Limpopo Province Labour Intensive Rural Roads Maintenance Programme

(Gundo Lashu)

Output to Purpose Review

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List of Abbreviations

CEO Chief Executive Officer
CLO Community Liaison Officer
DFID Department for International Development
DoL Department of Labour
DPLG Department of Provincial and Local Government
DRR Department of Rural Roads in Lesotho
HIV/AIDS Human Immunodeficiency Virus/Acquired Immuno-Deficiency Syndrome
ILO International Labour Office
IPSP Integrated Provincial Support Programme
LBM Labour-based methods
MEC Member of Executive Council
MTEF Medium Term Expenditure Framework
NPRA Northern Province Road Authority
NPWD National Public Works Department
OPR Output to Purpose Review
OVI Objectively verifiable indicator
PRA Participatory Rural Appraisal
PSC Project Steering Committee (village level)
R South African Rand
SAWIC South African Women in Construction
SMME Small, Medium and Micro Enterprises
1 INTRODUCTION

An output to purpose review of the Gundo Lashu Project was carried out from 8th to 23rd May 2003. This was the first such review of the project. The Team comprised:

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Peter Delius, Social Development Specialist
Angela Bester, DFID Governance Adviser

The Terms of Reference for the Review are given in Annex 1.

Discussions were held with a wide range of stakeholders at both national and provincial level. Site visits were made to a number of trial contracts in Limpopo Province. Informal discussions were held with labourers on site as well as with contractors, supervisors and project steering committee members. A list of persons met is given in Annex 2.

2 PROGRESS

2.1 General

The overall progress of the project towards achievement of the logframe outputs is given in detail in separate PRISM Tables. The current assessment is that the project purpose is likely to be largely achieved. The demonstration of the viability of labour-based methods (output 2) is likely to be completely achieved. The capacity building (output 1) and road improvement works (output 3) appear likely to be largely achieved. There are some reservations over the achievement of the replication and expansion strategy (output 4) mainly due to a lack of clarity over future work opportunities for the trained contractors outside of the Northern Province Road Agency (NPRA). However, it is probably too early in the project to give a firm verdict on this. A brief review of the progress to date follows.

The DFID project start and end dates are September 2001 and August 2004 respectively. These dates were revised from original dates of April 2001 and March 2004. The total DFID allocation is UK£ 1,596,000.

The core NPRA team was mobilised in June 2001 and the two ILO international advisers, Augustus Osei Asare and Jon Hongve, arrived in July/August 2001. The ILO Social Development Technical Adviser, Shirlane Douglas, was recruited on 14th January 2002 and resigned on 15th March 2002. She was replaced by Mbongeni Mondlane, who took up his position on 1st June 2002. The NPRA team was strengthened by the recruitment of one new project manager and four new assistant project managers early in 2003.

Despite some delays in the early stages of the implementation of the project, overall progress appears satisfactory. All 24 contractors completed their training in Lesotho by December 2002. The first batch of twelve contractors completed their trial contracts in April 2003 and is now ready to commence the 12-month standard contracts. These are currently expected to start in July 2003. The second batch of twelve contractors commenced the trial contracts in late March 2003 and appears to be on track to complete within the contract period of 6 months. They will then start their 12-month standard...
contracts, which are likely to be completed by October/November 2004. This is slightly beyond the currently estimated end of project date of August 2004.

2.2 Progress Data

Annex 3 gives some summary progress data to the end of April 2003 based on the first twelve trial contracts (progress data on the second twelve trial contracts is not yet available). This shows that the average cost per kilometre for full rehabilitation to 5-metre gravel road standard was slightly over R 200,000 per kilometre (approximately $28,000 per kilometre). This is of the same order of magnitude as machine based road rehabilitation in Limpopo Province. The cost per kilometre for labour-based gravel road rehabilitation in other sub-Saharan countries generally falls in the range $10,000 to $20,000 per kilometre. As wage rates are much less in these other countries – between 25% and 45% of the Gundo Lashu wage of R 30 ($4) per task/day – the Gundo Lashu costs look reasonable. A study planned for later in 2003 will look at the cost data in more detail as part of a cost comparison between labour-based and machine-based methods for road rehabilitation.

The total worker days generated on the 12 trial contracts was 161,218, which gives an average labour force over the six month construction period of around 900. Of the total worker days 13,348 (about 8.3%) were training days\(^{1}\), thus, the balance of 147,870 were productive working days. This gives an overall labour productivity of 3,053 worker days per kilometre. This is at the high end of averages from other countries, where inputs per kilometre tend to fall in the range of 2,000 to 3,000 worker days per kilometre. This can be explained by the inefficiencies caused by the learning process on the “trial” contracts. Other things being equal, an improvement of at least 10% (which would give 2,700 worker-days per kilometre) might be expected in the 12-month standard contracts.

On average women comprised 51% of the labour force, thus, the target balance of 60% women and 40% men has not quite been achieved. The main reason for this appears to be that, although the initial recruitment process gave the required proportions, later replacement of workers who dropped out were predominantly drawn from young male workers. This conclusion is supported to some extent by the fact that the average proportion of youth (defined as 18 to 35 years old) in the workforce was 58% - well above the target minimum of 20%.

2.3 Projections to End of Project

The figures from Annex 3 have been used as a basis for projections to the end of the project. These projections, which are given in Annex 4, indicate that the various numerical targets in the logframe are likely to be equalled or exceeded. For example, the number of kilometres rehabilitated is projected to be 471 kilometres compared to the target of 300 kilometres. The actual cost per kilometre is projected to be slightly below

\(^{1}\) The labour is engaged under the terms set by the Code of Good Practice for Employment and Conditions of Work for Special Public Works Programmes established by the Ministerial Determination for Special Public Works under the Basic Conditions of Employment Act, 1997. This imposes a number of conditions on the employment amongst which is that there must by 2 days training for every 22 days worked. These days are used to provide training to workers that may prove useful to them after their period of temporary employment ends. During these training days the workers are paid 75% of the daily task rate. Under the Code task rated workers may be paid at a rate comparable to that paid for unskilled workers in the area and the minimum industry wage rate need not apply.
that derived from the logframe targets. However, the higher rehabilitation output is likely to lead to total construction costs of just over R 100 million compared to the current estimate of R 96 million. Also the total number of worker-days of employment created will significantly exceed the target, which looks set too low. A figure of 1,000,000 workerdays would be a more reasonable logframe target, even allowing for some contractors dropping out.

3 TECHNICAL ISSUES

3.1 Technical Support from ILO

Technical support for the programme has been drawn from a number of sources. Prominent amongst these is the International Labour Office (ILO) that has provided a team of three advisers to the NPRA. The experience of the ILO team in the use of labour based methods for road rehabilitation and maintenance has been an important factor in the successful implementation of the programme so far. The ILO/ASIST office in Harare has provided technical backstopping. Their knowledge and experience of the labour intensive works in many sub-Saharan countries as well as of the South African environment and its various previous special public works initiatives has enabled them to play an effective guiding role. The ILO Area Office in Pretoria has provided the necessary administrative support for carrying out procurement and other issues according to the ILO rules and procedures.

A good working relationship appears to exist between the ILO advisers and the NPRA staff. In the early stages of implementation the ILO team has played an important role in execution of the programme. The challenge now, and the ultimate measure of success of the ILO advisory team, will be the extent to which they are able to build the capacity in NPRA to implement the project without the need for full-time advisers.

3.2 DRR Lesotho as Training Provider

The Department of Rural Roads (DRR) in Lesotho has carried out the major part of the technical training. The rational for this was that, for the relatively small numbers of trainees required, there was no justification for setting up a special training programme in Limpopo Province. Lesotho was the nearest appropriate training facility. The OPR Team’s opinion is that this was a correct approach. There are many examples of projects that have developed expensive training facilities that remain under utilised due to a lack of realistic consideration of the long-term training needs.

In broad terms DRR Lesotho was an appropriate training provider. The physical environment was somewhat similar to Limpopo Province. They have a long history of carrying out labour intensive roadworks and established training facilities with model roads for site work.

3.3 Training Content and Delivery

There are some comments on the training of a minor nature and one or two of more fundamental importance. Taking the points of detail first, the DRR training staff was

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2 The low workerday target is not consistent with the target for kilometres output as it suggests too low a figure for workerdays per kilometre i.e. 500,000wd/300km = 1,667 wd/km.
unprepared for the low level of mathematics ability of the trainees. This necessitated incorporating a week of basic mathematics training at the beginning of each course. It is a matter of debate whether different criteria for the choice of contractor trainees would have avoided this.

A point made about the delivery of training was the large amount of wasted time by trainees waiting for lecturers to arrive. This may be due to the inexperience of DRR in delivering such a training course. An additional factor is that they used several engineers who were involved in managing site operations and these individuals were liable to be delayed by site issues requiring their urgent attention.

A final point was that there was some feeling that DRR did not effectively impart business skills to the participants. DRR is a government department and, as such, has to bring in trainers from outside for this part of the curricula. This part of the training might have been better sourced differently.

3.4 Method of Construction

There are two points on the training of a more fundamental nature. Firstly, there is a technical issue relating to the method of construction that was taught. This followed an established approach of first excavating and filling the road way to create a level bed, then digging the side ditches and using the excavated ditch material to form the camber of the road.

This approach was developed on the Rural Access Road Programme in Kenya in the late 1970’s and early 1980’s. It is appropriate for the rehabilitation of small roads (6 metres wide or less) where there are either no existing ditches or the existing road shape and side ditches have virtually disappeared. One of the strengths of this method is that it is an approach (not fully described here) that is relatively simple to execute through a series of standard steps and produces a good end result in most situations. However, it is less appropriate where the existing road has some shape and some side ditches. This is because it (a) uses more worker-days than strictly necessary and (b) disturbs the existing roadbed that is usually well consolidated under the passage of traffic. Methods have been developed for the labour-intensive reshaping of such roads that minimises the disturbance of the existing roadbed and results in much lower worker day inputs.

The reason that this is important is that the end result required is a capacity to carry out the periodic maintenance of existing gravel provincial roads carrying 100 to 200 vehicles per day. These are roads that are likely to have some shape and not be amenable to the amount of closure needed for excavating the full width of the road to a level bed. This appears to have been lost sight of in much of the project implementation. The question that the OPR Team asks is “why have the trainees not been trained for the work that they are ultimately required to do?” One response given was that it was thought best to train the contractors in a method that would work in most situations and then they could be trained in how to adapt this approach for higher trafficked roads with some existing shape later. Although this has some legitimacy, it would be good to see more planning for such further training. This needs to be addressed.

It is estimated that there is only sufficient workload on the periodic maintenance of provincial roads for about half of the existing contractors (i.e. 12). The remainder may find work rehabilitating lower trafficked roads similar to those used for the training and
trial contracts. However, the methods of construction taught may not even be entirely
suitable for this work. This is because the work is likely to fall under municipal councils
and budgets are likely to be tight. Given the relatively low levels of traffic, a lower cost,
spot improvement approach might be more appropriate. Although the techniques for spot
improvements are not significantly different to full rehabilitation, the overall planning,
organisation and resource management is different. The Review Team recommends that
consideration be given to providing some training to NPRA staff, consultants and
contractors in spot improvement works.

The main concern is that there appears to be some mismatch between the training given
to the contractors and the work in which they may eventually be involved.

3.5 Training Approach

A second fundamental point is to question whether the 14 weeks of training was too long.
This was the time spent in Lesotho including both classroom and on-site training. There
is some agreement that, for this type of project, most of the important learning happens
“on-the-job”. An alternative approach would have been to have reduced the initial
training and increased the on-the-job training and mentoring. Evidence of the need for
this is provided in the first report of the consultant appointed for mentoring the
contractors.

A mentor, RBPM, has been identified and has carried out a first audit of the contractors’
site operations. Although the OPR Team only saw the first draft of the RBPM report, and
this had not been commented upon by NPRA, some of the remarks made in the report
flag some potential issues of concern. One quote is, “Of special interest is the claim by
all that people are being paid on task rates – this is simply not true. All evidence shows
that no task measurement is being carried out and that people are paid on a day rate
basis.” Although this statement can be challenged – the OPR Team did see some
evidence of the use of task rates – it does reveal a potentially serious problem. The
contractors appear to be using task rates because they have been told to and not because
they believe in it themselves. This tends to be supported by another quote from the
RBPM report; “There was no attempt by any contractor to try to improve production by
one or other incentive scheme.” If the contractors have not grasped the fundamental
importance of the use of some form of incentive scheme for their workers to achieve
good productivity, the effectiveness of the training must be questioned.

The main point here is that there appears to have been a readiness to adopt a previously
used formula for training without serious consideration of other options. Although it may
be argued that the approach used is “tried and tested”, the results on site reveal that,
whatever the training did achieve, there is much still to be done to produce fully-trained,
labour-based contractors. In particular, continued contractor training should be provided
in resource planning, cash flow planning, competitive bidding and incentive setting. This
could be tied to the planned mentoring inputs. It should be short, in-service, practical
training.

3.6 Quality Control

The quality of the completed trial contract roads is good. However, there could be
potential problems ahead when the level of supervision is not quite as intense as on the
trial contracts. To quote again from the RPBM report, “It is not only the lack of testing
that is currently a problem – the environment of no quality awareness in which the contractors are being trained is of much greater concern. Unless halted, this bad practice is going to rub off on both contractor and consultant with disastrous results to the Employer in future.” There appears to be a general problem with the role and responsibility of the consultants’ staff. Their performance has not been good on the trial contracts. The OPR Team gained the impression that neither the consultants nor the contractors were very clear on the exact role and responsibilities of the supervision consultants. On the one hand, the consultants have been criticised for not “training” the contractors – a function that would compromise their supervisory and checking role. On the other hand, the contractors feel that there are so many people telling them what to do – Community Liaison Officers, NPRA staff, ILO advisers – that they see the consultants’ role as irrelevant. This is an issue that needs further discussion with all parties to arrive at a satisfactory resolution.

Although the roads are technologically simple, quality control is important. Straightforward checks on road gravel width and thickness as well as some density tests and gravel grading are necessary. The OPR Team has to ask, “Why are contractors’ certificates being routinely passed for payment without being supported with the required quality control forms?” The OPR Team feels that, by relaxing this requirement for whatever reason, the importance of quality control is being undermined. The approach used for the second batch of trial contracts, whereby initial operations focused on rehabilitating a short section of road to the required standard before moving on to any other sections, appears to have worked well.

4 GOVERNANCE AND INSTITUTIONAL ISSUES

4.1 NPRA Support for Programme

There is strong support for the programme from the CEO of the NPRA. The support is demonstrated in practical terms in the current budget allocation of R96 million (increased from R 52 million). The Finance and Contracts Section of the NPRA has a manager dedicated to ensuring the efficient payment of contractors. The NPRA has promoted Gundo Lashu as its flagship programme and the programme is prominent in the NPRA Annual Report for 2001/2002. The location of the programme outside the Engineering Section of the NPRA has, however, meant limited involvement of the Engineering Section. Also, the project budget is not yet included in the MTEF of NPRA and this is something that should be addressed before the end of the project.

The Engineering Section has indicated that it foresees no difficulties in assuming responsibility for the programme in the future, as the Head of the Engineering Section already advises Gundo Lashu on technical matters. The OPR Team is concerned that the Engineering Section may be underestimating the complexity of mainstreaming Gundo Lashu into the Engineering Section. It will be necessary to develop plans to ensure the smooth integration of Gundo Lashu.

4.2 Creating an Enabling Environment

The Provincial Administration has given the Gundo Lashu programme strong support, politically and financially. The MEC for Public Works and the Director-General of the Province have provided political championship for the programme. The Head of the Provincial Public Works Department has been the driving force behind the
conceptualisation of the programme and has committed resources to the NPRA to the extent that the provincial infrastructure budget allows.

The main contribution from the national sphere of government has come from the Department of Labour (DoL) in the form of the wage determination framework for “Special Public Works Programmes”. This has enabled Gundo Lashu to operate outside the minimum wage for the construction industry.

The Department of Labour’s contribution to the skills development component for workers appears not to have been entirely effective or well received. The DoL spent R1.2 million in 2002/2003 and has accessed R3 million for 2003/2004. The sequencing of training, access to workers for training and the content and relevance of training appear to be problematic. Workers at one site expressed satisfaction with technical training but were less forthcoming about other training, for example, entrepreneurship skills.

Of great concern is limited progress on HIV/AIDS training for workers, even though this was identified as a key element in the Gundo Lashu logframe. Training in HIV/AIDS was not provided last year as the DoL ran out of funds. The project team is aware of these deficiencies and is seeking to address this. Further comments on HIV/AIDS training are given in section 5.3 below. Workers receive 75% of full pay when on training. This is paid by the contractor and is deemed to be included in the contractor’s rates. Neither side is happy with this arrangement. The workers view the training days as a loss of 25% of earnings – indicative of the importance to this group of the paid work. The contractors view the training days as a loss of potential output, disrupting and delaying their site operations. Moreover, the contractors’ perception is that they are “paying” for training that is not of direct benefit to them. An alternative arrangement of separating training periods from construction periods and identifying training days for separate payment in the Bills of Quantities are examples of relatively simple changes that could improve the situation.

Political support from the National Department of Public Works (NPWD) has not translated into practical or financial support. The Limpopo Province Department of Public Works has been unsuccessful in accessing additional funds from the National Poverty Alleviation and Infrastructure Fund via the NPWD and the National Department of Transport. From the OPR Team’s discussions with the NPWD, it is clear that no Poverty Alleviation Funds will be made available. The Fund, which is under review by the National Treasury, is likely to terminate at the end of the current financial year and the proposed Expanded Public Works Programme announced by the President has to be funded from existing budgets such as the Municipal Infrastructure Programme. National departments have not been forthcoming in providing clarity on important policy issues – the National Department of Provincial and Local Government (DPLG) is yet to clarify the respective responsibilities of district and local municipalities in respect of roads; the National Department of Transport is still developing common criteria for the classification of roads; and the NPWD is yet to articulate the details of the Expanded Public Works Programme.

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3 Although it should be clarified that the contractors do not pay for the training courses, only the payments to their workers.
4.3 Budgetary Mechanisms

4.3.1 Maintenance

The NPRA has allocated funds this year to support the programme, but there is no clarity on the funding for the maintenance of the roads. Road maintenance remains the responsibility of the Limpopo Province Department of Public Works as it still has 2,500 permanent maintenance staff located in road camps across the province. The fate of these officials will only be known once the restructuring process (Resolution 7 of 2002), which has been agreed between the National Government and Organised Labour, is completed at the end of June 2003.

4.3.2 Sourcing additional funds

Infrastructure in the province has to compete with other programmes such as social security, education and health, which account for the largest proportion of the Province’s budget. The NPRA appears to have followed the conventional route (Provincial Treasury) to source funds and needs to develop a funding strategy to tap other potential sources of funding. Such a strategy could include obtaining the backing of the DPLG to convince municipalities to re-orientate their Municipal Infrastructure Funds; entering into partnership with the Umsobomvu Fund established to develop young entrepreneurs; entering into partnership with the National Development Agency to fund community participation and social facilitation. There are a number of options, but the appropriate choice would depend on how the NPRA positions the Gundo Lashu programme – is it primarily about building infrastructure or is it primarily a poverty alleviation programme?

4.4 Social Facilitators and Community Structures

Social facilitators have played a critical role in the programme, notwithstanding initial delays in their appointment. As interlocutors, they have enhanced the community’s understanding of the programme, guided the establishment of local project steering committees, and facilitated resolution of problems at community level. Their contribution has been acknowledged positively by various role players. The NPRA intends institutionalising the role of social facilitators in their future planning processes for all provincial roads. While the social facilitators have been of great value in small, local road projects, their role in larger road projects, which could involve a diverse range of stakeholders and be more remote from local communities, could have less impact.

Local Project Steering Committees (PSC) have been established in all the participating communities. They are responsible for identifying workers to participate in the programme and for monitoring of progress of the project at community level. Committee members are selected by the community under the guidance of social facilitators. Members receive a travel allowance of R50 per month (Polokwane) or actual travel expenses (Lepelle Nkumpi).

Community Liaison Officers (CLO) have been appointed by PSCs to resolve problems experienced by workers. Although there are guidelines for appointing CLOs, at one site visited by the OPR Team the appointment appeared to be very subjective. CLOs are required to be on site daily to check on attendance of workers and assist with any
problems that they may experience. They receive a monthly remuneration of R900. CLOs are required to follow a protocol for dealing with issues – first to be taken up with the contractor and, if unresolved, with the PSC.

While these local structures are in themselves useful, there is the risk of overloading the project with too many role players. Contractors potentially have to deal with CLOs, PSCs and social facilitators in addition to technical consultants, the ILO and other staff of the NPRA. There is also the risk that CLOs assume the responsibility of contractors for the day-to-day management of labour relations matters. Careful consideration will have to be given to how community participation is structured in larger projects so that the goals of community participation and the effectiveness of the project are not undermined by role confusion.

Another critical question is what happens to the PSCs and CLOs once work is completed in a particular area. Presumably, there will be no need for PSC meetings and daily site visits and this would mean a loss of income for CLOs and to a lesser extent the members of the PSC. Given the investment already made in building their capacity, it would be a waste not to utilise this capacity. Possible options include using the PSC structure as a community anchor for other local infrastructure programmes; using PSC to assist with the establishment of PSCs in other communities; using CLOs to train other CLOs.

4.5 Partnerships with Other Stakeholders

4.5.1 Local municipalities

A good partnership has emerged between Gundo Lashu and the two local municipalities in which works have been carried out. The municipalities have been involved in mobilising communities to participate in the programme, consultation with Traditional Leaders, assisted with the establishment of PSCs and in the case of Polokwane ward councillors serve as ex-officio members of the PSC. Ward councillors assist with problems that cannot be resolved by PSCs or by the social facilitator. The Polokwane Municipality is positive about Gundo Lashu and has allocated R3.8 million this year for four new labour-based roads projects. They have indicated the need for technical and management assistance from the NPRA. The municipalities identified two areas for programme improvement, namely, the need to be involved early in the programme so that they and the community have a say in the identification and selection of roads for improvement; and the need to involve Municipal Managers in the programme. The OPR Team did not meet with the District Council due to the latter’s unavailability.

4.5.2 Other government departments

Except for the departments discussed in paragraph 4.2, partnerships with other government departments are limited. There has been some engagement with the Provincial Department of Health and Welfare to introduce an organisation working in the micro-savings field, but this has not produced any tangible results. It may be worth exploring the potential for partnership with the department, as the latter is responsible for a significant proportion of the province’s HIV/AIDS programmes and poverty alleviation programmes. The provincial department could also benefit from the experience of the social facilitators, as this is a major challenge in its poverty programme.
4.5.3 Civil society organisations/NGO sector

Partnership with the NGO sector has been confined to the two organisations from which the social facilitators were appointed and the The South African Women In Construction (SAWIC).

SAWIC is a national organisation for women working in all areas of construction. It has 50 members in Limpopo Province and will be launched officially in the province this year. SAWIC has been invited to Gundo Lashu meetings to raise awareness about women in the construction industry. With an annual membership and registration fee of R360 per annum, membership is out of reach of the workers of the Gundo Lashu programme. No contractors in Gundo Lashu have joined SAWIC. Unless potential members can reap the benefits of networking, training and access to finance, SAWIC will not attract a huge membership.

Limpopo Province, compared to most other provinces, has a relatively small NGO sector. If the Gundo Lashu programme is expanded, consideration will have to be given to identifying suitable NGOs who are willing to work in the province.

4.5.4 Private sector

The NPRA has developed important but limited partnerships in the private sector. These relate primarily to ABSA Bank regarding financing and to RBPM regarding mentoring of the contractors. A new relationship is in the process of development with CSIR for technical assistance in alternative surfacing materials and training in materials testing and quality control.

ABSA Bank has proved a supportive partner in developing workable financial mechanisms for small-scale contractors. This has assisted both in the purchase of a limited amount of vehicles and equipment (one pick-up and two pedestrian operated rollers per contractor) and in providing banking and performance guarantee facilities. Although the conditions imposed on the contractors are still quite restrictive, they represent a breakthrough in what was previously possible for small contractors with little or no collateral. ABSA has been prepared to be innovative in its approach. The end result is the launch of a new “product” in ABSA Bank aimed at small businesses based on the Gundo Lashu experience.

A recent development has been the appointment of RBPM to carry out an audit of the strengths and weaknesses of each contractor’s management and organisation. RBPM is a project management firm headed by a highly experienced ex-contractor. The extremely practical advice provided by this consultant appears potentially very constructive. A continuing relationship of this nature with a suitable individual or firm in a longer-term mentoring role could address some of the evident weaknesses of the contractors and better prepare them for surviving in the tough and competitive world of contracting. It could also alert the NPRA to potential problem areas and assist in developing robust contract control and site supervision procedures.

4.6 Influence of Gundo Lashu

All role players interviewed were very positive about the programme and were convinced that the programme has achieved two important objectives, namely, produced roads and
provided income to poor people who would otherwise not have income. The Polokwane Municipality is sufficiently convinced by the programme as demonstrated by their allocation of funds to introduce the programme in other localities in the municipality. The NPRA has allocated funding and staff for the programme and, while there is commitment to mainstream the programme, it is too early to assess the extent to which the Engineering Section will adopt labour-based methods as a preferred method.

The programme has the potential to influence decision-makers at the national level and perhaps in other rural provinces if the decision-makers had greater understanding of the programme. The National Minister of Public Works has made positive pronouncements about the programme and the NPWD sees the programme as innovative. Other key departments such as the National Treasury, DPLG, the Department of Labour and the Department of Transport need to be brought on board through a comprehensive communication strategy. The Expanded Public Works Programme and labour-intensive methods are on the agenda of the forthcoming Growth and Development Summit and at least one labour organisation (FEDUSA) is putting forward proposals on labour-intensive programmes.

5 SOCIAL DEVELOPMENT ISSUES

5.1 Support for Social and Economic Benefits within NPRA

There is recognition within the NPRA that the delivery of social and economic benefits is a vital part of the programme. But there is still some sense technical issues are accorded greater significance than social ones. This perception may in part be the result of the fact that the NPRA Social Development Manager has suffered from serious health problems. This unfortunate state of affairs, despite the considerable efforts on the part of the Social Development Technical Assistant, has led to the slow development of a core of capacity relating to social issues within the organisation. As a result there appears to be limited capacity either to effectively monitor the work of the social consultants or to provide innovative responses to emerging challenges without heavy significant assistance. The OPR Team, therefore, supports the NPRA’s intention to recruit an additional social and institutional project manager in order to build capacity in this area.

5.2 Quality and Relevance of Models and Programmes

The programme has been planned within a substantial understanding of the socio-economic context of rural communities in the region. Considerable emphasis is placed on the potential impact on wages, training and new forms of savings associations in both poverty alleviation and economic development. These are plausible assumptions but the modelling of the likely impact of temporary wages on household and local economies remains rather hazy. Limited consideration has been given to what kinds of non-technical training would be most beneficial to the diverse participants in the programme. More effective community consultation and the implementation of well designed systems of monitoring and evaluation will be essential to building a better understanding of these dynamics. The same observation applies to the proposed emphasis on savings and credit co-operatives. This well meaning initiative appears to have been conceived in a somewhat top down fashion without adequate attention being paid to the priorities of the workers, possibility for saving afforded by the programmes, and the role of the multitude of pre-existing forms of savings associations within rural communities.
More broadly an issue that needs to be kept in mind is the danger of overloading programmes with diverse objectives which might detract attention from core objectives. The strength of Public Works Programmes lies in their combination of temporary employment with asset creation. They are not necessarily appropriate vehicles for multifaceted rural development initiatives and the objectives that are designed into programmes need to bear this in mind.

5.3 HIV/AIDS

A policy framework has been created in which considerable emphasis is placed on providing HIV/AIDS training as part of the programme and, although progress has been made in securing appropriate training materials, there has been very limited delivery of training thus far. Representatives from Department of Labour, which funded and facilitated the training, reported that they had insufficient funds to provide substantive training for the first round of projects. Some reference was made to HIV/AIDS in the introductory training provided to workers and free condoms have been distributed to them during the course of projects. But it is very difficult to gauge at this stage what impact, if any, this has had on participants in the programme, not least because there is no record of their attitudes when they entered the project. When asked about training, a substantial group of workers made no mention of HIV/AIDS. Equally there is as yet very little information or even enquiry into the impact that the prevalence of HIV/AIDS in local communities is having on the programme. There are, however, indications that more attention will be paid to these issues in the future. It should be noted that much more highly resourced and focussed interventions around HIV/AIDS have battled to be effective and unrealistic expectations should not be attached to this project.

5.4 Targeting

On average, approximately 51% of workers have been female, 58% youth (18-35 years old) and 1% disabled.

Effective methods, including meetings and strategically distributed posters, have been developed and implemented for making communities aware of the availability of jobs. And a system of Project Steering Committees and Community Liaison Officers has been developed which plays a key role in community mobilization and monitoring. It appears to have been difficult to achieve the desired level of participation of women. A system of final selection of workers has been implemented using appropriate numbers of “yes” and “no” papers in boxes which appears to work reasonably effectively in ensuring targeting objectives are broadly met and that the outcomes are perceived to be fair within communities.

There are, however, some issues which need further thought. There is a relatively high turnover of labour on these projects, especially in the early stages when some workers find the physical labour demands too arduous. It does appear that the procedures for selecting replacements are not as rigorous as for the initial selection, which possibly allows individuals connected to CLOs or existing workers preferential access to employment.
It also appears that attempts to conform to a preset targeting formula may in fact be limiting the participation of women in the projects and inflating the employment of youth. In some areas insufficient numbers of adult men have presented themselves for employment to fill their quota. In order to match the prescribed ratio for male participation, additional numbers of young men have been hired, thus increasing the ratio of youth on projects. Local facilitators suggest that, in the absence of these quotas, a considerably larger proportion of women would be employed, although this remains to be verified in the field. It is possible that the less complex method of targeting by wage rate alone, together with tightening procedures for recruiting replacement labour, would be a more effective technique for achieving a high participation of women.

The insistence on identity documents in order to be eligible for employment is an understandable response to the possibilities of fraud. But it may also be that not having an identity document is an indicator of relative poverty. Although ID document have not been a problem so far, this should be borne in mind when moving to other areas.

Apart from gender and age ratios a number of subsidiary criteria are specified both in the Regulations for Special Public Works and the Social Facilitation planning documentation for the programme. These do not, however, appear to have been used in a systematic fashion. This is understandable given the already cumbersome nature of the process, but it does mean that local perceptions of who are the deserving poor have played a critical role in shaping access. The nature of these perceptions requires further exploration and the extent to which the poor have been targeted needs to be evaluated by alternative forms of assessment. Fortunately, such an evaluation is currently underway.

5.5 SMMEs and Other Economic Activity.

There is anecdotal evidence that local economies have experienced a degree of stimulus from projects but there is as yet insufficient evidence to reach firm conclusions about the effects.

5.6 Applicable Laws and Safety Standards.

It appears that the projects have broadly conformed to the framework established by the Code of Good Practice for the employment and conditions of work for Special Public Works Programmes. There does, however, appear to have been failure on the part of some contractors to provide adequate supplies of protective clothing and to maintain functional first aid kits, despite provision having been made for this in their contracts.

6 PROJECT MANAGEMENT ARRANGEMENTS

The effectiveness of project management arrangements is assessed as a broadly satisfactory. This judgement is made in the light of NPRA as a new and developing department. Thus, the appointment of ILO by DFID has proved a practical solution to the problem of getting the project off the ground at a time when NPRA capacity was quite limited.

The overall project Steering Committee reportedly now works well. This is after some initial problems when it had wider stakeholder participation. The Steering Committee meetings are complemented by less frequent Stakeholder Meetings to inform, consult and
discuss the project with a wider stakeholder audience. This arrangement appears successful.

Reservations are that the current arrangements are not optimal for the development of capacity in NPRA. The ILO is responsible for the management of the DFID support including organising training, recruitment of consultants, etc. For this ILO uses its own internal procedures. It would be much better if future project management arrangements could work with (and help develop) NPRA’s own procedures.

There have been some delays in the project. The most significant have concerned the delay in setting up arrangements for training with DRR, Lesotho and the appointment of the Social Development Technical Adviser by ILO.

Although the process was much longer than anticipated and eventually required even a presidential assent, the partnership arrangement with DRR Lesotho is viewed as positive by most parties. Even the lengthy process of achieving this agreement is viewed as a valuable learning experience.

The delay in appointing a social development advisor has been disruptive, especially as the first candidate only stayed a short time and had to be replaced. In retrospect perhaps ILO was not well suited to make this appointment, although, on balance, having this advisor as part of the same ILO team, rather than appointed separately, probably has been beneficial.

7 IMPACT MONITORING AND EVALUATION

7.1 Review of Monitoring and Evaluation System

It was established at the outset that a guiding principle of the programme was the need for replicable and cost effective systems of monitoring and evaluation which would be based on easily measurable indicators which would establish the extent to which the livelihoods of the individuals and communities involved in the programme have been influenced positively or negatively over time.

It has, however, proved difficult thus far to put these admirable objectives into practice. One difficulty has been creating a credible baseline against which to measure impact. It was hoped to use official statistics along with local sources of data – schools, clinics, etc. – but local data sources proved incomplete and problematic, while official statistics were too aggregated to convey local conditions.

These resources were to be supplemented by the use of a range of techniques drawn from participatory rural appraisal (PRA). But this approach also ran into difficulties – especially in creating a baseline or measuring change - as PRA techniques, while not without some value, are much more effective in exploring qualitative dimensions than in measuring change.

As a result establishing credible baselines on the key indicators (OVIs) relating to livelihood improvement and establishing ‘easily measurable indicators’ of impact and cheap replicable systems of monitoring and evaluation has not yet been achieved. There appears to be some lack of clarity within the NPRA as to how these problems are to be overcome.
7.2 Scope for Development

The are currently developments which may assist in resolving some of these difficulties. The material collected thus far has been sent to a Consultant for analysis and recommendations. A targeting and anti-poverty study has also been commissioned. This will include a carefully conceived and substantial questionnaire. This is clearly not the quick, cost effective and clearly replicable monitoring tool envisaged. But it has been designed with these issues in mind and its results should contribute to the development of a ‘programme specific, ongoing monitoring tool that is quick, cheap and easy to administer.’

There is also further scope for the use of participatory rural appraisal methodologies - for example life/ family histories - to explore more deeply the impact that the programme has had on specific individuals, households and communities. Rich, qualitative material of this kind can be very effective at communicating the impact of projects to non-specialist audiences. It can also as provide important insights into the specific processes that have resulted in both positive and negative outcomes.

8 REVIEW OF RISKS AND ASSUMPTIONS

8.1 Existing Logframe Risks and Assumptions

The logframe assumptions and risks are shown in Table below. It is to be noted that there is considerable repetition in these assumptions.

<table>
<thead>
<tr>
<th>Logframe assumptions and risks</th>
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<tr>
<td><strong>To Sustain Goal</strong></td>
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<tr>
<td>• Conducive legal and regulatory framework for LBM.</td>
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<td>• Political support for LBM</td>
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<tr>
<td>• Acceptance of LBM by all stakeholders.</td>
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<td>• Willingness of stakeholders to participate.</td>
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<tr>
<td>• Further funding can be sourced for additional training</td>
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<tr>
<td><strong>Purpose to Goal</strong></td>
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<tr>
<td>• Allocation of adequate resources (financial, human and time) and provision of facilities</td>
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<tr>
<td>• NPRA supports and embraces the programme</td>
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<tr>
<td>• Integration of LBM in plans and budgets of NPRA-MTEF-Municipalities</td>
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<tr>
<td>• Acceptance of LBM by all stakeholders.</td>
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<tr>
<td>• Willingness of stakeholders to participate.</td>
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<tr>
<td><strong>Output s to Purpose</strong></td>
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<tr>
<td>• Acceptance of LBM by all stakeholders.</td>
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<tr>
<td>• Willingness of stakeholders to participate.</td>
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<tr>
<td>• Conducive legal and regulatory framework for LBM.</td>
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<tr>
<td>• Political support for LBM</td>
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<tr>
<td>• Interest in drawing lessons by actors in other provinces and in the municipalities</td>
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In general, these assumptions continue to hold. In particular, the support for the use of labour-based methods at both the political level and within NPRA continues. The necessary resources have been found and facilities required have been provided for the project as and when necessary. There appears to be a general willingness amongst the main stakeholders to actively participate and a growing acceptance of the use of labour-based methods, especially as confidence builds through the implementation of the project. The legislative and regulatory framework has not hindered the use of labour-based methods and the current assessment is that, due to the growing imperative to create jobs nationally, this situation is likely to continue.

There is not yet a formal integration of labour-based methods into plans and budgets. However, the periodic maintenance of provincial gravel roads currently appears reasonably secure as a source of work for at least some of the trained labour-based contractors. Routine maintenance of provincial roads may provide a modest but growing workload. There are positive signs of potential work from the municipal authorities but this is not, as yet, firm. Small, emerging contractors need a continuous and steady flow of work if they are to survive and, eventually, flourish. This has proved a problem in many other countries. As a project ends, there tends to be a drying up of work for the newly trained contractors who gradually move back into other areas of activity. This situation needs careful monitoring.

8.2 Other Risks and Assumptions

Other risks are that raised expectations of the project may not be fulfilled leading to some disillusionment with the use of labour-based methods. The project is aiming for a long-term solution and not a quick fix. The extent to which the necessary support can be sustained over a longer period is open to question. A new contractor typically needs support over a 3-5 year period to become established. The current project design does not accommodate this.
9 DONOR COORDINATION

The project has been open to links with other donor-supported programmes, including other DFID funded programmes, but there is little concrete achievement on donor coordination as yet.

The linkage with the Integrated Provincial Support Programme (IPSP) only existed in the preliminary phase when the IPSP was used to develop a model for outsourcing and commercialisation of road works, which led to the establishment of the NPRA. The original intention for the IPSP to deal with the contracts was superseded by the requirement to follow ILO procurement procedures. The IPSP Co-ordinator maintained that any in-depth involvement was not practical given the limited capacity within the IPSP project office. There is an informal arrangement between the Gundo Lashu Project Manager and the IPSP Co-ordinator to brief each other from time-to-time. The absence of formal linkages between the IPSP and Gundo Lashu does not seem to have had a detrimental effect on the programme. There are benefits to re-establishing the formal linkage as the programmes could share lessons, for example, in management and service delivery improvement processes.

There was some discussion with the European Union regarding one of their planned programmes in Limpopo Province. Eventually it was decided that Gundo Lashu did not fit with their programme approach. This illustrates the need to be involved early in the project/programme preparation process to have significant influence on other programmes.

Good donor coordination needs a suitable forum. If there were a number of donors supporting NPRA, this could occur within NPRA. As this is not the case a higher level point of contact is needed – this could be some form of provincial level forum? The Stakeholder Workshops organised by NPRA provide a good point of contact and perhaps represents the limit of what NPRA can do in this regard.

10 EXTENSION/REPLICATION OF THE PROGRAMME

10.1 Background and Case for Replication or Expansion

There is renewed interest in labour intensive public works programmes in South Africa. The Government has an emerging emphasis on a national expanded Public Works Programme and employment intensive initiatives.

In December 2002 the 51st National Conference of the ANC resolved that an Expanded Public Works Programme must be a major priority. It should be designed to make a significant contribution to reducing unemployment and providing livelihoods for the poor, women, youth and people with disabilities. A key focus should be on providing infrastructure, in particular basic social and municipal services, through labour intensive methods to maximise job creation and skills development.

The State President has strongly endorsed this position and the need for a Labour Intensive Public Works Programme appears to be the one likely point of consensus between government, labour and business at the Growth and Development Summit to be held in June 2003.
This emphasis has also led to some consideration being given to a range of programmes as possible means to rapidly develop such a programme - the favourite candidates include the Zivuseni Programme in Gauteng, the Zibambele Programme in KwaZulu/Natal and the more nationally focussed Working for Water Programme. Gundo Lashu is has also regularly been mentioned in this context. But, while Gundo Lashu is being touted as a model, there appears to be some confusion over the nature of the programme with the idea that it is a short-term programme, or at least is a candidate for rapid expansion.

There are several difficulties with this idea. As already stated, the programme is based on a long-term process of selecting, training and nurturing/ and protecting labour-based contractors. Capacity in all of these areas is not readily available in the wider society and, if this model is to be extended or replicated, considerable additional capacity will have to be built up over time.

The model is also still in an early stage of implementation, and as noted above, there are question marks over how many of these contractors will survive the transition to free market conditions. A high attrition rate may mean that this is a rather slow and relatively costly means of expanding labour intensive public works programmes. The different elements of the model may need to be rethought e.g. different processes of selection, training and support may need to be implemented. There may need to be more careful thought on what kinds of roads should be targeted with what sorts of methods e.g. more emphasis on simpler operations with widespread application and potentially high labour content such a routine maintenance of roads.

Critical to any expanded labour intensive public works programme is the provision of adequate funding that is effectively committed to labour intensive public works. For example - Gundo Lashu in terms of the budget available to the NPRA has little room for significant expansion. But at present the sources of additional funds and the nature of appropriate funding mechanisms remain opaque. Existing special funds, such as the Poverty Relief Funds, are currently being closed down by the Department of Finance, which does not see any role for special funds in the future. While not unsympathetic to labour intensive public works programme in principle, and committed to significant expansion on expenditure on infrastructure over the next decade, the Department of Finance believes that spending should be managed at the appropriate levels of government. But there are considerable doubts about the capacity under current conditions of, say, municipalities, which would be obvious additional clients for the Gundo Lashu programme- to either ring fence sufficient funds or to override entrenched interests in order to implement labour intensive public works programmes.

It is being argued in some quarters that one way round this problem would be to make part of the allocation to municipalities, and perhaps provinces and line departments, in the form of conditional grants that could only be spent on labour intensive public works programme. But it remains to be seen if these suggestions will receive a sympathetic hearing.

Even if conditional grants are implemented, the problem of management capacity remains – particularly at municipal level. Building this capacity on a piecemeal basis could be very slow. So if programmes along the lines of Gundo Lashu are to be expanded and replicated at this level with any degree of speed, initial assistance will have to be provided on key issues, perhaps from a more centralised and capacitated agency.
Of critical importance to an expanded public works programme will be the relationship between short and long terms programmes. With an election in the offing, there are strong pressures for rapid and visible delivery of jobs. Trying to use Gundo Lashu in that role would clearly be an error. But if the expanded public works programme is built around a conception of short term projects which help to prepare the way for a programme with a long term focus, then the lessons learned from the implementation of Gundo Lashu could play a vital role in building a substantial programme of labour based road construction and maintenance in South Africa.

The planned replication and expansion workshop (logframe output 4) should be held once the national government’s strategy on job creation is clearer. This could be after the June 2003 Growth and Development Summit.

10.2 Regulatory Aspects

Of possible concern is the impact of large-scale, labour-intensive public works programmes on the wider labour market.

Currently the Code of Good Practice for Employment and Conditions of Work for Special Public Works Programmes regulates the wage rates paid under the Gundo Lashu programme. Under this a rate per “daily task” of R30 has been established. This is significantly below the minimum wage of R50 per day for the construction sector in Limpopo Province. Because a minimum of 2 days training has to be provided for every 22 days worked and this is paid at 75% of the daily task rate, the effective rate per productive day is R32.25.

The perception of the trainee contractors is that the wage rates enforced under the programme are too low. This is not based on the difficulty of finding labour, or on the difficulty of controlling the labour force and achieving the necessary productivity. Rather, it is their perception of the strenuous nature of the work in comparison to the financial rewards offered. As the contractors have not yet had to work under competitive bidding situations, this is unlikely to represent a longer-term view.

Although all workers would like more pay, there appears to be no general feeling that the wage rate is at an exploitative level. In interviewing a small sample of labourers on site, it was found that few had had employment immediately prior to the project. Those that had worked previously had worked for wages as low as R13.50 per day.

The conclusion drawn is that the wage level paid may draw a few workers away from other work that is very poorly paid and, presumably, not complying with labour regulations. The majority are likely to be drawn from the large pool of unemployed. Thus, the assessment is that there is considerable scope for an expanded programme in rural areas without causing major disruption to the local labour market.

10.3 Documentation of Site Operations

Documentation of site operations and production of promotional material is foreseen under output 4 of the logframe. This would help to capture lessons learnt and

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4 The minimum wage does not necessarily imply that this is what is being paid throughout the construction sector.
5 Calculated as \((20 \times R30 + 2 \times R30 \times 75\%) / 20 = 645 / 20 = R32.25\)
disseminate this to other projects. This looks like a good idea but should be started soon and not treated as an end of project activity.

11 CONCLUSIONS

The overall conclusion of the output to purpose review is that Gundo Lashu is a well-conceived and potentially successful project. It is on track to substantially achieve its logframe outputs and the key assumptions remain valid. The project purpose of “establishing labour based methods in road maintenance and rehabilitation within Northern Province Provincial roads and ensuring the viability of labour-based methods in the South African context” should be achievable, at least in the short term.

The OPR Team have the perception that, amongst the various stakeholders, there are differing views of the project’s objectives. This risks overburdening the project implementation and obscuring the key project purpose and strategy. There are also some question marks over the longer-term sustainability of the labour-based contractors, and hence of the project purpose.

11.1 Clarification of Project Objectives and Strategy

The project concept does not appear to be understood in the same way by all stakeholders. This is of fundamental importance as differing perceptions of the key project objectives lead not only to confusion but also to internal tensions and potentially wasted effort. The project memorandum and logframe should be the definitive documents, but these are not really clear enough.

As understood by the OPR Team, the concept of the project is as follows.

- The Limpopo Province Department of Public Works wishes to redirect part of its existing expenditure on roadworks towards labour intensive techniques, thereby creating employment in rural areas.

- The chosen part of the budget is the periodic maintenance of provincial roads focusing on gravel roads that carry around 100 to 200 vehicles per day.

- The implementation of these works is managed by its implementing agency, NPRA. The works themselves are to be contracted out to the private sector.

- As no capacity currently exists in the private sector for carrying out labour intensive roadworks, this has to be created under the Gundo Lashu project.

- The target beneficiaries are unemployed rural people. There is a large pool of such labour and, furthermore, opportunities exist for targeting recruitment towards poor people.

- The labour-based contractors, who are to be trained and developed, are the means by which employment for the unskilled rural poor is to be created.

6 In fact, the routine maintenance of provincial roads would have been an obvious and simpler choice for the application of more labour intensive methods. However, these roads are currently looked after by the Department’s permanent work force under arrangements that are difficult to change in the short-term.

7 The average unemployment rate in rural areas of South Africa is over 40%.
There are 22,000 kilometres of provincial roads in Limpopo Province of which 15,000 kilometres are gravel. Based on the projected future budget, there is likely to be sufficient work to sustain at least 12 labour-based contractors. Based on a typical failure rate for small businesses of 50%-60\%, 24 potential contractors have been selected for training.

The national constitution does not allow “setting aside” contracts, so these contractors will eventually have to compete for the works, although some preference is allowed in tender evaluations for meeting specific goals such as job creation.

The OPR Team’s opinion is that if these conceptual issues had been firmly kept in mind during the implementation of the project, different decisions would have been taken. For example, the choice of potential contractors for training would have been guided primarily on the basis of individuals who would be most likely to survive as labour-based contractors in the longer term. This implies some entrepreneurial skill and, preferably, some technical/construction background. The impression is that this was not the case.

Now consideration has to be given to the future. This presents an opportunity to re-think and re-focus the implementation strategy.

11.2 Future Sustainability

Gundo Lashu has already been successful in demonstrating the viability of labour-based roadworks. Various individuals interviewed by the OPR Team at local, provincial and national levels have expressed a positive change in attitude towards the use of labour-based methods. There is an increasing acceptance that these methods can create employment without compromising the quality of roadworks produced.

It is too early to assess the full impact on the rural communities. However, there appears to be a very positive response from rural people. Although they are appreciative of the improved roads, the major benefit appears to be the employment opportunities.

The project has now started to generate high expectations. The challenge is to see how these expectations can be realised in a way that is sustainable in the longer term. The establishment of the contractors remains a key part of the strategy for sustainability. Currently they operate under the shelter of the NPRA and it is difficult to assess how they will fare in the open market. However, the limited evidence available is not too reassuring. The development of the contractors will only be partially complete by the end of the project in 2004. A strategy is needed for nurturing these contractors through the following 2-3 years. This might include mentoring, short and specific training in areas of weakness, preferential treatment in tendering procedures, specific designs for labour-based methods, etc. The training of more contractors should not be contemplated until there is a proven demand e.g. through the use of CMIP funds.

\footnote{Figures quoted by ABSA Bank Business Division.}
11.3 Social Facilitation

The social facilitation has worked well and should continue in some form. The approach should be simplified to make replication easier. It appears that this should be possible without losing the main benefits of the social facilitation.

11.4 Engineering Consultants

The engineering consultants trained under the project are under-performing. However, their role in the future is important. The quality of the labour-based work will eventually suffer if trained consultants are not in place. Moreover, NPRA will have to rely on these consultants for contract preparation and site supervision, as it does not have the in-house capacity for these tasks. It is possible that the situation will improve naturally during the implementation of the standard contracts. But the OPR Team had the feeling that things will have to change, e.g. clearer lines of command, if significant progress is to be made.

11.5 Workforce Training

The training offered to the workforce through the DoL needs drastic re-organisation.

The training periods should preferably be arranged separately from the construction works. Perhaps each worker could “earn” a certain number of training credits. These could then be “spent” by the worker or a substitute close family member on training over which they had some choice.

There should be a distinction between life skills training and training aimed at future employment prospects. Life skills training must include HIV/AIDS awareness training for as wide an audience as possible. Training for future employment prospects needs to be more rooted in reality. Giving the trainees some choice could assist in ensuring that the training offered is more relevant and immediately useful.

If paid by the contractor, payment for training days should be separately identified in the bill of quantities. Payments for worker training will then be explicit to the contractors and NPRA will only pay for the training days actually used.

11.6 Recommendations and Lesson Learnt

Although still in the relatively early stages of implementation, there are a number of lessons learnt which are contained in the preceding text. The OPR Team has also made a number of recommendations in the text that are aimed at improving the effectiveness of the project and increasing its chance of success. These are collected in Annex 5 for ease of reference.
ANNEX 1: Terms of reference
Output to purpose review of Limpopo Province Labour Intensive Rural Roads Maintenance Programme (Gundo Lashu)
May 2003

1 Background and context of Gundo Lashu

The Northern Province Roads Agency (NPRA) was established by the Limpopo (then Northern Province) Legislature in 1998, as a public company owned by Government. The main aim was to improve the provision and maintenance of road infrastructure by commercializing the management of the provincial road and bridge network, using the private sector to carry out the works. The NPRA has, in many respects, served as a pilot for other provinces in South Africa. Of particular interest is the Agency's focus on labour-based and labour-intensive methods of road construction and maintenance as a means of promoting rural development and alleviating poverty. It was this commitment that prompted the U.K.'s Department for International Development (DFID) to explore support for a Community Based Public Works Programme in the Limpopo Province, which would focus on labour-intensive rural roads rehabilitation and maintenance. Engagement at national and provincial spheres of government resulted in a working relationship between:

- **DFID** - who has allocated £1,530,386 for Technical Assistance and Training Services;
- **NPRA** - the implementing agent who has allocated R96 million to be used exclusively for contracts to be awarded to trainee contractors and has committed longer-term funding to the programme;
- **Limpopo Department of Public Works (LDPW)** - who appointed NPRA to implement the programme in line with its operational mandate and retains a strategic oversight and direction role in the programme;
- **International Labour Organisation (ILO)** - the managing agent who provides Technical Assistance, advice and training for successful programme implementation; and
- **Department of Rural Roads in Lesotho (DRR)** - the entrepreneurs, consultants’ engineers and technical assistants and technician training service providers, through their contractor development programme.

The Northern Province Labour Intensive Rural Roads Maintenance Programme was implemented during 2001 and officially launched as a Special Public Works Programme, "Gundo Lashu", in the Limpopo Province in October 2002.

Gundo Lashu aims to support the achievement of the GoSA's Integrated Sustainable Rural Development Strategy (ISRDS) and Limpopo Province's Growth and Development Strategy (PGDS), and specifically the priority areas of job creation, poverty alleviation, SME development, improving transport infrastructure in poor and previously disadvantaged rural areas, and increasing the mobility and accessibility of the rural poor.

The vision of the programme is to establish labour-based methods as the technology of choice in rural infrastructure provision and maintenance to contribute to the uplifting of communities and individuals previously deprived of opportunities and basic needs.

The programme was designed to train 24 emerging contractors who would, in the first three years of the programme, rehabilitate some 300 - 500km of rural roads and create at least 500,000 worker days of meaningful employment in the process.
Gundo Lashu is into its second year of implementation. The 24 emerging contractors have undergone training, and have started work on trial-contracts in four pilot sites, Mankweng, Lebowakgom, Bochum and Jane Furs respectively. The first twelve contractors are near to, or have just completed their Trial Contracts (Mankweng and Lebowakgomo) whereas the last twelve started their Trial Contracts on 19 March 2003. It is thus an opportune time to undertake an output to purpose review of this first phase of the programme.

2 DFID’s plans for work in Employment Promotion

In the last two years DFID SA has reviewed its approach to providing support to the development of the countries of southern Africa and proposes to focus its support to a series of theme areas. One of these is described as “Growth Jobs and Equity”.

Under this theme DFID SA hopes to help the countries of southern Africa to enhance their economic development in such a way as to focus on the poor. Two areas of support under this theme are already underway, focusing on access by the poor to financial markets and to commodity markets. A third area of support to land markets is currently being studied.

A fourth area of support is being considered and is at an early stage of design. This will, if it is taken forward, provide support to the development of labour markets, again with a strong emphasis on the poor. Gundo Lashu predates this planned support programme, but clearly operates in the same area of activity and may in the future be considered part of a much wider Employment Promotion programme. DFID wish to take the opportunity for this review to inform the design of the proposed programme of support to labour markets.

3 Structure of the terms of reference

The rest of these terms of reference are structured as follows:

* Purpose of the Review
* Approach to carrying out the Review
* Review inputs and focus areas
* Proposed membership of the Team
* Timetable
* Reporting.

4 Purpose of the review

The purpose of the review is to:

a) Assess the level of achievement of outputs agreed in the Gundo Lashu logframe and initial Project Memorandum, in particular whether the Programme is on track to achieve its purpose and the extent to which the outputs are contributing to the achievement of the purpose;

b) Make recommendations for any revisions required to the Programme Business Plan and logframe;

c) Inform current discussions within DFID on whether a similar programme could be replicated wider in South Africa, and to what extent this programme links to the emerging Labour Markets theme area in DFIDSA;

d) Explore the implications of the programme for the wider labour market.
5 Approach

The Review will be carried out through a series of meetings with key representatives from all key stakeholders at both technical and official level. Various documentation will inform this process, including the logframe, policy documents relevant to project outcomes, strategic plans, progress reports, reports of consultancy studies and surveys, and other existing monitoring reports.

A programme of meetings with key individuals or groups will be set up in advance. It is proposed that, at the beginning of the Review, the NPRA and ILO Technical Team will brief the Review Team on project implementation and key constraints to their work.

Prior to the completion of the Review, the Review Team will present, verbally, initial feedback on their observations. The Review Team, DFID and NPRA will agree the timing and format of the feedback.

6 Review inputs and focus areas

The overriding concern of the Review Team will be to review the logframe for Gundo Lashu, but the following areas of particular focus are suggested:-

Technical inputs

Review effectiveness of the Project Team considering, inter alia, the following
- The relationship between the Technical Team provided by the ILO and the NPRA staff members on the Team.
- The effectiveness of the backstopping provided by ILO Assist in Harare.
- The effectiveness of the support provided by ILO in Pretoria and Geneva.
- The extent to which all necessary technical and contractual skills are provided within the Team and it supporters. (addressing the issue of whether there may be a need to expand or enhance the Team.
- The extent to which DRR Lesotho was able to provide effective training.

Governance and Institutional inputs

Review governance and institutional aspects impacting on the implementation of the programme, considering, inter alia, the following:
- The extent to which the NPRA supports and embraces the programme;
- The extent to which the NPRA, LPDPW and national government are contributing to creating an enabling environment to ensure the necessary resources and capacity to implement and internalise the Programme;
- Address whether budgetary mechanisms are in place for the ongoing maintenance component and whether capacity will be in place for this to be done by local communities;
- The role played by the social facilitators and community structures and the types of issues and/or conflicts that have had to be addressed.
- The extent and nature of NPRA's partnerships with other stakeholders, including National Departments, Provincial Departments, Municipalities and District Councils, the private sector and civil society, and how this contributes to the implementation of the programme.
- The extent to which the practical application of the project has already influenced the attitudes of decision makers and practicing professionals at provincial and national level, or has the potential to influence them in the future.
Social Development inputs

Review initial social and economic aspects of the programme, with reference to the OVI’s, and using the following criteria:

- The extent to which the social and economic benefits of LBM are supported and embraced by the NPRA;
- The quality and relevance of social development models, policies and programmes being proposed or implemented through the Programme, and the extent to which these are resourced within NPRA and other implementing agencies;
- The extent to which HIV/AIDS is mainstreamed into the Gundo Lashu Programme and workplan of the NPRA, and the impact of HIV/AIDS on the programme addressed;
- The extent to which specific targets for intended beneficiaries (women, youth, disabled) have been achieved, how this was achieved, and to what cost/benefit.
- The extent to which the road-building activity has created opportunities for complementary local SMME or other economic activity within the local economy.
- The extent to which the applicable laws and labour standards were applied.
- Draw a theoretical comparison between workers’ rights under a Special Public Works Programme and rights under mainstream “normal” works programmes.

Project management arrangements

Assess the effectiveness and efficiency of project management arrangements:

- Role and functioning of current programme management arrangements to provide lessons for DFID for similar initiatives,
- Assess progress achieved and where significant delays have occurred and describe the reasons for the delays.

Monitoring and evaluation

- Assess the quality and effectiveness of arrangements for monitoring the impact of the programme and its potential for mainstreaming within the NPRA system.

Management of risks

- Review the original risk analysis and assess management of the risks.
- Identify any new risks that have emerged since project design and in the light of implementation experience give recommendations for partners on managing them.

Donor coordination

- Examine the extent to which this Programme links and engages (or should link and engage) with other DFID-funded initiatives, e.g. IPSP, Limpopo Province Restructuring of State Assets;
- Examine the nature, extent and benefits of linkages with other donor initiatives in the Limpopo Province or wider;

Consideration of the extension / replication of this programme

- Consider the case for extending and/or replicating this programme more widely within South Africa, particularly in view of the SA Governments’ emerging emphasis on the national extended Public Works Programme and employment intensive initiatives.
Review the regulatory aspects of the programme, which impact on normal market practice. For the programme to be replicable without ongoing regulation and monitoring the following issues would need to be understood:

- What are firms' perceptions of the wage rates enforced under the programme? Are they higher or lower than the actual wages usually paid (i.e. not just comparing them to the minimum wage)?
- What are firms' attitudes to releasing labour for training and the payment of labour while participating in training?
- What are firms' perceptions of the relative costs of labour intensive and conventional production of roads, and what are the implications for profit margins? How would this change if the minimum wage was paid?
- Are firms engaging in labour intensive production contracts in order to safeguard 'regular' contracts with the NPRA, as a form of loss leader (i.e. making a loss on these contracts in order to secure good will and to safeguard “regular” contracting with the NPRA), or are they genuinely committed to using labour intensive techniques in their work as a cost comparable alternative to conventional techniques, on the basis of the fact that they offer a competitive market alternative?

7 Review Outputs

The outputs expected of this review are:

a) A Report on findings and recommendations – the main section should be no more than 20 pages. Annexes may provide expanded and additional information as required;

b) A completed DFID standard PRISM format report

8 Review Team

The Core Team will comprise the following:

a) Team co-coordinator also providing technical inputs,

b) DFID Governance Adviser,

c) Social Development expert.

The review team will draw significant inputs from and report on initial findings to the following reference panel:

a) Dr Sean Philips, DDG: Department of Public Works,

b) NPRA team

c) ILO Assist (Mr Dejene Sahle) and ILO Pretoria (Ms Boshigo Matlou)

d) DFID Engineering Adviser (Mr Bob Blakelock) and Project Officer (Ms Lelanie Swart)

e) Ms Anna McCord, DFID Economics Adviser seconded to UCT

DFID, NPRA and ILO will arrange a draft work and meeting programme for the Review Team and arrange stakeholder engagements where required. The Review Team will be expected to confirm appointments and liaise with stakeholders on additional meetings as required. A list of potential stakeholders to meet with are attached as Annex C.
9 Timing and reporting

<table>
<thead>
<tr>
<th>Activity</th>
<th>Time-frame</th>
<th>No of days inputs by consultants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review preparations and mobilization of review team</td>
<td>22 April-9 May</td>
<td>1 Day travel</td>
</tr>
<tr>
<td>Briefing meeting with DFID team</td>
<td>9 May</td>
<td>1 Day</td>
</tr>
<tr>
<td>Reading of documentation</td>
<td>10 May</td>
<td>1 Day</td>
</tr>
<tr>
<td>Travel to Polokwane</td>
<td>11 May</td>
<td>1 Day</td>
</tr>
<tr>
<td>Project visit to Limpopo</td>
<td>12 - 16 May</td>
<td>5 Days</td>
</tr>
<tr>
<td>Travel to Lesotho</td>
<td>18 May</td>
<td>1 Day</td>
</tr>
<tr>
<td>Project visit to Lesotho DRR</td>
<td>19 May</td>
<td>1 Day</td>
</tr>
<tr>
<td>Individual meetings with stakeholders in Gauteng and follow-up</td>
<td>19 – 22 May</td>
<td>4 Days</td>
</tr>
<tr>
<td>Reference panel report back on initial findings</td>
<td>23 May (Limpopo)</td>
<td>1 Day</td>
</tr>
<tr>
<td>Initial draft report or summary report of findings submitted to DFID, ILO Team, NPRA and LPDPW</td>
<td>6 June</td>
<td>3 Days</td>
</tr>
<tr>
<td>Project Steering Committee discussion on OPR findings</td>
<td>10 June (Limpopo)</td>
<td>-</td>
</tr>
<tr>
<td>Draft report submitted</td>
<td>13 June</td>
<td>-</td>
</tr>
<tr>
<td>Draft report comments due and incorporated</td>
<td>20 May</td>
<td>1 Day</td>
</tr>
<tr>
<td>Final report submitted</td>
<td>30 June</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total number of days input required</strong></td>
<td></td>
<td><strong>20 Days</strong></td>
</tr>
</tbody>
</table>

During the Review, the Team will report to the DFID SA Engineering Adviser and Project Officer who will arrange for appropriate DFID internal consultation.

10 Logistical arrangements and Budget

DFID will contract the services of the Team Leader / Technical expert and Social Development consultants. The consultants will be required to submit a budget proposal.

DFID will be responsible for the arrangement and payment of all accommodation and flights to Limpopo and Lesotho during 12 – 19 May 2003. However, all other accommodation, car hire, meals, incidentals and transport arrangements would need to be budgeted for by the consultants and claimed on the basis of actual expenditure. Mileage can be claimed at standard DFID rates.

**********

APPENDIX A: SPECIFIC ToRs

Terms of reference for individual team members (to be read in conjunction with the overall ToR)

A. Team Co-coordinator/ Technical expert

Tasks

The Team Leader will be responsible for the completion of the following tasks:

Management of the review process

Work closely with NPRA, ILO and DFID Engineering Adviser,

- Finalise specific ToRs for review team, brief team members on their roles and tasks
- Ensure that draft work and meeting programmes, and logistical arrangements are confirmed, finalised, booked, coordinated and delivered efficiently
- Provide end of review verbal report to DFID on progress
- Lead the feedback and finalisation of the report
- Lead on the review of DFID's inputs
Main Design Issues

Provide specific technical inputs as follows:

Review the technical approach being used in the design of the roads.
Review the approach to supervision by local consultants and the effectiveness of the consultants
Comment if possible on any differences in approach being used by consultants in the supervision of road construction and upgrading between labour based and more conventional machine based construction

Competencies required

- Experienced project manager, fully conversant with DFID SA’s Output-to-Purpose review and Project Completion Reports methodology and documentation.
- Professional knowledge of transport economics and road construction by both labour based and machine based methods

B Governance / Institutional Expert

- In addition to the specific issues addressed in the main Terms of Reference to Governance / Institutional expert will provide an overall review of the governance / institutional context in which the programme is set, with particular reference to the institutional restructuring of the NPRA and the political context in the Limpopo Province.
- The Governance/Institutional inputs will be provided by the DFID Governance Adviser, who will bring to the team the following skills
  - Knowledge of the Governance / institutional aspects of the project
  - Knowledge of the political context of the Limpopo Province
  - In-depth knowledge and understanding of the competencies and implementation responsibilities of the spheres of government involved in the project

C Social Development Expert

- In addition to the specific issues addressed in the main Terms of Reference the Social Development consultant will provide an overall review of the social context in which the project is set, with particular reference to social development models, policies and processes proposed in the Programme.
- Competency and expertise requirements
  The Social Development Consultant will report to the DFID Engineering Adviser and Project Officer. Prior to the assignment the SDC will discuss the issues that need to be considered with the programme and Review Team
  Skills required
  - Good knowledge of the Social Development aspects of the project
  - Knowledge of the programmes of the implementing partners including DoL and DPW
  - Familiarity with the implementing Social / Educational and Income Generating Programmes
  - Good interpersonal skills
  - Cultural awareness

**********
APPENDIX B: DOCUMENTATION

In advance of the Review Team's mobilisation, information packs will be prepared which contain the following documentation:

By the ILO/NPRA Project Team:

• Logical frameworks, work plans and progress reports,
• Relevant acts, white papers, strategic planning documents and other key documents,
• Consultancy/study reports funded under the project
• Relevant project meetings agendas and minutes

By DFIDSA

• ToRs
• Relevant DFID policy papers
• Other relevant background papers
ANNEX 2: List of Persons Met

Thabo Mokone  
Programme Coordinator, Gundo Lashu
Mantoa Matsaung  
Project Manager NPRA
Mapule Lukhuleni  
Assistant Project Manager NPRA
Asare Augustus Osei  
ILO International Trainer
Jonas Tshikundamailema  
Project Manager NPRA
Jon Hongve  
ILO Chief Technical Adviser
B.R. Shibambu  
Chief Executive Officer NPRA
Valentine Ndou  
BKS Chief Technologist
Wesley Tendaupenyu  
Lidwala – Engineer
Hannes Claussens  
Deveco – Engineer
Rex Mamidze  
MD African Renaissance Dev Consultants
Mbongeni Mondlane  
ILO Social Development Technical Adviser
Phyllis Ndhundhuma  
CEO Khanyisa Integrated Development
Ishmael Semenya  
Enviroxcellence Services
Lurette Redelinghuys  
Public Sector Banker ABSA
Dave Botha  
Bankfin ABSA
Charles Sekoati  
Chairperson Limpopo Youth Commission
Rolf Beger  
MD RB Project Management
Philimon Marota  
Councillor (Lepelle-Nkumpi)
Samuel Mambolo  
Councillor (Polokwane – Ward 30)
Mudau Patrick  
Manager Roads (Polokwane)
Mogashoa Edward  
Councillor (Polokwane – Ward 29)
Mphahlele Lekgau  
Ward Councillor (Lepelle-Nkumpi)
Tiny Modishane  
Acting Manager, ESDS, Department of Labour
Joyce Mathume  
Employment & Skills Practitioner, Department of Labour
Valencia Mojapelo  
Employment & Skills Practitioner, Department of Labour
Lydia Malahlela  
Project Steering Committee Thune
Miriam Manyama  
Community Liaison Officer Dawning
Holiday Mathake  
Project Steering Committee Viking
Rosina Magoba  
Community Liaison Officer Reasoma
Abram Letsooto  
Project Steering Committee A Letsooto
Samuel Magoro  
Project Steering Committee Lyomaneng
Phalama Mambolo  
Project Steering Committee Thabakgone
William Kobjene  
Project Steering Committee Viking
Edward Sobafo  
Project Steering Committee Masgaoama
Jeffrey Mamabolo  
Project Steering Committee Rola
David Ramohlolo  
Project Steering Committee D Ramohlolo
Thomas Mehlafe  
Community Liaison Officer Lulama/MVKS
Martin Mushwana  
Social Facilitator
Bessie Sehlapele  
Project Steering Committee Rolla & Pimbi
Anna Mphuka  
Community Liaison Officer Rolla & Pimbi
Daniel Rampedi  
Project Steering Committee Lesloane
Florina Hlabgago  
SAWIC Secretary Limpopo Province
Manching Monama  
Director General Limpopo Provincial Government
Secret M. Mnisi  
General Manager Engineering, NPRA
Sean Phillips  
Director, Limpopo Department of Public Works
Mrs C Pama  
Department of Rural Roads Lesotho
<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basotho Seetsa</td>
<td>Senior Trainer Department of Rural Roads Lesotho</td>
</tr>
<tr>
<td>Ms Mphahama</td>
<td>Training Engineer Department of Rural Roads Lesotho</td>
</tr>
<tr>
<td>Thabo L Nteko</td>
<td>Senior Engineer Contracts Dept of Rural Roads Lesotho</td>
</tr>
<tr>
<td>Muzi Maziya</td>
<td>Executive Manager, Research Policy &amp; Planning, Department of Labour</td>
</tr>
<tr>
<td>Sabata Nakanyane</td>
<td>Researcher, Labour Market Policy, Department of Labour</td>
</tr>
<tr>
<td>Bongani More</td>
<td>Chief Director, Community Based Public Works Programme, Department of</td>
</tr>
<tr>
<td>E.Kenneth Andoh</td>
<td>Director ILO Area Office Pretoria</td>
</tr>
<tr>
<td>Ms Matlaou</td>
<td>Project Assistant ILO Area Office Pretoria</td>
</tr>
<tr>
<td>Anna McCord</td>
<td>Research Associate, Southern Africa Labour &amp; Development Research Unit, University of Cape Town</td>
</tr>
<tr>
<td>Jerry Modise</td>
<td>Skills Development Specialist, CETA</td>
</tr>
<tr>
<td>Filip Taylor Parkins</td>
<td>General Manager, LITE</td>
</tr>
<tr>
<td>R.T.McCutcheon</td>
<td>Department of Civil Engineering, Wits University</td>
</tr>
<tr>
<td>Bob Blakelock</td>
<td>Engineering Adviser, DFID Southern Africa</td>
</tr>
<tr>
<td>Lelanie Swart</td>
<td>Programme Officer, DFID Southern Africa</td>
</tr>
<tr>
<td>Paul Barbour</td>
<td>Economic Adviser, DFID Southern Africa</td>
</tr>
<tr>
<td>Kate Philip</td>
<td>Social Development Adviser, DFID Southern Africa</td>
</tr>
<tr>
<td>Mawethu Ntshongwana</td>
<td>Head of Ministerial Secretariat, Department of Transport</td>
</tr>
<tr>
<td>Margaret Mabonga</td>
<td>HIV/AIDS Coordinator, Department of Transport</td>
</tr>
</tbody>
</table>
ANNEX 3: Progress Summary

**Progress To End April 2003**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Value of work done</td>
<td>R mill 10.10</td>
</tr>
<tr>
<td>Physical progress</td>
<td>km 48.44</td>
</tr>
<tr>
<td>Cost/km to date</td>
<td>R 208,457 (27,794)</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total workerdays</td>
<td>161,218</td>
</tr>
<tr>
<td>Total training days</td>
<td>13,348</td>
</tr>
<tr>
<td>Total productive days</td>
<td>147,870</td>
</tr>
<tr>
<td>Av. Productive days per kilometre</td>
<td>3,053</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average labour force</td>
<td>906</td>
</tr>
<tr>
<td>Men</td>
<td>49%</td>
</tr>
<tr>
<td>Women</td>
<td>51%</td>
</tr>
<tr>
<td>Youth (18-35yr)</td>
<td>58%</td>
</tr>
<tr>
<td>Disabled</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>41%</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage rate (per task)</td>
<td>R 30</td>
</tr>
<tr>
<td>% Wages in total cost</td>
<td>50%</td>
</tr>
</tbody>
</table>

Assumed exchange rate to dollar 7.50
ANNEX 4: Projected Progress to End of Project

Projected progress is based on completion of the trial and standard contracts by all trained contractors. This may extend beyond the current completion date of August 2004.

For the trial contracts, the projection is based on actual progress to the end of April 2003 for batch 1 and estimates for batch 2.

For the standard contracts, the projection is based on an estimated average of 15km per contract and lower cost per kilometre and worker days per kilometre than the trial contracts due to and estimated 8-10% improvement in efficiency.

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit</th>
<th>Trial Contracts</th>
<th>Standard Contracts</th>
<th>Total/Average (trial+stnd)</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Contracts</td>
<td>No.</td>
<td>24</td>
<td>24</td>
<td>48</td>
<td>&gt;44</td>
</tr>
<tr>
<td>Length*</td>
<td>Km</td>
<td>110.66</td>
<td>360</td>
<td>471</td>
<td>300</td>
</tr>
<tr>
<td>Workerdays/Km**</td>
<td>Wd/km</td>
<td>3,000</td>
<td>2,700</td>
<td>2,771</td>
<td>1,667</td>
</tr>
<tr>
<td>Workerdays</td>
<td>Wd</td>
<td>331,966</td>
<td>972,000</td>
<td>1,303,965</td>
<td>500,000</td>
</tr>
<tr>
<td>Duration***</td>
<td>Days</td>
<td>110</td>
<td>220</td>
<td>330</td>
<td>330</td>
</tr>
<tr>
<td>Average Labour force</td>
<td>No.</td>
<td>3,018</td>
<td>4,418</td>
<td>3,951</td>
<td>1,515</td>
</tr>
<tr>
<td>Cost****</td>
<td>R (Million)</td>
<td>25.7</td>
<td>75.6</td>
<td>101.28</td>
<td>96</td>
</tr>
<tr>
<td>Cost/Km</td>
<td>R</td>
<td>232,117</td>
<td>210,000</td>
<td>215,200</td>
<td>320,000</td>
</tr>
</tbody>
</table>

Notes:
* - Actual for Trial contracts but estimated for standard contracts to end of contracts, October 2004 for batch 2
** - Excluding Training days (2 days per 22 days worked)
*** - Working days (assumed to be 220 days per year)
**** - Based on actual costs for Batch 1 contracts, Contract values for Batch 2 & preliminary estimate for standard contracts
- Figures in italics are preliminary estimates

Notes on Targets:
The targets are based on the logical framework dated 31st December 2002.
The targets in italics are calculated from the other figures.
### ANNEX 5: Summary of Recommendations and Lessons Learnt

<table>
<thead>
<tr>
<th>S/N</th>
<th>RECOMMENDATIONS</th>
<th>Ref</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Extend project period to November 2004</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Carry out cost comparison study concentrating on “economic” prices. This needs careful data collection to establish key parameters, e.g.: % skilled and unskilled labour content; % eqpt costs – including mobilisation and demobilisation, eqpt life and usage per year; % materials costs; tax rates. Also macro-economic parameters relating e.g. % foreign and local costs, rural h/h/ spending patterns – some of which may come from the socio-economic monitoring.</td>
<td>2.1</td>
</tr>
<tr>
<td>3</td>
<td>Review overall construction budget – it may exceed R96 million.</td>
<td>2.2</td>
</tr>
<tr>
<td>4</td>
<td>Review worker day OVI in logframe with view to increasing to 1 million</td>
<td>2.3</td>
</tr>
<tr>
<td>5</td>
<td>ILO advisers to plan to move progressively to a more advisory role and step back from executive functions</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Give experience and training to contractors on methods of working on higher volume gravel roads of the type that is envisaged will comprise the ultimate potential workload. This could be by ensuring that the standard contracts are given on such roads and that adequate support is given</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Consider training for NPRA staff contractors and consultants in spot improvements on low volume gravel roads</td>
<td>3.4</td>
</tr>
<tr>
<td>8</td>
<td>Devise continued contractor training in areas of resource planning, cash flow planning, competitive bidding and incentive setting. This could be tied to the planned mentoring approach. It should be short in-service practical training.</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Make clear to all parties the role of the consultants in supervision and quality control on site</td>
<td>3.6</td>
</tr>
<tr>
<td>10</td>
<td>Do not approve contractor payment certificates without necessary quality control documents attached.</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Include the project budget in the NPRA MTEF.</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Develop plans for smooth integration of Gundo Lashu into NPRA Engineering Section</td>
<td>4.1</td>
</tr>
<tr>
<td>13</td>
<td>Carry out a review of the training given to workers by DoL. Investigate different content and different arrangements to counter the negative perception of this training from both contractors and workers.</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Give greater emphasis/priority to HIV/AIDS training for workers</td>
<td>4.2</td>
</tr>
<tr>
<td>15</td>
<td>Consider separate item in Bills of Quantities for training days (instead of deeming these to be included in the contractors’ rates).</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>NPRA to develop strategy to tap other potential sources of funding</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Explore potential for partnership with Dept of Health &amp; Welfare on HIV/AIDS and poverty alleviation</td>
<td>4.3</td>
</tr>
<tr>
<td>18</td>
<td>Pursue comprehensive communication strategy to bring on board other key national departments.</td>
<td>4.5</td>
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<tr>
<td>19</td>
<td>Prioritise development of capacity in social issues in NPRA</td>
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<tr>
<td>20</td>
<td>Review recruitment procedures with a view to simplification</td>
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<tr>
<td>21</td>
<td>Explore local perceptions of the poor and evaluate extent to which the poor have been targeted (as part of socio-economic monitoring).</td>
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<tr>
<td>22</td>
<td>Make sure contractors provide adequate supplies of protective clothing for workers</td>
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<tr>
<td>23</td>
<td>Consider use of PRA for life/family histories</td>
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<tr>
<td>24</td>
<td>Plan for backstopping support to contractors over a period of 3-5 years.</td>
<td>7.2</td>
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<tr>
<td>25</td>
<td>Hold replication and expansion workshop once national government strategy on job creation is clarified.</td>
<td>8.2</td>
</tr>
<tr>
<td>26</td>
<td>Commence documentation of site operations as soon as possible using available material as a starting point and involving other LB programmes in RSA</td>
<td>10.1</td>
</tr>
</tbody>
</table>

35
Review role of consultants and re-think the training process for consultants’ staff
Consider workers to be given “training credits” for days worked and to then choose to spend these for themselves or other family members on training courses of their choosing.

<table>
<thead>
<tr>
<th>S/N</th>
<th>LESSONS LEARNT</th>
<th>Ref</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Use of ready-made training facility can be a successful approach.</td>
<td>3.2</td>
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<tr>
<td>2</td>
<td>Check whether basic mathematics should be included in contractor training.</td>
<td>3.3</td>
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<tr>
<td>3</td>
<td>Plan training carefully to avoid wasting time e.g. waiting for lecturers</td>
<td>3.3</td>
</tr>
<tr>
<td>4</td>
<td>Source business skills training from providers experienced in this area</td>
<td>3.3</td>
</tr>
<tr>
<td>5</td>
<td>Ensure that technical training is tailored to the type of project that will ultimately be the main source of work for the contractors</td>
<td>3.4</td>
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<tr>
<td>6</td>
<td>Always consider spot improvement for low volume road improvement</td>
<td>3.4</td>
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<tr>
<td>7</td>
<td>Consider the option of shorter formal training with more on-the-job training and mentoring rather than long up-front training.</td>
<td>3.5</td>
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<tr>
<td>8</td>
<td>Plan for development of labour-based contractors over 3-5 years. Ensure project period covers this.</td>
<td>3.5/</td>
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<tr>
<td>9</td>
<td>Start trial contracts with a short section of work to be rehabilitated to the correct standard before allowing the contractor onto the rest of the site.</td>
<td>3.6</td>
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<tr>
<td>10</td>
<td>Plan worker training with careful consideration of what is likely to be useful.</td>
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<tr>
<td>11</td>
<td>Include HIV/AIDS in training for workers &amp; do not underestimate problems of showing progress in this area</td>
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<tr>
<td>12</td>
<td>Try to separate worker training days from production days</td>
<td>4.1</td>
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<tr>
<td>13</td>
<td>Itemise training days separately in Bills of Quantities if contractor is to pay workers on these days.</td>
<td>4.2</td>
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<tr>
<td>14</td>
<td>Role of social facilitators should be institutionalised in infrastructure development works</td>
<td>4.4</td>
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<tr>
<td>15</td>
<td>Do not overload a project/programme with too many diverse objectives and too many role players</td>
<td>4.4/</td>
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<tr>
<td>16</td>
<td>Involve municipalities and municipal managers early in the planning.</td>
<td>5.2</td>
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<tr>
<td>17</td>
<td>Use mentoring to provide independent practical advice to emerging contractors</td>
<td>4.5.1</td>
</tr>
<tr>
<td>18</td>
<td>Include consideration of impact of temporary wages on h/h and local economies when carrying out socio-economic planning of projects.</td>
<td>4.5.4</td>
</tr>
<tr>
<td>19</td>
<td>Do not plan savings and credits initiatives “top-down”. Examine existing local savings systems before making any plans, e.g. burial societies, etc.</td>
<td>5.2</td>
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<tr>
<td>20</td>
<td>Always consider firstly whether targeting can be achieved by simple means. More complex systems can be developed if these don’t work.</td>
<td>5.4</td>
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<tr>
<td>21</td>
<td>Remember that insistence on ID documents may inhibit the participation of the poor.</td>
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<tr>
<td>22</td>
<td>Restrict participation in overall programme steering committee to key players and use stakeholder workshops for wider discussions and dissemination.</td>
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<td>23</td>
<td>Project management arrangements should seek to strengthen the partner organisations procedures and not import other special procedures</td>
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<td>24</td>
<td>Source Advisers from appropriate providers to reduce risk of delays</td>
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<tr>
<td>25</td>
<td>Do not assume official statistics will provide adequate baseline data without checking first</td>
<td>7.1</td>
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<tr>
<td>26</td>
<td>PRA should only be used in a supporting role for creating baselines and measuring change.</td>
<td>7.1</td>
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<tr>
<td>27</td>
<td>Ensure early linkage into other donor programmes for successful influencing.</td>
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<td>28</td>
<td>Good donor coordination needs a suitable forum</td>
<td>9</td>
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<tr>
<td>29</td>
<td>A Gundo Lashu type programme requires considerable capacity building and is not amenable to the short-term delivery of jobs.</td>
<td>10.1</td>
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<tr>
<td>30</td>
<td>In areas of high employment (percentage and absolute), Gundo Lashu type programmes are unlikely to seriously disturb the local labour market</td>
<td>10.2</td>
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</table>