1. BACKGROUND INFORMATION

The Skills and Employment for Tongans Project aims to improve opportunities for secondary school progression and facilitate the transition to jobs in the domestic and overseas labor markets for Tongans. The core beneficiaries of the project will be Tongan youth ages 13 to 55. The project will finance activities in the entire territory of the Kingdom of Tonga, including the main island (Tongatapu) and the Outer Islands (‘Eua, Ha’apai, Vava’u, and the Niuas).

Tonga has a sizeable youth population, which generally face poor labor market outcomes. Over half (56 percent) of the country’s population is 24 years or younger, with a total of about 19,200 Tongans between ages 15 and 24. The majority of these youth (76 percent) reside on the main island of Tongatapu, and only 25 percent live in what could be classified as urban areas (that is, Greater Nuku’alofa).

A large proportion of youth fails to successfully transition into employment, remaining unemployed or inactive in the labor market. There is clearly a gender dimension to youth unemployment in Tonga, with substantially lower labor force participation rate for young women than men.

There is also a burgeoning issue with secondary school enrolments and dropouts. Only 80.4 percent of Tongans ages 13–18 are currently attending secondary school (i.e. Forms 1-7). Among the stock of those aged 18 and above, 15.6 percent of men have completed secondary school compared to 14.7 percent of women. The major exit years are at the end of Form 5 (the Tonga School Certificate) and at the end of Form 6 (Pacific Senior Secondary Certificate).

Moreover, there is a poverty dimension to the issue of secondary school dropouts. According to the 2016 HIES among the poorest decile, only 56.7 percent of those aged 13–18 are attending secondary school, which is substantially lower than for the rest of the population. In addition, only 8.7 percent of those in the poorest decile have completed secondary school, with no gap between male and female completion rates.

Therefore, there seems to be a number of factors behind the secondary school enrolment and dropout problem. These include financial constraints at the household level, the need to join the labor force, a lack of motivation for further academic pursuits, and a mismatch between school curriculum and the domestic labor market demands. In addition, only a small proportion of the overall students sitting for external board exams from private schools are passing, further exacerbating the school dropout rates immediately before and after exam periods. While there are no recent tracer surveys of secondary school dropouts, there is a strong correlation between education levels and employment outcomes—70.4 percent of the...
unemployed covered in the 2013 labor force survey had left school prematurely. There are also limited initiatives in place aimed at preventing youth from dropping out of school.

In order to address some of the issues related to school dropout and to ease the transition into employment, this project will focus on activities, such as

(i) conditional cash transfers to assist poor households with their family’s educational needs,
(ii) financial assistance to students from marginalized households who enrolled in qualified TVET programs. Support will also be provided to undertake the International English Language Testing System (IELTS) examination, which is a requirement for all temporary semiskilled and skilled visas in Australia and New Zealand.

2. OBJECTIVES OF IMPACT EVALUATIONS (IE)

With the above project objectives in mind, the aim of this assignment is two-fold:

(i) to undertake an impact evaluation of the conditional cash transfers (CCT) program for secondary school enrolment and attendance, specifically the following:
   • whether the children of beneficiary households are more likely to have their secondary school-aged children enrolled in schools
   • whether the children of beneficiary households are more likely to have their secondary school-aged children attending schools
   • whether the children of beneficiary households are more likely to have their secondary school-aged children completing/passing school grade, particularly amongst the poorest decile
   • whether providing cash is a mechanism to support students like buying uniforms, food, books, backpacks and transport
   • whether aligning the payment schedule with the school term is an effective way to support the intended program outcome
   • to study the effect of CCT on students learning outcomes
   • which items households are spending their monthly cash benefit on.

(ii) to undertake another impact evaluation to assess the employment outcomes of the beneficiaries of the TVET Student Support Funds (TSSF) relative to a control group of Tongan youth who were not able to benefit from the intervention, specifically to assess:
   • whether the beneficiaries of the TSSF are more likely to transition into employment
   • whether the beneficiaries of the TSSF are complying with their co-responsibilities related to attendance and performance at training courses
   • whether the TSSF are increasing the representation of students from more disadvantaged background, including women, in training courses and subsequent employment
   • whether the beneficiaries of the TSSF are more likely to remain in employment and to have obtained the necessary skills to perform their job
   • which items beneficiaries of the TSSF are spending their living allowance on
   • whether the beneficiaries of the TSSF are more likely to complete the courses.
   • Whether the beneficiaries of the TSSF registered in TVET courses as a result of the information campaign on scholarships opportunities.

In addressing these areas, the Impact Evaluation will allow the MIA to make informed decisions around needed reforms to the scheme and whether it would be advisable to scale it in subsequent years of the project.
The details of the above program are in the Project Appraisal Document (PAD) and Project Operational Manual (POM).

2.1.1. Overview of Methodology for CCT and TSSF Program

a. Methodology

The methodology below should be taken as an orientation of the main tasks and objectives. However, it is expected from the selected consultant to present a technical proposal approach based on his/her own criteria, including rationale for treatment and control groups, sample frame, sampling size, data collection and main indicators to be collected.

The proposed methodology would entail a quasi-experimental Regression Discontinuity Design (RDD). The RDD is a method that can be used for programs that have a continuous eligibility index with a clearly defined cutoff score to determine who is eligible to receive the program and who is not. To apply the RDD, two main conditions are needed: (a) a continuous measure based on which the target population can be ranked, such as welfare and (b) a clearly defined cutoff score, the index, above or below which the population is classified as eligible for the program. The proposed CCT program for secondary school enrolment and attendance will satisfy both these conditions, with all households ranked on their consumption-based poverty levels using the PMT and a unique cutoff point to be determined by the MIA (the poorest 10 percent).

There are also potential downsides with the use of the RDD, which include the validity of the results for households further away from the cutoff point and the possible impact of spillover effects around the cutoff, which may bias RDD estimates. The potential downsides and the limitations of the chosen approach need to be further explored in the research proposal.

b. Questionnaire

The questionnaire will resemble an abridged version of the HIES. It will include modules on demographic characteristics of each household member; housing characteristics; labor market activity; education; health; income; expenditure; migration; remittances; level of satisfaction with the CCT; and other relevant variables.

c. Data collection

The data collection will be carried out by a data collection firm hired by the Project Management Unit (PMU). The PMU will be in charge of supervising the practical implementation of the IE. However, the selected individual consultant will be responsible for the technical support of the data collection to the PMU and the data collection firm.

d. Timeline for the Survey

The data collection will be in two phases. The timeline and detailed activities for each phase are to be developed by the Consultant in liaison with the SET Project Team Leader.

The World Bank will provide support to the PMU throughout all stages of the Impact Evaluation and explore the possibility of providing targeting trainings on topics including, but not limited to, different Impact Evaluation design methods, sampling, power calculations, use of CAPI software, and analyzing results.
3. SCOPE OF WORK & DESCRIPTION OF TASKS FOR THE INDIVIDUAL CONSULTANCY

In undertaking this assignment, the selected consultant will be responsible for the following activities for each impact evaluation (i.e. CCT Program and TSSF):

(a) develop a suitable methodology in line with the earlier sections, including survey design and field protocols;
(b) develop survey instruments for the 2 surveys - CCT program and TSSF;
(c) carry out field testing of the questionnaires \textit{(field surveys will be conducted by the Data Collection Firm)} and revisions of instruments and fieldwork protocols;
(d) finalize the sampling frame with an indication of sub-groups of interest (stratified sampling);
(e) pilot field-tested instruments, revising protocols and instruments based on pilot results;
(f) \textit{together with the Data Collection Firm}, develop databases for the 2 surveys - CCT program and TSSF;
(g) ensure quality in data entry \textit{(will be done by the Data Collection Firm)}, design of codebook, and data validation;
(h) conduct data analysis; and
(i) produce separate draft and final baseline evaluation reports for the 2 surveys - CCT program and TSSF.

4. DELIVERABLES AND PAYMENT SCHEDULE

The Consultant will be required to complete the following deliverables. The Consultant may propose alternative timing for delivery of these deliverables, subject to agreement of the PMU.

The following are the proposed key outputs for both CCT Program and TSSF impact evaluations.

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Deliverable</th>
<th>Deadline</th>
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<tbody>
<tr>
<td>1.</td>
<td>Inception Report including a detailed workplan. PMU’s agreement to the Inception Report is a prerequisite to continuation of the assignment. The report should also indicate whether survey is required for baseline study or just use the existing data collected for the CCT program implementation.</td>
<td>2 weeks from contract signature</td>
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<tr>
<td>2.</td>
<td>Further detail methodology and sample size. Develop baseline questionnaire, and field protocols.</td>
<td>To be confirmed</td>
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<td>3.</td>
<td>Pilot testing the baseline questionnaire, adjustment of questionnaire and translation of questionnaire.</td>
<td>To be confirmed</td>
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<td>4.</td>
<td>Delivery of the questionnaire to the data collection firm, including coordination with data collection firm on when to collect data, potential participation in training of trainers.</td>
<td>To be confirmed</td>
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<td>5.</td>
<td>Submission of baseline data set for the 2 surveys – CCT and TSSF program</td>
<td>To be confirmed</td>
</tr>
<tr>
<td>Milestone</td>
<td>Deliverable</td>
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<tr>
<td>6.</td>
<td>Submission of baseline reports for CCT and TSSF program</td>
<td>To be confirmed</td>
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<tr>
<td>7.</td>
<td>Submission of data analysis</td>
<td>To be confirmed</td>
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<tr>
<td>8.</td>
<td>Final baseline evaluation reports for CCT and TSSF program</td>
<td>To be confirmed</td>
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<tr>
<td>9.</td>
<td>Develop follow-up questionnaire and field protocols</td>
<td>To be confirmed</td>
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<td>10.</td>
<td>Annual round of survey (post-intervention), working in conjunction with data</td>
<td>To be confirmed</td>
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<td></td>
<td>collection firm</td>
<td></td>
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<tr>
<td>11.</td>
<td>Submission of annual data set</td>
<td>To be confirmed</td>
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<tr>
<td>12.</td>
<td>Submission of follow-up report</td>
<td>To be confirmed</td>
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<tr>
<td>13.</td>
<td>Final impact evaluation report – this shall include all aspects under this</td>
<td>To be confirmed</td>
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<td>assignment. PMU shall be given at least 2 weeks to review the report and</td>
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<td></td>
<td>provide comment to the Consultant. A matrix shall be included showing</td>
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<td>comments provided to the Consultant to the draft final report and the</td>
<td></td>
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<tr>
<td></td>
<td>Consultants response acceptable to the PMU.</td>
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</table>

Payments for deliverables will be made upon acceptance of the deliverable, not upon submission. As noted above, the Consultant will be expected to participate in training of trainers over the course of the consultancy.

5. DURATION OF ASSIGNMENT AND LEVEL OF EFFORT

It is anticipated that the Consultancy will commence as soon as possible and expected to require approximately 80-100 days, which includes the baseline survey and final baseline report for the CCT Program and TSSF impact evaluations (milestones 1-8). Pending on satisfactory performance, the consultant could have his/her engagement renewed for the midterm and final evaluation reports (milestones 9-13).

Flexibility on the part of the Consultant will be required to respond to changes in actual implementation progress. It is envisaged that most of the work can be undertaken remotely as required.

6. REPORTING AND INSTITUTIONAL ARRANGEMENTS

The selected consultant will report to the SET Project Team Leader. Upon agreement with the SET project team, the selected consultant may undertake further analysis of the data.

All primary data collected during the contract will be the property of The Government of Tonga and The World Bank. The use of primary data without the consent of The World Bank and The Government of Tonga is strictly prohibited. The final report must not be made public until and unless The World Bank explicitly approves the publication of the final report.
It is the responsibility of the selected consultant to have insurance for the duration of the contract. Given the possibility of travel required, the consultant must be covered by travel and health insurance.

There are principles in which the SET Project work is based on and the Consultant is expected to follow such principles:

• Participation and partnership
• Transparency
• Accountability
• Monitoring and Evaluation

7. EXPERTISE REQUIREMENTS

7.1. Essential/Required

The Consultant shall have the following experience and qualifications:

(a) Masters or PhD in Economics, Statistics, Public Health, Political Science, or any other social sciences discipline with knowledge and/or specialization in quantitative research
(b) Minimum of eight (8) years of experience in the field of impact evaluation or survey design
(c) Demonstrated ability to work independently, with initiative and at high quality levels
(d) Excellent verbal, written and communication skills in English, including high-level report writing skills
(e) Ability to coordinate research proposal and work with the SET Project Management Unit and the data collection firm
(f) Ability to immediately start the work

7.2. Desirable

(a) Experience with donor funded projects especially the World Bank
(b) Demonstrated work experience in small island developing states
(c) Willingness to travel if required
(d) Experience in conducting impact evaluations on CCTs and/or TVET is highly desirable