



**Volume 2: Impact Assessment Survey Report of the Private Sector  
Development and Employment Promotion Project Activities in South and  
Central Iraq**



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# **Under the Private Sector Development and Employment Promotion Project, the Information Management Capacity Building and Technical Support to the Ministry of Labour and Social Affairs (MoLSA)**

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## Abbreviation

**EU:** European Union

**GIZ:** The Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH

**BMZ:** German Federal Ministry for Economic Cooperation and Development

**MoLSA:** Ministry of Labour and Social Affairs

**MoYS:** Ministry of Youth and Sports

**PSD:** Private Sector Development and Employment Promotion Project

**NRC:** Norwegian Refugee Council

**IOM:** International Organization for Migration

**SME:** Small and Micro Enterprises

**MSME:** Micro, Small, and Medium Enterprises

**EP:** Employment-Path

**BP:** Business-Path

**C.V:** Curriculum Vitae

**VT:** Vocational Training

**VTC:** Vocational Training Center

**EHS:** Education, Health, Social Services

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## Executive Summary

### Post assessment survey:

The post-assessment survey was designed to measure the impact of private sector development (PSD) activities on the employment status of beneficiaries, following completion of project activities. This is the second report that assesses the impact of the PSD project in Southern Iraq, following publication of the first volume in November 2022<sup>1</sup>.

A comprehensive evaluation of project outcomes will provide a more profound insight into the correlation between the activities implemented, and the improvement of the beneficiaries' prospects to access employment opportunities or nurture their entrepreneurial ventures. The assessment initially focused on the South and Central regions of Iraq, including Baghdad, Basra, and Diwaniya. However, due to the COVID-19 pandemic, many activities between 2019 and 2022 were conducted online, which allowed participants from various Southern and Central regions to take part in the PSD project activities. The study was carried out through an extensive series of phone surveys involving more than 2,007 interviews. In this report, GIZ's provided support for local communities in the aforementioned locations between 2020-2022, by providing technical vocational trainings (TVETs), in-kind support, startup toolkits, soft-skills trainings, guidance and mentorship. The activities covered various sets of complementary skills that were aimed at increasing the beneficiaries' abilities to navigate their way into the labour market by developing individual business initiatives or obtain job opportunities if unemployed.

### Methodology:

Similarly to the first volume of the report, the post-assessment survey report was developed in three phases. During Phase 1, GIZ's Monitoring and Reporting team developed survey questionnaires (**Annex 1**), which focused on changes in employment status, employment prospects development, and business status. During Phase 2, iMMAP targeted 2875 beneficiaries, from which 2,007 surveys were utilized for analysis. The phone surveys were conducted from November 13, 2022 to February 09, 2023 by five survey data collectors. Alongside data collection, continuous monitoring and verification was conducted to ensure the completeness and accuracy of data.

### Limitations:

The PSD project encompassed complex activities across various sectors, locations, demographics, and partners. This complexity requires a deeper understanding of how project activities correlate with observed changes in skills uptake and employment status to support the analysis. iMMAP was able to undertake the data collection activities with the basic information shared, with no in-depth desk review conducted. The data collectors were trained to extract key information from the respondents, using both qualitative and quantitative methods.

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<sup>1</sup> [Impact Assessment Survey report of Private Sector Development project implementing partners' activities in Southern Iraq.](#)



On multiple occasions, survey respondents lacked accuracy and consistency, and the team adopted a conversation-based approach to encourage information sharing. Through this approach, they were able to enhance the accuracy of data, while verification and data cleaning was sufficient to remove inconsistent data or apply corrections where feasible.

### Numerical key findings summary:

This post-assessment report provides an analysis of various employment aspects, as well as their relation to the implemented activities. The below tables provide a summary of the key findings outlined within the report.

|  | Yes | No   |
|--|-----|------|
| Overall employment change after the intervention | 677 | 1330 |

Table 1: Overall positive employment status change.

|   | Males | Females |
|---|-------|---------|
| Job seekers found employment through the created jobs by the supported businesses | 209   | 63      |

Table 2: Employment creation through the supported businesses

| Private sector | Public sector |
|----------------|---------------|
| 85%            | 15%           |

Table 3: Sectors of beneficiaries' employment following the intervention.

| Opened selling portal/market | Founded business with partner | Work from home | Work from home and online | others |
|------------------------------|-------------------------------|----------------|---------------------------|--------|
| 60                           | 30                            | 25             | 51                        | 18     |

Table 4: Beneficiaries business development.

|                                  | 0-20% | (20-40) % | (40-60) % | (60-80) % | (80-100) % |
|----------------------------------|-------|-----------|-----------|-----------|------------|
| Employment prospects improvement | 111   | 244       | 682       | 750       | 220        |

Table 5: Respondents reporting improvement in employment prospects.

|                           | 0-20% | (20-40) % | (40-60) % | (60-80) % | (80-100) % |
|---------------------------|-------|-----------|-----------|-----------|------------|
| Skills gained improvement | 6     | 70        | 811       | 914       | 206        |

Table 6: Respondents reporting improvement in skills.

## Background

### Iraqi Economic Context

The conflict with the Islamic State in Iraq during 2014 had far-reaching ramifications, that led to massive displacement, and imposed substantial negative economic implications that continue to be felt to this day. These effects were compounded by the volatile oil prices during the

unprecedented disruption caused by the 2020 Covid–19 pandemic, both of which worsened Iraq's pre-existing economic predicament.

The existing economic and social fragilities, as well as the incapacity of the state to mobilize financial resources to boost recovery and maintain social assistance has increased the vulnerability of its population. Adding to the equation, Iraq is one of the most countries most affected by climate change<sup>2</sup>, which has led to a decrease in water resources that negatively impacts economic activities associated with the agricultural and fishery sectors, as well as other water reliant industries. Economic growth is vital to ensure long-term prosperity for all Iraqis and to promote greater self-reliance. While the private sector has the potential of becoming an important source of growth for the economy, lack of access to private investment capital, insufficient financial and institutional support, as well as political instability hampers its development. In 2021, only 33% of the population at working age were employed in Iraq, while 38% of those within employment are working within the public sector<sup>3</sup>. Recognizing the necessity to tackle the current situation, the Iraqi government has prioritized growth of the private sector and facilitation of job creation, aiming to break free from the cycle of debt and currency devaluation that currently ensnares the state. However, the lack of comprehensive economic reforms has left the private sector in a weakened state, while the labour market's efficacy in connecting job seekers with businesses has significantly declined.

## **GIZ participation in the development of Iraq's private sector**

To support the Government of Iraq in creating opportunities for the Iraqi people, the Private Sector Development & Employment Promotion (PSD) Project has been commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ) and co-funded by the European Union (EU). The project relies on a multi-level approach that interlinks the policy/network level with the institutional development of key partners and capacity development. Enabling vulnerable groups such as women and returnees is imperative to the implementation approach of the project. Furthermore, special attention is given to sectors with a strong potential for growth, such as agribusiness, solar energy, waste management, and hospitality. The PSD project divides its fields of action into two main approaches:

**Investments build jobs:** The project strengthens the capabilities of government partners to develop fact-based economic policies and strategies, fostering public-private dialogues, engaging civil society organizations and academia, and promoting business integrity to improve economic policy conditions for a growth-oriented business and investment climate.

**Jobs build futures:** The project improves employment prospects in the private sector for young Iraqis, especially women and returnees, following an integrated approach that combines labour market-driven skills development and job placement measures as well as entrepreneurship development, and advisory services for Micro, Small, and Medium Enterprises (MSMEs). The project

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<sup>2</sup> [Unfarmed now, uninhabited when? Agriculture and Climate Change in Iraq?](#)

<sup>3</sup> [Iraq labour force survey 2021](#)

supports local education providers, businesses, and civil society groups in providing new self-employment and business opportunities.

To this end, the project activities focused on the development of the private sector by supporting MSMEs, as well as activities aiming at providing youth with skills demanded by the private sector to enhance their engagement and prospects with the local market.

The below table shows the number of beneficiaries reached per activity type.

| Number of respondents | Activities description   | Implementation Period |
|-----------------------|--|-----------------------|
| 1371                  | Employability Training, technical and in-kind support to SMEs, and Vocational trainings in MoLSA's Vocational Trainings Centers (VTC). | 2021-2022             |
| 320                   | Startup toolkit, Vocational Training in MoY&S training center  | 2021-2022             |
| 162                   | PSD supports governmental training centers (MoLSA VTCs) to conduct Technical vocational training in different courses.                 | 2019-2022             |
| 127                   | 1~2 days soft skill training through the use of sports activities  | 2021-2022             |
| 14                    | Barista training, job counseling   | 2021                  |
| 13                    | Training on augmented reality and digital artwork  | 2021                  |

Table 7: Respondents per activity type.

## Survey Methodology

### Survey Focus

The methodology is based on an approach that combines analysis of qualitative and quantitative data, collected through a survey questionnaire developed by GIZ's Monitoring and Evaluation Department. The surveys were conducted by phone, targeting beneficiaries of the private sector development projects implemented by GIZ-PSD project. The sample size was proposed by GIZ, based on the beneficiary databases provided by different implementing partners. To ensure a representative sample, iMMAP aimed to enlarge the recommended sample size across the different partners and locations. A desk review of the project's activities was not required within the post assessment survey, and therefore iMMAP did not conduct assessment of any project documentation or training content. However, iMMAP was provided a general description of the projects and type of activities conducted. Furthermore, iMMAP had no direct contact with the implementing partners at any stage of the survey, and ensured a fair sampling of beneficiaries based on the proposed sample size.

As the Private Sector Development project is focused on increasing employment prospects for Iraqis through jobs and business creation, as well as other development activities, the survey questions (**Annex 1**) were focused on measuring specific changes in employment-related skills and employment status, as well as the beneficiary's ability to enter the labour force as employees and business owners.

## Data Collection

Due to the nature of the survey and the respondents' large geographical distribution across the South and Central regions of Iraq, iMMAP conducted the data collection via phone through a team of five survey data collectors. The phone surveys minimized logistics and access complexities, while maintaining data quality through data verification and comprehensive training of the data collectors. The interview duration took between 12-20 minutes to ensure the beneficiary had a full understanding of the purpose and requirements of the survey, while allowing them to answer the questions comprehensively. The beneficiaries were contacted at different times of the day, according to their availability. The Kobo toolbox was used as the main data collection tool for ease of data collection, processing and analysis. iMMAP ensured that the datasets were stored on secure servers and only accessible by the relevant team members, in compliance with data protection legislation. The survey interviews were carried out between November 13, 2022, and February 09, 2023. In total, iMMAP contacted 2,875 beneficiaries and completed 2,007 surveys. The below table provides a breakdown of the beneficiaries reached.

| Sample target | Calls conducted | Refused Interview | Did not in participate/remember participating in activities | Completed interview | Sample achieved | Success Response rate   |
|---------------|-----------------|-------------------|---|---------------------|-----------------|-------------------------|
| 2,000         | 2,875           | 26                | 39  | 2,007               | 100%            | 70%<br>(2,007 of 2,875) |

Table 8: Overview of beneficiary sample target and numbers reached.

## Data Quality Assurance

Conducting interviews through a phone call modality posed challenges in terms of data quality and accuracy, particularly considering that the interviews were conducted at least six months after the end of the interventions, and in some cases up to two years. That said, iMMAP took all necessary measures to ensure that data quality was maintained throughout the data collection exercise through the following steps;

- Providing a brief to the beneficiaries to remind them of the intervention and using a semi-structured approach during the interview.
- Conducting data verification using adaptive sampling and key data points for comparison.
- Adopted a threshold of six call attempts to ensure the completion of the surveys, based on the availability and abilities of the beneficiaries to respond.
- Ensuring that the data collection team was well trained and regularly monitored during their activities.
- Monitoring the data collected throughout the data collection phase to address and share any feedback related to data quality.

## Constraints Related to the Methodology

The type of activities implemented under the PSD project for the targeted sample were complex and divided between multiple sectors, locations, demographic groups, and implementing partners. This complexity required a more in-depth understanding of the correlation between the activities and the change in employment status related to the labour market skills gained. iMMAP trained the data collectors to be skilled in extracting a full story from the beneficiaries during interviews, related to the benefits gained through the intervention using qualitative and quantitative approaches.

Generally, the responses to the surveys were not always accurate or consistent, which was considering the time elapsed between the end of implementation and undertaking the survey. Many beneficiaries showed confusion and lack of interest in providing precise information related to change in employment status and income. The data collectors used a conversation-oriented approach to enable the respondents to express themselves freely and ensure the accuracy and completeness of the information. Furthermore, there was a high no-response ratio due to discontinued or changed phone numbers. Regardless of the above, the data verification step successfully ensured that the data collected was consistent, while inconsistent data was corrected or removed during the data cleaning process.

The data verification was an effective step to ensure high data quality was obtained, utilizing the lessons learned captured from the first volume of the post-assessment report. Other methods to enhance data quality were applied by optimizing the digital survey forms, including adding constraints, data validation and skip logic.

## Surveyed Sample Information

The survey focused on beneficiaries of the PSD project in the South and Central regions of Iraq. It aimed to gain in-depth insights into the impact of activities conducted between 2020-2022, which included Vocational Training (VT), online training, on-job training, internships, tool-kit provision, and in-kind support. The beneficiaries and activities located in the South and Central regions of Iraq, which suffer disproportionately from high unemployment rates and economic hardship.

Of the 2,875 beneficiaries reached, 2,007 interviews were considered complete for subsequent analysis. The following graphs and tables provide a demographic overview of the targeted beneficiaries and the support provided by each partner.

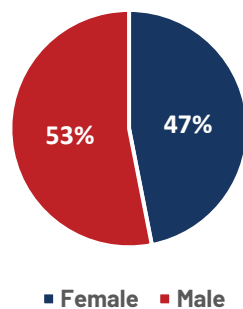


Figure 2: Gender of Survey Respondents.

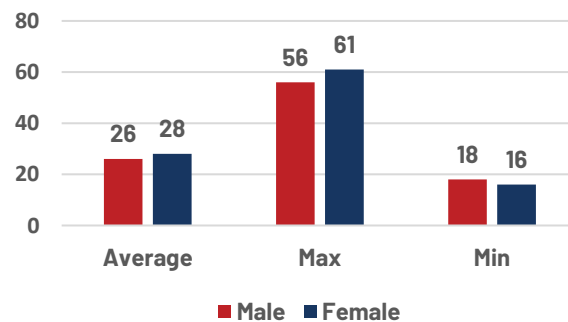


Figure 1: Average Age of Survey Respondents.

A key component of the analysis is to assess the impact of the activities for both males and females, as well as any disparities that may arise due to gender differences. Access to female beneficiaries was challenging due to cultural and contextual barriers, and iMMAP therefore increased the number of females targeted to ensure an adequate representation. Additionally, 60% of the data collectors were female to ensure appropriate gender representation, which encouraged females to engage in the interviews in a culturally acceptable manner.

The average age of respondents was 26 for males and 28 for females, which correspond with the support provided by the PSD project to target youth. Table 09 provides further information about the relationship between the age group and sector of intervention. Participants from the oldest age groups tended to participate in trainings within the agricultural and Education, Health, Social Services (EHS) sectors. Overall, the figures indicate minor age discrepancies across the different sectors. However, the agriculture and EHS sectors demonstrated a higher average age of participants, compared with other sectors.

| Sector        | Average age | Oldest Age | Youngest Age |
|---------------|-------------|------------|--------------|
| Agriculture   | 30          | 33         | 27           |
| EHS           | 29          | 61         | 20           |
| Service       | 28          | 56         | 18           |
| Manufacturing | 27          | 34         | 19           |
| Sales         | 27          | 45         | 19           |
| Construction  | 26          | 38         | 19           |

Table 9: Age group per sector.

Figure 03 represents the geographical distribution of survey respondents at the time of the interview, with the largest sample sizes in Baghdad, Diyala, Basra, and Anbar. The results are coherent with the location of project implementation, as the majority of the beneficiaries remained within the same area after the implementation concluded.

While the total number of interviews conducted was 2,007, it is important to note that the survey questions were adapted depending on the current employment status of the beneficiary. Therefore, not all questions were asked to the entire sample and the tabular and graphical summary may not represent total the sample size. However, some questions were asked to the entire sample by default and in these cases the entire sample size will be included in the analysis. Table 10 illustrates how the survey questions are categorized into two main focus areas of employment and businesses pathways.

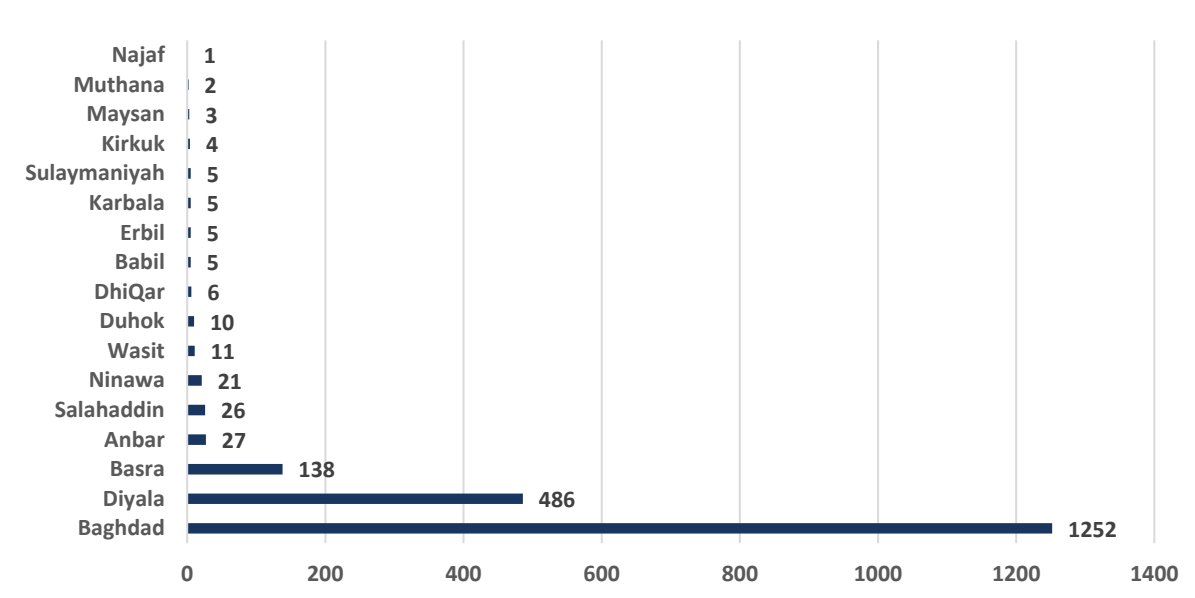


Figure 3: Geographic distribution of survey respondents at the time of the interview.

| Employment status after the intervention  | Total | Group name           | Group description   |
|---|-------|----------------------|---|
| Job Seekers, fulltime employee, daily-seasonal worker, and temporary public sector contract | 1823  | Employment Path (EP) | The focus of activities targeting this groups was on finding employment, rather than owning a business. This includes job searching channels, CV creation, skills to seek employment, etc.). This group of 1,823 beneficiaries will be referred to through the assessment report. |
| Project owner/partner   | 184   | Business Path (BP)   | The focus of activities to support this group was on establishing a business, registering a business, income generation, etc.   |

Table 10: Employment and businesses paths total numbers within the surveyed sample.

### Data Analysis Framework:

Following completion of data collection and processing, data analysis was conducted to ensure that all data records were accurate and complete to ensure the quality of information provided.

This report focuses on the following parameters for the two groups of beneficiaries; namely the employment path (EP) encompassing 1,823 respondents, and the business path (BP) encompassing a total of 184 respondents.

- Employment status change
- Ability to gain employment through increase of job searching channels.

- Enhancing CV creation as a way to target business owners to increase employment prospects.
- Employee contract modalities.
- Skills gained after the intervention, as well as employment prospects.
- Trainings taken after the intervention to increase employment prospects.
- Challenges that prevent job seekers from finding employment.
- Additional information related to businesses established, their official registration, job creation, and income generation.

## Key Findings on Employment Activities

### Change in Employment Status

Prior to the data collection activities, it was agreed to define the change in employment status as any change that had occurred related to employment (temporary or permanent) after participating in any of the project activities. Temporary changes could be considered valid if the impact of these temporary employment changes could lead to a later employment or business development opportunity for the beneficiary. The change in employment status does not necessarily indicate direct improvements in employment status, as this report covers various scenarios for change, such as changing from a job-seeker to employment, part-time employment, day worker or seasonal worker, business partner and business owner, as well as expansion of existing businesses or establishing new businesses.

All respondents were asked if their employment status had changed positively after the intervention. The question did not link answers directly to the activities implemented, but was considered to better understand the overall change that had taken place. “Yes - improved” and “Yes - changed” with the first response indicating that the respondents existing employment status was improved by either expansion of business activities, an increased number of products and services, as well as a change in income. In contrast, respondents confirming that their employment status had changed (as opposed to improved), indicated a change in employment status from one category to another positively such as job seeker to a business owner.

Respondents who experienced no change in employment status showed a similar gender distribution, with an equal number of males and females indicating no positive change had occurred. In contrast, a higher number of the total male respondents (37%) reported a notable change in employment status compared with 30% of the total female respondents. The key factors that impact the change of employment status between male and female beneficiaries were not thoroughly investigated within this survey. However, some indicators were observed when asking beneficiaries to outline the challenges they had faced in obtaining employment opportunities, which will be outlined later in the report.



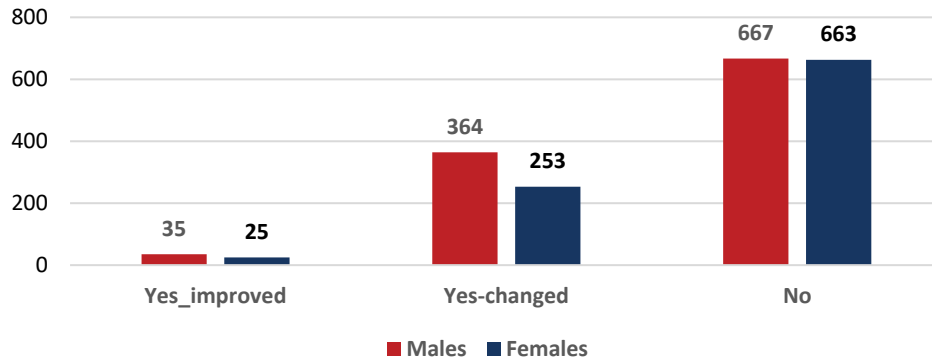


Figure 4: Respondents' employment status positively changed after the intervention, disaggregated by gender.

The above graph highlights that 66% of the survey respondents did not experience any positive change in their employment status following the interventions. It is important to highlight that it is challenging to discern any direct relationship between the interventions and positive changes in employment status, without also considering other external factors that contributed to the changes observed. Factors that could influence the changes observed in the study include the motivation and abilities of the respondents, current market demands, competition, security situation and context, as well as any other activities that the beneficiaries engaged in following the intervention. However, these were not included within the survey questionnaire or assessed within the scope of this post-impact assessment. Instead, respondents were asked whether any positive change in employment status was directly or non-directly to the project activities.

Of the 677 respondents that indicated a positive change in employment status, 20% agreed that the change was as a direct result of the intervention, 55% indicated that it was indirectly related to the project activities, while the remaining 25% indicated that there was no link.

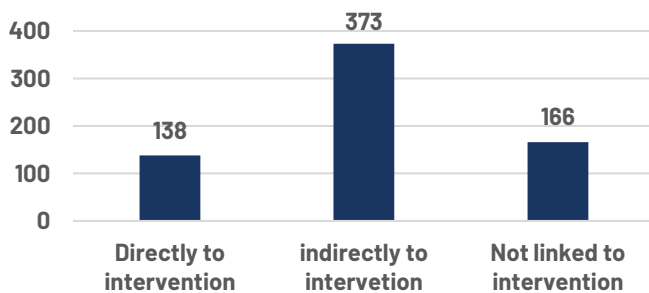


Figure 5: Positive employment status change in relation to the project intervention.

It was observed that the different sectors of intervention showed significantly different correlation with positive employment status change. The majority of the beneficiaries that had indicated a positive change in their employment status are working within the service sector (52%), followed by the EHS sector (22%). The below figure below shows the distribution of beneficiaries that indicated

positive change in their employment status per sector. Of the 677 respondents that indicated positive change, 623 (92%) remained in employment at the time of conducting the survey, while 54 (8%) beneficiaries had since become unemployed. Despite the 54 beneficiaries experienced temporary unemployment, their overall employment prospects improved when entered the labour marker, and they are expected to find work again.

Due to the large number of trainings provided by the PSD project partners, and the lack of information provided on the type of sectors targeted through the various training courses, it is difficult to conclude that interventions targeting some sectors were more successful than others. Some trainings provided general skills (e.g. job counselling, CV creation, computer skills, etc.) which could be considered cross-cutting across a number of different sectors. Additionally, the sample of beneficiaries was not equally distributed per sector, and therefore the sample may not be representative of sectors attraction and success in providing job opportunities.

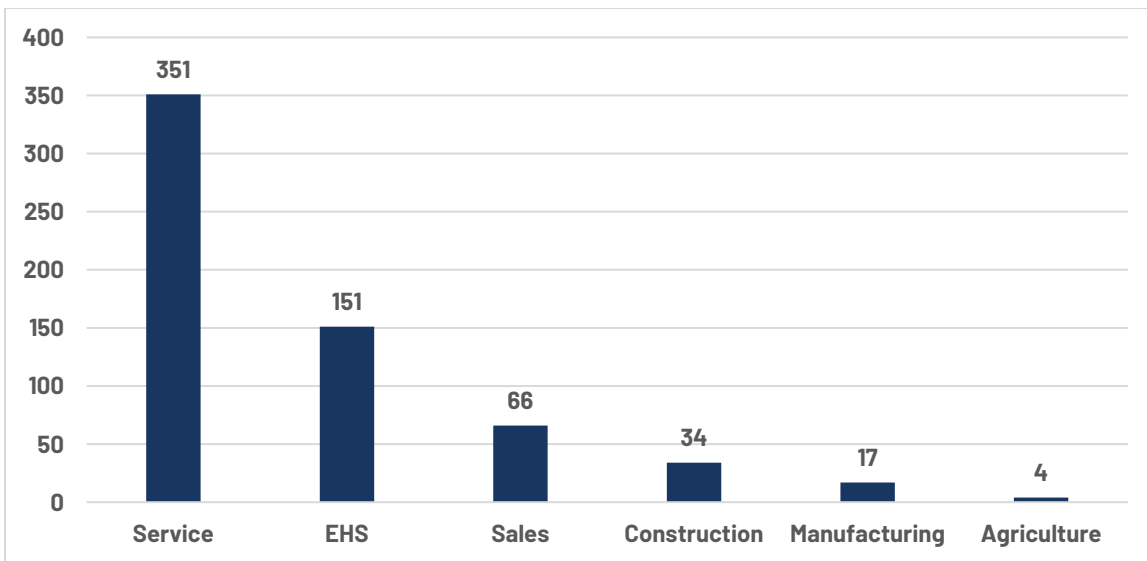


Figure 6: Respondents stating positive employment status change per sector.

The respondents' employment status before and after the intervention is shown in figure 07. A notably positive change in employment status was observed, as the number of job seekers decreased after the intervention, while the number of respondents in temporary or long-term employment increased.

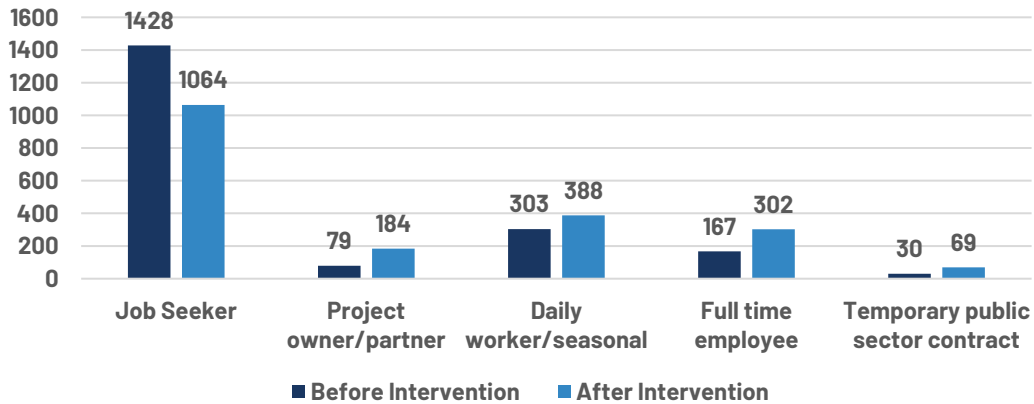


Figure 7: Beneficiaries' employment status before and after the intervention.

Furthermore, the employment status before and after the intervention per gender shows that 8% decrease in the job seeker category for females compared to 10% decrease to males. Note that the decrease here does not consider the ones who had improvement while staying in the same category.

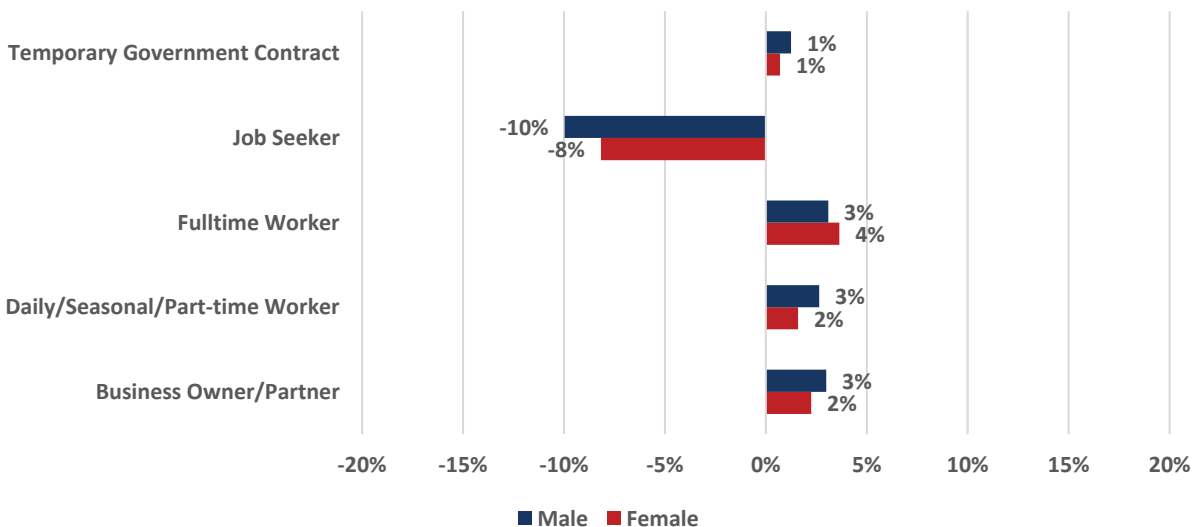


Figure 8: Percentage change in employment status for categories for the full sample of respondents.

Figure X provides additional information on the employment status of beneficiaries after the implementation, disaggregated by gender. These findings highlight no major difference between male and female respondents, which indicates that gender does not have a major influence on the employment status. However, a significantly higher number of male respondents were employed in daily seasonal work following the intervention, which could be in correlation with the cultural norms and types of jobs that male workers perform compared to female workers in Iraq. Various challenges including cultural norms will be visited later in this report.

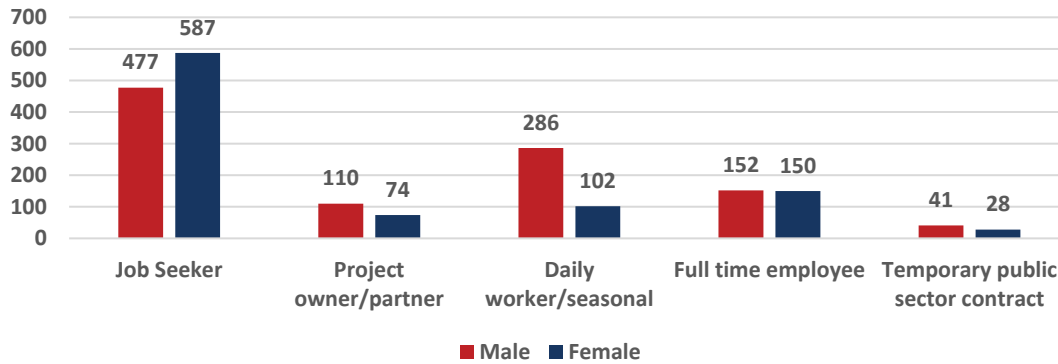


Figure 9: Respondents current employment status, disaggregated by gender.

The South and Central regions of Iraq has not faced high levels of displacement or immigration, compared to the governorates that were occupied by the Islamic State from 2014-2017. For the purposes of the assessment, the survey did not record beneficiaries that were internally displaced, but returnees from outside Iraq figure 10. Of the total returnees, 56% reported a positive change in employment status, while 44% reported no change in status.

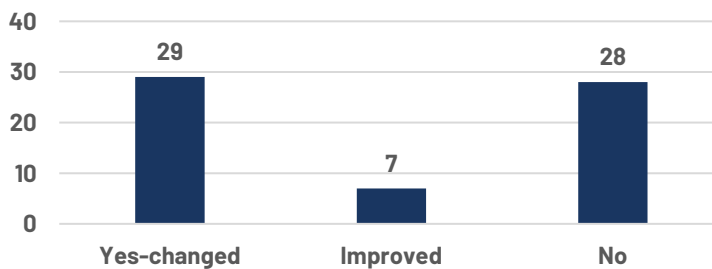


Figure 10: Employment status change for returnees.

### Timeline of change in employment status following intervention

To understand how long after the intervention positive changes in employment status were reported, the respondents that indicated a positive change in status were asked to specify how many months after the intervention the change had occurred. Of the 677 respondents that reported a positive change, a total of 533 responded to the question, while the remaining 144 refrained from answering as they were not certain of the date at which the change had occurred.

As shown in figure 11, 70% of the beneficiaries who responded experienced change in their employment status within the first three months following the intervention. The number of beneficiaries experiencing a change in employment status decreases after the first three months of their participation in project activities. These findings require further investigation to understand the key factors which play a role in driving positive change within the initial three months following intervention. This could be due to the motivation of the beneficiaries and approach to seeking employment, as well as other factors such as in-kind support, mentorship and career counseling which are likely to have a positive impact on the timeline of changing employment status.

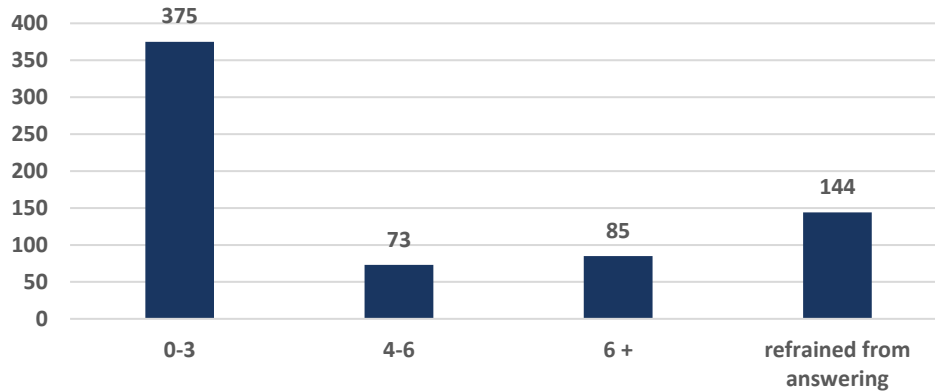


Figure 11: Number of months elapsed after intervention ended and positive employment status reported.

### Job-Searching Channels

Job searching channels are the means by which the project beneficiaries seek new opportunities to improve their employment prospects. While some of the activities have provided the beneficiaries with the necessary training and skills to support job-searching, others focused on technical training. For the employment path group, 64% of the 1,823 respondents confirmed that their job searching channels had increased following the intervention as in figure 12.

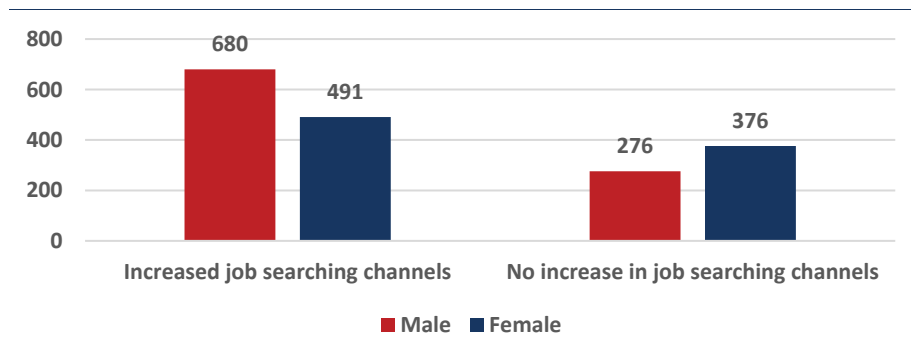


Figure 12: Respondents that report increased knowledge about new job-searching channels.

As shown in figure 13, the most common job searching channels are social networks, such as friends and relatives, as well as social media. For both males and females, only 9% are using official recruitment platforms or employment websites. A minor difference was observed in the job searching patterns between males and females according to the surveyed group. For example, females place more effort into job-searching through social media, than directly contacting business owners compared to males. The fact that the job searching channel most utilized by respondents are direct connections (relatives, friends, etc.), highlights the relatively informal hiring procedures within Iraq and the requirement to improve formal recruitment platforms, as well as promote merit-based hiring.

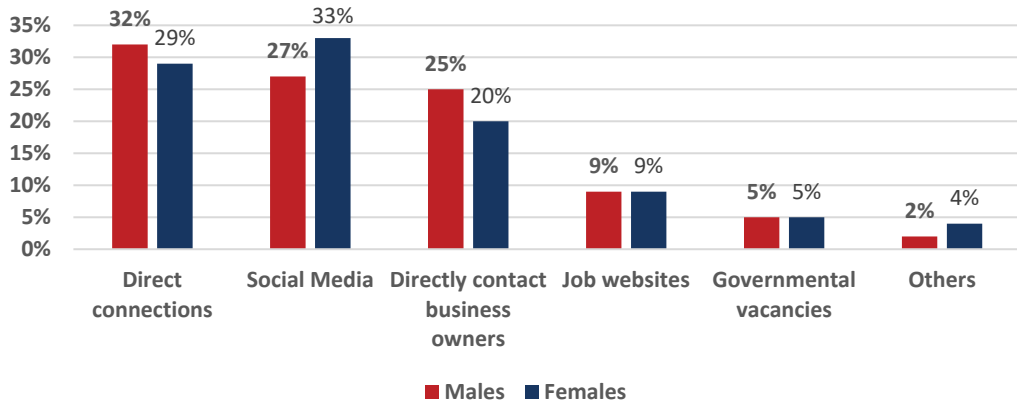


Figure 13: Job searching channels preferred by respondents.

### Job searching skills – CV development skills

To assess improvement of job searching skills, the respondents within the employment path group were asked about their overall improvement in CV development and use. A total of 64% respondents stated that they either updated or created a CV following the intervention. The survey did not assess the methods through which the respondents then used the CV to support job searching. However, increase in job searching channels was analyzed against CV update/creation, which shows that increased job searching channels positively correlates with CV update or creation.

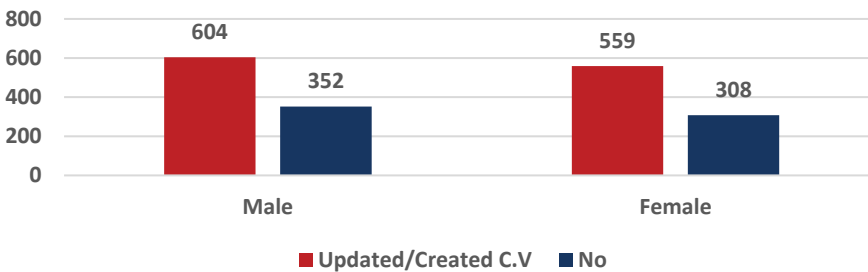


Figure 14: C.V status for the employment scenario.

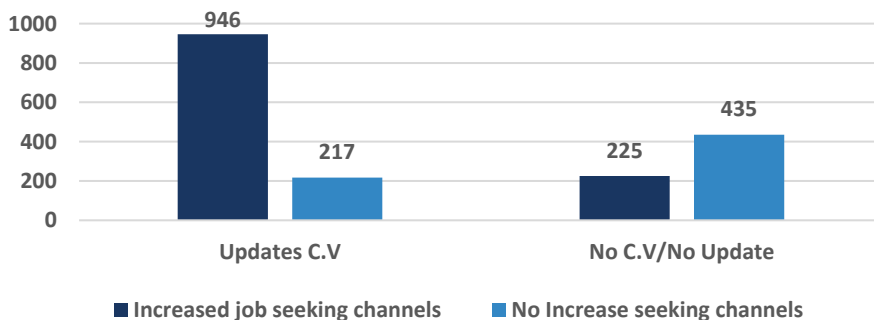


Figure 15: Increasing job searching channels co-relate with C.V creation or Update.

### Beneficiaries feedback on the main reasons for not finding employment opportunities

According to the 1,526 respondents that were job seekers before or after the intervention, the issues that hinder their efforts in finding employment opportunities are;

- 1- Very few job opportunities are available in the market compared to the number of unemployed applicants.
- 2- Some of the opportunities require extensive extra working hours with lower benefits and a difficult work environment.
- 3- Employment opportunities could be located in distant areas. Commuting time and cost compared to the benefits offers are not sufficient to compensate the employee.
- 4- Female job seekers are hesitate to pursue opportunities located far from their residential areas due to security concerns and cultural constraints within the Iraqi society.
- 5- A view that favoritism significantly influenced candidates' selection in numerous business entities, leading to personal networks and connections outweighing skillsets in the recruitment process.
- 6- Due to the instability of the Iraqi economy, respondents showed hesitancy towards investing in new businesses, due to the fear of losing investment if the business fails.
- 7- Experience requirements by employes could be challenging to achieve, as many beneficiaries are trying to enter the labour market in sectors they did not have prior experience in.
- 8- Work environments for many businesses may not be suitable for females, which restricts the number of females applying for these opportunities.

### Employment Modalities and Contracts

The following graph shows the employment modality of beneficiaries that were actively working at the time the survey was conducted, in total 759. Also, to note that these respondents may not necessarily represent those who experienced changes or improvements in their employment status as some might had sort of employment since before the intervention. A total of 52% of respondents indicated that they had contractual agreements, which could be written or verbal, 48% stated that they do not have a contract. To note that of the respondents that had a contract, 74% of these were open-ended. Statistically, a higher number of employed females (66%) held a contract comparing to males (44%), which may be representative of the type of work undertaken by each gender. For example, a higher number of males are employed in seasonal or casual work for which contracts may not be provided. It is important to note that according to Iraqi labour law, all agreements, whether written or verbal, are considered a contractual agreement and if fixed-term or short-term contracts are provided to the employee for a consecutive period of more than one year, the employee is considered to be holder of an open-ended contract.

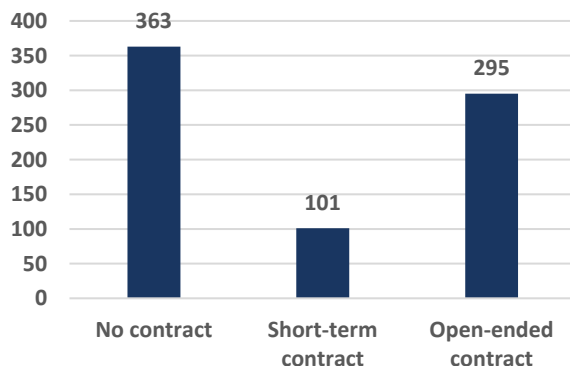


Figure 16: Contract status for employed respondents.

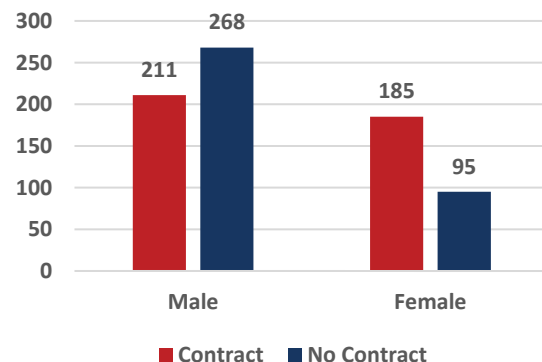


Figure 17: Contract status by gender.

## Skills gained as a result of intervention

All 2,007 survey respondents were asked whether their personal skills had developed or if they gained new skills after participating in the project activities. The responses were rated on a scale of 20% to 100%, where 20% denotes "very bad" and 100% signifies "excellent", with the results presented in figure 18. Overall, the results show that participating in project activities had a positive impact on improving labour market skills, with the majority citing improvement. However, due to the limited scope of the survey, no further investigation was conducted on which labour market skills were improved as a result of the intervention. It is important to note that the assessment was based on the respondent's perception of their skillset, while no specific methodology was applied to measure skills uptake.

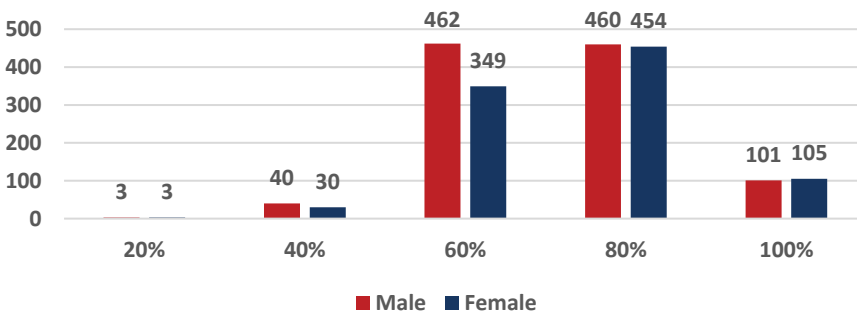


Figure 18: Respondents' perception of skills gained following the intervention.

## Employment prospects development due to intervention

To understand if the interventions resulted in improvement of employment prospects, respondents were asked to grade their employment prospects from 'very bad' (20%) to 'excellent' (100%). The results show that the highest number of respondents indicated that their employment prospects are 'very good' (37%), followed by respondents indicated they are 'good' (34%). However, 18% of respondents indicated that their employment prospects were 'bad' or 'very bad', highlighting the challenges that job seekers in Iraq face to enter the labour market. It is important to note that the assessment is based on the respondents' perception of their employment prospects and no technical methodology was employed to compare perception of employment prospects with labour market demands.

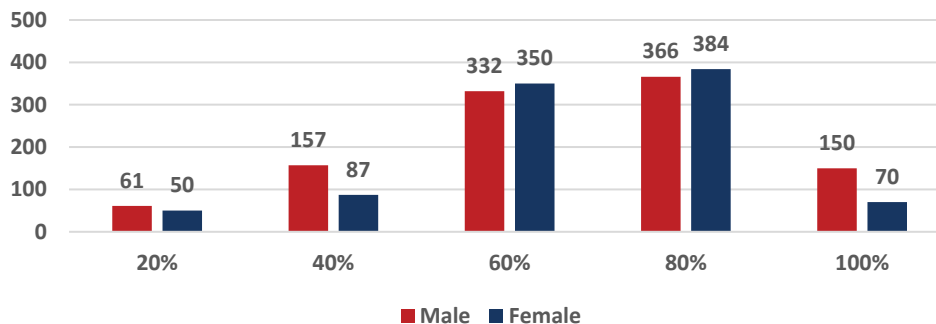


Figure 19: Respondents' perception of employment prospects following the intervention.



## Beneficiaries' capacity development through different types of trainings

Of the 2,007 respondents surveyed, 1,526 (70%) had been job seekers before or after the intervention. These respondents were asked if they had taken any other training following the intervention or if the training provided was sufficient.

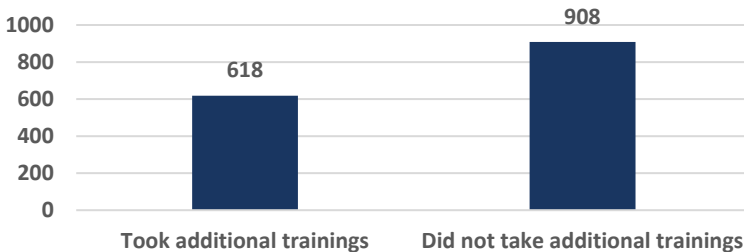


Figure 20: Job seekers feedback on training sufficiency.

The 908 respondents that stated the 'training was sufficient' were asked to outline one reason which explains their response, as summarized in figure 21.

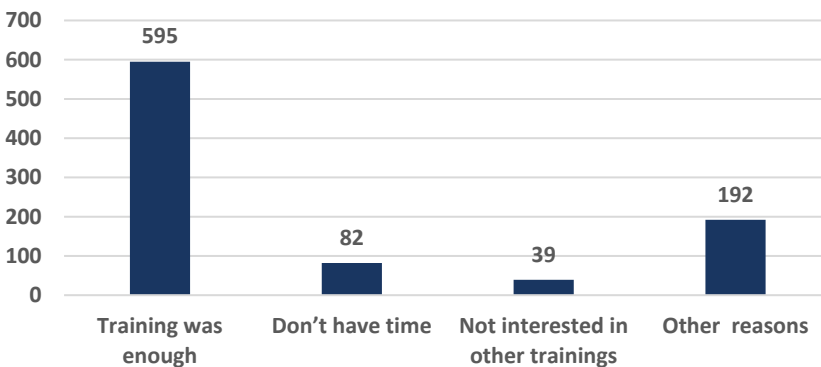


Figure 21: Respondents' feedback on reason for not engaging in additional trainings.

The majority of respondents (66%) indicated that they did not participate in additional training because they felt that the training provided was enough. However, 9% indicated that they did not have sufficient time to participate in additional training, 4% were not interested in other trainings, while 21% cited other reasons suggesting they did not feel the training was sufficient. Overall, this indicates that the majority of the respondents were satisfied with the training received and felt that it was sufficient to support their entry to the labour market.

From a project design perspective, providing training which extensively covers all aspects of the subject matter is likely to reduce the requirement for additional training and increase employment prospects, but would require extensive time and resources which may not be feasible. Additionally, management of participants' expectations by providing suggestions for self-development and other activities to enhance capacity development would support them to fully acquire and apply the knowledge and skills demanded by the labour market. It is key to note that a review of the training materials and topics covered were not conducted for the purposes of this assessment, but the recommendations based on the general findings of the post-assessment survey.

## Employment capacity for the public and private sectors

Of the 623 respondents that stated a positive change in employment status at the time of undertaking the survey, 85% found employment in the private sector, while 15% were employed in the public sector.

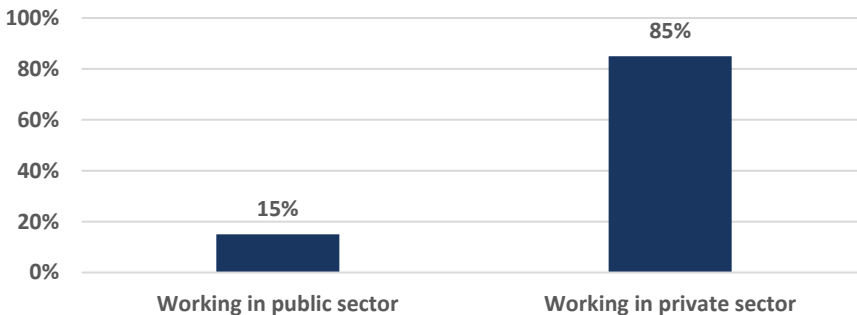


Figure 22: Employment status in public and private sector for respondents reporting positive employment change following the intervention.

## Current work conditions and developed skills due to the intervention

To understand the impact of interventions targeting beneficiaries for business development, the 184 business path respondents were asked about changes in their business status. Figure 23 provides an overview of those changes, disaggregated by gender. Opening a selling point or a small shop, as well as owning a home-based business, were amongst the highest business development improvements observed after the intervention. A significant difference in preferences was observed between males and females, with male respondents more likely to start a business within the community, while female business owners preferred to work from home. This difference is not surprising, considering the context and cultural norms within Iraq, in which females are less likely to travel or engage in work outside of the home. This was supported by the challenges indicated by females to find employment, citing safety and security concerns. Also, to mention the business development aspects are expected to be impacted by the type of support provided through the project activities as some promote different development aspects than other activities.

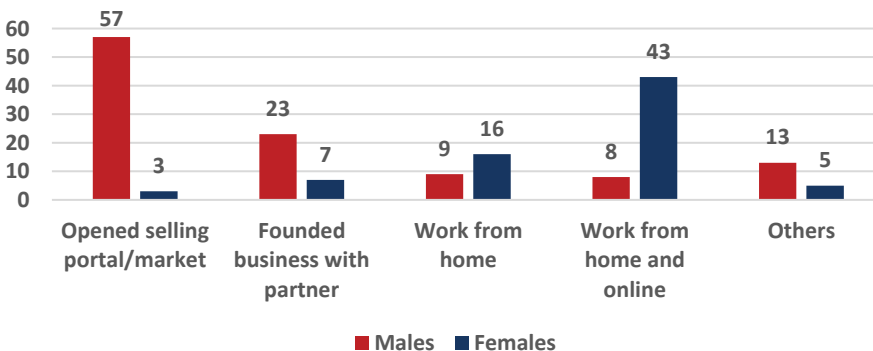


Figure 23: Work development for projects/businesses supported by PSD project following the intervention.

## Impact on businesses income generation after the intervention

Of the 2,007 respondents, a total of 184 business owners were surveyed to assess if their income had been positively impacted after the intervention, and generic questions related to their ability to cover their expenses were adapted for this purpose. Figure X shows that that majority (62%) of those who had established a business, or developed their business after the intervention, are financially self-sufficient and earning more than is required to cover their basic needs. However, 38% of respondents reported financial challenges and struggled to cover their expenses, highlighting the challenges faced in starting and maintaining an enterprise.

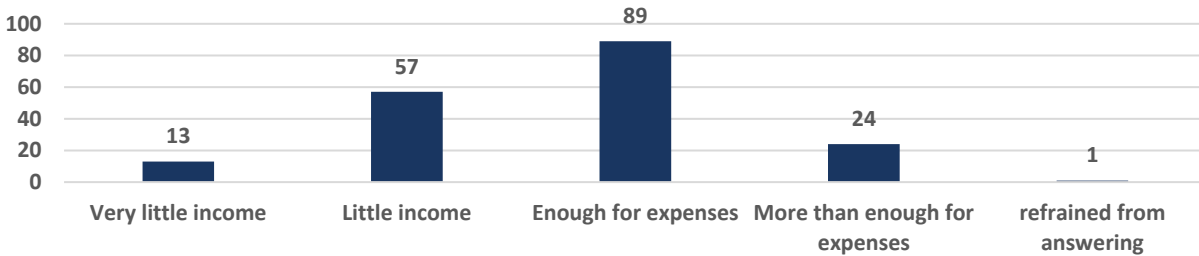


Figure 24: Income generation for the established or supported businesses.

## Established businesses official registration

Of the 184 business owners surveyed, only 9% reported that their business are formally registered. The percentage is very low and requires additional assessment to understand the reasons preventing businesses from officially registering their enterprise. This is indicative of the relative informal state of the private sector in Iraq, where lack of business registration results in a disconnect with official governmental institutions, which ensure adoption of policies and procedures related to the private sector.

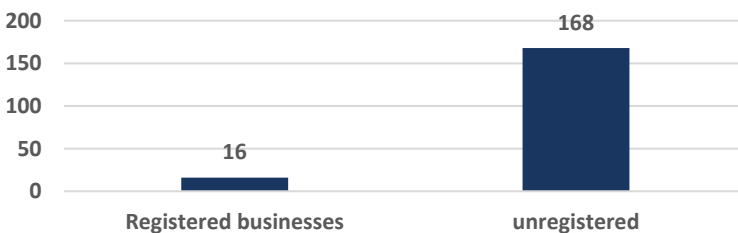


Figure 25: Businesses registration status.

## job creation

A number of the business supported through the project activities generated employment opportunities, as summarized in figure 26. The highest number of employment opportunities created were through the construction sector, which excluded female participation. On the other hand, the services sector generated a good number of employment opportunities for both male and female employees. Based on the findings of the assessment, some sectors show a higher potential

for job creation compared to other sectors. However, the findings may not be skewed towards some sectors, as the sample size distribution per sector is not representative.

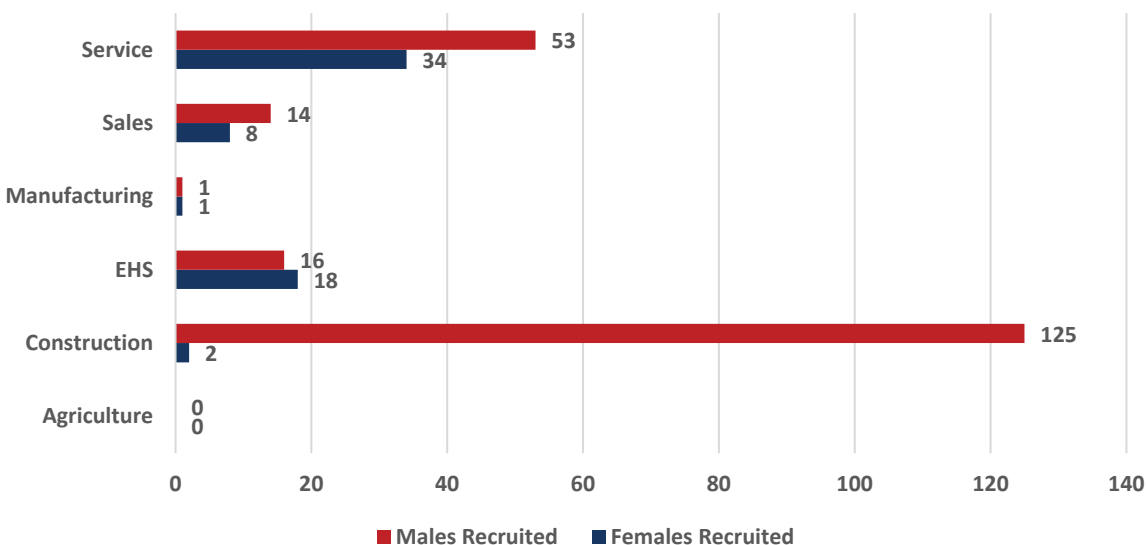


Figure 26: Employment creation through businesses supported by the intervention.

## Conclusion

In this report, a total of 2,007 beneficiaries of GIZ's PSD project implemented in Center and Southern Iraq were surveyed to better understand the impact of the support provided. The survey aimed to assess changes in the beneficiaries' employment status and prospects, as well as business development opportunities, following the interventions. A summary of the key findings are outlined below;

- A total of 677(34%) respondents stated a positive impact on their employment status following the intervention.
- The majority of the employment status changes took place during the first 3 months following the intervention.
- 64% of respondents indicated that they had utilized new job searching channels as a result of the trainings.
- Direct connections, such as friends and relatives, is the most used modality of job searching.
- Of the respondents that were employed at the time of conducting the survey, 48% stated that they did not have any contract (verbal or written) with their employer.
- 96% of respondents indicated that their skills were 'good', 'very good' or 'excellent' following the intervention, highlighting that beneficiaries felt they held the skillsets required to enter the labour market.
- 82% of respondents indicated that their employment prospects are 'good', 'very good' or 'excellent' following the intervention, showing a high level of confidence among beneficiaries to enter the labour market.

- For the respondents that had gained employment since participating in the intervention, 85% were employed in the private sector, while 15% were employed in the public sector.
- For business owners supported through the intervention, 61% stated having sufficient income generation to cover their expenses.
- Only 9% of business owners stated that their business is officially registered.
- The highest level of job creation by business owners resulted from the construction sector, followed by the services and EHS sectors, noting that the sample size per sector is not representative.

The challenges reported by respondents in gaining employment highlight that job seekers with good skillsets and employment prospects are not necessarily guaranteed to find employment opportunities. This includes a limited number of employment opportunities compared to the number of unemployed, while the relatively informal status of the private sector continues to create challenges in sufficient employee remuneration and benefits.

Considering the challenges facing the private sector in Iraq, the PSD project impact is positive, with a reasonable percentage of beneficiaries gaining employment. Overall, the surveyed beneficiaries were satisfied and appreciated the support received. While many did not gain employment, the majority of respondents stated that they had gained skills and improved their employment prospects, which is likely to strengthen and facilitate their engagement in the labour market within the future.

## Recommendations

- The selection criteria used is critical to ensure that the participants are relevant to the activity and motivated to apply the skillsets developed. Additionally, the specific interventions implemented by the partners should consider the current labour market demands within the respect areas of implementation, along with the strategic vision of the GlZ's private sector development project.
- The main job searching channel employed by job seekers are direct connections (friends, relatives, etc.). To provide equal employment opportunities, it is necessary to advocate for transparent recruitment processes that are based on skills merit and enhance access to formalized recruitment channels in Iraq.
- Females continue to face additional barriers to employment, due to travel restrictions hinder access to distant employment locations, as well as cultural norms. When designing interventions, gender barriers must be taken into considered to facilitate female access to the labour market.
- Supporting businesses or sectors with higher employment creation rates could support in decreasing unemployment rates through job creation.
- The weak relationship between businesses and national authorities, as demonstrated through the low number of formally registered business, perpetuates the informal status of the private sector and lack of compliance with labour legislation and policies. Strengthening dialogue between the private sector and governmental entities could create opportunities to resolve issues faced by both business owners and job seekers, as well as support growth of the private sector in Iraq through reform in policies which aid enterprise start-up and expansion.