Global Europe Results Framework Indicator Methodology Note

1. Indicator name

GERF 2.13: Number of (a) jobs, (b) green jobs supported/sustained by the EU

2. Technical details

Please use the information provided in OPSYS or the SWD.

Results Dashboard code(s): (a) 65222; (b) 65223.

Unit of measure: Number of (#).

<u>Type of indicator</u>: Quantitative (not Qualitative) – Numeric (not Percentage); Actual ex-post (not estimated or ex-ante); Cumulative (not annual); Direct (not indirect).

Level of measurement: Specific Objective - Outcome; Direct Output; Output.

<u>Disaggregations</u>: Rural/urban (Rural; Urban; Other - peri-urban, isolated).

DAC sector codes: 16020 - Employment creation.

Main associated SDG: 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Other associated SDGs: 1.2 multidimensional poverty; 5.5 women participation and leadership; 8.1 growth; 8.2 diversification and innovation; 8.3 entrepreneurship, MSMEs and decent job creation; 8.4 resource efficiency; 8.6 youth not in employment or education; 10.3 reduce inequalities of outcome; 12.1 sustainable consumption and production.

Associated GERF Level 1 indicator: 1.11 Unemployment rate, by sex, age and persons with disabilities (SDG 8.5.2).

Associated GERF Level 3 indicators:

- 3.5 Leverage of EU blending and guarantee operations financed by EU external assistance, measured as: (a) Investment leverage ratio, (b) Total eligible financial institution financing leverage ratio, (c) Private financing leverage ratio
- 3.13 Number and share of EU- external interventions promoting gender equality and women's empowerment
- 3.14 Number and share of EU-funded external interventions promoting disability inclusion
- 3.15 Amount and share of EU-funded external assistance directed towards reducing inequalities
- 3.16 Amount and share of EU-funded external assistance qualifying as ODA

3. Policy context and Rationale

One of the biggest challenges for developing countries is the creation of sufficient and quality employment. Public opinion surveys globally suggest that issues related to

employment and jobs (or the lack thereof) are among the top concerns of the population. Indeed decent work and income are central to individual and societal well-being, contributing to improved living conditions, poverty reduction and social cohesion.

Promoting employment and decent work has been an important part of the European Union's (EU's) development cooperation for a long time, and increasingly so since the mid-2000s. This was most recently highlighted through the 'New European Consensus on Development' published in 2017. The Consensus is the EU's development policy and was aligned with the 2030 Agenda for Sustainable Development, reflecting a shared vision of a world where achieving sustainable development includes addressing the education and employment needs of society, especially for vulnerable and marginalised groups such as women and youth. (EC, 2017a). Indeed, "People" (human development and dignity), and "Prosperity" (inclusive and sustainable growth and jobs) are two of the four pillars of the New Consensus.

An emerging focus within this framework is the promotion of green jobs, which are crucial for achieving a sustainable and resilient future. Green jobs not only contribute to environmental preservation and the reduction of carbon footprints but also drive innovation and economic growth. By investing in sectors such as renewable energy, sustainable agriculture, and eco-friendly manufacturing, developing countries can create new employment opportunities that are both sustainable and equitable. This transition to a green economy ensures long-term economic benefits while addressing environmental challenges, ultimately fostering a more inclusive and sustainable development trajectory.

4. Logframe inclusion

If an intervention generates the result measured by this indicator, then it must be reported in OPSYS. Corporate targets have been set for the indicators used to monitor the Strategic Plan and the Multiannual Financial Framework (see Section 9). Progress towards these targets is reported annually in the Annual Activity Plan (for the Strategic Plan) and the Programme Performance Statements (for the Multiannual Financial Framework). These values are calculated by aggregating the results reported in OPSYS. These reports ultimately contribute to the Annual Management Performance Report submitted by the European Commission to the Council and Parliament during the annual budgetary discharge procedure. If targets are not met, explanations must be provided. Therefore, it is crucial that all results are recorded in OPSYS.

There are two ways of doing this:

- 1. Include the indicator directly in the logframe (recommended approach);
- 2. Match the indicator to the closest logframe indicator (only if the indicator was not originally included in the logframe and modification is not possible).

Why? The matching functionality in OPSYS only accommodates reporting current values and does not yet support encoding baselines and targets. This is a significant drawback because targets are a valuable piece of information, especially at the beginning of a Multiannual Financial Framework. Indeed, results take time to materialise as they are the last step in the chain, appearing only after programming, commitments, contracting, and spending have occurred. Targets allow to see what results are expected long before they materialise, which is reassuring to the different stakeholders concerned with accountability. Therefore, include all corporate indicators directly in the logframe whenever

possible, and reserve the matching functionality only for cases when this is not feasible.

5. Values to report

The following values must be determined in line with the definitions provided in Section 6.

Baseline value: the value measured for the indicator in the baseline year. The baseline value is the value against which progress will be assessed.

Current value:

- **For logframe indicators**: the most recent value for the indicator at the time of reporting. The current value includes the baseline value which is reported separately for logframe indicators in OPSYS.

For matched indicators: the most recent value for the results achieved at the time of reporting since the start of implementation of the intervention. This value is obtained by taking the most recent value for the indicator at the time of reporting and subtracting off the baseline value which is not reported separately for matched indicators in OPSYS.

Current values will be collected at least once a year and reported cumulatively throughout the implementation period.

Final target value: the expected value for the indicator in the target year.

Intermediate target values (milestones). A tool has been developed in OPSYS to generate intermediate targets automatically¹.

- **For outputs**: the intermediate targets are generated using a linear interpolation between the baseline and target values because it is assumed that outputs materialise sooner and more progressively over implementation (than outcomes).
- **For outcomes**: the expected progression over the course of implementation will vary across interventions. During the creation of a logframe, the expected outcome profile must be selected (OPSYS offers four options²) and this selection triggers the generation of intermediate targets for all 30 June and 31 December dates between

¹ This has been done in the context of the Primary Intervention Questionnaire (PIQ) for the EAMR. Three new KPIs provide an overall assessment of ongoing interventions (current performance and future performance) and completed interventions (final performance). Scores will be calculated for all INTPA and NEAR interventions participating in the annual results data collection exercise.

- *KPI 10* reflects the relevance, efficiency and effectiveness of ongoing interventions. The information on relevance is provided by the Operational Manager's response to a question in a survey. The information on efficiency and effectiveness is provided either by the logframe data, if sufficient data is available, or the response to a question in a survey, if not.

 KPI 11 reflects expectations regarding the most probable levels of relevance, efficiency, effectiveness and sustainability that can be achieved by ongoing interventions in the future. In this case, all the information is provided by the Operational Manager's responses to questions in a survey.

- *KPI 12* reflects the relevance, efficiency and effectiveness of completed interventions. The information on relevance is provided by the Operational Manager's response to a question in a survey. The information on efficiency and effectiveness is provided by the logframe data if sufficient data is available, or the response to a question in a survey, if not.

² a. *steady progress*: The outcomes are achieved continuously throughout implementation; b. *accelerating progress*: The outcomes are achieved towards the end of implementation; c. *no progress until end*: The outcomes are mostly achieved at the end of implementation; d. *none of the above*.

the baseline and target dates for all output and outcome quantitative indicators. All automatically generated intermediate targets values and dates can be subsequently modified by the Operational Manager or the Implementing Partner with the approval of the Operational Manager.

6. Calculation of values

Specify all assumptions made, list definitions for all technical terms, provide any relevant guidance on (double) counting, and include checklist for quality control.

The value for this indicator is calculated by counting the number of (a) jobs, (b) green jobs supported/sustained by the EU, using the Technical Definitions and Counting Guidance provided below. Please double check your calculations using the Quality Control Checklist below.

Technical Definitions

This indicator only covers *direct jobs*, which are those directly supported by the EU interventions, or those provided within enterprises that are reached by EU support during the reporting period. Indirect and induced jobs supported are not included in the scope of this indicator.

The number of jobs should be expressed in *Full Time Equivalent* (FTE) units, which should be based on the local definition/legislation.

The International Labour Organisation (ILO) defines *green jobs* as "...decent jobs that contribute to preserve or restore the environment, be they in traditional sectors such as manufacturing and construction, or in new, emerging green sectors such as renewable energy and energy efficiency. (https://www.ilo.org/global/topics/green-jobs/news/WCMS_220248/lang--en/index.htm)

At the heart of the many definitions one might find for green jobs is the idea that they correspond to jobs created in a broad sector characterised by "environmental goods and services", understood as products manufactured or services rendered for the main purpose of:

- preventing or minimising pollution, degradation or natural resources depletion;
- repairing damage to air, water, waste, noise, biodiversity and landscapes;
- reducing, eliminating, treating and managing pollution, degradation and natural resource depletion;
- carrying out other activities such as measurement and monitoring, control, research and development, education, training, information and communication related to environmental protection or resource management.

Typically, such jobs are found across many economic sectors such as energy, transport, environmental protection, waste management, water and wastewater management, manufacturing and other industrial processes (circular economy), agriculture, forestry etc.

Green jobs are those within firms that:

- Either implement environmental processes. These jobs involve adopting and integrating environmentally friendly practices and technologies to reduce the environmental impact of business operations. Examples include:
 - Using Solar Panels: Installing and maintaining solar panels on company

facilities to harness solar energy for electricity needs, reducing reliance on fossil fuels and improving energy access in remote areas.

- Energy Efficiency Auditors: Professionals who assess energy consumption and recommend ways to improve energy efficiency within buildings and industrial processes, which is crucial in regions with limited energy resources.
- Sustainable Building Design: Architects and construction managers who use locally sourced eco-friendly materials and sustainable design principles to construct green buildings, improving resilience to climate conditions.
- Water Conservation Specialists: Implementing systems and practices to reduce water usage and manage water resources more efficiently in agricultural, industrial, and urban settings, which is vital in areas facing water scarcity.
- Waste Reduction Managers: Developing and overseeing programs to minimize waste production through recycling, composting, and waste reduction initiatives in manufacturing and service industries, helping to address waste management challenges.
- Green Supply Chain Managers: Optimizing supply chain operations to reduce carbon footprints, such as by sourcing materials locally and using low-emission transportation methods, supporting local economies and reducing transportation emissions.
- Or produce environmental outputs. These jobs involve the production of goods and services that have a positive environmental impact. Examples include:
 - Producing Solar Panels: Manufacturing solar panels and components for renewable energy systems, creating local job opportunities and reducing dependency on imported energy technologies.
 - Wind Turbine Technicians: Assembling, installing, and maintaining wind turbines to generate clean energy from wind resources, providing sustainable energy solutions in regions with suitable wind conditions.
 - Electric Vehicle Manufacturing: Designing and building electric vehicles (EVs) and their components, including batteries and charging stations, promoting sustainable transportation options and reducing air pollution.
 - Sustainable Agriculture: Producing organic foods and employing sustainable farming practices that reduce environmental impact, such as crop rotation and organic pest control, enhancing food security and soil health.
 - Biodegradable Packaging Production: Creating packaging materials that are biodegradable or compostable, reducing plastic waste and pollution, and addressing waste management issues in urban areas.
 - Water Treatment Technologies: Developing and producing systems for treating wastewater and purifying drinking water, ensuring safe and sustainable water use, particularly in regions with limited access to clean water.
 - Environmental Consulting Services: Providing expertise and guidance to businesses and governments on how to implement sustainable practices and comply with environmental regulations, fostering sustainable development policies.

Counting Guidance

1. Part (a) counts all jobs including green jobs and part (b) counts only green jobs. So, any value reported for (b) must also be reported for (a).

- 2. The unit of this indicator is number of direct jobs (and not number of individuals). However, if no information is available on the number of FTE posts, then the number of FTE employees may be used a proxy.
- 3. This indicator should include seasonal and part time direct jobs. These jobs should be converted to FTE on a pro rata basis. For example, 1 full time post for three months would be equivalent to a 0.25 FTE job for a single year reporting period. If no information regarding working hours is available, you may use the rough estimate that two part-time or seasonal jobs equals one FTE job for the reporting period.
- 4. This indicator should include both formal and informal jobs.
- 5. Temporarily vacant posts may be included in this indicator as long as there is the intention to fill the jobs in the near future.
- 6. Unpaid jobs, especially those designated to family workers, should not be counted.
- 7. Please avoid double counting of the same job supported over the reporting period by the same intervention. The peak year result should be reported if there is an overlap between the jobs supported in different years.

Quality Control Checklist

- 1. Has the indicator been included directly in the logframe? Reserve the OPSYS matching functionality only for cases when this is not feasible.
- 2. If the indicator has been included directly in the logframe, does the current value *include* the baseline value? If the indicator has been matched to a logframe indicator, does the current value *exclude* the baseline value?
- 3. Did you report the green jobs under both parts (a) and (b)? Good! Part (a) counts all jobs, including green jobs.
- 4. Are the jobs directly due to the intervention? Good! This includes the jobs created by the economic entities supported by the intervention but does not include the jobs resulting from the increased demand of the economic entities supported by the intervention (indirect jobs) or the increased demand of the individuals that are newly employed by the economic entities supported by the intervention (induced jobs).
- 5. Have you excluded unpaid jobs? Good! These are typical in family businesses and farms.
- 6. Does the GERF value count jobs or people in jobs? This indicator counts jobs, which are contracts that can be filled by one or more persons. A contract does not have a sex or an age, so these disaggregations are impossible.
- 7. Does the GERF value measure full-time equivalent jobs? Good! Part-time and seasonal jobs should be converted to full-time equivalents.
- 8. Does the intervention have a focus on migration? If so, this result should also be reported under GERF 2.20 *Number of migrants, refugees, and internally displaced people or individuals from host communities protected or assisted with EU support.* Double counting with GERF 2.20 is allowed.
- 9. Does the intervention focus on inequalities? If so, this result should also be reported under GERF 2.39 *Number of people directly benefiting from EU supported*

interventions that aim to reduce social and economic inequality, if all conditions are verified. Double counting with GERF 2.39 is allowed.

- 10. Has any other double counting been avoided? Jobs should be counted only once, except for the cases mentioned above. If the intervention reports results for more than one year, do you know if the same job could be counted multiple years in a row? If so, or if you do not know, use the peak year number for the GERF value to avoid double counting.
- 11. Have all calculations been recorded in the calculation method field? Has all relevant information, including the geographic location of results, been reported in the comment field?

7. Examples of calculations

Example 1

An EU intervention is providing business development support and access to credit to 10 SMEs over the 2021-2024 period, with a commitment that at least 50% of the SMEs targeted, invest in Sustainable Consumption and Production (SCP) practices. The intervention implementer collects information reported by the SMEs on the number of FTE jobs at the end of each reporting period. The implementer has reported the following to the EU delegation in charge.

	Results reported by the supported SMEs at the end of the reporting year			
	2021	2022	2023	2024*
# of FTE jobs	28	30	29	-

^{*}not yet available

From this information, it is not possible to identify whether there is an overlap between the jobs supported across the first three years of the intervention. To avoid double counting, we use the peak figure over the support period of 2021-2023, and report that 30 jobs have been supported/sustained with EU support.

Likewise, it is not possible to identify how many of these jobs are green. Therefore, the 30 jobs are reported under part (a) and nothing is reported under part (b).

Since 2024 is not yet available, it is possible that the final figure for the whole support period of 2021-2024 will change if the 2024 result is higher than 30.

Example 2

An EU intervention is providing support to a poor rural area to increase their economic resilience over 2021-2023. One component of the intervention targeting landless unemployed individuals is to provide small grants and construct shades and fattening centres to promote off-farm business activities. The implementers reported that 130 FTE jobs were supported through the off-farm business promotion element of the intervention over the entire period of EU support.

A total of 130 jobs supported are reported under part (a) for the period 2021-2023. No green jobs are reported under part (b) for the period 2021-2023.

8. Data sources and issues

Please use the data source categories specified in OPSYS.

<u>EU intervention monitoring and reporting systems</u>: *Progress and final reports for the EU-funded intervention; ROM reviews; EU-funded feasibility or appraisal reports.*

Include any issues relating to the availability and quality of the data.

9. Reporting process & Corporate reporting

The data collected on this indicator will be reported in OPSYS by the Implementing Partner. The values encoded in OPSYS will be verified, possibly modified and ultimately validated by the Operational Manager. Once a year the results reported will be frozen for corporate reporting. The methodological services in HQ that are responsible for GERF corporate reporting will perform quality control on the frozen data and aggregate as needed to meet the different corporate reporting requirements.

This indicator is used for corporate reporting in the following contexts:

- o NDICI via the Annual Report
- o NDICI via the Programme Statements
- INTPA Strategic Plan via the Annual Activity Report
- NEAR Strategic Plan via the Annual Activity Report
- o FPI Strategic Plan

This indicator has been included in the following other Results Measurement Frameworks:

- EFSD+
- o GAP III
- IPA III
- TEI-MORE

10. Other uses

GERF 2.13 can be found in the following thematic results chains:

- Food and Nutrition Security and Sustainable Agriculture
- Green Economy
- Sustainable Cities

GERF 2.13 can be found in the following groups of EU predefined indicators available in OPSYS, along with other related indicators:

- Employment and VET
- Oceans
- Sustainable Aquatic and Agri-Food Systems
- Sustainable cities

For more information, see: <u>Core indicators for design and monitoring of EU-funded interventions | Capacity4dev (europa.eu)</u>

External bodies using the same or similar indicator:

- African Development Bank Number of direct jobs created
- Netherland Ministry of Foreign Affairs Direct jobs supported in enterprises by programmes for Private Sector Development

- The Donor Committee for Enterprise Development (DCED): Harmonized Indicators for Private Sector Development - Number of full-time (equivalent) jobs supported

 Harmonized Indicators for Private Sector Operations (HIPSO) – Number of full-time equivalent construction workers employed for the construction of the company or project's hard assets; Number of full-time equivalent employees as per local definition working for the client company or project at the end of the reporting period.

11. Other issues

Measuring job creation is a complex and challenging task faced by many donors and international organizations. Although several existing approaches aim to measure jobs, there is currently no internationally agreed-upon methodology or standard approach.

The methodology presented in this note is a simplified approach that focuses solely on direct jobs. This indicator is not intended to assess the economy-wide impacts of job creation, as it does not account for indirect and induced jobs, which are crucial results that should be considered and monitored at the intervention level.

Additionally, other important aspects of decent jobs, such as sustainability and workers' rights and protections, are not explicitly measured by this indicator. However, these elements of decent work should be taken into account during the design and formulation stages and monitored throughout the implementation of the intervention.