



International
Labour
Organization



► STRENGTHEN2



Co-funded by
the European Union

► Employment impact assessment of the Zambian Great North Road Upgrading project

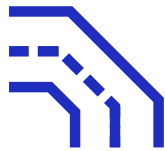
Background

STRENGTHEN2 hosted in the DEVINVEST branch of the ILO's Employment Policy Department, is a joint initiative of the European Union and the ILO that focuses on job creation through investments. The project is assessing the employment impact of EU-sponsored actions in sub-Saharan Africa. This brief outlines the methodology, results and policy recommendations of the **Zambian Great North Road Upgrading (GNRU)** project.

Methodology

An ex-ante assessment of the employment impacts of the GNRU project is carried out by conducting simulations using the ILO's Structural Model for Sustainable Development (SMSD). The model builds on the data and structure of the Social Accounting Matrix (SAM) produced jointly by the ILO and the Zambia Statistic Agency (ZamStats) and it contains detailed information on production, income generation and distribution and use of products. The simulation is conducted to assess the temporary employment impact of the implementation (construction) of the project as well as the permanent employment impacts generated by the expansion of transport sector capacity as the result of the GNRU project.

Sector



Road rehabilitation

Financing



million euros **435.9**

Status



The project has been significantly delayed, at the present time it is still in the process of finding the implementers, thus an ex-ante assessment is carried out. The execution of works and delivery of supplies included in the project is scheduled to be implemented over a period of 48 months, followed by an approximately 24 months guarantee period.

Objectives



1. Foster regional integration by expanding intra-Africa trade and strengthening growth;
2. Boost sustainable and inclusive development and growth;
3. Transform Zambia from a land-locked to a land-linked country;
4. Reduce the time and cost of transport along this regional strategic corridor with faster and smoother traffic flows, more reliable travel times, and vehicle operating cost saving.

1. Temporary employment impacts: 36,222

Occupation with highest job gain
Informal crafts and
related trade workers



27,585
in construction sector



Female

13%



Young

13%



Formal

27%



83 Jobs
created
for each €
million invested

0.95%
Additional
real income
(roughly)

0.84%
Additional real
GDP growth

1.68%
Additional
Employment

2. Permanent employment impacts: 6,813

Female

22%



Young

18%



Formal

50%



Occupation with highest job gain
Informal plant and machine
operators, assemblers

16 Jobs
created
for each €
million invested

0.45%
Additional real
income (roughly)

Recommendations

The gender bias revealed in the estimated temporary and permanent employment effects is most concerning. Gender bias can be addressed by making the hiring process more female-friendly and the workplace more gender-sensitive, which will ultimately steer the gender composition of the employment impacts towards more female employment.

The assessment also finds slight bias against youth in both temporary and permanent employment impacts. If the project aims at absorbing more youth labour supply in Zambia, then efforts are needed to bring more young workers into the labour market, which includes providing the training and education needed to meet the labour demand. Additionally, youth-friendly hiring policies can be implemented when circumstances allow.

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[Full report](#)

