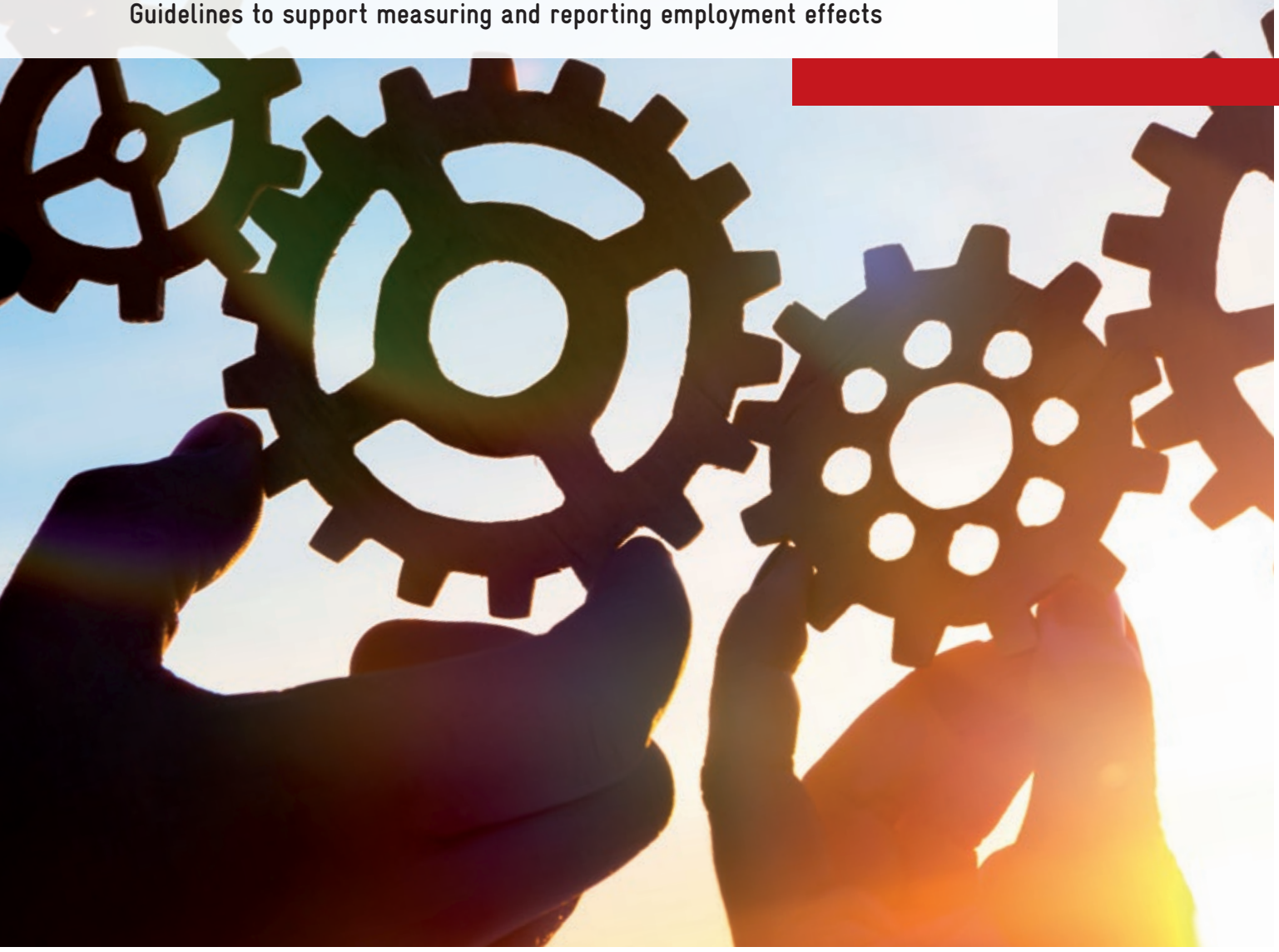
Identifying employment effects in GIZ interventions

Guidelines to support measuring and reporting employment effects



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Executive Summary

Employment promotion has become an increasingly important objective for GIZ, and many projects across the GIZ portfolio contribute to employment, either as their primary objective or as a positive "side effect". Indeed, beyond the traditional sectors aspect of 'sustainable economic development', all sectors implement some types of interventions or instruments that contribute to more, better, and / or more inclusive employment. These range from rural and agricultural development to energy and transport; peace and emergency assistance; and health and social protection.

To adequately capture the extent of GIZ's contribution to employment in partner countries, projects are encouraged to report on key employment indicators. To this end, four employment-related aggregate indicators have been defined:

1. Number of people who have come into employment as a result of GIZ's contribution.

2. Number of people who have gained additional employment (meaning people whose time-related underemployment has been reduced) as a result of GIZ's contribution.

3. Number of people who have benefitted from improved working conditions as a result of GIZ's contribution.

4. Number of people who have benefitted from increased income as a result of GIZ's contribution.

N.B. Reports are to include statistical information to identify the project's specific employment effects for women and for youth.

However, the reporting on these indicators has proven challenging in the past for reasons that include the following:

- Difficulty in capturing employment effects given the nature of labour markets in partner countries (i.e. high levels of underemployment and informality).

- Limited identification of relevant employment effects in GIZ projects, especially in projects in which employment effects are co-benefits (i.e. employment effects are often not considered as part of the results frameworks and hence not tracked).

- Lack of a common understanding about acceptable methodologies to measure or estimate employment effects (leading to inconsistencies and over- or under-reporting of effects).

In order to improve reporting on employment indicators, projects that directly contribute to employment should capture their effects on key employment indicators regardless of whether these have been defined in the project's results matrix. A decision tree is to be used by projects to evaluate whether they should assess and report employment effects. In practice, this means that projects need to develop, adopt, and deliver statistics that represent a composite of measurement and estimation of their contributions to key employment indicators.

1. **Where possible, projects should measure their direct employment outcomes[1] through representative before-after comparisons of the employment situation among beneficiaries (individuals, firms, etc.).** Such before-after comparisons require adequate baselines and an appropriately timed follow-up data collection. Proper measurement through before-after comparisons represents the minimum standard for indicators defined in a project's results matrix.

1 For a definition of direct and indirect employment effects please refer to Box 2.

2. **When proper measurement through before-after comparisons is not feasible, a project can adopt alternative approaches that allow for estimating its effects for selected indicators.** Estimating effects is especially relevant when employment indicators are not defined in the results matrix and the necessary data-collection arrangements for measurement are therefore not (yet) incorporated in the monitoring system. Suitable approaches for estimating effects include:

   - **Non-representative samples:** Using smaller, non-representative, samples (e.g. for tracer survey or through focus groups with past beneficiaries), projects can obtain a general idea of their contribution to selected indicators.

   - **Comparison values:** Employment effects can be estimated based on comparison values (benchmarks) of similar interventions (GIZ or other stakeholders) or on the basis of existing statistics, studies, household, or enterprise surveys (e.g. from development partners, ministries, chambers), or administrative data. For instance, benchmarks may be found for activity completion ratios (or dropout rates); share of beneficiaries employed X months after the intervention; average employment durations; ratio of business registrations among credit recipients; survival rates of new businesses; average number of employees in comparable firms to those supported; additional employment created relative to increases in agricultural production, etc.

   - **Other studies / evidence:** This includes the estimation of employment effects based on other available studies; policy impact assessments; surveys (e.g. enterprise surveys, investment climate surveys); expert panels; or information from representatives of supported institutions.

These approaches can offer a pragmatic way to capture employment effects. However, since such estimates are usually less accurate than measurements, projects should strive to put the necessary data-collection arrangements in place for measuring employment effects for future reporting periods.

Given the increasing importance of employment promotion in GIZ's portfolio, capturing projects' effects on employment more systematically is of strategic relevance for the projects themselves and for GIZ more broadly. This has three broad implications:

- Projects should identify whether they have employment effects beyond their core results and indicators specified in the results matrix. This document provides illustrative results chains for interventions across all sectors that may contribute to employment. (Please refer to result chains in Annex 2)

- Projects can benefit from strengthening their monitoring and evaluation systems to better measure employment effects through proper before-after comparisons. This will help projects learn and facilitate reporting.

- Rather than not reporting on employment effects at all, every project should aim to provide reasonable estimates of employment effects by using suitable approaches where measuring is not an option.

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1 Introduction

KEY MESSAGES

Employment promotion has become a priority for GIZ across sectors.

The accurate identification of GIZ's overall contribution to employment effects in partner countries has proven difficult so far.

In response, one of GIZ's corporate objectives in 2018 sought to improve the quality of reporting of employment effects across the organization.

In order to improve reporting of results, the present document provides guidance for project managers, M&E experts and HQ staff responsible for programme design on whether and how employment effects can be captured.

Background and rationale

Employment and decent work are key for development. Employment has a significant impact on individual and societal well-being and contributes to development through various channels, including (i) increases in living standards (including poverty reduction), (ii) higher productivity, and (iii) fostering social cohesion *(World Bank, 2012)*. At the same time, it is also increasingly recognized that employment does not automatically accompany economic growth; targeted efforts are needed to promote employment and decent work.

Promoting employment in partner countries more explicitly has therefore become an increasingly significant priority for GIZ. Guided by the Agenda 2030 for Sustainable Development, GIZ seeks to "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all" (SDG 8). The importance of employment is also reflected by other SDGs. As such, employment has become a cross-sectoral issue that has gained prominence within GIZ beyond the original sector of 'sustainable economic development' in sectors such as 'rural development' and 'migration'.

However, an accurate identification of GIZ's overall contribution to employment effects in partner countries has been difficult to achieve. Key challenges include

- **Difficulty in capturing employment effects given the nature of labour markets in partner countries.** In many of GIZ's partner countries, labour markets are characterised by high levels of informality and underemployment – not necessarily unemployment (see Box 1). In these conditions, capturing the contribution of GIZ projects to beneficiaries' employment situations can be a challenge.

- **Limited identification of employment effects in GIZ projects.** Many sectors and projects may contribute to employment effects, even if it is not their primary objective. For example, projects that contribute to higher-quality education; improved delivery of municipal services (including e.g. water, sanitation, or waste management); increased agri-

BOX 1: LABOUR MARKETS IN DEVELOPING COUNTRIES

- **Unemployment rates are often not a good indicator of a country's employment challenges.** In countries without a national system of social assistance, unemployment insurance, and welfare benefits, people simply cannot afford to be unemployed. Instead, they must make a living as best they can. Thus, low unemployment rates may actually mask substantial poverty in a country, whereas high unemployment rates can occur in countries with significant economic development and low incidence of poverty.

- **Self-employment is widespread.** In many developing countries, the line between employment and unemployment is often thin. Wage employment (especially in the formal sector) is the exception, while informal self-employment is the norm. Indeed, a large share of the labour force in many countries works in household enterprises and subsistence farming.

- **Informal is normal.** Related to the above, informal employment comprises more than one-half of non-agricultural employment in most regions of the developing world. If agricultural employment were considered more explicitly, the rates would be even higher. Disadvantaged groups such as women and young people are overrepresented in the informal economy. Informal employment may also exist in formal firms (e.g. employment without contracts or lacking benefits).

- **Widespread time-related underemployment.** Many people, though employed, work less than they would like to. For instance, they may be working only a limited number of days a month in casual labour, and/or lack enough work outside the harvest season.

- **Employment is often better described as a "portfolio of work" rather than one job.** In developing countries, people often engage in a range of income-generating activities simultaneously, including agriculture, casual labour, petty trade, and possibly formal work. These "portfolios" are a natural consequence of the situation in which people live; in fact, it is often not possible to gain enough income from a single occupation, and there is a need to mitigate the risk and seasonality inherent in any one source.

- **Most employment is marked by bad working conditions.** Social-protection systems are either missing or weak in many developing countries, leaving people unprotected from risks such as unemployment and illness, and thus vulnerable to falling (back) into poverty. Indeed, given the widespread nature of informal employment and necessity self-employment, poor working conditions are widespread. According to the international definition, although people are employed, it is likely to be poor-quality employment. Thus, while a large share of the population may technically be working, their employment is often characterised by precariousness and instability, bad working conditions, low productivity, and low incomes. Forced and child labour are among the extreme cases of poor working conditions.

- **Some groups face particular disadvantage in the labour market.** Some groups are confronted by more challenges than others. In most countries, young people and women – who represent a significant share of the overall labour force – are more likely to face inactivity, unemployment, or poor working conditions (including those with higher levels of education, such as university graduates). This is also true for other disadvantaged groups, such as persons with disabilities and displaced populations.

Source: Adapted from EC (2018)

cultural productivity; or improved access to energy may contribute to more employment, reduced time-related underemployment, better working conditions, or higher income. Nonetheless, employment effects are often not considered as part of the theory of change and results frameworks in many of these interventions.

- **Lack of a common understanding about acceptable methodologies to measure or estimate employment effects.** Even when projects identify their contribution to employment effects, they may apply different standards to either measure or estimate them. In many cases, employment indicators, baselines and appropriate data-collection systems are missing. As a result, many projects estimate their effects using different approaches, which may strongly over- or underestimate their real contribution. Moreover, due to inconsistent measurement and estimation of employment effects, the results reported may often be difficult to validate. This, in turn, can affect the credibility of the data reported by projects and at an aggregate level.

- **Employment effects often cannot be reported on a regular basis.** Project data regarding employment is often not collected at regular intervals. M&E systems that are capable of monitoring employment effects on a regular, continuous basis are still rare.

In response, one of GIZ's corporate objectives in 2018 sought to improve the reporting (through better measurement and estimation) of employment effects across the organization. Against this background, a working group developed a guiding framework for measuring aggregate results and reporting on employment effects. The working group included representatives from different units across the sectoral department (FMB), including Technical Education and Labour Market (4B10); Financial Sector Development (4B20); Economic Policy, Private Sector Development (4B40); and Rural Development, Food Security (4D30), as well as representatives from the Sector Project Employment Promotion in Development Cooperation (G120). Additional valuable contributions were made by the Sector Project Rural Employment with a Focus on Youth. Among other things, the working group contributed to the further refinement of core indicators on employment that should be captured across the organisation.

General process for capturing and reporting employment effects

The methodology presented in this document should be used for centralised reporting, for instance in the context of the GIZ results data ("Wirkungsdatenabfrage"). For instance, across all GIZ interventions, how many people gained access to employment or were able to improve their working conditions? To answer these questions and communicate them succinctly to key stakeholders and the public, selected results across sectors are compiled for aggregated reporting. The data collection is based on standardised indicators, so-called aggregate indicators, which are collected every year.

For more information, see GIZ Wirkungsdaten. Leitfaden zur Erhebung (DMS Link).

As a minimum requirement, projects generally report direct gross employment effects. Measuring development impacts can be a challenge for methodological and practical reasons. Therefore, GIZ has put in place a comprehensive monitoring and evaluation policy and system that leverages a range of instruments to measure the impact of its work at various levels (e.g. project, country, or thematic level).[2] Centralised inquiries such as the GIZ results data seek to quantify employment effects that

1. relate to the direct beneficiaries of GIZ interventions (termed "direct effects"),

2. can be observed among the direct beneficiaries, but do not allow for causal attribution to the intervention alone (termed "gross effects").

Results-based monitoring at the project level allows capturing gross direct employment effects. Measuring net impacts as well as indirect or induced effects typically requires more sophisticated methodologies. While the use of complementary evaluation methods is encouraged to enhance learning and knowledge generation, they are not required for the GIZ results data. For an overview of different types of effects, see Box 2.

2 www.giz.de/en/downloads/GIZ_EVAL_EN_general%20description.pdf and www.giz.de/en/downloads/GIZ_EVAL_EN_evaluation%20policy.pdf

BOX 2: OVERVIEW OF DIFFERENT TYPES OF EMPLOYMENT EFFECTS

Gross vs. net effects

- **Gross employment effects:** "Gross effects" refers to the observable changes in the employment situation of relevant beneficiaries. Gross employment effects are usually measured through a before-after comparison of beneficiaries' employment situations (e.g. the change in key indicators). The limitation of gross effects is that they may have been influenced by factors other than the intervention of interest.

  EXAMPLE: 2,000 (previously unemployed) youth participated in a youth entrepreneurship programme. Among those, 1,000 started a business after the programme (gross effect = 1,000 employed).

- **Net employment effects:** "Net employment effects" refers to changes in employment that can be causally attributed to an intervention. The identification of net effects requires the use of appropriate comparison groups and aims to answer the question "What were the employment outcomes of the beneficiaries in the absence of the intervention?" The net effect is then the difference in employment effects among beneficiaries compared to the change among the comparison group.

  EXAMPLE: A study using a comparison group finds that among the 2,000 participants 1,000 started a business after the programme, of which 250 would have started a business even without participation in the GIZ project (net effect = 1,000 – 250 = 750 employed).

Direct vs. indirect and induced effects

- **Direct employment effects:** Changes in the employment outcomes among the intervention's beneficiaries. Direct effects are normally one of the intervention's primary goals.

  EXAMPLE: Participants in a youth-entrepreneurship programme supported by the project start a business and improve their income.

- **Indirect employment effects:** Changes among the intervention's target population's employment outcomes caused by the direct effects of the intervention (on employment or other outcome variables). These include multiplier effects (positive), substitution effects (negative), or the effects of altered regulatory framework conditions.

  EXAMPLE: Programme participants share knowledge with their peers who, in turn, also improve business practices (multiplier, positive effect). Since the project supported selected youth in starting a business, other non-supported youth were no longer able to start their business (substitution, negative effect).

- **Induced employment effects:** Changes in employment outcomes among individuals and enterprises that are not part (i.e. outside) the intervention's target group. The effects are induced through all of an intervention's initial effects – both direct and indirect. These include multiplier effects (positive), displacement effects (negative), and effects due to an altered economic environment.

  EXAMPLE: Successful youth businesses lead to more employment and higher incomes among their suppliers (multiplier). On the other hand, the new businesses put other enterprises out of business due to increased competition (displacement).

Source: Adapted from Kluve and Stöterau, 2014

Objective of the present guidelines

Overall, the present guidelines seek to contribute to the following objectives:

- Enhance the identification and collection of direct gross employment effects across all GIZ sectors.
- Improve the quality of data collected and reported by GIZ projects.
- Provide the basis for more accurate corporate communication of GIZ's contribution to employment effects in partner countries.

Audience

The present guidelines can be useful to several audiences:

- **Project managers** will be most interested in understanding whether their project needs or can report on employment effects (see chapter 2).
- **Monitoring experts** within projects will be most interested in better understanding how they are expected to capture employment effects for reporting (see chapter 3).
- **Staff at HQ responsible for designing new programmes and follow-on phases** should be familiar with the entire set of guidelines in order to choose appropriate indicators on employment during future project preparation and to support project teams in setting up adequate data-collection arrangements.

DISCLAIMER

While the present guidelines are primarily intended to support GIZ projects in their reporting, they also reflect the broader importance of strengthening Monitoring and Evaluation (M&E) systems of GIZ interventions. Indeed, a project's monitoring and evaluation system is key for success. Every project or component, no matter how small, needs one. A good M&E system ensures an accurate picture of implementation progress and issues, and gives useful information about project achievements (e.g. people connected to employment, contribution to higher incomes). Thus, it provides the basis for continuous learning and for making necessary programme adjustments. Good monitoring is also an important ingredient for quality evaluations, as it provides the necessary information that evaluations can build on.

There are a number of useful guidelines and sources that provide orientation for well-designed M&E systems. A useful benchmark for a quality monitoring and evaluation system of employment-related interventions is the Donor Committee for Enterprise Development (DCED)'s Standard for Results Measurement, which is commonly used across different sectors such as agriculture, labour market programmes, vocational training, and private sector development (see Annex 1 for more details). Furthermore, the GIZ guidelines on designing and using a results-based monitoring system (RBM system) give an overview of different monitoring approaches and standards. The GIZ Handbook on Employment Promotion in Development Cooperation (Module 2.4 Assessing Employment Effects) provides additional guidance specifically for the employment-promotion context. For the agricultural and rural development portfolio, a study developed by RWI provides "Methodological Guidelines for Measuring Employment Effects of Rural Development Interventions".

For more in-depth learning, the use of additional evaluations methods may also be useful. The intention of the approaches for measuring or estimating employment effects described in the present guidelines is to support the reporting of gross effects. However, they do not allow for quantifying the causal impact of GIZ projects on employment. Hence, in order to build the evidence base and inform future interventions, selected projects may want to explore the use of impact-evaluation methodologies that rely on comparison groups for a more robust measurement of net employment effects. The GIZ Method guides "Measuring Employment Effects of Technical Cooperation Interventions" and "A Systematic Framework for Measuring Employment Effects" provide additional orientation for the measurement of net employment effects.

For additional references, see section on Further Reading.

2 Can my project report on GIZ employment indicators?

KEY MESSAGES

Many GIZ projects across sectors contribute to new employment, reduced time-related underemployment, improved incomes, and/or better working conditions.

Even when projects do not have explicit indicators related to these employment effects in their results matrix, they can often report their contributions to these employment effects.

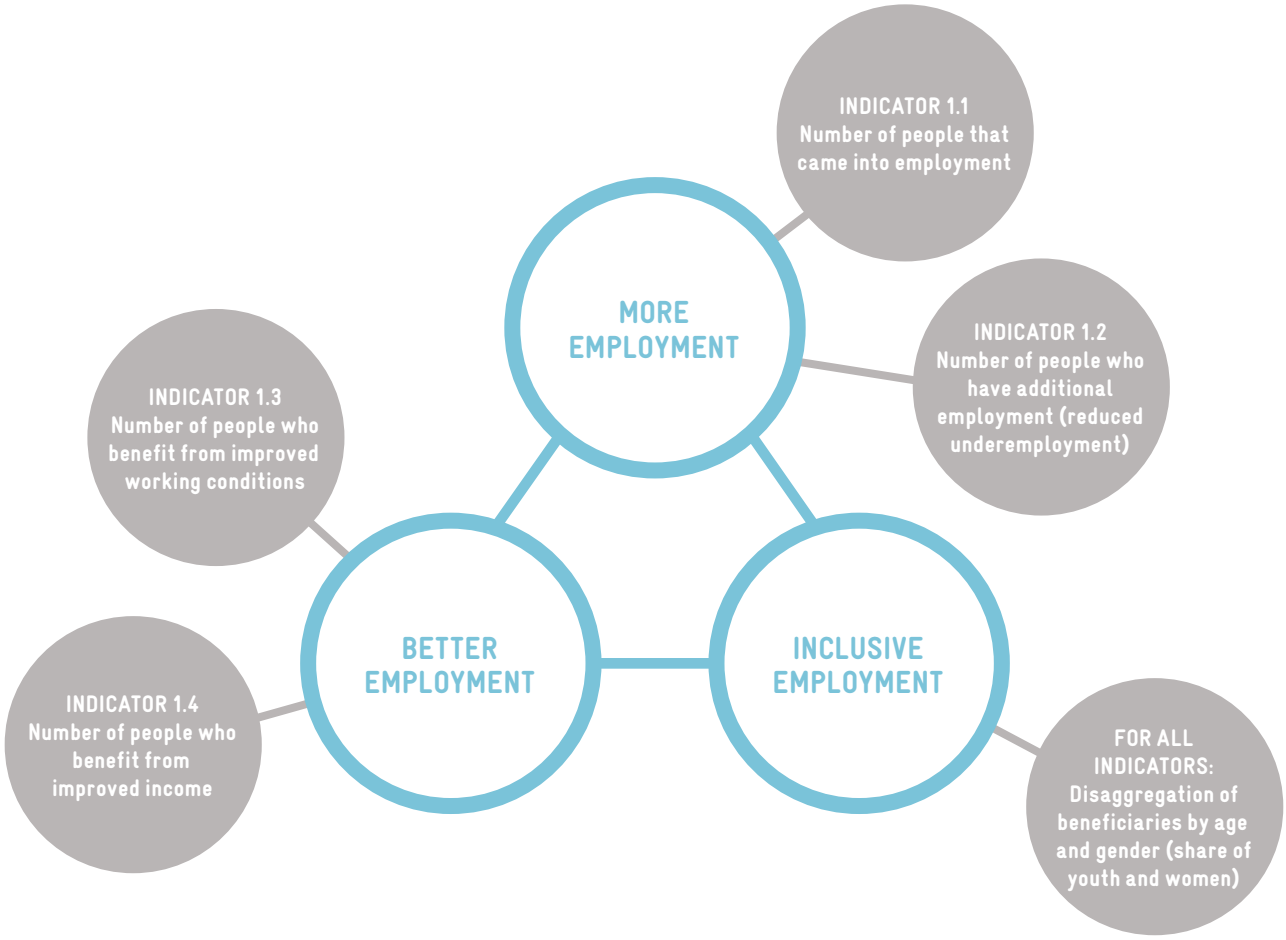
While it is preferable that projects measure their effects on employment through before-after comparisons, they can also estimate their effects with a range of suitable approaches.

In practice, projects may often apply a mix of tools, measuring their contribution to one or more employment indicators, while estimating their contribution to others.

GIZ projects across sectors may contribute to employment effects in different ways. Labour markets in developing countries are different from those in more developed ones. Because these lands usually lack strong social-protection systems, their poor often cannot afford to be unemployed and thus frequently enter into informal work arrangements or are underemployed due to the shortage of earning opportunities. Hence, it is not only the lack of employment that constitutes a problem in developing countries, but also poor-quality employment. Against this background, GIZ projects may be contributing to improving the employment situation in partner countries in different ways. Is the project creating new jobs or bringing people into employment? Is it helping to reduce underemployment? Is it helping people who are already employed to enjoy better working conditions (e.g. higher income, access to social protection)? Is it helping disadvantaged groups gain access to the labour market? Hence, GIZ projects across sectors may contribute to the quantity, quality, and inclusiveness of employment opportunities (see Figure 1). For instance:

- Rural development projects may reduce time-related underemployment and improve incomes through the introduction of better agricultural practices.
- Urban development projects may create employment by strengthening municipal service delivery, rehabilitating infrastructure in informal settlements and supporting host communities in delivering employment services for displaced populations.
- Peace and emergency assistance projects may contribute to employment and income generation through the reconstruction of social service infrastructure and providing cash-for-work and livelihood support for displaced populations.
- Projects in the area of public finance and administration may improve working conditions through the formalisation of artisanal and small mining, and contribute to job creation by improving the business environment.

FIGURE 1: OVERVIEW OF EMPLOYMENT DIMENSIONS OF INTEREST AND ASSOCIATED CORPORATE INDICATORS



- Energy projects may contribute to employment creation by facilitating investments in the energy sector and improving firm productivity through better access to electricity.

This chapter provides guidance on whether your project can report on GIZ's key employment indicators. In order to provide a comprehensive picture of project achievements and GIZ's aggregated results, projects should seek to report their effects on employment even when it is not an actual focus of the intervention (i.e. employment is a "co-benefit"). Whether reporting employment effects will be possible, and how it should be done, primarily depends on four factors:

1. Does my project include any of the core employment indicators as part of the results framework *(Wirkungsmatrix / WiMa)*?

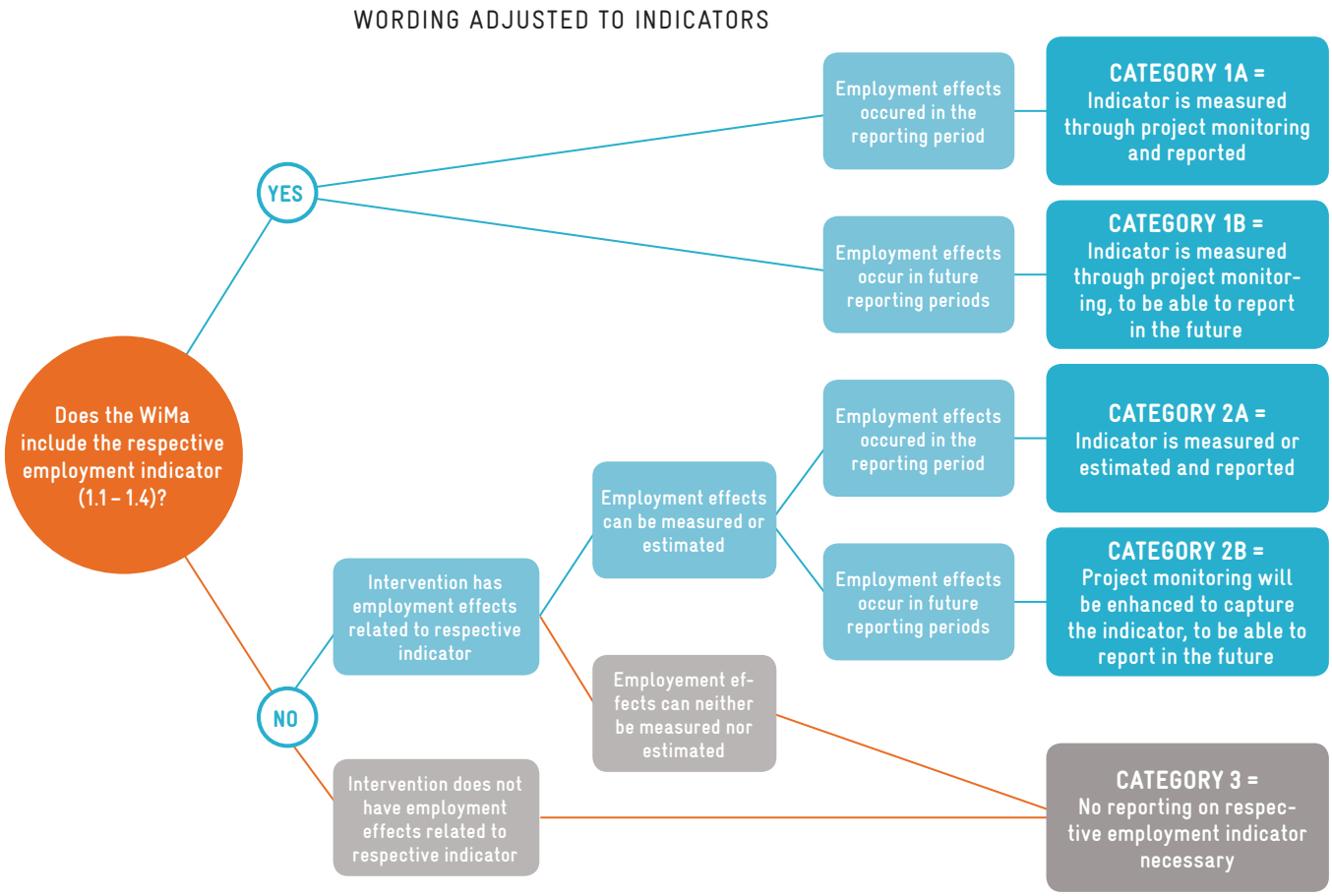
2. In case employment indicators are not part of the results framework, does my project nevertheless have potential effects on key employment outcomes?

3. If my project has effects on key employment outcomes, can these be measured or estimated?

4. Do employment effects occur during the reference period for which the project needs to report (e.g. 01.01. – 31.12.2017)?

Figure 2 illustrates a decision tree that can help you decide whether and how reporting on key employment indicators is feasible. For each of the key indicators on employment mentioned above (1.1 – 1.4), projects can go through the decision tree to identify if and how they may be able to report the eventual employment effects (see Box 2 for an example).

FIGURE 2: DECISION TREE TO IDENTIFY WHETHER PROJECT CAN REPORT ON EMPLOYMENT EFFECTS



Source: Working group.

BOX 3: SAMPLE USE OF THE DECISION TREE

A rural development project may have an indicator related to income (indicator 1.3) in its results matrix and should therefore measure effects on income through its monitoring system and report them accordingly (category 1a, if the effects occurred during the reporting period). At the same time, even though the project does not have explicit indicators on new and additional employment in its matrix (indicators 1.1 and 1.2), the project may find that it also contributes to these effects. Ideally, the project should then also try to measure these effects, or, if measurement is not possible, at least estimate them as well as possible and report them (category 2a). Finally, since the project is not expected to influence working conditions (indicator 1.4), no reporting would be needed on this indicator (category 3).

The remainder of this chapter reviews the different steps in more detail.

2.1
Does my project include key employment indicators in its results matrix?

Regardless of the sector, your project may have defined one or more indicators related to employment in its results matrix. The following outcome indicators are of relevance:

1. Number of people that came into employment as a result of GIZ's contribution.

2. Number of people who have additional employment (reduced their time-related underemployment[3]) as a result of GIZ's contribution.

3. Number of people who benefit from improved working conditions as a result of GIZ's contribution.

4. Number of people who benefit from improved income as a result of GIZ's contribution.

N.B. Reports are to include statistical information to identify the project's specific employment effects for women and for youth.

Based on the above, your project will fall into one of two scenarios:

→ **Scenario 1:** Project **has at least one employment indicator** related to new employment, additional employment, working conditions and / or income in its results matrix. This project **needs to report** on the indicators defined in its results matrix (now or in the future). Moreover, the project **may also be able to report** on other key employment indicators that are not defined in the results matrix.

→ **Scenario 2:** Project **has no employment indicators** related to new employment, additional employment, working conditions and / or income in its results matrix. While not required as part of the project's own monitoring system, the project **may be able to report** on one or more of the relevant employment indicators if project activities contribute to these effects.

3 Note: "reduced time-related underemployment" is equal to people having accessed additional employment in terms of more working hours. Both terms will be used interchangeably in this document and refer to the same concept.

The following section helps elucidate whether a project contributes to employment effects in general, and specific indicators in particular.

2.2
Does my project have employment effects beyond its key indicators?

Even if your intervention did not specify any (or all) project-level indicators related to employment in its results matrix, you may still be able to report on these indicators (e.g. in the context of the *GIZ results data*) if your project has relevant employment effects. Below, we present two complementary ways to identify whether your intervention may have employment effects, and which ones.

Step 1
Checklist of activities

A quick first step to identify whether your intervention may have effects on employment outcomes is to assess whether your project conducts certain activities that have the potential to influence the labour market and people's employment situation. Box 4 provides a checklist of guiding questions.

BOX 4: GUIDING QUESTIONS TO IDENTIFY WHETHER YOUR INTERVENTION HAS POTENTIAL EMPLOYMENT EFFECTS

1. Does the intervention improve **framework conditions** for new, more and/or better employment? For instance, this can include
   - strengthening economic framework conditions, including through better economic policy and improvement of the business and investment climate
   - supporting justice, public administration and service delivery to support economic actors at national and local level (e.g. enhanced jurisdiction, easier access to licenses, improved tax administration)
   - facilitating the construction or rehabilitation of infrastructure, including municipal infrastructure (e.g. in informal settlements), basic social services (e.g. clinics, schools), energy systems, rural roads, or water and sanitation systems
   - strengthening labour laws (e.g. regarding protections for workers)
   - strengthening social-protection systems, including access to social insurance (e.g. health insurance)
   - supporting a framework conducive to legal labour migration
2. Does the intervention promote **local or regional economic development** in urban or rural areas?
3. Does the intervention seek to promote the **development of a specific sector, industry or value chain** (e.g. in agriculture, natural resources) through a mix of interventions targeted at different levels and stakeholders?
4. Does the intervention support **formal or informal MSMEs**, including farmers and own-account workers, for instance through access to finance, insurance, training, business development services, or strengthening business associations (e.g. to enhance their production, investments, productivity, and/or firm growth)?
5. Does the intervention seek to enhance **education and training systems or workforce development** in a particular sector, for instance through curriculum enhancements, teacher training, and improved practice orientation? Such interventions may lead to an increased relevance and quality in teaching and learning, hence increasing skills and employability of graduates.
6. Does the intervention implement or support **(formal or non-formal) short-term measures to facilitate people's transition to wage- or self-employment** such as career guidance and job matching, technical and soft-skills training, and assistance for self-employment and entrepreneurship?
7. Does the intervention implement or strengthen programmes providing **temporary employment opportunities** such as labour-intensive public works or cash for work? For instance, this might be in the context of national social-protection programmes at the municipal level and/or in contexts of forced displacement or other emergencies.
8. Does the intervention seek to improve **working conditions in a particular industry and/or increase formalisation of workers or businesses** (e.g. in textiles, mining, waste management)? For instance, this may include support to enhancing socio-environmental standards and their enforcement, HR practices, occupational health and safety, or supporting workers' associations, etc. in a particular sector or industry.

If the answer to any of the above questions is "yes", then it is worth exploring in greater detail how your project expects to influence more or better employment in the partner country, and whether your project may be able to report on one or more of the employment indicators.

Step 2
Refer to the intervention logic of your project

The best way to know whether your project has employment effects (and which ones) is to look at your intervention logic. While each project is different, many GIZ projects follow similar patterns and use similar instruments, such as policy advice (macro-level); institutional strengthening and development (meso-level); and direct implementation of support measures for final beneficiaries (micro-level). Table 1 provides an overview of interventions and instruments by sector that may have employment effects, and Box 5 provides an example.

TABLE 1: OVERVIEW OF GIZ INSTRUMENTS WITH POTENTIAL EMPLOYMENT EFFECTS BY SECTOR

SECTOR	SUB-THEMES AND INSTRUMENTS WITH POTENTIAL EMPLOYMENT EFFECTS
ECONOMIC AND SOCIAL DEVELOPMENT, EMPLOYMENT	
Education, Vocational Education and Training; Labour Markets	▪ Active Labour Market Programmes (ALMPs) ▪ TVET reform ▪ Strengthening Working Conditions ▪ ALMPs in displacement context ▪ Development-oriented migration ▪ Reintegration of migrants, IDPs and refugees in countries of origin ▪ Labour Market Monitoring ▪ Quality enhancement for basic education ▪ Labour market oriented secondary education ▪ Initial Teacher Education ▪ Labour market oriented higher education (including dual system/cooperative higher education) ▪ Workforce and technology development for key economic sectors through demand-oriented study programmes, applied research, and technology transfer ▪ Entrepreneurship promotion through universities ▪ Youth promotion ▪ Sports for development
Financial System Development, Insurance	▪ Financial inclusion/Microfinance ▪ Access to financial services in agriculture ▪ Access to finance for SMEs ▪ (Micro) Insurance

SECTOR	SUB-THEMES AND INSTRUMENTS WITH POTENTIAL EMPLOYMENT EFFECTS
Health and Social Protection	▪ Strengthening of public-works programmes ▪ Social assistance and graduation approach (strengthening livelihoods) ▪ Integration of social protection and labour market services ▪ Social insurance (especially health and accident insurance) ▪ Rehabilitation and reintegration of persons with disabilities ▪ Promotion of female employment in health sector ▪ Workforce development in health sector (technical and university education) ▪ Quality assurance in health sector
Economic Policy and Private Sector Development	▪ Economic policy ▪ Business and investment climate reform ▪ Local and regional economic development (LRED) ▪ Promotion of value chains ▪ Innovation systems ▪ Promoting business chambers and associations ▪ Business development services ▪ Entrepreneurship promotion ▪ SME support, direct support to businesses
GOVERNANCE AND CONFLICT	
Rule of Law and Security	▪ Strengthening of justice and public administration for economic actors ▪ Resilience of disadvantaged youth
Public Finance and Administration	▪ Support of integrated economic development in natural-resource sector ▪ Formalisation of artisanal and small mining/Reduction of illegal mining ▪ Fighting corruption through e-governance approaches ▪ Strengthening of public administration/Support in the implementation of administrative reforms ▪ Advisory of community investment funds/transfer mechanisms/financial compensation systems ▪ Advisory on process optimisations in tax administrations ▪ Advisory on tax reform ▪ Advisory on domestic resource mobilisation (DRM) ▪ Advisory to strengthen public auditing (external financial control)
Democracy, Political Dialogue, City	▪ Strengthen municipal administration ▪ Strengthen municipal-service delivery ▪ Creation and rehabilitation of urban infrastructure in informal settlements ▪ Cash for work for displaced people and host municipalities ▪ Municipal-level employment promotion for refugees/IDPs and local population in host communities
Peace and Emergency Assistance	▪ Cash for work (temporary income generation, with or without complementary employment support services) ▪ Strengthening of (sustainable) livelihoods ▪ Reconstruction of basic social-service infrastructure ▪ Labour migration governance

SECTOR	SUB-THEMES AND INSTRUMENTS WITH POTENTIAL EMPLOYMENT EFFECTS
CLIMATE CHANGE, RURAL DEVELOPMENT, INFRASTRUCTURE	
Climate and Environmental Policy	n/a (mainstreamed in other sectors)
Rural Development, Natural Resource Management and Agriculture	▪ Rural economic and territorial development ▪ Agricultural policy ▪ Agribusiness promotion and agriculture-based value chains ▪ Agricultural standards and trade ▪ Food and nutrition security ▪ Land governance ▪ Sustainable management of land, water, soil ▪ Sustainable agriculture ▪ Forestry ▪ Biodiversity marine resources ▪ Agricultural innovation and knowledge systems
Water, Wastewater, Waste	▪ Education and training in the water sector ▪ Transitional Aid and cash for work in the water and waste sector (refugee and internal displacement context) ▪ Integration of informal workers in solid waste management
Energy and Transport	▪ Policy advice in the energy sector ▪ Direct sustainable energymarket development ▪ Skills development in the energy sector ▪ Rural roads

Source: Review of intervention logics.

See Annex 2 for detailed intervention logics by sector

BOX 5: EXAMPLE OF INTERVENTION LOGIC FOR A FOOD SECURITY PROJECT

Many interventions in the area of rural development support the development and testing of techniques to improve agricultural and fishery production and processing; strengthen non-formal qualification and advisory services; and support awareness raising on health benefits of selected foods. Their primary objective is to enhance food security. That said, such interventions may also have effects on employment and income for smallholder farmers and artisanal fishermen through the improved application of good agricultural and fisheries practices and a reduction in post-harvest losses. Hence, regardless of whether the project tracks indicators related to employment and income, it may have employment effects that can be reported.

2.3
Can employment effects be measured or estimated?

If your intervention has effects on employment and may contribute to one or more of the key indicators, the next step is to determine whether these effects can be measured, or at least estimated. While there is, of course, a strong incentive to capture possible effects in order to provide a comprehensive picture of GIZ's contributions and achievements, it may sometimes not be feasible for methodological or practical reasons (e.g. time and cost). Table 2 provides an overview of acceptable instruments to measure or estimate employment effects. For more details on how to measure or estimate employment effects, see chapter 3.

TABLE 2: OVERVIEW OF ACCEPTABLE INSTRUMENTS TO MEASURE OR ESTIMATE EMPLOYMENT EFFECTS

METHOD	ACCEPTABLE INSTRUMENT	DESCRIPTION
Measurement	**Before-After Comparison**	A consistent and representative collection of the employment situation of all beneficiaries (individuals, firms) before and after their participation in project activities. Data can come from tracer studies or, when available, from administrative sources. In some case, the collection of baseline information can be conducted retrospectively, e.g. at the time of follow-up data collection
Estimation	**Sample / spot check**	Estimation of employment effects based on a non-representative sample of former project beneficiaries (e.g. survey, focus groups)
	Comparison / reference values	Estimation of effects based on benchmark values of similar interventions (GIZ or other stakeholders) or on the basis of existing statistics / studies / household or enterprise surveys (e.g. from development partners, ministries, chambers)
	Other studies / evidence	Estimation of effects based on other studies, policy- impact assessments, expert panels, or with representatives of supported institutions

The feasibility of measuring vs. estimating employment effects related to the different indicators will often depend on the type of intervention and data availability. Some interventions are more likely to be able to measure employment effects than others. Table 3 provides an overview of the types of interventions where measuring as opposed to estimating employment effects is typically warranted.

TABLE 3: FEASIBILITY OF MEASUREMENT VS. ESTIMATION OF EMPLOYMENT EFFECTS

	MEASUREMENT	ESTIMATION
Intervention level	▪ Almost all interventions at micro level when concrete beneficiaries (e.g. job seekers or firms) can be identified ▪ Many interventions at meso level (through partner systems), when partner organisation works with identifiable beneficiaries ▪ Sometimes macro-level interventions	▪ Majority of interventions at macro level (e.g. policy advice) ▪ Some interventions at meso level when measurement not possible or too cumbersome
Type of employment effects	▪ Direct effects on target beneficiaries	▪ Beneficiaries cannot be clearly identified
Availability of employment indicators	▪ Interventions with dedicated employment indicators (e.g. many interventions in sustainable economic development and rural development), and therefore with data-collection arrangements in place	▪ Interventions without dedicated employment indicators, and thus lack of data-collection arrangements in place
Data availability	▪ Availability of baseline data (employment situation of beneficiaries prior to the intervention) ▪ In some cases, baseline data can be collected retrospectively	▪ Lack of baseline data

Based on the above, either measuring or estimating employment effects should be possible in most circumstances. This said, some cases in which **neither measuring nor estimating** employment effects may be feasible include when:

- it is not possible to identify or quantify the beneficiaries of the intervention;
- potential employment effects are too far removed in the theory of change;
- there is no credible data to estimate the effects (e.g. based on comparison values);
- measuring or estimating the effects is unreasonably expensive or cumbersome.

EXAMPLE 1. MEASUREMENT

A project supports its partner in improving the relevance and quality of TVET. It has an indicator in the results matrix related to increasing employment (indicator 1.1). It also expects to contribute to improved incomes because the better qualifications may lead to better-paid jobs (indicator 1.4, not in results matrix). The project conducts a survey of previous students as part of project preparation to measure graduation rates and income six months after completing their training (baseline). After introducing changes to the curriculum for new cohorts of students, the project conducts another tracer survey six months after graduation for the new batches of students.

EXAMPLE 2. ESTIMATION

A biodiversity project seeks to improve the use of natural resources and foster conservation of agricultural and natural biodiversity in a partner country. As a co-benefit, it also expects to contribute to additional employment and higher incomes of the local population through increased demand for sustainable products and services (e.g. eco-tourism). However, these effects were not included in the project's results matrix and thus no baseline is available. The project therefore chooses to estimate its effects on employment by conducting a rapid assessment of beneficiary households (non-representative survey) to ask whether they have realised investments in their local businesses, worked more time, and whether their businesses have generated higher incomes in the previous two years when GIZ's project was active.

EXAMPLE 3. NOT FEASIBLE

A public-administration project has supported the strengthening of public auditors in the country to increase transparency in public finances and improved accountability. In the long term, it is expected that a stronger public auditing system will also support a better investment climate and hence investments and employment creation. Yet, these effects cannot be identified in the short term, and it is not considered realistic to measure or estimate these effects. The project will therefore not report on any employment indicators.

2.4 Do employment effects occur during the reporting period?

Usually, enquiries refer to a specific (retrospective) reference period (for instance, 1 Jan 2015 – 31 Dec 2017, or yearly in the case of project progress reports) for which reporting should be made. An important question for consideration is whether the intervention, in fact, produced employment effects during the reporting period. Recently completed or ongoing interventions or activities may have not yet produced concrete results for beneficiaries (e.g. individuals or firms are applying new practices, but this has not yet translated into improved income, productivity, or hiring). Hence, measures may fall into two groups:

- Projects in which employment effects were realised during the reporting period. These **can report now.**
- Projects in which employment effects were not realised during the reporting period but are anticipated. These **can report in the future.**

2.5 Reporting categories

Based on the steps and criteria discussed above, projects may contribute to the key employment indicators (1.1 – 1.4) in different ways, with implications for data collection and reporting. Your project may relate to the different indicators according to the following categories:

Category 1 (a and b) – Need to measure effects on this indicator

Project may have one or more explicit indicators related to employment (indicators 1.1 – 1.4) and therefore must have strong data-collection arrangements in place to measure and report on this indicator, either for the current reporting period (category 1a) or for subsequent reporting periods (category 1b). Projects with category 1 indicators must make it a priority to measure employment effects on the respective indicator in a credible manner (through before-after comparisons, see section 3.2). When data collection was inadequate in the past (i.e. lack of baseline) and only estimates of effects were available, it is of utmost importance to enhance data-collection arrangements in the future (see section 3.4) to allow for systematic measurement of the respective employment effects per the project's results matrix.

Category 2 (a and b) – Measure effects on indicator if possible, otherwise estimate

Many projects may have effects related to one or more of the key indicators on employment (1.1. – 1.4), even if they have not defined this indicator in their results matrix. In this case, the project should still seek to report its contribution to the respective indicator(s). If effects occurred during the reporting period, they should be reported at that time (category 2a); if not, they should be reported during future reporting periods (category 2b). Based on the specific circumstances of the project (mainly data availability), the best available methodology should be used to either measure or estimate effects on the respective indicator. If possible and feasible, measurement is preferable over estimation (see section 3.2 on how to measure). If measurement is not possible, the project should use one of the three acceptable methodologies for estimating employment effects on the respective indicator (see section 3.3). Projects that estimate effects on a certain indicator, and those that are not yet required to report in the current reporting period, should also explore whether measurement of the indicator is possible for future reporting periods. This should help improve the reliability of the data (i.e. by collecting baseline and follow-up data for new batches of project beneficiaries) (see section 3.4).

Category 3 – No need to report on this indicator

If a project does not have any effect related to a specific indicator, or its effect on this indicator cannot be realistically determined, then a project does not need to report on it.

In practice, most projects may relate to several reporting categories. A project may have, for example, one relevant employment indicator (among 1.1 – 1.4) in its results matrix that must be measured and reported (e.g. related to new employment created). Furthermore, it is possible to estimate the project's effects on another relevant indicator that is not part of the results matrix (e.g. changes in income). However, the same project has not had any influence on another indicator (e.g. working conditions). Thus, a project may simultaneously fall into all three reporting categories (see Box 6).

BOX 6: PROJECT EXAMPLE FALLING IN MULTIPLE REPORTING CATEGORIES

A rural development project has the employment indicator 1.4 (improved income) in its results matrix and measures it through a before-after comparison (representative survey) among beneficiary farmers (category 1 above, need to measure). In addition, the project has effects on additional employment for farmers (indicator 1.2), as well as improved working conditions through contract farming (indicator 1.3). However, indicators 1.2 and 1.3 are not part of the results matrix (category 2 above).

To be able to report these results in the current reporting period, the project will therefore estimate its influence on indicators 1.2 and 1.3 through a small (non-representative) tracer survey of farmers, which can also serve as the baseline for subsequent reporting periods. For future reporting periods, indicators 1.2 and 1.3 will be integrated into the monitoring system for proper before-after measurements. The project is not expecting to have direct effects on new employment (indicator 1.1) and therefore need not report on this indicator (category 3 above).

3 How should my project capture direct gross employment effects?

KEY MESSAGES

Whenever possible, projects should measure their effects related to one or more of the key indicators through representative before-after comparisons. This typically requires a baseline and an adequately timed follow-up assessment (e.g. tracer study 6–12 months after beneficiaries complete key project activities). A proper before-after comparison is the norm for employment indicators listed in the results framework.

When measuring employment effects is not possible, projects can estimate their effects on key employment indicators with a range of suitable approaches. These include non-representative samples, comparison values, and other evidence/studies. While less reliable than measurements, well-documented estimation approaches are clearly preferable to non-reporting.

Projects should strive to build better monitoring systems over time in order to expand their capability to measure effects in future reporting periods.

3.1 The employment effects that should be captured

A) More employment (quantitative dimension)

First of all, it is important to scrutinise the broad nature of what can be considered "employment". As indicated earlier, employment is not limited to formal wage employment, but may consist of wage- or self-employment, both formal and informal. Indeed, according to the official ILO definition, employment refers to any type of "work performed for others in exchange for pay or profit".[4] Box 7 provides a working definition for GIZ projects.

BOX 7: GIZ DEFINITION OF EMPLOYMENT

People are considered employed when they are

- fifteen years or older;
- working formally and/or informally;
- wage- or self-employed or working in the family business;
- producing goods and/or services;
- generating an income (monetary and/or in-kind) through their work.[5]

Source: GIZ Results Data Leitfaden

4 Based on the 19th International Conference of Labour Statisticians

5 Interventions in the area of agriculture and rural development may also count work for own-use production, which is an in-kind remuneration of their work. While own-use production is not considered "employment" according to the ILO, GIZ projects in agriculture and rural development should count it toward their employment indicators.

Two indicators are of relevance:

INDICATOR 1.1
Number of people who came into employment as a result of the GIZ contribution, specifying the numbers of both women and youth individually

The first indicator reflects people's transition from inactivity or unemployment into some type of employment. When reporting this indicator, projects are often expected to specify:

- the total number of people who gained employment;
- whether the new employment opportunities are shorter or longer than six months;
- whether the new employment opportunities fulfil the criteria of decent work (see Box 8).

It is important to note that projects do not necessarily have to report on all three sub-dimensions, as this depends on their respective interventions and indicators.

BOX 8: OVERVIEW OF KEY CRITERIA FOR DECENT WORK

The criteria of decent work are fulfilled when an employment situation fulfils the following conditions:

- ILO core labour standards are respected (no child labour, no forced labour, freedom of association and right to collective bargaining, and no discrimination)
- The person is employed for at least 20 hours per week over a period of at least 26 weeks
- The employment generates at least a living wage:
  - e.g. relevant national minimum wage,[6] or
  - income above the international working poverty line (3.10 USD PPP/day/household member)

Source: GIZ Results Data Leitfaden, based on DCED, 2014[7]

PROJECT EXAMPLE

A GIZ youth-employment project in Palestine measures the following indicator, from which the number of beneficiaries employed can be derived:

Percentage of participants from non-formal short-term qualification courses who have found employment related to the training within three months after completing the training.

INDICATOR 1.2
Number of people who have additional employment as a result of GIZ's contribution, specifying the numbers of both women and youth individually

The second indicator reflects cases in which project beneficiaries who were already working prior to GIZ support were able to increase the amount of time worked (i.e. reduce time-related underemployment), either in the same job or by new income-generating activities. When reporting on this indicator, projects are also **expected to quantify the additional time worked, e.g. to calculate the full-time equivalent (FTE) based on the number of additional working days per month.**

PROJECT EXAMPLE 1

In the Sustainable Use of Rehabilitated Land for Economic Development (SURED) in Ethiopia activities, improving agricultural productivity and value creation is measured, among others, by the following indicators:

1. 80 % of smallholders reached by the project apply 6 GAP methods
2. Profit margins increased by 20 %
3. 12,000 additional job equivalents have been created (sum of full- and part time employment)

6 Countries may have different minimum wages for rural-urban/different regions/sectors

7 https://www.enterprise-development.org/wp-content/uploads/MeasuringJobCreation_WP_MarketShareAssociates_for_DCED_16June2014.pdf

PROJECT EXAMPLE 2

The Competitive African Cashew Initiative (ComCashew) intends to increase employment along the value chain measured by the following indicator:

In six countries, the number of jobs for men and women in the production, processing, and trade of cashew products increased by 10 % per year, with a share of 40 % for women.

Additional employment is partly measured in FTE based on the following calculations:

- **IN PRODUCTION** – additional labour on average farm (MD/ha) x number of GAP adopters x GAP adoption rate) / (225 MD/p.a.) = number of additional job equivalents per year* (*one full-time job equivalent (annual work units, AWU) comprises 225 MD p.a.)
- **IN PROCESSING** – volumes processed per partner country x 225 jobs / 1,000 tonnes (= metric tonnes) = number of jobs
- **IN TRADE** – Labour Quantity per traded ton = labour cost of one traded ton / daily minimum wage = X MD/ton National Production Volume (tons) x Labour Quantity per traded ton / 225 MD = number of job equivalents

Other examples might include additional labour inputs for the application of soil-rehabilitation measures, practices of Climate Smart Agriculture, additional activities for diversification of products or services, etc.

TIP – Since many people in developing countries cannot afford to be unemployed, they often perform one or more small jobs or other income-generating activities (e.g. casual work, seasonal work, micro-enterprise), typically in the informal economy. It is therefore likely that many GIZ projects with employment effects contribute to indicator 1.2 (not only in agriculture and rural development).

TIP – In order to measure additional employment in practice, it is useful to design data collection forms in a way that allows the identification of how many days per month a person did various paid jobs. These may include regular employment, odd jobs, seasonal work, self-employment, etc. (see example in Annex 3). This information can then be used to calculate a potential increase in working days over time. As this is not always feasible, other ways should also be considered in order to estimate how many persons have reduced their time-related underemployment / increased their working time. In the area of rural development, this can be assessed, e.g. based on adoption rates of good agricultural practices, tracer studies, etc.

Attention

Indicators 1.1 and 1.2 are mutually exclusive and should be reported separately (no double counting is allowed). Indicator 1.1 refers to beneficiaries previously out of employment, while 1.2, 1.3, and 1.4 refer to beneficiaries who were already in employment prior to GIZ support. That said, there can be double counting of beneficiaries between 1.2 and the following indicators 1.3 and 1.4. For instance, a project may contribute to additional employment (1.2), better working conditions (1.3), and higher incomes (1.4) among the same beneficiaries, but not between 1.1 and any of the other indicators.

B) Better employment (qualitative dimension)

As discussed above, employment challenges in developing countries are always related to the lack of employment, but also to low-quality employment. The following two corporate indicators therefore capture GIZ contributions to the improvements in the quality of people's employment:

INDICATOR 1.3
Number of people who benefit from improved working conditions as a result of GIZ's contribution, specifying the numbers of both women and youth individually

Table 4 provides an overview of different dimensions that can be used to assess whether an intervention has contributed to improved working conditions.

TABLE 4: DIMENSIONS OF WORKING CONDITIONS

DIMENSION OF WORKING CONDITIONS	ILLUSTRATION
Decent working time	▪ Reduction of excessive work hours ▪ Improved access to paid annual leave
Combining work, family and personal life	▪ Improved access to maternity/parental leave
Stability and security of work	▪ Improved access to contracts (e.g. employment contracts, contract farming) ▪ Reduction of precarious employment (e.g. longer employment durations) ▪ More predictable termination of employment (e.g. notice of termination)
Equal opportunity and treatment in employment	▪ Reduction of discrimination by gender, race, ethnicity, etc.
Safe work environment	▪ Improvements in occupational health and safety; reduction of injuries (e.g. through improved use of pesticides in agriculture, safer work environment in factories) ▪ Improved access to health care programmes at work ▪ Improved labour inspection
Social security	▪ Improved coverage of health care, pension, sick leave, etc. (access to basic social protection)
Social dialogue, employers' and workers' representation	▪ Improved coverage in collective bargaining, freedom of association

Source: Adapted from ILO 2013

PROJECT EXAMPLE

A GIZ project in Bangladesh seeks to improve social and environmental standards, mainly in the textile and garment industry. As part of its module objective indicators, it measures

The percentage of workers who confirm a noticeable improvement of working conditions based on national labour law and core labour standards of the ILO (e.g. working time, maternity leave, occupational safety, freedom of association).

INDICATOR 1.4
Number of people who benefit from improved income as a result of GIZ's contribution, specifying the numbers of both women and youth individually

Projects may affect beneficiary incomes independently of influencing their employment situation. Indeed, incomes may improve either through more employment (e.g. more time worked); moving jobs to better-paid employment (e.g. accepting a better-paid job); or increasing productivity (e.g. more production in the same amount of time worked). Hence, projects may be able to report on this indicator even if they did not influence changes in the previous indicators.

PROJECT EXAMPLE

A GIZ project in Uganda supporting host communities of refugees with non-formal training, start-up assistance and agricultural learning groups measures the following indicator:

Number of refugees and people from the local population who benefitted from project activities and had an average increase in their income of X %

TIP – Agricultural productivity is one important factor that determines small-scale farmers' incomes and can be measured through "gross margin" calculations.

EXAMPLE – The Green Innovation Centres (SEWOH) intend to increase productivity for certain agricultural products, measured globally by the following indicator:

For 1,800,000 small-scale farming enterprises benefitting from the project and implementing the innovations, the average income from product sale in the promoted value chains increased by 30 %.

Measurement – Average income of X EUR/production unit + 30 %, measured through the gross margin (per country and value chain, adjusted for the inflation and exchange rates)

FICTIVE EXAMPLE – Cocoa value chain in Cameroon:

Year 0 – 400 EUR/hectare (result from gross margin calculation)

Year 2 – 520 EUR/hectare (result from gross margin calculation) = 30 % higher income from cocoa sales per hectare.

TIP – Projects in the area of rural development and/or agriculture should report indicator 1.4 and indicator 3.2 (number of people in rural areas who have increased their incomes).

C) Inclusive employment (distribution of employment for all indicators)

Since some groups are more likely to face a disadvantage in their access to and quality of employment, data should be clearly disaggregated for the women and youth (according to national definition).

While not necessary for reporting in different enquiries, projects may also want to collect disaggregated data for other groups of interest depending on the objective and context of the intervention. These may include:

- persons with disabilities;
- displaced populations (e.g. refugees, internally displaced people) and members from host communities;
- people with lower levels of education (e.g. secondary or less) vs. higher levels of education (e.g. university graduates);
- people identified by other characteristics, e.g. people from rural areas or poor districts.

PROJECT EXAMPLE

A GIZ project in Northern Iraq supporting internally displaced people, refugees and host communities measures the share of persons with disabilities among beneficiaries of livelihood activities. While the project also includes a project objective indicator on this, understanding different beneficiary characteristics is also useful when no indicator on the specific target group exists in the results matrix.

D) Other core indicators

In addition to the core indicators on employment discussed above, the project may contribute to other corporate indicators:

- Many cross-sectoral interventions provide short-term qualifications or livelihood support to assist people in their transition to work (indicator 2.3).
- Interventions in the area of rural development and agriculture may also contribute to food security (3.1), rural incomes (3.2), or more sustainable use of agricultural land (3.3).
- Interventions in displacement contexts are also required to report separately on the number of beneficiaries displaced or from host communities (5.1).
- Energy projects likely need to report on their contribution with regard to additional capacity for renewable energy (9.1) and / or access to modern energy (9.2).
- etc.

The stylised interventions logics presented in Annex 2 provide a tentative indication of relevant corporate indicators by type of intervention across sectors.

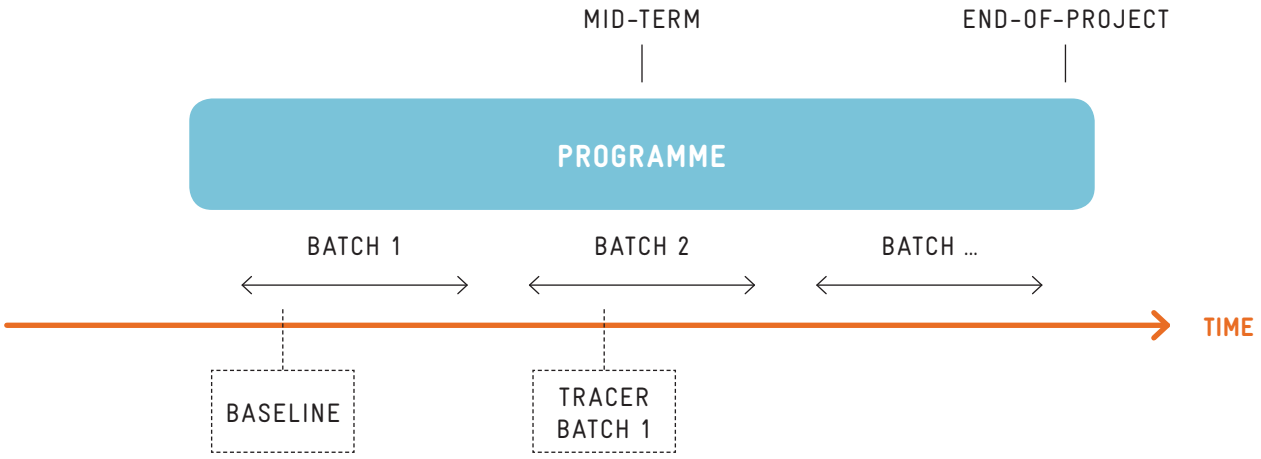
3.2 How to measure employment effects properly

3.2.1 Conducting before-after analysis

The minimum standard for the measurement of gross employment effects is a before-after comparison. A before-after comparison refers to the systematic and consistent collection of information on the employment situation of all beneficiaries (individuals, firms) before and after participating in GIZ activities. In the case of large interventions, a **representative** sample of beneficiaries should be collected. The key requirement is the availability of baseline ("before") data (e.g. through the registration of potential beneficiaries). The follow-up ("after") data collection (e.g. through tracer surveys) takes place after beneficiaries have completed participation in GIZ activities (see section 3.2.4 about the right timing for follow-up data collection). The collection of before-after data is typically takes place through the project's own monitoring system or the partner system and ideally allows for individual-level identification of people surveyed in order to link baseline and follow-up data.

Many GIZ projects often opt for collecting baseline information retrospectively, that is, at the same time as collecting the outcome information. For instance, to measure indicators included in the module objective, a project may have foreseen only a tracer survey but no baseline. In this case, the project would survey its past beneficiaries on their income after the project (outcome data), as well as on their income situation prior to participation in the project (retrospective baseline). While this practice reduces the necessary data collection effort and is better than having no baseline information at all, it can also introduce bias in the results, for instance due to poor recollection of one's own situation many months ago. Box 9 provides guidance on when using retrospective baselines may be appropriate.

FIGURE 3: ILLUSTRATION OF BEFORE-AFTER COMPARISON



BOX 9: RULES OF THUMB FOR USING RETROSPECTIVE BASELINES

Might be reliable when information is well documented and/or not subject to frequent changes, e.g.

- asking firms about recent changes in the number of employees;
- asking (usually formal) enterprises with quality records about changes in firm performance (e.g. sales, profits).

Likely not reliable when information is not well documented and subject to strong/frequent change and hence difficult to remember, e.g.

- asking individuals about specific employment information such as income, number of hours/days worked, etc.;
- asking informal sector enterprises (which usually maintain records inadequately) about firm performance (e.g. sales/profits) and specific employment information.

TIP – When baseline information is missing that cannot easily be remembered and is therefore less suitable for a retrospective baseline, it may nonetheless be possible to capture general perceptions of change (e.g. Is your income today higher, approximately the same, or lower than last year?). Such perceptions, while less precise than proper before-after measurement, can still yield a general assessment of change. When reporting information collected this way, the limitations of the data should be made transparent during reporting. In addition, the capturing of general perceptions might also be advisable if beneficiaries of an intervention have concerns with divulging sensitive information, e.g. on income or turnover, and are thus more likely to respond to general questions of perception. Projects should test whether this approach increases response rates.

As a general rule, projects should seek to collect proper baseline information before or at the very early stages of engaging their beneficiaries (e.g. job seekers, firms, etc.). In practice, this can typically be combined with the obligatory registration process to verify eligibility criteria and inform project management.

When projects work at the meso-level, strengthening partner institutions to deliver better services, a before-after comparison of the partner institution's employment results may be needed. For instance, a project may compare graduation rates and income among graduates of supported TVET institutions over time. In this case, the baseline may be established through a tracer survey of graduates prior to GIZ support (e.g. finding that forty percent of graduates are employed six months after completion). The after-analysis may be undertaken through another tracer survey among GIZ-supported cohorts of the partner's graduates (e.g. finding that now 60 % of graduates are employed six months after completion). The difference in graduation rates can then be considered GIZ's contribution to employment.

EXAMPLE 1. MICRO-LEVEL INTERVENTION

A project offering employment services collects baseline information through the registration sheet. Whenever jobseekers register to use a service offer (e.g. coaching session, soft skills training, direct referral to companies), they provide all information needed for both the project's monitoring (e.g. socio-demographic information, employment situation, income, etc.), as well as to receive the service that is most appropriate to helping them match open job vacancies. Six months after benefitting from the service offer, jobseekers are contacted by phone to inquire about their current employment status (follow-up-survey). Their situations are then compared to the information collected at the time of registration.

EXAMPLE 2. MESO-LEVEL INTERVENTION

A project supports its partner in improving the relevance and quality of TVET. It has an indicator in the results matrix related to increasing employment (indicator 1.1). It also expects to contribute to improved incomes because the better qualifications may lead to better-paid jobs (indicator 1.4, not in results matrix). Five hundred youth participate annually in the partner's TVET measures. A survey conducted among previous students as part of project preparation finds that in the past, only twenty percent of graduates (100 youth) had found a job within six months of graduation with an average monthly income of 150 USD (baseline). After introducing changes to the curriculum for new cohorts of students, the project conducts another tracer survey six months after graduation that reveals that out of the 500 youth graduating that year, fifty percent found a paid job (250 total), with an average income of 200 USD. The project can report on indicator 1.1 (250 - 100 = 150 employed / year) and indicator 1.4 (150 people with higher incomes).

CAVEAT – Conducting before-after analysis is sufficient for the reporting of gross employment effects. However, it does not allow for conclusions about the causal impact of an intervention. Selected projects may therefore want to deploy additional evaluation methods that rely on comparison groups to enhance project management and knowledge generation.

3.2.2 Representative sampling

A key feature of proper measurement is that the data collected is representative of all beneficiaries. To this end, projects need to collect information either from all beneficiaries (in the case of small projects / components) or from a **representative sample** of beneficiaries (see Box 10).

BOX 10: WHEN IS A SAMPLE REPRESENTATIVE?

A sample of beneficiaries is representative when the characteristics of the individuals or firms surveyed are very similar to the total of all beneficiaries. This requires:

- **determining the total of all beneficiaries**, for instance, using a database of all beneficiaries
- **assessing the needed sample size**, which can be calculated using sample-size calculators, e.g. https://www.enterprise-development.org/measuring-results-the-dced-standard/sample-size-calculator or https://de.surveymonkey.com/mp/sample-size-calculator
- **selecting respondents**, which is ideally done per random assignment, potentially in combination with stratification (drawing respondents from different sub-groups); sampling quotas (i.e. determine share of respondents with certain characteristics that should be part of the sample); or cluster sampling (looking at specific groups / clusters within the population of interest).
- **setting the type and timing of data collection** to ensure that all respondents have an equal chance of being reached (context specific). For instance, to use a phone survey, one must ensure that all respondents can be reached via phone.

For more details, see, for example, DCED 2015, Practical Advice for Selecting Sample Sizes.

The "TVET and Employment Promotion Programme Palestine (TEP)" conducted a tracer study to collect data on employment status among the participants of training courses. Since the response rate for an online survey was very low, and conducting phone surveys for all participants was time consuming and expensive, the project decided to contact a sample of the overall participants via phone. The programme indicators required disaggregated data by intervention region, gender and refugee status. Therefore, stratified sampling was used as sampling method. A sample was randomly chosen for each of the defined sub-groups.

3.2.3 Disaggregation of target groups

In order to be able to report disaggregated data on different categories of beneficiaries (in particular, the proportion of women and youth separately), it is important to collect information to establish a basic socio-demographic profile of beneficiaries during baseline and follow-up data collection. Examining the socio-demographic profile at the beginning and the end is important because the profile of beneficiaries during programme participation may differ from the profile of beneficiaries who successfully accessed employment or improved their incomes. For instance, in a project in which fifty percent of the participants are female, an analysis of post-project employment might reveal that only twenty percent of the female participants were successful in finding jobs, suggesting the need for scrutiny of the reasons behind this pattern.

TABLE 5: EXAMPLES OF CAPTURING SOCIO-DEMOGRAPHIC INFORMATION

CATEGORY	SAMPLE ANSWER CHOICES	COMMENT
District/ Municipality	**Choice of different municipalities**	Municipalities can be characterised by urban/peri-urban/rural status, poverty level, whether they are host communities of displaced persons, etc.
Gender	**Male / Female**	n/a
Age	**Date of birth**	Rather than providing age categories, entry of birthdates allows for easier calculation of participants' average ages.[8] Results can then be clustered in sub-groups during analysis (e.g. 15–24, 24–29, 30–34, 35–44, 45–64, 65 and above). Age ranges are to be adjusted based on country context and project's interest in specific age groups.
Completed education	▪ **Less than primary** ▪ **Primary** ▪ **Secondary (general)** ▪ **Secondary (vocational)** ▪ **Higher technical training** ▪ **University**	Answer codes to be adjusted based on common levels/terminology in national education system
Disability	**Yes / No**	A specific question to explore disability status could be, "Have you been diagnosed as suffering from any type of physical or mental impairment?"
Displacement	**No standard answer**	Displacement backgrounds can be captured in different ways, including citizenship (though this does not capture IDPs) or direct questions (Did you flee your home in the past X months?).

8 It can also help with identification of beneficiaries when other identifying data is inaccurate, e.g. names are misspelled or ID numbers are erroneous.

3.2.4 When to measure

The appropriate time for data collection depends largely on the nature of the project. Depending on the type of project, employment effects may become visible sooner or later, and the follow-up data collection must be scheduled accordingly. Moreover, some inquiries (e.g. GIZ results data) ask projects to report on whether the employment created was of short- or longer-term nature (e.g. if it has lasted more or less than six months). Hence, projects should take into account a few considerations for the appropriate timing of data collection:

- **Collect data when effects can realistically be expected.** Timing of data collection needs to be in line with the intervention's theory of change. In some projects (e.g. training, job matching, start-up assistance), employment effects may be visible relatively quickly – within 3–6 months of beneficiaries' participation in project activities. In others, however, it may take many months (or sometimes years) for the benefits of the project to materialise. For instance, following the adoption of new farming practices, depending on the crop, more than a year may be required for the related changes in production and income,to materialise.

- **Measuring sustainability of employment effects needs relatively long time horizons.** For instance, to measure whether beneficiaries have been employed for at least six months, follow-up data collection may often have to take place at least nine to twelve months after they complete the programme (assuming that it may take up to three months to be placed in employment). In cases in which the initial effect is expected to take longer to materialise (e.g. twelve months instead of three), the follow-up data collection must be pushed back accordingly.

- **Collect follow-up data for selected batches of beneficiaries.** Data-collection six, twelve, or more months after programme participation may not be possible for all beneficiaries, especially those finishing towards the end of a GIZ project. This said, since there are usually several batches of beneficiaries, follow-up data collection should usually be possible for the early batches of participants.

- **Explore the possibility of follow-up through project activities.** While it may often be necessary to conduct some type of tracer survey, in some cases follow-up data collection can be conducted through the programme itself. For instance, if a measure includes coaching for beneficiaries (e.g. after starting a company), follow-up data can be collected through project staff, as they are still in contact with participants;

- **Be aware of seasonal differences.** Timing of data collection needs to consider seasonality of different types of work, holiday periods, etc. For instance, conducting data analysis during a religious holiday (e.g. Ramadan) or lean agricultural season with peak workloads may strongly influence results. Hence, before-and-after data collection should ideally be conducted at similar times of the year, and effort should be made to collect data that can differentiate for seasonal peaks.

3.2.5 Data collection

Obtaining quality data to measure changes in beneficiaries' employment situation requires quality data collection in the field. Most importantly, this requires high-quality data-collection forms (regarding questions asked and the modes of delivery) and a good administration of these forms (e.g. well-trained enumerators). Box 11 provides some suggestions for quality data collection. Annex 3 provides selected examples of survey questions.

BOX 11: TIPS FOR DATA COLLECTION

- **Be conscious of the length of your survey.** Long surveys tend to reduce respondents' willingness to participate, lead to respondent fatigue, and reduce data quality, as well as increase costs. Hence, rather than overloading the survey, the questions asked should focus on key information that will be analysed and used by the project. As a rule of thumb, a typical survey administered face to face should not take more than 15 – 30 minutes.

- **Train your enumerators.** Any data collection is only as good as the people administering it; hence, training of data-collection staff (project staff or external) is essential. Training should be practical, using the actual survey questions to ensure that enumerators ask questions in a consistent way and know how to react to all sorts of situations.

- **Pilot your survey forms.** To prevent issues during the data collection (e.g. questions being misunderstood, survey too long, etc.) and to ensure the accuracy of the information collected, data-collection forms should always be piloted.

- **Collect good contact information to facilitate tracking of beneficiaries.** Tracking beneficiaries to collect information several months after programme completion can be a challenge. Hence, good contact information is key. It is therefore recommended to collect multiple types of contact information (e.g. physical address, email, phone number, phone number of relative, Facebook, etc.) during baseline/registration.

- **Collect data electronically.** Using electronic devices such as tablets, phones and computers is standard. Electronic data collection has are many advantages over paper-based forms, e.g. in tracking progress of data collection, reducing data-entry error, and achieving faster analysis.[9] While online forms may only be a good choice for selected target groups (due to typical low response rates), there are now many providers that allow for building and implementing survey forms for computer-assisted interviewing (e.g. SurveyCTO, Kobo Toolbox, Open Data Kit, ONA, Enketo)

Combine quantitative with qualitative data collection. While some inquiries require the measurement and reporting of quantitative information (numbers, percentages), it is still useful for projects to complement this data with qualitative data collection tools (e.g. in-depth interviews, focus groups) to better understand and contextualise the results.

Projects need to keep in mind that data collection often includes gathering personal data, which falls under specific data-security regulations. Beneficiaries' data rights need to be respected, taking into account privacy, data protection, and other legal considerations. When GIZ controls or controls and processes data (as defined in Art 4 (2) EU GDPR), the EU GDPR apply. Otherwise, and if no other entity is also seated in the EU that controls or processes and controls the data, local regulations, as well as some other guidelines, may apply. The project needs to clarify in each individual case the requirements that need to be complied with before data collection takes place. For more information and advice on the need for the responsible handling of personal data, see the authoritative GIZ data guidelines: http://rdg.giz.digital.

9 See, for example, https://blogs.worldbank.org/impactevaluations/electronic-versus-paper-based-data-collection-reviewing-debate

3.3
How to estimate employment effects when measurement is not possible

3.3.1
Suitable approaches

If measuring employment effects through a before-after comparison is not possible, projects may be able to estimate the effects through a range of approaches. The following approaches are generally considered acceptable and should be used to ensure consistency and credibility of reported results.

- **Non-representative sample:** On the basis of a sample of former beneficiaries (through survey or focus group discussions, for example nine and eighteen months since the completion of the action), an estimate of employment effects can be made. Compared to the measurement of employment effects based on a representative sample, the estimate does not guarantee the representativeness of the chosen sample (ideally, the best possible approximation can be made). However, each sample, regardless of size, should consider different groups of participants (e.g., by region, age, gender, etc.). The employment effects based on the sample can then be generalised to the overall project (for example, the proportion of beneficiaries from the sample who found employment x number of all beneficiaries).

EXAMPLE

A GIZ project to support MSMEs in Morocco used samples of different groups of participating companies to determine the average number of jobs created by each type. These sample surveys yielded an average number of newly employed people by participating firms. To estimate the total employment effect of the project, the project then multiplied the total number of supported MSMEs by the average number of jobs created. For 611 supported firms, this approach led to an estimated employment effect of 2,900 additional people employed.

- **Comparison / reference values:** Employment effects can be estimated based on comparison values (benchmarks) of similar interventions (GIZ or other stakeholders) or on the basis of existing statistics, studies, household or enterprise surveys (e.g. from development partners, ministries, chambers). Projects may also generate reference values by conducting their own (tracer) surveys (representative or not). For instance, benchmarks may be found for activity-completion ratios (or dropout rates); share of beneficiaries employed X months after the intervention; average employment durations; ratio of business registrations among credit recipients; survival rates of new businesses; average number of employees in comparable firms to those supported, etc.

In the area of rural development, comparison values from good agricultural practice and value-chain analysis can be used (e.g. multipliers for additional employment relative to increase in production). For general investments in infrastructure studies on employment, "standard" multipliers by sector may be available (i.e. a one-million EUR investment in sector X tends to create Y new jobs). Based on such comparison values, one may then be able to estimate employment effects along the intervention's theory of change.

EXAMPLE

The GIZ supported African Cashew Initiative has calculated reference values for estimating employment through the production, processing and trade of cashews. In the case of production, for example, the estimation process follows these steps:

1. Number of farmers adopting good agricultural practices (GAP) = Number of farmers trained x GAP adoption rate (average of 63 %; the GAP adoption rate was determined through surveys in different countries)
2. Number of total additional labour days due to GAP adoption = Number of farmers adopting GAP x average farm size (hectare) x additional labour days per hectare through GAP (68 days, derived from economic case studies on the farming systems of over 100 farmers)
3. Number of farm job equivalents created = number of total additional labour days / 225 days

Based on this methodology, the initiative estimated, for example, that 41,482 job equivalents were created in Mozambique in 2016 based on around 97,000 farmers trained.

Using this methodology, if it is sufficiently well established that the adoption of GAP always leads to an increase in working days, a project could take the number of farmers adopting GAP as a proxy for the number of people who have additional employment as a result of GIZ's contribution (indicator 1.2).

→ **Other studies / evidence (e.g. for policy advisory):** This includes the estimation of employment effects based on other available studies; policy impact assessments; surveys (e.g. enterprise surveys, investment climate surveys); expert panels; or information from representatives of supported institutions. For instance, if a project includes a component on advisory services for economic policy that may affect all 100,000 MSMEs in the country or region, the above-mentioned sources of evidence can be used to estimate the number of MSMEs that actually benefitted from policy changes and the extent of employment effects that may have been achieved among this group.

EXAMPLE

A microfinance project that advises partner institutions on a macro level uses a time-trend model to estimate how much the microcredit portfolio grew during the reporting period in comparison to a projected time trend. It then uses empirical evidence from scientific articles on the relationship between microcredits and employment to calculate how much employment is created / improved through the additional microcredits.

TIP – Samples, comparison values and other evidence can also be combined to estimate employment effects. In all cases, projects must provide a detailed and comprehensible description of how the employment effects have been derived (i.e. methods and data sources used). Estimates of effects that do not rely on the above-mentioned approaches and / or that have not derived their estimates in a logical way will not be considered.

TIP – Estimating employment effects through one of the approaches mentioned can often be a first step toward measuring relevant effects in the future. For instance, a project may conduct a tracer survey with a non-representative sample to estimate its effects for the current reporting period, while preparing for a representative before-after analysis for the subsequent reporting period.

3.3.2 Deriving employment estimates from intermediate outcomes

Intermediate outcomes are facilitating factors that contribute to achieving the final employment outcomes toward more, better, and inclusive jobs. In reality, many intermediary steps are needed between beneficiaries' exposure to project activities and actual improvements in employment. For instance, these can include improved skills and employability of beneficiaries; improved agricultural or business practices; better information and networks; better access to capital and markets, etc. As such, intermediate outcomes are an important "transmission channel" between project outputs and its final outcomes. Thus, measuring and understanding intermediate outcomes is important to better understanding whether project activities are influencing the target group's behaviours, access to resources, etc. as intended.

Since intermediate outcomes may often be easier to measure than final employment outcomes, they can be used to derive estimated employment effects. For instance, the adoption of new agricultural or business practices among beneficiaries can be more easily observed than potential changes in their income. The combination of information on several intermediate outcomes along the theory of change can then provide an approximation of final effects.

Box 12 provides an illustrative example.

BOX 12: EXAMPLE OF DERIVING EMPLOYMENT ESTIMATES BASED ON INTERMEDIATE OUTCOMES

A GIZ project seeks to improve working conditions in SMEs in a given industry. To this end, it conducts a range of activities, working with 100 firms to sensitise them about the importance of working conditions. Since the project did not systematically measure working conditions at its inception, it now needs to estimate the effects.

Bad example of estimating effects

- **Output** – One hundred firms participated in sensitisation measures (these had a total of 10,000 employees)
- **Estimated employment effect** – The project improved working conditions for 10,000 employees

Good example of estimating effects

- **Output** – One hundred firms participated in sensitisation measures (these firms had a total of 10,000 employees)
- **Intermediate outcome 1** – Fifty firms adopted action plans to improve working conditions (based on project administrative data)
- **Intermediate outcome 2** – Twenty firms implemented concrete measures that were part of their action plans (e.g. reduced exposure to toxic substances, use of protective equipment); these firms had a total of 1,000 employees (based on administrative data)
- **Intermediate outcome 3** – Approximately fifty percent of employees benefitted from implemented measures (based on sample survey in five firms)

Estimated employment effect – The project improved working conditions for approximately 500 employees (1,000 employees x 0.5 = 500)

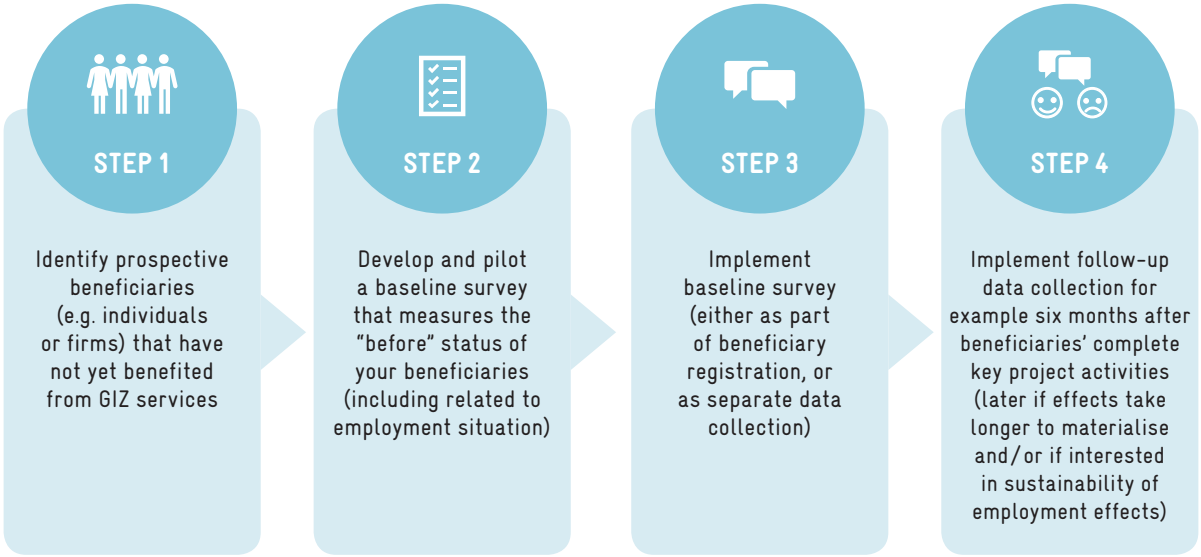
3.4 How to prepare my project for better measuring/estimating in the future?

When employment effects of the project are not yet realised during the reporting period, projects have an opportunity to better prepare themselves for future reporting. Similarly, even when projects have already had to report (e.g. to the *GIZ results data*), they may want to improve the quality of measurement and reporting for future periods.

Future measurement

In order to be able to properly measure employment effects in the future, projects need to set up representative **before-after** data collection on relevant outcomes of interest (see also section 3.2). This should typically be feasible when the GIZ project still has at least one to two years left before ending (i.e. enough time for services to be delivered and follow-up data collection to be conducted). Figure 4 illustrates the key steps needed.

FIGURE 4: STEPS TO PREPARE FOR FUTURE MEASUREMENT



TIP – For more details on setting up an adequate M&E system including data-collection arrangements, please consult the DCED Standard on Results Measurement and the corresponding implementation guidelines.

Future estimation

When proper measurement of employment effects (i.e. through before-after comparison) is unlikely to be feasible in the future, projects still have the option to take steps that will allow them to better estimate employment effects in future reporting periods. In line with section 3.3, acceptable approaches for estimating effects include:

- **Non-representative samples** – Prepare for collecting information from a sample of beneficiaries (as representative as possible).
- **Comparison values** – Reach out to similar projects in your country or to other projects/documentation from GIZ and other development partners to gather relevant benchmarks that can inform an estimation of effects in your own project.
- **Other evidence** – Collect other available studies and/or information from experts and partner institutions to help estimate project results.

Moreover, as discussed above, all projects can benefit from being able to monitor intermediate outcomes, as these can be key in tracing effects along the theory of change.

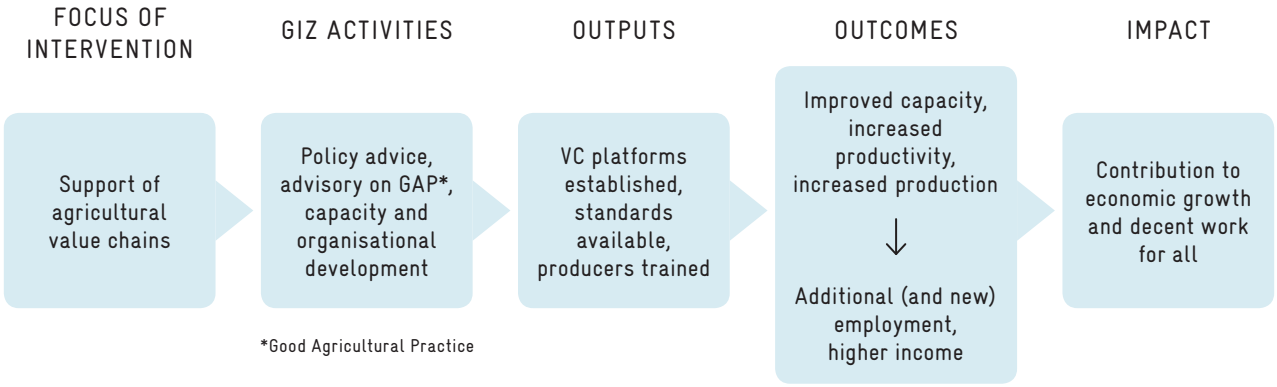
3.5
Examples to derive and report employment effects

While reporting requirements may differ according to the respective inquiry, this section presents examples on how the reporting can be done using the example of the GIZ results data. In the context of the GIZ results data, projects need to report separately on each core indicator. In general, this will require the following steps to determine employment effects and fill out the reporting templates.

Step 1
Analysis of the intervention logic

Based on the logic of the intervention, projects may contribute to employment in several ways (e.g. the macro-level reforms, institutional strengthening of partners, micro-level interventions). Moreover, they may contribute to one or more of the core employment indicators. Annex 2 provides details on intervention logics with relevance to employment for each sector. For instance, an intervention to support agricultural value chains may contribute to reduced time-related underemployment and higher incomes by raising productivity and production (see Figure 5). Hence, deriving measurements and / or estimates for the respective indicators will be needed.

FIGURE 5: SIMPLIFIED INTERVENTION LOGIC OF PROJECT SUPPORTING AGRICULTURAL VALUE CHAIN



Step 2
Deriving the GIZ contribution

Before calculating employment effects, projects need to determine the number of beneficiaries reached through GIZ support. For interventions at the meso- and macro-levels, this typically requires an estimate of the entire target group of the intervention / partner institution and a subsequent realistic estimate of the GIZ contribution (e.g. according to GIZ regional focus, GIZ share of total budget relative to other development partners, etc.). Since most projects are designed as cooperation projects and implemented within a partner system, it may not always be easy or meaningful to separate out the GIZ contribution. Nonetheless, projects should be able to substantiate how they estimated the project's contribution to the partner's aggregate results.

EXAMPLE

How many farming businesses have been reached / trained through the whole intervention / partner institution? e.g. 12,500 farm owners trained	12,500
Among those, how many beneficiaries were reached through the GIZ contribution (financing, capacity building)? ✓ 80 % x 12,500=10,000 (GIZ contributed approximately 80 % of the intervention; other 20 % through other donors and partner institution)	10,000

Step 3
Calculation of employment effects for each relevant indicator

Depending on the type of project, this will be done through measurement or estimation of effects **for each indicator** to which the project contributes (see chapter 3 on how to capture employment effects). As needed, this may have to be done separately for different components and then aggregated together. For instance, a project may be able to measure its employment effects from the micro-level component, but would have to estimate the effects from the macro-level component.

EXAMPLE

Among all beneficiaries reached, how many people benefitted from a reduction in time-related underemployment? Estimate ✓ the share of farming businesses that apply the new knowledge (good agricultural practices)? 60 % x 10,000 = 6,000 farming businesses (60 % adoption rate, based on administrative data) ✓ the average number of people per business who gained additional employment thanks to increased production – 1.4 (comparison value – multiplier based on average increase in production) ✓ the number of people who reduced their time-related underemployment / increased their time worked: 6,000 x 1.4=8,400	8,400

Step 4
Filling out the reporting template

QUESTION	ANSWER IN IT TOOL
How many people were able to reduce time-related underemployment through the contribution of your project?	8,400
ADDITIONAL QUESTIONS	
How many of the above-mentioned people are women? 43 % x 8,400	3,612
How many of the above-mentioned people are youth (15–24 years old)? 24 % x 8,400	2,016
How many additional work days do these people have on average per month? For instance, "Baseline and GLP study of the project yielded additional working time of 90 days per person per year."	7.5
What is the estimated value of the project funding that was used for the reduction of time-related underemployment?	3,360,000
Does your intervention (results matrix) include one or more indicators on employment? Among X farmer businesses of selected rural regions, increased average income by Y % from the sale of products in supported value chains.	Yes
Regarding the above-mentioned dimension of employment, how many people were DIRECTLY reached through the project? 10,000 received services	10,000
Regarding the above-mentioned dimension of employment, how many people were DIRECTLY reached through the project? 25,000 people who benefitted from the replication in other value chains and "farmer-to-farmer" learning.	25,000
Can you provide an assessment of whether the GIZ intervention had positive or negative secondary effects on employment? Yes, positive effects, e.g. through replication of services in other value chains, multiplier effects through additional consumption	Yes

See Annex 4 for additional examples.

Further reading

GIZ documents

DCED, 2014, Measuring Job Creation in Private Sector Development.

GIZ, 2014, Guidelines on designing and using a results-based monitoring system (RBM system).

GIZ, 2015, Key Indicators for Projects with Employment Effects.

GIZ, 2016, Full and Productive Employment and Decent Work for All, Handbook on Employment Promotion in Development Cooperation. Module 2.4 Assessing Employment Effects.

Kluve, J. and J. Stoeterau, 2014, A Systematic Framework for Measuring Employment Impacts of Development Cooperation Interventions. GIZ.

Kluve, 2011, Measuring employment effects of technical cooperation interventions. Some methodological guidelines. GIZ.

RWI, 2013, Nachweis der Beschäftigungswirkungen von Maßnahmen der deutschen EZ – Pilotstudie Marokko (only available in German)

RWI, 2014, Nachweis der Beschäftigungswirkungen von Maßnahmen der deutschen EZ – Anschlussstudie Marokko (only available in German)

External documents

DCED, 2018, The 2018 Reader on Results Management. An introduction to the DCED Standard.

ILO, 2018, Guide on Measuring Decent Jobs for Youth. Monitoring, evaluation and learning in labour market programmes.

Innovation for Poverty Action, Goldilocks Toolkit.

World Bank, 2017, Monitoring & Evaluation for Jobs Operations. Jobs M&E Toolkit, Volume 1.

Annexes

Annex 1
The DCED Standard for Results Measurement

The DCED Standard for Results Measurement provides programmes with the framework, tools and incentives to monitor their results in a systematic way. Organisations also have the option to participate in an external audit of their measurement system to further enhance credibility. The DCED Standard comprises the following guidelines:

1.
Articulating the Results Chain

- An appropriate, sufficiently detailed and logical results chain(s) is articulated explicitly for each intervention.
- Each intervention results chain is supported by adequate research and analysis.
- Mid- and senior-level programme staff are familiar with the results chain(s) and use them to guide their activities.
- The intervention results chain(s) are regularly reviewed to reflect changes in the programme strategy, external players and the programme circumstances.
- *Each intervention results chain is supported by adequate research and analysis on gender.*
- *Each results chain is supported by research and analysis that consider the risk of displacement.*

2.
Defining indicators of change, other information needs

- There is at least one relevant indicator associated with each change described in the results chain(s).
- Qualitative information on how and why changes are occurring is defined for each intervention.
- A small number of indicators at the impact level can be aggregated across the programme.
- There are specific indicators that enable the assessment of sustainability of results.
- Mid- and senior-level programme staff understand the indicators and how they illustrate programme progress.
- *There are specific indicators that enable the assessment of gender-differentiated results.*
- *Anticipated impacts are realistically projected for key quantitative indicators to appropriate dates.*

3. Measuring attributable change

- Baseline information on all key indicators is collected.
- Monitoring information on all key indicators is collected.
- Impact assessment is conducted to assess attributable changes in all key indicators in the results chains using methods that conform to established good practice.
- The programme implements processes to use information from monitoring and results measurement in management of interventions and decision-making.
- *The programme has a system for assessing and understanding differentiated results by gender.*
- *The programme monitors to identify unintended effects.*

4. Capturing wider changes in the system or market

- *The programme has an overall plan for assessing systemic changes at programme level.*
- *Systemic changes are assessed at market system level and beneficiary level using appropriate methods.*

5. Tracking costs and impacts

- Costs are tracked annually and cumulatively.
- Programme-wide impact is clearly and appropriately aggregated.
- *Costs are allocated by major component of the programme (applicable only to programmes with more than one main component).*

6. Reporting costs and results

- The programme produces a report at least annually that describes results to date.
- *Results of gender impact are reported.*
- *Results of systemic change are reported.*
- *Results are published.*

7. Managing the system for results measurement

- The programme has a clear system for using information from the results-measurement system in management and decision-making.
- The system is supported by sufficient human and financial resources
- The system is well managed and integrated with programme management

Note – Recommended elements are indicated in italics. All other elements are required.

Source: DCED, 2018

Annex 2
Intervention logics by sector

Below we provide a list of illustrative intervention logics of relevant types of interventions that (may) have employment effects. It should be noted that these intervention logics do not imply causality or a guarantee that the intended (employment) outcomes will be achieved. They merely reflect an assumed logic based on project documents and discussions with selected GIZ staff. It is the responsibility of the projects to verify the accuracy of the assumed logic through proper monitoring and evaluation, including impact evaluation if possible.

SECTOR	LINK TO ILLUSTRATIVE INTERVENTION LOGIC
ECONOMIC AND SOCIAL DEVELOPMENT, EMPLOYMENT	
Education, Vocational Education and Training, Labour Markets	https://dms.giz.de/dms/llisapi.dll/app/nodes/278144659
Financial System Development, Insurance	https://dms.giz.de/dms/llisapi.dll/app/nodes/278145097
Health and Social Protection	https://dms.giz.de/dms/llisapi.dll/app/nodes/278145753
Economic Policy and Private Sector Development	https://dms.giz.de/dms/llisapi.dll/app/nodes/278145334
GOVERNANCE AND CONFLICT	
Rule of Law and Security	https://dms.giz.de/dms/llisapi.dll/app/nodes/278144127
Public Finance and Administration	https://dms.giz.de/dms/llisapi.dll/app/nodes/278144762
Democracy, Political Dialogue, City	https://dms.giz.de/dms/llisapi.dll/app/nodes/278145441
Peace and Emergency Assistance	https://dms.giz.de/dms/llisapi.dll/app/nodes/278145106
CLIMATE CHANGE, RURAL DEVELOPMENT, INFRASTRUCTURE	
Forest, Biodiversity, Agriculture and Rural Development, Food Security	https://dms.giz.de/dms/llisapi.dll/app/nodes/278145549
Water, Wastewater, Waste	https://dms.giz.de/dms/llisapi.dll/app/nodes/278144447
Energy and Transport	https://dms.giz.de/dms/llisapi.dll/app/nodes/278145204

Annex 3
Sample survey questions

The questions below are samples that may be used when asking beneficiaries about their employment situation. Please note that these questions may need to be adapted to the local context. Moreover, it is always important to test survey questions prior to data collection and conduct thorough training of data collectors (project staff or external) to ensure proper administration of the questions to respondents.

Sample questions to individuals

Prompt "Now we would like to ask you a few questions about the work and activities you engage in to generate income for yourself and your family."

In the past 30 days, did you carry out any work that allowed you to earn income? Income can be either cash or in-kind, and work can include any type of work for pay or profit, including in the informal sector, a regular salaried job, paid work in the family businesses, casual and seasonal work, self-employment, paid apprenticeships or other paid work.

☐ **Yes** (I carried out some type of income-generating activity)

☐ **No** (I did **not** perform any income-generating activity)

COMMENT – This question allows the identification of people's employment status and changes over time. Changes to this question would be reported through indicator 1.1.

If no, were you available to work and actively seeking employment during the past 30 days?

☐ **Yes** (I was actively looking for paid work)

☐ **No** (I was **not** looking for paid work)

COMMENT – This question allows the differentiation between the unemployed (actively seeking employment) and the inactive population (not able to work and/or not looking for work). While not part of the GIZ results data, some projects may contribute to "activating" people into the labour market, e.g. a project may encourage women who previously did only housework or discouraged youth to look for a job. For respondents answering "no", an additional question of interest would be to ask about the reasons for not looking for work (e.g. perceived lack of opportunities, housewife, retired, etc.).

If yes, how many days did you personally work in each of the following activities in the past 30 days?

Enumerator – *Please count each work activity just once in the category that fits best. One working day = approximately eight hours, or working from morning until evening.*
1. Regular employee – paid regularly, with a consistent salary and work schedule throughout the year, even if part time (e.g. assistant in shop, hairdresser in salon, work in the public sector, etc.)
2. Casual worker – paid work for someone else but with an irregular work schedule and wage (i.e. worker at construction site, occasional agricultural work) *Note: this excludes seasonal work*
3. Seasonal worker – paid work for someone else with relatively stable schedule and wage, but only for part of the year (e.g. agricultural worker, tourist guide)
4. Self-employed without employees – independent / own-account work (e.g. street vendor, own market stall, skilled tradesman, freelancer, etc.)
5. Self-employed with employees (employer) – firm owner with at least one paid employee (e.g. owner of family business or family farm; can also be informal firm)
6. Paid apprentice / intern – paid work of temporary nature to gain skills and work experience, e.g. for a local business, community organisation, or public sector
7. Other work for pay
Total days

COMMENT – This question allows:

a) Identification of different kinds of work people may engage in simultaneously, as well as changes in the composition of work over time. Changes in the composition of work over time may indicate improvements in working conditions (e.g. from casual work to regular employee with a contract), even if the amount of time worked has not changed. See indicator 1.3.

b) Identification of the amount of time worked in the past and potential increases over time. Increases in working time can be reported under indicator 1.2.

In practice, it is often useful to use terminology from the local language that best describes different types of work to make sure the different concepts are well understood.

You indicated that you worked as [XYZ]. Approximately how much money did you earn through this activity / these activities in the past 30 days?

COMMENT – A question like this is important to capture potential changes in income over time (indicator 1.4). In practice, it can be difficult to administer for a number of reasons (e.g. respondent does not want to share personal information, does not remember income because of irregular work, etc.). Hence, a lot of preparation and enumerator training may be needed. For instance, one can calculate the income activity by activity as mentioned above, ensuring consistency with the reported number of days worked in each.

For some activities, the enumerator may need to help respondents retrace their income (e.g. ask about last week first and then whether previous weeks were better or worse; inquire about number of clients or products sold, etc.). Survey questions related to income should ideally be captured as actual amounts (e.g. 125 USD), not brackets of income (e.g. 0–50 USD, 50–100 USD, etc.), because slight improvements within brackets cannot be captured (e.g. if the participant's income increases from 60 to 90 USD per month (a 50 % increase), this improvement may remain invisible if the bracket states 50–100 USD.

As part of the activity you carried out, did you have access to any of the following benefits?

- ☐ contract (e.g. employment contracts, contract farming)
- ☐ social security (e.g. health insurance, pension)
- ☐ paid annual leave
- ☐ sick leave
- ☐ maternity / parental leave
- ☐ access to health care programmes at work
- ☐ access to collective bargaining, freedom of association
- ☐ …

Based on your perceptions, were you subject to any of the following at your workplace during the last six months?

- ☐ discrimination
- ☐ hazardous work environment (e.g. dangerous substances, lack of protective equipment)
- ☐ …

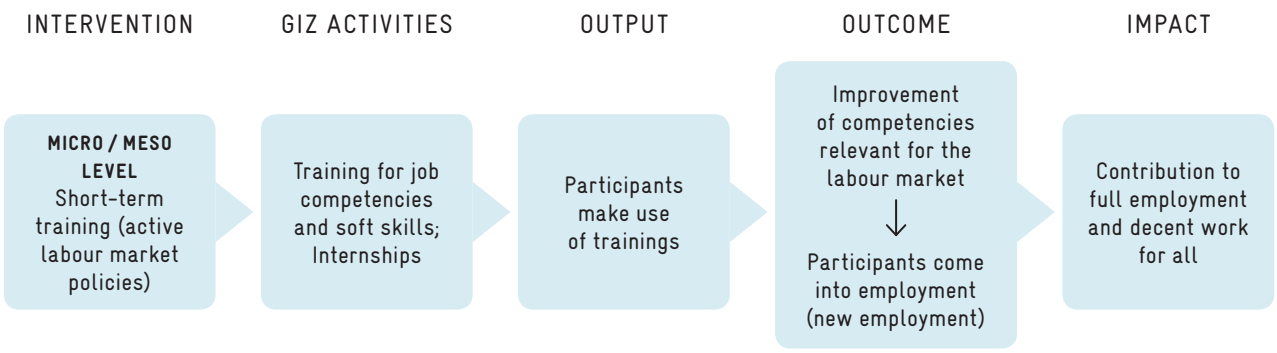
COMMENT – Questions related to the access to certain benefits and / or workplace problems can be used to understand working conditions and changes over time (e.g. increased access to contracts and / or social security benefits). It is important to note that answer choices related to working conditions must be carefully selected based on the nature of the project and local context.

This question seeks to gather sensitive (health) data, which requires an even stricter approach in regard to the mandatory informed consent of the data subjects. For more information and advice on the need for the responsible handling of personal data, see the authoritative GIZ data guidelines http://rdg.giz.digital.

Annex 4
Examples to derive employment outcomes for GIZ results data

INDICATOR 1.1
People who came into employment

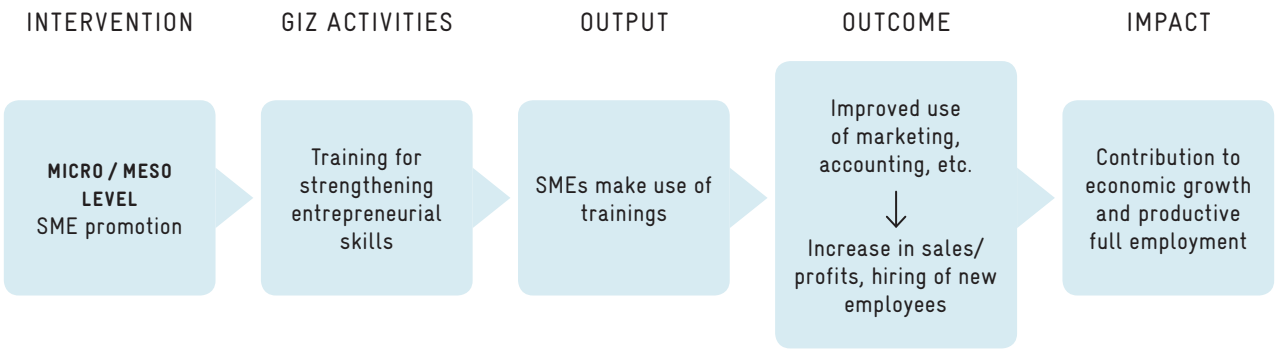
EXAMPLE 1. SHORT-TERM TRAINING FOR THE UNEMPLOYED / GRADUATES OF UNIVERSITIES AND VOCATIONAL SCHOOLS



STEPS FOR DETERMINING EMPLOYMENT IMPACTS	
How many beneficiaries are reached in total by the measure / partner institution?	5,000
Of those beneficiaries, how many were reached thanks to the GIZ contribution (financing, advice)? ✓ 20 % x 5,000 = 1,000 (GIZ's financial contribution amounted to 20 % of the total contribution provided by the partner institution for the training offered. The remaining 80 % of the costs of the training measures was financed by other donors outside the project)	1,000
For how many of these beneficiaries have there been actual employment impacts? Measurement ✓ average completion rate –> 60 % x 1,000 (partner's M&E system) = 600 ✓ average employment rate –> 50 % x 600 (annual tracer study based on a representative sample of graduates (n=235)) = 300 ✓ average duration of employment longer than six months –> 55 % x 300 (tracer study) = 165	300 (of which 165 longer than 6 months)

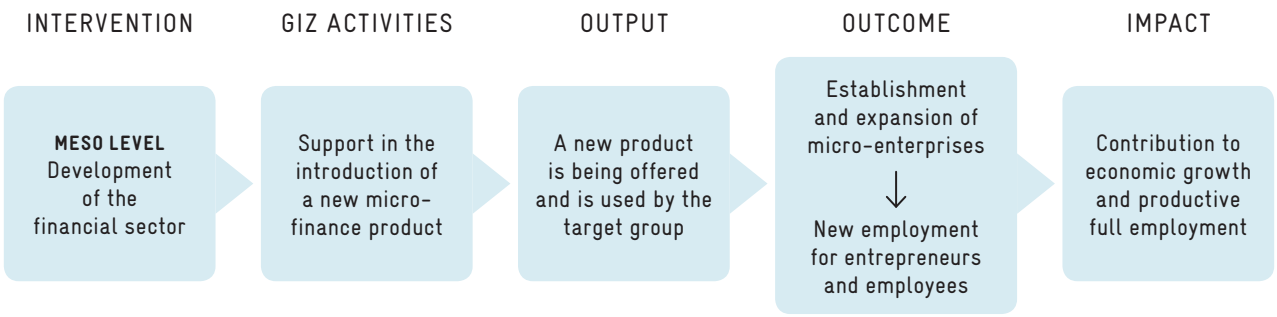
SELECTED INFORMATION IN THE QUESTIONNAIRE	
Question – How many people who were not previously employed have been employed as a result of the contribution of your measure or project?	300
ADDITIONAL QUESTIONS	
1. **How many of the people listed are women?** (30 % x 300)	90
2. **How many of the people listed are young (15–24 years)?** (80 % x 300)	240
3. **Is information available on whether the new employment relationships meet the ILO and FAO criteria for decent work?**	Yes
4. **Can you provide information on the duration of the employment relationships created?** The employment relationships are predominantly (>50 % of created employment relationships) longer than six months	Yes
5. **What is the estimated share of the commission value spent on the new employment relationships?**	EUR 1,500,000

EXAMPLE 2. STRENGTHENING THE ENTREPRENEURIAL SKILLS OF SMES



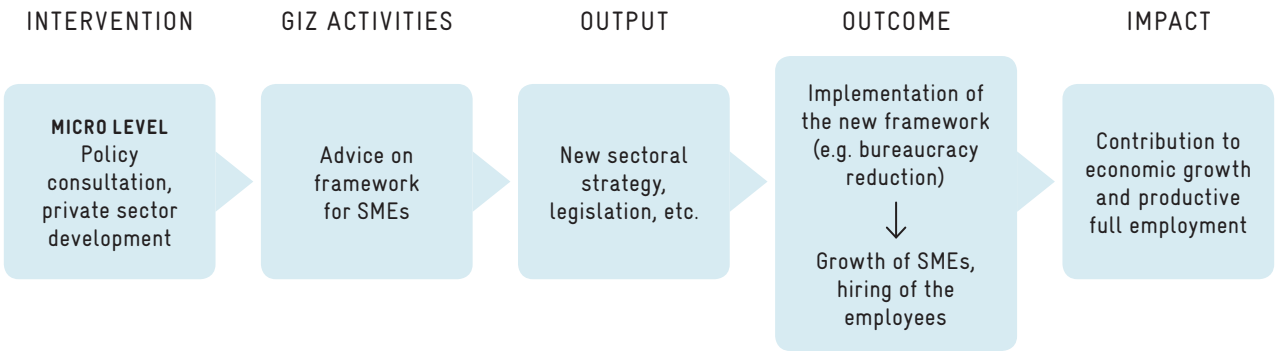
How many beneficiaries (SMEs) are reached in total by the measure / partner institution?	1,000
How many beneficiaries (SMEs) were reached thanks to the GIZ contribution (financing, advice)? ✓ 100 % (project financed entirely by GIZ)	1,000
For how many of those beneficiaries (people) can employment impacts be plausibly verified? Estimate ✓ average completion rate of the SMEs in the training courses/measures: 60 % x 1,000 (partner system, measurement) = 600 ✓ average number of new employees per SME: 0.5 (sample or focus group survey among the 600 participating SMEs on the use of the training content and the resulting employment impacts) ✓ extrapolated to the 600 participating SMEs, this yields 600 x 0.5 = 300 new jobs	300

EXAMPLE 3. INTRODUCTION OF A NEW MICROFINANCE PRODUCT



How many beneficiaries are reached in total by the measure / partner institution?	10,000
Of those beneficiaries, how many were reached thanks to the GIZ contribution (financing, advice)? ✓ 50 % x 10,000 = 5,000 (GIZ contributed 50 % of the budget; remaining 50 % from other organisations / donors outside the project)	5,000
For how many of these beneficiaries can actual employment impacts be plausibly verified? Estimate ✓ usage rate of the new product –> 10 % x 5,000 (partner system) = 500 ✓ proportion of participants who use financing to start a business –> 20 % x 500 (sample) = 100 ✓ proportion of participants who use financing to expand a business –> 30 % x 500 (sample) = 150 ✓ average number of paid employees per micro enterprise start-up –> 1 x 100 (existing statistics) = 100 ✓ average number of new employees through business expansion –> 2 x 150 (sample) = 300 ✓ proportion of founders who were previously unemployed –> 40% x 100 (sample) = 40 ✓ number of people who have entered new employment (40 previously unemployed founders, 100 employees of start-ups, 300 employees of expanded businesses) = 440 ✓ average survival rate over two years –> 50 % (existing study) = 220 (440 x 0.5) –> accordingly, the proportion of newly created employment lasting more than six months is greater than 50 %	440

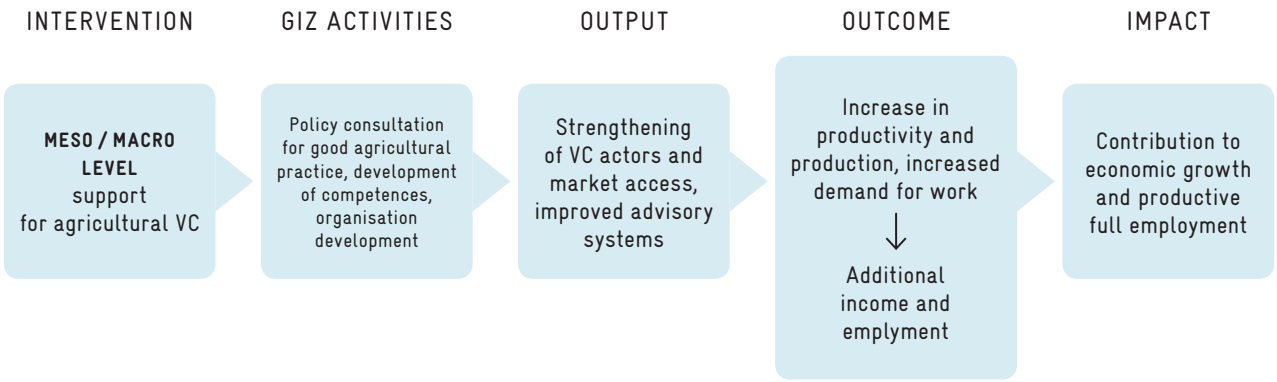
EXAMPLE 4. ECONOMIC POLICY ADVICE ON FRAMEWORK CONDITIONS FOR MSMES



How many beneficiaries will the measure / partner institution potentially reach in total (i.e. how large is the target group potentially affected [all formal MSMEs])?	50,000
Of these beneficiaries, which part of the potential target group can be attributed to the GIZ contribution (financing, advisory services)? ✓ 30 % x 50,000 = 15,000 (GIZ contributed about 30 % of the advisory services for the reform; remaining 70 % came from other donors)	15,000
For how many of these beneficiaries can actual employment impacts be plausibly verified? Estimate ✓ proportion of MSMEs most likely to be affected by the new framework conditions –› 80 % x 15,000 (formal micro and small enterprises, statistics on company size) = 12,000 ✓ proportion of MSMEs in regions where the new framework conditions have already been implemented (e.g. through new system, online registration of one-stop shops, etc.) –› 30 % x 12,000 (capital city and region X, statistics on the geographical distribution of MSMEs) = 3,600 ✓ proportion of the target group that has already come into contact with the new framework conditions –› 20 % x 3,600 (sample) = 720 ✓ proportion of the target group that has, as a result, enhanced its entrepreneurial performance/ competitiveness and employs staff –› 50 % (sample) = 360 ✓ average number of new employees in companies affected –› 1 (sample); 1 x 360 = 360	360

INDICATOR 1.2
Additional employment

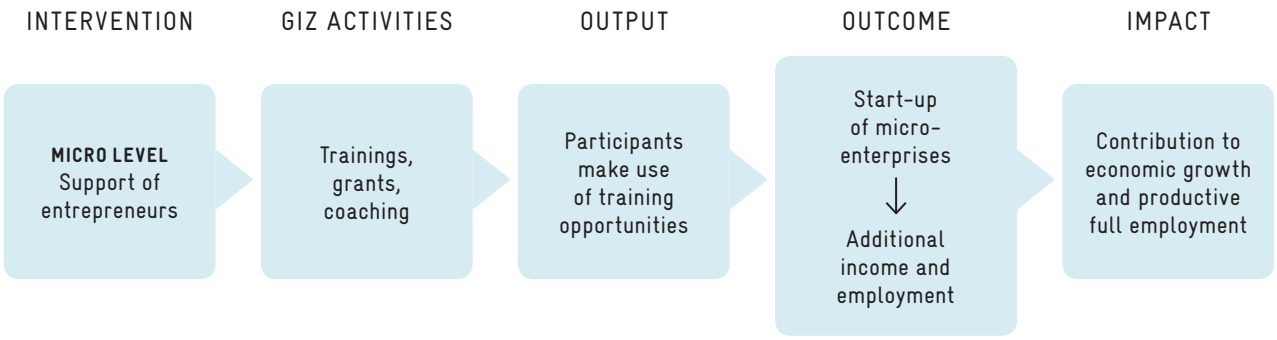
EXAMPLE 1. PROMOTION OF AGRICULTURAL VALUE CHAINS



STEPS FOR DETERMINING EMPLOYMENT IMPACTS	
How many farms are reached / trained in total by the measure / partner institution? 12,500 trained farm managers	12,500
How many beneficiaries (farms) were reached thanks to the GIZ contribution (financing, advisory services)? ✓ 80 % x 12,500 = 10,000 (GIZ contributed approximately 80 % of the advisory services; remaining 20 % came from other donors)	10,000
For how many of these beneficiaries can actual additional employment impacts be plausibly verified? Estimate ✓ proportion of farms that use the knowledge transferred (GAP)? 60 % x 10,000 = 6,000 farms (60 % adoption rate) ✓ average number of people per farm who have additional employment because of higher production –› 1.4 (comparison value, average multiplier based on average increase in production) ✓ number of people who have reduced their underemployment / increased their working time –› 6,000 x 1.4 = 8,400	8,400

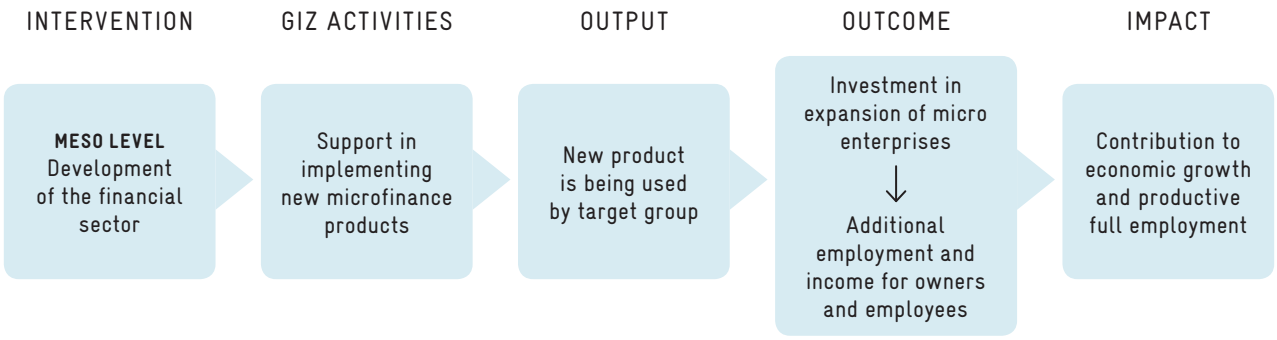
SELECTED INFORMATION IN THE QUESTIONNAIRE (example entries in the IT tool are shown in bold)	
Question – How many people have been able to reduce their underemployment as a result of the contribution of your measure or project? 1.4 people (average) x 6,000 farms using GAP = **8,400 people**	8,400
ADDITIONAL QUESTIONS	
1. How many of the people listed are women? 43 % x 8,400 (number of people) = **3,612 women**	3,612
2. How many of the people listed are young (15 – 24 years old)? 24 % x 8,400 (number of people) = **2,016 young people**	2,016
3. How many additional days do these people work on average per month? **7.5** (baseline and GAP study by the project showed additional working time of 90 days per person)	7.5
4. What is the estimated share of the commission value spent on reducing underemployment? **EUR 3,360,000** (estimated)	3,360,000
5. Does your project (results matrix) include one or more employment indicators? **In the total of X subsidised smallholder farms in the selected rural regions, the average income from the sale of products from the subsidised value-added chains rose by an average of Y %.**	Yes
6. With regard to the aforementioned dimensions of employment, how many people have been DIRECTLY reached in total by your measures? **10,000 people have benefitted from the project's outputs**	10,000
7. With regard to the aforementioned dimensions of employment, how many people have been INDIRECTLY reached in total by your measures? **25,000 people have benefitted from replication in other value chains, farmer-to-farmer learning, etc.**	25,000
8. Can you give an estimate of whether the GIZ intervention has had positive or negative secondary effects on employment? **Yes, e.g. replication (of services, etc.) in other value chains, multiplier effects through additional demand**	Yes

EXAMPLE 2. START-UP SUPPORT FOR UNDEREMPLOYED YOUNG PEOPLE



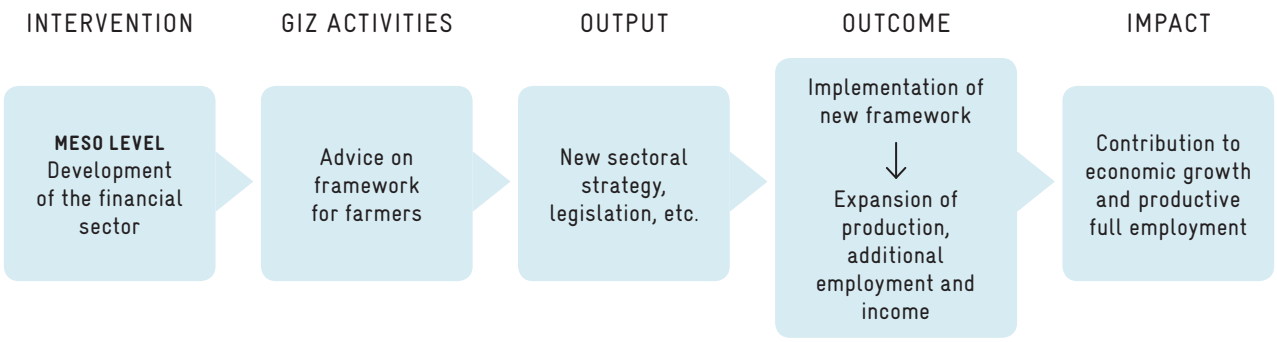
How many beneficiaries are reached in total by the measure / partner institution?	2,000
Of those beneficiaries, how many were reached thanks to the GIZ contribution (financing, advice)? ✓ 50 % x 2,000 = 1,000 (GIZ supported training in five of the ten employment agencies in which the measures were offered. In the other five employment agencies, the partner implements the training itself, but using the learning content funded by GIZ. This means that all training courses and the resulting effects are within the framework of the cooperation context of the project and can therefore be attributed in full to the GIZ contribution)	1,000
For how many of these beneficiaries can actual employment impacts be plausibly verified? Estimate ✓ average completion rate –› 60 % x 1,000 (based on comparable measures) = 600 ✓ average number of start-ups –› 50 % x 600 (sample) = 300 ✓ proportion of founders who have increased their working days per month through self-employment –› 80 % x 300 (sample) = 240 ✓ average survival rate longer than six months –› 50 % x 240 (existing study) = 120	240

EXAMPLE 3. INTRODUCTION OF A NEW MICROFINANCE PRODUCT



How many beneficiaries are reached in total by the measure / partner institution?	10,000
Of those beneficiaries, how many were reached thanks to the GIZ contribution (financing, advice)? ✓ 50 % x 10,000 = 5,000 (GIZ contributed 50 % of the budget; remaining 50 % from other organisations / donors outside the project)	5,000
For how many of these beneficiaries can actual employment impacts be plausibly verified? Estimate ✓ participation rate for the new product –› 10 % x 5,000 (partner system) = 500 ✓ proportion of participants who use financing to expand a business –› 30 % x 500 (sample) = 150 ✓ average number of paid employees per micro enterprise –› 1 (existing statistics) = 150 ✓ number of people with additional employment in connection with expanding a business –› 300 (150 owners and 150 employees who are working more)	300

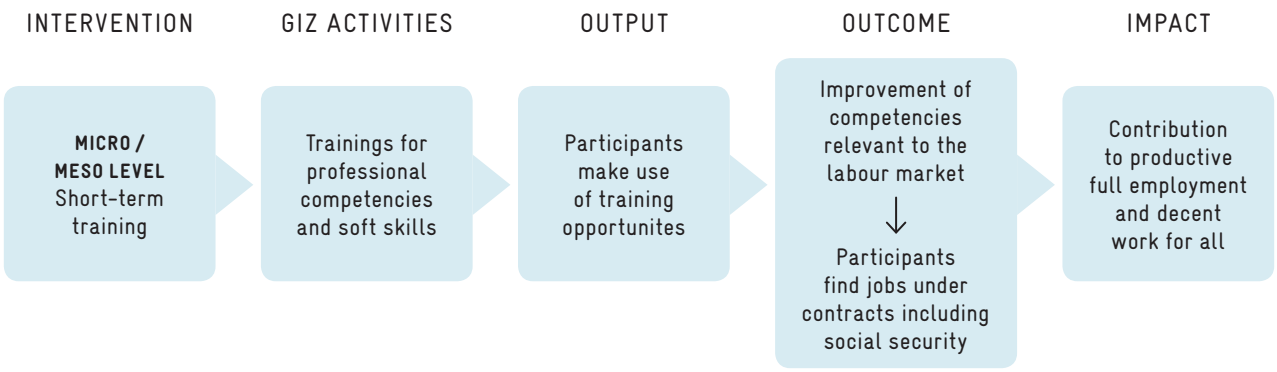
EXAMPLE 4. AGRICULTURAL POLICY ADVICE ON FRAMEWORK CONDITIONS FOR FARMERS



How many beneficiaries are potentially reached in total by the measure / partner institution (i.e. how large is the potentially affected target group (all farms))?	50,000
Of these beneficiaries, which part of the potential target group can be attributed to the GIZ contribution (financing, advisory services)? ✓ 30 % x 50,000 = 15,000 (GIZ contributed approximately 30 % of the advisory services for the reform; remaining 70 % came from other donors)	15,000
For how many of these beneficiaries can actual employment impacts be plausibly verified? Estimate ✓ proportion of farms most likely to be affected by the new framework conditions –› 80 % x 15,000 = 12,000 ✓ proportion of farms in regions where the new framework conditions have already been implemented (e.g. through new systems, branches, etc.) –› 30 % x 12,000, statistics on the geographical distribution of farms) = 3,600 ✓ proportion of farms that have already come into contact with the new framework conditions –› 30 % x 3,600 (sample) = 1,080 ✓ proportion of companies expecting improved production and growth as a result –› 50 % (sample) = 540 ✓ number of people reached in the agribusinesses –› 4 (average size of agribusinesses, statistics from the Ministry) x 540 = 2,160 ✓ number of previously underemployed workers who will benefit from additional employment –› 50 % x 2,160 (sample) = 1,080	1,080

INDICATOR 1.3
Working conditions

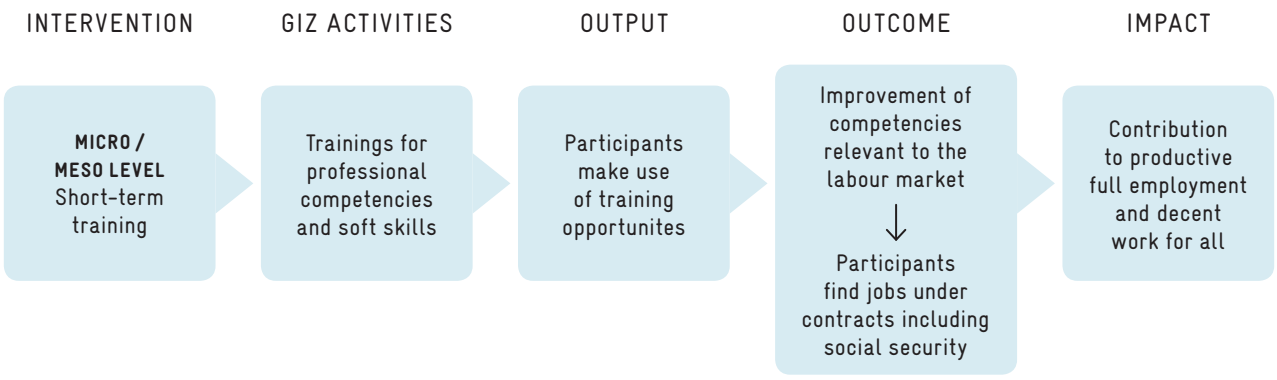
EXAMPLE 1. PLACEMENT OF UNDEREMPLOYED YOUNG PEOPLE IN THE INFORMAL SECTOR IN FORMAL EMPLOYMENT RELATIONSHIPS



STEPS FOR DETERMINING EMPLOYMENT IMPACTS	
How many beneficiaries are reached in total by the measure / partner institution?	2,000
Of those beneficiaries, how many were reached thanks to the GIZ contribution (financing, advice)? ✓ 50 % x 2,000 = 1,000 (GIZ supported training in five of the ten employment agencies in which the measures were offered. The other five employment agencies are in regions not covered by the GIZ project. They are therefore outside the cooperation context of the project and cannot be attributed to the effects of the GIZ contribution).	1,000
For how many of those beneficiaries (people) can actual impacts on working conditions be plausibly verified? Estimate ✓ average completion rate –> 60 % x 1,000 (based on comparable measures) = 600 ✓ average employment rate –> 80 % x 600 (sample) = 480 ✓ proportion of employees in formal employment relationships –> 50 % x 480 (sample) = 240 ✓ average duration of employment longer than six months –> 50 % x 240 (exist. study) = 120	240

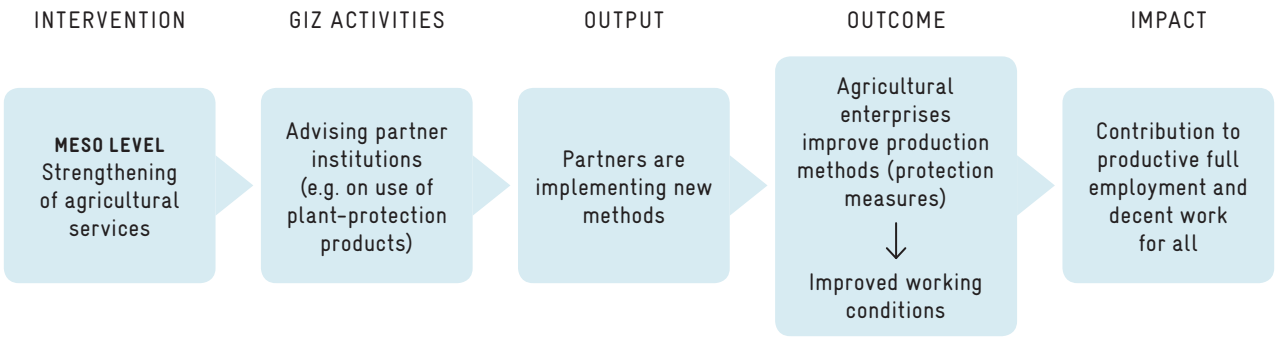
SELECTED INFORMATION IN THE QUESTIONNAIRE	
Question – How many people benefit from improved working conditions through the contribution of your measure or project?	240
ADDITIONAL QUESTIONS	
1. How many of the people listed are women? (40 % x 240)	96
2. How many of the people listed are young people (15 – 24 years)? (20 % x 240)	48
3. Can you provide information on the type of improvement? ✓ Employment contracts have been concluded ✓ Social security has been improved	Yes
4. What is the estimated share of the commission value spent on the new employment relationships?	EUR 1,000,000
5. Does your project (results matrix) include one or more employment indicators? ✓ Proportion of participants who have found employment within three months of completion of the measure ✓ Proportion of employees with a formal employment relationship (minimal employment contract)	Yes

EXAMPLE 2. IMPROVED WORKING CONDITIONS IN COMPANIES



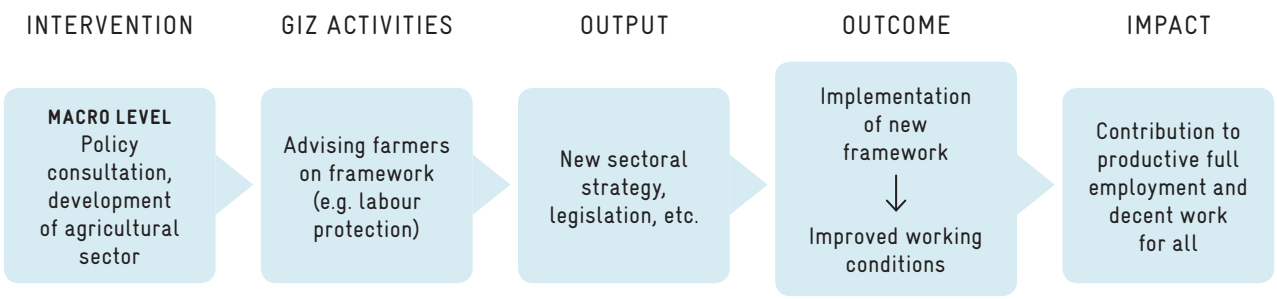
How many companies are reached in total by the measure / partner institution?	50
How many companies were reached thanks to the GIZ contribution (financing, advisory services)? ✓ 50 % (50 % GIZ funded, 50 % other donors)	25
For how many of those beneficiaries (people) can actual impacts on working conditions be plausibly verified? Estimate ✓ proportion of companies that have participated in activities designed to improve working conditions –› 80 % x 25 (monitoring system) = 20 ✓ proportion of companies that have achieved improvements in working conditions as a result of the measures –› 50 % x 20 (sample / focus group survey) = 10 ✓ average size of the companies – 8 employees x 10 companies = 80 people	80

EXAMPLE 3. STRENGTHENING SERVICES IN THE AGRICULTURAL SECTOR



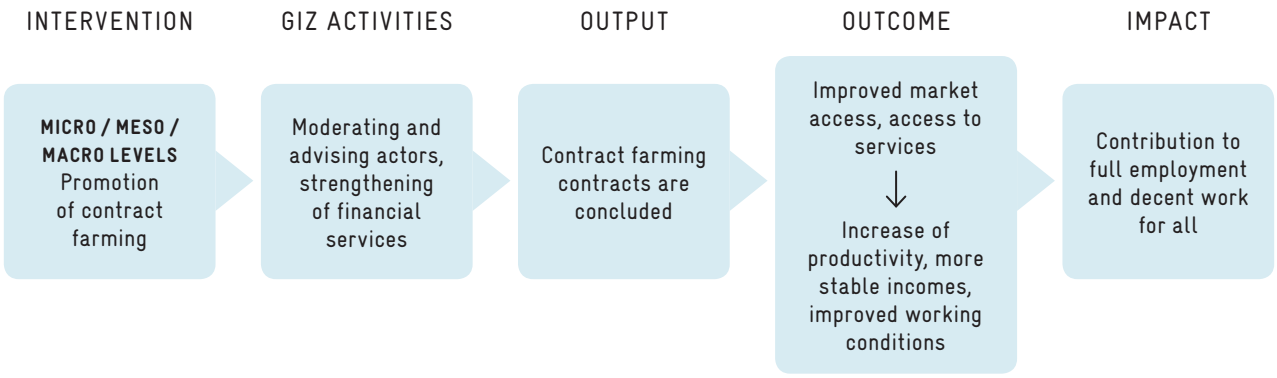
How many beneficiaries are reached in total by the measure / partner institution?	1,000
Of those beneficiaries, how many were reached thanks to the GIZ contribution (financing, advice)? ✓ 50 % x 10,000 = 5,000 (GIZ contributed 50 % of the budget; other 50 % from other organisations / donors)	500
For how many of those beneficiaries (people) can actual impacts on working conditions be plausibly verified? Estimate ✓ proportion of beneficiaries applying new production methods or measures to improve job security –› 50 % x 500 (comparative study) = 250 ✓ average size of agribusinesses: 4 people x 250 (statistics from the Ministry) = 1,000 people	1,000

EXAMPLE 4. AGRICULTURAL POLICY ADVICE ON FRAMEWORK CONDITIONS FOR FARMERS



How many beneficiaries (farms) are potentially reached by the measure / partner institution (i.e. how large is the potentially affected target group (all farms))?	50,000
Of these beneficiaries, which part of the potential target group can be attributed to the GIZ contribution (financing, advisory services)? ✓ 30 % x 50,000 = 15,000 (GIZ contributed approximately 30 % of the advisory services for the reform; remaining 70 % came from other donors)	15,000
For how many of those beneficiaries (people) can actual impacts on working conditions be plausibly verified? Estimate ✓ proportion of farms most likely to be affected by the new framework conditions –› 80 % x 15,000 = 12,000 ✓ proportion of farms in regions where the new framework conditions have already been implemented (e.g. through new services, inspections, etc.) –› 30 % x 12,000, statistics on the geographical distribution of farms) = 3,600 ✓ proportion of companies that have implemented the new regulations –› 30 % x 3,600 (sample) = 1,080 ✓ average size of agribusinesses –› 4 people (statistics from the Ministry) ✓ The new requirements apply to 80 % of the average number of employees –› 1,080 x 4 x 80 % = 3,456	3,456

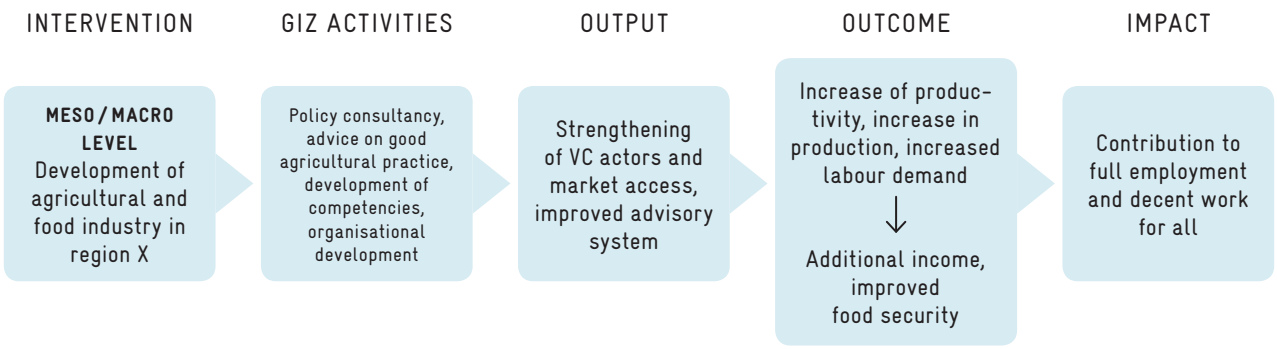
EXAMPLE 5. PROMOTING CONTRACT FARMING



How many beneficiary farms are potentially reached in total by the measure / partner institution (i.e. how large is the potentially affected target group (all farms of a particular sector in region X, e.g. palm oil))?	1,000
Of these beneficiaries, which part of the potential target group can be attributed to the GIZ contribution (financing, advisory services)? ✓ 50 % x 1,000 = 500 (GIZ contributed approximately 50 % of the advisory services; remaining 50 % came from other donors)	500
For how many of those beneficiaries (people) can actual impacts on working conditions be plausibly verified? Estimate ✓ proportion of farms that have concluded purchase agreements = 50 % x 500 (partner system) = 250 ✓ average size of agribusinesses –› 3 people (statistics from the Ministry) ✓ number of people who benefit from improved working conditions –› 250 x 3 = 750	750

INDICATOR 1.4
Income

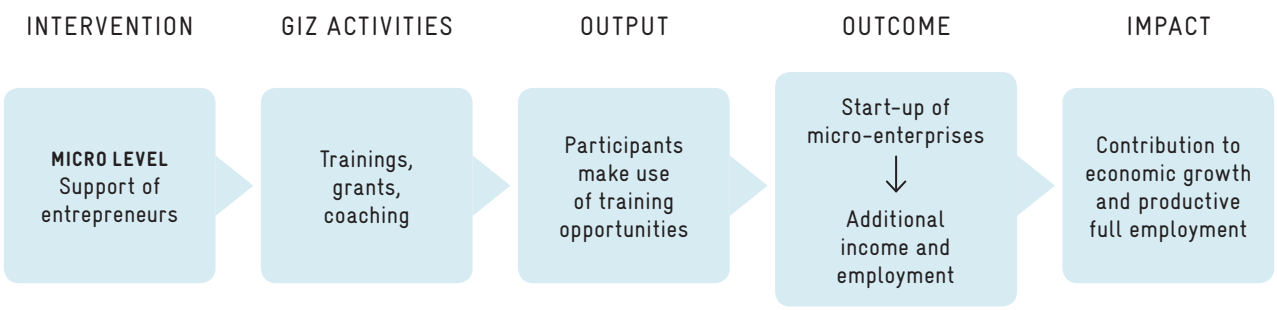
EXAMPLE 1. DEVELOPMENT OF AGRIBUSINESS AND THE FOOD INDUSTRY IN REGION XYZ



STEPS FOR DETERMINING EMPLOYMENT IMPACTS	
How many farms are reached / trained in total by the measure / partner institution? 12,500 trained farm managers	12,500
How many beneficiaries (farms) were reached thanks to the GIZ contribution (financing, advisory services)? ✓ 80 % x 12,500 = 10,000 (GIZ contributed approximately 80 % of the advisory services; remaining 20 % came from other donors)	10,000
For how many of these people can actual additional employment impacts be plausibly verified? Estimate ✓ proportion of farms that use the knowledge transferred (GAP) –> 60 % x 10,000 = 6,000 farms (60 % adoption rate) ✓ average number of people per farm who have additional income because of increased production –> 1.8 people (comparison value, average multiplier based on average increase in production) ✓ number of people who have improved their income –> 6,000 x 1.8 = 10,800	10,800

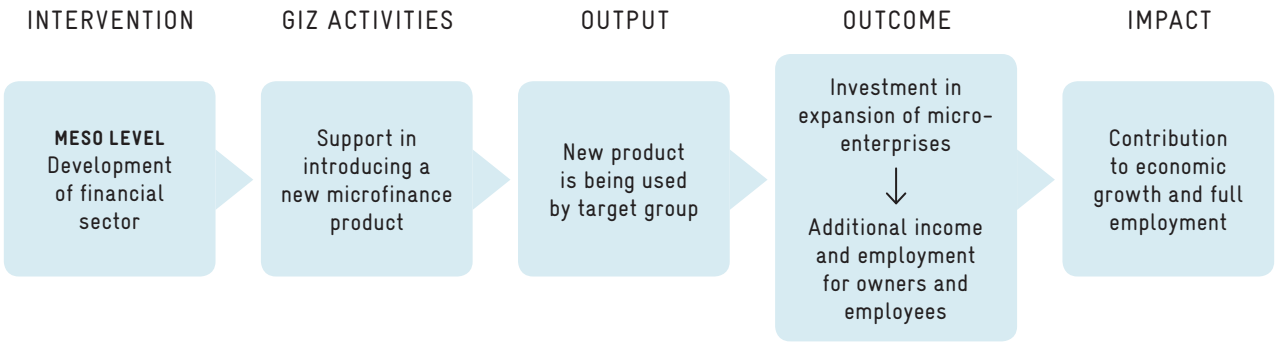
SELECTED INFORMATION IN THE QUESTIONNAIRE **(example entries in the IT tool are shown in bold)**	
Question – How many people benefit from improved income through the contribution of your measure or project? 1.8 people (average) x 6,000 farms using GAP = **10,800 people**	10,800
ADDITIONAL QUESTIONS	
1. How many of the people listed are women? 47 % x 10,800 (number of people) = **5,076 women**	5,076
2. How many of the people listed are young (15–24 years old)? 22 % x 10,800 (number of people) = **2,376 young people**	2,376
3. Can you provide information on the level of income improvement? **Yes. The contribution margin of the two funded value chains increased by 35 % or EUR 510 for an average farm (derived from baselines, operating system analyses, and contribution margin calculations)**	Yes
4. What is the estimated share of the commission value spent on employment promotion (including income increase)? **EUR 2,750,000** (estimated)	EUR 2,750,000
5. Does your project (results matrix) include one or more employment indicators? **Yes. In the total of X subsidised smallholder farms in the selected rural regions, the average income from the sale of products from the subsidised value-added chains rose by an average of Y %.**	Yes
6. With regard to the aforementioned dimensions of employment, how many people have been DIRECTLY reached in total by your measures? **10,000 people have benefitted from the project's outputs.**	10,000
7. With regard to the aforementioned dimensions of employment, how many people have been INDIRECTLY reached in total by your measures? **25,000 people have benefitted from replication in other value chains, farmer-to-farmer learning, etc.**	25,000
8. Can you give an estimate of whether the GIZ intervention has had positive or negative secondary effects on employment? **Yes, e.g. replication (of services, etc.) into other value chains, multiplier effects through additional demand, development in the upstream and downstream sectors.**	Yes

EXAMPLE 2. START-UP SUPPORT FOR UNDEREMPLOYED YOUNG PEOPLE



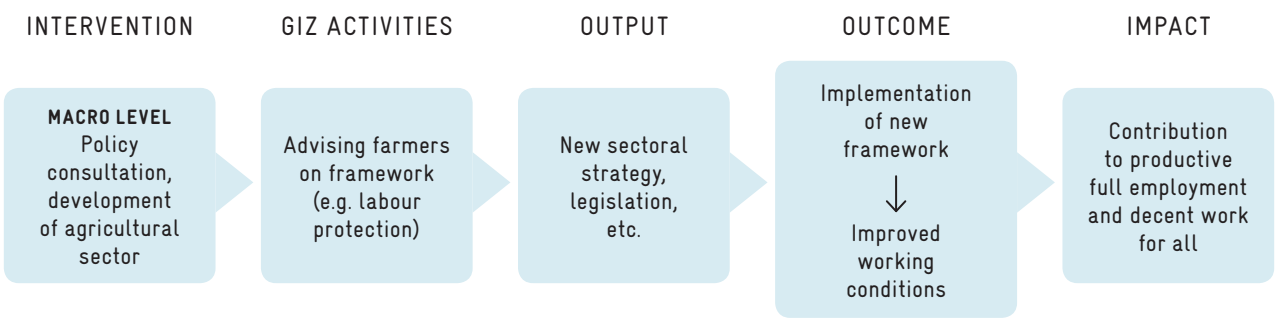
How many beneficiaries are reached in total by the measure / partner institution?	2,000
Of those beneficiaries, how many were reached thanks to the GIZ contribution (financing, advice)? ✓ 50 % x 2,000 = 1,000 (GIZ supported training in five of the ten employment agencies in which the measures were offered. The other five employment agencies are in regions not covered by the GIZ project. They are therefore outside the cooperation context of the project and cannot be attributed to the effects of the GIZ contribution).	1,000
For how many of these beneficiaries can actual impacts on income be plausibly verified? Estimate ✓ average completion rate –› 60 % x 1,000 (based on comparable measures) = 600 ✓ average number of start-ups –› 50 % x 600 (sample) = 300 ✓ proportion of founders who have increased their monthly income through self-employment –› 80 % x 300 (sample) = 240 ✓ average survival rate longer than six months –› 50 % x 240 (existing study) = 120	240

EXAMPLE 3. INTRODUCTION OF A NEW MICROFINANCE PRODUCT



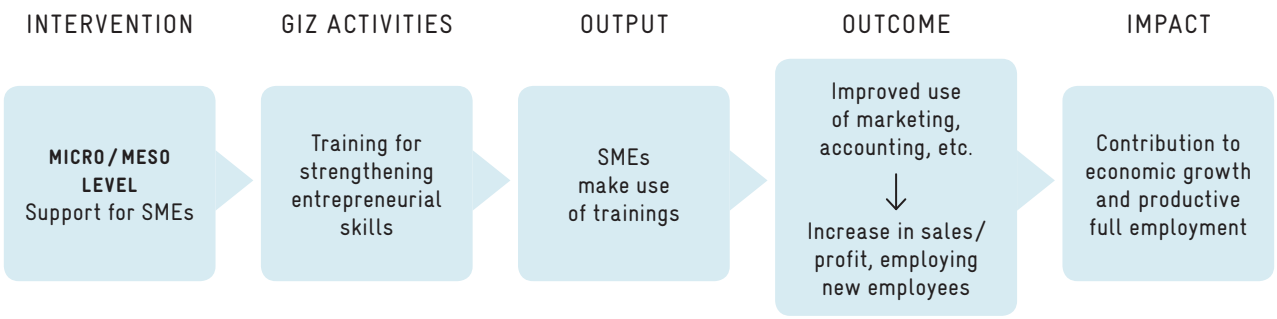
How many beneficiaries are reached in total by the measure / partner institution?	10,000
Of those beneficiaries, how many were reached thanks to the GIZ contribution (financing, advice)? ✓ 50 % x 10,000 = 5,000 (GIZ contributed 50 % of the budget; remaining 50 % from other organisations / donors outside the project)	5,000
For how many of these beneficiaries can actual impacts on income be plausibly verified? Estimate ✓ participation rate for the new product –› 10 % x 5,000 (partner system) = 500 ✓ proportion of entrepreneurs who use financing to expand a business –› 30 % x 500 (sample) = 150 ✓ average number of paid employees per micro enterprise –› 1 x 150 (existing statistics) = 150 ✓ number of people with additional income as part of business expansion –› 300 (150 owners and 150 employees)	300

EXAMPLE 4. AGRICULTURAL POLICY ADVICE ON FRAMEWORK CONDITIONS FOR FARMERS



How many beneficiaries can the measure / partner institution potentially reach in total (i.e. how large is the potentially affected target group (e.g. the number of farms in a value chain))?	50,000
Of these beneficiaries, which part of the potential target group can be attributed to the GIZ contribution (financing, advisory services)? ✓ 30 % x 50,000 = 15,000 (GIZ contributed approx. 30 % of the advisory services for the reform; remaining 70 % came from other donors)	15,000
For how many of these beneficiaries can actual impacts on income be plausibly verified? Estimate ✓ proportion of farms most likely to be affected by the new framework conditions–> 80 % x 15,000 = 12,000 ✓ proportion of farms in regions where the new framework conditions have already been implemented (e.g. through new systems, branches, etc.) –> 30 % x 12,000, statistics on the geographical distribution of farms) = 3,600 ✓ proportion of companies that already apply the new framework conditions –> 30 % x 3,600 (sample) = 1,080 ✓ proportion of farms expecting improved production and growth as a result –> 50 % (sample) = 540 ✓ number of people reached in the agribusinesses –> 4 people (average size of agribusinesses, statistics from the Ministry) x 540 = 2,160 ✓ Of these, previously underemployed workers who generate more income through additional employment –> 50 % x 2,160 = 1,080 (sample) ✓ Total number of people with impact on income –> 540 farm managers + 1,080 employees = 1,620	1,620

EXAMPLE 5. PROMOTING SMES



How many beneficiaries (SMEs) are reached in total by the measure / partner institution? (number of SMEs reached)	1,000
How many beneficiaries (SMEs) were reached thanks to the GIZ contribution (financing, advice)? ✓ 100 % (project financed entirely by GIZ)	1,000
For how many of these beneficiaries (people) can actual impacts on income be plausibly verified? Estimate ✓ average completion rate of the SMEs in the training courses / measures –› 60 % x 1,000 (partner system, measurement) = 600 ✓ number of companies which, according to the survey (sample) or focus group discussion, state that the better skills contribute to increased turnover / greater competitiveness –› 80 % x 600 = 480 ✓ average number of employees per SM –› 1.5 (sample, focus group, existing studies on average size of companies) ✓ average percentage of employees in companies who benefit from higher incomes due to higher turnover / improved company performance –› 90 % (sample, focus group) ✓ extrapolated to the 600 participating SMEs, 600 x 0.8 x 1.5 x 0.9 = 648 people who benefit from higher incomes	648

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