. As international experiences show, the solution will require a mix of instruments that simultaneously addresses several entrepreneurial barriers. Ecosystem intermediaries can play an important role in supporting transformational entrepreneurs and addressing the supply and demand gap.

3. **Female youth face greater constraints in accessing capital to build a business.** Women have fewer assets than men—according to the 2008 General Population and Housing Census, of the 80.2 percent of the population that owns land, 62.5 percent are men and 17.7 percent are women.⁸² In the absence of a formal inheritance law, women are often subject to discrimination enshrined in customary norms. Consequently, women also face challenges in accessing formal lines of credit due to a lack of collateral. USAID (2018) reports that although Burundian women traditionally have access to informal credit through community-based savings and lending groups, they rarely control the use of the credit at the household level.⁸³ As a result, though female entrepreneurship has important impacts on economic development, female-owned businesses often have slower growth and lower profits than male-owned businesses.

4. **In addition to capital, female youth must acquire skills that go beyond traditional entrepreneurial training to be successful.** Female entrepreneurs need training that allows them to overcome social gender roles and an aversion to risk and develop an ‘entrepreneurial mindset’. For example, a study in Togo⁸⁴ found that female entrepreneurs who received ‘personal initiative training’—a proactive, self-starting approach that taught participants to look for ways to differentiate their business from others, anticipate problems, overcome setbacks, and foster better planning skills to create opportunities—saw their profits increase by 40 percent (compared to a 5 percent increase for those who received traditional business training). Entrepreneurs who took the personal initiative training introduced more innovative products into their line of business, borrowed more, and employed more workers.

⁸¹ World Bank. Skills Development. <https://www.worldbank.org/en/topic/skillsdevelopment>.

⁸² Ndikumana 2015.

⁸³ USAID 2018; Ndayiragije, Gad, *Images de la Femme au Burundi à Travers les Contes et les Épithalames: Mémoire de Master (Université d’Oslo Automne, 2011)*.

⁸⁴ Campos, F., M. Frese, M Goldstein, L. Iacovone, H. C. Johnson, D. McKenzie, and M. Mensmann. 2017. “Teaching Personal Initiative Beats Traditional Training in Boosting Small Business in West Africa.” *Science* 357 (6357): 1287–1290. <https://science.sciencemag.org/content/357/6357/1287>.