

المعمل
المصري لقياس
الأثر | EGYPT
IMPACT
LAB

Effectiveness of active labour market policies: from theory to research, from findings to action

Block1: Why Evaluate & Theory of Change?

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Institutional Host



Founding Partners



SAWIRIS FOUNDATION
مؤسسة ساويرس للتنمية



Additional Support



Lecture Overview

- **The Egypt Impact Lab**
- Why Evaluate
 - Motivation for impact evaluation
 - Prerequisites for a good impact evaluation
 - The future of evaluations and evidence-informed policymaking
- Theory of Change



Government Embedded Evidence-Based Policy Labs

EGYPT IMPACT LAB



An embedded lab in the
Ministry of Planning,
Economic Development, and
International Cooperation

ELL's Institutional Host



ELL's Strategic Partners



ELL Founding Partners



Additional Funding



Three Pillars

To support the government
in evidence use

01

Generate evidence on priority themes



02

Build capacity to use evidence



03

Strengthen the knowledge ecosystem



Thematic areas reflect government priorities



Social protection and poverty alleviation

EIL will have a major focus on the Hayah Karima Initiative, a multidimensional poverty alleviation program. It will also support MoSS's existing commitments to evidence-informed social solidarity policy.



Education, Employment & MSME development

Employment remains at the top of development challenges and policy priorities for the Government of Egypt, and is a key component in the country's strategies to reduce poverty and inequality.



Gender empowerment and family development

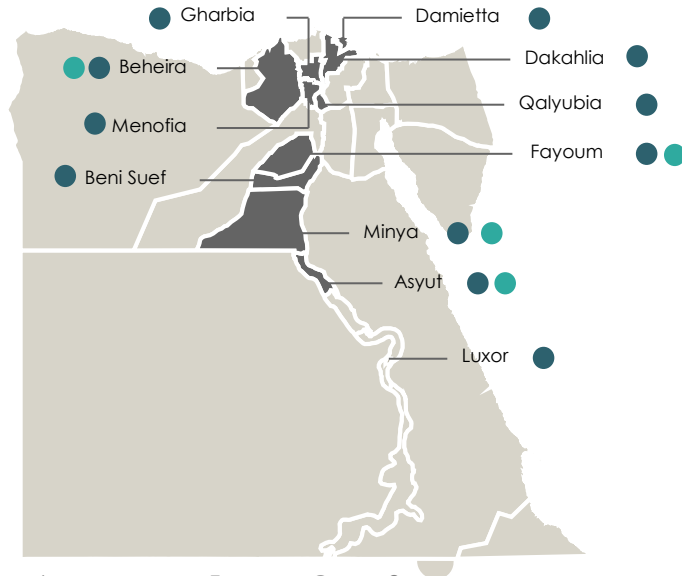
EIL will also focus on the National Family Development Program, a coordinated effort across government to curb population growth and support healthy families, and other efforts to promote women's empowerment.



Environment, Energy, and Climate Change

Introducing the **Hub of Advanced Policy Innovation for the Environment (HAPIE)**. HAPIE serves as J-PAL's regional Air and Water Lab in Egypt. HAPIE will focus on supporting climate change policies and strategies for the Government of Egypt.

The Lab in 2026



400+
PEOPLE
TRAINED



12
SCHOLARS

*under two rounds of
MENA Scholarship*



38,129
PROJECT
PARTICIPANTS

**including treatment and
control*

30+
ACTIVE
PARTNERSHIPS

16
RESEARCH
GRANTS

28
ENGAGED
RESEARCHERS

10

OTHER SECTORS
(Gender, Labor,
Education,
Employment)

6

HAPIE
(Environment)

Why Evaluate?

Many of the world's challenges seem insurmountable

46%

In 2018, nearly half of the world's population lived on less than \$5.50 a day
([WB](#))

688 M
PEOPLE

688 million were hungry in 2019
([FAO](#))

473 M
PEOPLE

In 2022, over 473 million people were either unemployed or had an unmet need for employment
([International Labour Organization](#))

3X

Youth have an unemployment rate around three times higher than that of adults
([International Labour Organization](#))

The decision-maker's dilemma – limited resources, many challenges, but even more potentially good solutions

Every policy challenge has many seemingly good solutions, but there is limited time and funding. Take, for example, improving school attendance...

How do you choose between seemingly good program options?

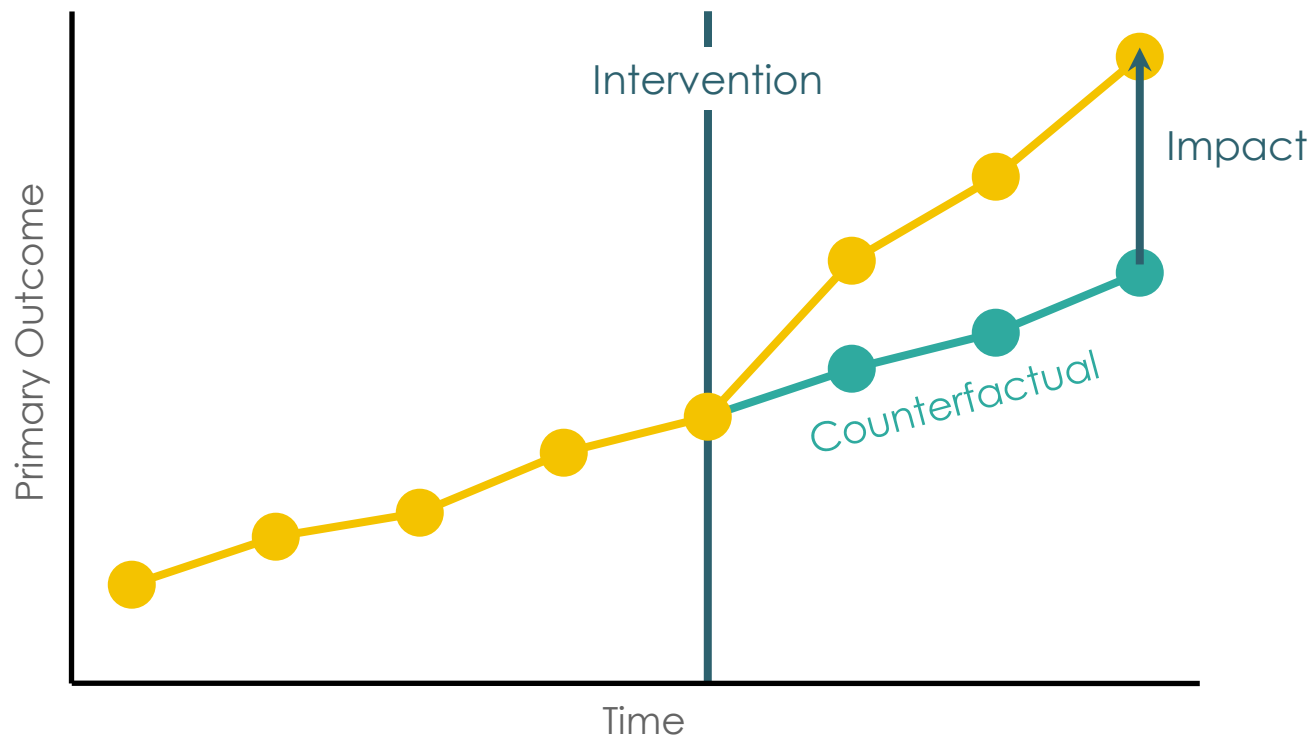
Pair knowledge of local conditions with rigorous evidence from around the world to design your program

Having chosen one program, how do you know whether it really works or not?

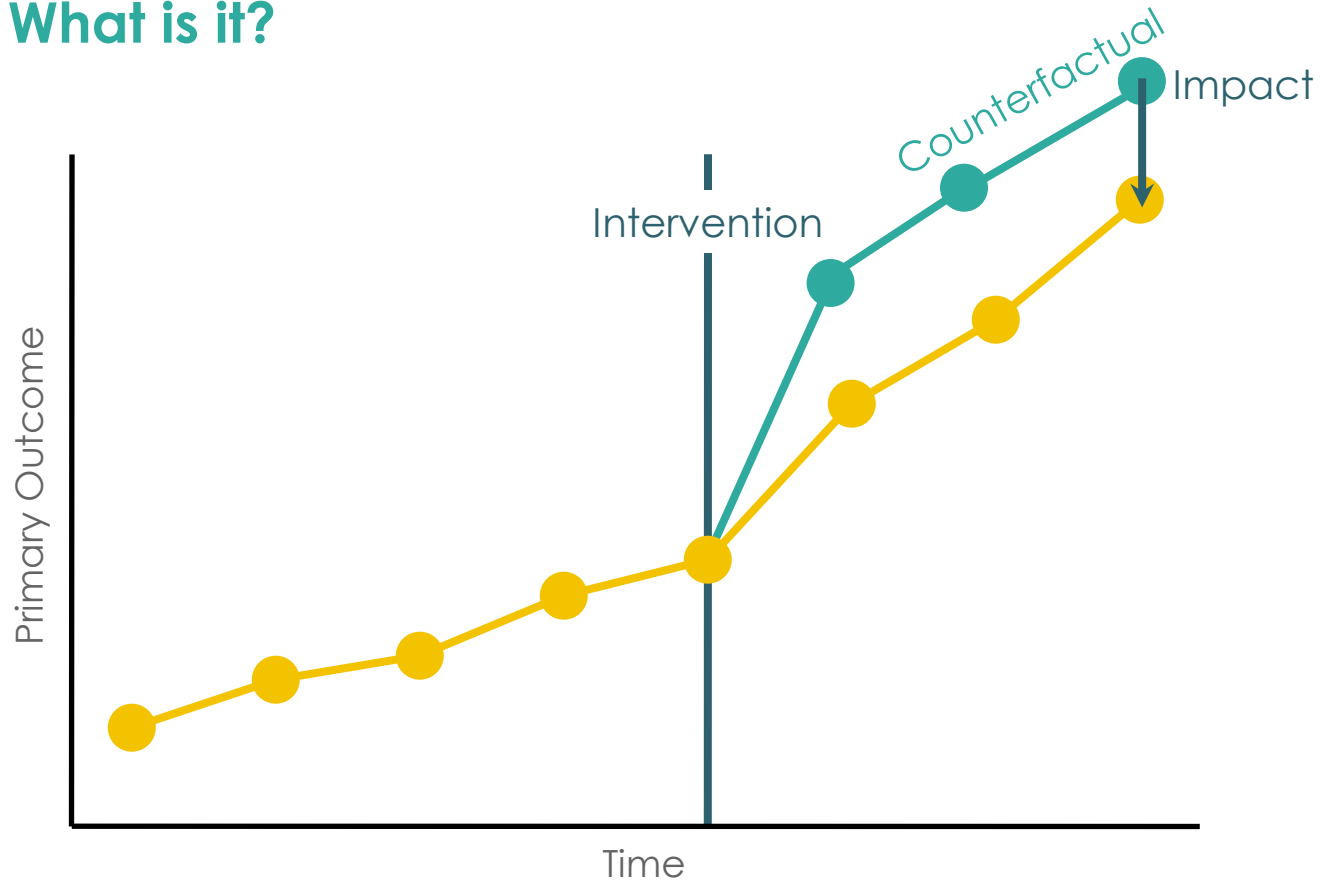
Use data and **impact evaluations** to:

- Test different solutions and see whether they have the intended effect
- Compare different solutions in terms of their cost and magnitude of impact
- Scale most cost-effective solutions

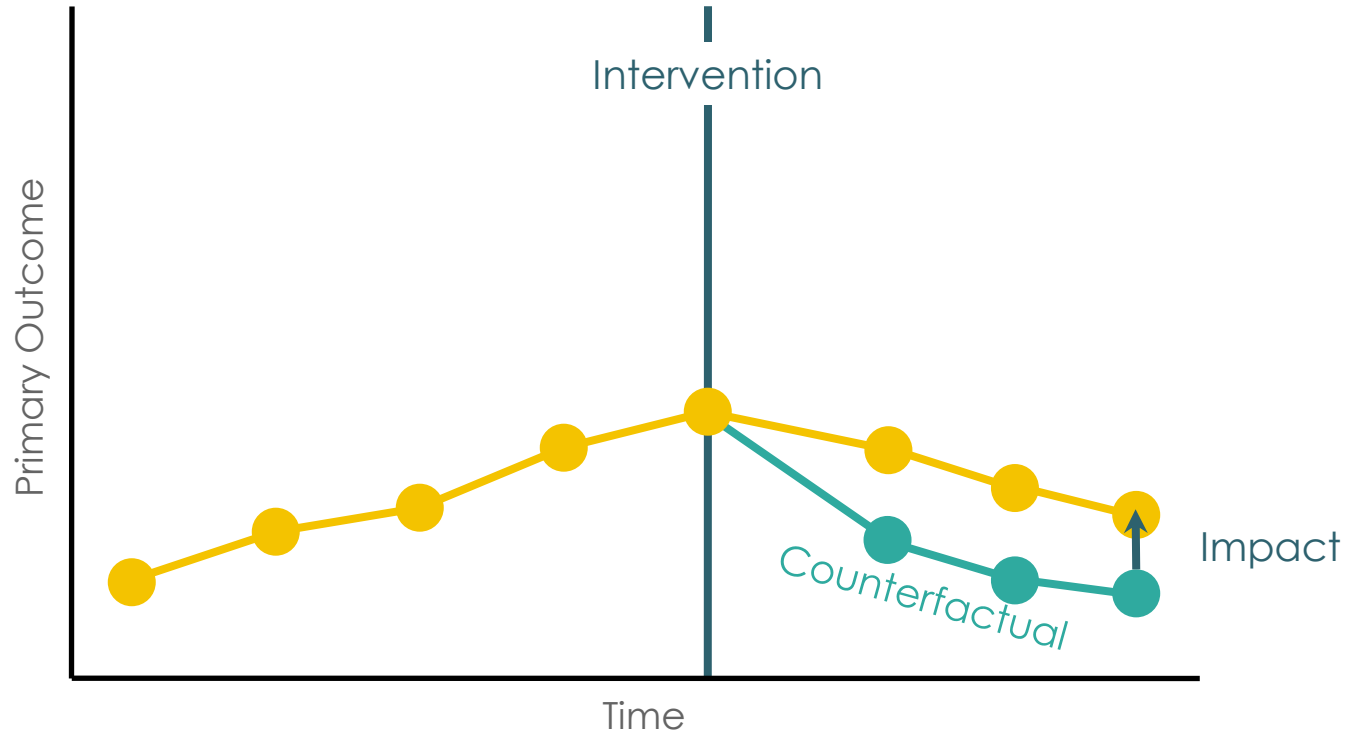
Impact: What is it?



Impact: What is it?



Impact: What is it?



Impact: How can we measure it?

The impact of a program is defined as a comparison between:

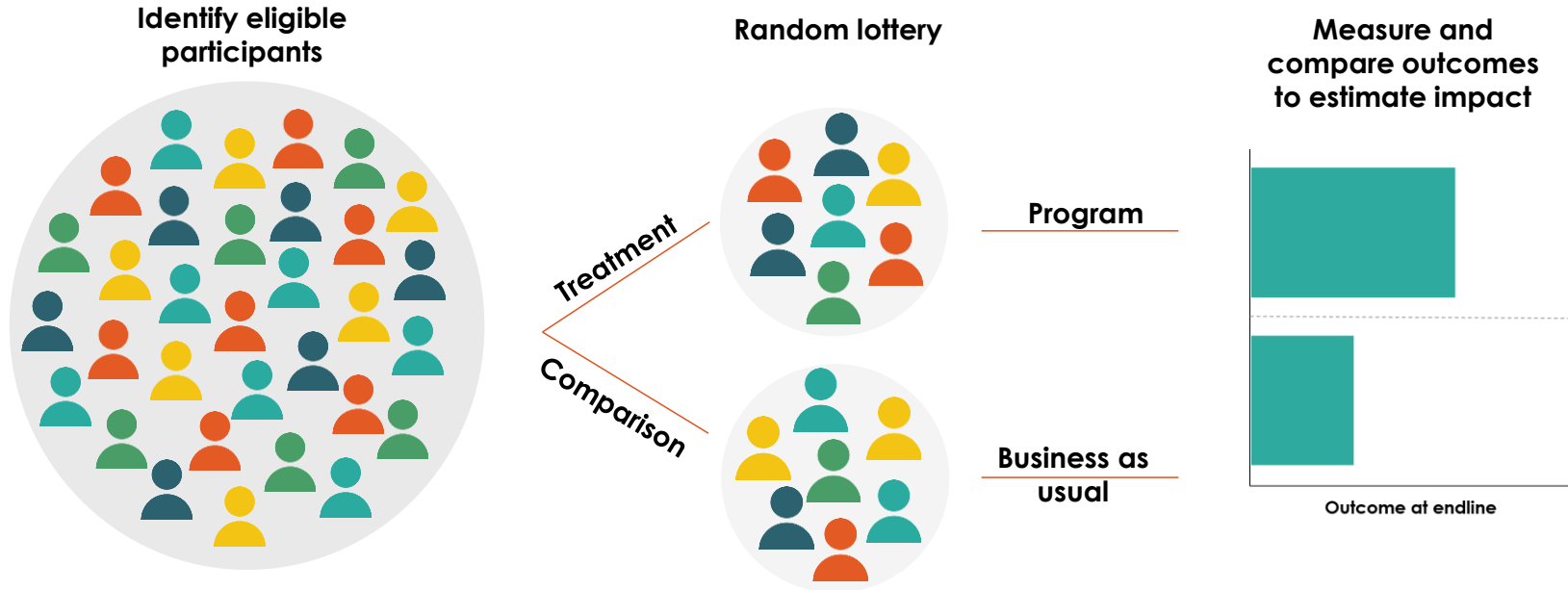
- **What actually happens** after the program has been introduced
- **What would have happened** had the program not been introduced (i.e., the “counterfactual”)

In order to assess the impact of a program, we need to understand the **counterfactual**, i.e., the state of the world that program participants would have experienced in the absence of the program

- **Problem:** The counterfactual never happened so it cannot be observed
- **Solution:** We need to “mimic” or construct the counterfactual

This can be done in different ways, but we will primarily focus on Randomized Controlled Trials (RCTs)

Randomized evaluations use random assignment to mimic the counterfactual and estimate a program's impact



Key advantage of randomized evaluations (or RCTs): Due to random assignment, members of the treatment and comparison groups do not differ systematically at the outset of the evaluation. Thus, the difference that subsequently arises between them can be attributed to the program, rather than to other factors.

Lecture Overview

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A good impact evaluation builds on good program design and implementation

Conduct a needs assessment



NEEDS ASSESSMENT

What is the problem?

- What is the extent of the problem?
- Who is most in need?

What are its contributing factors?

- Build a hypothesis about what causes the problem and propose possible solutions

A good impact evaluation builds on good program design and implementation

Conduct a needs assessment



Design the program and build a theory of change



THEORY OF CHANGE

Decide on a program to address the identified needs

- What are the inputs or activities?

What steps are needed for the program to achieve the desired change in outcomes?

- What assumptions need to hold?



A good impact evaluation builds on good program design and implementation

Conduct a needs assessment



Design program and
build a theory of change



Implement and conduct
a process evaluation



IMPLEMENTATION AND PROCESS EVALUATION

- Was the program carried out as planned?
- Is the program reaching the target population? Do people use the services?

A good impact evaluation builds on good program design and implementation



IMPACT ESTIMATION

- Did the program have the intended effects?
- If so, how big were these effects?

A good impact evaluation builds on good program design and implementation

Conduct a needs assessment



Design program and
build a theory of change



Implement and conduct
a process evaluation



Estimate impact



Conduct a cost-effectiveness analysis



COST-EFFECTIVENESS ANALYSIS

- What is the cost of the program compared to its impact?
- Given magnitude of impact and cost, how does it compare to alternatives?

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The use of RCTs is expanding to tackle key policy-research challenges in new areas



Climate change

Advance evidence-based policies in climate change mitigation and adaptation.



Social protection

Improve the effectiveness of programs to reduce poverty, inequality, vulnerability, and risk.



Discrimination

Identify effective approaches to counter discriminatory practices and reduce prejudice.



Misinformation

Draw out lessons for combating misinformation and eliciting behavior change.



The future of work

Test strategies for job creation and helping workers adapt to changing economies.



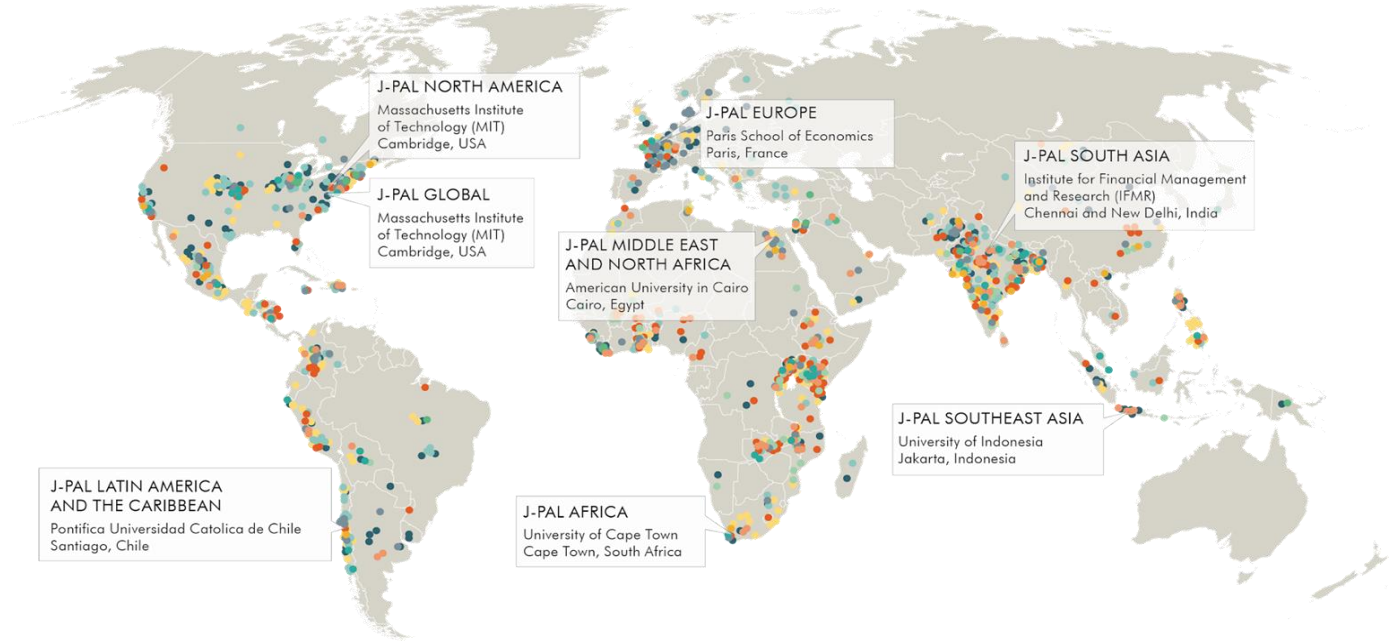
Big data

Increase the use of big data for evidence-informed decision-making.

J-PAL's seven regional offices build partnerships for **globally informed and locally grounded** evidence

2,450+ EVALUATIONS

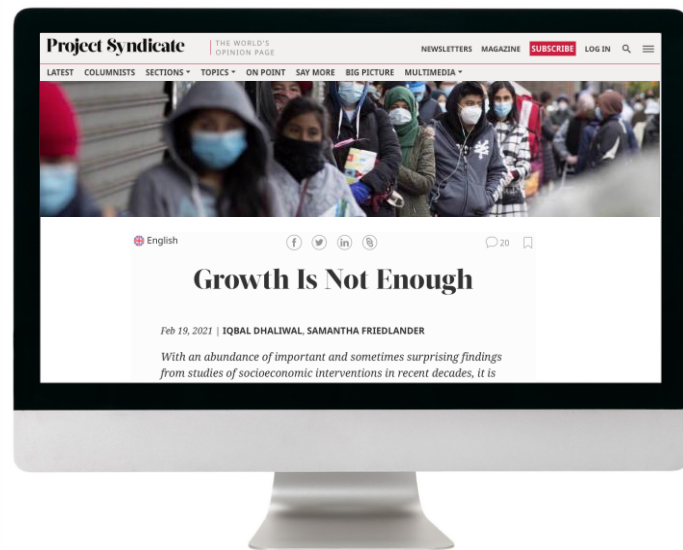
building a strong body of evidence on the most (and least) effective approaches to reducing poverty.



- Agriculture
- Crime, Violence, & Conflict
- Education
- Environment, Energy, & Climate Change
- Finance
- Firms
- Gender
- Health
- Labor Markets
- Political Economy & Governance
- Social Protection

Conclusion: Evidence is key to good policy making

- A fundamental dilemma for decision-makers is to select the best possible program to address the challenges facing society
- The only way to know whether a program works is to evaluate its impact
- A good impact evaluation builds on the careful design and implementation of a program
- Impact evaluations can be costly, but not evaluating a program can be even more costly as it can lead to large investments into programs that do not, in fact, work



Lecture Overview

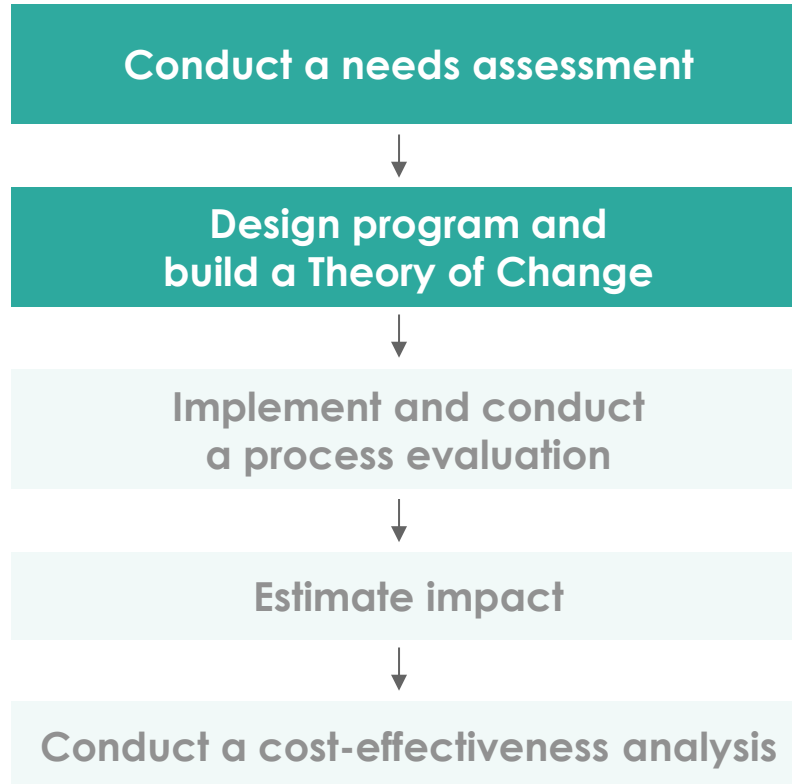
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Theory of Change

Evaluation builds on thoughtful and informed program design

Strong **theory** and **policy goals** guide identification of needs and logical steps of the ToC



A good impact evaluation builds on good program design that identifies and addresses a local need



NEEDS ASSESSMENT

What is the problem?

- Understand what is the extent of the problem
- Identify the barriers that exist and levers that are promising around the problem
- Identify who is the most in need

What are its contributing factors?

- Build a hypothesis about what causes the problem and propose possible solutions



Data driven
(E.g., administrative data, qualitative information)

A good evaluation builds on a well-developed Theory of Change



THEORY OF CHANGE

Decide on a program to address the identified needs

- What are the inputs or activities?

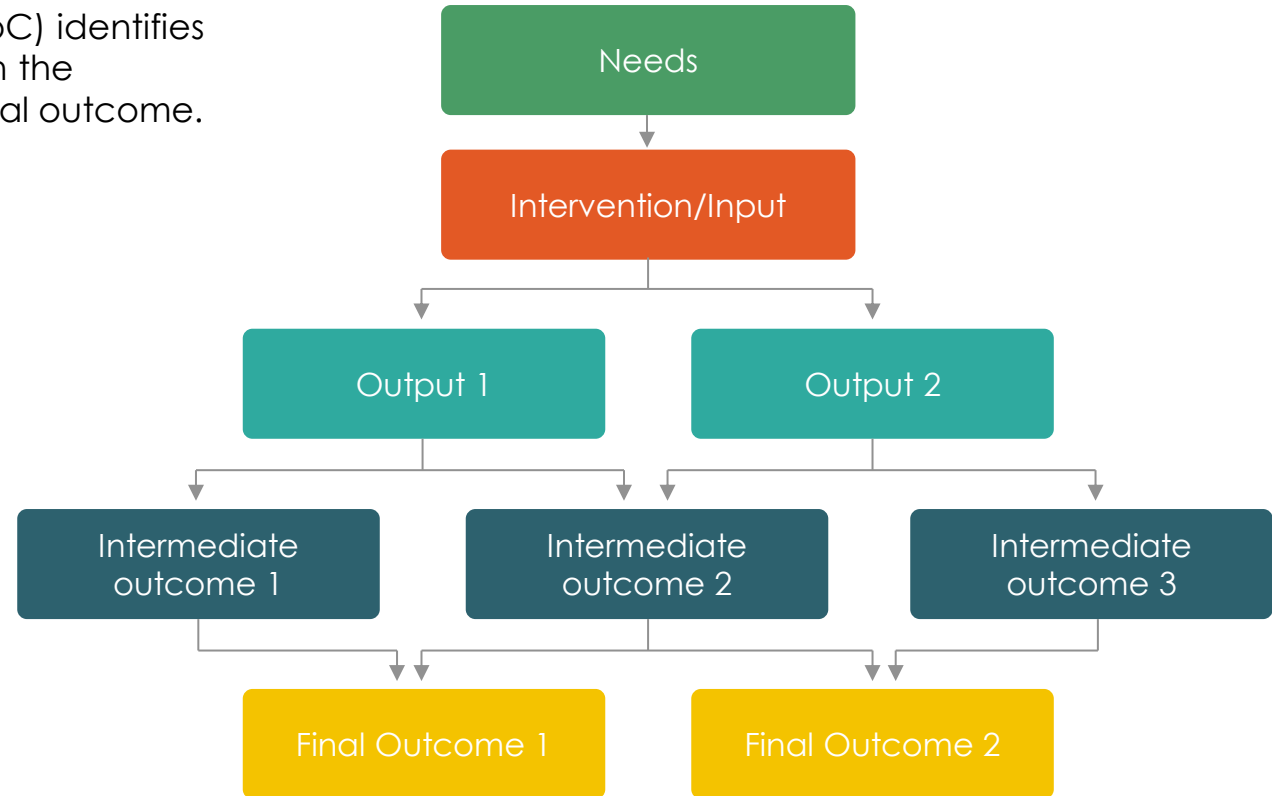
What steps are needed for the program to achieve the desired change in outcomes?

- What assumptions need to hold?

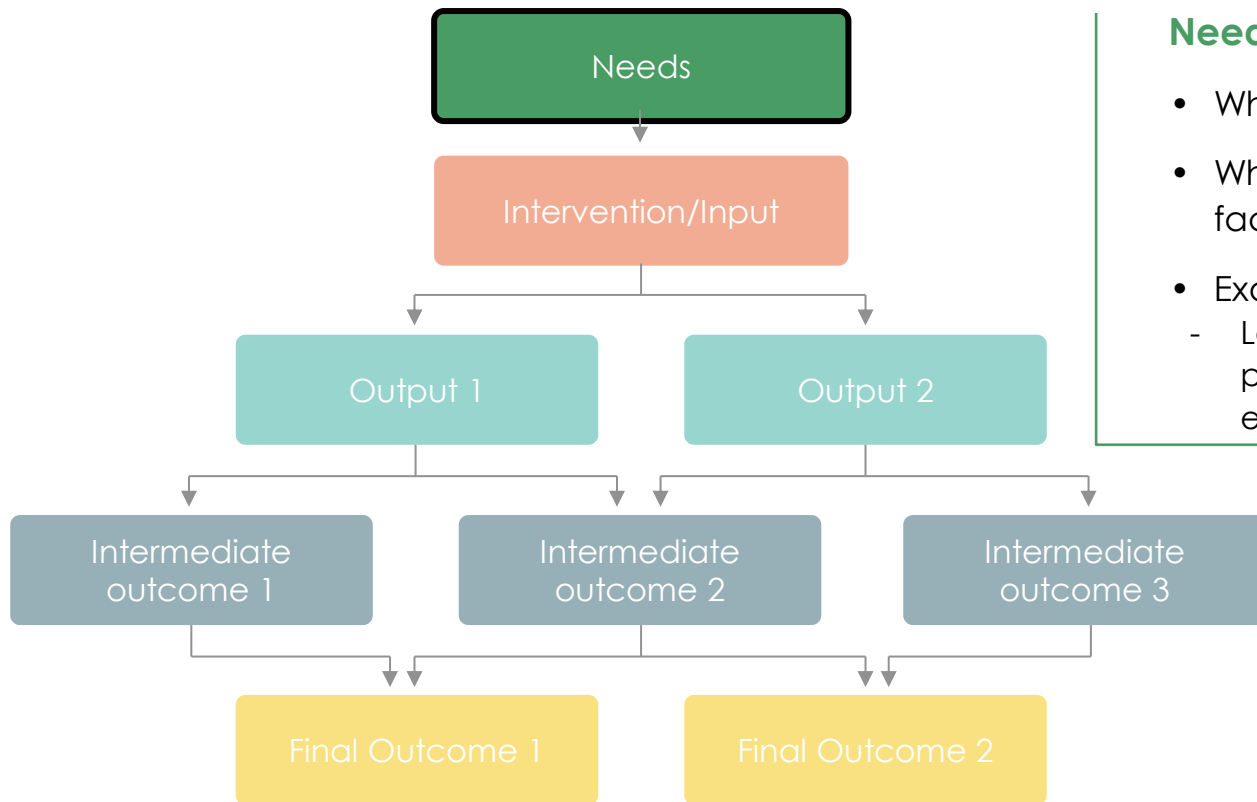


Theory of Change

A Theory of Change (ToC) identifies the causal link between the intervention and the final outcome.



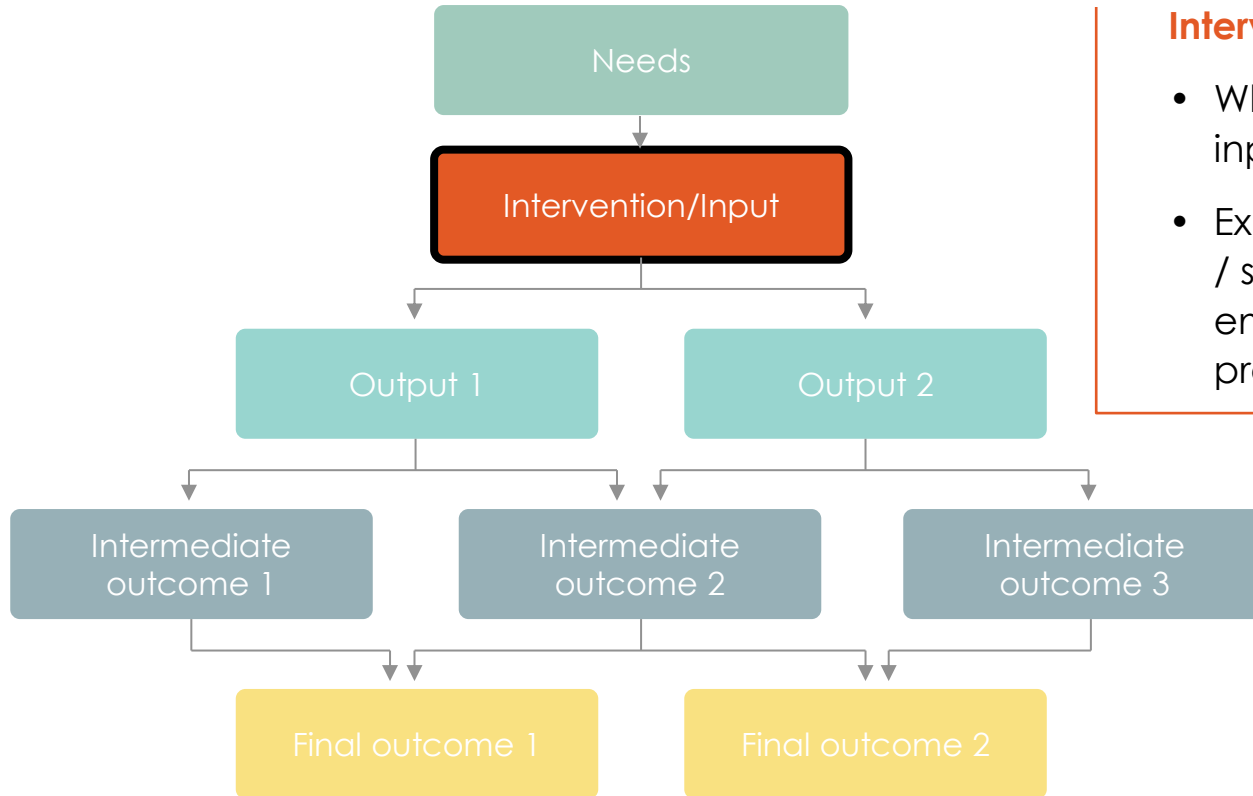
Theory of Change



Needs

- What is the core problem?
- What are the contributing factors?
- Example: Youth Unemployment
 - Less than half of eligible youth participate in available employment assistance programs.

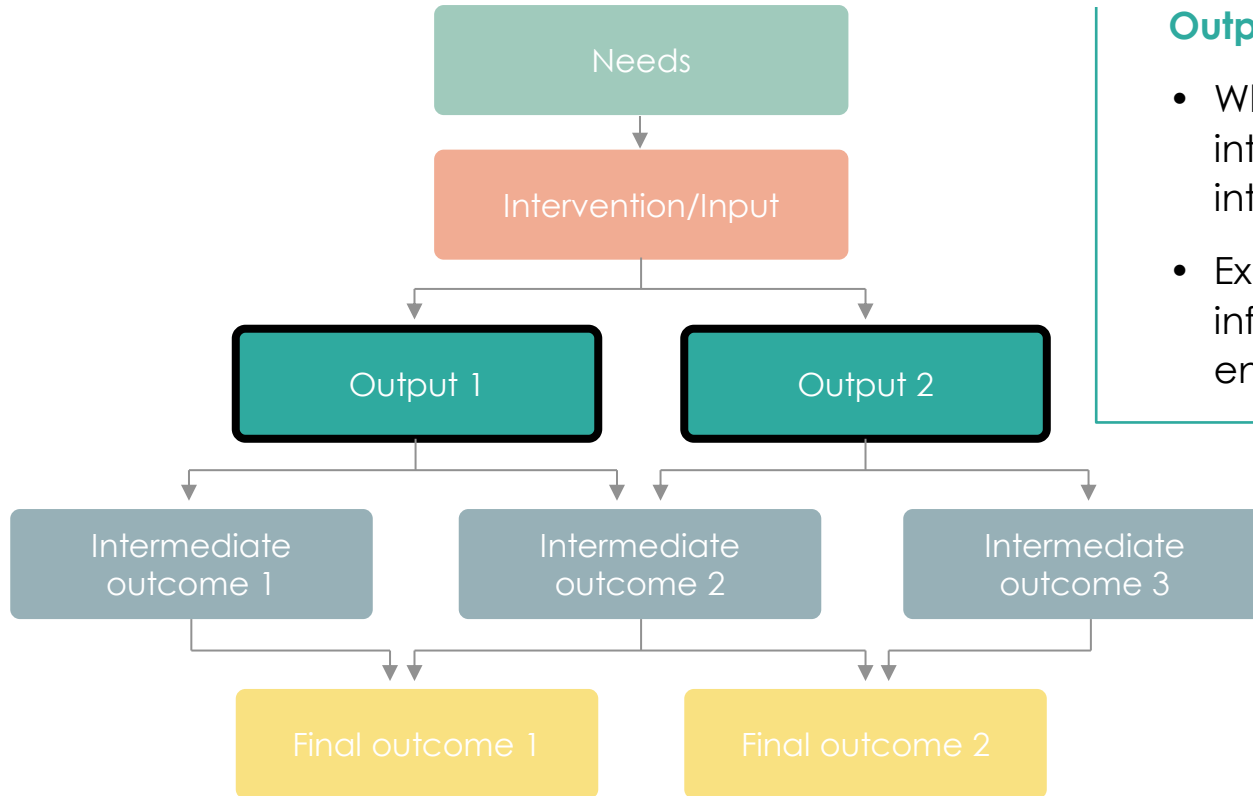
Theory of Change



Intervention/Input

- What are the components or inputs of the program?
- Example: Information campaign / stigma-reduction messaging / employment assistance program.

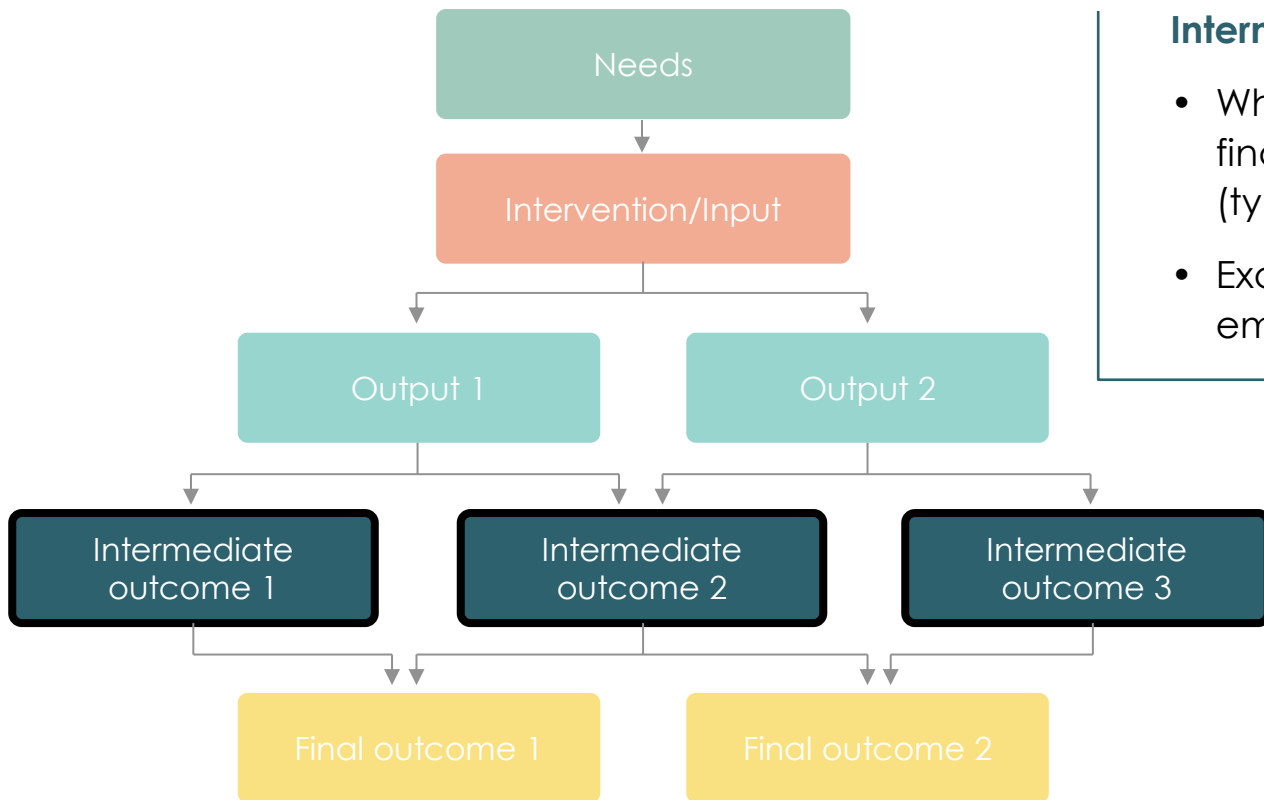
Theory of Change



Output

- What is needed in order for the intervention to be delivered as intended?
- Example: Youth receive information and encouragement to participate.

Theory of Change



Intermediate outcomes

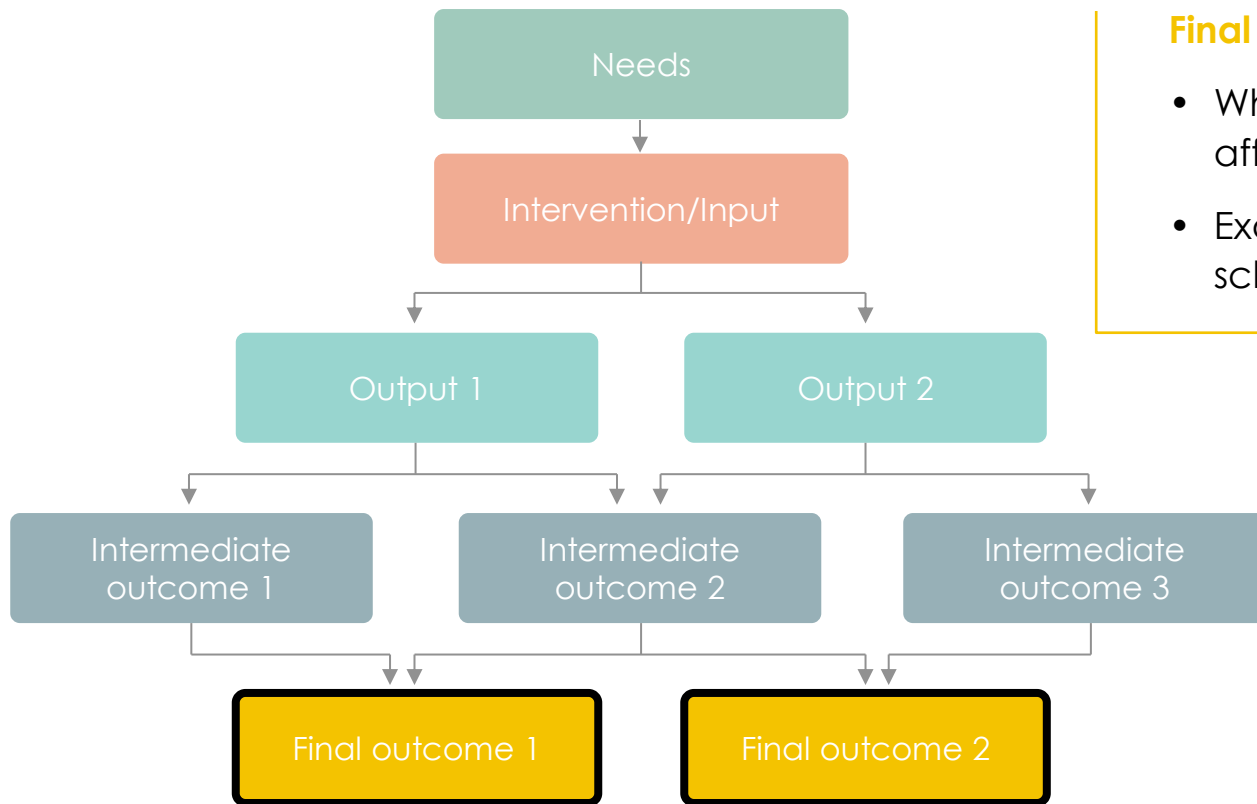
- What needs to happen for the final outcome to be affected? (typically a behavior change)
- Example: Increased take-up of employment services.

Theory of Change

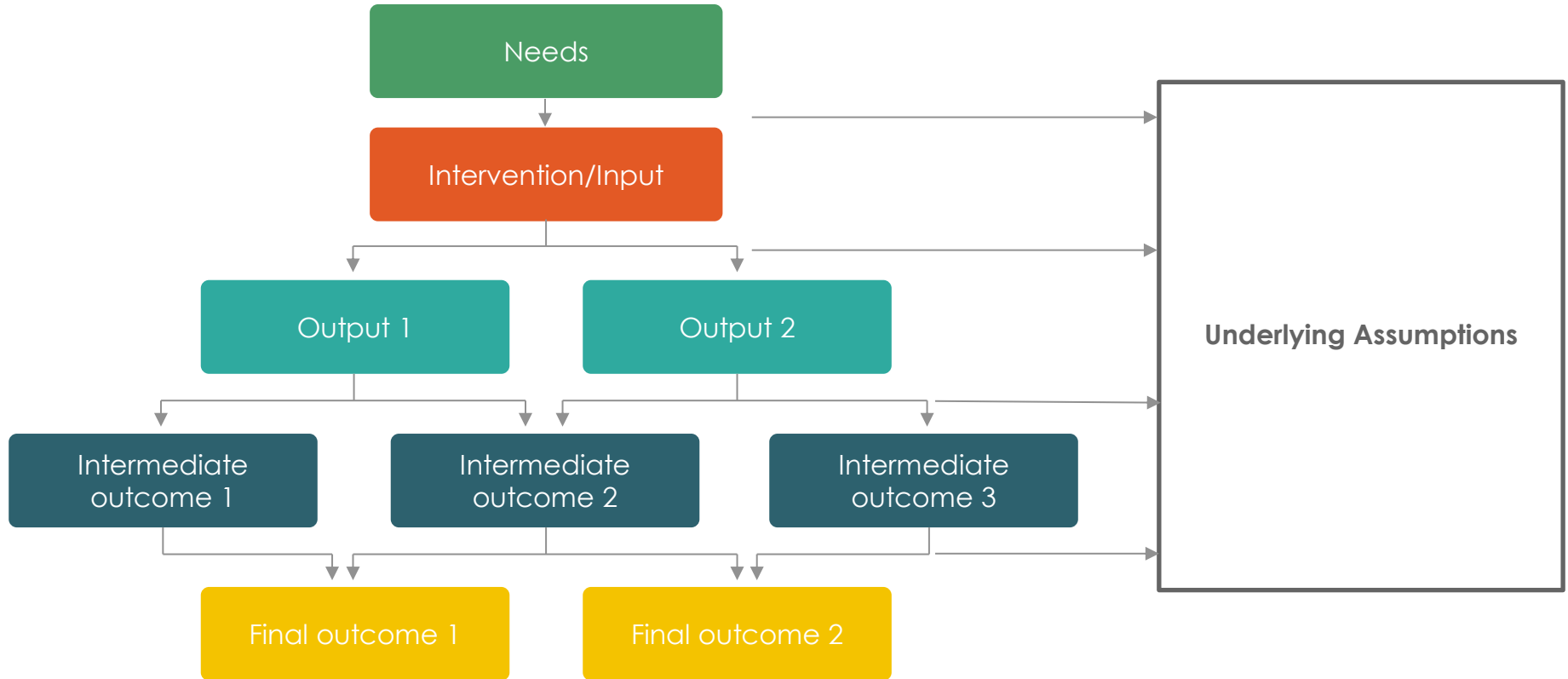


Final outcomes

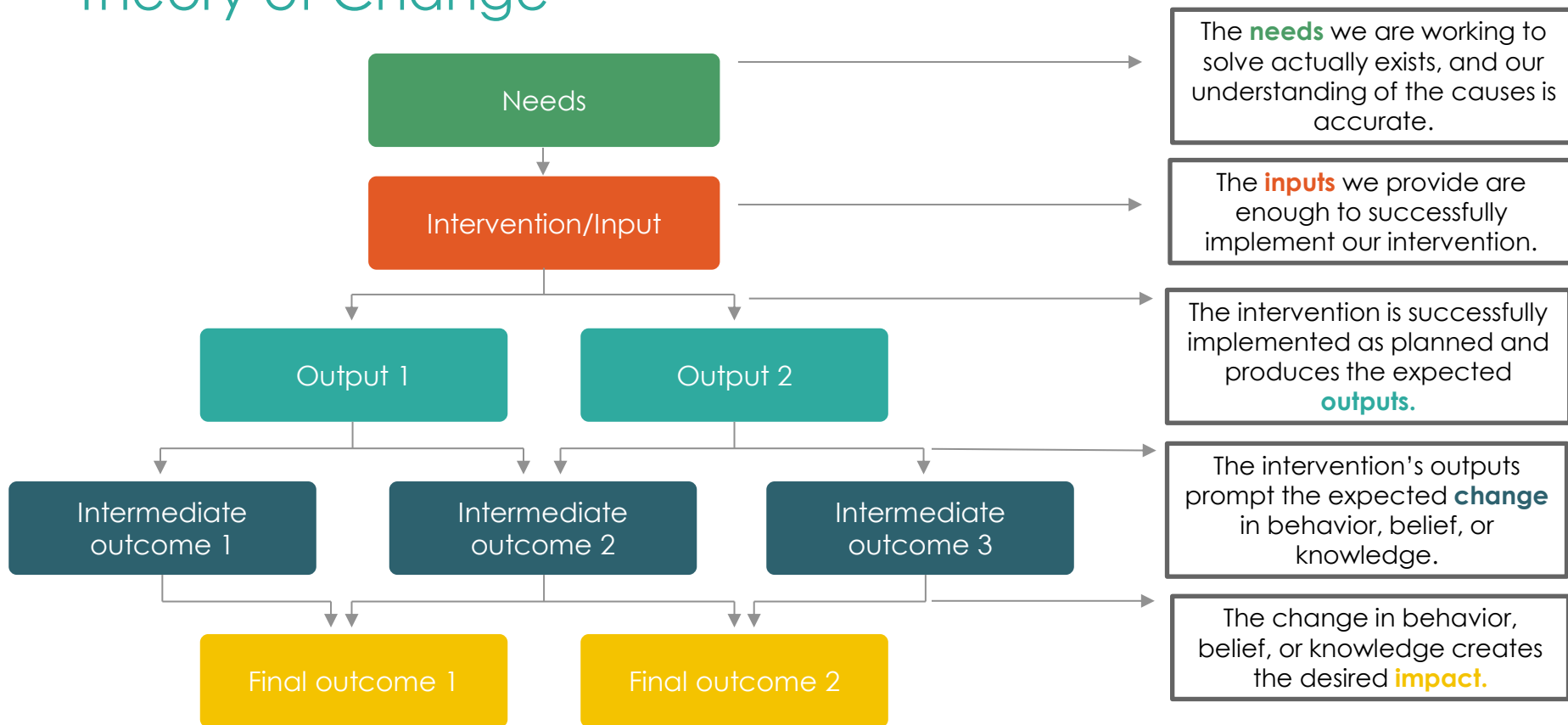
- What do you ultimately want to affect with the intervention?
- Example: Increase in high school graduation rates



Theory of Change



Theory of Change



Why spend time on a Theory of Change?

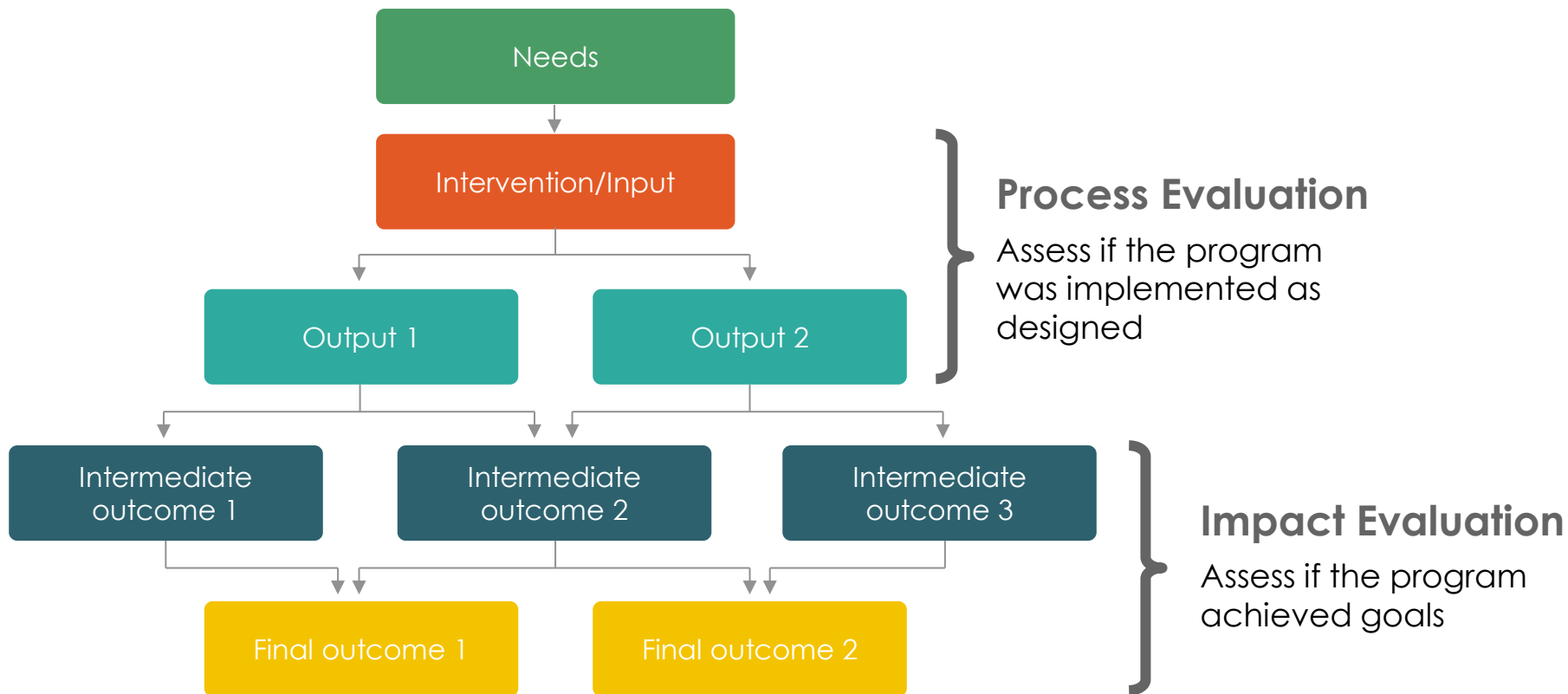
1. **Helps design the evaluation and interpret results**

- Can be done by thinking of final outcomes first and working backwards
- Is there evidence that makes each step in the TOC credible?

2. **Helps design the evaluation**

- Generate research questions
- Decide which outcomes to measure and what data to collect
 - By measuring the right intermediate outcomes, we know more about how our program works
 - Allows us to understand the “why,” thus giving richer policy lessons
 - Gives more generalizable knowledge

Theory of Change





Thank you