

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC13706

Date ISDS Prepared/Updated: 28-Jul-2015

Date ISDS Approved/Disclosed: 06-Oct-2015

I. BASIC INFORMATION

A. Basic Project Data

Country:	Kenya	Project ID:	P151831
Project Name:	Kenya Youth Employment and Opportunities (P151831)		
Task Team Leader(s):	Cornelia M. Tesliuc		
Estimated Appraisal Date:	11-Jan-2016	Estimated Board Date:	22-Mar-2016
Managing Unit:	GSP01	Lending Instrument:	Investment Project Financing
Sector(s):	Other social services (100%)		
Theme(s):	Improving labor markets (100%)		
Financing (In USD Million)			
Total Project Cost:	150.00	Total Bank Financing:	150.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			150.00
Total			150.00
Environmental Category:	C - Not Required		
Is this a Repeater project?	No		

B. Project Objectives

The proposed Project Development Objective (PDO) is to increase employment and earnings opportunities for targeted youths.

The beneficiaries of the project will be youths aged between 16 and 29 years of age who are jobless and have experienced extended spells of unemployment or who are currently working in vulnerable jobs defined as those working on their own account, a contributing family member, or working for

wages in a household enterprise with fewer than 10 workers. During preparation the target group will be further refined to promote access for women and disadvantaged youth.

C. Project Description

The Project proposes a market-driven approach to increasing the employment and earnings opportunities of youth beneficiaries. Its scope will be national with an effort to reach youths in all regions and counties. Positive values for the Project's KPIs will be achieved by strengthening and expanding active labor market programs that have already been carefully evaluated in Kenya and similar country settings and have been shown to be effective in increasing youth employability and promoting job creation and productive employment. Active labor market programs include all social expenditures other than education aimed at improving the prospects of beneficiaries finding gainful employment or otherwise increasing their earning capacity.

The Project will address employment issues for youths on both the supply and demand sides of the labor market as well as issues affecting the intermediation of these markets. The issues affecting youth employment and the realization of Kenya's youth dividend include: (i) slow macroeconomic growth and job creation; (ii) labor regulations that discourage job creation in the formal wage sector; (iii) the resulting large share of employment in the informal sector with its low productivity and earnings; (iv) the lack of the technical and behavioral skills sought by employers among job seekers; (v) training institutions that lack the curricula and instructional capacity to meet the demands of the market; and (vi) the absence of adequate labor market information to match labor demand and supply and to enable the planning of future investments in skills development.

The four components of the Project will focus on youths who are experiencing difficulty in finding employment and youths who are employed in the informal sector with its low productivity and earnings. Component 1 will address issues on the supply side of the labor market involving insufficient skills and job readiness by offering training and work experience modeled after the Kenya Youth Empowerment Project (KYEP). Component 2 will address issues on the demand side of the market by helping youths to launch new business startups and to expand the potential of informal sector enterprises to create jobs. Component 3 will aim to expand the availability of and access to labor market information for employers, job seekers, training institutions, and policymakers. Component 4 will strengthen institutional capacity for the implementation of Project services, support youth labor market policy development through studies and workshops, provide project management, and carry out monitoring and evaluation activities, including an impact evaluation of the interventions supported under Component 2. Component 4 will also finance further analysis of Kenya's current labor regulations and their impact on youth employment. The Ministry of Devolution and Planning will be responsible for the overall implementation, coordination, and supervision of the Project working with various partners including the National Industrial Training Authority (Component 1), the Micro and Small Enterprise Authority (Component 2), and the Ministry of Labor, Social Security, and Services (Component 3).

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The beneficiaries of the Project will be youths 16-29 years old who are jobless and have experienced long spells of unemployment, or who are currently working in vulnerable jobs, defined as those working on their own account, a contributing family member, or working for wages in a household's enterprise with workers.

At this stage, the Project is likely to have a national scope, meaning that all counties in the country

will be included in the Project. It will ensure that vulnerable groups or marginalized youth groups benefit from funds provided under the project.

The Project activities almost exclusively relate to skills development, work placement and capacity building of the youth. Specifically, in relation to Component 2: Job Creation, the Project will not directly finance the establishment of small business amongst beneficiaries, rather it will enhance their capacities to successfully access knowledge and financing from existing institutions.

E. Borrowers Institutional Capacity for Safeguard Policies

The Ministry of Devolution and Planning (MoDP) will be responsible for the overall implementation, coordination, and supervision of the Project. The MoDP will work with (a) The National Industrial Training Authority (NITA), The Micro and Small Enterprise Authority (MSEA) (to be confirmed), and the Ministry of Labor, Social Security, and Services (MLSSS). Project preparation will include a capacity assessment (by the World Bank) of the key institutions directly involved in delivering the project (August-September 2015).

F. Environmental and Social Safeguards Specialists on the Team

Gibwa A. Kajubi (GSURR)

Susanne Ndunge Ndivo (GSURR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	No	This is fundamentally a capacity building project to train and upgrade skills of unemployed youth in entrepreneurship and to facilitate their access to new businesses. These activities will not result in any adverse environmental risk or social impact. Any activities will have negligible to minimal environmental impacts and will be carried out in accordance with national and local laws and procedures.
Natural Habitats OP/BP 4.04	No	The project will not affect or involve natural habitats.
Forests OP/BP 4.36	No	The project will not affect or involve forests or forestry.
Pest Management OP 4.09	No	The project will not involve pest management
Physical Cultural Resources OP/BP 4.11	No	The project will not affect or involve physical cultural resources
Indigenous Peoples OP/BP 4.10	Yes	The project will be inclusive and also target Vulnerable and Marginalized youth groups. The activities of the project will also be in counties with Vulnerable and Marginalized Groups (VMGs) and therefore will involve youths from VMG groups. A Vulnerable and Marginalized Groups Framework will be prepared before appraisal.

Involuntary Resettlement OP/ BP 4.12	No	The project does not involve land acquisition leading to involuntary resettlement and/or restrictions of access to resources and livelihoods.
Safety of Dams OP/BP 4.37	No	N/A
Projects on International Waterways OP/BP 7.50	No	N/A
Projects in Disputed Areas OP/ BP 7.60	No	N/A

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 30-Nov-2015

B. Time frame for launching and completing the safeguard-related studies that may be needed.
The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

November-December 2015

IV. APPROVALS

Task Team Leader(s):	Name: Cornelia M. Tesliuc	
<i>Approved By:</i>		
Safeguards Advisor:	Name: Glenn S. Morgan (SA)	Date: 24-Aug-2015
Practice Manager/ Manager:	Name: Dena Ringold (PMGR)	Date: 06-Oct-2015

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.