



THE WORLD BANK



# Evaluating Impact: Turning Promises into Evidence

Unemployment Insurance Scheme  
*Jordan/Syria*

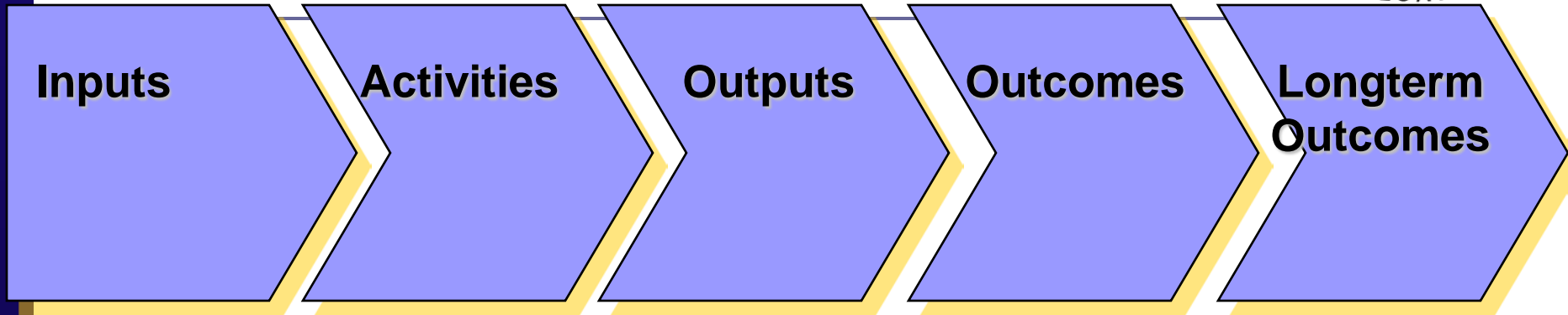
Group #14

# 1. Background

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- ❑ Greater maturity in economic level and ongoing reforms necessitate availability of more secure income protection mechanisms in Jordan/Syria
- ❑ At present, neither country has Unemployment Insurance (UI) schemes
- ❑ There is a growing need to enhance flexibility and dynamism of Labor Markets (LM) in both countries
- ❑ In *Syria*, UI scheme proposed as part of reform package covering LM, Pensions, and UI (nascent efforts)
- ❑ In *Jordan*, efforts by Govt. to increase participation rates in/attractiveness of private sector by providing UI; also bid to provide maternity insurance to increase appeal of private sector to women

# 2. Results Chain



- Financial Resources
- Staff

- Suitable Training
- Capacity Building
- Linking Empl. Services to UI scheme
- Collection of Contributions
- Finalization of UI savings account design
- Develop Implementation Action plans
- Manage Decision making/legislative processes
- Establish benefit payment procedures
- Develop M&E system

- Better trained staff
- UI benefits delivered to recipients
- UI beneficiaries receive job search assistance

- Improved Welfare
- Better consumption smoothing
- Improved Protection of covered population from loss of income shocks

- Reduction in Unemployment Rate
- More dynamic Labor Market
- Improved Econ. Growth and Better Job Creation

# 3. Primary Research Questions

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- ❑ How would UI scheme improve the welfare of the targeted groups (i.e. unemployed workers from any sector covered under Social Security Umbrella)?
- ❑ How well will benefits from UI help to better achieve consumption smoothing?
- ❑ What is the influence of introduction of UI scheme on participation rates in private sector ?

# 4. Outcome Indicators

- ❑ % increase in income of covered members before and after implementation of UI
- ❑ Average Duration of unemployment spells for covered versus non-covered members
- ❑ Average number of days unemployed in a year for covered versus non-covered members
- ❑ Ratio of level of consumption of covered members currently unemployed to level of consumption of covered members currently employed
- ❑ Ratio of total unemployed persons covered by UI scheme to total unemployed persons *(used to measure Protection coverage/adequacy of UI scheme)*
- ❑ % annual increase in participation rates in private sector

# 5. Identification Strategy/Method

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- ❑ The proposed UI program offers universal coverage; A member of the course faculty advising this group felt that this program may be challenging to evaluate in its current form;
- ❑ The suggestion was to run a **pilot** – say, in a voluntary program setting – subject to different conditionalities to assess impact of implementing the UI scheme on a smaller scale;
- ❑ The team proposes having different scenarios capturing different eligibility criteria and comparing impact from different scenarios;

## 6. Sample and data

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- ❑ For SAMPLE, randomize at the firm level within a sample of representative industrial parks
- ❑ On DATA, at present, both Jordan and Syria have a Social Security database which captures various characteristics of covered population
- ❑ Further information can also be obtained from the Department of Statistics (e.g. raw data corresponding to each block unit surveyed)

# 7. Time Frame/Work Plan

- ❑ **Preliminary Planning** - finding pilot locations/determining sample size/finalizing pilot design – *6 months*
- ❑ **Pilot Implementation** – registering employees/collecting contributions from employer & employee/testing eligibility criteria/ - *3 years*
- ❑ **Data Collection** – *3 months*
- ❑ **Data Analysis** – *1 month*
- ❑ **Follow-up to Pilot** - Meeting with Stakeholders/Sharing of Pilot results/ Inputs and feedback for UI Scheme design/Independent evaluation of pilot results by International expert(s)



## 8. Sources of Financing

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- First of all, identify funding from different International Aid agencies/Development Banks
- Provide co-financing from GoJ/GoS