



# Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 03-Mar-2019 | Report No: PIDISDSC24080



**BASIC INFORMATION**

**A. Basic Project Data**

Country Mauritania	Project ID P162916	Parent Project ID (if any)	Project Name Mauritania Youth Employability Project (P162916)
Region AFRICA	Estimated Appraisal Date Sep 23, 2019	Estimated Board Date Sep 26, 2019	Practice Area (Lead) Social Protection & Labor
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Economy and Finance	Implementing Agency Ministry of employment, vocational training and information and communication technologies	

**Proposed Development Objective(s)**

The Project Development Objective is to promote the employability of vulnerable youth in selected areas.

**PROJECT FINANCING DATA (US\$, Millions)**

**SUMMARY**

<b>Total Project Cost</b>	30.00
<b>Total Financing</b>	30.00
<b>of which IBRD/IDA</b>	30.00
<b>Financing Gap</b>	0.00

**DETAILS**

**World Bank Group Financing**

International Development Association (IDA)	30.00
IDA Grant	30.00

Environmental and Social Risk Classification

Concept Review Decision



Low

Track II-The review did authorize the preparation to continue

## B. Introduction and Context

### Country Context

1. Mauritania is an arid lower middle-income country situated in between North and Sub-Saharan Africa. The population, as of 2018, is close to 4 million with the largest population centers residing in Nouakchott (the capital) and the coastal provinces. The majority of the remaining population is located in the Sahel region and provinces lining the Senegal River. The country contains nearly one million squared kilometers of land, however, the arable areas account for only 0.5 percent of the total land mass.
2. The country has experienced impressive economic growth over the past decade, which has permitted it into the ranks of lower middle-income countries. The commodity super-cycle spurred solid economic growth, allowed for significant government investments in infrastructure, and enabled Mauritania to register one of the best growth performances in the region. The primary economic activities have traditionally centered around the production of rice, vegetables and animal fodder in the south of the country. However, Mauritania has also managed to successfully tap into mineral resources (iron, copper, gold, oil and gas) as well as fishing reserves in recent years. This has permitted the country to increase its GDP per capita from US\$700 in 2007 to US\$1138 in 2016.
3. The poverty rate remains high in Mauritania, with 33 percent of the population living below the nationally defined poverty line. This is despite a significant decline in recent years. Until the early 2000s, the average annual decline in the poverty rate was slightly below 1 percent. However, between 2008 and 2014, poverty reduction accelerated by an average annual rate of almost 2 percentage points. This was largely driven by the improved welfare of agricultural and livestock producers from improved commodity prices. During this period 11 percent of the population escaped poverty. Most of the progress was registered in the predominantly rural regions of Hodh El Chargi, Gorgol, Brakna, Adrar and Tagant. Meanwhile, urban areas registered fewer gains, and in Nouakchott, poverty rates remained largely unchanged. Despite these trends, the highest poverty rates still remain amongst rural households engaged in agriculture and livestock rearing (Guidimagha, Tagant, Brakna, and Assaba). In the coastal provinces where urban populations are concentrated, poverty rates are generally lower than in other parts of the country.

### Sectoral and Institutional Context

4. Mauritania has a sizable youth population, which generally face poor labor market outcomes. Over 60 percent of the population in Mauritania is below the age of 25 years (62.8 percent in 2018). A large proportion of youth fail to transition successfully into employment, remaining unemployed or largely inactive in the labor market. Youth aged 15 to 24 have a labor force participation rate which is significantly below that for the overall working age population (25.5 percent compared to 45.5 percent). The youth unemployment rate is also over double that for the overall working age population.
5. There are a number of employment constraints, which pose barriers for Mauritanian youth in accessing jobs. This includes: (i) lagging labor demand due to weak job creation in emerging sectors; (ii) weak outreach, access to services and information about livelihoods and employment options; (iii) limited access to credit and management training; as well as (iv) insufficient opportunities for skills development in terms of practical, job-relevant



competencies across sectors.

6. Limited labor demand has led to weak job creation in emerging sectors. On the demand side of the labor market, the recent economic growth has translated into some job growth, but not nearly enough to absorb all new labor market entrants. The growth decompositions covering the period from 2000-2014 confirm this dynamic. From 2004 to 2012, a 1% increase in real GDP resulted in 3,576 jobs being created. Between 2012 and 2017 the downturn in the mining sector resulted in slower growth, which also impacted the job growth figures.
7. Mauritanian youth also generally have limited access to services and information about livelihoods and employment options. This is particularly the case for youth that are either uneducated or have dropped out of the schooling system prematurely at the primary or secondary level. This cohort are far more likely to rely on directly contacting employers or personal relations in seeking employment, rather than relying on open competition or job search agencies that may be better equipped to match their skill set with the right employer. As a result, many lower-educated Mauritanian youth have a higher propensity to seek self-employment and set up their own income-generating activities.
8. There are multiple constraints that Mauritanian youth face in successfully engaging in productive income-generating activities. This includes credit constraints, which mean that poorer and more vulnerable youth struggle to access credit for such activities from commercial banks. Moreover, they generally lack the technical know-how on how to set up a micro-enterprise (business plan, registration etc.) and then successfully manage it (basic accounting, overseeing additional staff etc.) in order to sustain their livelihoods.
9. Mauritanian youth also lack the job-relevant skills required to successfully transition into employment. This includes a lack of basic life skills, as well as a deficit of technical skills. Many private sector employers report difficulties in recruiting staff with the right skills, including those with practical experience, project management, or IT skills. This is exacerbated by the dropout rate from the education system, which currently occurs mostly at the primary and secondary level. It is not only an issue in Koranic schools, but also in those that are part of the modern education system. Secondary school in Mauritania generally provides a strong set of basic skills; however, the secondary dropout rate has been on the rise since 2014.

#### Relationship to CPF

10. The Country Partnership Framework (CPF) FY18-23 highlights 'increasing the employability particularly of youth and women' as one of the four priorities under the pillar on 'Building Human Capital for Inclusive Growth'. The Mauritania Youth Employability Project is totally aligned with the CPF, which aims to focus on (a) working with cross-cutting to develop market-relevant skills in collaboration with the private sector (basic training, internship, literacy, life skills), building on the model developed in the ongoing skills project; (b) providing self-employment through coaching and monetary transfers (by value chains); and (c) encouraging entrepreneurship (and job creation) among youth in high value-added sectors and value chains.

### **C. Proposed Development Objective(s)**

The Project Development Objective is to promote the employability of vulnerable youth in selected areas.

#### Key Results (From PCN)



*Indicator 1: Youth successfully launching activities or employed, number (disaggregated by gender)*

- Baseline: 0 (2019)
- Target: 10,000 (2023)

*Indicator 2: Youth benefiting from program still in employment after two years, percent (disaggregated by gender)*

- Baseline: 0 (2019)
- Target: 65% (2023)

*Indicator 3: Income increase for youth benefitting from the program, percent (disaggregated by gender)*

- Baseline: N/A (2019)
- Target: 30% (2023)

**D. Concept Description**

11. The project will seek to improve employability for vulnerable youth in Mauritania, especially women, taking into account the main constraints highlighted in the previous sections: low job creation in the formal sector; limited access to employment services, information, credit and business training; as well as lacking opportunities for skills development.
12. The project will consist of two core components: (i) an economic inclusion program for vulnerable youth; and (ii) a component aimed at both strengthening government capacity for the implementation of this program and providing project management.

**Component 1: Economic inclusion program for vulnerable youth**

13. The objective of this component is to develop an economic inclusion program for vulnerable youth. This program will aim to improve their employability through an integrated package of employment services. Where feasible, the program will build on existing employment services and training interventions. In order to capitalize on the World Bank's geospatial approach to development in Mauritania, the project will focus on the four urban and peri-urban areas of Nouakchott, Rosso, Kiffa, and Nema. The aim will be to: (i) tailor the services to the specific needs of the target youth population; (ii) successfully integrate these services in order to achieve the maximum possible impact for youth, while ensuring the interventions are not too complex; (iii) minimize the unit costs, so that the program can benefit the maximum number of vulnerable youth; and (iv) link the skills training with employment opportunities in the regions where it is being implemented. Given that Mauritanian youth have few opportunities for paid employment in either the formal or informal sectors, the project will also support innovative approaches to promoting self-employment.
14. This program will provide a multidimensional and integrated employment services package, which will support vulnerable youth along their path to employment. The package will contain a mix of services, which will depend on the particular needs of the beneficiary, and may include: orientation sessions, life skills training, technical skills training, management training courses, cash transfers for income-generating activities, as well as job search assistance/ coaching and job placement.



15. The path of the youth in the economic inclusion program will be tailored to their circumstances, as well as to the professional objectives that the beneficiary will have set out during the orientation session. There will essentially be two tracks available for project beneficiaries: (i) one for those seeking formal wage employment; and (ii) another for those seeking self-employment.

## Component 2: Strengthening Government Capacity for Implementing the Economic Inclusion Program and Project Management

### Sub-component 2.1: Strengthening Government Capacity for Implementing the Economic Inclusion Program

16. This sub-component will aim to strengthen to capacity of the various government agencies that will be responsible for the implementation of the economic inclusion program. The support provided will be based on a thorough capacity assessment of each stakeholder. For certain agencies these capacity assessments have already been carried out. The capacity building provided may take the form of training, materials, technical assistance from experts in the field, or study tours.

17. This sub-component may also support the expansion of services of government agencies in focus areas of program implementation. The Technical and Vocational Training Institute (INAP-FTP) has a limited active presence in many regions, for example. Their main engagement is the network of regional vocational training and development centers (Kiffa, Rosso, Sélibaby, Aioun, Nem, Tidjikja, Kaedi, Aleg) as well as the technical and vocational high schools. The regional centers were the main training providers under the Mauritania Skills Development Support Project (P118974). The regional centers are permanent facilities mainly financed by the government. Some donors (i.e. German cooperation) are supporting the government effort through rehabilitation and modernization of the infrastructure and material.

### Sub-component 2.2 : Project management

18. This sub-component will support activities related to project management and the fiduciary aspects of the program. It will ensure that the project implementation unit (PIU) is operational and that it successfully and efficiently implements the project in accordance with the financing agreement, the project appraisal document (PAD) and the manuals for project implementation (operational manual, as well as the administrative, financial management and procurement manuals).

More specifically, this sub-component will finance:

- a) Project Implementation Unit (PIU). A project operations coordinator will be hired along with fiduciary specialists (procurement and financial management) to support the implementation of project activities. They will be situated in the executing agency.
- b) Equipment and operating costs (equipment maintenance costs, services and supplies, communications, vehicle operations, maintenance and insurance, etc.);
- c) Regular internal and external audits (which will focus on financial and procurement aspects);
- d) Training of the PIU fiduciary staff; and
- e) Costs associated with project reports, including a mid-term review involving stakeholders and civil society.



Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

#### Summary of Screening of Environmental and Social Risks and Impacts

On the social side the project itself does not involve significant or irreversible social impacts and the anticipated impacts (acquisition of land/restriction of land use, labor and working conditions (including minimal labor influx), potential impacts to community health and safety) can be managed/mitigated. With respect to the environment, environmental risks are low due to the grant size, which will be anywhere between 200-400\$ paid in one or in two tranches. The grant can be used as the starting capital for micro income generating activities, to cover the cost of tools, or simply to help in searching for gainful employment. This grant will be treated very much as cash transfers in many of the current social safety net projects, giving the households the freedom to use it to improve human capital or assets accumulation.

I hope this helps but please let me know if more info is needed.

**Note** To view the Environmental and Social Risks and Impacts, please refer to the Concept Stage ESRS Document.

#### CONTACT POINT

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**APPROVAL**

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