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Review of Technical Education and Skills Development Authority (TESDA) scholarship programs in targeting the poor

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Review of Technical Education and Skills Development Authority (TESDA) Scholarship Programs in Targeting the Poor

Maribel Daño

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Review of Technical Education and Skills Development
Authority (TESDA) Scholarship Programs in Targeting the Poor

Maribel Daño

PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES
SECOND CONGRESSIONAL COMMISSION ON EDUCATION
(EDCOM2)

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Abstract

This study examines how the Technical Education and Skills Development Authority (TESDA) scholarships effectively target the poor while achieving its internal and external efficiency outcomes. It defined “poor” in two ways: (1) individuals with income below USD 3 per day, based on the World Bank threshold; and (2) those with disadvantaged status according to TESDA’s client classification, which includes 4Ps beneficiaries, rebel returnees, displaced persons, and other vulnerable groups. Two datasets were used for the analysis: the 2018–2022 Study on the Employment of TVET Graduates (SETG) from TESDA, and the TESDA Training Management Information System (T2MIS) data covering all TESDA scholars. The SETG dataset contains information on scholars versus non-scholars and includes income data for poor scholars, while the T2MIS dataset classifies scholars according to disadvantaged status. In addition, focus group discussions and interviews were conducted to enrich the analysis. One of the key findings is in surfacing the decline in targeting of disadvantaged scholars from 2018–2022 and how scholar motivation and presence of TESDA regulations in training institutions impact the outcomes for the poor or disadvantaged scholars. Qualitative focus group discussion and interviews show that there is a need for a more reliable way to more accurately filter genuine poor scholars who will have the commitment to perform. The study contribute insights for TESDA allocation of scholarship budget on whether the regional needs and provincial poverty incidences are taken into account. Policy recommendations include requiring Technical Vocational Institutions (TVIs) to use national databases, such as the national ID system and other relevant data sources, to more effectively identify disadvantaged scholars. Additionally, the study recommends that scholar motivation be assessed during the selection process, as our results indicate that motivation significantly influences scholar performance.

Keywords: TVET, scholarship, poor, skills, disadvantaged, linear probability model, propensity score matching

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List of Abbreviations

ADB	Asian Development Bank
CALABARZON	Cavite, Laguna, Batangas, Rizal, and Quezon
CMCI	Cities and Municipalities Competitiveness Index
DBM	Department of Budget and Management
FGD	Focus Group Discussion
GAA	General Appropriations Act
ICT	Information and Communications Technology
IV	Instrumental Variable
KII	Key informant interview
LFS	Labor Force Survey
LPM	Linear probability model
NCR	National Capital Region
NTESDP	National Technical Education and Skills Development Plan
OLS	Ordinary Least Squares
PESFA	Private Education Student Financial Assistance
PSA	Philippine Statistics Authority
PSM	Propensity score matching
RA	Republic Act
RESP	Rice Extension Services Program
SETG	Study on the Employment of TVET Graduates
STEP	Special Training for Employment Program
TESDA	Technical Education and Skills Development Authority
TOP	TESDA Online Program
TR	Training regulations
TTSP	Tulong Trabaho Scholarship Program
TVET	Technical Vocational Education and Training
TVI	Technical Vocational Institution
TWSP	Training for Work Scholarship Program
UAQTEA	Universal Access to Tertiary Education

Review of Technical Education and Skills Development Authority (TESDA) Scholarship Programs in Targeting the Poor

Maribel Daño¹

1. Introduction

Since its establishment in 1994, the Technical Education and Skills Development Authority (TESDA)² has shaped the Filipino workforce by providing “relevant, accessible high quality, and efficient technical education and skills development” (Section 2, Republic Act [RA] 7796 or TESDA Act of 1994, p. 1) or what is also known as Technical Vocational Education and Training (TVET.) Section 32 of the TESDA Act of 1994 further mandates TESDA to allocate and fund scholarship grants responsive to TVET needs of the different regions³ in the Philippines. The National Technical Education and Skills Development Plan (NTESDP) highlights that the provinces with high poverty incidences will be given priority when it comes to TVET training (TESDA 2023). However, the strategic plan also noted that poverty incidence is viewed as a threat in internal and external analysis of TVET.

As of 2024, there are seven TESDA scholarship programs namely: (1) Training for Work Scholarship Program (TWSP); (2) Private Education Student Financial Assistance (PESFA); (3) Special Training for Employment Program (STEP); (4) Universal Access to Tertiary Education (UAQTEA); (5) Tulong Trabaho Scholarship Program (TTSP); (6) Rice Extension Services Program (RESP); and (7) TESDA Online Program (TOP). The first two programs are the major scholarship programs of TESDA while the rest have been introduced after 2014. See Appendix 1 for details.

From Appendix 1, out of the seven scholarship programs, four have criteria that do not explicitly target the poor. While this is not conclusive and requires probing, there is a need to ensure that TESDA scholarship programs effectively target the poor either through its criteria and benefits and see the potential impact and trade-offs in terms of the TVET internal and external efficiency, if any. In this study, we will interchangeably use the terms poor or lower-income scholars to refer to those who have family income of below USD 3 a day, as defined by the World Bank (2025).

The most recent evaluation specific on the impact of TESDA scholarships was conducted by the Asian Development Bank (ADB) (2021) focusing on the three major scholarship programs of TESDA (i.e., TWSP, PESFA, STEP). While it focused on evaluating the impact of the scholarship programs to the labor outcomes, there were key findings in relation to the scholarship targeting the poor and disadvantaged. That is, STEP scholars are generally more advantaged but those who perform better are those who are at a disadvantage such as the poorer students with less training allowance. It highlighted the potential moral hazard wherein scholars

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² TESDA is the national TVET authority. It sets clear directions and priorities through evidence-based policies and plans, supported by timely, relevant, and accurate data. Research findings and information are disseminated to guide stakeholders in making informed decisions, ensuring effective TVET implementation across the country (TESDA n.d.).

³ The Philippines is divided into 18 regions, each serving as an administrative grouping of provinces and cities to facilitate coordination of government services and regional development. There are eight regions in Luzon (Regions I, II, III, IV-A, IV-B, V, the National Capital Region, and the Cordillera Administrative Region), four regions in the Visayas (Regions VI, VII, VIII, and the Negros Island Region), and six regions in Mindanao (Regions IX, X, XI, XII, XIII, and the Bangsamoro Autonomous Region in Muslim Mindanao). (PSA n.d.).

who may be enjoying the benefits might not necessarily have the full commitment to finish and get accredited due to their existing relative advantage compared to other students. This finding recommends for TESDA to have a more careful screening of STEP scholars to make sure the scarce government resource goes to the needy or those defined by the World Bank with family earnings less than USD 3 a day. These findings will be probed in this study to also look at the other relevant scholarship programs as it varies in terms of factors associated with receipt of scholarship (ADB 2021) such as region, sex, age, marital status, and education.

Scholarly studies (Vandenberg and Laranjo 2021; Choi 2021) showed that TVET graduates are more likely to earn higher wages compared to their secondary and, in some cases, tertiary-educated counterparts. Evidence also suggests that the wage effect of vocational training after secondary education is more pronounced in rural areas than in urban areas (Choi 2021). However, as highlighted by Generalao et al. (2025a; 2025b), while TVET completion increases the likelihood of being economically active and seeking work, there is weak evidence that it leads to better employment or higher-quality jobs. This raises questions on whether these benefits truly reach the intended disadvantaged groups, particularly the poor, given persistent challenges in targeting, program design, and accessibility.

If TESDA's policy objective is to promote productivity and equity, then it is worth examining whether both goals are achieved, or one is sacrificed over the other. Policy assessment also warrants consideration of potential unintended consequences that were not apparent during the program implementation in terms of ensuring whether the benefits of TESDA scholarship go to the poor and disadvantaged who are committed to perform well.

Against this backdrop, this study examined the effectiveness of TESDA scholarship programs in targeting the poor and assesses their impact on both internal outcomes (completion, assessment, certification) and external outcomes (employability). To do so, this study also investigates a key operational issue: how effectively these programs identify and provide access to poor individuals who have a credible commitment to completing TVET training and gaining accreditation, thereby improving internal and external efficiency. Thus, this study further explores operational questions like those raised by Orbeta Jr. and Abrigo (2013), focusing on (1) selection of scholars, (2) selection of skills to be promoted through scholarships, and (3) selection of training institutions. Finally, analysis considers factors associated with receiving a scholarship (ADB 2021), including region, sex, age, marital status, and education.

This is a vital inquiry to TVET policymakers and implementing agencies (i.e., TESDA, Technical Vocational Institutions (TVIs)] ensuring that goals of efficiency (internal, external) and effectiveness in targeting poor beneficiaries are achieved by TESDA scholarship program. This can inform TESDA policymakers in strategic planning that can be operationalized by local implementing agencies. Specific on scholarship program, this study aims to offer insights on how TESDA could ensure the effective targeting of the poor as reflected in its criteria and programs. In a broader impact, results contribute to enabling skills training more inclusive for the poor, thereby improving their employability which in turn helps alleviate income poverty.

In terms of scholarly significance, this study contributes to the apparent dearth of academic literature on the effective targeting of the poor, not only based on income but also on other signaling criteria that genuinely capture their disadvantaged status. Moreover, it also offers recommendations on incorporating criteria related to credible commitment to perform.

Given the backdrop outlined previously, this study aims to answer the question: Are TESDA scholarship programs effective in targeting the poor while achieving their internal (assessment and certification rates) and external (employment) efficiency outcomes? To address this, the study examined three key aspects: (1) selection of scholars, (2) selection of skills, and (3) selection of TVIs. The study generated heatmaps of the regional distribution of scholarship budgets, poverty incidence, scholars, disadvantaged scholars, and advantaged scholars. Using the 2018–2022 Study on the Employment of TVET Graduates (SETG) dataset, this study compared the performance of scholars versus non-scholars, poor scholars versus non-poor scholars, and across the four major TESDA scholarship programs: TWSP, PESFA, STEP, and UAQTEA. Recognizing that income is a necessary but insufficient indicator of poverty, the study also used the 2018–2022 TESDA Training Management Information System (T2MIS) dataset of TESDA scholars to estimate the proportion of disadvantaged versus advantaged scholars. In assessing impact, linear probability models (LPM) and propensity score matching (PSM) were employed. Additionally, the study distilled recurring themes from qualitative data gathered through focus group discussions (FGDs) and key informant interviews (KIIs).

This study limits its scope to examining how TESDA effectively targets the poor through its scholarship programs, focusing on the four major TESDA scholarship programs. It did not explore the budget-per-peso returns of these scholarships. The SETG dataset does not necessarily account for the 10 priority sectors, nor is it representative of both poor and non-poor scholars. To address this limitation, this study used the T2MIS dataset, which includes all scholars. While the T2MIS data has limitations in comparing scholars with non-scholars, it allows the identification of disadvantaged and advantaged scholars based on the client list. A discussion of the overall results and recommendations for further research is also provided.

2. Literature review

2.1. Literature on policy assessments of TESDA scholarships

Findings of the recent assessment by ADB (2021) on the three major TESDA scholarships: TWSP, PESFA, and STEP show that STEP scholars are more likely to be advantaged perhaps because they are mostly sponsored by legislators. However, STEP scholars with higher outcomes (assessed, gained competency, gained national certification) are more disadvantaged. It noted that factors that could explain the differences in the scholars' ability are related to eligible qualifications, prior education, and prior training. These variables could be accounted when testing the impact of scholarship in targeting those that meet the criteria of being poor and are more likely to show credible commitment in completing and getting accredited.

Orbeta Jr. and Abrigo (2013) focused on the worthiness of the two major TESDA scholarship programs namely TWSP and PESFA in terms of receiving budget given the scarce resources. This assessment was prompted by the 2006-2008 Zero-Based Budgeting studies (as cited by Orbeta Jr. and Abrigo 2013), which shows that the program suffers from a high 6.1% dropout rate and a low 28.5% employment rate among graduates. The 2013 assessment showed that while the internal efficiency (dropout rate) performs well in recent years, the external efficiency (employment rate) lag. However, the assessment noted that the scholars (specifically the PESFA and not the TWSP) performs better in employment rate compared to non-scholars. The assessment finds that the low external efficiency performance is due to the more general TVET issues rather than the scholarship.

2.2. Literature on TVET scholarships

Few studies investigated the relationship between scholarship support for TVET and its impact on the performance beneficiaries in terms of various success indicators. In Chile, Aguirre (2021) found that grants and loans increase the likelihood of student enrollment and graduation using 12 years of administrative records on higher education enrolment and graduation with information on vocational programs. One key finding is that even low-performing poor students targeted by the financial aid can increase likelihood of completion but could divert them from pursuing university education. High graduation rates were also reported in an assessment of TVET scholarship programs in the Philippines; however, employment rate have been low (Abrigo and Orbeta Jr. 2013).

While there is a dearth of scholarly literature on the impact of scholarship support on the performance of TVET students and graduates, studies on higher education have reported positive and significant success outcomes. Ahmed et al. (2022) and Alon (2011) reported increased student retention and persistence rates among university students who are recipients of needs-based support in Pakistan and the United States. Improvements in student engagement (Ahmed et al. 2022), performance (Berlanga and Corti 2025; Cagasa et al. 2019), and achievement (Berlanga et al. 2025; Byantoro et al. 2024) have also been documented among recipients of various aids. In terms of completion, graduate students in the Philippines with scholarship grants report higher motivation to graduate within the sanctioned period (Cagasan et al. 2019). An assessment of a specific scholarship in the same country also claimed favorable impact on graduation and employment of beneficiaries (Iligam et al. 2023). Meanwhile in Germany, scholarship support has not only increased the probability of program completion; it also motivated students to obtain their degrees faster than their non-scholar counterparts (Glocker 2011). Furthermore, higher education scholarships have also been perceived as contributory to career success (Ahmed et al. 2022) and greater confidence to pursue higher-paying jobs (Cagasan 2019). Impacts have been particularly noted for financially disadvantaged and lower-income students (Ahmed et al. 2022; Aguirre 2021; Alon 2011).

2.3. Literature on methodology

In terms of scholarly literature, a more recent study by Vandenberg and Laranjo (2021) using the World Bank STEP Skills Measurement Household Survey 2015-2016 in the Philippines shows the improvement in external efficiency outcomes for TVET graduates with their higher likelihood to earn higher wages and be employed compared to those with only secondary education and only tertiary education respectively. However, when TVET training is combined with tertiary (university) education, counterintuitive results show that they earn lower compared to those with lower education levels. However, the study did not compare scholars and non-scholars. They used Ordinary Least Squares (OLS) regression with wage as the dependent variable with effort and ability as key factors apart from TVET training.

Choi (2021), using the Philippine Labor Force Survey (LFS) data, found that the wage effect of vocational training is associated with additional TVET after secondary education. It is notable that this is more pronounced in rural areas compared with the urban areas. OLS estimates were used to gauge the wage effect of each level of education for both rural and urban areas. Key findings suggest that TVET training is potentially more useful in rural areas. Conversely, Generalao et al. (2025a) found that for workers in private establishments with regular pay, there was no significant wage difference between TVET and non-TVET graduates when controlling for other factors, though they observed wage premiums for those with

secondary education or below, and disadvantages for those with some post-secondary education and above.

The TESDA scholarship assessment of Orbeta Jr. and Abrigo (2013) on TWSP and PESFA estimated Kaplan-Meier (K-M) curves, compared means after doing PSM. K-M curves show that the “hardly any graduates” were employed after three months and it took beyond one year after training before employment rates reach performance required by the scholarships. Moreover, comparison of means using PSM was employed using official statistics on TVIs. Key findings show that TESDA scholars performs better in terms of internal efficiency (dropout rates) compared with non-scholars. However, scholars lag in terms of external efficiency (employment rate) compared to non-scholars. The poor performance on the employment rates is not associated with the scholarship but with the overall TVET issues.

The more recent evaluation of ADB (2021) on the TWSP, PESFA, and STEP utilized data from T2MIS; the TWSP, STEP, and PESFA program coverage; and the SETG 2018 survey. It employed LPM but given the potential selection bias since scholars are not selected at random, they used PSM. To account for endogeneity, they employed Instrumental Variable (IV) regression.

This study notes a research gap, with only a few existing studies assessing the impact of TVET scholarships on the poor. It aims to contribute to the apparent lack of scholarly literature on the effective targeting of scholarships for the poor, not only based on income but also on other signaling criteria that genuinely capture their disadvantaged status. Moreover, this study offers recommendations on how to include criteria for credible commitment to perform.

3. Evaluation framework and method

3.1. Conceptual framework

This study anchors from human capital theory (Schultz 1961; Becker 1964) and contract theory, drawing on signaling theory as applied in the accreditation literature (Spencer 1973; Salanie 2002).

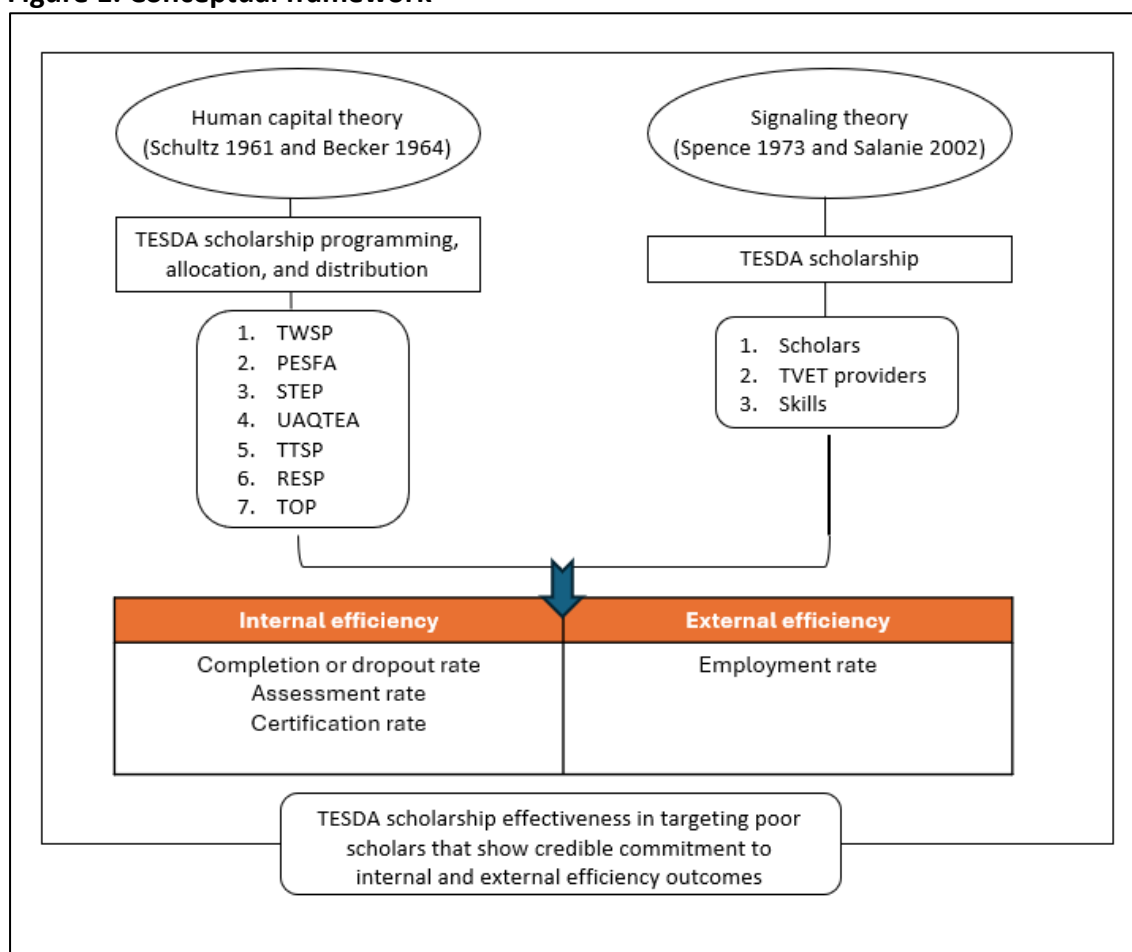
Human capital theory links education and training to work as it traces back to Shultz (1961) and Becker (1964). Under this framework, resources spent to capacitate and educate the human workforce is viewed as an investment rather than cost. Using this framework, TVET scholarship is examined as one of the important tools for a country to have competitive human resources to promote inclusive economic development as the poor and disadvantaged are targeted in these programs. Moreover, the internal and external efficiency of the scholarship programs are examined in relation to human capital development outcomes such as competency, assessments, and certifications.

Under signaling theory (Spencer 1973; Salanie 2002), scholarship applicant (student; education provider) applies for “accreditation” by signaling some observable behavior according to the criteria set by government. To examine the specific effect to the poor, we looked at scholarship recipients not just coming from different income class but also based on what signals them being at a disadvantaged status such as being recipients of government subsidy programs, displaced person, rebel returnees and others. Government then checks whether the applicant meets the criteria and finally decides whether to award the scholarship.

In contract designs, there is a potential of moral hazard (Krugman 2008) when government offers a contract (i.e. TVET scholarship) and the provider or student self-selects as an authentic applicant even with information asymmetry. To ensure that TVET scholarship allows successful access to TVET, particularly for the poor, the framework will consider what signals genuine disadvantaged scholar and criteria for credible commitment. This could be considered as an additional criterion for lower-income or poor scholars. The TVET scholarship program can then be assessed whether it effectively targets according to this selection criteria and how such selection further impacts internal and external efficiency.

Figure 1 illustrates the conceptual framework. Using the conceptual framework anchored on human capital development and signaling theory, we examined the operations and effectiveness of TESDA scholarship programs in promoting access to TVET particularly the poor.

Figure 1. Conceptual framework



Source: Author's illustration

3.2. Methodology

This study employed a convergent parallel mixed-methods research design that integrates quantitative and qualitative data collected from primary and secondary sources. To answer the research question, this reviewed policies and reports on TESDA scholarship programs. This is to examine the selection of scholars, TVET providers, and skills provided as to how effectively the criteria target the poor scholars who signals that they are committed to graduate and get accredited. FGDs and KIIs were conducted after the desk research and analysis of the data reports on the TVET scholarship programs. Separate FGDs were conducted with the TVET

providers and employers in the National Capital Region (NCR) and outside NCR (i.e. Region VII and Region XI) to account for job demand due to location. Their perception on the skills provided vis-à-vis what they think is needed was also probed. This was to validate the desk review and to distill recurring common or contradicting themes that could be missed in the quantitative analysis. Information about FGDs and KIIs conducted are summarized in Table 1.

Table 1. Primary qualitative data collection summary

Data collection method	Region	Number of participants	Participants/Key informants
KII	NCR	2	TESDA regional scholarship personnel
	Region VII	1	TESDA provincial scholarship personnel
	Region XI	1	TESDA regional scholarship personnel
FGD	NCR	8	Trainers/administrators from TVIs offering TESDA scholarships
	Region VII	7	Trainers/administrators from TVIs offering TESDA scholarships
		8	Representatives of enterprises that employed TESDA scholars
	Region XI	10	Trainers/administrators from TVIs offering TESDA scholarships
		6	Representatives of enterprises that employed TESDA scholars

Source: Author's tabulation

FGD results were transcribed and processed based on the conceptual framework. Transcripts were coded according to challenges experienced by key informants in terms of targeting poor scholars with credible commitment to complete the program and get accredited, selecting skills that need promoting through TESDA scholarship, and selection of TVIs for allocation of scholarship slots. Practices and mechanisms to cope with constraints and recommendations for improving TESDA scholarship program implementation were also coded. Emerging themes were summarized and integrated with findings from quantitative analysis.

For the quantitative component, this study utilized 2018-2022 datasets from TESDA's SETG and T2MIS.

Table 2. Source of quantitative data

Data source	Covered period	Description
SETG	2018-2022	Study conducted by TESDA to assess the relevance and effectiveness of TVET programs by tracking the employment and employment-related outcomes of graduates
T2MIS		Web-based system used by TESDA for collection, processing, and analysis of TVET data on enrollment, training, graduation assessment, certification, and employment of graduates

Source: Author's tabulation

The evaluation methodology is similar to the TVET scholarship assessments by ADB (2021) and Orbeta Jr. and Abrigo (2013) using LPM, PSM, K-M survival curves, FGDs and KIIs.

To answer the research question, this study empirically tested the impact of TESDA scholarship programs and performance of scholarships targeting the poor against non-poor scholars on the internal and external efficiency of TVET trainings. This study employed LPM to assess the

impact of the scholarship programs by using relevant indicators. The outcome variables are binary measures of internal efficiency (passing the assessment, getting certified, certifications matching the job requirement, and perceived relevance of the certification to their jobs) and external efficiency (employment immediately after training, and employment after one year).

To address potential selection bias, this study employed PSM to account for differences in the observed characteristics between scholars and non-scholars; poor scholars and non-poor scholars. The outcome variables are related to internal and external efficiency outcomes while scholarship variables are the key regressors in the LPM models and treatment variable for the PSM models. The covariates are characteristics which include proxy for ability and effort of the TVET trainees, location variables to account for the institutions and local economic indicators where the scholars are located, the motivation levels (scale of 1 to 4) which could signal credible commitment of the scholars, and the year to account for the different years. The proposed model is specified in Equation (1) and variables are defined in Table 3.

$$Outcome = \beta_0 + \beta_1 scholar + \beta_i characteristics + \beta_i location + \beta_i motivation + \beta_i year + u_i \quad (1)$$

Table 3. Variable definition

Variable names	Definitions
Dependent variable	
Assessment passed	yes=1 ; no=0
Certified	yes=1 ; no=0
Certification required	yes=1 ; no=0
relevance of skills to current job or business	yes=1 ; no=0
employment immediately after training	yes=1 ; no=0
employment after a year	yes=1 ; no=0
Key independent variables	
scholar	yes=1 receives scholarship funding; no=0 otherwise
Poor scholar	yes =1 if With income below USD 3 threshold (World Bank definition); no=0 otherwise
TWSP	yes=1 TWSP scholarship; no=0 otherwise
PESFA	yes=1 PESFA scholarship; no=0 otherwise
STEP	yes=1 STEP scholarship; no=0 otherwise
UAQTEA	yes=1 UAQTEA scholarship; no=0 otherwise
Other independent variables	
Age	Age in years
Sex (female)	Yes = 1 female; No=0 otherwise
marital status (single as reference)	Yes=1 ever-partnered; No=0 otherwise
education dummy variables (bachelor level as reference / base)	Yes=1; no=0 otherwise for each variable below: Primary Secondary (old curriculum) Lower secondary

	Upper secondary Post-secondary Masters Doctorate
income before training (PHP)	PHP (Philippine peso)
employment classification before training (dummy variables with “service and sales workers” as base reference)	Yes=1; no=0 otherwise for each variable below: Armed Forces occupations Clerical support workers Craft and related trades workers Elementary occupations Managers Plant and machine operators and assemblers Professionals Skilled agricultural, forestry, and fishery workers Technicians and associate professionals
Cities and municipalities competitiveness index (CMCI) education infrastructure sub-index	Index (based on raw scores and ranking)
Regional dummy variables (NCR as base reference)	All regions in the Philippines
income classification (city and municipality with special class as base reference)	Scale of 1 to 6 for cities based on the average annual regular income over three fiscal years; with 1 = highest and 6 = lowest
motivation level 1 = for hobby or nothing to do 2 = TVET qualification is popular 3 = for skills enhancement or employment 4 = for higher earnings or promotion	Reason for attending TVET training (scale of 1 to 4) with 1 = lowest and 4 = highest

Note: For employment outcomes, this study used the other variables but added age squared to proxy for possible quadratic effect of work experience.

Source: Authors’ compilation

4. Results and discussion

In examining selection of scholars, specifically effectiveness of targeting the poor while assessing the impact of the scholarship on internal and external efficiency outcomes, this study used the 2018-2022 SETG and 2018-2022 T2MIS data alongside FGDs and KIIs. Note that SETG is pooled cross-section data collected by TESDA covering both scholar and non-scholar respondents. T2MIS comes from TESDA’s internal database of actual scholars. To compare scholars and non-scholars, this study used the SETG and compared poor and non-poor scholars based on the World Bank poverty line of USD 3 per day. The comparison of disadvantaged and advantaged scholars was based on the T2MIS dataset for 2018 to 2022, defining disadvantaged status similar to ADB (2021), that is, scholars classified as TESDA client beneficiaries. This study also considered scholar motivation to examine whether it significantly impacts outcomes, thereby signaling credible commitment on the part of the scholars.

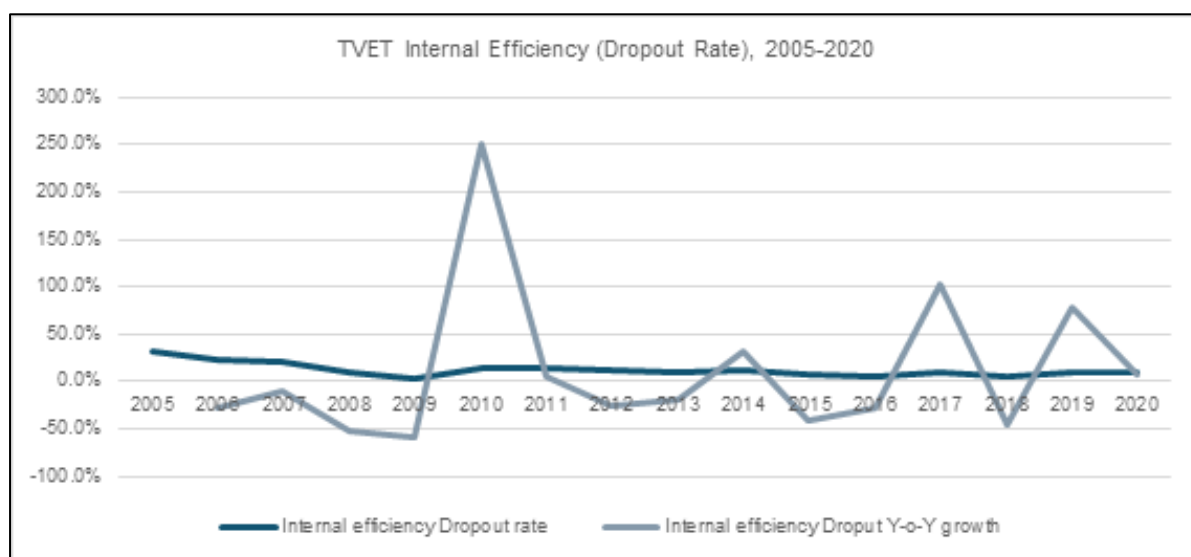
In examining selection of skills promoted through TESDA scholarships and their potential to enhance external efficiency, the usefulness of certification (whether it is required), relevance of TVET-acquired skills to current employment or business, and the job search duration of scholars across TVET sectors were analyzed. These were validated with FGD and KII results.

In examining the selection of training institutions that receive scholarship funding, and whether these institutions effectively target the poor who are committed to completing the program and gaining accreditation, the study compared TVIs that followed TESDA's training regulations (TRs) with those that did not. These results were also cross validated with FGD and KII data. Finally, the study makes recommendations related to TESDA's flow chart and processes.

4.1. Overview of TESDA scholarship

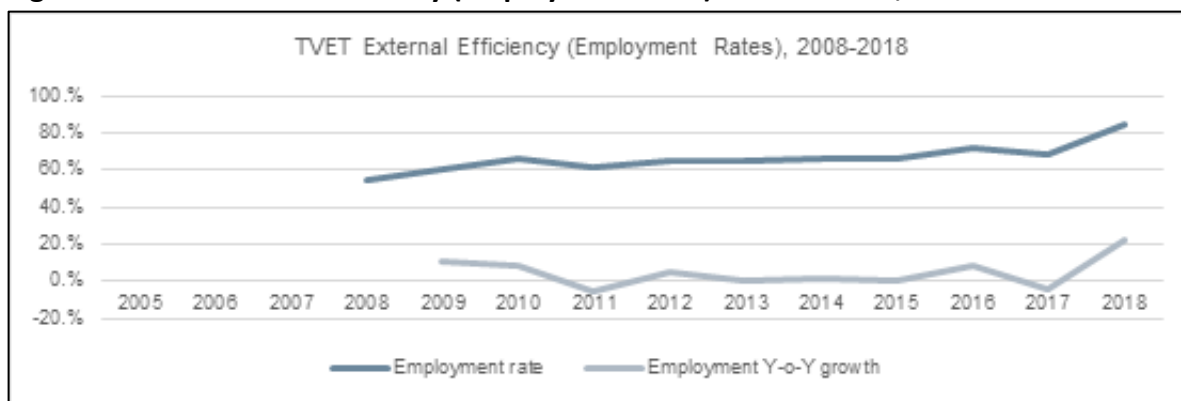
Figure 2 and Figure 3 show the internal efficiency (2005-2020) and external efficiency (2008-2016) of TVET program. There is a noticeable spike in 2010 in the dropout growth rate while there are relative dips in employment growth rate in 2011 and 2017. The high dropout rate in 2010 may be due to relatively fewer scholarships as there are only two major TESDA scholarship programs at that time. The dip in the employment growth rate in 2011 could be due to skills mismatch which highlights the need for a stronger linkage between the industry and TVIs (TESDA 2011). While for 2017, the decline in the employment growth rate could be due to the competition from graduates of K-12's technical vocational livelihood track. On the other hand, the historical year-on-year (y-o-y) growth shows a sustained increase in TVET employment rates, reaching over 80% in 2018.

Figure 2. TVET internal efficiency (Dropout Rate) Y-o-Y Growth, 2005-2020



Source: 2023 Enrolled and Graduates by Province and Sex; Data from TESDA
(<https://www.tesda.gov.ph/About/TESDA/53>)

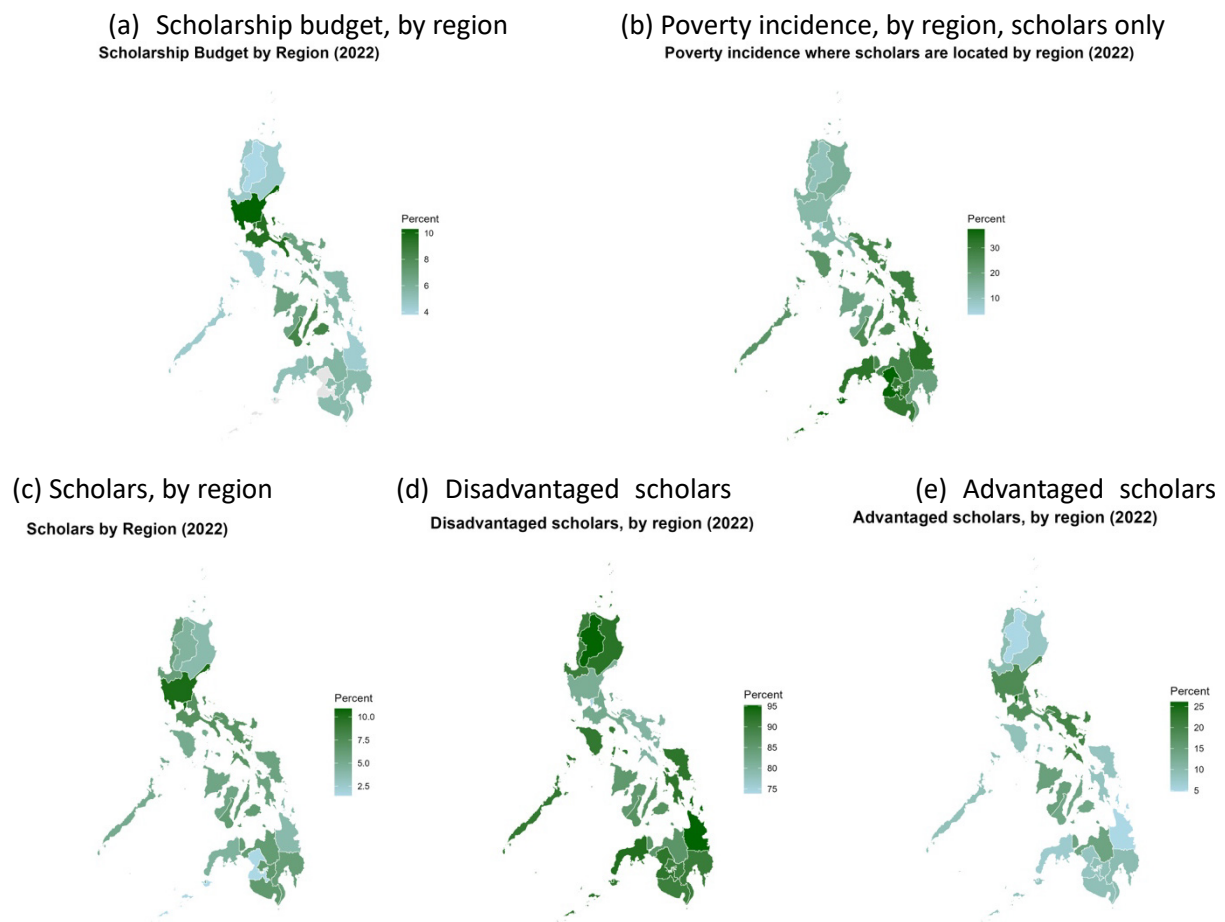
Figure 3. TVET external efficiency (employment rates) Y-o-Y Growth, 2005-2018



Source: 2023 Enrolled and Graduates by Province and Sex; Data from TESDA
(<https://www.tesda.gov.ph/About/TESDA/53>)

In 2022, a lion share of regional TESDA budget went to NCR (10.7%), Central Luzon (10%), and Cavite, Laguna, Batangas, Rizal, and Quezon (CALABARZON) region (9%) while the remaining regions received 4-6% of the budget. The Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) budget information is not available in the General Appropriations Act (GAA) report of TESDA. It is noted that regions with darker shade (higher budget share) are not necessarily the ones with higher poverty incidence as what is highlighted as the goal of TESDA in NTESDP 2023-2028. While this could be because the strategy plan of TESDA is to be implemented beginning 2023, the heatmaps already show the mismatch in targeting in terms of poverty.

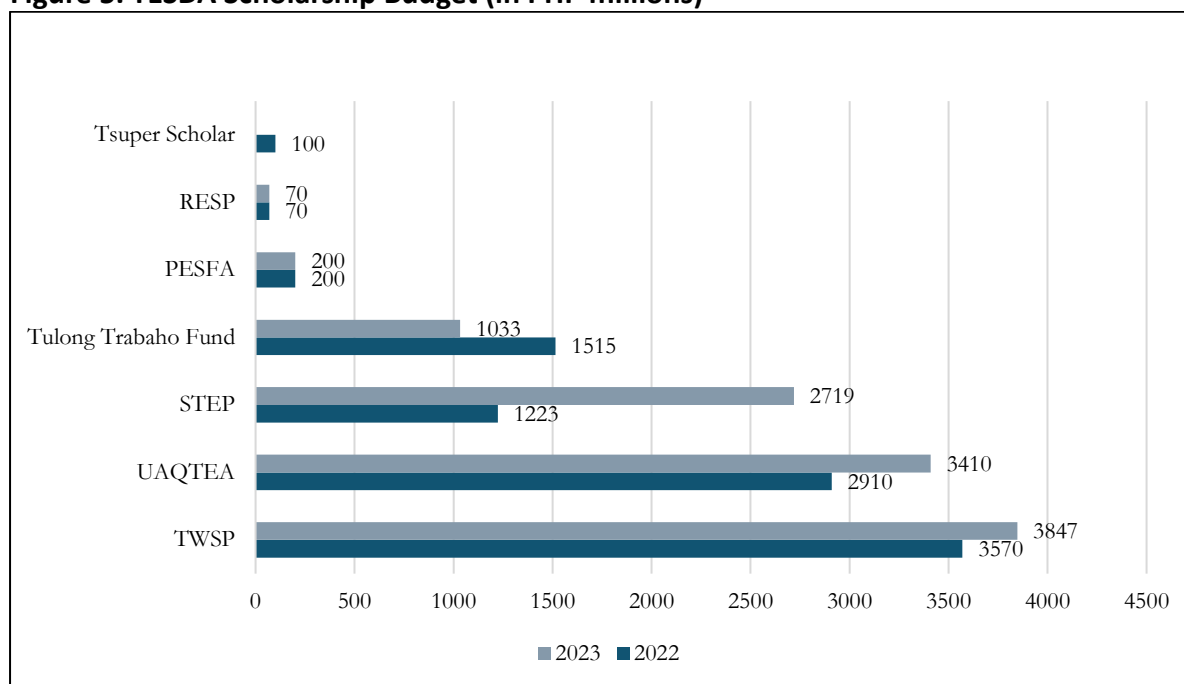
Figure 4. Heatmaps of regional budget allocation (scholarship), poverty incidence in the regions where scholars are, and regional distribution of scholars, disadvantaged scholars, and advantaged scholars



Sources: Author's illustration based on: (1) FY 2022 GAA TESDA Budget by Region (Promotion, Development, Implementation, Monitoring, and Evaluation of Technical Education and Skills Development Scholarship and Student Assistance Programs). Accessed from <https://www.tesda.gov.ph/Uploads/File/transparency/update2022/Approved%20budget%20GAA-Corresponding%20targets/FY2022-GAA.pdf>; (2) TESDA T2MIS data (2022); (3) Philippine Statistics Authority (PSA) Poverty Incidence (2022).

Among scholarship programs, while the 2014-2018 budget data used by ADB (2021) noted that TWSP received the highest budget followed by STEP and PESFA, more recent data from 2022 and 2023 (see Figure 5) shows a shift in allocation priorities. TWSP consistently received the highest budget in both 2022 and 2023, followed by UAQTEA. STEP and TTSP follow closely with PESFA notably receiving lower budget. This could be because of the post-pandemic efforts for job creation under the TTSP (TESDA Circular 078-2020).

Figure 5. TESDA Scholarship Budget (in PHP millions)

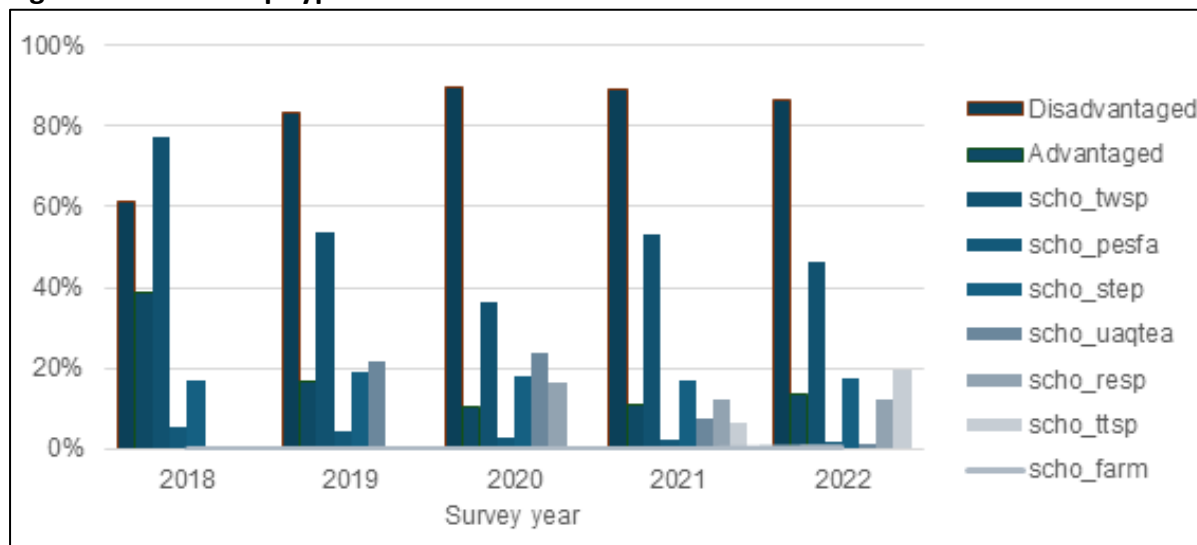


Source: Author's illustration based on Orbeta Jr. and Corpus (2024)

Based on the T2MIS data, majority of scholars in each scholarship programs are disadvantaged (see Figure 6). However, there is a notable decline in y-o-y growth (see Figure 7) of targeting disadvantaged scholars which may indicate identification issues. In contrast, the number of advantaged scholars has increased significantly over the same period. This divergence could signal issues in either identifying disadvantaged individuals or ensuring that programs remain accessible to the most vulnerable populations.

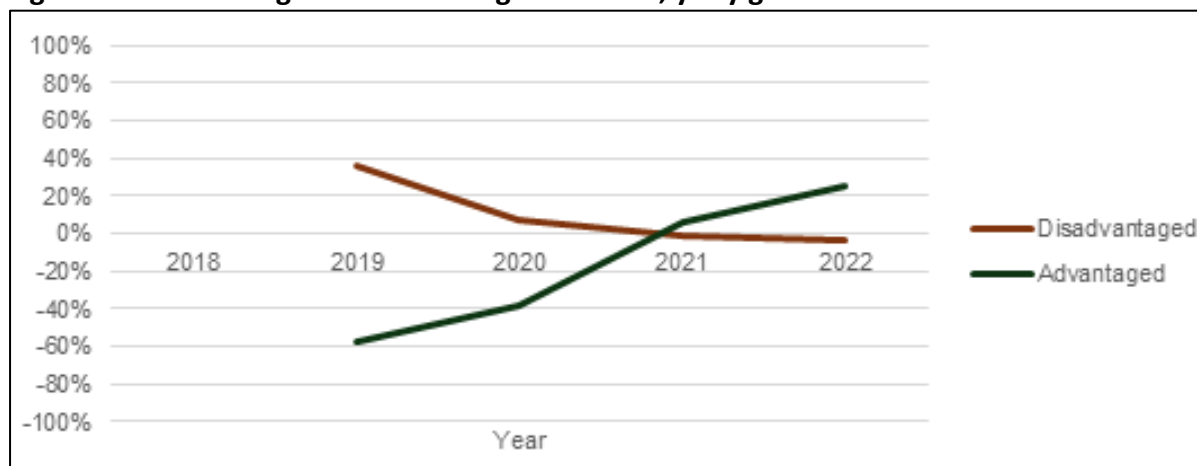
Several challenges in targeting poor and disadvantaged scholars cited by TVI trainers and administrators during the FGDs are the politicized beneficiary selection process for scholarships funded through “special commitments”, high educational requirements of some TRs of programs funded by scholarships, low demand or lack of interest from disadvantaged groups, selected scholars opting out from enrolling due to incomplete documents or dropping out, unclear definition of “poor” and prioritization of special clients who are not necessarily poor, preferential targeting of scholars residing in nearby (instead of poorer) barangays, and burden of having to “prove” poverty.

Figure 6. Scholarship types



Source: T2MIS 2018-2022, TESDA database of all scholars

Figure 7. Disadvantaged and advantaged scholars, y-o-y growth 2018-2022



Source: T2MIS 2018-2022, TESDA database of all scholars

Note: Disadvantaged scholars are those listed in the TESDA client classification

4.2. Comparison of scholars vs non-scholars

Using SETG 2018-2022 pooled cross-sectional data with sample size of 27,824, the study compares the outcomes for scholars and non-scholars. It should be noted that 12.9% of the respondents did not indicate if they availed TVET scholarship. On average, scholars surveyed are 31-year-old bachelor undergraduates or graduates (53%) with relatively equal representation of male and female who are single (56.6%). In comparison with non-scholars, the scholars are more likely to be in cities and municipalities with lower competitiveness scores including employment institutions, higher poverty incidence, and in lower-income class. This is summarized in Table 4 while summary statistics for each year is detailed in Appendix 2.

Table 4. Summary statistics, by scholar (2018-2022)

	Non-scholar (n=10,067)	Scholar (n=14,182)	All respondents (n=27,824)
Age	31	31	32
Female	53.7%	49.4%	52.1%
Male	46.3%	50.6%	47.9%
Education			
Primary	2.8%	2.3%	2.7%
Secondary (old curriculum)	18.2%	19.5%	19.7%
Lower Secondary	8.2%	10.2%	9.0%
Upper Secondary	12.7%	8.4%	10.0%
Post Secondary	5.3%	5.8%	5.5%
Bachelor level	51.7%	52.9%	52.3%
Masters level	0.8%	0.8%	0.8%
Doctoral	0.2%	0.1%	0.1%
Civil status			
Single	57.9%	56.6%	56.5%
Married	42.1%	43.4%	43.5%
Region			
Region 1	6.6%	5.4%	5.8%
Region 2	6.4%	5.4%	5.9%
Region 3	6.6%	5.4%	5.8%
Region 4A	5.8%	6.7%	6.1%
Region 4B	5.5%	6.9%	6.1%
Region 5	3.9%	8.0%	6.1%
Region 6	6.3%	6.2%	6.2%
Region 7	10.1%	10.7%	11.1%
Region 8	6.0%	6.1%	5.9%
Region 9	6.8%	4.4%	5.6%
Region 10	5.7%	6.0%	5.8%
Region 11	6.2%	5.8%	5.8%
Region 12	5.8%	7.2%	6.6%
Region 13	6.1%	4.9%	5.9%
BARMM	4.6%	5.9%	5.5%
CAR	5.9%	5.3%	5.6%
NCR	5.6%	5.2%	5.3%
Cities and municipalities competitiveness index*			
Overall	32.864	29.204	29.963
Education	0.159	0.149	0.149
Employment generation	0.208	0.19	0.194
Employed population	0.125	0.107	0.11

Establishments	0.356	0.303	0.32
IT Capacity	0.429	0.319	0.342
City / Municipality income class level (1=high; 6=low)			
Income class 1	74.1%	70.8%	72.4%
Income class 2	15.0%	16.4%	15.7%
Income class 3	7.4%	8.8%	8.0%
Income class 4	1.9%	2.6%	2.4%
Income class 5	0.9%	0.7%	0.7%
Income class 6	0.7%	0.8%	0.7%
Poverty incidence			
Poverty	20.5	21.3	21.1

Note: 12.9% of the respondents did not indicate if they availed of TVET scholarship

BARMM= Bangsamoro Autonomous Region Muslim Mindanao; CAR=Cordillera Autonomous Region;

NCR=National Capital Region.

Note*: The CMCI index are calculated based on raw scores and rankings and therefore do not necessarily have a range between 0 and 1.

Source: SETG 2018-2022

This study employed LPM to estimate the effect of scholarship programs to binary outcomes (Equation 2):

$$outcome = \beta_0 + \beta_i scholar + \beta_i characteristics + \beta_i location + \beta_i motivation + \beta_i year + u_i \quad (2)$$

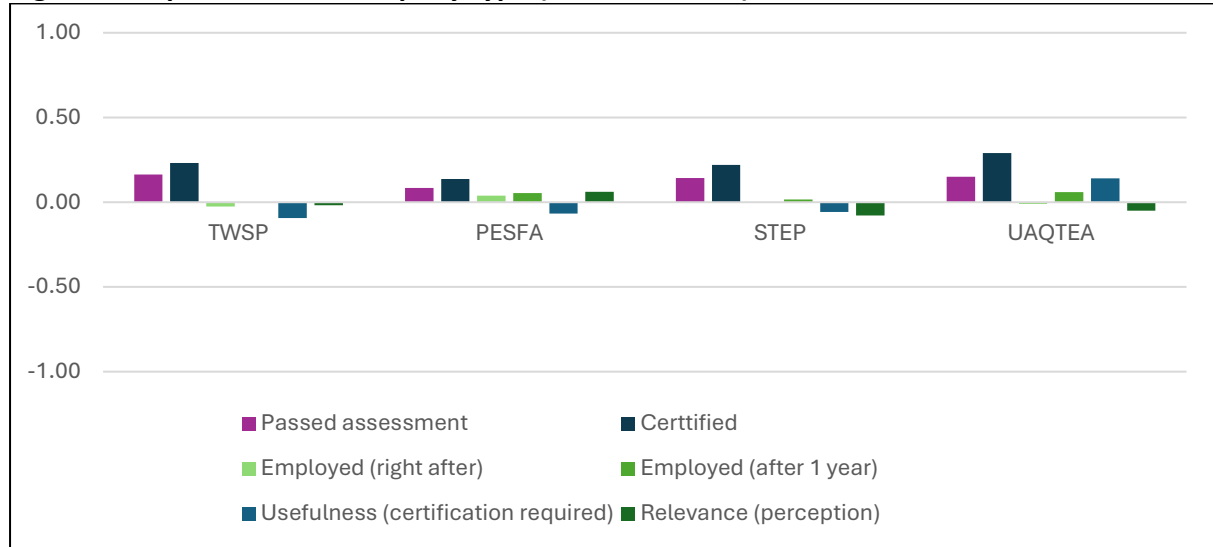
where outcomes are whether students passed assessment, certified, found TVET skills useful, and employed after the training. The key variable is categorical variable scholar 1 for scholars and 0 if non-scholars to test how scholars perform while controlling for other variables such as observable characteristics of the students, their environment, and their motivation in attending the TVET training. The study used the same independent variables for all models as defined in more detail in Table 3.

- age, sex (female=1; otherwise=0), marital status (single as reference or base category),
- education (bachelor level as reference),
- income before training, region (NCR as reference),
- CMCI education infrastructure sub-index, year,
- motivation (on a scale of 1-4; 1 as reference) with the scale indicated in the Table of variable definition
- For employment outcomes, this study used the other variables but added age squared to proxy for possible quadratic effect of work experience.

Figure 8 summarizes LPM estimates on the effect of scholarship to outcome variables: assessment, certification, employment, and usefulness of certification. Unfortunately, there is no data on enrolment and graduation as SETG respondents are assumed to have enrolled and graduated. Figure 8 shows that overall, the scholarship programs have a significant positive impact in terms of passing assessments and getting certified. However, only PESFA has a significant positive impact on the scholars immediately finding a job after the training. Moreover, PESFA and UAQTEA are the only two programs with significant positive impact in finding a job after one year. There is a significant negative association that the programs are not that useful in terms of the certification being required with the graduates jobs. Noticeably, the UAQTEA scholarship program is the only program that significantly matches the required

certification with the jobs of the graduates. There is a significant negative perception on the relevance of the training on their jobs except for PESFA graduates.

Figure 8. Impact of scholarship, by type (LPM estimates)



Source: Author's calculation

To compare the impact of scholarship, the study addressed potential selection bias and account for differences in the observed characteristics between scholars and non-scholars. This study employed PSM with avilment of scholarship as the treatment and non-avilment of scholarship as the control. To be valid, PSM must satisfy: (1) conditional independence (outcomes are independent of treatment conditional on the observed characteristics)

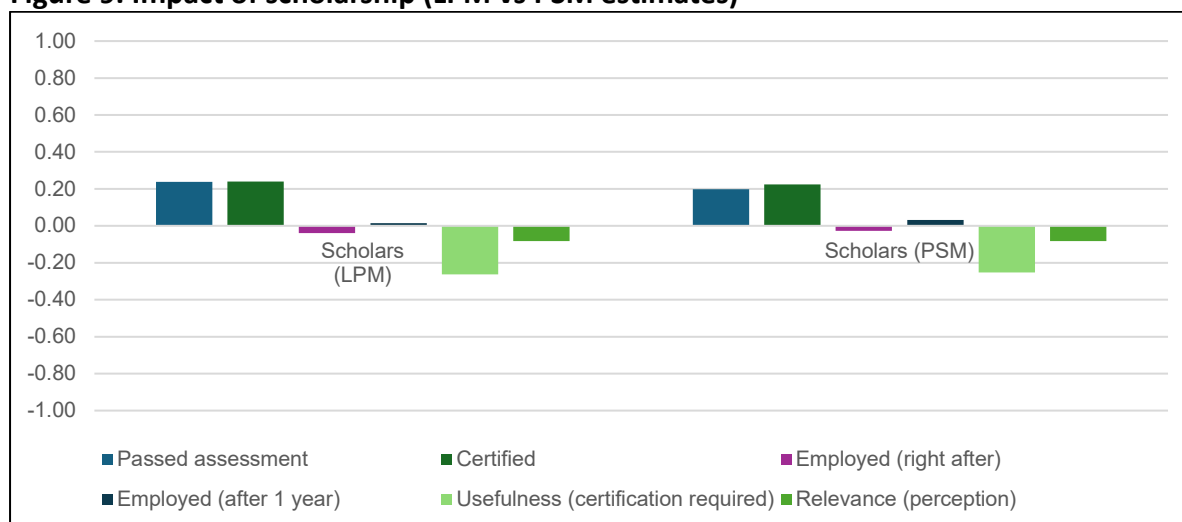
$$outcome \perp scholar | x_i \quad (3)$$

and (2) substantial common support (scholars matched non-scholars on these characteristics across probability distribution)

$$0 < P(scholar = 1 | x_i) < 1. \quad (4)$$

Below are the results from the PSM estimates for the average treatment effect of availing scholarship and availing scholarship for the poor who has an income below USD 3 per day. We compare it with LPM estimates and note the similarity in the signs and significance.

Figure 9. Impact of scholarship (LPM vs PSM estimates)

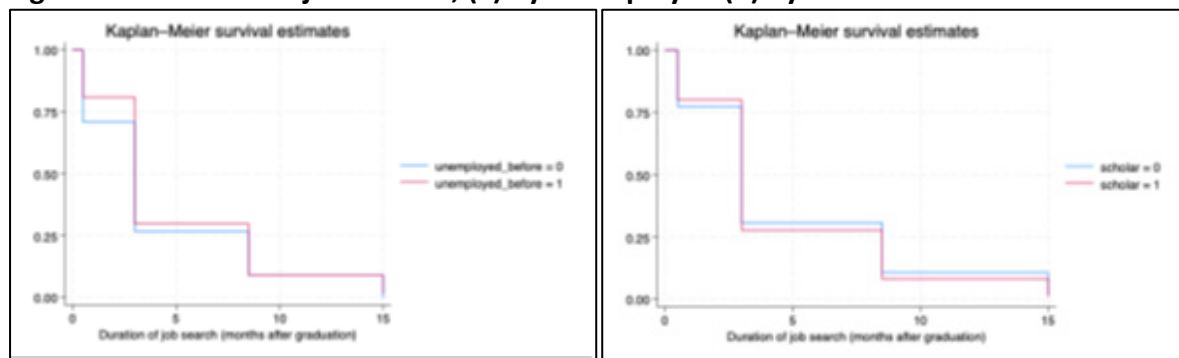


Source: Author's calculations using SETG 2018-2022

Looking at priority sectors, this study looked at the survival rates using K-M estimates of the scholars and non-scholars for all skills and for each skill group. The study notes that the priority sectors in 2018 are agriculture, fishery, and forestry; automation; electronics; construction; information and communication technology; and tourism (TESDA 2018). The more recent TESDA plan has identified 10 priority sectors: (1) Agriculture and Fisheries, (2) Manufacturing (including food and electronics), (3) Creative industries, (4) Health and Wellness, (5) Transportation and Logistics, (6) Energy, (7) Tourism and Hospitality, (8) Information and Communications Technology (ICT), (9) Construction and (10) Education.

To estimate the duration from completion until the time of getting employed, this study used the SETG 2018-2022 data on the reported length of time to find a job. For responses given in ranges (e.g., 1 to 5 months), this study used the average midpoint of the range to estimate the duration. The results show that trainees who were unemployed before training had a higher likelihood of securing a job within 1 to 3 months compared to those who were employed prior to training. Scholarship applicants classified as “Not in Education, Employment, or Training” (NEET) as well as the underemployed are among TESDA’s prioritized target beneficiaries. Among scholars, the study observed that within the first 1 to 3 months, they had a slightly higher chance of finding a job faster than non-scholars; however, beyond this period, non-scholars had a higher likelihood of gaining employment. One possible reason, as noted during the FGDs, is that scholars, especially those who are poor or disadvantaged, tend to be more hard-working and motivated.

Figure 10. Duration of jobs search, (a) by unemployed (b) by scholar



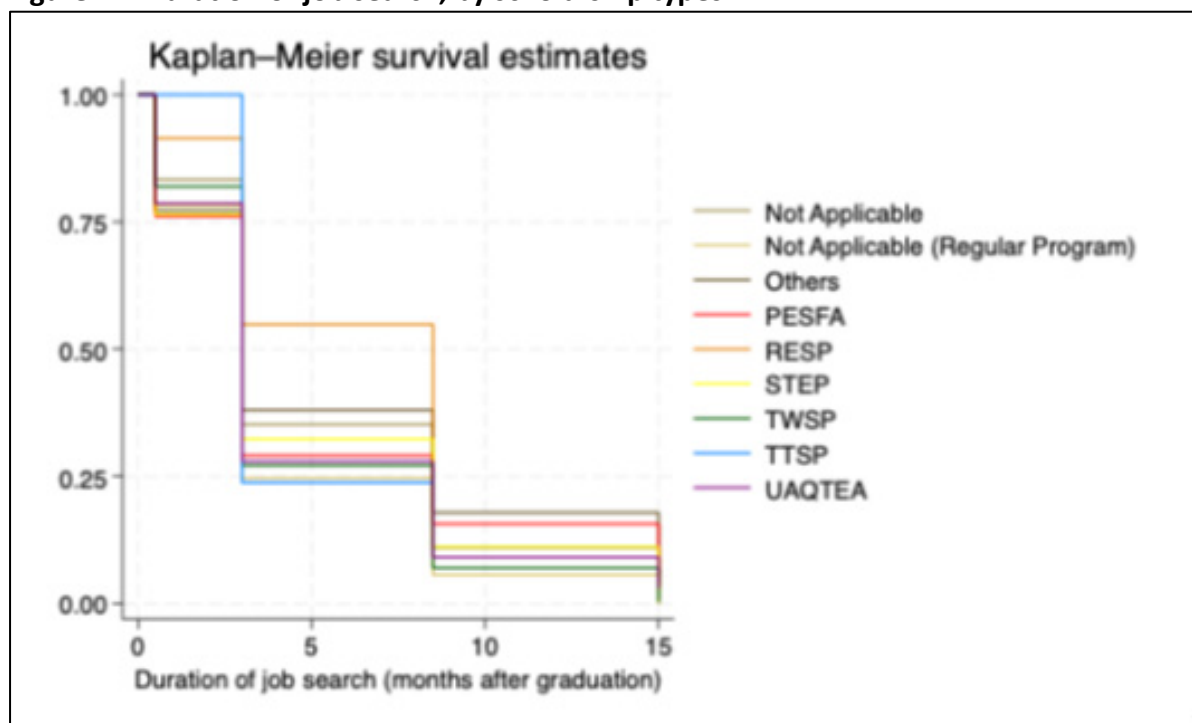
(a) By unemployed

(b) By scholar

Source: SETG 2018-2022.

Figure 11 shows that TTSP scholars are able to find a job faster followed by RESP scholars. We note that TWSP and UAQTEA which accounts for the highest budget have lower likelihood in finding a job compared to the other scholarship types while STEP scholars seem to be relatively in the middle compared to other scholarships. This could be explained by the low employability of Senior High School (SHS) graduates (Orbeta Jr. and Corpus, 2024) who are the primary beneficiaries of UAQTEA-funded programs. During the FGD, employers express their perception that Senior High School (SHS) graduates still lack maturity for full time employment. This all contributes to the “TVET stigma” or the perception that for higher chance employability, SHS graduates should pursue higher education. Another reason raised during the FGD with TVIs is the challenge in updating of documents and curricula to integrate 21st century skills – which could also explain the quantitative results that trainees do not find the certification useful as it does not match the requirements of the job.

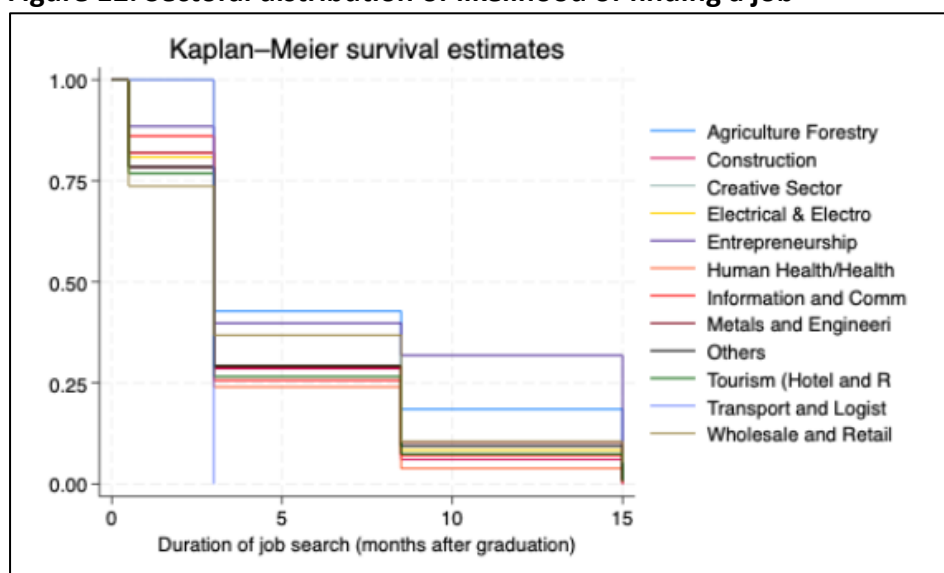
Figure 11. Duration of job search, by scholarship types



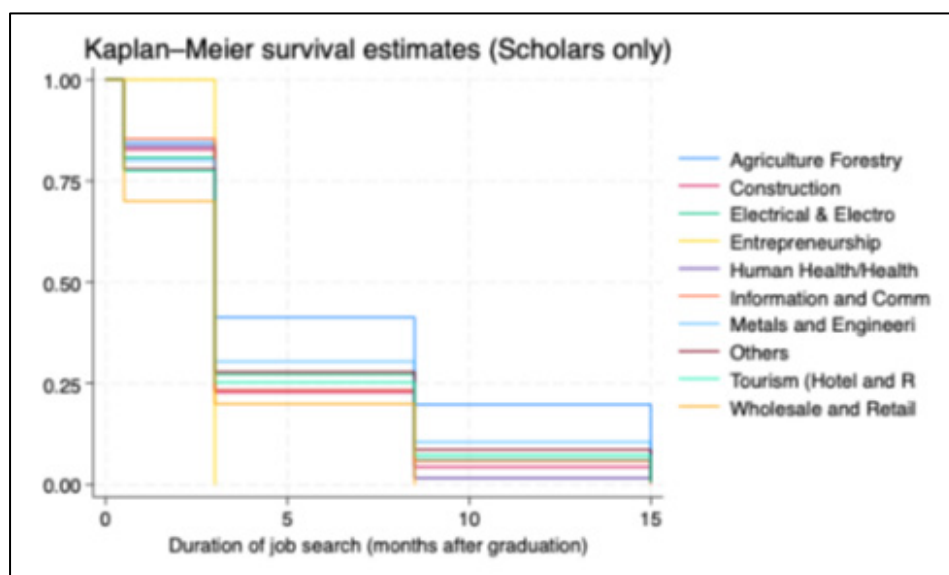
Source: SETG 2018-2022

Looking at the sectoral distribution of TVET programs where trainees are enrolled, the study notes that certain sectors have a higher likelihood of leading to employment within different timeframes. These include Agriculture and Forestry, Entrepreneurship, Construction, and Human Health and Wellness. Notably, ICT and Tourism fall in the middle compared to other sectors, while those in the wholesale and retail sectors of the TVET program have a higher likelihood of finding a job within 3 to 6 months. As shown in Figure 12, which covers scholars only, the study also notes that there are no scholars enrolled in the creative industries — a designated priority sector.

Figure 12. Sectoral distribution of likelihood of finding a job



(a) All trainee graduates



(b) All scholars only

Source: Author's calculation based on SETG 2018-2022

4.3. Comparison of poor vs non-poor scholars

As defined under RA 8425, or the “Social Reform and Poverty Alleviation Act,” the poor refer to individuals and families whose income falls below the poverty threshold as defined by the

National Economic and Development Authority (NEDA, now Department of Economy, Planning, and Development [DEPDev]⁴) and/or who cannot afford, in a sustained manner, to meet their minimum basic needs for food, health, education, housing, and other essential amenities of life. The study uses the World Bank poverty line of USD 3 per day to define an individual as poor, converted to at least PHP 5,000 per month. This threshold was chosen because it is slightly higher than PHP 2,775 per month, which is derived by dividing the national poverty threshold for a family of five in 2023 (PHP 13,873) (PSA 2023) thereby including more in the category of the “poor”. Using this definition, out of the 10,606 respondents who provided information on their monthly gross income, 981 or 9.3% are considered poor. Focusing on scholars, out of 14,182 scholars, only 5,338 reported their income before training, of whom 9.1% are classified as poor scholars while 90.9% are non-poor.

Table 5. Summary statistics (Scholars with reported income, poor, non-poor)

	Non-poor scholar (n=4,851)	Poor scholar (n=487)	All scholars (with reported income before) (n=5,338)
Age	36	38	32
Female	41%	68%	52.1%
Male	58.7%	32.4%	56.3%
Education			
Primary	3%	5%	2.7%
Secondary (old curriculum)	21%	28%	19.7%
Lower Secondary	9%	16%	9.0%
Upper Secondary	3%	4%	10.0%
Post-Secondary	7%	10%	5.5%
Bachelor level	55%	37%	52.3%
Masters level	2%	0%	0.8%
Doctoral	0%	0%	0.1%
Civil status			
Single	40%	33%	56.5%
Married	60%	67%	43.5%
Region			
Region 1	5%	10%	5.8%
Region 2	6%	9%	5.9%
Region 3	5%	5%	5.8%
Region 4A	7%	3%	6.1%
Region 4B	7%	5%	6.1%
Region 5	7%	9%	6.1%
region 6	6%	5%	6.2%
Region 7	12%	9%	11.1%
Region 8	5%	5%	5.9%
Region 9	3%	6%	5.6%

⁴ The Department of Economy, Planning, and Development (DEPDev) is a newly established executive department of the Philippine government. Formed through the reorganization of the National Economic and Development Authority (NEDA) by Republic Act No. 12145 (signed on April 10, 2025), DEPDev is responsible for national and regional economic policy, development, monitoring, and planning.

Region 10	7%	6%	5.8%
Region 11	8%	6%	5.8%
Region 12	8%	8%	6.6%
Region 13	4%	3%	5.9%
BARMM	5%	6%	5.5%
CAR	6%	7%	5.6%
NCR	5%	3%	5.3%
Cities and Municipalities Competitiveness Index (CMCI)			
Overall	29.81	29.60	29.963
Education institutions	0.15	0.14	0.149
Employment generation	0.20	0.18	0.194
Employed population	0.12	0.10	0.11
Establishments	0.31	0.28	0.32
IT capacity	0.33	0.32	0.342
City / Municipality income class level (1=high; 6=low)			
Income class 1	71.2%	68.0%	72.4%
Income class 2	17.1%	17.0%	15.7%
Income class 3	7.8%	11.5%	8.0%
Income class 4	2.2%	2.2%	2.4%
Income class 5	0.8%	0.7%	0.7%
Income class 6	0.8%	0.7%	0.7%
Poverty incidence			
poverty	20.6	22.1	21.1

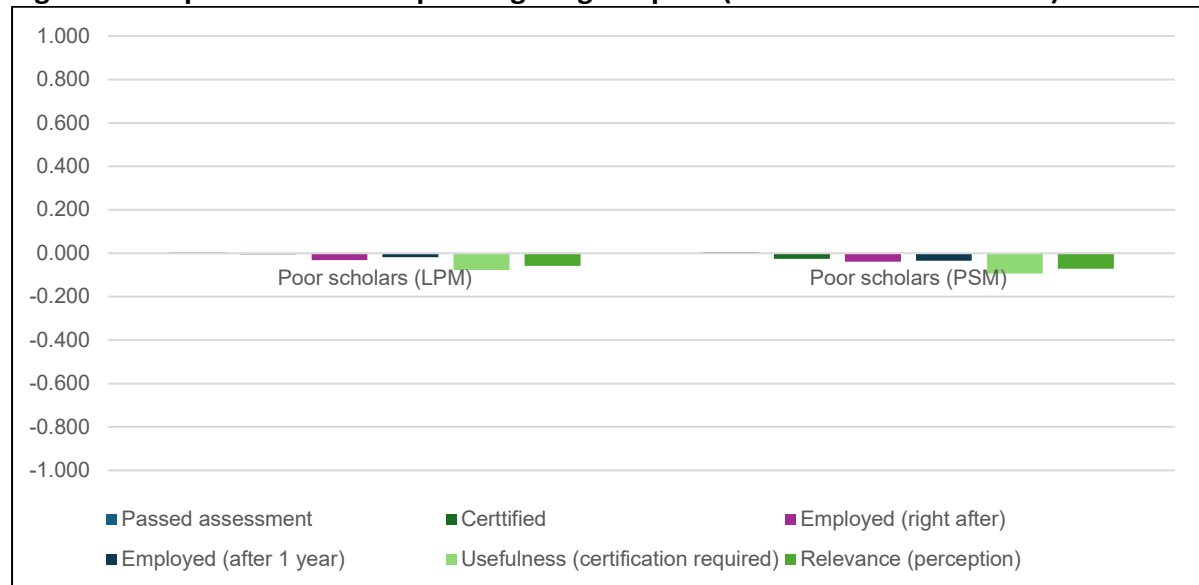
BARMM= Bangsamoro Autonomous Region Muslim Mindanao; CAR=Cordillera Autonomous Region; NCR=National Capital Region.

Note*: The CMCI index are calculated based on raw scores and rankings and therefore do not necessarily have a range between 0 and 1.

Source: SETG 2018-2022

Comparing the LPM and PSM estimates on the impact of scholarship targeting the poor based on income, similar results were found (see Figure 13). There is a small positive impact in passing assessment although not significant. For both estimates, there is significant negative outcomes for the poor scholars compared to non-poor scholars in terms of the usefulness (whether certification is required) and relevance (perception of the graduates whether the skills are relevant to their current job or business). This could be explained by the poor scholars belonging in few sectors only and not in all priority sectors (Figure 14.b). Moreover, FGD revealed the perception that there is limited budget allocation for non-priority sectors.

Figure 13. Impact of scholarship in targeting the poor (LPM and PSM estimates)

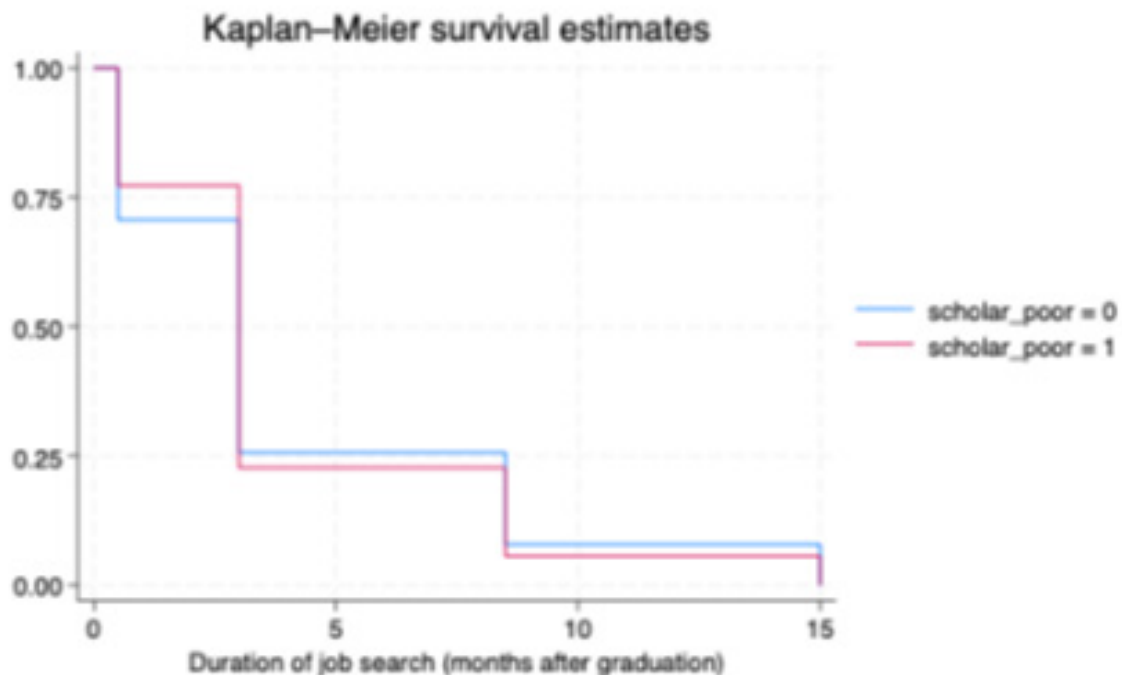


*Note: poor scholars are those with below USD 3 per day income

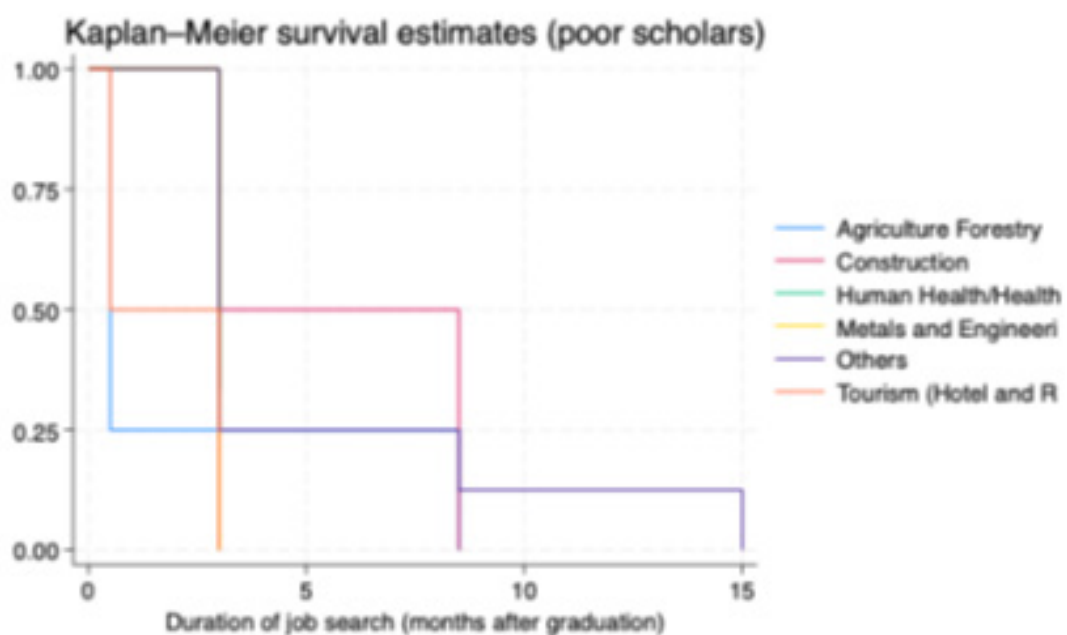
Source: Author's calculation based on SETG 2018-2022

Just looking at the poor scholars, the study notes that similar to scholars, they have higher likelihood of finding a job with 1-3 months but this declines as the time goes by where the non-poor scholars have a higher likelihood of finding jobs (Figure 14.a). Notably, those in the tourism and human health wellness sector can all find a job within one- three months followed by agriculture and construction (Figure 14.b). However, the study notes that only few sectors in the TVET program target the poor scholars. FGD results show that there is a perception that there needs to be an implementation of additional screening processes and requirements to genuinely target the poor. TVIs also expressed that the poor or disadvantaged scholars tend to have difficulty in complying with all documentary requirements.

Figure 14. Likelihood of job search for poor scholars



(a) Poor scholars overall



(b) Poor scholars, by sector of TVET program

Source: Author's calculation based on SETG 2018-2022

Looking at the outcomes using the data on actual scholars in T2MIS 2018-2022, the study notes that while there is a relatively low dropout rate of 1%, there is a low passing rate of 56% for disadvantaged scholars (see Table 6). One reason that surfaced during FGD and KII relate to the mismatch or conflicts on education and age requirements (scholarship program vis-a-vis TRs), which could impact how students are learning and thus pass the assessments.

Table 6. Outcomes for disadvantaged scholars, overall and by scholarship

Outcomes	All Disadvantaged	TWSP	PESFA	STEP
Training dropout	1%	1%	1%	1%
Passed assessment	56%	62%	69%	55%
Certified	97%	96%	94%	97%

Source: Author's calculations based on T2MIS 2018-2022

This study further probed the attended training institutions with TRs as it defines the competency standards, curriculum, assessment, and recognition for each qualification. It was found that poor scholars who attended TVIs with TRs tend to get higher assessment and certification outcomes (see Table 7). During FGD, TVIs expressed the variability of competency-based learning materials (CBLM) and interpretation in teaching and assessment among them.

Table 7. Poor scholars only attending TVIs with TR versus no TR

Outcome	No TR	With TR
Passed assessment	0.0%	92.2%
Certified	0.0%	87.9%
Employed (right after)	83.6%	81.5%
Employed (after 1 year)	83.6%	84.4%
Usefulness (certification required)	23.3%	38.8%

Source: Author's calculations based on SETG 2018-2022

This study also notes the partial effect of higher motivation (skills enhancement and employment) on each outcome. Results show that for all scholars and poor scholars, there is a significant positive effect of motivation as seen in employment after 1 year and the relevance of the skill on current job or business. This is similar for TWSP with the additional significant positive effect on usefulness (certification required). For PESFA and STEP scholars, the study notes similar significance with the addition of significant positive effect on certification. Also, there is a negative impact on passing assessment, but this is not significant. This supports the findings of Cagasan et al (2019) on how scholarship grants motivated the student success and how higher aid can influence completion likelihood (Glocker 2011). During the FGD and interviews, it was highlighted that students that motivated students are those that show “committed” behaviour such as “working students” or those that show interest about the training first and the monetary allowance secondary. They suggest a signing of commitment form or affidavit of undertaking and/or TVI blacklisting of dropouts. More proactive suggestions of some TVIs were to provide coaching and “checking in” with the scholars to continue motivating them.

Table 8. Partial effect of motivation (skills enhancement and employment) on assessment outcomes using LPM estimates

Outcome	Scholars	Poor scholars	TWSP	PESFA	STEP
Passed assessment	-0.007	-0.018	-0.0243*	-0.0188	-0.0129
Certified	0.009	0.019	0.0228*	0.0305**	0.0368***
Employed (right after)	-0.012	-0.011	0.00241	0.00153	0.00148
Employed (after 1 year)	0.069***	0.0668***	0.0684***	0.0683***	0.0688***

Usefulness (certification required)	-0.003	0.003	0.0422***	0.0392***	0.0375***
Relevance (perception)	0.168***	0.163***	0.194***	0.193***	0.191***

Note: p-value significance: *** p < 0.01, ** p < 0.05, * p < 0.10

Source: Author's calculations using SETG 2018-2022

4.4. How can TESDA target poor disadvantaged scholars with credible commitment?

While the income threshold for the definition of poverty is straightforward, the credible commitment signals may not be directly observed and therefore needs to be clearly identified. Moreover, there are arguments that income alone is not an enough criterion to define poverty. The T2MIS did not indicate the income of the trainees but we defined poor disadvantaged as those scholars listed in TESDA's Special Clients classification. Based on TESDA Circular No. 004, series of 2024, Special Clients "refer to special target beneficiaries to include: (1) farmers and fishermen, (2) workers in the informal sectors, (3) migrant workers, (4) indigenous people (IP) and cultural communities, (5) women, (6) persons with disability, (7) senior citizens, (8) victims of calamities and disasters, (9) out-of-school youths, (10) urban poor. Furthermore, special beneficiaries also cover solo parents and their children, OFWs and their dependents, drug surrenderees⁵ and their dependents, victims of human trafficking, wounded-in-action or killed-in-action AFP and PNP personnel and their dependents, returnees, decommissioned combatants, inmates and detainees and their dependents, micro entrepreneurs and their dependents, members of cooperatives, internally displaced population. NEET, underemployed, and other related or similarly situated clients."

To identify potential eligibility criteria to proxy "credible commitment" of the poor to graduate and get accredited, the study considers motivation or the reason of the students in attending TVET and test whether it has significant effect to outcomes of disadvantaged scholars. As noted in the results earlier in Table 8, there are significant partial effect of motivation to different scholarship types. Further evaluations could also explore testing the effect of trainees' opportunity cost (could signal credible commitment) to their performance outcomes

4.4.1. Eligibility criteria

Qualitative results from the focus group discussions and interviews revealed several challenges and recommended strategies related to three key areas: (1) targeting the poor with a credible commitment to complete training, (2) targeting TVIs that deliver strong performance, and (3) targeting skills that align with job requirements.

In terms of targeting scholars with a credible commitment to perform, TVIs suggested introducing an additional screening process to ensure the selection of genuinely disadvantaged scholars. They also recommended providing coaching and engagement activities to help prevent dropouts, as well as developing industry partnerships and marketing initiatives to attract and identify potential scholars.

For targeting TVIs that achieve both internal and external efficiency outcomes, participants proposed that TESDA provide support and rewards as incentives, along with conducting regular audits and inspections to monitor performance.

⁵ See <https://mirror.pia.gov.ph/news/2021/11/23/tesda-gives-hope-to-drug-surrenderees>.

Regarding the targeting of skills that match the job requirements of trainees, the focus group discussions and interviews highlighted the need for a stronger area-based and demand-driven approach. Participants also suggested building linkages between TVIs and industries or businesses to facilitate on-the-job training opportunities and employment referrals. Table 9 below presents a summary of these challenges and recommended strategies.

Table 9. Word clouds of challenges and strategies in (1) targeting scholars with credible commitment; and (2) TVIs that perform

[illegible]

Source: Author's compilation

With these findings, the study proposes the following eligibility criteria for TVIs to better target individuals who are both poor and have a credible commitment to perform: income, motivation (such as the reason for pursuing TVET), and potential opportunity costs. These opportunity costs may include out-of-pocket expenses or time foregone to pursue training, which could ideally be offset by scholarship incentives or the transaction costs of obtaining proof of belonging to the TESDA client list of beneficiaries.

5. Key findings

Overall, the TESDA scholarship programs demonstrate positive performance in terms of internal efficiency (assessment and certification rates) as well as external efficiency (employment after one year). In terms of employment, the scholarship has a positive effect on securing employment after one year, though not immediately after training. The study notes that this delay could be related to demand factors, as scholars are often located in lower-income cities and municipalities.

Specifically, only PESFA shows a significant positive impact on scholars immediately finding a job after training. Moreover, PESFA and UAQTEA are the only two programs with a significant positive effect on employment after one year.

However, there is room to improve the usefulness and relevance of the programs. The study finds a significant negative association between certification and its necessity in graduates' jobs, suggesting that certifications are often not required by employers. Notably, UAQTEA is the only program where the required certifications significantly match graduates' jobs. There is also a significant negative perception of the relevance of training to graduates' current jobs, except among PESFA graduates.

Ensuring the proper match between certification and graduates' jobs may be a challenge for TWSP, given its focus on targeting priority sectors. The duration of job search also varies by scholarship type. Using K-M curves across different TVET sectors, the study observes that poor scholars tend to cluster in only a few specific TVET program sectors.

One variable this study explored as a signal of credible commitment is scholar motivation or the reason for taking the training. Motivation has a significant positive partial effect on various outcomes across scholarship types, suggesting that scholarship programs should consider targeting motivated scholars. This study recommends including motivation as an additional eligibility criterion.

However, this study notes an actual decline in the targeting of disadvantaged versus advantaged scholars, which could signal potential issues in identifying disadvantaged individuals.

6. Conclusions and recommendations

In addressing this study's main research question on how effectively the TESDA scholarship programs target poor scholars, the study finds an overall decline in the targeting of disadvantaged scholars compared to advantaged scholars from 2018 to 2022. Heatmaps indicate that the 2022 regional distribution of scholarship budgets does not necessarily align with regions with high poverty incidence, where most disadvantaged scholars are located.

Furthermore, in assessing the impact of TESDA scholarships on internal and external efficiency outcomes, the study finds that overall, scholarship programs perform positively in terms of assessment and certification rates (internal efficiency). However, there is room for improvement in aligning certifications with job requirements and ensuring their perceived relevance to the workplace.

Regarding external efficiency, scholars tend to lag behind non-scholars in securing employment immediately after training. For poor scholars in particular, the study finds that they are concentrated in only a few sectors compared to non-poor scholars. Beyond challenges in

identifying genuinely disadvantaged scholars, this pattern may also reflect the need for stronger linkages between industry and TVIs to identify skills that match labor market demand.

This study sought to assess the effectiveness of existing targeting mechanisms in TESDA's scholarship programs in identifying and supporting disadvantaged beneficiaries, and to offer recommendations for improving both equity and program efficiency. The research question, whether current scholarship targeting mechanisms effectively identify the disadvantaged and support successful training outcomes, is answered in the negative. While the use of poverty as a primary eligibility criterion is consistent with the legal definition under RA 8425 and international poverty lines (e.g., USD 3/day), results reveal that this approach is insufficient on its own to ensure that scholarships reach individuals who are both disadvantaged and capable of completing the program.

Using TESDA's T2MIS database, this study observed that although a majority of scholars enrolled in the program are classified as disadvantaged, the proportion of disadvantaged scholars has declined over time, suggesting growing gaps in the precision of identification and targeting. This trend indicates a potential weakening in the program's ability to fulfill its pro-poor mandate and may reflect inconsistencies or limitations in the data sources and vetting mechanisms used. These findings align with and reinforce the conclusions of ADB (2021), which identified political interference and weak accountability mechanisms as sources of leakage and mistargeting in TVET scholarship distribution.

To achieve the objective of identifying gaps in targeting practices and recommending ways to enhance them, this study triangulated administrative data with literature, policy reviews, and alternative data sources. For example, it examined the viability of using existing government databases (e.g., the Listahanan or National ID Registry) to cross-validate the poverty status of scholarship applicants. This study found that while implementing such verification mechanisms would likely increase the transaction costs for applicants and TVIs, these costs could be justified as necessary safeguards to improve the integrity of beneficiary selection and enhance both internal efficiency (higher completion rates) and external efficiency (better employment outcomes).

Importantly, this study goes beyond poverty status to argue that behavioral factors (risk aversion, patience, personal effort) are also critical determinants of training success. Yet these dimensions are missing from TESDA's current targeting framework. This data gap weakens the system's ability to select those most likely to complete training and benefit from it in the labor market. Thus, this study pointed to the World Bank STEP Skills Measurement Survey (2015-2016) in the Philippines as a viable data source for understanding the behavioral traits of vocational trainees. In particular, it draws on the work of Vandenberg and Laranjo (2021), who demonstrated that traits such as time preference and risk tolerance are predictive of positive labor market outcomes post-training.

To operationalize these findings and meet its goal of offering practical policy guidance, this study proposes revising TESDA's process flowchart for scholarship selection. Revisions include: (1) requiring training institutions to submit documentary proof of an applicant's disadvantaged status (as defined by harmonized government databases); (2) incorporating structured interview questions to assess applicants' credible commitment to complete training; and (3) introducing a scorecard-based system to rank applicants based on both socioeconomic and behavioral criteria. These reforms are designed to minimize leakage, reduce politicization, and maximize the return on government investment in human capital development.

The proposed updates to the T2MIS system, last refreshed in 2019, and the suggested use of external databases for cross-validation (see Appendix 3), as well as the flowchart modifications (see Appendix 6), demonstrate how this study translated its empirical findings into actionable recommendations. In doing so, the research meets its objectives of diagnosing the gaps in existing mechanisms and proposing a more robust, data-driven, and performance-oriented framework for targeting TVET scholarships.

For policymakers involved in budgeting, the study notes that the Philippine heatmaps show a mismatch where regions with high poverty incidence do not necessarily receive higher budget priority. The recommendation is for budget planning to incorporate poverty incidence data, alongside regional needs and demands, to better align with the NTESDP 2023 to 2028. Budget allocation could use a scorecard that gives higher weights to regions with elevated poverty rates, in addition to weights for other criteria such as alignment with priority sectors.

While this study covered the major TESDA scholarship programs, not all programs were included due to data limitations and time constraints. The study recommends conducting separate assessments for other scholarships, especially those that prioritized job creation in the post-pandemic period.

For future studies, this study suggests analyzing regional budget allocations for each scholarship program to provide insights on the cost-benefit ratio, particularly with respect to targeting the poor, since regional priorities influence budgeting decisions. In addition, future research could consider the following variables as proxies for unobserved factors not captured in this study due to limited data and time:

- City or municipality income classification, since scholarships are meant to target lower-income communities and this may affect treatment assignment while not directly influencing outcomes such as graduation, assessment, certification, or employment
- CMCI IT Capacity, because stronger IT infrastructure could influence scholars' access to information about eligibility but would not directly affect program outcomes given that TVIs themselves provide IT resources during training
- Policy changes, including the introduction of UAQTEA, TWSP, and RESP, since their timing affects eligibility and allocation but may not directly affect outcomes
- Previous scholarship allocations in the region, which could influence the number of scholarships available, with data available from the T2MIS

This study contributed to the limited academic literature on effective scholarship targeting for the poor, not just based on income but also on other signaling criteria that genuinely capture disadvantage. It provided recommendations for TESDA policymakers that could be operationalized by local implementing agencies. More specifically, the study offers insights on how TESDA can improve the targeting of poor scholars through its criteria and programs. In a broader sense, these results could contribute to making skills training more inclusive for the poor, thereby enhancing their employability and helping to reduce income poverty.

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8. Appendices

Appendix 1. Summary of Eligibility Criteria for 7 TESDA scholarships as of 2024

	Training for Work Scholarship (TWSP)	<u>Private Education Financial Assistance (PESFA)</u>	<u>Special Training for Employment Program (STEP)</u>	<u>Universal Access to Tertiary Education (UAQTEA)</u>	Tulong Trabaho Scholarship Program (TTSP)	Rice Extension Services Program (RESP)	TESDA Online Program (TOP)
Year	2006	1998	2014	2017	2019	2019	2012
Key Objective	To address job skills mismatch; to ensure that the industry labor force requirement is satisfied	To extend financial assistance to marginalized but deserving students in post-secondary non-degree courses	To expand the reach of TVET to the grassroots	To extend free higher education	To enhance the skills of the Filipino labor force by providing free access to technical-vocational education and training (TVET)	To help rice farmers or their listed dependents	To deliver technical-vocational education and training at learners' own pace and convenience
Policy	May 2006 launched under Office of the President and included in the mainstream budget in 2008.	Section 8 of 1998 Republic Act No. 8545, otherwise known as the Expanded Government Assistance to Students and Teachers in Private Education (GASTPE) Act.	The program was introduced only in 2014 in line with thrust of expanding the reach of TVET to the grassroots.	Republic Act 10931 or UAQTEA Section 5. Free TVET in Post-Secondary TVIs. - All Filipino students who are currently enrolled at the time of the effectivity of this Act or shall enroll at any time thereafter in any post-secondary TVET leading to nondegree certificate or diploma programs offered by any state-run TVI under the TESDA shall be exempt from paying tuition and other school fees.	2019 Republic Act No. 11230, also known as the Tulong-Trabaho Act	Rice Competitiveness Enhancement Fund (RCEF) was established under Republic Act No. 11203	part of TESDA's mandate under Republic Act No. 7796—also known as the "Technical Education and Skills Development Act of 1994."
Key Scholarship Criteria	Not below 18 years old Filipino citizen	15 years old and above; 10 years basic education; ALS graduate; not exceeding 300K annual family income;	15 years old and above; Filipino citizen	10 years basic education NCAE/MA; not a college graduated/YP 4SC Profiling; no government scholarship grants; Filipino citizen	15 years old and above; unemployed or not studying; employees that wants to improve skills	Rice farmers or their dependent listed in the Registry System for Basic Sector in Agriculture (RSBSA)	A registered TESDA Online Program account.; A computer with an internet connection.; A valid email address.; Completion

	Training for Work Scholarship (TWSP)	<u>Private Education Financial Assistance (PESFA)</u>	<u>Special Training for Employment Program (STEP)</u>	<u>Universal Access to Tertiary Education (UAQTEA)</u>	Tulong Trabaho Scholarship Program (TTSP)	Rice Extension Services Program (RESP)	TESDA Online Program (TOP)
		Filipino citizen					of the course or training (if you were previously enrolled)
Is it targeting the poor?	Not explicit in the publicly posted criteria	Yes	Not explicit in publicly posted criteria	Not explicitly in publicly posted criteria	Yes	Yes	Not explicit in the publicly posted criteria

Source: Author's compilation based on TESDA website

Appendix 2. Summary statistics, by year, SETG 2018-2022

Variables	2018	2019	2020	2021	2022
Age	32	31	30	34	32
Gender (Female)	54%	54%	53%	49%	51%
Educational attainment					
Primary	2%	2%	2%	4%	3%
Secondary (old curriculum)	25%	5%	15%	29%	25%
Lower Secondary	4%	18%	10%	6%	6%
Upper Secondary	6%	10%	15%	7%	10%
Post Secondary	8%	7%	6%	4%	4%
Bachelor level	53%	56%	52%	50%	51%
Master's level	1%	1%	1%	1%	0%
Doctoral	0%	0%	0%	0%	0%
Marital status					
Married	44%	42%	36%	51%	44%
Single	56%	58%	64%	49%	56%
Region					
Region 1	4%	7%	6%	6%	6%
Region 2	7%	5%	6%	6%	6%
Region 3	7%	5%	6%	6%	6%
Region 4A	8%	5%	6%	6%	6%
Region 4B	7%	7%	6%	6%	6%
Region 5	6%	7%	6%	6%	6%
Region 6	8%	5%	6%	6%	6%
Region 7	12%	13%	13%	6%	13%
Region 8	6%	6%	6%	6%	6%
Region 9	4%	6%	6%	6%	6%
Region 10	6%	5%	6%	6%	6%
Region 11	6%	6%	6%	6%	6%
Region 12	6%	6%	7%	7%	7%
Region 13	7%	5%	6%	6%	6%
BARMM	4%	7%	6%	6%	6%

CAR	4%	6%	6%	6%	6%
NCR	5%	5%	6%	5%	6%
Regional competitiveness					
Overall	7.4	34.6	37.1	32.6	30.0
Education	0.1	0.2	0.2	0.2	0.1
Employment generation	0.1	0.2	0.2	0.2	0.2
Employed population	0.0	0.1	0.1	0.1	0.1
Establishments	0.3	0.2	0.3	0.4	0.3
IT capacity	0.1	0.3	0.5	0.4	0.2
City / Municipality income class (1=high; 6=low)					
Income class 1	73%	69%	74%	72%	73%
Income class 2	15%	18%	15%	16%	15%
Income class 3	8%	9%	8%	8%	7%
Income class 4	2%	2%	2%	2%	3%
Income class 5	0%	1%	1%	1%	1%
Income class 6	1%	1%	1%	1%	1%
Poverty					
Poverty Incidence (%)	19.3	21.9	21.2	21.1	21.4

Source: SETG 2017-2022

*Excluded 'Not indicated' or 'No grade'

Appendix 3. List of client type

Client type	Description¹	Data source(s)/Validation document
OSY	refers to boys and girls who belong to any of the categories: i) 7-14 years old who are not enrolled; ii) 15-24 years old, not enrolled, not employed and not a tertiary level graduate. <i>Ref: 2017 TVET Glossary of Terms</i>	OSY inventory list of Local Government Units (LGUs) through the Barangay Targeting System for OSY
Displaced Workers	-	Department of Labor and Employment (DOLE) through the Online Establishment Reporting System (ERS)
Indigenous People & Cultural Communities	those that having a historical continuity with pre-invasion and pre-colonial societies that developed on their territories, consider themselves distinct from other sectors of the societies now prevailing in those territories, or parts of them	National Commission on Indigenous Peoples (NCIP)
Urban and Rural Poor Farmers	-	Registry System for Basic Sectors in Agriculture (RSBSA)
Family Members of Microentrepreneurs	the immediate family members of the person who operates a small business	-
Family Members of Inmates and Detainees	Immediate family members of the person who is imprisoned or detained in prison	Bureau of Jail Management and Penology (BJMP)

Client type	Description ¹	Data source(s)/Validation document
Victims of Human Rights or their Authorized Beneficiaries	-	Human Rights Victims Claimants Board (HRVCB)
Agrarian Reform Beneficiary	-	Registry System for Basic Sectors in Agriculture (RSBSA)/Department of Agrarian Reform (DAR)
OFW Dependent	immediate family member of the person who is in overseas employment	Proof of repatriation of OFW family member/Overseas Workers' Welfare Administration (OWWA)
Rebel Returnees/Combatants	refer to rebels or soldiers who withdrawn from service	- Office of the Presidential Adviser on Peace, Reconciliation and Unity - Task Force Balik-Loob
Fisherfolks	-	Registry System for Basic Sectors in Agriculture (RSBSA)
Informal Workers	Refers to workers engaged to all jobs which are not recognized as normal income sources, and on which taxes are not paid	-
Solo Parent	(1) A woman who gives birth as a result of rape and other crimes against chastity even without a final conviction of the offender: Provided, That the mother keeps and raises the child; (2) Parent left solo or alone with the responsibility of parenthood due to death of spouse; (3) Parent left solo or alone with the responsibility of parenthood while the spouse is detained or is serving sentence for a criminal conviction for at least one (1) year; (4) Parent left solo or alone with the responsibility of parenthood due to physical and/or mental incapacity of spouse as certified by a public medical practitioner; (5) Parent left solo or alone with the responsibility of parenthood due to legal separation or de facto separation from spouse for at least one (1) year, as long as he/she is entrusted with the custody of the children; (6) Parent left solo or alone with the responsibility of parenthood due to declaration of nullity or annulment of marriage as decreed by a court or by a church as long as he/she is entrusted with the custody of the children; (7) Parent left solo or alone with the responsibility of parenthood due to abandonment of spouse for at least one (1) year; (8) Unmarried mother/father who has preferred to keep and rear her/his child/children instead of having others care for them or give them up to a welfare institution; (9) Any other person who solely provides	Department of Social Welfare and Development (DSWD) through City/Municipal Social Welfare Development Office (C/MSWDO)

Client type	Description ¹	Data source(s)/Validation document
	parental care and support to a child or children; (10) Any family member who assumes the responsibility of head of family as a result of the death, abandonment, disappearance or prolonged absence of the parents or solo parent. <i>Ref: RA 8972</i>	
Farmers and Fishermen	-one who engages in fishing as an occupation or for pleasure; -a person who owns, works on or operates an agricultural enterprise, either commercially or to sustain himself or his family	Registry System for Basic Sectors in Agriculture (RSBSA)
Disadvantaged/Displaced Women	women lacking in the basic resources or conditions (such as standard housing, medical and educational facilities, and civil rights) believed to be necessary for an equal position in society	-
Wounded-in-Action AFP & PNP Personnel	AFP and PNP personnel suffering from physical injury especially that suffered in battle	Department of the Interior and Local Government (DILG) and the Department of National Defense (DND) through the Comprehensive Social Benefits Program (CSBP)
Informal Settler	-	National Housing Authority (NHA)
Returning/Repatriated OFWs	refers to Filipinos returning to the Philippines from overseas employment	Proof of repatriation
Victim/Survivor of Human Trafficking	someone who is or survived from being trade for the purpose of forced labour, sexual slavery, or commercial sexual exploitation for the trafficker or others	DSWD, Inter-Agency Council Against Trafficking (IACAT)
Victim of Natural Disasters and Calamities	people affected by catastrophic event caused by nature or natural processes of the earth i.e flood, earthquake, typhoon	LGU/Local Disaster Risk Reduction and Management Council (MDRRMC)
Drug dependents surrenderees/surrenderers	a person who surrenders from being under the administration of controlled or restricted drugs	Dangerous Drugs Board (DDB)/DILG
Family Enterprises	refers to those in which the family controls the business through involvement in ownership and management positions	- Department of Trade and Industry (DTI) for sole proprietorships - Securities and Exchange Commission (SEC) for corporations
Solo Parent's Children	refer to those living with and dependent upon the solo parent for support who are unmarried, unemployed and not more than eighteen (18) years of age, or even over eighteen (18) years but are incapable of self-support because of mental and/or physical defect/disability. <i>Ref: RA 8972</i>	Solo parent ID and birth certificate of applicant

Client type	Description ¹	Data source(s)/Validation document
Family Members of AFP & Wounded-in-Action	Immediate family members of the AFP and PNP personnel who suffer from physical injury during battle	Department of the Interior and Local Government (DILG) and the Department of National Defense (DND) through the Comprehensive Social Benefits Program (CSBP)
4Ps Beneficiary	-	Enhanced Beneficiary Data and Management System (BDMS) of the Department of Social Welfare and Development (DSWD)
Family Members of AFP & PNP Killed-in-Action	-	Department of the Interior and Local Government (DILG) and the Department of National Defense (DND) through the Comprehensive Social Benefits Program (CSBP)

¹26 List of special client beneficiaries based on the Memorandum Circular 004-2024.

Appendix 4. List of questions to check “credible commitment” of scholars

Below are the sections (in the survey questionnaire which uses Proxy Means Test (PMT) which without having to ask each respondent household about their income, PMT allows the respondents to explain income/consumption differences across households reasonably well using observable characteristics. Moreover, it has questions on health and perceptions, personality and behaviour which could provide insight in effectively targeting the poor in the scholarship criteria. The table below is a direct lift from World Bank STEP Skills Household Survey Questionnaire Module 4: Personality and Behaviour listing 45 items on the question “How do you see yourself?” rated on a 5-point Likert scale of (Almost Always, Quite Often, Sometimes, Rarely, Almost Never).

1	SHOW CARD #1: How do you see yourself?	ALMOST ALWAYS	QUITE OFTEN	SOMETIMES	RARELY	ALMOST NEVER
	1. Do you enjoy being with people?					
	2. Are you curious, interested in learning new things?					
	3. Are you organized?					
	4. Do you manage stress well?					
	5. Are you interested in nature, art or music?					
	6. Do you try very hard even after making mistakes?					
	7. Do you work well with other people?					
	8. Do you make plans and stick to them?					
	9. Do you easily share your thoughts and feelings with other people?					
	10. Do you get nervous easily?					
	11. Do you stick to your goals despite obstacles and setbacks?					
	12. Do you prefer work that involves repetitive tasks and routines?					
	13. Are you shy with people?					
	14. Do you work hard to do things well and on time?					
	15. Do you have sudden changes in your mood?					
	16. Do you try to understand how other people feel and think?					
	17. Are you inventive, and discover new ways of doing things?					
	18. Are you enthusiastic and full of energy?					

19. Do you feel sad, depressed?					
20. Do you get to work and appointments on time?					
21. Are you generally trusting of other people?					
22. Do you go after a goal, even if it takes a year or more to reach?					
23. Do you get easily upset?					
24. Do you ask for help when you do not understand something?					
25. In social gatherings, do you like to talk to many people?					
26. Do you like to think a lot, and reflect about ideas?					
27. Do you finish whatever you begin?					
28. Do you put off your duties in order to relax?					
29. Do you tend to be rude to other people?					
30. Do you finish your tasks, even if they take a long time to complete?					
31. Do you think carefully before you make an important decision?					
32. Do you tolerate faults in other people?					
33. Do you worry a lot?					
34. Do you get easily distracted?					
35. Do you keep working very hard even when you feel like quitting?					
36. Do you complete your duties on time?					
37. Are you talkative?					
38. Do you come up with original or new ideas?					
39. Do you think about how the things you do will affect others?					
40. Do you stay calm in tense or stressful situations?					
41. Do you forgive other people easily?					
42. Do you have an active imagination?					
43. Are you comfortable expressing your thoughts and opinions to others?					
44. Do you think about how the things you do will affect you in the future?					
45. Are you helpful with others?					

Source: Direct lift from World Bank Skills Toward Employment and Productivity (STEP) Skills Measurement Household Survey 2015-2016 in the Philippines

Appendix 5. Regression tables

A) Linear Probability Models (Passing assessment)

	-1	-2	-3	-4	-5	-6
VARIABLES	assessed_passed	assessed_passed	assessed_passed	assessed_passed	assessed_passed	assessed_passed
scholar	0.238***					
	-0.00961					

age_centered	-0.00343***	-0.00400***	-0.00429***	-0.00434***	-0.00131**	-0.00422***
	-0.000517	-0.000515	-0.000523	-0.00052	-0.000571	-0.000522
gender_female	-0.0586***	-0.0608***	-0.0660***	-0.0669***	-0.0129	-0.0628***
	-0.0102	-0.0101	-0.0103	-0.0102	-0.0114	-0.0102
2.marital	-0.0119	-0.00366	-0.00687	-0.00969	0.00365	-0.00792
	-0.0112	-0.0111	-0.0112	-0.0112	-0.012	-0.0112
3.marital	-0.0277	-0.0189	-0.0188	-0.0193	0.00684	-0.0191
	-0.0203	-0.0204	-0.0209	-0.0209	-0.0198	-0.0209
4.marital	-0.0413	-0.0161	-0.0161	-0.0144	0.00428	-0.0182
	-0.0335	-0.0337	-0.0347	-0.0347	-0.0386	-0.0345
5.marital	-0.00418	0.00645	0.0137	0.00848	0.0212	0.0138
	-0.0397	-0.0406	-0.0411	-0.0405	-0.0423	-0.0408
6.marital	0.0603**	0.235	0.270**	0.273**	0.0192	0.277**
	-0.0254	-0.182	-0.132	-0.13	-0.0257	-0.133
7.marital	-0.550***	-0.668***	-0.708***	-0.685***		-0.702***
	-0.03	-0.0291	-0.0294	-0.0293		-0.0293
0.education	-0.0653	-0.0739	-0.0783	-0.102	-0.0469	-0.0736
	-0.114	-0.108	-0.114	-0.11	-0.143	-0.114
1.education	0.364***	0.380***	0.331***	0.343***	0.124***	0.328***
	-0.0624	-0.0634	-0.0674	-0.0681	-0.0291	-0.0676
2.education	-0.0748***	-0.0738***	-0.0766***	-0.0832***	-0.0392	-0.0736***
	-0.0269	-0.0272	-0.0279	-0.0276	-0.0331	-0.0279
3.education	-0.0161	-0.0159	-0.0226*	-0.0246**	0.00988	-0.0280**
	-0.0124	-0.0125	-0.0127	-0.0125	-0.0129	-0.0127
4.education	-0.0157	0.0300*	0.0251	0.0218	-0.00247	0.0242
	-0.0165	-0.0164	-0.0166	-0.0166	-0.0178	-0.0166
5.education	0.0305	0.0243	0.00273	0.00768	-0.00282	-0.00601
	-0.025	-0.0245	-0.0242	-0.0241	-0.0273	-0.0242
6.education	0.00669	0.0138	0.0102	0.00913	0.00541	0.00286
	-0.0179	-0.0179	-0.0183	-0.0183	-0.0191	-0.0183
8.education	0.0176	0.0121	0.0193	0.0269	-0.0302	0.0187
	-0.0362	-0.0349	-0.0348	-0.035	-0.0446	-0.0348
income_before	3.02E-07	3.57E-08	7.27E-08	1.65E-07	-4.65E-07	8.54E-08
	-2.32E-07	-2.30E-07	-2.13E-07	-2.10E-07	-3.80E-07	-2.11E-07
1.employment_befor eclass	-0.00596	-0.0285	-0.0285	-0.023	0.0269	-0.0277
	-0.037	-0.0362	-0.0368	-0.0369	-0.0415	-0.0366
2.employment_befor eclass	-0.0171	-0.0244	-0.0141	-0.0108	-0.0156	-0.0118
	-0.0184	-0.0177	-0.0181	-0.018	-0.0202	-0.0181
3.employment_befor eclass	0.0418**	0.0523***	0.0544***	0.0488***	0.0227	0.0499***

	-0.0166	-0.0164	-0.0165	-0.0165	-0.0174	-0.0165
4.employment_befor eclass	-0.00352	0.000524	-0.00653	-0.0125	0.0199	-0.00872
	-0.0197	-0.0199	-0.02	-0.0199	-0.0205	-0.02
5.employment_befor eclass	-0.0193	-0.0184	-0.01	-0.0126	-0.0169	-0.0131
	-0.0179	-0.0179	-0.0182	-0.0181	-0.0194	-0.0181
6.employment_befor eclass	0.0396**	0.0390**	0.0429**	0.0394**	0.0398**	0.0427**
	-0.0183	-0.0181	-0.0182	-0.0182	-0.0189	-0.0182
7.employment_befor eclass	-0.0171	-0.019	-0.00247	0.00139	-0.00853	-0.00158
	-0.0163	-0.0159	-0.016	-0.0159	-0.0179	-0.016
9.employment_befor eclass	-0.120***	-0.141***	-0.151***	-0.149***	-0.00766	-0.149***
	-0.0185	-0.0187	-0.0191	-0.0189	-0.0209	-0.019
10.employment_befo reclass	-0.0122	-0.00767	-0.00789	-0.0106	0.00989	-0.00813
	-0.0178	-0.0177	-0.018	-0.018	-0.0186	-0.018
1.region	-0.0347	-0.0461	-0.0509	-0.0451	-0.0109	-0.0553*
	-0.0337	-0.0333	-0.0335	-0.0334	-0.0368	-0.0335
2.region	-0.162***	-0.198***	-0.199***	-0.185***	-0.0637	-0.202***
	-0.0338	-0.033	-0.0336	-0.0334	-0.0387	-0.0335
3.region	-0.128***	-0.148***	-0.150***	-0.142***	-0.0488	-0.153***
	-0.0337	-0.0331	-0.0337	-0.0335	-0.0375	-0.0337
4.region	-0.0754**	-0.0929***	-0.0836***	-0.0793***	0.0362	-0.0859***
	-0.0306	-0.0305	-0.031	-0.0307	-0.0322	-0.031
5.region	-0.113***	-0.114***	-0.105***	-0.106***	-0.104***	-0.112***
	-0.0337	-0.0331	-0.0331	-0.033	-0.0378	-0.0332
6.region	-0.108***	-0.121***	-0.116***	-0.105***	-0.0522	-0.118***
	-0.0332	-0.0324	-0.0327	-0.0326	-0.0373	-0.0327
7.region	-0.0188	-0.0359	-0.0393	-0.0279	0.00257	-0.044
	-0.032	-0.0311	-0.0313	-0.0312	-0.0353	-0.0314
8.region	0.000531	-0.0117	-0.0155	-0.00654	0.0232	-0.0229
	-0.0324	-0.0316	-0.0319	-0.0317	-0.0354	-0.0318
9.region	-0.0695**	-0.0979***	-0.113***	-0.101***	-0.0103	-0.113***
	-0.0345	-0.0339	-0.0343	-0.0341	-0.0383	-0.0343
10.region	-0.0272	-0.0437	-0.0437	-0.0357	-0.0285	-0.0496
	-0.0324	-0.0315	-0.0318	-0.0316	-0.0356	-0.0318
11.region	-0.0262	-0.0491*	-0.0416	-0.035	-0.00707	-0.0442
	-0.0297	-0.029	-0.0293	-0.0292	-0.0327	-0.0293
12.region	-0.037	-0.0502*	-0.0579**	-0.0490*	-0.0217	-0.0573*
	-0.0301	-0.0293	-0.0294	-0.0292	-0.0339	-0.0294
13.region	-0.147***	-0.187***	-0.202***	-0.189***	-0.136***	-0.205***

	-0.0371	-0.0354	-0.0357	-0.0357	-0.0449	-0.0357
15.region	-0.0863***	-0.0898***	-0.105***	-0.0924***	-0.0402	-0.113***
	-0.0333	-0.0324	-0.0327	-0.0326	-0.0373	-0.0327
16.region	0.0148	0.0328	0.0297	0.0316	-0.0322	0.0231
	-0.0328	-0.0312	-0.0312	-0.0312	-0.0358	-0.0312
40.region	-0.00773	-0.0204	-0.022	-0.00777	0.0186	-0.0237
	-0.0321	-0.0314	-0.0318	-0.0316	-0.0348	-0.0317
cmci_educ	-0.0166	-0.0534	-0.0485	-0.0402	-0.0417	-0.0522
	-0.0349	-0.0338	-0.0346	-0.0344	-0.0417	-0.0345
year	-0.0317***	-0.00961***	-0.0127***	-0.0136***	0.0190***	-0.0161***
	-0.00361	-0.00349	-0.00356	-0.00354	-0.00358	-0.0036
2.motivation	-0.034	-0.0246	-0.027	-0.0381	-0.0806	-0.0313
	-0.0818	-0.0735	-0.0727	-0.0711	-0.087	-0.073
3.motivation	-0.00701	-0.0243*	-0.0188	-0.0129	-0.0182	-0.0195
	-0.0132	-0.0131	-0.0133	-0.0132	-0.0137	-0.0132
4.motivation	0.0271	0.00287	0.0096	0.00582	-0.0108	0.00505
	-0.0238	-0.0238	-0.0241	-0.0238	-0.0253	-0.024
scholarship_TWSP		0.164***				
		-0.0086				
scholarship_PESFA			0.0848***			
			-0.0235			
scholarship_STEP				0.142***		
				-0.0119		
scholar_poor					0.00427	
					-0.0179	
scholarship_UAQTE A						0.150***
						-0.0161
Constant	64.74***	20.31***	26.64***	28.46***	-37.46***	33.48***
	-7.301	-7.044	-7.189	-7.16	-7.234	-7.271
Observations	7,629	8,277	8,277	8,277	4,512	8,277
R-squared	0.17	0.11	0.081	0.091	0.031	0.085

Note: Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

B) Linear Probability Models (Certification)

VARIABLES	certified	certified	certified	certified	certified	certified
scholar	0.239***					
	-0.00987					
age_centered	-0.00363***	-0.00361***	-0.00403***	-0.00408***	-0.00300***	-0.00390***
	-0.000532	-0.000504	-0.000515	-0.000509	-0.000677	-0.000512
gender_female	-0.0809***	-0.0824***	-0.0915***	-0.0916***	-0.0375***	-0.0858***
	-0.0107	-0.0101	-0.0103	-0.0102	-0.0136	-0.0103
2.marital	-0.0145	-0.00846	-0.0124	-0.0158	-0.00132	-0.0143
	-0.012	-0.0115	-0.0117	-0.0116	-0.0145	-0.0116
3.marital	-0.0116	0.0123	0.0177	0.016	0.0183	0.0159
	-0.0216	-0.0211	-0.0215	-0.0214	-0.0254	-0.0214
4.marital	-0.0570*	-0.0522*	-0.0512	-0.045	-0.0357	-0.0537*
	-0.0327	-0.0303	-0.0312	-0.0309	-0.0443	-0.0308
5.marital	0.0366	0.013	0.0226	0.0179	0.0900**	0.0233
	-0.0393	-0.0381	-0.0389	-0.0379	-0.0459	-0.0384
6.marital	-0.202	0.129	0.238	0.243	-0.172	0.241
	-0.236	-0.309	-0.253	-0.248	-0.245	-0.256
7.marital	-0.411***	-0.327***	-0.363***	-0.349***	-0.513***	-0.352***
	-0.0643	-0.0293	-0.035	-0.0283	-0.034	-0.0375
0.education	-0.00679	0.0118	-0.008	-0.0292	-0.0349	0.0118
	-0.127	-0.121	-0.136	-0.126	-0.159	-0.13
1.education	0.502***	0.516***	0.454***	0.471***	0.410***	0.449***
	-0.0662	-0.0577	-0.0636	-0.0644	-0.0361	-0.0645
2.education	-0.0451*	-0.0600**	-0.0651***	-0.0707***	-0.00527	-0.0611**
	-0.0258	-0.0238	-0.0247	-0.0241	-0.0366	-0.0247
3.education	-0.0122	-0.00613	-0.0142	-0.0166	0.0121	-0.0229*
	-0.0129	-0.0123	-0.0125	-0.0124	-0.016	-0.0125
4.education	-0.0122	0.0136	0.00472	0.00186	0.0123	0.00321
	-0.0178	-0.0177	-0.0181	-0.0179	-0.0207	-0.0179
5.education	0.00674	0.0103	-0.0165	-0.0105	-0.03	-0.0293
	-0.0286	-0.0276	-0.0275	-0.0274	-0.0363	-0.0272
6.education	0.0246	0.0296	0.0257	0.0239	0.0301	0.0133
	-0.019	-0.0184	-0.0189	-0.0188	-0.0227	-0.0188
8.education	0.00777	0.00955	0.0253	0.0355	-0.0728	0.0247
	-0.0386	-0.0367	-0.0367	-0.0369	-0.0498	-0.0365
income_before	8.68E-08	-1.49E-07	-1.58E-07	-3.34E-08	-5.17E-07	-1.31E-07
	-2.66E-07	-2.76E-07	-2.68E-07	-2.56E-07	-3.74E-07	-2.62E-07
1.employment_beforeclass	0.0608	-0.015	-0.015	-0.00649	0.0838*	-0.0124

	-0.038	-0.0354	-0.0363	-0.0363	-0.0492	-0.0359
2.employment_beforeclass	-0.0253	-0.03	-0.0164	-0.0117	-0.0361	-0.0129
	-0.0197	-0.0184	-0.0188	-0.0187	-0.0241	-0.0188
3.employment_beforeclass	0.0490***	0.0643***	0.0657***	0.0587***	0.0501**	0.0576***
	-0.0183	-0.0179	-0.0183	-0.0181	-0.0209	-0.0182
4.employment_beforeclass	-0.00813	0.000357	-0.00792	-0.0146	0.0019	-0.0122
	-0.0212	-0.0206	-0.0207	-0.0205	-0.0257	-0.0206
5.employment_beforeclass	-0.0415**	-0.0424**	-0.0349*	-0.0371**	-0.0208	-0.0387**
	-0.0184	-0.0177	-0.0181	-0.0179	-0.0227	-0.018
6.employment_beforeclass	0.0212	0.0234	0.0249	0.0205	0.0282	0.0241
	-0.0205	-0.0198	-0.0202	-0.0202	-0.024	-0.0201
7.employment_beforeclass	0.0148	0.0036	0.0248	0.0300*	0.00542	0.0268
	-0.0173	-0.0166	-0.0168	-0.0167	-0.0211	-0.0167
9.employment_beforeclass	-0.149***	-0.114***	-0.128***	-0.124***	-0.180***	-0.123***
	-0.0185	-0.0172	-0.0177	-0.0175	-0.0249	-0.0176
10.employment_beforeclass	-0.0444**	-0.0362**	-0.0350*	-0.0383**	-0.0303	-0.0349*
	-0.0187	-0.0179	-0.0182	-0.0181	-0.0233	-0.0182
1.region	-0.00595	0.0042	-0.00791	0.00113	0.0373	-0.0137
	-0.037	-0.0353	-0.0359	-0.0355	-0.0459	-0.0357
2.region	-0.0729**	-0.0938***	-0.105***	-0.0849**	0.000299	-0.109***
	-0.0358	-0.0335	-0.0342	-0.0339	-0.0458	-0.0341
3.region	-0.0314	-0.0257	-0.0321	-0.0215	0.0659	-0.0387
	-0.0359	-0.0343	-0.0351	-0.0349	-0.0444	-0.0351
4.region	-0.00803	-0.0327	-0.0289	-0.0231	0.0984**	-0.0327
	-0.0333	-0.0321	-0.0328	-0.0324	-0.0409	-0.0327
5.region	-0.0367	-0.0144	-0.00848	-0.0106	0.00884	-0.0225
	-0.0359	-0.0345	-0.0349	-0.0346	-0.0442	-0.035
6.region	-0.0286	-0.00313	0.00164	0.0142	0.0204	-0.00307
	-0.0359	-0.0345	-0.035	-0.0347	-0.0451	-0.0349
7.region	0.0881**	0.0559*	0.0435	0.0602*	0.141***	0.0363
	-0.0351	-0.0334	-0.034	-0.0336	-0.0427	-0.0339
8.region	0.0980***	0.120***	0.114***	0.124***	0.115**	0.101***
	-0.0358	-0.0343	-0.0347	-0.0344	-0.0448	-0.0345
9.region	0.0292	-0.00437	-0.0288	-0.0107	0.105**	-0.0294
	-0.0367	-0.0344	-0.035	-0.0346	-0.0477	-0.035
10.region	-0.0187	-0.00424	-0.00789	0.00301	0.0129	-0.0177
	-0.0353	-0.0335	-0.034	-0.0337	-0.0439	-0.0339
11.region	0.0495	0.0422	0.0484	0.0570*	0.107***	0.0438
	-0.0325	-0.0311	-0.0316	-0.0313	-0.0401	-0.0315
12.region	0.00372	0.0214	0.00764	0.0177	0.0267	0.0078

	-0.0326	-0.0312	-0.0316	-0.0314	-0.0411	-0.0315
13.region	-0.0847**	-0.102***	-0.125***	-0.108***	-0.0641	-0.132***
	-0.0387	-0.0356	-0.0361	-0.036	-0.0508	-0.036
15.region	0.026	0.0464	0.0235	0.0397	0.0846*	0.00972
	-0.036	-0.0342	-0.0347	-0.0345	-0.0452	-0.0346
16.region	0.0937**	0.148***	0.141***	0.141***	0.111**	0.129***
	-0.0364	-0.0348	-0.0351	-0.0351	-0.0435	-0.035
40.region	0.0871**	0.0645*	0.0573*	0.0769**	0.121***	0.0542
	-0.0354	-0.0336	-0.0343	-0.034	-0.0433	-0.0342
cmci_educ	-0.0237	-0.0259	-0.0205	-0.0095	-0.00902	-0.0268
	-0.04	-0.038	-0.0389	-0.0386	-0.0502	-0.0388
year	-0.0397***	-0.0527***	-0.0582***	-0.0582***	-0.0194***	-0.0629***
	-0.00407	-0.00359	-0.00366	-0.00364	-0.00457	-0.00367
2.motivation	-0.0606	-0.0309	-0.0303	-0.0385	-0.0615	-0.0356
	-0.0868	-0.0758	-0.0744	-0.0707	-0.102	-0.074
3.motivation	0.0091	0.0228*	0.0305**	0.0368***	0.0191	0.0289**
	-0.0139	-0.0127	-0.0129	-0.0128	-0.017	-0.0128
4.motivation	0.0313	0.0332	0.0411*	0.0365	0.0545*	0.0344
	-0.0249	-0.0239	-0.0244	-0.0239	-0.0306	-0.0241
scholarship_TWSP		0.232***				
		-0.0097				
scholarship_PESFA			0.137***			
			-0.0279			
scholarship_STEP				0.220***		
				-0.0138		
scholar_poor					-0.00489	
					-0.0215	
scholarship_UAQTEA						0.289***
						-0.0177
Constant	80.80***	107.0***	118.3***	118.3***	40.00***	127.8***
	-8	-7	-7	-7	-9	-7
Observations	9,021	10,393	10,393	10,393	5,227	10,393
R-squared	0.149	0.14	0.102	0.117	0.063	0.111

C) Linear Probability Models (Employed right after)

	-1	-2	-3	-4	-5	-6
VARIABLES	employed_rig htafter	employed_rig htafter	employed_rig htafter	employed_rig htafter	employed_rig htafter	employed_rig htafter
scholar	-0.0386***					
	-0.00679					
age_centered	0.00335***	0.00332***	0.00335***	0.00335***	0.00371***	0.00334***

	-0.000642	-0.000601	-0.000601	-0.000602	-0.000895	-0.000602
age_centered2	-9.40e-05***	-9.63e-05***	-9.51e-05***	-9.55e-05***	-0.000124***	-9.55e-05***
	-2.43E-05	-2.28E-05	-2.28E-05	-2.28E-05	-3.74E-05	-2.28E-05
gender_female	0.00526	-0.00239	-0.00133	-0.00135	0.00714	-0.00154
	-0.00777	-0.00719	-0.0072	-0.0072	-0.0113	-0.0072
2.marital	-0.00596	-0.00756	-0.0067	-0.00691	-0.0104	-0.0069
	-0.00896	-0.00837	-0.00837	-0.00837	-0.0122	-0.00837
3.marital	0.0161	0.0167	0.0161	0.0161	0.00562	0.0162
	-0.0153	-0.0144	-0.0144	-0.0144	-0.0209	-0.0144
4.marital	0.00885	0.0114	0.0113	0.0112	-0.016	0.0114
	-0.0195	-0.0179	-0.0179	-0.0179	-0.0326	-0.0179
5.marital	-0.0681**	-0.0505*	-0.0513*	-0.0514*	-0.0717	-0.0515*
	-0.0326	-0.0286	-0.0286	-0.0286	-0.045	-0.0286
6.marital	0.0461	0.0158	0.00448	0.00374	0.0641*	0.00362
	-0.0329	-0.0627	-0.0562	-0.0559	-0.037	-0.056
7.marital	-0.0486**	-0.0312**	-0.0266*	-0.0271*	-0.024	-0.0274*
	-0.0202	-0.0142	-0.0145	-0.0146	-0.0252	-0.0147
0.education	0.0679**	0.0816***	0.0804***	0.0831***	0.0932**	0.0825***
	-0.0287	-0.024	-0.0263	-0.0255	-0.0426	-0.0253
1.education	0.139**	0.143***	0.152***	0.151***	0.245***	0.151***
	-0.062	-0.0552	-0.0552	-0.0554	-0.031	-0.0554
2.education	0.0104	0.00767	0.00807	0.00822	0.0182	0.00804
	-0.0153	-0.0145	-0.0145	-0.0145	-0.0252	-0.0145
3.education	-0.0232***	-0.0233***	-0.0227***	-0.0225***	-0.0149	-0.0222***
	-0.00897	-0.00829	-0.0083	-0.0083	-0.013	-0.00832
4.education	0.0565***	0.0631***	0.0629***	0.0638***	0.0880***	0.0639***
	-0.0151	-0.0144	-0.0144	-0.0144	-0.0187	-0.0144
5.education	-0.00285	-0.017	-0.0153	-0.0144	-0.0324	-0.0138
	-0.0242	-0.0233	-0.0234	-0.0234	-0.0352	-0.0234
6.education	-0.021	-0.0278*	-0.0274*	-0.0273*	0.0145	-0.0269*
	-0.0163	-0.0156	-0.0156	-0.0156	-0.0208	-0.0156
8.education	0.0151	0.0148	0.0133	0.013	0.0242	0.0131
	-0.0239	-0.023	-0.023	-0.023	-0.0361	-0.023
income_before	1.15E-07	1.81E-07	1.88E-07	1.83E-07	-1.72E-07	1.82E-07
	-1.46E-07	-1.43E-07	-1.44E-07	-1.44E-07	-2.97E-07	-1.44E-07
1.employment_bef oreclass	0.0474**	0.0476**	0.0487**	0.0478**	0.113***	0.0477**
	-0.0239	-0.0199	-0.0198	-0.0198	-0.037	-0.0198
2.employment_bef oreclass	0.00655	0.0103	0.0091	0.00882	0.0317	0.00872
	-0.0154	-0.014	-0.0139	-0.0139	-0.0208	-0.0139

3.employment_bef oreclass	0.0112	0.0076	0.00754	0.00752	0.0308	0.00773
	-0.0157	-0.0148	-0.0149	-0.0149	-0.021	-0.0148
4.employment_bef oreclass	-0.0295	-0.0340**	-0.0328*	-0.0330*	-0.0323	-0.0329*
	-0.0184	-0.0173	-0.0173	-0.0173	-0.0253	-0.0173
5.employment_bef oreclass	0.0921***	0.0910***	0.0905***	0.0902***	0.109***	0.0903***
	-0.012	-0.0113	-0.0114	-0.0114	-0.0176	-0.0114
6.employment_bef oreclass	0.0298*	0.0270*	0.0278*	0.0272*	0.0378*	0.0271*
	-0.0161	-0.0146	-0.0147	-0.0147	-0.0218	-0.0147
7.employment_bef oreclass	0.0540***	0.0573***	0.0554***	0.0550***	0.0678***	0.0550***
	-0.0128	-0.012	-0.0119	-0.0119	-0.0184	-0.0119
9.employment_bef oreclass	0.0489***	0.0520***	0.0539***	0.0536***	0.0661***	0.0534***
	-0.0115	-0.0108	-0.0108	-0.0108	-0.017	-0.0108
10.employment_be foreclass	0.0492***	0.0555***	0.0551***	0.0553***	0.0823***	0.0553***
	-0.0136	-0.0125	-0.0125	-0.0125	-0.019	-0.0125
1.region	0.0455*	0.0400*	0.0413*	0.0413*	0.0168	0.0416*
	-0.0251	-0.0231	-0.0231	-0.0231	-0.0342	-0.0231
2.region	0.00785	0.0131	0.0134	0.014	-0.0122	0.0143
	-0.0243	-0.0219	-0.0219	-0.022	-0.0339	-0.0219
3.region	-0.0175	-0.006	-0.00575	-0.00551	-0.0473	-0.00517
	-0.0248	-0.0224	-0.0224	-0.0225	-0.0338	-0.0225
4.region	-0.0027	0.00968	0.00907	0.00914	-0.0208	0.00933
	-0.0234	-0.0209	-0.0209	-0.021	-0.0311	-0.0209
5.region	-0.0126	-0.00535	-0.00625	-0.00608	-0.0394	-0.00561
	-0.0254	-0.0233	-0.0234	-0.0234	-0.0334	-0.0234
6.region	0.00083	0.0126	0.0104	0.0115	-0.0298	0.0118
	-0.0252	-0.023	-0.0231	-0.0231	-0.0344	-0.0231
7.region	-0.00371	-0.0116	-0.0109	-0.0105	-0.00744	-0.0101
	-0.0259	-0.0231	-0.0231	-0.0231	-0.0341	-0.0231
8.region	0.0233	0.0342	0.0339	0.0345	-0.00761	0.0351
	-0.025	-0.0228	-0.0228	-0.0228	-0.0342	-0.0228
9.region	0.0261	0.0254	0.0266	0.0276	0.0293	0.0279
	-0.0235	-0.0212	-0.0212	-0.0212	-0.0352	-0.0212
10.region	0.0112	0.0159	0.0159	0.0161	-0.02	0.0166
	-0.0236	-0.0215	-0.0216	-0.0216	-0.0321	-0.0216
11.region	-0.00666	-0.00639	-0.00791	-0.00739	-0.0149	-0.00711
	-0.0226	-0.0207	-0.0207	-0.0207	-0.0294	-0.0207
12.region	0.00791	0.0158	0.0161	0.0169	0.0176	0.0171

	-0.0224	-0.0203	-0.0204	-0.0204	-0.0295	-0.0204
13.region	0.0199	0.00862	0.0099	0.0107	-0.0216	0.0112
	-0.025	-0.0226	-0.0227	-0.0227	-0.0364	-0.0227
15.region	0.0207	0.0161	0.0176	0.0183	0.00172	0.019
	-0.025	-0.0229	-0.0229	-0.0229	-0.0348	-0.0229
16.region	0.0606***	0.0560***	0.0548***	0.0562***	0.0605**	0.0568***
	-0.0218	-0.02	-0.02	-0.02	-0.0283	-0.0201
40.region	-0.024	-0.0319	-0.0325	-0.0317	-0.0445	-0.0313
	-0.0261	-0.0242	-0.0243	-0.0243	-0.0353	-0.0243
cmci_educ	0.0597*	0.0912***	0.0913***	0.0907***	0.0384	0.0909***
	-0.0329	-0.0311	-0.0312	-0.0312	-0.0454	-0.0312
year	0.0879***	0.0863***	0.0873***	0.0870***	0.0829***	0.0872***
	-0.00363	-0.00309	-0.0031	-0.00309	-0.0041	-0.00309
2.motivation	-0.254***	-0.223***	-0.222***	-0.222***	-0.324***	-0.222***
	-0.0783	-0.0632	-0.0635	-0.0635	-0.097	-0.0635
3.motivation	-0.0121	0.00241	0.00153	0.00148	-0.0116	0.00159
	-0.00954	-0.0085	-0.00849	-0.0085	-0.0134	-0.0085
4.motivation	0.0037	0.0162	0.016	0.0156	0.00908	0.0157
	-0.0166	-0.0156	-0.0156	-0.0156	-0.0241	-0.0156
scholarship_TWSP		-0.0262***				
		-0.00798				
scholarship_PESF A			0.0391*			
			-0.0223			
scholarship_STEP				-0.00176		
				-0.0112		
scholar_poor					-0.0319*	
					-0.0183	
scholarship_UAQT EA						-0.00986
						-0.017
Constant	-176.7***	-173.5***	-175.6***	-175.0***	-166.7***	-175.3***
	-7	-6	-6	-6	-8	-6
Observations	9,021	10,393	10,393	10,393	5,227	10,393
R-squared	0.13	0.139	0.138	0.138	0.128	0.138

d) Linear Probability Models (Employed after 1 year)

	-1	-2	-3	-4	-5	-6
VARIABLES	employed_aft er1yr	employed_aft er1yr	employed_aft er1yr	employed_aft er1yr	employed_aft er1yr	employed_aft er1yr
scholar	0.0152**					
	-0.0072					

age_centered	0.00467***	0.00486***	0.00487***	0.00485***	0.00556***	0.00489***
	-0.000655	-0.000614	-0.000614	-0.000614	-0.000834	-0.000614
age_centered2	-0.000122***	-0.000127***	-0.000127***	-0.000127***	-0.000167***	-0.000127***
	-2.45E-05	-2.29E-05	-2.29E-05	-2.29E-05	-3.49E-05	-2.29E-05
gender_female	-0.0240***	-0.0290***	-0.0289***	-0.0289***	-0.0308***	-0.0277***
	-0.00774	-0.0072	-0.00719	-0.00719	-0.0102	-0.00719
2.marital	0.0223**	0.0204**	0.0208**	0.0203**	0.0164	0.0203**
	-0.00924	-0.00861	-0.0086	-0.0086	-0.0115	-0.00859
3.marital	0.0336**	0.0335**	0.0334**	0.0333**	0.027	0.0330**
	-0.0164	-0.0156	-0.0156	-0.0156	-0.021	-0.0156
4.marital	0.0405*	0.0347*	0.0347*	0.0351*	0.012	0.0341*
	-0.0209	-0.0193	-0.0193	-0.0194	-0.0314	-0.0193
5.marital	0.0103	0.0304	0.0305	0.0301	0.0277	0.0306
	-0.0307	-0.0261	-0.026	-0.026	-0.0354	-0.026
6.marital	0.146***	0.106**	0.106**	0.106**	0.141***	0.106**
	-0.0199	-0.0528	-0.0524	-0.0524	-0.0292	-0.052
7.marital	0.0942***	0.0940***	0.0948***	0.0955***	0.101***	0.0968***
	-0.0284	-0.0186	-0.0185	-0.019	-0.0285	-0.0181
0.education	0.0738***	0.0690***	0.0657***	0.0669***	0.0472*	0.0714***
	-0.0205	-0.0196	-0.0218	-0.0196	-0.0251	-0.0197
1.education	-0.236	-0.238	-0.236	-0.236	0.0805***	-0.238
	-0.264	-0.267	-0.267	-0.267	-0.027	-0.267
2.education	0.0527***	0.0445***	0.0444***	0.0440***	0.0413**	0.0452***
	-0.0139	-0.0139	-0.0138	-0.0139	-0.021	-0.0139
3.education	-0.00837	-0.0116	-0.0118	-0.0117	-0.00128	-0.0134
	-0.00962	-0.00889	-0.00889	-0.00889	-0.0128	-0.00891
4.education	0.0183	0.0125	0.0114	0.0121	0.0378**	0.0116
	-0.0139	-0.0138	-0.0138	-0.0138	-0.0162	-0.0138
5.education	-0.0286	-0.0503**	-0.0513**	-0.0499**	-0.0282	-0.0534**
	-0.0254	-0.0243	-0.0243	-0.0243	-0.034	-0.0243
6.education	-0.0403**	-0.0398***	-0.0399***	-0.0400***	-0.0144	-0.0424***
	-0.0163	-0.0154	-0.0154	-0.0154	-0.0201	-0.0154
8.education	0.0506***	0.0486***	0.0487***	0.0493***	0.0762***	0.0485***
	-0.013	-0.0132	-0.0131	-0.0132	-0.0109	-0.0131
income_before	3.55e-07**	2.67e-07*	2.73e-07**	2.78e-07**	2.28E-07	2.76e-07**
	-1.45E-07	-1.38E-07	-1.38E-07	-1.39E-07	-2.71E-07	-1.39E-07
1.employment_befor eclass	-0.0106	-0.001	0.000177	-0.000122	0.0132	0.000153
	-0.0321	-0.0275	-0.0275	-0.0275	-0.0465	-0.0275
2.employment_befor eclass	0.0278*	0.0346**	0.0348**	0.0349**	0.0544***	0.0353***

	-0.0152	-0.0137	-0.0137	-0.0137	-0.0192	-0.0137
3.employment_befor eclass	-0.00513	-0.00821	-0.00812	-0.00872	0.00893	-0.00983
	-0.0158	-0.0148	-0.0148	-0.0148	-0.0198	-0.0148
4.employment_befor eclass	-0.0490***	-0.0594***	-0.0590***	-0.0597***	-0.00631	-0.0601***
	-0.019	-0.018	-0.018	-0.018	-0.0232	-0.018
5.employment_befor eclass	0.0641***	0.0685***	0.0688***	0.0683***	0.0638***	0.0678***
	-0.0126	-0.0117	-0.0117	-0.0117	-0.0171	-0.0117
6.employment_befor eclass	0.0149	-0.00322	-0.00231	-0.00337	0.0359*	-0.00292
	-0.016	-0.0153	-0.0153	-0.0153	-0.0196	-0.0153
7.employment_befor eclass	0.0708***	0.0692***	0.0695***	0.0694***	0.0864***	0.0696***
	-0.0127	-0.0118	-0.0118	-0.0118	-0.0169	-0.0118
9.employment_befor eclass	0.0466***	0.0415***	0.0421***	0.0420***	0.0438***	0.0428***
	-0.0123	-0.0114	-0.0115	-0.0114	-0.0169	-0.0114
10.employment_bef oreclass	0.0529***	0.0566***	0.0564***	0.0563***	0.0825***	0.0565***
	-0.0136	-0.0124	-0.0125	-0.0124	-0.0175	-0.0124
1.region	0.0381	0.0476*	0.0476*	0.0483*	0.0457	0.0464*
	-0.0275	-0.0259	-0.0259	-0.0258	-0.0337	-0.0258
2.region	0.00708	0.00511	0.00427	0.00648	-0.037	0.00375
	-0.0275	-0.0257	-0.0258	-0.0257	-0.0364	-0.0257
3.region	-0.0589**	-0.0572**	-0.0576**	-0.0564**	-0.0923**	-0.0587**
	-0.0291	-0.0274	-0.0274	-0.0274	-0.0381	-0.0274
4.region	0.00908	-0.00354	-0.00374	-0.00319	0.0434	-0.00444
	-0.0263	-0.0251	-0.0251	-0.0251	-0.0317	-0.0251
5.region	0.0367	0.0481*	0.0478*	0.0478*	0.0264	0.0450*
	-0.0268	-0.0253	-0.0253	-0.0253	-0.0332	-0.0253
6.region	0.0207	0.027	0.0253	0.0275	0.0152	0.0251
	-0.0275	-0.0259	-0.026	-0.026	-0.0344	-0.0259
7.region	0.0081	0.0131	0.0126	0.0143	0.00387	0.0114
	-0.0285	-0.0263	-0.0263	-0.0263	-0.0359	-0.0263
8.region	0.029	0.0417	0.0408	0.0423	-0.00302	0.0384
	-0.0276	-0.0259	-0.0259	-0.0259	-0.0358	-0.0259
9.region	0.0346	0.0361	0.0348	0.0373	0.0384	0.0354
	-0.0274	-0.0255	-0.0256	-0.0255	-0.0363	-0.0255
10.region	0.0321	0.0347	0.0343	0.0354	0.0241	0.0325
	-0.0265	-0.025	-0.025	-0.025	-0.0333	-0.025
11.region	0.0561**	0.0567**	0.0558**	0.0571**	0.0467	0.0552**
	-0.0244	-0.0231	-0.0231	-0.0231	-0.0305	-0.0231

12.region	0.0502**	0.0551**	0.0540**	0.0557**	0.0343	0.0546**
	-0.0249	-0.0235	-0.0235	-0.0235	-0.0315	-0.0235
13.region	0.0248	0.0149	0.0138	0.0161	0.0213	0.013
	-0.0283	-0.0266	-0.0266	-0.0265	-0.0365	-0.0265
15.region	0.0351	0.0416	0.0407	0.0428*	0.0139	0.0384
	-0.0273	-0.0257	-0.0257	-0.0257	-0.0355	-0.0256
16.region	0.0748***	0.0838***	0.0818***	0.0834***	0.0925***	0.0802***
	-0.025	-0.0236	-0.0237	-0.0236	-0.0296	-0.0236
40.region	0.00443	-0.0103	-0.0116	-0.00904	-0.00854	-0.0116
	-0.0279	-0.0267	-0.0267	-0.0267	-0.0353	-0.0267
cmci_educ	-0.0567*	-0.0543*	-0.0536*	-0.0534*	-0.0920**	-0.0553*
	-0.033	-0.0315	-0.0315	-0.0315	-0.0443	-0.0315
year	0.0143***	0.0135***	0.0140***	0.0136***	0.0107***	0.0128***
	-0.0032	-0.00273	-0.00274	-0.00273	-0.00369	-0.00274
2.motivation	-0.140*	-0.0956	-0.0945	-0.096	-0.175*	-0.0961
	-0.081	-0.0633	-0.0633	-0.0634	-0.1	-0.0634
3.motivation	0.0694***	0.0684***	0.0683***	0.0688***	0.0668***	0.0680***
	-0.0116	-0.0102	-0.0102	-0.0102	-0.0148	-0.0102
4.motivation	0.112***	0.107***	0.107***	0.106***	0.0999***	0.106***
	-0.0157	-0.0145	-0.0146	-0.0145	-0.0206	-0.0146
scholarship_TWSP		-0.00231				
		-0.00768				
scholarship_PESFA			0.0548***			
			-0.0198			
scholarship_STEP				0.0163		
				-0.0107		
scholar_poor					-0.0183	
					-0.0175	
scholarship_UAQTE A						0.0594***
						-0.0152
Constant	-28.17***	-26.48***	-27.45***	-26.77***	-20.85***	-25.09***
	-6	-6	-6	-6	-7	-5.536
Observations	9,021	10,393	10,393	10,393	5,227	10,393
R-squared	0.055	0.057	0.057	0.057	0.061	0.058

e) Linear Probability Models (Usefulness – certification required)

	-1	-2	-3	-4	-5	-6
VARIABLES	certified_req d	certified_req d	certified_req d	certified_req d	certified_req d	certified_req d

scholar	-0.263***					
	-0.00969					
age_centered	-0.00158***	-0.000981*	-0.000821	-0.000801	-0.00164**	-0.000717
	-0.000543	-0.000509	-0.00051	-0.00051	-0.000723	-0.000509
gender_female	-0.00327	-0.00778	-0.00425	-0.00424	0.0156	-0.00138
	-0.0108	-0.0102	-0.0103	-0.0103	-0.0148	-0.0103
2.marital	0.0159	-0.000475	0.0013	0.00235	0.00491	0.000981
	-0.0123	-0.0117	-0.0117	-0.0117	-0.0162	-0.0117
3.marital	-0.0335	-0.0249	-0.0269	-0.0266	0.0034	-0.0281
	-0.0222	-0.0205	-0.0206	-0.0205	-0.0282	-0.0205
4.marital	0.0353	0.00764	0.00724	0.00552	-0.0193	0.006
	-0.0346	-0.0318	-0.0319	-0.032	-0.0481	-0.0319
5.marital	0.0236	-0.00527	-0.00854	-0.00718	0.035	-0.00804
	-0.0437	-0.0397	-0.0398	-0.0397	-0.0568	-0.0396
6.marital	-0.00269	-0.127	-0.171	-0.172	0.0648	-0.167
	-0.285	-0.248	-0.227	-0.226	-0.257	-0.226
7.marital	0.119	0.183	0.197	0.193	-0.140***	0.203
	-0.202	-0.312	-0.315	-0.313	-0.0329	-0.313
0.education	-0.282**	-0.245*	-0.236	-0.233	-0.396***	-0.235
	-0.133	-0.143	-0.144	-0.142	-0.134	-0.145
1.education	-0.344**	-0.32	-0.296	-0.299	-0.343***	-0.295
	-0.174	-0.2	-0.203	-0.203	-0.0397	-0.203
2.education	-0.0704**	-0.0583**	-0.0563**	-0.0548**	-0.0482	-0.0546**
	-0.0275	-0.0249	-0.0249	-0.025	-0.0374	-0.0249
3.education	0.000301	-0.00535	-0.00203	-0.00164	0.0247	-0.00705
	-0.0131	-0.0123	-0.0124	-0.0124	-0.0176	-0.0124
4.education	-0.0479**	-0.0769***	-0.0734***	-0.0733***	-0.0136	-0.0769***
	-0.0209	-0.0201	-0.0202	-0.0202	-0.025	-0.0202
5.education	-0.138***	-0.122***	-0.111***	-0.113***	-0.117***	-0.120***
	-0.0279	-0.0259	-0.0259	-0.0258	-0.036	-0.026
6.education	-0.0510**	-0.0650***	-0.0638***	-0.0632***	-0.0237	-0.0702***
	-0.0213	-0.0203	-0.0204	-0.0204	-0.0274	-0.0204
8.education	0.0976***	0.0990***	0.0925***	0.0902***	0.105**	0.0930***
	-0.0338	-0.0334	-0.034	-0.0339	-0.0471	-0.034
income_before	6.27e-07***	7.99e-07***	8.04e-07***	7.76e-07***	9.34e-07***	8.31e-07***
	-2.25E-07	-2.21E-07	-2.18E-07	-2.15E-07	-3.61E-07	-2.21E-07
1.employment_beforeclas s	0.166***	0.118***	0.117***	0.116***	0.195***	0.122***
	-0.0369	-0.036	-0.0358	-0.0358	-0.0635	-0.0359
2.employment_beforeclas s	0.0600***	0.0398**	0.0338*	0.0328*	0.0540**	0.0365**

	-0.0196	-0.0185	-0.0186	-0.0186	-0.0265	-0.0186
3.employment_beforeclas s	0.0573***	0.0552***	0.0545***	0.0564***	0.0970***	0.0508***
	-0.0206	-0.0194	-0.0195	-0.0195	-0.0268	-0.0195
4.employment_beforeclas s	0.0165	0.0204	0.0235	0.0253	0.021	0.0219
	-0.0223	-0.0208	-0.0209	-0.0209	-0.0294	-0.0209
5.employment_beforeclas s	0.0332*	0.0333*	0.0299	0.0307*	0.0539**	0.0291
	-0.0192	-0.0182	-0.0182	-0.0182	-0.0254	-0.0182
6.employment_beforeclas s	0.023	0.0175	0.0165	0.0181	0.033	0.0183
	-0.0225	-0.021	-0.0211	-0.0211	-0.0298	-0.0211
7.employment_beforeclas s	0.114***	0.109***	0.100***	0.0991***	0.128***	0.103***
	-0.0176	-0.017	-0.017	-0.017	-0.0241	-0.017
9.employment_beforeclas s	-0.123***	-0.0668***	-0.0615***	-0.0625***	-0.0966***	-0.0582***
	-0.0181	-0.0168	-0.0169	-0.0169	-0.0235	-0.0168
10.employment_beforecla ss	0.0205	0.0292	0.0288	0.0294	0.011	0.0284
	-0.0193	-0.0182	-0.0184	-0.0184	-0.0258	-0.0184
1.region	0.127***	0.167***	0.172***	0.169***	0.238***	0.169***
	-0.0356	-0.0344	-0.0346	-0.0347	-0.0476	-0.0346
2.region	0.114***	0.159***	0.164***	0.158***	0.172***	0.159***
	-0.035	-0.0339	-0.0342	-0.0342	-0.0481	-0.0342
3.region	0.0251	0.0879***	0.0903***	0.0874***	0.209***	0.0860**
	-0.0359	-0.0337	-0.0339	-0.0339	-0.0468	-0.0339
4.region	0.117***	0.142***	0.141***	0.140***	0.0881*	0.139***
	-0.0335	-0.0331	-0.0334	-0.0334	-0.0459	-0.0333
5.region	0.238***	0.264***	0.262***	0.262***	0.268***	0.255***
	-0.0349	-0.0349	-0.0351	-0.0351	-0.0475	-0.035
6.region	0.170***	0.212***	0.211***	0.206***	0.214***	0.204***
	-0.0349	-0.0343	-0.0347	-0.0347	-0.0476	-0.0346
7.region	0.0412	0.0790**	0.0839**	0.0795**	0.162***	0.0790**
	-0.0363	-0.0336	-0.0338	-0.0338	-0.0485	-0.0338
8.region	0.223***	0.260***	0.263***	0.260***	0.261***	0.254***
	-0.0358	-0.0356	-0.0359	-0.0359	-0.0496	-0.0359
9.region	0.0504	0.109***	0.120***	0.114***	0.184***	0.116***
	-0.0354	-0.0332	-0.0333	-0.0334	-0.0503	-0.0333
10.region	0.0865***	0.138***	0.139***	0.136***	0.0718	0.133***
	-0.0335	-0.0331	-0.0335	-0.0335	-0.0454	-0.0336
11.region	0.215***	0.232***	0.229***	0.227***	0.244***	0.225***
	-0.031	-0.0306	-0.0308	-0.0309	-0.0425	-0.0308

12.region	0.0802**	0.105***	0.111***	0.108***	0.155***	0.108***
	-0.0322	-0.0314	-0.0316	-0.0316	-0.0437	-0.0316
13.region	0.267***	0.256***	0.266***	0.261***	0.310***	0.259***
	-0.0351	-0.0349	-0.0351	-0.0352	-0.0506	-0.0351
15.region	-0.0753**	-0.00663	0.00228	-0.00229	0.125***	-0.00683
	-0.0352	-0.0331	-0.0333	-0.0333	-0.0471	-0.0333
16.region	0.245***	0.238***	0.241***	0.240***	0.342***	0.230***
	-0.0356	-0.0343	-0.0348	-0.0349	-0.0467	-0.0346
40.region	0.0934***	0.119***	0.122***	0.116***	0.110**	0.117***
	-0.0356	-0.0348	-0.035	-0.0351	-0.0475	-0.035
cmci_educ	0.163***	0.291***	0.289***	0.287***	0.181***	0.288***
	-0.0391	-0.0425	-0.0429	-0.043	-0.0563	-0.0428
year	-0.0782***	-0.117***	-0.115***	-0.114***	-0.107***	-0.116***
	-0.0044	-0.00379	-0.00379	-0.00379	-0.00476	-0.00378
2.motivation	-0.101	-0.0856	-0.0861	-0.0834	-0.109	-0.0859
	-0.0772	-0.0625	-0.0628	-0.0623	-0.0864	-0.0625
3.motivation	-0.00271	0.0422***	0.0392***	0.0375***	0.00337	0.0383***
	-0.0142	-0.0128	-0.0128	-0.0128	-0.0185	-0.0128
4.motivation	-0.0193	0.0339	0.0306	0.0321	0.0284	0.0291
	-0.0257	-0.024	-0.0241	-0.0241	-0.0354	-0.0241
scholarship_TWSP		-0.0925***				
		-0.0108				
scholarship_PESFA			-0.0669**			
			-0.0327			
scholarship_STEP				-0.0572***		
				-0.0161		
scholar_poor					-0.0770***	
					-0.0241	
scholarship_UAQTEA						0.141***
						-0.0241
Constant	158.5***	235.8***	231.7***	231.2***	216.9***	234.2***
	-9	-8	-8	-8	-10	-7.634
Observations	8,884	10,226	10,226	10,226	5,132	10,226
R-squared	0.171	0.152	0.147	0.148	0.163	0.149

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

f) Linear Probability Models (Relevance of skills to job or business)

	-1	-2	-3	-4	-5	-6
VARIABLES	relevant	relevant	relevant	relevant	relevant	relevant
scholar	-0.0818***					
	-0.00992					
age_centered	0.00261***	0.00201***	0.00206***	0.00204***	0.00311***	0.00201***
	-0.000529	-0.000503	-0.000503	-0.000503	-0.000737	-0.000503
gender_female	-0.0335***	-0.0397***	-0.0389***	-0.0385***	-0.00303	-0.0399***
	-0.0111	-0.0105	-0.0105	-0.0105	-0.0155	-0.0105
2.marital	-0.00759	-0.00278	-0.00201	-0.00162	-0.00516	-0.00224
	-0.0124	-0.0118	-0.0118	-0.0118	-0.0166	-0.0118
3.marital	-0.0668***	-0.0593**	-0.0595**	-0.0594**	-0.0471	-0.0590**
	-0.0248	-0.0234	-0.0234	-0.0234	-0.0322	-0.0234
4.marital	0.00829	0.0102	0.0102	0.00676	-0.0342	0.0106
	-0.032	-0.0306	-0.0305	-0.0305	-0.0487	-0.0305
5.marital	-0.0561	-0.0529	-0.0538	-0.0524	-0.0834	-0.054
	-0.0468	-0.0427	-0.0427	-0.0427	-0.0623	-0.0427
6.marital	-0.0373	0.0748	0.0675	0.0632	-0.0658	0.0653
	-0.383	-0.269	-0.271	-0.273	-0.43	-0.271
7.marital	-0.679***	-0.654***	-0.650***	-0.656***	-0.796***	-0.653***
	-0.0819	-0.121	-0.121	-0.119	-0.0359	-0.122
0.education	-0.381***	-0.359***	-0.362***	-0.348***	-0.282*	-0.361***
	-0.135	-0.13	-0.128	-0.129	-0.158	-0.131
1.education	0.147***	0.160**	0.166**	0.156**	0.120***	0.165**
	-0.0273	-0.0692	-0.0701	-0.0692	-0.0401	-0.0685
2.education	-0.0118	-0.0263	-0.0263	-0.0243	-0.0368	-0.0267
	-0.0249	-0.0245	-0.0245	-0.0245	-0.039	-0.0245
3.education	-0.0288**	-0.0218*	-0.0216*	-0.0199	-0.0328*	-0.0194
	-0.0136	-0.0128	-0.0128	-0.0128	-0.019	-0.0128
4.education	-0.0554***	-0.0645***	-0.0656***	-0.0619***	-0.0364	-0.0635***
	-0.0208	-0.0204	-0.0204	-0.0204	-0.025	-0.0204
5.education	-0.108***	-0.0915***	-0.0911***	-0.0905***	-0.136***	-0.0861***
	-0.0337	-0.0322	-0.0322	-0.0321	-0.0482	-0.0322
6.education	-0.0404*	-0.0411*	-0.0414*	-0.0413*	-0.0127	-0.0387*
	-0.0223	-0.0213	-0.0213	-0.0213	-0.0287	-0.0212
8.education	0.0513*	0.0614**	0.0602**	0.0560**	0.0436	0.0601**
	-0.0278	-0.0269	-0.0269	-0.0269	-0.0395	-0.027
income_before	1.00e-06***	1.13e-06***	1.14e-06***	1.09e-06***	1.20e-06***	1.13e-06***
	-2.76E-07	-2.86E-07	-2.87E-07	-2.78E-07	-3.55E-07	-2.84E-07

1.employment_beforeclass	0.129***	0.127***	0.128***	0.123***	0.203***	0.125***
	-0.0374	-0.0345	-0.0345	-0.0345	-0.0551	-0.0344
2.employment_beforeclass	-0.0457**	-0.0661***	-0.0670***	-0.0693***	-0.034	-0.0685***
	-0.0218	-0.0203	-0.0202	-0.0202	-0.0292	-0.0202
3.employment_beforeclass	0.142***	0.133***	0.133***	0.136***	0.175***	0.134***
	-0.0198	-0.0188	-0.0188	-0.0188	-0.0265	-0.0188
4.employment_beforeclass	0.0477*	0.0098	0.0105	0.0132	0.0876***	0.0106
	-0.0253	-0.0241	-0.0241	-0.0242	-0.0334	-0.0242
5.employment_beforeclass	-0.0203	-0.0239	-0.024	-0.0244	0.00155	-0.0241
	-0.0202	-0.019	-0.019	-0.0189	-0.0269	-0.019
6.employment_beforeclass	0.0219	0.0248	0.0255	0.0256	0.0459	0.0242
	-0.0234	-0.022	-0.022	-0.0219	-0.0313	-0.022
7.employment_beforeclass	0.0825***	0.0715***	0.0703***	0.0670***	0.103***	0.0688***
	-0.0179	-0.0171	-0.017	-0.017	-0.0247	-0.017
9.employment_beforeclass	0.147***	0.149***	0.150***	0.148***	0.185***	0.149***
	-0.0186	-0.0176	-0.0176	-0.0176	-0.0269	-0.0176
10.employment_beforeclass	0.00217	0.00401	0.00358	0.00526	0.0356	0.00363
	-0.0206	-0.0192	-0.0192	-0.0191	-0.0278	-0.0191
1.region	0.0384	0.0156	0.0164	0.0136	-0.00918	0.0177
	-0.0373	-0.0356	-0.0356	-0.0356	-0.0497	-0.0356
2.region	0.0583	0.0672**	0.0669**	0.0621*	0.0522	0.0694**
	-0.0361	-0.0341	-0.0341	-0.0341	-0.0492	-0.0341
3.region	0.0409	0.0459	0.0457	0.0431	0.0826*	0.0483
	-0.0376	-0.0357	-0.0356	-0.0356	-0.0499	-0.0356
4.region	0.000155	0.0113	0.0104	0.00988	-0.0428	0.0116
	-0.0354	-0.0336	-0.0336	-0.0335	-0.0465	-0.0336
5.region	0.0890**	0.0860**	0.0851**	0.0857**	0.0205	0.0881**
	-0.0357	-0.0344	-0.0344	-0.0344	-0.0473	-0.0345
6.region	0.143***	0.133***	0.130***	0.129***	0.111**	0.134***
	-0.0349	-0.0335	-0.0335	-0.0335	-0.0468	-0.0335
7.region	0.0272	0.0354	0.0353	0.0309	0.0601	0.0381
	-0.0382	-0.0354	-0.0354	-0.0354	-0.05	-0.0354
8.region	0.0747**	0.0811**	0.0807**	0.0788**	0.0349	0.0846**
	-0.0373	-0.0355	-0.0355	-0.0355	-0.0506	-0.0355
9.region	0.104***	0.0703**	0.0700**	0.0665*	0.0728	0.0728**
	-0.0356	-0.0341	-0.0341	-0.0341	-0.0523	-0.034
10.region	0.0578	0.0821**	0.0817**	0.0790**	0.0361	0.0845**
	-0.0357	-0.0337	-0.0337	-0.0336	-0.0476	-0.0337
11.region	0.0797**	0.0950***	0.0933***	0.0920***	0.0558	0.0956***
	-0.0331	-0.0314	-0.0313	-0.0314	-0.0441	-0.0313

12.region	0.103***	0.0905***	0.0900***	0.0889***	0.0843*	0.0918***
	-0.0325	-0.0311	-0.0311	-0.0311	-0.0436	-0.0311
13.region	0.0618	0.0663*	0.0664*	0.0635*	0.084	0.0699**
	-0.0381	-0.0354	-0.0354	-0.0355	-0.0514	-0.0354
15.region	-0.00473	0.00645	0.007	0.00299	0.0171	0.011
	-0.0372	-0.0352	-0.0352	-0.0352	-0.0497	-0.0352
16.region	0.0876**	0.0694**	0.0671**	0.0721**	0.0671	0.0728**
	-0.035	-0.0337	-0.0337	-0.0336	-0.0458	-0.0338
40.region	0.00681	0.00926	0.0079	0.00376	-0.0222	0.0108
	-0.0373	-0.0356	-0.0355	-0.0356	-0.0494	-0.0355
cmci_educ	0.0593	0.0970**	0.0976**	0.0908**	0.0337	0.0978**
	-0.0412	-0.0408	-0.0407	-0.0407	-0.0574	-0.0407
year	-0.0218***	-0.0325***	-0.0315***	-0.0326***	-0.0292***	-0.0313***
	-0.00467	-0.004	-0.004	-0.00399	-0.00545	-0.004
2.motivation	0.0956	0.0596	0.0614	0.0605	0.128	0.0602
	-0.0987	-0.0806	-0.0804	-0.0796	-0.119	-0.0806
3.motivation	0.168***	0.194***	0.193***	0.191***	0.163***	0.194***
	-0.0165	-0.0147	-0.0147	-0.0147	-0.0215	-0.0147
4.motivation	0.261***	0.300***	0.301***	0.301***	0.263***	0.300***
	-0.0241	-0.0223	-0.0223	-0.0222	-0.0331	-0.0223
scholarship_TWSP		-0.0184				
		-0.0112				
scholarship_PESFA			0.0607**			
			-0.0298			
scholarship_STEP				-0.0780***		
				-0.0167		
scholar_poor					-0.0587**	
					-0.0262	
scholarship_UAQTEA						-0.0499*
						-0.0272
Constant	44.46***	66.00***	64.01***	66.21***	59.33***	63.70***
	-9	-8	-8	-8	-11	-8.089
Observations	7,885	9,062	9,062	9,062	4,591	9,062
R-squared	0.081	0.081	0.081	0.083	0.072	0.081

g) Propensity score matching average treatment effect on scholars

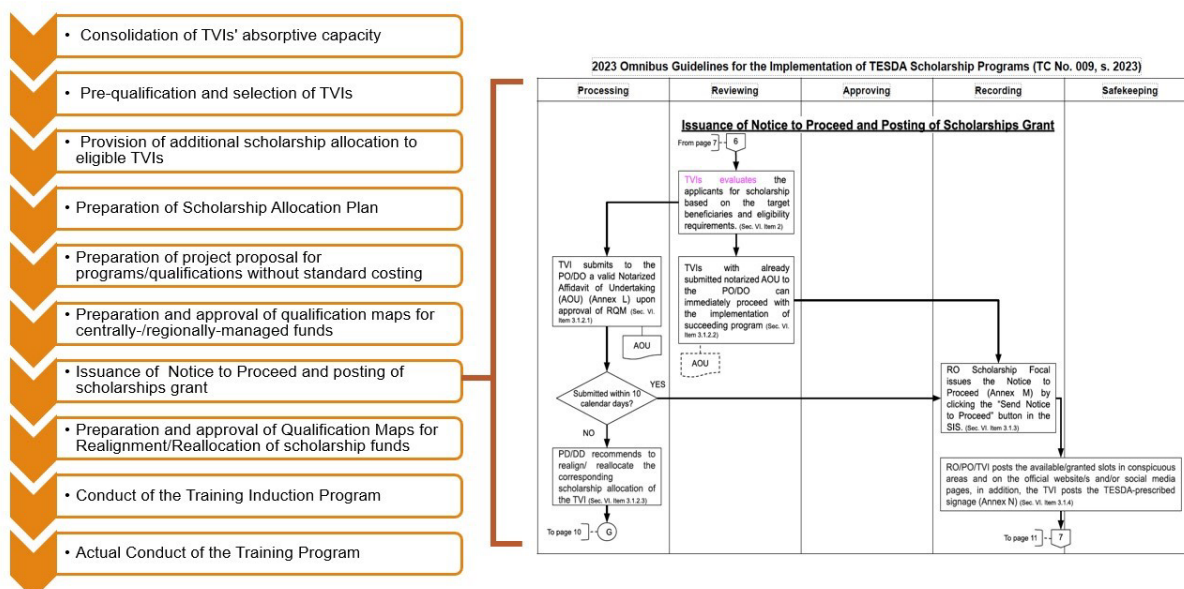
Variable	Coefficient	AI robust std. err.	z	P>z	[95% conf. interval]	
Passed assessment	0.1979592* **	0.0136426	14.51	0	0.1712202	0.2246982
Certified	0.2246661* **	0.0137381	16.35	0	0.1977399	0.2515924

Variable	Coefficient	AI robust std. err.	z	P>z	[95% conf. interval]	
Employed (right after)	- 0.0267086* *	0.0098025	-2.72	0.006	-0.0459211	-0.007496
Employed (after 1 year)	0.0312255* *	0.0098682	3.16	0.002	0.0118841	0.0505668
Usefulness (certification required)	- 0.2529518* **	0.0130727	-19.35	0	-0.2785738	-0.2273298
Relevance (perception)	- 0.0832029* **	0.0132708	-6.27	0	-0.1092131	-0.0571926

h) Propensity score matching average treatment effect on the poor scholars

Variable	Coefficient	AI robust std. err.	z	P>z	[95% conf. interval]	
Passed assessment	0.0054054	0.0261972	0.21	0.837	-0.0459402	0.056751
Certified	-0.0256696	0.0303921	-0.84	0.398	-0.0852371	0.0338978
Employed (right after)	-0.0390625	0.0267224	-1.46	0.144	-0.0914374	0.0133124
Employed (after 1 year)	-0.0345982	0.0237532	-1.46	0.145	-0.0811536	0.0119572
Usefulness (certification required)	- 0.0941043* **	0.0362975	-2.59	0.01	-0.165246	-0.0229626
Relevance (perception)	- 0.0719895* **	0.0391195	-1.84	0.066	-0.1486624	0.0046833

Appendix 6. A section of the 2023 Omnibus Guidelines for the Implementation of TESDA Scholarship Programs (TC No. 009, s. 2023) flowchart



Appendix 7. Guide Questions

Focus Group Discussion

1. How were you selected by TESDA? Did TESDA recruit you or you approached them?
2. Are all of you registered via the Unified TVET Program Registration and Accreditation Systems (UTPRAS)? How would you describe the ease of registration?
3. How were you chosen to give out scholarship funding? Any specific criteria and requirements/documents you needed to submit to TESDA to be eligible?
4. How do you choose the scholars? Do you follow TESDA guidelines? Do you have internal guidelines? Please describe. Were you involved by TESDA in identifying the eligibility criteria?
5. Do you deliberately target the poor/disadvantaged/marginalized scholars? If yes, why and how? If no, why not?
6. How are you monitored by TESDA (e.g., at least 60% employment within one year; 75% passing rate in certification)? Is there a specific monitoring on how you target poor/disadvantaged scholars? Do you include that in the report?
7. How do you monitor the progress or performance of the scholars? How often is the reporting to TESDA? Do you have sanctions for scholars who are non-performing or those showing signs of lagging behind?
8. Have you noticed any differences in the performance of scholars vs non-scholars? How about scholars who are poor vs non-poor (completion rate, assessment rate, certification rate) and (employment rate or earnings)?
9. What do you think are the strengths and weaknesses of the TESDA scholarship programs? What are your recommendations to address the weakness?
10. What do you think are the strengths and weaknesses of the TESDA scholarship programs in targeting the poor / disadvantaged?
11. What are your recommendations for better selection of student-scholars especially from the poor or those at a disadvantaged or marginalized who will commit to successfully complete the program?

Key Informant Interviews

I. Scholar's Selection and Benefits

1. Who are eligible to become a TESDA scholar (depending on the specific scholarship)? How is the screening monitored?
2. Did your office participate in eligibility determination? Are you satisfied with the way TVIs recruit student-scholars?
3. Did your office participate in benefit level determination? Describe your participation in benefit level determination.
4. What's your assessment of the level of benefits (e.g., training cost, training support fund, tool kit cost)? Are these sufficient to encourage participation?
5. What's your assessment of the level of performance of scholars vs non-scholars? Poor/disadvantaged scholars vs non-poor/advantaged scholars?
6. What are your recommendations for better selection of student-scholars especially from the poor or those at a disadvantaged or marginalized who will commit to successfully complete the program?

II. Training Institution Selection

1. How are the TVIs selected? Did TESDA recruit them or the TVIs approached TESDA?
2. Describe the main features of the Unified TVET Program Registration and Accreditation Systems (UTPRAS).
3. How are TVIs selected for scholarship funding?
4. Did your office participate in curriculum development? Please describe your participation in curriculum development.

5. How are the performance indicators for TVIs monitored (e.g., at least 60% employment within one year; 75% passing rate in certification)? What are the sanctions for failing to meet the minimum, and how are these sanctions enforced? Were there problems in enforcement?
6. How does the scholarship monitor the progress of scholars?
7. What are your recommendations for better selection of TVIs to effectively target the poor scholars who will commit to perform?

III. Skills Selection

1. The selection of sectors and skills to fund is based on priority-specific sectors/skills for TWSP and priority from the PDP. Priorities are area-based. Can you describe the process of skills selection in your region? Was there any specific deviation from the national guidelines? What was reason for the deviation?
2. How often are these priorities changed/re-assessed? When was the last change/reassessment done? Describe how the reassessment was done?
3. If the sectors and skills being funded are based on priority, what could be the factors contributing to the relatively low performance of poor scholars among graduates (TWSP and PESFA) compared to advantaged scholars?
4. What are your recommendations on skills selection to improve the employability of the student-scholars?

IV. Operational Issues

1. What are the key constraints at each stage of the scholarship implementation (programming, recruiting, training, monitoring and evaluation etc)?
2. Please describe how you decide on the allocation of the regional share between sectors / skills.
3. Describe the computation and reporting of employment and dropout rates.
4. Given that mandatory assessment is no longer required for payment of TVIs, how do you enforce the rule on certification rate?
5. What are your key recommendations to improve the efficiency of program implementation?
6. What are your key recommendations to improve effectively targeting the poor / disadvantaged scholars who are more likely to graduate, get certified, and be employed?

Appendix 8. Analysis of FGDs and KIIs

FGDs (TVIs only)

Code	Description	Transcript files	References
Challenges/Constraints			
Targeting the poor with credible commitment	Politicized beneficiary selection process for scholarships funded through “special commitments”	3	17
	Mismatch/Conflicts on education and age requirements (scholarship program vis-a-vis Training Regulations)	3	13
	Scholarship allowance as the primary motivation to attend trainings	3	11
	Difficulties gathering enough participants to fill a batch under strict implementation timelines	3	9
	Low demand/lack of interest from disadvantaged groups	3	7
	Selected scholars opting out from enrolling due to incomplete documents or dropping out	3	7

Targeting TVIs that perform	Unclear definition of "poor" and prioritization of special clients who are not necessarily poor	2	6
	Proximity over poverty: Preferential targeting of scholars residing in nearby (instead of poorer) barangays	1	6
	Screening for credible commitment	2	5
	Lack of allocation even for priority groups	1	2
	Burden of "proving" poverty	1	1
	Program registration requirements that are irrelevant or difficult to comply	2	5
	Uncertainty of scholarship allocation (if and how many slots)	1	3
	Qualifying for awards and accreditation programs	1	2
	For special commitments, sponsoring office/politician identifying the TVI to implement the program	1	2
	Prejudice against/Stigma associated with TVET	1	2
	Limited familiarity with the application process	1	1
	Updating of documents and curricula to integrate 21st century skills	1	1
	Limited budget allocation for non-priority sectors	1	6
	Variability of competency-based learning materials (CBLM) and interpretation in teaching and assessment	2	7
Targeting skills matched	Multiple-availment of scholarships	1	3
	In-demand programs that are not marketable or attractive to learners	1	3
	OJTs/Graduates lacking the skills required to be absorbed for employment	1	1
	Scarcity of trainers and assessors	2	5
Others	Marketing of training programs offered by the TVI	1	4
	Delays in release of training support allowance	1	2
	Financial viability of private TVIs without/with limited scholarship allocation	1	2
Enablers and strategies			
Targeting the poor with credible commitment	Implementation of additional screening processes and requirements	3	33
	Partnerships and marketing activities to attract and identify potential students/scholars	3	10
	Coaching of scholars and engagement activities to prevent dropouts	3	8
	Students signing commitment form/affidavit of undertaking and/or TVI blocklisting of dropouts	2	4
	Holding the final release of allowances until program completion/graduation	1	2
	Transportation and other support	1	2
	Suggestion of program options and referral to other programs	1	2
	Advantaged scholars providing support to other students	1	1

Targeting TVIs that perform	Outreach activities and support mechanisms by TESDA	3	17
	Conduct of audits and inspections by TESDA	3	8
	Awards and accreditation systems	1	3
	Familiarity with the process and documentary requirements	1	2
Targeting skills matched	Adoption of area-based and demand-driven (ABDD) TVET	2	3
	Linkages between and among TVIs and industry/businesses for deployment of on-the-job trainees and employment referrals	2	2
	Multi-training availment as long as within the same sector	2	2
	Businesses setting up schools to train students who will be equipped with the specific skills needed in their industry	1	1
Others	Reaching out to politicians for allocation or “special commitment”	3	8
	Partnership and linkaging with other government agencies and organizations to sponsor trainings	1	1

FGDs (Employers only)

Code	Description	Transcript files	References
Challenges/Constraints			
Targeting the poor with credible commitment	Screening for credible commitment	1	6
	Scholarship allowance as the primary motivation to attend trainings	1	4
	Politicized beneficiary selection process for scholarships funded through “special commitments”	2	3
	Gathering enough participants to fill a batch under strict implementation timelines	1	3
Targeting TVIs that perform	Uncertainty of scholarship allocation (if and how many slots)	1	2
Targeting skills matched	Employee attrition and preference to work abroad as Overseas Filipino Workers (OFWs) for higher wages	2	18
	Need to strengthen soft skills/basic competencies	1	4
	OJTs/Graduates lacking the skills required to be absorbed for employment	1	3
	Prejudice against/Stigma associated with TVET	1	1
Others	Scarcity of trainers and assessors	1	3
	Multiplicity and inconsistencies on trainer expertise and programs taught	1	2
	Lack of support from community leaders to support TESDA training programs	1	1
Enablers and strategies			
Targeting the poor with credible commitment	Implementation of additional screening processes and requirements	3	33
	Partnerships and marketing activities to attract and identify potential students/scholars	1	4

Code	Description	Transcript files	References
Targeting TVIs that perform Targeting skills matched	Coaching of scholars and engagement activities to prevent dropouts	1	3
	-	-	-
	Linkages between and among TVIs and industry/businesses curriculum development and OJTs deployment	2	21
	Employment/Absorption by OJT-supervising company (regular/probationary/contract-based appointment) after graduation	2	13
	Same-sector multi-skilling for expanded employment opportunities	1	7
	Short-term work engagement of trainees/OJTs after graduation (gig-based, seasonal, on-call)	2	5
	Jobs bridging activities, e.g. job fairs, endorsement/referral of graduates to companies, advertisement of job vacancies in social media networks	2	4
	Adoption of area-based and demand-driven (ABDD) TVET	1	3
	Targeting the "Not in Education, Employment, or Training" trainees who are more likely to pursue employment after graduation	1	2
	Part-time engagement of DepEd teachers (with industry experience) as TVET trainers	1	4
Others	Employment contract agreements with long-term duration (e.g. two years) to minimize attrition	1	2
	Immersion programs and more stringent evaluation of trainer expertise and	1	2
	Partnership with LGUs for sponsorship of training programs	1	1

KIIs (TESDA administrators)

Code	Description	Transcript files	References
Constraints/Challenges			
General	Monitoring and evaluation processes are hampered by tedious manual systems, weak feedback loops, and lack of sanctions or incentives.	3	6
	Delays in fund releases and limited financial capacity of TVIs disrupt the timely implementation of training and insurance requirements.	3	5
	The availability and capacity of TVIs and TTIs vary, with gaps in industry coverage, inconsistent program offerings, and reliance on central office decisions.	3	5

Code	Description	Transcript files	References
Challenges (Targeting Scholars)	Curriculum and training regulation (TR) updates are centrally managed, with provincial consultations occurring only when necessary.	3	4
	Challenges in trainee recruitment and verifying eligibility hinder smooth intake into scholarship programs.	3	3
	Weak coordination and data-sharing between TESDA and DSWD make it difficult to accurately identify and target eligible beneficiaries.	3	3
	Provincial offices follow centrally issued omnibus guidelines, with directors pledging compliance at the start of each year.	1	1
	Determining the eligibility of scholars, especially verifying 4Ps or Listahanan membership, remains a key challenge in targeting the right beneficiaries.	3	3
	TESDA's ability to target disadvantaged beneficiaries is constrained by limited data visibility at the regional level and the lack of data-sharing with DSWD.	3	3
	Public and private TVIs follow the same guidelines, but they differ in flexibility, funding sources, and fee-collection rules.	1	1
Challenges (Targeting Skills matched)	Scholarship implementation is hampered by delays in fund allocations, which disrupt recruitment timelines and affect TVIs' ability to fill training slots.	1	1
	Not all TVIs offer community-based training programs, which limits access to localized skills development.	1	1
	TESDA's assessments operate on a three-year cycle and depend on emerging industry priorities and local skill needs.	2	3
Challenges (Others)	Curriculum and competency standard development is still in early stages, especially for new and emerging programs, and is mainly managed at the central office.	1	1
	Delays in fund releases from the central office disrupt training implementation and related requirements.	3	4
	Monitoring and evaluation processes are tedious, and very few TVIs achieve accreditation star ratings.	2	2
	Consultations with industry stakeholders are irregular and generally occur only when needs arise.	2	2
	Niche industries sometimes lack appropriate TVIs, requiring fallback options	2	2

Code	Description	Transcript files	References
	Trainee recruitment remains a key operational challenge for TVIs.	1	1
	Despite motivational efforts, dropout rates remain an issue and affect fund utilization.	1	1
	Allocations are not consistently budgeted annually and depend on central office decisions.	1	1
	No consolidated scholar list is kept at the local level	1	1
	Enabling mechanisms/Strategies		
General	Local offices prioritize regional and provincial skills needs based on consultations and studies to tailor training and scholarship allocations effectively.	3	11
	Strategies for better targeting scholarships to disadvantaged groups, including utilizing existing databases and focusing on marginalized populations.	3	9
	Use of performance evaluations and incentives, such as additional training slots, to encourage TVIs to meet specific targets and improve outcomes.	3	6
	Collaboration between TESDA, industry partners, and educational institutions to ensure effective training, assessment, and alignment with local skills needs.	3	4
Strategies (Targeting Scholars)	Specific groups eligible for scholarships, such as the unemployed, individuals out of education, and workers in need of reskilling or upskilling.	3	7
	Criteria and methods for targeting disadvantaged individuals in scholarship programs, including reliance on Listahanan and the challenges of ensuring that resources are directed toward those who are most in need.	3	5
	Design of training programs [course duration, schedules, and modes of delivery (online/offline)] affects access, particularly for those in employment or with other limitations.	2	3
	Impact of budget constraints on prioritizing scholarships for marginalized sectors and the decision-making process regarding where funding is allocated.	1	1
Strategies (Targeting Skills Matched)	Localized planning for TVET programs, where each region or province determines its sectoral priorities based on industry needs, ensuring that training programs align with the specific demands of each area.	2	4
	Role of industry consultations in determining training priorities and sectoral targets,	2	4

Code	Description	Transcript files	References
	emphasizing the importance of collaboration with employers, TVIs, and other local stakeholders. Competency standards are created or adapted to address local industry needs, ensuring that training aligns with the specific requirements of sectors like ICT, agriculture, or coffee production.	2	4
	Process of aligning scholarship allocations with provincial and regional skills priorities, ensuring that funding matches the demand from each sector.	2	2
	Absorptive capacity depends on the availability of trainers and facilities and directly influences the volume of training they can deliver.	3	3
	Incentive system based on TVIs' performance, where achieving higher ratings (e.g., bronze, silver, gold) results in additional batches being allocated to the institution.	2	2
	Training providers strive to meet or exceed the allocated number of scholarship slots, ensuring that all slots are filled for maximum utilization of resources.	1	2