



# MNA Knowledge and Learning ...Fast Brief



## THE AMAL PROGRAM: “HOPE” FOR UNEMPLOYED YOUTH IN THE MENA REGION

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**Introduction:** To respond to high unemployment rates among youth (often educated entrants to the labor market), many countries in the MENA region have designed and implemented programs that aim to enhance youth employability. However, a recent study revealed that despite significant investments, many youth programs in MENA lack the necessary features that make these types of programs successful. Youth programs in the region are often characterized by weak coordination with the private sector, are supply driven and traditional (mainly in-class training), lack monitoring and evaluation (M&E) systems, and generally do not provide other important services, such as employment intermediation, training in soft and life skills, and/or job counseling.<sup>2</sup>

This note describes a new approach to youth employment programs in MENA through the recently implemented AMAL (Arabic for “Hope”) program in Tunisia. AMAL is the first large-scale publicly financed comprehensive youth program in the region. If well-implemented and carefully evaluated, AMAL could become a building block for a comprehensive reform of youth employment programs in the region.

This note starts with an overview of international best practices for the design/implementation of youth programs. In what follows, the note provides a brief description of youth programs in Tunisia and mainly of the AMAL program, highlighting some of its main challenges and opportunities.

The World Bank supported the Interim Government of Tunisia in the design and implementation of the AMAL program through the Governance and Opportunities Development Policy Loan (DPL), a multi-sector program of reforms that supports the post-revolution transition period.

**A Selected Overview of Youth Programs:** Many countries, particularly in the Organization for Economic Cooperation and Development (OECD) and Latin America, have moved from a traditional in-classroom model to a more comprehensive one that includes supplementary services such as counseling and mentoring, job search and placement assistance, and soft and life skills training. As a result of various crisis, youth unemployment rates soared in many Latin American countries in the late 1990s. In Chile, the Government designed the “*Chile Joven*” program, which offered comprehensive demand-driven training and employment services to unskilled unemployed youth aged 16 -29. The program was so successful that similar models were customized for Argentina, Colombia, Dominican Republic, Panama, Peru, and Paraguay. Successful youth employment programs have some common elements. They (i) are directly linked to a previously identified internship; (ii) provide youth with both technical and life/soft skills; (iii) provide practical experience; (iv) are flexible (classes are held during nights/weekends and offer different schedule alternatives) and (v) usually rely on experimental techniques to monitor and evaluate the impact of the training program on participant labor market outcomes.

**Youth Programs in Tunisia:** Active Labor Market Programs (ALMP) targeted to young unemployed individuals have long been at the core of Tunisian labor market policy. ALMPs were first launched in

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1981 in response to employment challenges faced by graduates from vocational training institutes. In 1987, paid internships were introduced to facilitate the job insertion among first-time job seekers. In 2004, ALMPs began to offer wage subsidies and exemptions from social security to employers as a way to encourage them to hire unemployed university graduates. By 2009, the National Agency for Employment and Independent Work (ANETI), Tunisia's public employment office, managed over 20 ALMPs, which were subsequently bundled into six programs to facilitate their administrative and financial management. Today, most programs consist of internships that provide beneficiaries with a small monthly income-assistance allowance. One of the main instruments to address high and rising unemployment among educated first-time job seekers is the "*Stage d'Initiation a la Vie Professionnelle* (SIVP), a program that provides beneficiaries with on-the-job training through a paid internship (150 TND monthly for 1 year), and covers social security payment contributions and training costs (for up to 200 hours). In practice, however, the vocational training component of the program has been virtually absent and the program's placement rates are rather low at 23% in 2010. In recent years, the government has also supported entrepreneurship by providing training, coaching, and financing services to young entrepreneurs.<sup>3</sup>

**The AMAL Program:** In light of recent events (Jasmine Revolution), Tunisia's interim Government launched the AMAL ("hope" in Arabic) program in February 2011. AMAL is a comprehensive youth employment program that seeks to revamp SIVP by providing additional employment services to unemployed university graduates for a maximum of 12 months. The program provides its beneficiaries with career coaching, training, as well as with a monthly TND 200 stipend (equivalent to US\$150) to encourage them to actively search for a job. The Ministry of Vocational Training and Employment (MoVTE) oversees AMAL, while ANETI, Tunisia's public employment office, is in charge of its implementation.

**AMAL Program Components:** AMAL has five main components: (i) **coaching**, to help young people identify, develop, and meet their professional goals and objectives. ANETI counselors classify beneficiaries in one of three categories, each of

which differs in coaching intensity: those who want to become entrepreneurs and establish their own businesses, those who have somewhat clear professional goals and objectives, and those who lack a career path; (ii) **vocational training**, to prepare trainees for jobs that are based on manual or practical activities, traditionally non-academic, and related to a specific trade, occupation, or vocation. Training courses leverage existing vocational programs and are adapted to regional needs and are provided through the Tunisian Agency of Vocational Training (ATEP) and/or private sector providers; (iii) **life skills training**, to build psycho-social and interpersonal skills which can help youth make informed decisions, communicate effectively, and develop coping and self-management abilities. AMAL beneficiaries must take a three-day introductory course on life skills and can enroll in additional modules at any point in the program. Life-skills modules include: critical thinking, interpersonal skills, decision-making, communication, leadership, team work, problem solving, stress management, respect for oneself and others, and refusal techniques among others; (iv) **retraining**, to help hard-to-employ youth to acquire a new set of skills that are in-demand, and (v) **on-the-job training**, to provide participants with an opportunity to acquire work experience while enabling employers to assess their performance at the workplace.

#### **Program Beneficiaries:**

(a) *Eligibility.* First-time job seekers with at least an Associate's Degree (equivalent to a tertiary education degree) from an accredited institution are eligible to enroll in the AMAL program. A first-time job seeker, for the purposes of this program, is defined as an individual without work experience and/or who has worked for less than twelve consecutive months since obtaining his/her diploma. Individuals who have previously benefited from a youth employment program (e.g. SIVP) are also eligible to enroll in AMAL. In order to remain eligible, beneficiaries must fill out an electronic form with detailed information regarding his or her monthly job search efforts on ANETI's website and attend all coaching sessions/training activities. Only three excused absences are permitted.

(b) *Program Reach.* More than 170,000 youth have enrolled in the program since its launching in February 2011. The Governorates with the largest number of beneficiaries are Tunis, Sfax, Gafsa, Nabeul, and Medenine. It is important to note that

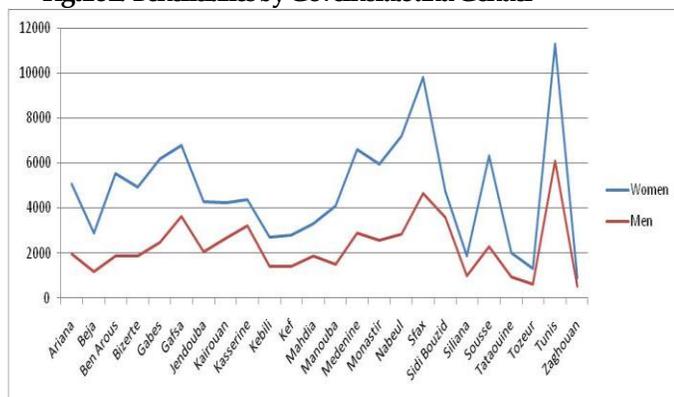
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<sup>3</sup> In 2009, the government piloted a program to provide coaching and start-ups for the best business plans developed by university graduates (*concurs de memoires*).

four of these Governorates (Tunis, Sfax, Gafsa, and Medenine) had the highest percentage of registered unemployed university graduates prior to the launching of AMAL.

The introduction of AMAL raised significant expectations among potential beneficiaries. After the program was launched, about 70 thousand new youth registered in ANETI (representing an increase of 69% in registered unemployed) (Table 1).<sup>4</sup> Kasserine and Bizerte were the two regions with the highest percentage increase in registered unemployment. Kasserine has one of the highest youth unemployment rates in the country and Bizerte is an important tourism and trade destination, which was quite affected by the Jasmine Revolution. Achieving higher rates of registered unemployed (to total unemployed) is regarded as a positive outcome, since it is a proxy for the Government's capacity to reach out to the population in need of employment services.

**Figure 2: Beneficiaries by Governorate and Gender**



(c) *Gender Profile.* Many feared that AMAL would entice inactive individuals (mainly women) and/or informal workers to benefit from the program. However, a closer look at the statistics contradicts this argument. Of the more than 170,000 AMAL beneficiaries, 68 percent are women and 22 percent are men (a feature that holds in all Governorates) (Figure 2). This gender breakdown is identical to that of registered unemployed university graduates prior to the launching of AMAL (67 percent women and 23 percent men as of February 2010). Furthermore, about 62 percent of all SIVP beneficiaries are women, thus providing additional evidence that the gender distribution of AMAL versus other employment programs is similar.

(d) *Unemployment Profile.* Approximately 77,000 youth (about 45 percent of all program

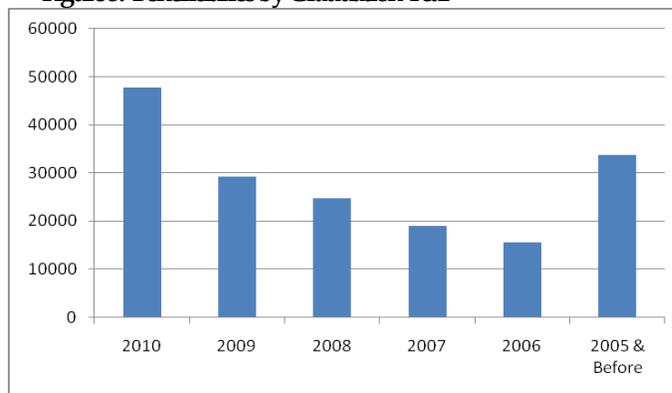
<sup>4</sup> All AMAL beneficiaries must register in ANETI.

beneficiaries) obtained their university diploma between 12 and 24 months prior to the launching of AMAL. As indicated from recent estimates from the 2009 Labor Force Survey (LFS), about one-third of all unemployed in Tunisia have been so for more than 12 months. This finding indicates that AMAL is benefiting a significant share of first entrant university graduates who became long-term unemployed (Figure 3).

**Table 1: Increase of Registered Unemployed University Graduates as a Result of AMAL by Governorate**

Governorate	Registered ANETI 04/10	Registered AMAL 05/11	% Increase as a result of AMAL
Kasserine	2023	7571	274.2%
Bizerte	2630	6788	158.1%
Tunis	8495	17351	104.2%
Sfax	7281	14479	98.9%
Ariana	3540	7030	98.6%
Nabeul	5259	10033	90.8%
Manouba	3034	5590	84.2%
Kebili	2225	4077	83.2%
Sidi Bouzid	4551	8319	82.8%
Sousse	4753	8610	81.1%
Monastir	5360	8514	58.8%
Kairouan	4349	6898	58.6%
Gafsa	6877	10420	51.5%
Ben Arous	4956	7422	49.8%
Tozeur	1315	1930	46.8%
Beja	2751	4033	46.6%
Gabes	5967	8662	45.2%
Zaghouan	1011	1449	43.3%
Kef	2933	4180	42.5%
Mahdia	3641	5142	41.2%
Medenine	6978	9481	35.9%
Tataouine	2528	2926	15.7%
Jendouba	5663	6313	11.5%
Siliana	2731	2897	6.1%
Total	100851	170115	68.6%

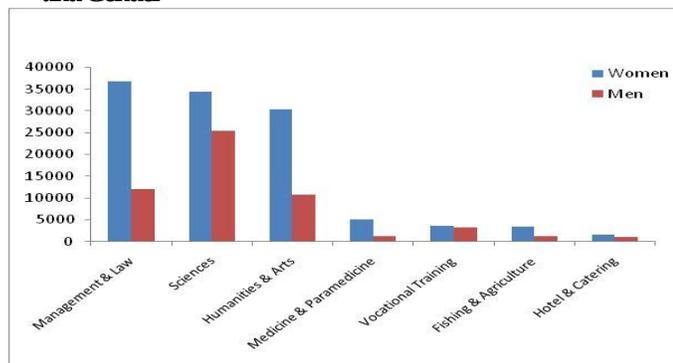
**Figure 3: Beneficiaries by Graduation Year**



(e) *Education Profile.* The great majority (88 percent) of AMAL beneficiaries have degrees in Sciences, Management & Law, and Humanities & Arts. This resembles the educational background of registered unemployed university graduates prior to the launching of AMAL (92 percent of all registered unemployed have degrees in these three same specialties). It is important to note, however, that the largest portion of women beneficiaries (32 percent) have a degree in Management & Law,

while the largest portion of men beneficiaries (46 percent) have a degree in Sciences (Figure 4).

**Figure 4: AMAL Beneficiaries by Educational Background and Gender**



**Challenges:** The success of AMAL and its impact on labor market outcomes among youth will depend on several factors:

(a) *Constraints on Labor Demand.* The nature of unemployment in Tunisia, as in many countries in MENA, is structural and arises from important constraints on labor demand. Programs like AMAL address supply-side constraints (i.e. enhancing employability and facilitating labor intermediation). In an environment where jobs are limited, the impact of the program may be undermined by stagnant employment creation.

(b) *Implementation.* Much of the success of AMAL will depend on how the program is implemented. ANETI will need to improve its capacity to **deliver** some employment services offered by AMAL, especially coaching and life-skills training. The success of these components depends on building the right partnerships with private providers and non-governmental organizations (NGOs) (which is a new concept in Tunisia, where provision of employment services has traditionally been a monopoly of the State). AMAL requires interactions and close coordination across employment (e.g.: ANETI) and training agencies (e.g.: ATFP).

In particular, these institutions will need to design formal mechanisms to efficiently exchange data and other program information. In Tunisia, as is the case in many countries in MENA, training and employment agencies traditionally work separately. Moreover, the interactions and division of responsibility between AMAL and other existing employment programs (such as the SIVP) should be better defined to avoid crowding-out. In

fact, according to AMAL program managers, many youth have quit SIVP in order to benefit from AMAL (which provides more benefits with similar eligibility requirements).

(c) *Involvement of the Private Sector.* Close coordination and strong partnerships with the private sector is a key factor for the success of AMAL, since it will be the main source for on-the-job training for program beneficiaries. Training and re-training will need to meet the demands of the private sector.

(d) *Sustainability.* Finally, important concerns arise about the sustainability of AMAL. As is currently envisaged, AMAL will only last one year and its implementation costs are significant (about 1% of GDP in year 2011). Tunisia's capacity – and that of many Arab countries – to sustain such investment remains questionable.

**Conclusion:** The introduction of comprehensive youth programs, like AMAL, could constitute a building block to address the current employment crisis in the Middle East, especially since youth unemployment will continue to be one of the main social issues in the region in the years to come. While programs like AMAL do not substitute private investment, in-depth labor market reform, and/or economic growth, they could constitute a mechanism to foster social cohesion, provide temporary income support, encourage entrepreneurship among university graduates, and enhance employability and skills of the workforce. While AMAL faces challenges like any other program of its kind, it represents an opportunity for policymakers across the region to assess the effectiveness of this model in MENA and, if successful, replicate it to address the employment challenges afflicting unemployed university graduates in the region.

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