Delivering Opportunities to Youth in Northern Uganda

Short Term Impacts of NUSAF YOP on Non-Migrant Youth*

Christopher Blattman, Yale University
Nathan Fiala, World Bank
Sebastian Martinez, World Bank

Evaluation Team: Suleiman Namara; NUSAF; IPA
Funding sources: BNPP, SIEF, GAP

*Preliminary results. Final impact evaluation results expected September 2010
Outline

1. Youth Employment
2. NUSAF YOP
3. Impact Evaluation Design
4. Tracking Survey Results
5. Lessons Learned & Next Steps
Why is Youth Employment Important?

1. Youth are growing share of population
   - <20% of population under 15 in OECD
   - >40% of population under 15 in SSA (WDI, 2005)

2. High unemployment relative to adults
   - 21% of youth unemployed in SSA relative to 11% of Adults

3. Implications for public and private welfare:
   - Living Standards & Taxes
   - Crime & Conflict
   - Risky Behavior (sex, drugs, alcohol)
     - Health: HIV
What to do about youth employment?

1. **Labor Supply:**
   - **Skills/knowledge:**
     - Formal Education
     - Technical and Vocational Education Training (TVET)
     - Job placement
   - **Money/inputs:**
     - Money
     - Credit
     - Tools, supplies, equipment, etc

2. **Labor Demand:**
   - **Labor market policies**
     - Labor codes, benefits, taxes
     - Minimum wage
   - **Labor market programs:**
     - Wage subsidies
Existing Evidence on TVET

- Evidence of youth employment programs in US, UK mixed (Lalonde, 1995; Heckman et al, 1999)
- Existing Evidence on effectiveness of Youth Employment programs in developing countries very thin
  - Betcherman et al. 2007:
    - 33 evaluations of enterprise development programs
    - 3 use control groups, none are experimental, none are in Africa
- Most experimental evaluations currently from Latin America
  - Card and Ibarraran (2007) in Dominican Republic:
    - Vocational Training: no effect on employment; small effect on job “quality” (wages and health insurance).
      - Project re-designed and being evaluated in phase 2.
        - Technical v.s. Life skills
  - Attanasio et al. (2008) in Colombia:
    - Vocational Training: increased employment and earnings for women
Building the Evidence in Africa

- NUSAF YOP one of the first randomized studies of youth employment programs in Africa

- Other ongoing studies:
  - Kenya
  - Liberia
  - Malawi
  - South Africa
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Northern Uganda Social Action Fund (NUSAF)

- **CDD**
  - $100M IDA credit
  - Empower communities to identify, prioritize, and plan for their needs within their own value systems.

- **Youth Opportunities Program (YOP)**
  - $6M component
  - Grants up to $10,000
  - Groups of 15-30 youth (age<32)
  - Purchase vocational training and equipment
NUSAF Youth Opportunities Program

- Provide youth with specific vocational skills and tool kits to enable them to earn incomes and improve their livelihood.
- Contribute towards community reconciliation and conflict management.
- Build capacity of NGOs, CBOs, and Vocational Training Institutes (VTIs) to respond to the needs of youth.
Evaluation Questions

- Do YOP grants for vocational training AND assets improve lives?
  - Training and enterprise formation
  - Labor market outcomes
  - Income
  - Psychosocial well-being
  - Household assets and consumption levels
  - Leadership abilities and empowerment
  - Community integration
  - Conflict and violence
  - Risky behavior

- Program design question:
  - Does additional management support improve the success of YOP funded projects?
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Evaluation Design

Full Sample
530 groups

Control
260 groups

Treatment
260 groups

CCD 1
80 groups
Normal program

CCD 2
90 groups
District evaluate facilitator

CCD 3
90 groups
Youth evaluate facilitator
## YOP Baseline Balance

### NUSAF YOP - Random Assignment

<table>
<thead>
<tr>
<th></th>
<th>Control</th>
<th>Treatment</th>
<th>T-stat</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGE</td>
<td>24.7</td>
<td>25</td>
<td>0.25</td>
</tr>
<tr>
<td>Female =1</td>
<td>0.35</td>
<td>0.34</td>
<td>0.9</td>
</tr>
<tr>
<td>Married/partnered =1</td>
<td>0.56</td>
<td>0.59</td>
<td>1.16</td>
</tr>
<tr>
<td>Number of children</td>
<td>2.5</td>
<td>2.6</td>
<td>1.08</td>
</tr>
<tr>
<td>Ever Borrowed Money =1</td>
<td>0.32</td>
<td>0.32</td>
<td>0.16</td>
</tr>
<tr>
<td>Income last 4 weeks</td>
<td>30,000</td>
<td>32,000</td>
<td>0.84</td>
</tr>
</tbody>
</table>
NUSAF YOP Evaluation Timeline

- **Baseline Survey:** March 08
- **Intervention ends:** April 09
- **Tracking:** November 09 - August 10
- **Endline:** August 10

**Treatmetn Groups**
- 260 (sample 1300 youth)

**Control Groups**
- 260 (sample 1300 youth)

Comparison Period
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Tracking Survey

- November 2009

- 10 original NUSAF districts (excluding Karamoja)

Three Surveys:
- Missing person survey - Re-contact
- Group survey - Training and funding
- Individual survey - Training, labor market, income and psycho-social
Survey results: High attrition, but balanced between T/C

- 393 groups identified out of 450 (12% attrition)
  - 195 treatment groups
  - 192 control groups

- 977 youth identified out of 1893 (48% attrition)
  - 467 youth in treatment groups
  - 499 youth in control groups

Results valid only for non-migrant youth
## YOP Treatment Compliance and Use of Funds

<table>
<thead>
<tr>
<th>Received NUSAUF Funding</th>
<th>Mean Treatment Group</th>
<th>Mean Control Group</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>86%</td>
<td>2%</td>
<td>+84%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Mean Treatment Group</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group expenditures on training USH</td>
<td>2,515,695</td>
<td>19.5%</td>
</tr>
<tr>
<td>Group expenditures on assets USH</td>
<td>7,074,618</td>
<td>55%</td>
</tr>
<tr>
<td>Group expenditures on materials USH</td>
<td>3,266,068</td>
<td>25.5%</td>
</tr>
<tr>
<td>Total USH</td>
<td>12,856,381</td>
<td>100%</td>
</tr>
</tbody>
</table>
Type of Training

Vocational Training - NUSAF Funded

- Carpentry/joinery: 35%
- Tailoring: 30%
- Metal fabrication/welding: 20%
- Hairdressing/barbering: 15%
- Mechanics: 10%
- Other: 5%
## Impact of YOP on Probability of Receiving Vocational Training

<table>
<thead>
<tr>
<th></th>
<th>Vocational Training in last year = 1</th>
<th>Vocational Training in last year = 1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model 1</td>
<td>Model 2</td>
</tr>
<tr>
<td>Treatment = 1</td>
<td>0.57***</td>
<td>0.58***</td>
</tr>
<tr>
<td></td>
<td>(0.039)</td>
<td>(0.037)</td>
</tr>
<tr>
<td>Controls</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>N</td>
<td>917</td>
<td>917</td>
</tr>
<tr>
<td>Control Mean</td>
<td>0.23</td>
<td>0.23</td>
</tr>
</tbody>
</table>

Regressions include district fixed effects and control for sex, age and literacy. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1
## YOP Impact on Employment in Last Week

<table>
<thead>
<tr>
<th></th>
<th>Any Work = 1</th>
<th>Full Time (≥40 hours, excluding Domestic) =1</th>
<th>Skilled Trade = 1</th>
<th>Casual Labor =1</th>
<th>Retail &amp; Service = 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treatment =1</td>
<td>0.027**</td>
<td>0.083**</td>
<td>0.313***</td>
<td>-0.076**</td>
<td>-0.032*</td>
</tr>
<tr>
<td></td>
<td>(0.011)</td>
<td>(0.035)</td>
<td>(0.040)</td>
<td>(0.036)</td>
<td>(0.019)</td>
</tr>
<tr>
<td>N</td>
<td>917</td>
<td>917</td>
<td>917</td>
<td>917</td>
<td>917</td>
</tr>
<tr>
<td>Control Mean</td>
<td>0.972</td>
<td>0.291</td>
<td>0.272</td>
<td>0.285</td>
<td>0.093</td>
</tr>
</tbody>
</table>

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### YOP Impact on Type of Productive Activities

<table>
<thead>
<tr>
<th></th>
<th>Total Hours</th>
<th>Skilled Trade Hours</th>
<th>Domestic Chores Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Random Assignment to Treatment =1</strong></td>
<td>3.29</td>
<td>5.39**</td>
<td>7.83***</td>
</tr>
<tr>
<td></td>
<td>(2.43)</td>
<td>(2.57)</td>
<td>(1.34)</td>
</tr>
<tr>
<td><strong>Treatment*Female</strong></td>
<td>-6.88</td>
<td>0.04</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(5.06)</td>
<td>(2.55)</td>
<td></td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>917</td>
<td>917</td>
<td>917</td>
</tr>
<tr>
<td><strong>Control Mean</strong></td>
<td>39.36</td>
<td>39.36</td>
<td>6.41</td>
</tr>
</tbody>
</table>

Regressions include district fixed effects and control for sex, age and literacy. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1.
## YOP Impact on Income

<table>
<thead>
<tr>
<th></th>
<th>Income past 7 Days (USH)</th>
<th>LN Income past 7 Days</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Random Assignment to Treatment =1</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,588*</td>
<td>-1,499</td>
</tr>
<tr>
<td></td>
<td>(1,381)</td>
<td>(2,054)</td>
</tr>
<tr>
<td></td>
<td>0.20*</td>
<td>-0.18</td>
</tr>
<tr>
<td></td>
<td>(0.10)</td>
<td>(0.16)</td>
</tr>
<tr>
<td><strong>Treatment * Read and Write</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,136**</td>
<td>0.57***</td>
</tr>
<tr>
<td></td>
<td>(2,519)</td>
<td>(0.17)</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>864</td>
<td>864</td>
</tr>
<tr>
<td></td>
<td>741</td>
<td>741</td>
</tr>
<tr>
<td><strong>Control Mean</strong></td>
<td>13031</td>
<td>13031</td>
</tr>
<tr>
<td></td>
<td>9.019</td>
<td>9.019</td>
</tr>
</tbody>
</table>

Regressions include district fixed effects and control for sex, age and literacy. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1. Trim top 5% of outliers.
YOP Impact on Psyco-social outcomes – No Impacts Overall

<table>
<thead>
<tr>
<th></th>
<th>Confident about future</th>
<th>Enjoys participating in Community Activities</th>
<th>Cares for Peers</th>
<th>Feels Helpless</th>
<th>Feels Lonely</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treatment =1</td>
<td>0.037</td>
<td>0.029</td>
<td>-0.005</td>
<td>-0.036</td>
<td>-0.014</td>
</tr>
<tr>
<td></td>
<td>(0.023)</td>
<td>(0.020)</td>
<td>(0.019)</td>
<td>(0.041)</td>
<td>(0.041)</td>
</tr>
<tr>
<td>N</td>
<td>917</td>
<td>917</td>
<td>917</td>
<td>917</td>
<td>917</td>
</tr>
<tr>
<td>Control Mean</td>
<td>0.87</td>
<td>0.91</td>
<td>0.90</td>
<td>0.58</td>
<td>0.54</td>
</tr>
</tbody>
</table>
.... But some interesting interactions

<table>
<thead>
<tr>
<th></th>
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<th>Enjoys participating in Community Activities</th>
<th>Cares for Peers</th>
<th>Feels Helpless</th>
<th>Feels Lonely</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treatment*Female</td>
<td>0.114***</td>
<td>-0.058*</td>
<td>-0.112***</td>
<td>0.083</td>
<td>-0.023</td>
</tr>
<tr>
<td>Treatment * Read and Write</td>
<td>0.021</td>
<td>0.079**</td>
<td>0.089**</td>
<td>-0.021</td>
<td>0.015</td>
</tr>
<tr>
<td>N</td>
<td>917</td>
<td>917</td>
<td>917</td>
<td>917</td>
<td>917</td>
</tr>
<tr>
<td>Control Mean</td>
<td>0.87</td>
<td>0.91</td>
<td>0.90</td>
<td>0.58</td>
<td>0.54</td>
</tr>
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Lessons from Tracking Survey

- Evidence: Hopefully, where there is smoke there is fire….

- Program Operation:
  - 86% self reported compliance with treatment

- Evidence of significant short-term impacts of NUSAF YOP on:
  - Training
  - Employment
  - Skilled Labor
    - Substitution away from domestic chores for women
  - Income

- BUT… wait for endline survey to draw conclusive results:
  - Full sample including movers
  - Detailed cost-benefit analysis
Lessons from Tracking Survey

- Program Design: contributions from IE already taking effect...

- Contributions of IE to future program design (i.e. NUSAF II)
  - Governance issues: 16% increase in payments to officials
  - Gender issues: 33% of enrolled are female
  - Importance of rigorous evaluation methods

- Importance of tracking respondents:
  - Youth are highly mobile!

- Enrich qualitative and quantitative survey instruments
Next Steps

- Coming soon to a seminar near you….

- Endline Data:
  - Contracted survey management team (IPA) and data collection firm (Wilsken)
  - Training of survey teams starts May 31, 2010
  - Focus on tracking of respondents to reduce attrition

- Fieldwork: June-August 2010

- FINAL YOP evaluation results expected August 2010