



Policy Brief

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Towards Improved Employment Opportunities for Youth in Upper Egypt: Lessons Learnt from HAYAT's ICRS Experience in El-Minya Governorate

Youth Unemployment in Upper Egypt: Facts, Figures and Challenges

Although youth aged between 18 and 29 make up around 52% of Egypt's labor force, poverty and unemployment among Egyptian youth is particularly high. According to latest figures released by the Central Agency for Public Mobilization and Statistics (CAPMAS) in August 2015, more than 26% of Egypt's youth are considered unemployed while those living close or underneath the poverty line exceed 50% of the country's 21 million youth.

The situation in Upper Egypt is even more alarming. The country's poorest 1,000 villages are almost all concentrated in Upper Egypt. Over one third of all young people in Upper Egypt are in the poorest wealth quintile and almost 70% of young women in Upper Egypt are jobless (World Bank, 2012). Even if employed, the overwhelming majority of youth is operating in the informal economy without receiving standard labor benefits such as a decent salary, health or social insurance.

When it comes to pinpointing the root causes for high youth unemployment in Upper Egypt, youth often cite the lack of job opportunities in the private sector, unattractive remuneration packages and the poor quality of primary, secondary and vocational education they received as the main reasons for the high levels of unemployment in their regions. In addition to that, there is little focus on employment services. Job counseling and matchmaking services are either totally missing or underdeveloped to adequately narrow the gap between demand and supply in local labor markets.

HAYAT's ICRS Experience: Enhancing Employment Support Services in El-Minya

The HAYAT Human Security Project in Upper Egypt aims at strengthening the economic development in target communities in El-Minya Governorate (particularly the districts of El-Edwa and Maghagha) through the creation of more and better employment opportunities and increased employability of the local labor force. In cooperation with the Ministry of Manpower and Emigration (MoME) and the Governorate of El-Minya, HAYAT has established a pilot Information, Counselling and Referral Service (ICRS) with a mandate to support the government in creating an environment in which the private sector can develop its full potential and play a key role in generating employment and decent jobs. Within the scope of its mandate, the ICRS is assigned the responsibility to:

- build the capacities of staff members of the governmental Public Employment Services (PES) to identify employment gaps, have a stronger outreach to unemployed youth (and returning migrants from conflict areas) and provide better employment support services to local communities;
- organize local information workshops, awareness-raising sessions and job fairs for job seekers and potential employers alike;

- assist the PES in screening and registering job seekers and referring them to potential employers in and outside El-Minya Governorate;
- support the provision of one-to-one career counseling programs and skill upgrading training to better link qualified job seekers to employers;
- establish a web-based platform “forsa” through which job opportunities, business contacts, job seeker profiles and training/coaching programs are announced and exchanged on local and national levels.

To promote sustainability, the ICRS is embedded within the existing structures of the PES at the governorate level. The ICRS team currently consists of three public employees assigned by MoME for the ICRS: a Career Counseling Officer, an Employment Officer and a Database Officer. All three employees received intensive on-the-job capacity building training by HAYAT and are supported by two full-time HAYAT employment experts operating under the technical guidance and backstopping of the International Organization for Migration (IOM) and Nahdet El-Mahroussa, an Egyptian NGO specialized in employment promotion.

Positive Outcomes of the ICRS: Capacity Building, Community Outreach and Skills Upgrading

According to findings of the HAYAT External Mid-Term Evaluation, individual competencies of PES and ICRS staff members have improved considerably through the capacity building, on-the-job training and daily monitoring provided by HAYAT’s employment experts. This has not only increased public officials’ awareness on issues such as screening potential employers in and outside El-Minya and negotiating with them fair and decent labor contracts for local job seekers, it has also empowered them and improved their skills in reaching the unemployed youth and understanding their employment needs and conditions to better channel them to job markets.

In terms of community outreach, the ICRS has contributed to a positive mentality change within the PES. Local employment officials now understand the importance of leaving their desks behind to seek a closer interaction with unemployed youth and potential employers in the field. Not only has the ICRS established successful liaison points with local communities through its partnership with six (6) local NGOs in El-Edwa and Maghagha districts, it has also used local grassroots structures (governmental and non-governmental) to organize job fairs and carry out several information sessions to sensitize the public about the services provided by the ICRS. As of October 2015, almost 1200 beneficiaries from El-Edwa and Maghagha districts (most of them young people below the age of 30) have participated in ICRS information and awareness sessions organized through local NGOs. More than 1000 job seekers from both districts were referred to job opportunities, out of which 485 people got actual jobs (212 of them are returning migrants from regional conflict areas) and are now full-time employees mainly in factories and shopping malls in Greater Cairo.



Ragab Mohammed is one of 212 returnees finding a full-time job through the ICRS.

As a means to qualify local job seekers for the employment market, the ICRS is offering soft, technical and vocational skills training on a regular basis. Candidates interested in upgrading their personal skills can apply for the training courses advertised by the ICRS through local NGOs or register for job counseling sessions. So far, 234 youth from El-Edwa and Maghagha have received the *Passport to Success* Life Skills training targeted specifically to youth who are about to enter the workforce. Trained beneficiaries have learned how to strengthen their personal competencies such as communication and decision-making and have developed skills for successful employment (e.g. effective work habits, teamwork and financial literacy). To prepare local job seekers for administrative jobs in the private sector, more than 60 youth from El-Minya Governorate have obtained the International Computer Driver’s License (ICDL) combined with advanced Microsoft Windows and Office courses. Another 30 job seekers joined English classes offered by the ICRS in order to improve their capacities in communicating in a foreign language.

Key Challenges and Institutional Constraints for a Sustainable ICRS

Although an overwhelming majority of youth have expressed their satisfaction with the quality of services provided by the ICRS, 80% were initially dissatisfied with the type, location or remuneration packages made available through ICRS referrals. Since employment opportunities in the formal private sector in rural Egypt are meager, most of the youth are still seeking employment in the public sector or in a foreign country (mainly in member states of the Gulf Cooperation Council). Financial packages offered by the private sector are usually found insufficient to attract youth to migrate to Greater Cairo or other governorates and leave their villages and families behind.



Announcing job opportunities at one of HAYAT's public information sessions organized by the ICRS in El-Edwa, March 2015.

In terms of institutional procedures, the involvement of the trained PES officers in the ICRS is de facto only part-time since they are expected to serve other PES departments as well. This has not only caused delays in building the personal capacities of the core ICRS staff, it also carries along certain risks that the ICRS might not be able to serve local job seekers effectively and efficiently in the future.

ICRS officers are also lacking logistical resources and financial incentive schemes to conduct field visits and follow up missions. Per diems and vehicles

to transport ICRS employees to employment promotion sessions in the field are usually not made available by the PES. Although ICRS officials clearly see the merits of interacting with job seekers and beneficiaries on a grassroots level, they often find themselves restricted by several bureaucratic hurdles. In addition to that, the fact that the current ICRS employees are all in their 50s and slowly approaching retirement age is also posing a challenge for the sustainability of the ICRS, especially when knowing that the Government of Egypt has officially stopped recruitments in the public sector. The emergence of a dynamic second generation of ICRS officers is therefore in danger.

Irregular and unsystematic monitoring and evaluation of hired job seekers is another key challenge the ICRS is facing. This is partially due to the aforementioned lack of financial incentives to carry out follow up visits in and outside the Governorate of El-Minya, but also a result of an absent professional MIS reporting system that provides regular updates on job seekers, recruited employees and job quitters. And since MoME denied IOM and Nahdet El-Mahroussa the access to the PES database and employment statistics, there is still room for improvement to upgrade the ICRS/PES monitoring and reporting systems.

Conclusions and Recommendations

The ICRS is a much needed employment support facility designed and implemented by MoME and the HAYAT Project to improve and complement the employment services provided by the PES units in each governorate. The ICRS pilot in El-Minya (with focus on El-Edwa and Maghagha districts) has proven to be successful in terms of building the capacities of public employment officials, improving access to unemployed youth on decentralized local levels and upgrading the skills of job seekers to better fulfill labor market requirements.

To mitigate the identified risks that are possibly limiting the sustainability of the ICRS and endangering its effectiveness for better job creation and income generation of rural communities in Upper Egypt, the HAYAT Project is formulating the following recommendations in light of its ICRS experience in El-Minya Governorate:

- All PES units on governorate level and their sub-branches on district level should provide professional information, counselling, referral, training/coaching and business development services to job seekers

and potential employers alike. To do so, the internal management processes within the PES should be optimized and tasks and responsibilities of PES human resources must be revised and modified according to the ICRS mandate. To ensure high quality of services to the beneficiaries, the capacities of ICRS/PES staff members must be built and improved regularly on the basis of best national and international practices.

- To ensure an effective outreach to job seekers, PES units on governorate and district levels (maybe also on village level) should consider developing an outreach strategy that capitalizes on already existing structures and networks, whether formal or informal. This includes among others local NGOs, cooperatives, traders, natural leaders, youth clubs, social events and other family structures.
- ICRS/PES staff must be encouraged to carry out local employment events and also organize follow up visits to employers and recruited beneficiaries. ICRS/PES employees who regularly perform field visits must be rewarded financially which is difficult to realize without an adequate financial incentive scheme. Models can be developed in which the government and the private sector share costs (private employers have an interest in receiving qualified employees trained by the ICRS).
- Since local jobs in the formal private sector in Upper Egypt are rare, ICRS/PES units should take a leading role in advocating for and promoting youth entrepreneurship for income generation. Unemployed youth should be exposed to successful, productive and sustainable youth start-ups in similar rural contexts. They should also receive business development support and coaching from the ICRS/PES or can be linked through the ICRS to other providers of business and financial support (e.g. the Social Fund for Development, banks or microfinance institutions).
- There is an obvious need to develop a strong and transparent quality control and monitoring and evaluation system within the ICRS based on a regularly updated MIS database of job seekers and employers. This will not only maximize job placement outcomes, it will also allow for a better follow up on the employee retention rate, the quality of jobs created and the degree of satisfaction among employers and recruited employees.

HAYAT in Brief

The overall goal of the “Human Security through Inclusive Socio-Economic Development in Upper Egypt” (HAYAT) Program is to improve the livelihood of vulnerable households, youth, women and children in target communities in Minya through inclusive, pro-poor socio-economic development. More specifically, HAYAT aims at strengthening the economic development in target communities through the creation of more, better and sustainable local employment opportunities, as well as enhancing the community structures through the development of local social safety nets, youth centers and community awareness raising.

HAYAT has kicked off in June 2013 and is funded by the United Nations Trust Fund for Human Security Fund (UNTFHS), the Swiss Development Cooperation (SDC) and the Government of Japan. The program is jointly implemented by the United Nations Industrial Development Organization (UNIDO), the International Organization for Migration (IOM), the International Labour Organization (ILO), the United Nations Human Settlements Programme (UN-HABITAT) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women).

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