Youth Employment and Urban Development

Knowledge Sharing Workshop

on

Employment Creation in Municipal Services Delivery
Improving Living Conditions and Providing Jobs for the Poor

Birchwood, Executive Hotel & Conference Centre,
Johannesburg International Airport, South Africa
27-28 February 2006
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# ABBREVIATIONS

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<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>ASGISA</td>
<td>Accelerated and Shared Growth Initiative of South Africa</td>
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<td>ASIST</td>
<td>Advisory Support Information Services and Training</td>
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<td>CBO</td>
<td>Community-based Organisation</td>
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<td>CDS</td>
<td>City development strategies</td>
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<td>CIUP</td>
<td>Community Infrastructure Upgrading Program</td>
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<td>DPS</td>
<td>Domestic private sector</td>
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<td>DPW</td>
<td>Department of Public Works</td>
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<td>EMM</td>
<td>Ekurhuleni Metropolitan Municipality</td>
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<td>EMP/INVEST</td>
<td>Employment Intensive Investment Branch</td>
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<td>EPWP</td>
<td>Expanded Public Works Programme</td>
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<td>GDP</td>
<td>Gross domestic product</td>
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<td>GEAR</td>
<td>Growth, Employment and Redistribution&lt;sup&gt;1&lt;/sup&gt;</td>
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<td>GLN</td>
<td>Global Learning Network</td>
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<td>GPRS</td>
<td>Ghana Poverty Reduction Strategy</td>
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<td>ICTs</td>
<td>Information Communication Technologies</td>
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<td>ILO</td>
<td>International Labour Office</td>
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<td>LED</td>
<td>Local economic development</td>
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<td>M&amp;E</td>
<td>Monitoring and evaluation</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>NEPAD</td>
<td>New Partnership for Africa’s Development</td>
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<td>NGOs</td>
<td>Non Governmental Organisations</td>
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<td>NREGP</td>
<td>National Rural Employment Guarantee Programme</td>
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<td>NSGRP</td>
<td>National Strategy for Growth and Reduction of Poverty</td>
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<td>PHP</td>
<td>Peoples Housing Process</td>
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<td>PPP</td>
<td>Public Private Partnerships</td>
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<td>PPPUE</td>
<td>Public-private Partnership in Urban Environment</td>
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<td>R</td>
<td>Rand (South African currency)</td>
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<tr>
<td>SACN</td>
<td>South African Cities Network</td>
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<td>SALGA</td>
<td>South African Local Government Association</td>
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<td>SBA</td>
<td>Small Business Associations</td>
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<td>SME</td>
<td>Small and Medium Enterprises</td>
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<td>SPGE</td>
<td>Sub-committee on Productive and Gainful Employment</td>
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<tr>
<td>SWOT</td>
<td>Strengths, Weaknesses, Opportunities and Threats</td>
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<tr>
<td>UCLGA</td>
<td>United Cities &amp; Local Governments of Africa</td>
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<td>UN</td>
<td>United Nations</td>
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<sup>1</sup> The Government of South Africa recently introduced the Comprehensive Housing Plan for the Development of Integrated Sustainable Human Settlements, popularly referred to as Breaking New Ground (BNG)
UNDP United Nations Development Programme
UNEP United Nations Environment Programme
UNESCO United Nations Educational, Scientific and Cultural Organisation
UN-Habitat United Nations Centre for Human Settlements
UYF Umsobomvu Youth Fund
WUF World Urban Forum
YAC Youth Advisory Centres
YEN Youth Employment Network
1 BACKGROUND TO THE WORKSHOP

Internationally there is growing interest in the need to link job creation to infrastructure investments and municipal service delivery to urban and local development policies. The Commission for Africa has called for a major increase in infrastructure investments in Africa and has argued that “infrastructure investments represent an enormous untapped potential for the creation of productive employment.”

At the same time, youth employment has become both a political, social and economic priority of countries irrespective of their level of development. Youth employment is a specific concern of urban authorities since they are first to feel the impact of youth unemployment on crime, insecurity and the need for social transfer payments to the unemployed.

2 ORGANISATION OF THE WORKSHOP

The workshop was organised by the International Labour Organisation (ILO) in collaboration with the Expanded Public Works Programme (EPWP) of South Africa (SA). It brought together policy makers and practitioners, from Ghana, Kenya, South Africa and Tanzania, on employment aspects of urban municipal service delivery.

The objectives of the workshop were to share lessons learned and better practices on the employment aspects of slum upgrading and urban development, as a basis for future action in the context of country programming and conceptual development, with a particular focus on youth.

The workshop was informed by three key elements, namely:

- Findings of the recent research in SA on employment aspects of slum upgrading;
- Presentation by Tanzania project on employment creation in municipal service delivery; and
- Presentation on the Ghana Decent Work Pilot Programme, which aims to integrate employment, infrastructure investments and local economic development;

The expected outputs for the workshop, identified by the ILO, were to:

- Identify best practices in employment promotion through employment intensive approaches in Ghana, Kenya, South Africa and Tanzania;
- Promote knowledge sharing links with relevant actors in Ghana, Kenya, Tanzania and South Africa and possible creation of a peer exchange mechanism;
- Suggest recommendations for improving the impact of urban municipal services and infrastructure investments on the urban poor into housing, slum upgrading and local economic development strategies; and

The workshop was conducted over two days with presentations and lively discussion amongst the 25 participants from the various countries. The list of participants and the workshop agenda can be found in Annex I and II respectively.

There was also a display of information material brought by the participants ranging from training documentation to guidelines and impact studies.
3 WORKSHOP REPORT

This report of the proceedings of the workshop seeks to highlight the key points raised in the presentations and to summarise the overall emerging issues from the presentations and discussions.

The full presentations are available on ILO ASIST web site www.ilo.org/asist, which also includes some of the key material displayed at the workshop.

4 INTRODUCTORY PRESENTATIONS

4.1 WELCOMING ADDRESS BY THE EXPANDED PUBLIC WORKS PROGRAMME

Mr. Maikel Lieuw Kie Song, Chief Director Labour-intensive Specialist, Expanded Public Works Programme (EPWP), South Africa (www.epwp.gov.za)

“The EPWP in South Africa was developed to provide poverty and income relief through temporary work for the unemployed to carry out socially useful activities. The EPWP’s interventions are designed to equip participants with a modicum of training and work experience, which should enhance their ability to earn a living in future”.

They are designed to build on experience gained from existing programmes and emphasize labour-intensive and cost-effective delivery of quality services and assets. The EPWP in South Africa is a deliberate attempt by the public sector to use expenditure on goods and services to create additional work opportunities coupled with training for the unemployed and emerging enterprises. EPWP projects usually employ workers on at temporary basis (either by government, by contractors, or by other non-governmental organisations), under a code of good practice for EPWP or learnership employment conditions. They are projects where the public sector body attempts to define and facilitate exit strategies for workers when they leave the programme – to build bridges between the second economy and the first economy.

The design of EPWP’s recognises local unemployed labour as a resource to assist with service delivery, not passive onlookers or a nuisance. The design process therefore attempts to maximise the involvement of local unemployed labour by executing appropriate activities as labour intensively as possible. EPWP tender and design guidelines provide officials and engineers and special contractual clauses for tender documentation. They require contractors to use labour rather than machines for certain construction activities under certain conditions and make adherence to the Code of Good Practice a contractual obligation for contractors. Furthermore, they make it obligatory for contractors and engineers to undergo training in labour-intensive construction.

To date the national EPWP has worked with government partners in developing public-works interventions in three main sectors:

- Infrastructure – these refer to traditional EPWP activities such as road building, pipe-laying and various forms of construction
- Social programmes – incorporating home-based care and related activities
- Economic programmes – seeking to generate new enterprises out of government procurement activities

Most progress has been made on traditional infrastructure public works programmes, with the social and economic focus areas still evolving.
Reflections on the housing sector and the EPWP

South Africa faces the twin problems of around one third of urban residents living in inadequate housing and over one third being unemployed. This explains government’s focus in its programmes on housing for the poor. Having a job does not necessarily mean access to proper housing and low paying jobs often mean that people have to make do with poor housing. Government’s primary shelter response has been in developing subsidy-based low-cost housing schemes, where the asset is transferred to the homeowner. Some attempts have been made to develop rental stock through social housing programmes, but to date these only appear viable at income levels above those of the poorest urban households.

Housing related processes are subject to some considerable institutional complexity with roles and responsibilities spread across three spheres of government. Furthermore, the manner in which such roles are interpreted and the capacity to fulfil them differs markedly from province to province and from municipality to municipality. This presents those seeking to influence the nature of the housing process, for instance to secure greater labour intensity in construction, with a complex set of institutional role players. Nevertheless, scope does exist for seeking to leverage greater levels of employment gain from the housing process, particularly in light of commitments emerging from new policy thrusts such as Breaking New Ground (2005). Two areas for intervention identified by the national EPWP office are:

1. Design as a specific intervention – There is an under-emphasis on design processes in housing projects – they all look the same, they do not take account of local social, climatic conditions, etc. The tendency is to move from planning directly into implementation overlooking design aspects. For example, in Soweto-on-sea, Port Elizabeth, 75% people were relocated from informal settlements, a decision based on a planning focus as opposed to a design focus where for example issues such as how to address issue of high density or work around physical constraints in this case the flood plain area. Design also influences materials used and aesthetics, as illustrated in the picture, and this has impact on job creation and sustainability.

2. Construction process – Typically there are three ways in which housing construction processes are contracted by government: People’s Housing Process (PHP) (beneficiary driven), small emerging contractors and large established contractors. Scope exists within each of these three approaches to increase employment impacts. There are undoubtedly challenges that do need to be overcome such as meeting appropriate quality standards and ensuring the necessary levels of productivity. For almost a decade large contractors have been absent from the low-cost housing development in South Africa due to a combination of government interest in seeing smaller contractors empowered and larger contractors being unwilling to handle the risk of multiple and often uncertain

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2 Breaking New Ground refers to the South African government’s revised policy framework on housing – also referred to as the Comprehensive Housing Plan for the Development of Integrated Sustainable Human Settlements. This was adopted after a national housing summit in 2005. The new framework calls for a much stronger participation by the private sector in financing and development and emphasises the need to develop housing in a manner integrated with other community development needs.
transactions that make up the housing delivery process. The SA
governments Breaking New Ground policy document (2005) seeks to
reintegrate large scale contractors and private finance into this market.
Particular care needs to be taken in this new policy environment to
ensure ongoing opportunities are provided for the small contractors and
labour intensity is given the requisite attention. The EPWP programmes
to build contractor capabilities and related activities in the housing field
need to ensure that meaningful skills are developed over time by
participants.

N2 Gateway project

Lead projects under the new housing policy framework such as the N2 Gateway
project in Cape Town could have the potential to set in place careful integration
with EPWP processes as standard practice. The gains for such a process are
likely to be substantial to the beneficiaries. For example, if one takes 13 000
households, with one five month job per house hold at a task rate of R65 per task
(i.e. the daily income), this would translate into R1430 per month in context
where 85% of households earn less than R1600. To date, despite some initial
planning work, it does not appear that labour intensity has been given sufficient
attention in the advanced planning and early processes of implementation. To
make public works interventions yield the optimum they do need to be given
attention in planning and design and not handled as an afterthought. While
opportunities will abound throughout such a project, for public-works activities
they need systematic attention. Developing local materials suppliers, ensuring
design guidelines allow for labour intensive processes and the allocation of
management resources all have an impact on outcomes. The national EPWP
office and its provincial counterparts are in a position to assist with design of
labour into activities and has a resource guide on the web site. For example,
excavation, integrating aesthetics or materials development and fabrication
processes into design to achieve a greater employment impact, i.e. design in
brick paving.

Some concluding remarks

South Africa has made some bold strides in securing employment gains from its
development investments in the recent past. These have been achieved through
consistent attention to facilitation and support processes through EPWP and its
partners. However, the question remains as to whether, with the pertaining
institutional and contextual factors in South Africa’s low cost housing
environment, potential gains can be realised in a manner that does not absorb a
disproportionate level or resources.

4.2 WELCOMING ADDRESS FROM THE INTERNATIONAL LABOUR
ORGANISATION (ILO)

Mohammed Mwamadzingo, Regional Specialist, Representing the
Director, International Labour Organisation (ILO) Pretoria Area Office

The issue of employment creation in municipal services delivery is timely and
relevant to South Africa, particularly in context of the imminent municipal
elections, where these two concerns feature prominently in the campaigns. The
workshop is timely in that the outcomes will inform the ILO Area Office’s bi-
ennium (2006-07) implementation planning process. The creation of more and
better quality jobs for young women and men in both the formal and “second
economy” is one of the country priorities already identified for SA.

The ILO will be seeking to support South Africa’s growth strategy which focuses
on a massive five-year investment plan in energy, transport and infrastructure
by attracting foreign investment and boosting economic growth. Infrastructure
spending by Government and state-owned enterprises is expected to be around
R400 billion in the next five years.
This agenda is driven and will be achieved through the Accelerated and Shared Growth Initiative of South Africa (ASGISA) which consists of a set of interventions that are intended to serve as catalysts to accelerated and shared growth and development including reducing poverty and unemployment by 50% by the year 2014 and achieving sustained average economic growth rates of 4.5% between 2005 – 09; and 6% between 2010 and 2014. To achieve this, the focus must be to place employment at centre of government policy.

The focus of this workshop on how municipal and local governments can best deliver basic services and job opportunities to low-income groups raises the question as to whether these two objectives are contradictory, or do they go hand in hand? In the rush to quickly implement housing and other urban infrastructure programmes, is the goal of job creation central to our preoccupations, or does this objective fall by the wayside?

On a regional level, ILO endorses the recommendations of the Commission of Africa, the African Union and New Partnership for Africa’s Development (NEPAD) to increase investment in infrastructure. ILO is particularly interested in improving ways to monitor and evaluate the impact of infrastructure investment on employment creation and to gather an evidence base to further policy and learning opportunities and to leverage employment intensive approaches. The challenge of youth employment has also been recognized and prioritized in poverty reduction, political and security agendas by African nations and is a priority area of ILO’s support to member states. This meeting should come up with practical recommendations on how local authorities and municipalities can deliver jobs for young people as a key for social and political stability as well as for economic development.

The remarks concluded with a word of thanks to the Government of South Africa for hosting the workshop and to the Government of the Netherlands for providing financial support.

4.2.1 Issues raised in response to opening presentations

- **How can one ensure productivity when the focus is on youth with low skills?**

  The bulk of the jobs require “low skills” that are easily acquired e.g. for excavation. Under the EPWP all involved are entitled to training which includes life skills. However, in-depth technical skills that are in demand in the overall labour market are provided only for a select few. The issue of sustainability and relevance of skills acquired under the EPWP for sustainable employment in South Africa requires careful attention.

- **Can government achieve a greater scale of intervention and meet these labour intensity requirements? In other words, is it possible to scale up both employment creation and infrastructure delivery, or are there trade-offs involved?**

  Yes, this is possible – perhaps the secret is around the political will.

- **Is there government commitment to EPWP and is there a national policy?**

  Local Governments are in charge of implementing projects but there is a national policy framework. The quality of implementation and level of funds leaves something to be desired but it is improving. In summary, there is strong political will from the top, but many problems arise in translating this political will into local-level impact.
5 JOB CREATION IN MUNICIPAL SERVICE DELIVERY – EXPERIENCE FROM GHANA, SOUTH AFRICA AND TANZANIA

INTRODUCTION TO SESSION
Tomas Stenström, ILO Advisory Support Information Services and Training (ASIST), Harare and Steve Miller, ILO Employment Intensive Investment Branch (EMP/INVEST), Geneva

The presentations in this session highlighted the experiences of country programmes to improve the impact on job creation of municipal/local government service delivery and infrastructure development. To set the scene, the following issues were flagged for thought and to stimulate discussion:

- The employment impact of investment – how can these impacts be monitored and measured so as to scale up employment-intensive approaches and realise the commitment of political leaders.
- Social transfer mechanisms – What is the role of public works in social transfers, as a new type of transfer mechanism – a first step to unemployment insurance – such as that being embarked upon in India with the National Rural Employment Guarantee Programme (NREGP).
- The potential and indeed, comparative advantage, of cities to create jobs – how can this potential be tapped?
- In addition to the list of outputs the workshop should facilitate and stimulate sharing and learning on employment creation; explore opportunities for youth employment and possibilities for partnership beyond the workshop.

5.1 EMPLOYMENT ISSUES IN SOUTH AFRICA’S SHELTER PROGRAMMES,
Glen Robbins, School of Development Studies at University of Kwa-Zulu Natal, Durban and Anton Aiello Independent Consultant

Glen Robbins has led a team of researchers in a study commissioned by the ILO to investigate employment aspects of slum upgrading in South Africa, focusing on labour-intensive methodologies, private sector involvement and skills development. The work is nearly finalized and the full report expected shortly.

The presentation provided an outline of the evolution of South Africa’s policy with respect to employment and housing. The Government, while initially recognizing the close link between employment and urban services in the Reconstruction and Development Plan (1994) subsequently moved away from this approach under the Growth, Employment and Redistribution (GEAR) strategy. The last few years have seen a greater emphasis again on employment issues through the roll out of the Expanded Public Works Programme (EPWP). However, shelter activities – even those in new policy statements – have encountered difficulties in maintaining strong focus on employment generation during the implementation of these programmes.

Two case studies (Cato Manor and Voloorus) were presented. These case studies highlighted the shortcomings in the policy context, restrictive regulations and the lack of flexibility. However, the case studies also did illustrate that greater employment gains could be secured through complementary measures in areas such as local contractor development, skills development, involvement of the beneficiaries and more effective planning and design. Areas that could have been improved included more innovative approaches to planning and design, developing materials producers and suppliers and sustaining employment.
Recommendations made included:

- The importance of making explicit commitments to employment as a key outcome of shelter-related activities in national policy;
- Refining regulations to allow for a greater level of local innovation (as is also proposed in government’s Breaking New Ground policy (2005);
- Working to secure matching resources from programmes such as the Municipal Infrastructure Grant and local economic development (LED) interventions at the local level to help secure employment on a more sustained basis;
- Continuing the focus on local contractor development, but widening the range of contracted activities – perhaps using some of the EPWP related programmes around emerging contractors;
- Exploring how sourcing of materials could be used in support of greater employment creation.

5.1.1 Issues raised in response to the SA case studies

- How much more can be achieved in the area of housing – especially where there has not been a willingness to change processes to date?
  Policy shifts are taking place and greater local autonomy could provide an opportunity to make some positive interventions. The recognition of the need for a more integrated urban product could also support this.
- Is it realistic to increase employment opportunities in materials provision?
  The trick is to work back from the demand that is being created from many projects in a region and not try to artificially build up producers and suppliers on only one contract.
  This issue is also relevant to efforts in Ghana to improve productivity and income of informal sector suppliers by working not through a piecemeal approach supporting individual informal sector operators, but rather linking back up the supply chain towards those who are purchasing goods and services from informal sector and small-scale suppliers.
- Why was Breaking New Ground not mentioned extensively?
  BNG does not place much emphasis on employment generation as a key outcome of the new comprehensive approach to human settlements.
- Was there any design effort to ensure use local materials?
  Small enterprises are not adequately set up to supply the quantity and quality required as they have limitations in access to credit and cash flow. A suggested way around this is for the municipality to guarantee supplies. Other opportunities exist for small enterprises to cooperate and procure together, this would support use of local resources but needs to be built into the design.
- Where are the contractors that were involved in the project? Can they be used in other projects? What about those who were trained but did not get jobs?
  A few are still active and engaged in maintenance, extensions, and other social facilities. More work is necessary to determine other areas where skills acquired are being applied.
- What were the key obstacles/problems?
  Time taken, especially for negotiating, community engagement and training which are time consuming, put pressure on actual
implementation at the expense of creating jobs. Such considerations should be built into the design. Furthermore, for labour-based projects it is important to view the costs of time of projects over the life-span of the project and beyond, i.e. not only consider the construction process itself. The typically long lead time leading up to meeting all the conditions for construction to begin, provides the time also to ensure that employment creation objectives are not set aside under pressure for quick implementation. For example, the main reasons for delay in housing projects come about as a result of lengthy negotiations and even litigation around land acquisition, negotiations with current occupants and future beneficiaries around their rights, responsibilities and contributions to the housing development projects. Applications for subsidies and coordination between various government departments also take a lot of time, time which could be usefully spent in ensuring that project design, training, materials acquisition all work to support employment creation. A problem often arises from the fact that these employment concerns are addressed too late in this process i.e., only once construction is ready to begin, rather than being addressed simultaneously with the other preparatory activities.

- How much employment was generated, particularly for the youth?

Employment creation was not tracked though judged to be high from available information. Therefore, one recommendation from this research will be to ensure this type of data is captured and that indicators and monitoring mechanisms are built into the design.

5.2 EXPERIENCES OF GHANA'S DECENT WORK PILOT PROGRAMME - CASE STUDY OF AJUMAKO-ENYAN-ESSIAM DISTRICT ASSEMBLY

Dr Wahab Alhassan, Ministry of Labour, Youth and Manpower, Ghana; and Emmanuel Baisie, Assistant Director, Ajumako-Enyan-Essiam District Assembly, Ajumako, Ghana

The Ghana Decent Work Pilot Programme (GDWPP), which is an initiative of the International Labour Office (ILO), the Government of Ghana (GoG) and the Social partners (Trade Union Congress and Ghana Employers Association) aims at contributing to the achievement of the national priority goal of poverty reduction through the promotion of decent work in the informal economy. The project receives funding from the Government of Netherlands and the ILO Regular Budget.

The project approach is founded on the notion of “decent work” i.e.:

- Right to employment and adequate income for basic needs
- Freedom, basic rights and opportunities
- Safe working conditions and income security
- Voice, self esteem, self fulfillment and dignity

A key focus has been to get the Ghana Poverty Reduction Strategy Paper (GPRSP) to identify decent work – not just job creation. The project strategy involves two inter-related components; a national policy level to support policy formulation, dialogue and capacity building of government, employer and worker organisations; and a district level component aimed at piloting local and social development in two districts.

At district level, sub-committees were created on Productive and Gainful Employment (SPGE) - a legal entity under the district assembly. These comprise membership of the District Assembly, Small Business Associations (SBA) and civil society. The SPGE develops business plans for selected sub-sectors – they
are trained to do this and to source funds locally to support enterprise projects. The SPGE's promote labour standards, social security and occupational health and safety, amongst employers and employees many of whom are not aware of these standards. The pilot has created business information centres and business directories at the district level to assist in formation of small and medium enterprises (SMEs). With ILO support, the project has developed manuals and trained on small business associations, carried out (Strengths Weaknesses Opportunities and Threats (SWOT) analysis and prioritisation of business sub-sectors and held a labour-based roadworks workshop for a road project to be implemented.

In terms of project results the informal sector is now a priority at a political level. The Ghana Poverty Reduction Strategy (GPRS) II is explicit about informal sector and decent work. There is an enhancement of awareness of decent work issues amongst employers and employees, and an improved social dialogue can also be witnessed. The programme does have a focus on women as most informal enterprises are headed by women and informal enterprises make up the bulk of the businesses concerned.

 lessons learnt from the GPRS and decentralization framework:

• Take commitment form national level to local implementation
• Local economic stakeholders are best placed to drive combination of local development and employment creation
• SPGE process enhance local dialogue
• SBAs important vehicle to reach out to informal economy operators
• There is no quantitative assessment yet and as the projects draws to a close it is yet to be seen if the initiative would survive without continued ILO support

5.2.1 Case study on Ajumako-Enyan-Essiam District Assembly

The SPGE was established to:

• Formulate Action Plans;
• Propose programs and strategies (e.g. training, business linkages);
• Coordinate stakeholders,
• Promote transparency; and
• Enhance the capacity of [sub-sector] Small Business Associations (SBAs)

Progress made so far includes:

• Formalisation of the SBAs to facilitate access to social security and business development services;
• Encouraged people to improve social security by joining health insurance, pensions etc;
• Disseminated information on basic labour standards;
• Trained SBAs;
• Targeted marginalized groups, women, youth and the disabled in their training activities in training activities and in social dialogue;
• Established database of SMEs;
• Hosted a funders’ workshop;
• Published manual on small business associations;
• Developed protocols for the SPGE;
• Developed an SME credit facility (in progress);
• Used Non Governmental Organisations (NGOs) to help raise funds;
• Encouraged people to pay income tax;
Strong political support and interest of the SME’s are some of the factors that facilitated the progress.

5.2.2 Issues raised from questions and discussions

General
• Policy framework is vital – but evidence is necessary for policy which is drawn from pilot projects.
• Need commitment from municipality and from local stakeholders.

Ghana project
• The Decent Works Programme in Ghana project covered 138 districts and reached over 4000 informal enterprises through the Small Business Associations (SBA). These receive support through the programme. Training is provided through the social investment fund.
• The pilot phase has just ended and a business plan to expand the programme nationally is being worked out; the number of districts covered will be increased to at least one in each of the 10 regions
• The Ghanaian Government is bringing the informal sector into the mainstream by doing a census of the informal sector and by creating representative umbrella organisations for sub-sectors of the informal sector (e.g. local, district and national organisations representing hairdressers)

5.3 Employment Creation in Municipal Services Delivery in Eastern Africa – Improving Living Conditions and Providing Jobs for the Poor.

Adapting, replicating and up scaling pro-poor public private partnerships (PPP) best practices in municipal service delivery

Dr. Kumbwaeli Salewi, Regional Programme Manager, ILO Dar es Salaam

The project was launched in a context of rapid urbanization and poverty, in Africa 50-70% urban areas are unplanned and have no services and people have little employment. Local governments are unable to meet growing demand for services due to resource constraints, mismanagement, absence of policies and legal framework to deal with the emerging problems of squatter and informal settlements and inappropriate/unaffordable infrastructure design. Some of the options left to local government to address these issues include:
• Reengineer work and the design of its services activities;
• Involve the private sector in service delivery; and
• Reform urban management and governance by decentralization and devolution of authority to local authorities, Community-based Organizations (CBOs), SMEs, NGOs from central Government – institutional reform

The ILO Programme with the Dar es Salaam City authorities focuses is on creating decent work opportunities around urban waste management and other urban services. The programme seeks to involve local communities and entrepreneurs in affordable service delivery through a public-private partnership (PPP) arrangement. The ILO’s role has been to provide technical advice and training, capacity building of all stakeholders both private and public sector to undertake their specific roles, awareness building, facilitating linkages, health and safety frameworks. PPP’s offer a chance to meet the twin challenge of employment and affordable service delivery through small scale private
entrepreneurs. The programme is based on the principles of participation, capacity building and inclusion. All stakeholders are involved in the planning, implementation and management i.e. individual users or group of users, institutions of local government, civil society organizations such as NGOs, local political leaders and structure and external donor agencies.

**Dar es Salaam Solid Waste pilot**

The pilot project which started in 1996 involved the use of the private sector – franchises, in solid waste collection – as means to deal with the dual problem of waste management and unemployment. The results of the pilot were:

- improved cost effectiveness
- increased waste collection and disposal
  - collection from 5 wards in 1992 to 48 wards in 2003
  - 2000 jobs
  - 52 SMEs supported
  - associations of waste collectors were created for collective bargaining
  - incidence of child labour reduced
  - more women involved in waste collection enterprises
  - recycling opportunities for informal businesses as waste collectors

A number of challenges still remained:

- Poor labour standards including safety and health issues
- Poor community participation
- Inefficient management of secondary collection and handling of hazardous materials
- Fluctuating political support – especially re payment issues
- Weaknesses in regulatory, procurement, monitoring and evaluation (M&E) systems of the municipalities

A new programme was initiated in 2003 to build on the experience, up-scale and pilot the approach across east Africa in Tanzania, Kenya and Uganda. The programme approach involves:

- Capacity strengthening of municipal authorities and waste collectors, through awareness raising, training, network and organisation development
- Technical advice on enabling systems for small enterprise based service delivery including pro-poor contracting, revenue collection and monitoring and evaluation
- Support to broad policy development on issues related to poverty reduction, service delivery and employment creation through advice and knowledge development and dissemination.

ILO’s role has been one of advice on service delivery systems, pro-poor procurement, M&E, by laws and informal economy support; capacity building; association building; and technical advice and policy support.

**Some successes and reflections:**

- Major increase in levels of waste collection in seven municipalities in Tanzania – for example waste collection & disposal increased to 46% in 2004 in Dar es Salaam, from 28%in 2003 to 47% in 2004 for Mwanza City.
- 90 enterprises with 4000 employed
• More than 70 SMEs, CBOs have been training to efficiently manage SWM activities, including re-use, recycling and composting initiatives for more income.

• Associations for service providers established in 6 municipalities for collective bargaining. Resulted into extension of contracting period for two municipalities (Kinondoni and Mwanza) and change to better contractual conditions.

• The programme now working with United Nations (UN)-Habitat in Somalia, Cities Alliance Dar es Salaam, Community Infrastructure Upgrading Program (CIUP) under World Bank in Dar es Salaam.

• Replicability – the approach is being adapted in Somaliland and Puntland.

• Privatisation – or at least PPP in this model can work to deliver better services and employment. Need transparency, capacity building and manage it over time.

• Contributes to MDGs 1, 3, 7, 8 and to the 2005-2010 National Strategy for Growth and Reduction of Poverty (NSGRP).

• Knowledge sharing – adaptation and publication of training materials, e.g. on the informal economy and on integrated solid waste management, and dissemination and sharing through workshops, conferences.

5.3.1 Issues raised from questions and discussion

Tanzania programme

• United Nations Development Programme’s (UNDP) Public-private Partnership in Urban Environment (PPPUE) had an initiative in Uganda similar to the Tanzanian programme, to introduce private–public sector partnership solid waste management; which though recorded similar success ended up raising expectations that could not be sustained due to the lack of policy support.

• The involvement of the private sector in waste management in Tanzania is a result of the government’s inability to provide service particularly in the informal settlements. This is desirable as involving the private sector transfers risk from the public to the private sector. Furthermore, the private sector is driven by profit and ingenuity, which keeps it innovative and competitive.

• The focus of the initiative was small informal enterprises and not the large private sector players that operate in formal business and residential areas. Competition from large contractors is limited as they are not interested in informal settlements. In unplanned settlements markets are segmented to enable the small enterprises to operate and therefore the community PPP models works in these areas.

• Waste collection and recycling has gained acceptance as a decent job and the locals can also see the benefits of local businesses growing and people being employed.

• Waste collection is organized through small collection points from which collection is done on scheduled days. The small waste collectors hire vehicles to transport the garbage to the dump site. The local Mtaa (lowest level of administration) monitors collection.

• In response to the issue of type and sustainability of jobs created, the Tanzania experience has recorded about 4000 jobs, a mix of permanent and temporary, created in four municipalities.
• Enforcement of by-laws is a problem. Municipal officers and operators are trained on by-laws, issues of decent work, business registration, formation of associations.

5.4 ACHIEVING THE MDGS THROUGH EFFECTIVE PPP SERVICE DELIVERY - IMPROVED SERVICE DELIVERY AND JOB CREATION

Mr. Kwame Asubonteng, United Nations Development Programme (UNDP), Public-Private Partnership for the Urban Environment (PPPUE)

The overall themes areas of the presentation were sustainability, innovative intervention, macro level policy with micro-scale intervention.

PPPUE is a UNDP facility that supports the development of innovative public private partnerships at the local level to increase the access of the urban poor to basic urban services. Focusing on assisting small and medium-sized cities (between 20-50,000 inhabitants), PPPUE works with all potential stakeholders, including investors, providers, regulators, users, and experts to meet the challenge of providing basic urban environmental services. The facility supports PPP with poverty reduction impacts i.e. provision or extension of basic urban services (such as water supply and sanitation, solid waste management, local energy services, central municipal services like markets, slaughter houses, bus terminals) to poor neighbourhoods and job creation for the disadvantaged communities.

The facility has two components:

1. Innovative partnership Grants supporting country level activities involving:
   • Establishment of policy, legal and institutional frameworks for local PPP.
   • Building local capacity for PPP.
   • Preparation, design and facilitation of innovative and all inclusive PPP arrangements benefiting the poor.
   • Implementation of PPP municipal service projects

2. Global Learning Network (GLN) supporting global and regional activities to facilitate:
   • Exchange on municipal PPP good practices and lessons.
   • Development of PPP professional capacity.
   • Exchange and development of PPP resources.
   • The facility partners with government, business and civil society.

5.4.1 Issues and lessons learnt from PPPUE experience

• Effective policy and regulatory reforms for domestic private sector (DPS) involvement in service delivery must involve all stakeholders (local government, business and civil society organizations and community based organizations);
• Need to build a broad consensus around the priorities at a very early stage of the process;
• Effective PPP policy requires solid trust between stakeholders and this takes time as motives are often different and sometime contradicting.
• Partnership building with the DPS is a long process and requires continuous dialogue between partners.
• Capacity building is needed for all stakeholders.
• Need to establish inclusive financial sector to create access to finance and credit for DPS.
• Set realistic standards and targets in service provision and provide space for options, level of services for consumers.
• Regulate market entry of DPS through accreditation/licensing, mutual control, empowerment of poor consumers to exercise an oversight role.
• Provide public infrastructure to pave ways for DPS and to keep costs of services affordable to the poor to meet Millennium Development Goals (MDGs).
• Need for oversight role by consumers through representation in regulatory bodies.
• Knowledge documentation and sharing are key to build and maintain a community of PPP practitioners and learn from others experiences.

5.4.2 Response to questions
• The PPPUE first gets buy-in from local government, and only then from local communities.
• PPPUE empowers the informal sector through skills training, pre-tender training on the tendering process, and pro-poor tender documents.
• PPPUE believes that some formalization of the informal sector is positive. As a minimum, informal service providers should be registered with their governments so that they can then be regarded by government and other parties as legitimate.

5.4.3 Recommendations and reflections from discussion
• Governments should have clear policies with respect to subsidization as opposed to full cost recovery for basic urban services or if they intend full cost-recovery, or a combination of thereof. This is a pre-condition for determining the potential role of the private sector in the provision of basic urban services.
• Despite predictions once made that the informal sector would wither away as economic development takes hold, in fact, informalization rather appears to be growing. Large income disparities, though inequitable, do provide opportunities for personalized services to be offered to the well-off, creating opportunity for innovative informal enterprise to cater to these needs. One strategy for helping to formalize the informal economy would be to work with the clients of informal enterprises to stimulate incomes, productivity and improved working conditions up the supply chain.
• The PPPUE model appears to assume that doing business with the poorest poor is unprofitable. However, the poorest poor often pay more per unit of water than their wealthier compatriots.
• Respect for payment of minimum wages by informal sector operators is a difficult issue to resolve and requires a longer term strategy. Improving conditions of employment offered by informal operators requires development interventions to upgrade the capabilities of the employers and improve the functioning of their enterprises. Preference should be given to processes where groups or associations of informal businesses can be drawn into a development programme that allows them to sustain improvements in employment conditions for their employees.
• Developing nations need to be stronger in their negotiations with international donors and international lenders, with regards to priorities, targeting and coordination of interventions. This is particularly true in trying to ensure that donor-funded development projects do empower the
poor and that scope exists to work with informal businesses. Large scale infrastructure projects, where scope exists to develop local businesses and create employment, often require forms of tendering that exclude informal operators or result in informal enterprises and employees being brought in through formal contractors seeking to reduce costs.

- In order to promote pro-poor practices, contract documents should include a specific and detailed definition of “local”.

6 POLICIES AND STRATEGIES FOR THE CREATION OF YOUTH EMPLOYMENT

6.1 YOUTH DEVELOPMENT IN TANZANIA

Ms Joyce Shaidi, Director of Youth Development, Ministry of Labour, Employment and Youth Development

Every year, 700,000 youth enter the job market in Tanzania and only 40,000 get jobs. High youth unemployment figures are compounded by high incidence of HIV/AIDS among youth. Rural young people move to urban centres which are perceived to have better employment prospects, resulting in high urban unemployment. In Tanzania only about 10% proceed to secondary education, and it was also noted that the education system leaves school leavers unprepared for the job market and without entrepreneurial skills to enter into self-employment. Furthermore, youth attempt to engage in self-employment lack start up capital and cannot access credit facilities.

Government framework for youth employment

The Tanzanian Government has established a Youth Employment Summit Country Network to support youth employment initiatives comprising public and private sector, NGOs, civil society organizations including media, religious and educational institutions. The government has in place a national employment and youth development policy, which are currently under review.

The government has made a number of achievements in the area of youth employment in the areas of financial/economic support, education, youth participation in governance and in issue that affect them, gender equity, health (i.e. HIV/AIDS and drug abuse prevention).

6.2 UMSOBOMVU YOUTH FUND (UYF), SOUTH AFRICA

Ms Lerato Ngoma; Mr Thobile Yanta, UYF

Umsobomvu Youth Fund (UYF) was established by government in January 2001 with a billion rand once-off investment, with the mandate of promoting the job creation and skills development and transfer among young South Africans between the ages of 18 and 35. UYF makes strategic investments to create opportunities for young people to acquire skills, to access job opportunities or to pursue meaningful self-employment opportunities. The fund seeks to improve livelihood for the young people, enhance self-reliance, economic and social growth in target communities, and to mainstream youth development. The fund has three core programmes:

1. Contact information & counselling – providing youth information centre (nine centres) through which youth can access information and counselling
2. Skills development and transfer – providing on-the-job-training; national youth service, school to work transition programmes
3. Youth entrepreneurship – providing SME credit and finance, business development services, entrepreneurship education and learnerships
The youth in local economic development (LED) programme works with local government in programme formulation, capacity building and resource mobilization for the purpose of facilitating youth participation in local economic development.

The funds research and development unit seeks to improve the performance of youth practitioners (within and outside of UYF) and the public sector by promoting research and therefore, facilitating the understanding of the complex issues impacting on young people. The unit’s youth affairs and knowledge management programmes guide and conduct research and accumulate, distill, package and disseminate experience and knowledge.

Responses to questions
- UYF has the 2010 soccer world cup as a focus area, and it is assisting youth to identify business opportunities around this.
- The fund offers training of trainers; grants to Provincial Youth Commissions and; training on business plans among other initiatives.
- UYF has only nine centres country wide currently but does use the governments multi-purpose centres to increase reach.
- The fund engages with local government through memoranda of understanding with munipalities.
- The multi-purpose community centres of other arms of government, training colleges and a mobile unit are frequently used as contact points with the program (through Youth Advisory Centres ‘YAC-points’).
- The program works with people of 15 to 35 years.
- Each sub-program and each project is subject to a monitoring and evaluation process.
- The word Umsobomvu mean “rising sun”.

6.3 ONE-STOP YOUTH CENTRE

Mr Robert Njoroge, Youth One-Stop, Nairobi, Kenya

The One Stop Youth Centre is a project of the City Council of Nairobi and United Nations Centre for Human Settlements (UN-Habitat), and Youth in Kenya. It is one of the centres formed under the Urban Youth Development of the Global Partnership Initiative on Urban Youth Development in Africa. The Center offers Education, Employment and Empowerment opportunities for young people through an integrated under one roof approach. The centre is designed:
- To provide career and employment opportunities for the youth in the job markets
- To undertake activities geared toward crime prevention among the youth
- To encourage partnerships with relevant stakeholders in the delivery of youth development
- To increase knowledge, skills and change attitudes of young people.
- To respond to educational, socioeconomic, recreational, emotional and psychological needs of young people using an integrated style.
- To encourage young people to have greater ownership of development through meaningful and valued engagement
- To offer leadership and mentorship to young people

The centre provides counseling services on issues of reproductive health, substance abuse and employment interventions; referral services; trainings on various aspects of youth development; consultancy interventions to various youth led organisations requiring expert advice on organisation; project
management and provides timely and relevant information on up to date happening on the development world. In addition, the centre promotes youth participation in activities geared towards societal development.

Key areas of partnership with ILO on youth and employment identified include:

- Capacity building of young people and groups on:
  - Training and skills generation on solid waste management, water supply, and local resource exploitation
  - Start up of business through the Boosting Small Enterprise Development (SEED) program manuals

- Advisory support on the establishment and institutionalization of a policy document to support and back up urban youth employment strategies

- In Cooperation with UN-habitat and other key players on Urban issues, commission of a state of youth report on urban employment and local resource exploitation

- Establishment of a youth fund within UN-Habitat that will see resource mobilization implementation and more institutional support of strategies towards urban youth employment and development

The centre of the Urban Youth Development will be show-cased during the forthcoming World Urban Forum III, in June to be held in Vancouver.

6.3.1 Recommendations and observations from the floor following the three presentations

- In Tanzania the incidence of pupils ceasing schooling after primary school is high. It has frequently been observed that the primary school leavers do not have sufficient literacy to enter vocational training. In Tanzania the problem is compounded by the fact that there is a severe shortage of secondary schools, and often by the fact parents do not place sufficient importance to schooling. There is hence a need to link youth employment issues to the education system and involve authorities responsible for this in the discussion.

- Further to the point made above is how to address the mismatch of skills versus demand on the labour market, and how to link schooling to employment (especially improved employability/improved entrepreneurial skills).

- Another point was how to mainstream youth issues into regular activities, as opposed to targeting them, and also therefore to ensure youth are involved in formulating policies and strategies.

- The issue of cross-border migration (within Africa) of youth requires regional attention. Some work is already being done in this regard by the Free Movement of Labour in East Africa.

- There are African youth programs (e.g. NEPAD, Commonwealth, and East African initiatives) in addition to international programs focused on youth in Africa.

- It was proposed that an Africa-wide youth structure be established.

- The Ghanian participants informed the workshop that 2006 has been declared the year of youth employment in Ghana, that a Youth Employment Task Force with national coverage is being established and that US$ 100 million has been pledged to support youth activities.
6.4 EPWP IN SOUTH AFRICAN CITIES

Mr. Seana Nkhahle, National Programme Coordinator South African Cities Network

The South African Cities Network (SACN) is a network of South African cities and partners that encourages the exchange of information, experience and best practices on urban development and city management. It is an initiative of the Minister for Provincial and Local Government and nine city municipalities, in partnership with the South African Local Government Association (SALGA). The goals of the SA Cities Network are to:

- Promote good governance and management of South African cities
- Analyse strategic challenges facing South African cities, particularly in the context of global economic integration and national development
- Collect, collate, analyse, assess, disseminate and apply the experience of large city government in a South African context
- Promote a shared-learning partnership between different spheres of government to support the governance of South African cities

The network operates an integrated city development planning framework addressing four building blocks:

1. Productive city - Can the local economy provide the majority of residents with the means to earn a reasonable living?
2. Inclusive city - Do residents have the opportunities and capacities to share equitably in the social & economic benefits of city life?
3. Well governed city - Is the political & institutional context stable, open and dynamic enough to accommodate all interests?
4. Sustainable city - How is the city impacting on the envelope of natural resources that sustains the settlement and make it viable?

Under the Inclusive City, SACN supports city implementation of the Expanded Public Works Programme (EPWP). SACN has conducted a study to assess the state of readiness of cities to implement the EPWP. The study, which will be completed by mid 2006, will assess and recommend capital budgets and identify works and services that can be targeted for labour-intensive approaches; existing skills for carrying out labour-intensive works; training, skills and technical assistance requirements; job creation potential and institutional mechanisms to facilitate the EPWP.

Some of the early recommendations and conclusions from the study include:

- Need to identify the appropriate scope of infrastructure projects and further research on other EPWP sectors.
- Need to sign up with the EPWP Unit for contractor learnerships.
- Need budget commitments for EPWP projects.
- Enabling environment is already in place including support available from the EPWP Unit of Department of Public Works (DPW). Cities must access these.
- EPWP Units are ready to provide assistance in terms of EPWP training and orientation of member cities.
7 INTERNATIONAL PROGRAMMES ON URBAN INFRASTRUCTURE AND YOUTH EMPLOYMENT

7.1 ILO’S YOUTH EMPLOYMENT NETWORK (YEN)

Mr Steven Miller, ILO EMP/INVEST

YEN is a joint initiative of the UN, ILO and the World Bank established by the UN Secretary General as a vehicle to address the global challenge of youth employment. Following high level discussion amongst policy leaders of these agencies and other policy experts, recommendations four global priority policy areas were identified commonly referred to as the four "E's": Employability, Equal opportunities, Entrepreneurship, and Employment creation.

YEN was created under the impetus of the millennium declaration where countries resolved to "develop and implement strategies that give young people everywhere a real chance to find decent and productive work." YEN provides nations globally with a political framework within which to pursue and leverage their youth agenda. Mandated through a number of UN General Assembly resolutions, YEN encourages countries to prepare National Action Plans (NAPs) on youth employment with assistance of the ILO, the UN and the World Bank as well as other specialized agencies - and with the participation of young people. To date, 19 countries have volunteered to become lead countries in this process. In his latest report on youth employment3, Kofi Annan writes that “over the next 10 years, efforts should be focused on giving young people between the ages of 15 and 24 access to decent and productive employment opportunities and, by accompanying and nurturing this generation over the coming decade, providing the global community with its best chance for attaining all of the MDGs by the year 2015.” The different programmes and institutions, both of local and national government, could make a strong contribution to the goal of decent and productive work for young people, and contribute, through the knowledge sharing mechanism illustrated in this workshop, to the creation of a peer exchange, support and review mechanism as recommended by Kofi Annan.

In solving the youth employment situation, indeed you solve the MDGs!

7.2 CITIES ALLIANCE

Ms Ntombini Marrengane, Cities Alliance Programme

The Cities Alliance is a global coalition of cities and their development partners committed to scaling up successful approaches to poverty reduction. It was established in 1999 to improve the efficiency and scale of impacts of urban development cooperation and urban investment. From the outset, Alliance members recognized that this meant changing how international development agencies work with cities, including creating a new coherence of effort to reduce urban poverty. By supporting cities in their development of citywide strategies that link economic growth and poverty reduction objectives, the Alliance is helping to overcome the limitations of sectoral approaches to development.

The Alliance members promote the developmental role of local governments and help cities of all sizes obtain more coherent international support.

The Alliance provides matching grants in support of:

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• **City development strategies (CDS)** which link the process by which local stakeholders define their vision for their city and its economic growth, environmental and poverty reduction objectives, with clear priorities for actions and investments;

• **Citywide and nationwide slum upgrading** in accordance with the Alliance’s *Cities Without Slums* action plan (MDG Target 11), including promoting secure tenure, access to shelter finance and policies to help cities prevent the growth of new slums; and

• **Sustainable financing strategies** for cities to attract the long-term capital investments needed for infrastructure, including improving accountability for service delivery and demonstrating stable revenue streams to more effectively leverage domestic capital.

The membership of the Alliance includes:

• Local authorities, represented by United Cities and Local Governments and Metropolis;

• Brazil, Canada, France, Germany, Italy, Japan, Netherlands, Nigeria, Norway, South Africa, Sweden, United Kingdom and United States of America;

• Asian Development Bank, United Nations Environment Programme (UNEP), UN-HABITAT and the World Bank.

**Programmes in South Africa**

In South Africa, the program promotes the view that the government’s Integrated Development Planning approach is correct, but that the time-frame would be much longer (25 years instead of five). It has a number of initiatives in South Africa notably, a Johannesburg – Addis Ababa knowledge sharing partnership, support to the South African Cities Network and the Upgrading for Growth supporting the implementation of the Breaking New Ground Policy Within Ekurhuleni’s City Development Strategy. Ekurhuleni accounts for 20% of the country’s gross domestic product (GDP). The main objective of the Upgrading for Growth project is to harness the informal settlement upgrading process as the driver for sustainable development - at the household level - through macro/micro linkages to the existing labour market and investment in growth opportunities in the manufacturing and agricultural sectors. The ultimate goal of Ekurhuleni Metropolitan Municipality Upgrading for Growth strategy is to break the cycle of poverty by ensuring that all households in upgraded communities have at least one full time income earner or the full package of available social subsidies for households that do not include employable adults.

**Responses to questions**

• Countries or cities wishing to join the Cities Alliance can take the first step of completing an application

• The program cannot really interact directly with youth groups (or any other groups), as the program interacts directly with governments.

### 7.3 UN HABITAT

**Mr. Sabromonia Ananthakrishnan, Head of Partners and Youth Unit, Nairobi, Kenya**

UN Habitat is mandated by the UN General Assembly to promote socially and environmentally sustainable towns and cities with the goal of providing adequate shelter for all. It is the lead agency for the MDG Lead agency for the MDG Goal 7, Target 10 - Water and Sanitation, Target 11 - Slum Upgrading.

UN Habitat strategy components include:
• Tenure - Global Campaign on Secure Tenure involves security of land, tenure and property rights; opposing forced evictions; promoting sustainable shelter policies.

• Governance - Global Campaign on urban governance involves capacity building for local authorities; eradication of poverty through improved urban governance; planning for sustainable urbanisation.

• Investments – Slum upgrading facility

Funding
Funding is obtained through:
1. Partnerships with International Financial Institutions and Regional Development Banks:
   • Cities Alliance with World Bank and Bilateral Donors
   • $500m credit line with Asian Development Bank on Water
2. The Habitat Foundation (Governing Assembly Resolution 56/206)
   • Water & Sanitation Trust Fund ($25m)
   • Slum Upgrading Facility ($30m)

Youth and partners programme
The programme recognizes that eradication of youth unemployment requires a partnership approach, as the problem is too large for any single program. The programme focuses on: slum upgrading; School Attendance; Vocation Training; Recycling of Materials; Co-ops; Micro-Credit; Literacy; Street-kids, Gender, and; Health. The programme subscribes to the ‘pilot project’ or ‘model project’ approach, and lobbies for pilots / models to be replicated.

The Third World Urban Forum (WUF III)
UN Habitat will be holding the third World Urban Forum to be hosted by the City of Vancouver. This global premier venue for innovations in urban governance will involve a wide range of debates on finance, the role of local government, governance and culture, as well as events on the arts, culture and youth.

Recommendations and observations from the floor
• In response to the issue of how the UN coordinate its activities, there are a number of frameworks to facilitate inter UN agency coordination at country level that are based on national priorities including the Common Country Assessments, UN Development Assistance Frameworks and Country Action Plans. However, coordination is not always effective and more effort is needed in this regard.

8 SUMMARY OF EMERGING ISSUES AND RECOMMENDATIONS FROM THE WORKSHOP

6.1 CONCLUSIONS AND FOLLOW UP
The workshop decided to ensure best practices are captured and made available to a larger group of practitioners and policy makers. The workshop agreed on the following:

➢ The report back from this workshop including case studies could, in addition to being posted on ILO’s web site, be posted on web sites of
represented organizations, such as SACN, SALGA, and UN Habitat. ILO to confirm with respective organization.

- The representative from SALGA, the Chairman Mr Tebogo Moremi, would follow up and present the workshop outcome to United Cities & Local Governments of Africa (UCLGA) to make the information accessible for local authorities throughout Africa.
- Case studies and best practices should be described on the UN Best Practices database for universal access. ILO to discuss this with UN Habitat who is hosting this site.
- It was suggested that Ms Lerato Ngoma from UYF, through her contacts should approach NEPAD Youth Desk and Infrastructure Desk to share the workshop outcomes, with a view to lobbying NEPAD and even the AU to propose initiatives on promoting youth employment through slum upgrading.
- The specific request from UNDP PPPUE on the possibilities to work jointly to scale up the Tanzania experience for solid waste management will be followed up by ILO and PPPUE.

6.2 EMERGING ISSUES AND RECOMMENDATIONS

Following presentations and deliberations the workshop identified several areas that need to be considered in promoting employment intensive approaches in municipal infrastructure and service delivery, and youth employment issues. Key will be to secure political will and acceptance at all implementation levels for the shift towards involving private sector and community groups and putting employment issues as a primary objective in the development process. The emerging issues and some of the recommendations have been grouped under subheadings below.

Policy
- As mentioned above, gaining political will and acceptance at all implementing levels for approaches that enable greater labour intensity and participation is essential.

Sharing of information and best practices will here be an important lobbying tool
- There needs to be a national framework policy and institutional support for employment and local resource use optimization in the municipal service delivery including in the areas of provision and maintenance of housing and infrastructure is essential. Although pilot projects are useful in informing policy and providing the evidence base; they cannot replicated, brought to the scale and sustained without the relevant policy framework.

Therefore, greater effort in reforming policy and creating the right institutional environment is essential otherwise efforts of pilot projects are wasted and frustrated.

It is equally important to making explicit policy commitments to employment and building this into planning, designing and implementing of municipal service delivery, infrastructure provision and shelter-related activities in national policy, otherwise employment creation becomes rhetoric.

- Decentralization is a common trend in Africa, and greater local autonomy could provide an opportunity to make a positive shift and address employment concerns in urban service delivery.
However, the effects of decentralization can only be positive if with this also follows decentralization of powers and resources and generally empowerment of the local levels.

- PPP’s implies some form of private investment and transfer of risk to private sector; this is desirable as governments are unable to deliver municipal services. Meanwhile the private sector is driven by profit incentive and innovation which creates competition which regulates price. The key here include procurement policies and how to engage private sector and communities in public private partnerships and also to tackle the issue of subsidizing services versus full cost recovery.

**Optimising employment creation opportunities**

- Backward linkages due to choice of material and technology used have implications on employment creation.
- Design as a specific intervention can be used in optimizing use of local labour and resources in the delivery of infrastructure. Design also influences materials used and aesthetics which have important impact on job creation and sustainability.
- Important to consider supply chain of materials when looking at the employment potential. The specific project is often too small or short in duration to warrant production and supply of material locally. This is however an area that can and should be looked into
- Innovative interventions should be encouraged to optimise use of local resources and creation of employment opportunities.
- Optimisation of use of local labour and resource implies integrated consideration of time, cost, productivity and quality and should be seen in the larger development context. Both tradeoffs and possible synergies need to be explicitly identified and addressed.

**Impact, monitoring and evaluation**

- To truly measure employment impact in urban infrastructure and service delivery there is a need to develop useful employment impact methodologies and indicators as well as a comprehensive monitoring and evaluation framework. Employment impact studies should be compulsory in every slum upgrading program / project and should be considered during the conceptualization phase, just as it currently the case for environmental impact studies of major investment programmes.\(^4\)

**Productivity and cost benefit**

- Capacity and skills building of stakeholders in public and private sector, including emerging contracts and entrepreneurs, involved in service delivery in both technical, entrepreneurial and management is essential for productivity of labour-based programmes.
- In particular, targeting youth with low skill levels requires investment in skill building to achieve productivity and quality.
- It is necessary to go beyond the traditional engineering way of thinking of Time-Cost-Quality purely for the construction of assets. It is necessary to

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\(^4\) The International Labour Organisation’s Governing Body called for the development of “methodologies and approaches, such as impact assessments for integrated environmental and employment outcomes of investment plans and programmes,” (GB.294/ESP/2, November 2005).
look at labour-based projects involving the private sector/community over the life span of the project, that is from conceptualization and early planning to construction and the maintenance or operation of assets and establish a balance between time, cost and quality, looking at the benefits and cost effectiveness of building in training, empowerment and employment aspects throughout this process.

Institutions and subsidies
- Institutional issues, including the design and implementation of subsidies, can have a major direct and indirect impact on employment creation. A better design of subsidies for government social housing and self-help housing can lead to major gains in employment creation, and help the different responsible central and local government departments work in support of this goal.

Education and the labour market
- Education curricula in most African countries do not nurture innovativeness and entrepreneurial skills necessary for self-employment. Curricula have not been adapted to meet the demands of the labour market, which is characterized by a growing informal sector being the main source of employment. Reforming of curricula to improve youth employability must take place, and support from relevant agencies such as United Nations Educational, Scientific and Cultural Organisation (UNESCO) sought to help lobby for the change of school curricula.

Partnerships
- Partnerships/institutional arrangements – an array of arrangement and support is necessary to ensure productive partnerships and appropriate institutional support.

Targeting
- Targeting (e.g. women, youth, disabled, the poor) – procurement mechanisms to target small emerging service providers or contractors need to be factored into the design phase of projects. On the inverse, as in South Africa, large established and experienced contractors are now excluded; resulting in difficulties in achieving standards and qualities from inexperienced contractors. Issues of skills building, training and experience must be taken into account in the design stage.

Leveraging youth agenda
- There should be greater conscious effort made by African countries to coordinate African Youth Initiatives. Participating institutions on urban employment initiatives should first lobby and then support their Governments in developing and implementing national action plans on youth employment, ensuring thereby that demand-side investment programmes figure prominently in such plans. Furthermore, local governments can help lever the youth agenda by using knowledge sharing initiatives to contribute to the global “peer exchange, support and review” mechanism recommended by the UN Secretary-General, Kofi Annan.5

Informal sector
- Our common goal is to support gradual formalization of the informal sector. This process needs outside support and can be brought about as the informal sector becomes more organized and recognised, through association building, increased awareness of decent working conditions, etc. However, further attention needs to be turned towards improving

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5 See above, A/60/133.
working conditions to make it more productive and secure. Finally, efforts should be targeted not only to support informal economy operators, but also those who purchase goods and services from the informal economy.

**Information Communication Technologies (ICTs)**

- The evolution of ICT’s has had tremendous effect both positive effect on the labour market through the creation of new opportunities and efficiencies in the informal and formal sectors; and negative effects through redundancies.

**Knowledge sharing**

- The sharing of knowledge requires further attention and mechanisms to share good and bad practices should be established.
ANNEX 1: WORKSHOP PROGRAMME

Monday, 27 February:

09.30: Registration
10:00: Welcoming address by Mr. Maikel Lieuw Kie Song, Chief Director, Labour-intensive Specialist, Expanded Public Works Programme, Department of Public Works
10:30: Word of welcome by the Representative of the Director of the ILO Office for Botswana, Lesotho, Namibia, South Africa and Swaziland, Mr. Mohamed Mwamadzingo
10:45: Introductions and Presentation of the Objectives of the Workshop and Expected Outcomes, Tomas Stenstrom, ILO ASIST Harare and Steve Miller, ILO Geneva
11:15: Morning Break
11:45: Presentation of the South African Case Study: A research on employment aspects of slum upgrading: practices and opportunities in SA, by Glen Robbins, School of Development Studies, Durban, and Anton Aiello, followed by discussion
13:00: Lunch Break
14:00: Presentation of the Government of Ghana’s Decent Work Pilot Programme, lessons employment and local development by Dr. Wahab Alhassan, Ministry of Labour, Ghana
15:00: Presentation of the programme on “Employment Creation in Municipal Services Delivery in Eastern Africa – Improving Living Conditions and Providing Jobs for the Poor” in Tanzania, by Kumbwaeli Salewi, followed by discussion
16:00: Afternoon Break
16:15: Presentation by the South Africa Cities Network: What Cities can do to create jobs, by Mr. Seana Nkhahle, National Programme Coordinator South African Cities Network, followed by discussion.
17:00: Summing up of the day’s discussions.

Tuesday, 28 February:

9:00: Thematic Session on programmes, methodologies and training to improve impact of municipal / local government service delivery and infrastructure development on job creation
  - Case Study on Local Government and Decent Work in Ghana, by Emmanuel Baisie, Assistant Director, Ajumako-Enyam-Essiam District Assembly, Ajumako, Ghana

Facilitator: Tomas Stenstrom, ILO/ASIST Harare
10:30: Morning Break
11:00: Thematic Session on policies and strategies for the creation of youth employment

- Youth Employment and Local Economic Development in Tanzania, by Ms. Joyce Shaidi, Director of Youth Development, Ministry of Labour, Employment and Youth Development, United Republic of Tanzania
- Presentation by Ms. Lerato Ngoma, the Umsobomvu Youth Fund and Thobile Yanta, National Youth Service programme, South Africa
- Developing a national youth employment programme in Ghana, by Dr. Wahab Alhassan, Ministry of Labour, Ghana
- Presentation by Mr Robert Njoroge on the One Stop Youth Centre, Nairobi, Kenya

Facilitator: Steven Miller, Employment-Intensive Investment Programme, ILO and former Secretary, Youth Employment Network

13:00: Lunch break

14:00: Session on International Programmes on Urban Infrastructure and Youth Development

- Presentation on Cities Alliance by Ms Ntombini Marrengane
- ILO’s Youth Employment Network (YEN) by Steven Miller, ILO
- Youth Employment and Urban Development, by Sabromonia Ananthakrishnan, United Nations Human Settlements Programme, UN-HABITAT

15:15: Developing a framework for peer exchange, support and impact review in the field of local infrastructure development and basic services and youth employment and agreement on follow-up action

16:00: Closing and Tea
# ANNEX 2: LIST OF PARTICIPANTS

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