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## **National Labour Intensive Public Works (HIMO/LIPW) Strategy**



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## ACRONYMS

AGETIP	: Agence d'Exécution des Travaux d'Intérêt Public
CDF	: Common Development Fund
CE	: Consulting Engineers
CIDA	: Canadian International Development Agency
EDPRS	: Economic Development and Poverty Reduction Strategy
GDP	: Gross Domestic Product
HIEQ	: Haute Intensité d'Équipement
HIMO	: Haute Intensité de Main d'Oeuvre
HIV/AIDS	: Human Immunodeficiency Virus/Acquired Immuno-Deficiency Syndrome
ICT	: Information and Communication Technology
ILO	: International Labour Organization
LIPW	: Labour Intensive Public Works
MDGs	: Millennium Development Goals
MINALOC	: Ministry of Local Government
NEPAD	: The New Africa's Economic Partnership for Development
NGOs	: Non-Governmental Organisations
NIS	: National Investment Strategy
PDL-HIMO	: Programme de Développement Local à Haute Intensité de Main d'Oeuvre
PRSP	: Poverty Reduction Strategy Paper
SME	: Small and Medium Enterprise
UP	: Unité de Production

# 1. Introduction

## 1.1. Definition of the Labour based technology (HIMO)

Labour-based technology describes ‘a technology that applies a labour/equipment mix that gives priority to labour, supplementing it with appropriate equipment where necessary for reasons of quality or cost.’<sup>1</sup>

Labour based technology is used in construction works, production, transformation, and maintenance of works, which optimises the use and management of local resources. Manpower (labour) is considered as the main resource in labour based technology. Other resources are utilised only as needed to produce competitive and sustainable products, and to ensure quality at the technical level and economic profitability, especially in the reduction of the operational and maintenance costs of the investments. The optimal mix (the percentage of labour in relation to other resources or to the total construction costs) varies according to the type of work and is very much dependent on the level of salaries and the materials available locally and varies from country to country as well as from region to region

The use of labour based methods also implies the increased use of associated local resources. That is, the non-qualified, less qualified and the qualified manpower, the unemployed or the underemployed, local materials, land, local know-how, equipment adapted to suit the local situation, the initiative and organisational capabilities of the people and enterprises to be mobilised locally. This aims to foster national investment, particularly at the local level, while reducing the dependence on costly imports of equipment and stimulating the local economy.

## 1.2. Background

### 1.2.1. Regional and International context

The International Labour Organisation (ILO) has been associated with public investments in a number of countries in Asia and Sub-Saharan Africa since the mid 1970s and, more recently, in Latin America and Eastern Europe. The main objectives of this collaboration between governments and partners in development have been to:

- i. *influence investment policies* so as to optimise their impact on employment, poverty reduction and on socio-economic development;
- ii. *build capacities in the national private sector*, which is indispensable in the execution of public works with a high labour input, through capacity building in research centres and SMEs with the aim to improve the environment and the conditions of work in the sector ;

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<sup>1</sup> Source : <http://www.ilo.org/public/english/employment/recon/eiip/about/index.htm>

- iii. *direct social and economic investments towards the local level* in order to maximise the impact on the reduction of rural and urban poverty while, at the same time, improve the social participation and organisation in sectors which are still informal and less organised.

The introduction of employment as an objective in the investment policies has been particularly important in the sectors of infrastructure and construction partly because of the prominent weight of these sectors in total investment, and partly because of the technological options which are more or less either equipment-intensive or labour- and local resources- intensive, and which can be maintained within a framework of economic profitability.

To date many countries have been able to develop and embark on the labour intensive approach to development with an aim to attain a double goal of economic efficiency and social equity. Some of these countries documented by the International Labour Organisation include Burundi, Cambodia, Democratic Republic of Congo, Ghana, Laos, Lesotho, Madagascar, Morocco, Mozambique, Namibia, Rwanda, Sierra Leone, South Africa, Thailand, Togo, Uganda, and Zimbabwe.

More recently, Poverty Reduction Strategy Papers (PRSPs) have been prepared by many countries, and bring out a renewed interest in labour intensive methods and are increasingly in favour of this approach.

### **1.2.2. National Context**

#### *Socio-economic context*

According to EICV1/2 Poverty Analysis for Rwanda's EDPRS, more than 90% of the Rwandese population undertakes some crop cultivation and produces a wide diversity of products. The majority of households grow traditional staple foods, while more than half of the Rwandese farming households are also producing a wide range of fruit and vegetable products, alongside their staple crops. The agricultural sector is barely monetised and remains traditional. It uses very little available technology and is strongly dependent on natural rainfall. This has been a contributory factor to the country's structural poverty which is related to:

- slow growth rate of the Gross Domestic Product<sup>2</sup> (6.2%) to finance a development 'take-off' in a country with a relatively young population<sup>3</sup> (67 % below 25 years);
- scarcity of natural resources, identified as those resources most likely to finance the take-off of the national economy;
- economic policy excessively based on subsistence agriculture with a view to self-reliance in food security which has contributed to limiting not only the

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<sup>2</sup> Source : Macroeconomics Unit Quarterly Economic Update – Quarter 1 2007 by Ministry of Finance and Economic Planning

<sup>3</sup> Source : A plan of Action for Youth Employment in Rwanda

- professional qualification of producers, but also the level of exchange between regions and the opening up to non-agricultural occupations;
- the fragility of macro-economic conditions: heavy debt servicing, weak capacity of exportation, deficits and dependence on external aid;
  - short-sighted management which has limited the training of the population, with negative effects on the development of human resources and on the diversification of occupations in the country such that 57% of the Rwandans are illiterate<sup>4</sup>.
  - Limited supply of arable land, which suffers from soil exhaustion and population pressure from a young population structure which entails an increasing number of youth who join the labour market.

The structural poverty has been aggravated by the 1994 genocide and its consequences, among which was, especially, (1) the decapitalisation of the rural area (destruction, prolonged non-maintenance of infrastructure, including roads, bridges, water works, fishponds...); (2) a high degree of vulnerability (widows and young orphans, the traumatised, the persons with disabilities, etc.)

The Gini coefficient<sup>5</sup>, which measures the level of inequality in distribution of the national wealth, increased from 0.47 to 0.49 between 2000/1 and 2005/6, the increase of this coefficient being largely due to the widening gap between the towns and the rural areas. This implies that efforts to create employment and wealth will be more efficient if they target the rural population as a priority.

### *Socio-political context*

In view of the national orientations expressed in the Vision 2020, the Economic Development and Poverty Reduction Strategy (EDPRS), and the Decentralisation programme, the Government of Rwanda recognises that in a bid to fight poverty and to create wealth, a greater share of the efforts have to be geared towards the development and efficient utilisation of the most important resource that it has – its population.

The Economic Development and Poverty Reduction Strategy and the National Investment Strategy therefore prioritise education, professional training, continuous and in-service training, and a public works programme requiring labour intensive methods (HIMO) aiming, especially, at rural development and agricultural transformation, the development of human resources and the establishment of economic infrastructure.

The Economic Development and Poverty Reduction Strategy (EDPRS) favours investments in rural areas which bring about agricultural growth, and which reinforce the financial and technical capabilities of the most disadvantaged groups.

By using the labour intensive approach, the Government envisages an opportunity to create jobs with a view to reducing high unemployment and underemployment in rural and urban areas; the opportunity to provide the necessary infrastructure required for rural

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<sup>4</sup> Source : EICV2

<sup>5</sup> Source : EICV2

development; to protect and conserve the environment; to achieve harmoniously the demobilisation and reintegration of soldiers; and to increase revenue and purchasing power within rural areas. This also appears to be a good way to increase the demand for non-agricultural goods and services – a demand which in itself can induce the emergence of non-agricultural activities and the creation of non-primary activities in the rural areas. The HIMO initiatives are expected to contribute both to the improvement of incomes of the poor, women and youth inclusive, and to stimulate the spirit for saving and the capacity to invest in the rural areas.

*Historical context: Past experience of HIMO approach in Rwanda*

- *Labour Intensive Public Works before 1994*

At the end of 1978, a Pilot Programme entitled "Labour Intensive Special Public Works Programme" (LI-SPWP) was formulated in Rwanda and work started in 1980 for a 3-year period, under ILO technical support. In 1984, the programme expanded, and continued for two implementation phases - 1984-1986 and 1987-1991. Works under the SPWP were carried out mainly by force account in the former Provinces of Ruhengeri and Gitarama. In 1991, a Social Action National Programme (PNAS – Programme National d'Actions Sociales) was developed, to take over from SPWP. It started in July 1993 with the institutional supervision passing from the *Ministère de l'Intérieur et du Développement Communal* to the then Ministry of Planning. The implementation of PNAS (from 1995 to mid-1998) continued after the war with only World Bank financial support.

The main problem with the pre-war HIMO was that it was basically of International Labour Organisation and donor initiative with limited government involvement. It was thus of project type and time-bound because it had not been institutionalised by the government as an approach. Originally, it covered only two former provinces of Ruhengeri and Gitarama until it was extended to cover the whole nation through a Social National Action Programme (PNAS)

- *Labour-Intensive Public Works after 1994*

In transition from emergency to sustainable development, the Government of Rwanda increasingly saw a need to diversify development initiatives. In 2002 the Labour Intensive Local Development Programme was conceived and elaborated in 2003 to complement other government initiatives. The programme has primarily aimed at contributing to poverty reduction by carrying out employment-intensive and income-generating investments using local resources and by reinforcing the capacities of decentralised structures and local actors.

The programme also responded to the urgent need to re-absorb quickly the unemployed and the under-employed people in the rural areas.

However, since establishment, the programme has suffered from the lack of a legal framework, to form a basis for overseeing all the labour intensive interventions by various actors to generate the desired synergy. To date there are several actors in HIMO activities who are undertaking their interventions independently. PDL-HIMO has also been pre-occupied in direct implementation of pilot projects, instead of monitoring all HIMO activities by the various actors to observe their respect for norms and standards of HIMO approach.

## **2. Labour intensive Public Works (HIMO) Strategy and General Orientations**

The Labour Intensive Local Development Programme has been conceived within the general orientation of international commitments such as the Millennium Development Goals (MDGs) and NEPAD, as well national commitments, such as Vision 2020, the Economic Development and Poverty Reduction Strategy (EDPRS), the National Investment Strategy (NIS), the National Decentralization Policy, the Employment Policy and the Integrated Development Strategy. This section describes the relevance of HIMO to these broader orientations.

### **Relevance of HIMO approach to Vision 2020**

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The government of Rwanda fully recognises the importance of the Labour Intensive Public Works Sector in contributing towards attainment of the goals of the Government's Vision 2020 which consists of transforming Rwanda from a low-income to a middle-income country with a dynamic, diversified, integrated and competitive economy. By nature the major focus of the Labour Intensive Public Works Sector supports the establishment and rehabilitation of infrastructures that form the socio-economic base for the country's development, creating employment opportunities for individuals and contracting enterprises, tapping of raw materials as inputs of production, and equipping people with technical know-how of executing and maintaining the public works (the general workforce and contracting enterprises), thus fostering the building of a productive and efficient workforce. It is also worth noting the importance of labour intensive activities in promoting people's participation at the grassroots level, in terms of planning of activities, identifying beneficiaries, implementing projects and managing them, which qualifies HIMO to be one of the appropriate tools for Good Governance.

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### **Relevance of HIMO approach to Economic Development and Poverty Reduction Strategy (EDPRS)**

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HIMO was conceived by the Government of Rwanda as a tool to enhance the implementation of the priority intervention areas of the Economic Development and Poverty Reduction Strategy by being one of the engines of growth in production and agricultural productivity, which can re-capitalise the rural sector, guarantee long-term rural development, and reinforce the capacities/abilities of individual persons, private enterprises as well as the decentralised structures involved in HIMO works. By bringing the private sector on board, the approach fosters private-public partnerships, an important aspect of good governance and economic development. The participatory character of HIMO in the planning, implementation and management of the public works projects is in conformity with the national strategy of Good Governance.

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### **Relevance of HIMO approach to the National Investment Strategy (NIS)**

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The National Investment Strategy strongly emphasises investment as a major factor in terms of fostering growth of national income. Investment in infrastructure is given special

attention in order to bridge the infrastructure gaps and reduce levels of poverty. The investment strategy aspires for an increased level of investment up from 20% of GDP in 2007 to 22% in 2010, with a 30% target in 2020. The labour intensive approach is in accordance with this because it focuses on investments in infrastructure, while at the same time accommodating the private sector as an important stakeholder.

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### **Relevance of HIMO approach to the Employment Policy**

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The Employment Policy recognises labour intensive technology as one of crucial pillars of employment provision, especially in the informal sector both in urban and rural areas, especially by giving job opportunities to the younger and less qualified people, though not restricted to this category. The policy also acknowledges the need for infrastructure where HIMO interventions are desired, and HIMO's core competence in the stimulation of growth of Small and Medium Enterprises (SMEs), an indispensable aspect for private sector development.

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### **Relevance of HIMO approach to Community Development Policy**

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Exploitation of local potential is one of the cornerstones of the Community Development Policy where HIMO serves as a solution by making possible the utilization of locally available resources - human and non human - whilst offering the best platform for participation and mobilisation of community members. It also offers a window for capacity building through various training packages, especially on-the-job training at HIMO work sites.

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### **Relevance of HIMO to international development orientations**

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*The Millennium Development Goals (MDGs):* HIMO is seen as an important instrument to enhance the attainment of the Millennium Development Goals (MDGs) by tackling eradication of extreme poverty and hunger through employment creation and public infrastructure development which are both important aspects in wealth creation. Once coupled with sensitisation campaigns, this can in turn can contribute towards halting the spread of HIV/AIDS, reducing child mortality, improving maternal health, providing primary education for all (boys and girls), promoting gender equality and women empowerment, and ensuring environmental sustainability. Furthermore, HIMO targets the poorest economically active members of the community, which are among the core target groups which the MDGs are seeking to benefit.

*The New Partnership for Africa's Development (NEPAD):* The NEPAD sectoral priorities focus on bridging the infrastructure gap, human resource development, agricultural development, and mobilising resources where increasing domestic resource mobilisation is prioritised. In the implementation of the New Partnership for Africa's Development, agricultural development, promotion of the private sector and infrastructure development projects are strongly emphasised. It is evident that HIMO fully supports the priorities of NEPAD by sharing concerns of poverty reduction and local resource mobilisation as expressed in HIMO objectives and intervention areas.

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### **3. HIMO Sector Presentation**

#### **3.1. Statement of the sector problem: What's at stake and what's HIMO's capacity to respond?**

The rate of economically active people in 2005/06 was 83.1% of those of working age, compared to 85.8% in 2000/01.<sup>6</sup> This suggests that the country faces a situation of *massive under-employment, both in rural and urban areas*, with 56.6% of the population living below the poverty line, while 36.9% live under extreme poverty conditions. The average income of the poor is estimated at 150 Frw per day and 78% of households are estimated to suffer from some form of food insecurity. This under-employment is seasonal, that is, related to the cycle of agricultural work and can be permanent, as a result of insufficient arable land threatened by dense population and soil exhaustion. This shows, in several aspects, the need to diversify rural employment (cottage industries, handcraft, infrastructure development etc.).

In addition, the country experiences *lack of basic infrastructure and support to productive activities*, which constitute some of the main causes of poverty. Thus, the establishment of socio-economic infrastructure and support to production like agricultural development and roads, by using under-employed labour, will make it possible to stimulate the local economy, thus leading to an increase in agricultural production and to an improvement in the living conditions.

HIMO thus will help – and this is where the major interest lies – in linking effectively employment, investment and reduction of poverty, while bringing concrete solutions to the problems raised above, which often tend to be treated separately, with social deficits and proximity of production of goods and services, and contributing to the mechanism of effective distribution of the incomes as well as creation of community assets.

#### **3.2. Sector Opportunities and Constraints**

##### **3.2.1. Opportunities - conformity to government policies and strategies**

*HIMO's contribution to job creation, economic development and poverty alleviation:*

The HIMO approach constitutes a major aspect of Rwandan government policy that has undergone several reforms and produced strategies to reduce poverty, to reinforce the decentralisation process and promote social and economic stability.

Beyond its simple financial aspect in the creation of infrastructure, HIMO is seen as a means to:

- promote employment and productivity (development of hydro-agriculture and support productive work);

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<sup>6</sup> Source: EICV1 and EICV2.

- stimulate growth of SMEs and local community groups of common economic interest (public and community works);
- integrate the programmes of the central government, decentralised entities (economic and social), donors, private sector and civil society, and consequently allocate adequate resources to them;
- create a real impact on most of the surplus labour from the unemployed or under-employed (a joint strategy between the government and donors);
- apply a solid and sustainable strategy to fight poverty and permit the beneficiaries to participate in their own development; and,
- establish and develop more productive infrastructure which will increase production, and in turn, generate a multiplier effect on development of more infrastructures.

The HIMO Strategy is hence set up in the perspectives of economic growth in short, medium and long terms, and greater social equity. Such an investment strategy, directly linked to economic growth, will boost employment, reduce poverty, and support better and fairer distribution of income for the poor and the achievement of the Vision 2020 and Millennium objectives.

*HIMO's support to the decentralisation process and local development:*

The process of decentralisation that is in progress constitutes a major asset to local development and displays the government's firm political commitment to the empowerment and participation of local communities and population in decision-making.

This decentralisation offers an ideal framework for developing a strategy to enhance the value of local resources and to integrate all partners in a coherent framework of local development. It is at this level that HIMO programmes can be conceived organised and implemented using value-enhanced local resources.

In support of the decentralisation efforts, HIMO makes it possible to channel resources and technical aid towards the local authorities to allow better planning and implementation of their plans of local development in favour of optimisation of locally available resources. These plans of local development (which constitute an important step in the choice of the priorities to be satisfied) must be, however, complementary and form part of the sectoral strategies. This coherence will make it possible to have a short-, medium- and long-term vision of services, infrastructure and the enhanced use of products for the intended development of the districts and the country in general. To attain this, the following will be done:

- Locally identify the economy-sustaining sectors likely to favour and promote employment, rural sector productivity and the development of local private dealers, ready to offer their services (researches, works execution and follow-up) in the framework of job contracts as a support to decentralised state services.

- Reinforce districts/town capacity, which should henceforth display their know-how and experience in planning and execution of their works. They also have to provide the private sector with necessary support so as to assert their role of control effectively.
- To reinforce planning aids to be used in defining needs and priorities, follow the development of information on the state, fix the standards and equipment ratios desired according to the population or other criteria, guiding the later interventions in the various branches of industry and evaluating the effect of the various programmes in the fight against poverty.

*HIMO's macro-economic impact:*

The macro-economic aspect of the HIMO approach implies that a deliberated choice is made, each time that is technically possible and economically profitable, in favour of technological options relatively more intensive in labour and local resources. The macro-economic impact will depend on the proportion of the total investments, which can be allocated and carried out within this approach. According to certain rather conservative assumptions adopted in various countries, the potential impact was estimated by various missions and the results were as follows:

- An interesting macro-economic estimate from a research carried out in Rwanda<sup>7</sup> in 1991 is that 1 dollar invested in the road sector, implemented using HIMO techniques, increased the national income by 2.8 dollars, whereas a similar investment realised through equipment-intensive methods resulted in a multiplier effect of only 1.2. The leakage of great part of the funds abroad due to the utilisation of imported equipment and, henceforth, the weak local multiplier effect, were the main causes of this rather poor economic performance of projects with equipment intensive approaches in comparison to HIMO techniques. It follows that, through labour intensive techniques, countries generate a healthier balance of payments due to reduction of costs of imported equipment.
- Research in Madagascar<sup>8</sup> has shown that indirect employment generation could be several times more important than direct employment.
- In 1998 a study<sup>9</sup> was carried out in order to evaluate the potential of using employment-intensive technology in the rehabilitation of feeder roads as a means of generating employment and combating poverty. The study concentrated on the economic aspects rather than technical ones, since it is assumed that most rehabilitation work on feeder roads can be carried out by labour as well as by the use of heavy machinery. The central hypothesis of the study is that labour-based approaches are viable and offer high employment potential, as well as greater

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<sup>7</sup> « Etude comparée de l'efficacité économique des techniques à haute intensité de main d'œuvre et à haute intensité d'équipement pour la construction de routes secondaires au Rwanda » ILO Genève, 1991

<sup>8</sup> Razafindrakoto, Mireille et Roubaud François : L'approche à haute intensité de main-d'œuvre : une opportunité pour Madagascar. Essai de cadrage macro-économique. ILO, Genève, 1997

<sup>9</sup> Source : <http://www.ilo.org/public/english/employment/recon/eip/countries/africa/uganda.htm>

indirect benefits to the national economy than the conventional, equipment-based technology. In order to test this hypothesis, empirical evidence from feeder roads rehabilitation projects carried out in Uganda between 1993 and 1997 was compared. The hypothesis was confirmed at several levels. The main conclusions indicate that a switch towards more labour-based methods could generate very significant benefits for the poor in the form of employment opportunities, and for the country in terms of GDP and foreign exchange savings.

International experience shows that:

- Labour-based methods are cheaper than equipment-based methods: in direct financial terms they are 18% cheaper for full rehabilitation of feeder roads and 50% cheaper for spot rehabilitation.
- Due to the savings in foreign exchange from not having to import heavy equipment from abroad, the fiscal deficit of the investment would be 37% less with labour-based methods than with equipment.
- In economic terms, labour-based methods are even more advantageous: 38% cheaper for full rehabilitation and 60% for spot rehabilitation.
- The employment generation effect is much higher for labour-based than for equipment-based work: in the labour-based projects studied the proportion of the cost spent on wages, mostly for the unskilled, ranged between 44% and 60%, against 3% to 8% in equipment-based works.
- The macro-economic model showed that the indirect effects were even greater than the direct effects; for each job directly created, another 2 jobs are generated elsewhere in the economy through a multiplier effect.

In neighbouring country Uganda, the experience shows that :

- In terms of costs, labour-based works are competitive as long as the unskilled daily wage does not exceed USD 4; the current rate in rural areas is USD 1.2.
- An investment of US\$ 23 million in feeder roads rehabilitation would generate 107,000 jobs (directly and indirectly) if carried out with labour, as against 36,000 jobs if carried out with equipment (the Government of Uganda current investment in feeder roads is estimated at Ug Shs 30 billion per annum).
- The Ugandan labour market grows by at least 300,000 young people each year. With the formal sector being able to absorb less than 100,000 of them, the study concludes that there is a strong case for making the wider application of labour-based methods in infrastructure works a dynamic element in a strategy for employment creation and poverty eradication.

In 2004, a study<sup>10</sup> carried out a comparative analysis of a number of on-going and completed feeder roads projects in Tanzania using different technologies (both labour-based and equipment based methods) to show the macro-economic impact on national income, the balance of payments, and the employment situation. The study found that labour-based methods were more economically and financially favourable than equipment-based methods and generated more employment and household income.

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<sup>10</sup> Source : <http://www.ilo.org/public/english/employment/recon/eiip/countries/africa/tanzania.htm>

### 3.2.2. Constraints

The HIMO Approach faces the following constraints:

- Certain actors are not yet sufficiently conversant with the soundness of the approach and its performance at technical, economic, and indeed macro-economic levels which evokes different responses.
- Delay in work execution, weakness on the part of HIMO enterprises which are at the phase of creation and establishment.
- Limited activities and jobs disequilibrium in demand and supply of labour
- Non-adherence to labour norms or social protection conditions (not respecting minimum salary, not registering with the social security fund of Rwanda, etc)
- Rigidity of some actors, programmes and procedures in applying new methods of work and accommodating new partners in terms of young enterprises.
- Short period of works, usually around three months.

However, these constraints are not insurmountable to HIMO because:

- Delay in the completion of works can easily be compensated for by the use of several enterprises or construction teams, depending on the availability of labour. Moreover, what is more important are solutions to local problems, especially for reasons of sustainability of assets and the reduction of poverty, the importance of the rate of implementation remains debatable.
- Short-term employment and activities created by HIMO programmes is closely tied to civil engineering jobs. This weakness also often applies for enterprises using equipment-intensive methods. In addition, they can also have delays in completion of works due to the lack of spare parts for their heavy equipment. As the HIMO enterprises grow they acquire experience.

### 3.3. Principles of the HIMO Sector Strategy

The principles of the HIMO Sector Strategy are:

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a) **Promotion of employment intensive activities:** By nature, HIMO favours the use of more labour than machines during establishment and rehabilitation of various infrastructures. Employment is created for individual community members, contracting enterprises and community groups.

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b) **Promotion of exploitation of local resources:** Local resources such as land and raw materials available in the local area are given priority during planning and implementation of Labour Intensive Public Works. Human resources are prioritised over other resources.

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c) **Bridging the income differential between towns and rural areas:** Labour Intensive Public Works offer an opportunity for rural dwellers to have access to income in terms of wages paid to the workers as well as profits earned by rural enterprises.

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d) **Transparency:** The principle of transparency ensures that stakeholders have access to information and reports on HIMO projects so that they can assess value for their funds.

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e) **Creation of Training opportunities:** By nature HIMO activities provide on-the-job training activities to equip the people with the technical aspects of implementing the projects and maintaining them. The training component is also emphasised by ensuring other trainings to stimulate private sector growth and venture into HIMO works.

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d) **Gender sensitivity and advocacy:** Considering that women form a bigger proportion of the population in Rwanda than men, the HIMO approach emphasises the integration of women in HIMO activities and training opportunities. Gender issues are also included among other sensitisation aspects at the work sites.

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e) **Environmental protection sensitivity:** Environmental aspects are addressed as a major goal and as a cross cutting issue. The HIMO approach is sensitive to environmental issues since all activities will have an impact on land either positively or negatively. There is thus need to address the negative impacts and promote the positive ones.

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### 3.4. Vision and Mission of the HIMO Strategy

The Vision of the Government of Rwanda's HIMO strategy is to establish an economy with a local resources base to tap local potentials in wealth creation while remedying local problems.

To attain this vision, the mission of the HIMO strategy is geared towards activities that enhance and spearhead optimisation of use of local resources and their translation into socio-economic capital. It is essential, therefore, to:

- Open the bidding to contractors registered as labour intensive contractors (SMEs, associations, cooperatives, individuals, and local service community groups). The technical services at District and Sector levels will monitor labour intensive experience in terms of technical organisation and respect of social code.
- Train the actors in the labour intensive methods and norms in terms of technical know-how, bidding preparations, project implementation and follow up.
- Contribute to the building and setting up of infrastructure wherever it is economically justified, using the labour intensive approach, all over the country in both rural and urban areas, transforming a proportion of the agriculture-dependant population into labour intensive skilled and semi-skilled workers.
- Transform temporary labour intensive opportunities into sustainable full time and part time occupations, developing technical capacities in various sectors and increasing the demand in those sectors.
- Ensure that the level of unemployment in Rwanda does not allow the contractors to give unfair wages and monitor the protection of the workers (labour intensive code of conduct, ways and means to control the social aspects during implementation).
- Use the opportunity of mixing the workers (men and women) and to give the local authorities a chance for addressing cross cutting themes such as reconciliation, mutual health schemes, savings schemes, gender equality, HIV/AIDS, environment, etc.
- Have all development stakeholders (government departments, decentralised entities, implementing organisations and donors) on board to orient their development support in favour of Labour Intensive Public Works to create the desired synergy.

## **3.5. HIMO Sector Objectives**

### **3.5.1. General Objective**

The general objective of Labour Intensive Public Works (HIMO) is to contribute to poverty reduction by carrying out employment-intensive and income-generating investments using local resources by reinforcing the capacities of decentralised structures and local actors.

### **3.5.2. Specific Objectives**

In the attempt to contribute towards poverty reduction the following specific objectives have been identified in HIMO:

- Reduce the vulnerability of the rural people by creating sustainable jobs, increasing arable soil yield, protecting the environment and marketing farm products;
- Overcome obstacles to development resulting from the absence of good rural roads, accessible all year round;
- Create employment and improve the living conditions of the population living in the under-privileged neighbourhoods of cities by providing them with minimum basic infrastructure and services;
- Build local capacity (technical ministries, local communities and private operators) in planning, designing, implementing, following up and controlling the management of rural and urban infrastructure projects through the labour intensive approach. This will ensure application of HIMO with ease and as a culture, while making maintenance of works possible.

## **3.6. HIMO Strategies in brief**

The principal fields of the HIMO Strategy are:

- Giving support to the districts for the implementation of their development plans.
- Building capacity at all levels of actors in the HIMO domain (administration, decentralised entities, private sector, civil society) based on their capacity needs relevant to HIMO technology.
- Capitalisation of previous experiences in and outside the country.
- Development of synergies from all actors (technical ministries, local governments, donors and the private sector).
- Application of sector strategies developed by the Rwandan Government in the field of agriculture, rural road construction, water supply, environmental protection and any other sector depending on the requests received from districts/towns, as long as they promote employment creation.
- To promote learning by doing in the definition, demonstration and institutionalisation of the HIMO approach in an effective way whenever it is technically feasible and economically profitable.

### **3.7. Programmes of the HIMO Sector**

The programmes of the HIMO Sector are manifested in its areas of its intervention in both rural and urban areas. It is important to point out that complementary trainings and awareness creation activities are conducted to accompany the above said interventions.

#### **3.7.1. Programmes of the sector in rural areas**

- Road infrastructure network (earth roads, paved roads – at construction and rehabilitation/maintenance levels);
- Agricultural infrastructure and protection of environment, such as marshland reclamation, reforestation, construction of markets;
- Rural water supplies;
- Social infrastructure;
- Special labour-intensive programmes for quick impact such as radical terracing;
- Anti-erosive ditches, leaving room to any other special projects deemed necessary by the local governments.

#### **3.7.2. Programmes of the sector in urban areas**

- Pavement of main streets in impoverished urban districts, using stone pavement or concrete blocks according to the availability of the local resources and the cost efficiency of the pavement;
- Drainage of certain suburban areas prone to flooding and damage to dwellings during heavy rains;
- Waste collection and recycling;
- Construction of markets, thus improving trade and hygiene;
- Extension and rehabilitation of piped water schemes.

#### **3.7.3. Training programmes (urban and rural)**

The training component is desirable to support three essential and inseparable objectives: capacity building of the districts/towns and other actors, development of the private sector and employment promotion.

By creating a core of enterprises (CE: Consulting Engineers, SME: Small and medium-sized enterprises: UP: Production unit) with the ability to use HIMO techniques in productive work, the programme establishes a basis for the progressive extension of these techniques in the country, thus contributing to these essential objectives of the Government of Rwanda as emphasised by the Vision 2020 and Economic Development and Poverty Reduction Strategy.

The training constitutes a principal element of this programme and concerns all the target beneficiaries of the programme listed as follows:

(a) Small and medium-sized enterprises: the HIMO technology will contribute to the creation and reinforcement of enterprises, including training to enable them to respond to the opportunities offered within the framework of investments envisaged by the districts. This includes not only enterprises of the formal sector (building enterprises and engineering departments) but also those of the informal sector like teams of road workers, paving stone cutters etc.

(b) The staff of various technical departments: at the central level as well as at the provincial level, staff will be trained in planning and management of investment plans centred on the partnership with the private sector and the use of techniques with high coefficient of labour for all related activities.

(c) Community development committees of districts/towns, sectors and cells: they will be reinforced and made aware of their responsibilities in order to participate in the identification, planning, awarding of contracts, follow-up and control, and the maintenance of infrastructure and equipment envisaged in HIMO.

(d) Community groups/associations (roads users' associations, water users' associations, associations of development and management of forests etc.) will be trained in the management of small maintenance funds and the implementation of maintenance work.

(e) Young graduates from technical training schools will be attached to various activities of HIMO programmes in the form of training courses or creation/reinforcement of districts, SMEs and Consulting Engineers.

(f) Low income groups - they will profit especially from the employment opportunities offered directly on the project sites and from the job training provided by the enterprises and NGOs.

To complement other government initiatives in place the HIMO approach provides a platform for sensitising the beneficiaries on crosscutting issues, namely: HIV/AIDS, mutual health schemes, environmental protection, gender, the role of savings, unity and reconciliation, etc.

## 4. Institutional Framework for HIMO Strategy Implementation

The HIMO Strategy is monitored and supervised by the Ministry of Local Government, (MINALOC) which represents the central government as well as being directly in charge of the local governments which are the implementers of government policies and strategies. Through MINALOC, the policy is linked to the Common Development Fund (CDF) for the day-to-day oversight and management since the CDF is a channel of government and donor funds to the local governments. The districts implement the policy by integrating HIMO technology in their development plans, and implanting HIMO projects in collaboration with the private sector contractors

The institutional framework caters for a broad dialogue and participation of all technical ministries and other technical agencies of the public sector, according to their specific fields of expertise, and of various actors of the private sector and civil society through the Joint Action Forum at the district level and the steering committee at national level, where donors are represented. The roles of the respective actors are as follows.

The role of the **Central Government** is to:

- Appreciate HIMO as an intermediate technology for promoting utilisation of local resources for economic development and social protection.
- Advocate for the HIMO approach as well as its implementation strategy amongst development stakeholders especially donors.
- Monitor compliance of the norms and standards of the activities of HIMO works with the respective sectoral and nationally accepted standards.
- Mobilisation of financial resources, as well as the harmonisation of HIMO finances with the National Investment Strategy.
- Appreciate the progress of HIMO in economic development and poverty eradication.

The role of **MINALOC** is to:

- Ensure that HIMO works are implemented within the framework of decentralisation, good governance and community development, as conceived by the GoR.
- Advocate for the HIMO strategy as well as its implementation strategy amongst stakeholders especially donors.
- Serve as a link between the CDF, local governments, technical ministries and donors for a concerted support to the strategy.
- Monitor the progress of HIMO to provide feedback to the respective actors in the sector.
- Oversee the implementation of the strategy, seek and disseminate corrective advice to the central government, donors, local governments and other actors in the sector.
- Chairing the National Steering Committee.

The **National Steering Committee** comprises the following:

- Technical ministries, namely, ministries in charge of finances, economic planning, agriculture, environment, commerce, labour, infrastructure, gender, youth, health and education
- National Councils: National Women Council and the National Youth Council
- Private Sector Federation
- Civil Society representatives
- Donor representatives
- National level implementing organisations.

The role of the **National Steering Committee** is to:

- Advocate for the HIMO approach and its strategic actions to the respective communities represented on the committee.
- Oversee the strategy implementation and give advice where it is deemed necessary.
- Advise the CDF on critical issues about the strategy.
- Give feedback on their support to HIMO activities in their respective domains and geographical zones of operation.
- Participate in application of CDF formula for equitable distribution of HIMO works.
- Contribute towards harmonisation of HIMO norms and standards.
- Influence stakeholders in favour of HIMO Policy and its strategic orientations.
- Provide a forum for respective representatives to express their concerns on the implementation of the strategy and its orientation, in order to foster harmonisation of approach and create synergy.
- Provide a forum for donors' (bilateral and/or multilateral) to assist the Rwandan government in its fight against poverty through the creation of income generating opportunities and direct, induced and permanent jobs (especially in rural areas), by making available financial resources.
- Provide a forum through which donors can monitor financial flows to ensure that they get value for money through HIMO projects.
- Involve the private sector and civil society, who will be responsible for execution of the public works and investing development funds in favour of HIMO techniques.

The role of the **Common Development Fund (CDF)** is to:

- Monitor the day-to-day management and implementation of the strategy and report to MINALOC for onward submission to the National Steering Committee and the central government.
- Define the minimum norms and standards related to HIMO so that all stakeholders know what is qualified as HIMO.
- Ensure investment of funding in favour of HIMO works to set an example and offer points of learning to other stakeholders.
- Ensure effective linkage of HIMO and the Ubudehe process.
- Advocacy for the strategy amongst CDF partners, especially donors and local governments.
- Serve as a central secretariat for the National Steering Committee.

The role of **Local Governments** is to:

- Integrate HIMO activities in the district development plans, underscoring employment creation as one of the overriding local development goals.
- Defend their development plans so that the interventions of their stakeholders are within the framework of the plans.
- Advocate for HIMO amongst their stakeholders especially through the Joint Action Development Fora.
- Integrate employment creation in their performance contracts (Imihigo).
- Manage the whole project cycle from identification of projects, bidding, identification of beneficiaries, sensitisation of beneficiaries, articulation of cross cutting issues in ongoing projects as well as monitoring of the projects.
- Ensure maintenance of the projects.
- Ensure timely reports to their respective stakeholders.

## 5. Conclusion

The HIMO approach is an indispensable instrument helping to exploit local resource potential and commit them into active production. Since the major part of the local resources comprises of the human resource (the local population), who are the direct beneficiaries of development activities, HIMO is significant in the overall government focus as expressed by Vision 2020, as well as an answer to several national strategies: the Economic Development and Poverty Reduction Strategy, the employment promotion strategy, the agricultural and environment strategy, the strategy for the road-building sector and urban development. Furthermore, HIMO's significance is double-fold in nature because it embraces both infrastructure development and social protection. HIMO also offers a good platform for sensitisation of people at their worksites on other government policies and strategies such as gender, environmental protection, health and sanitation, HIV/AIDS, mutual health insurance, savings, umuganda, unity and reconciliation, etc. It is, therefore, invaluable to apply the HIMO approach widely and institutionalise it in all types of work wherever its application seems appropriate.

Once institutionalised, HIMO will bring all development stakeholders (government departments, local governments, donors, private sector and civil society) on board to adapt the technology, which is desirable to pool the available resources in infrastructure development together, and consequently implement funded activities in a way that promotes exploitation of local resources in favour of employment creation to the majority of the poor members of the entire community.

HIMO Strategy is thus aimed at:

- effectively combining local (from districts) and sectoral (from technical ministries) strategies;
- using, through the decentralised structures, locally available resources;
- ensuring that the local population participates in economic growth by supporting productive sectors, activities and the use of more labour-intensive technologies, whenever it is technically feasible and economically profitable;
- orienting stakeholder involvement in activities that optimise use of local resources, human and non-human.

HIMO's niche in the development arena rests in its ability to optimise use of local resources and translating them into socio-economic capital whilst tackling economic development and poverty reduction challenges directly through employment intensive activities that create jobs, strengthen institutions, equip people with skills through apprenticeship and support the decentralisation process and local development. This qualifies the HIMO approach to be mainstreamed by development stakeholders in their development activities.

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