MOROCCO EMPLOYMENT LAB

J-PAL
ABDUL LATIF JAMEEL POVERTY ACTION LAB

HARVARD Kennedy School
Evidence for Policy Design

POLICY CENTER
FOR THE NEW SOUTH
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Morocco Employment Lab research fund: Overview and Instructions
Round 1

The Morocco Employment Lab (MEL) funds randomized and quasi experimental evaluations of interventions that seek to improve labor market outcomes in Morocco. The MEL is now calling for proposals from eligible researchers for full research projects, and small or pilot projects. Proposals are now due by <u>**11:59 p.m. ET on Friday, December 11, 2020. The MEL will remain open to receiving off-cycle proposals after the deadline, but researchers are encouraged to apply early due to funding and time constraints.**</u>

Background

The Abdul Latif Jameel Poverty Action Lab (J-PAL) and Evidence for Policy Design (EPoD) are working with the Millennium Challenge Account Morocco Agency (MCA-Morocco) to launch the MEL. Hosted at the Policy Center for the New South (PCNS), a Moroccan research institute, the Lab seeks to create a culture of evidence-based policymaking and improve labor market policies through rigorous impact evaluations and capacity building.

The MEL works across four complementary components that contribute to building a culture of evidence-based policy and generating evidence from labor market programs in Morocco to inform policies:

1. *Identify policy priorities:* The Employment Lab works with policymakers to diagnose key policy challenges, especially those compounded by COVID-19, identify data, highlight and prioritize knowledge gaps.
2. *Build capacity for evidence use:* The Employment Lab hosts training workshops and events on how to generate and use evidence in policy making. Tailored trainings are delivered to researchers, civil service trainees, NGOs and government officials at different levels to create a broad understanding of how evidence can be used in the policy and program design.
3. *Conduct impact evaluations:* Together with its policy partners, the Employment Lab will co-design and implement a portfolio of impact evaluations that address the identified policy priority issues.
4. *Share evidence to inform policy:* The Employment Lab will disseminate research results to a wide range of stakeholders through a large-scale policy symposium, policy briefs, and online communication channels.

The MEL research fund will support the third component of its work agenda. The MEL activities are coordinated by a team based in Morocco and headed by Florencia Devoto. The team will support research projects incubation and implementation in Morocco as well as policy outreach and visibility.

Focus

The MEL research fund supports rigorous impact evaluations of programs and policies aiming at improving labor market outcomes in Morocco.

Labor market challenges in Morocco have been compounded by the COVID-19 pandemic and unemployment rates soared from 8.1% to 12.3% between 2019 and 2020 second quarters year-on-year. Some of the key challenges identified on the Morocco labor markets are:
- Employment concentrated in low-productivity and low-quality sectors, with high informality
- High youth and graduate unemployment, further exacerbated by COVID-19
- Low female labor force participation

The MEL approaches the problem of weak employment outcomes from the supply side, matching job seekers to employment, and the demand side (job creation), with a number of cross cutting themes.

Supply and matching:
Skills training: Jobseekers often lack the skills required to perform jobs, so training should in theory help them to become better candidates. Training programs are a common feature of government and NGO programming, especially for youth. But these programs tend to be expensive[1], and some have had disappointing results when rigorously evaluated. One challenge to making conclusive statements about the success of training programs is that programs vary greatly in terms of how they are implemented and who they target. In addition, evaluations largely test interventions as a whole, not individual components. Understanding which components of a training program are most effective could be particularly insightful to help design more cost-effective programs.

Job search: While jobseekers face many barriers to transition into the workforce, some of the most commonly cited issues are that (i) they do not know where or how to search for jobs, (ii) they underestimate the benefits of job search and therefore end up underinvesting in it, and (iii) they struggle to communicate their qualifications to employers.

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[1] http://documents.worldbank.org/curated/en/256001490191438119/pdf/WPS8011.pdf
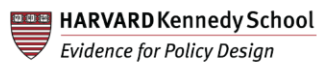
Discrimination in hiring: There is strong evidence of hiring discrimination against minority and underrepresented groups in many countries. However, most correspondence studies of discrimination come from high-income countries, and it would be helpful to better understand the extent of hiring discrimination in low- and middle-income countries.

Job Creation:

Self-employment and entrepreneurship support: Supporting individuals to start and grow their own businesses is a popular employment policy approach in many contexts. In much existing research, business skills training programs increased microentrepreneurs' use of business best practices, but in most cases, there were no significant changes in their profits. Alternative programs that are tailored to participants' needs or foster an entrepreneurial mindset have shown more promising results than traditional programs. Future research that tests business skills training programs with a larger sample size would be valuable contributions to the existing literature. It would also be helpful to see more studies that test alternative programs that tailor training content to participants' needs, focus on entrepreneurial mindset, or address other constraints (like credit) in addition to teaching skills.

Regulations and firm growth: Beyond cash grants, there are other exciting innovations that have had some impact on firm growth. For example, solutions could include increasing small business's market access by increasing their access to export markets or addressing regulatory barriers to firm growth by helping firms to better understand the labor regulations in their country. There is limited research to date on how to help firms grow and hire more workers, and more research in this space would be a valuable contribution.

In addition, the MEL can consider projects that tackle important cross-cutting issues relevant to the Moroccan context including
- *Gender*: research that seeks to better understand the multitude of barriers that women face to employment and how to best alleviate those barriers.
- *Job quality*: given the prevalence of informality and low-quality employment in Morocco, research that addresses approaches to enhance job quality will be relevant.
- *The future of jobs*: there are significant concern and discussion around how automation and globalization might transform labor markets and threaten livelihoods. Research that explores issues related to the gig economy, technology-based employment solutions, and equipping people to succeed in light of changing labor market demands would be valuable contributions to the literature.

If a researcher is uncertain about whether a research project is eligible for the MEL research fund, please email MoroccoEmploymentLab@povertyactionlab.org.

Funds

The MEL research fund supports both randomized and quasi experimental evaluations of programs and policies aiming at improving labor market outcomes in Morocco. The broader research mandates of EPoD and PCNS allows to consider quasi-experimental evaluation proposals in addition to randomized evaluations.

Two types of evaluations proposals will be considered:

(1) Full Research Projects: These grants are for research projects at a mature level of development. Not only must the research question be clear, but applicants must also demonstrate a commitment from implementing partners, a method of randomization if applicable, well-defined instruments, and sample size estimates. The expectation is that these projects will result in a paper publishable in a top economics journal. The total amount awarded to a single project will not exceed $450,000.

(2) Small or Pilot projects: The maximum amount awarded for small or pilot studies is $50,000.

- *Pilot projects*: These grants are for studies with a clear research question, but for which the design and implementation requires further testing and pilot data.[2] The expectation is that these projects will ultimately develop into full-scale randomized evaluations.
- *Small Field Studies*: These grants are for studies aimed at understanding how a particular component of the labor market works by analyzing data collected through in-person interviews, surveys, or direct observation, and should deliver results in the short-run.
- *Data Studies*: These grants are for high quality, quasi-experimental or data science research where administrative data access, qualitative work on institutional background, and data analysis may be necessary.

Off-Cycle Proposals

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[2] Please note that full evaluations requesting less than $50,000 are considered full research projects and evaluated accordingly. The criteria for pilot funding apply only to proposals requesting funds to conduct piloting, or pre-randomization, activities.
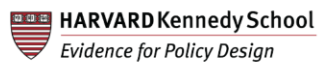
Outside of the regular RFP cycles, the MEL research fund will consider off-cycle projects proposals. While the review process of off-cycle grant applications might take a longer time, they will be reviewed following the same process as proposals that are submitted by the application deadline.

Eligibility

J-PAL affiliates, J-PAL postdocs, EPoD affiliated researchers, and MEL invited researchers are eligible to apply for any type of MEL research funds. In addition, any academic researcher is eligible to apply for non-experimental small or pilot projects. All proposals may include collaborators outside of this network.

In addition, PhD students may be eligible to apply for up to $50,000 in research funding. To be eligible, PhD students must have an eligible researcher on their thesis committee at their host university. This adviser must provide a letter of support and indicate willingness to remain involved in a supervisory role throughout the lifetime of the project.

Applications

Proposal applications are due by ***11:59 p.m. ET on Friday, December 11, 2020.*** To apply, please follow the instructions in the **Proposal Application Form** on the Morocco Employment Lab webpage and submit your proposal by email to MoroccoEmploymentLab@povertyactionlab.org. The MEL will remain open to receiving off-cycle proposals after the deadline, but applicants are encouraged to apply early.

Review Process

Proposals are reviewed along five broad criteria: academic contribution, policy relevance, technical design, project viability, and value of research.

Small or pilot projects: The MEL Academic Directors will review the applications which can fall into four categories: (1) approved, (2) conditional approval (with minor revisions or clarifications), (3) revise and resubmit during this or a subsequent round, and (4) not approved.

Full research projects: Selection of awards follows a two-stage process. First, proposals are distributed for peer review to referees selected from a roster of researchers' experts on

the research topic. Each application is reviewed by a board composed of: the MEL academic directors, the MEL project Director, one J-PAL or EPoD affiliate not on the board, and MCA-Morocco. All board members submitting a proposal in the current round of funding are required to recuse themselves from this review. [3] Based on the reviews of the referees, the review board votes on the status of the application. The status of an application can fall into four categories: (1) approved, (2) conditional approval (with minor revisions or clarifications), (3) revise and resubmit during this or a subsequent round, and (4) not approved.

Off-Cycle Proposals: The MEL Academic Directors will review the proposals and can decide to award funding, reject the proposal for funding, or include the proposal in the regular review process for the next RFP round.

If you would like to appeal a decision of the Review Board, please email MoroccoEmploymentLab@povertyactionlab.org within one week of the announcement, detailing the reasons for the request for reconsideration (maximum two pages in length). This request will then be communicated to the reviewers.

Timeline

Friday, November 13 (2020)	RFP is issued
Friday, December 11 (2020)	Proposal submission deadline
Friday, December 18 (2020)	Review board meeting
Friday February 5 (2021)	Results announced

Grant Conditions

If your proposal is selected for funding, the terms of the award will be as follows:

1. **Research conduct:** Grantees will be required to establish an Institutional Authorization Agreement for human subjects activities. Specific instructions will be given in the Notice of Award, as needed by the funding institution. In addition, they are expected to adhere to MIT's community-wide policies that are available here.

2. **Reporting:** Grantees will be requested to provide a brief start-up report, semi-annual financial updates, a baseline report, a final financial report within 60 days of completion of the award period and a final substantive report with preliminary results before May 15, 2022. The final report will be made public on the MEL website along with a summary of the policy insights generated. Full research projects will also

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[3] In addition, no spouse, partner, or immediate family member (parent, child, or sibling) of any individual named on a proposal application may serve as a peer or board referee in the round in which the applicant's proposal is being reviewed.

require a mid-line report. Continued funding of research activities will be made conditional on a schedule of research updates.

3. **Data publication:** Grantees will be required to share any administrative data they receive as part of the project with the Morocco Employment Lab, which may be reshared with other research teams if needed. They may also be requested to share data collection instruments and methodologies with other grantees. Furthermore, researchers funded through this grant will be required to publish de-identified data for experimental research in accordance with J-PAL's Data and Code Availability Policy. J-PAL's research team can work with you to clean, label, de-identify, document and replicate datasets collected as part of a randomized trial before publishing them in the J-PAL Dataverse or another data repository of your choice. (Full studies only)

4. **Peer-review proposals:** Grantees may be requested to peer-review proposals in future MEL rounds.

5. **Participate in MEL activities:** Grantees may be requested to participate in one of the MEL's activities at a mutually agreed time and place. Activities may include research seminars, training on evaluation, evidence workshops, matchmaking activities, or presentations to a potential donor.

6. **Crediting MEL**: Any presentations and publications, including academic papers, policy briefs, press releases, blogs, and organizational newsletters that emerge from this project should credit the Morocco Employment Lab, J-PAL and EPoD. The exact wording on crediting the MEL and donor support will be provided in the terms of your award.

In addition, experimental research proposals will be subject to the following requirements:

7. **Project registration:** Within three months of the start date indicated on the proposal, grantees must register their trial with the AEA RCT Registry. Registration includes 18 required fields, such as your name and a small subset of your IRB requirements. There is also the opportunity to include more information, including power calculations and an optional pre-analysis plan. *(Full studies only)*

8. **Collecting and reporting program cost data:** Policymakers are interested in program costs, as it is one of the key factors in their decision to support a program. Cost data also allows for cost effectiveness analysis (CEA), which J-PAL may

conduct (with permission from the researchers), even if such analysis is not part of an academic paper. In order to facilitate cost collection, MEL awards include $1,000 to defray expenses associated with collecting cost data. MEL will provide a costing worksheet for grantees to update annually. If grantees are unable to collect detailed cost data, grantees are still required to provide estimates of total program cost, average cost per beneficiary, and marginal cost to add another beneficiary. *(Full studies only)*

9. **Collecting and reporting gender-disaggregated data:** J-PAL, through its Gender sector, is making an effort to study heterogeneity in program impacts by beneficiary/participant gender more systematically. Please note that the following request only applies to internal reports and does not extend to the academic paper.

    Many studies already collect study participants' gender. In such cases, and when outcome data are individual-specific, we request that grantees conduct heterogeneity analyses by beneficiary gender for the study's main results for internal reporting (to be shared in the final grant report). A single study might be underpowered to detect heterogeneous treatment effects, or null results might not seem interesting in one study, but these findings may be meaningful when included in an analysis across studies. The reported results will be used for (a) determining potential pooled statistical analyses to conduct across studies and (b) generating gender-related policy lessons. Our reporting template will include a question on this, which researchers are encouraged to fill in when applicable. We recognize that there will be cases where this reporting is not applicable, for various reasons. In these cases, the PIs can just provide a brief explanation.

Administrative Notes

Full and pilot grants are provided under a spending authorization from PCNS in Morocco and/or under an award from the President and Fellows of Harvard College or the Massachusetts Institute of Technology. For more information on budget, requirements, and process, please see instructions in the application form on the MEL webpage, where all materials needed for grant applications are available.

Funding