



International
Labour
Organization



SADC Toolkit on Mainstreaming Decent Work and Labour Productivity in Key Economic Sectors

(March 2026)



Attribution 4.0 International (CC BY 4.0)

This work is licensed under the Creative Commons Attribution 4.0 International. See: creativecommons.org/licenses/by/4.0. The user is allowed to reuse, share (copy and redistribute), adapt (remix, transform and build upon the original work) as detailed in the licence. The user must clearly credit the ILO as the source of the material and indicate if changes were made to the original content. Use of the emblem, name and logo of the ILO is not permitted in connection with translations, adaptations or other derivative works.

Attribution – The user must indicate if changes were made and must cite the work as follows: **ILO, *SADC toolkit on mainstreaming decent work and labour productivity in key economic sectors*, Geneva: International Labour Office, 2026. © ILO.**

Translations – In case of a translation of this work, the following disclaimer must be added along with the attribution: *This is a translation of a copyrighted work of the International Labour Organization (ILO). This translation has not been prepared, reviewed or endorsed by the ILO and should not be considered an official ILO translation. The ILO disclaims all responsibility for its content and accuracy. Responsibility rests solely with the author(s) of the translation.*

Adaptations – In case of an adaptation of this work, the following disclaimer must be added along with the attribution: *This is an adaptation of a copyrighted work of the International Labour Organization (ILO). This adaptation has not been prepared, reviewed or endorsed by the ILO and should not be considered an official ILO adaptation. The ILO disclaims all responsibility for its content and accuracy. Responsibility rests solely with the author(s) of the adaptation.*

Third-party materials – This Creative Commons licence does not apply to non-ILO copyright materials included in this publication. If the material is attributed to a third party, the user of such material is solely responsible for clearing the rights with the rights holder and for any claims of infringement.

Any dispute arising under this licence that cannot be settled amicably shall be referred to arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL). The parties shall be bound by any arbitration award rendered because of such arbitration as the final adjudication of such a dispute.

For details on rights and licensing, contact: rights@ilo.org. For details on ILO publications and digital products, visit: www.ilo.org/publns.

ISBN: 9789220433973 (print); 9789220433980 (web PDF)

DOI: <https://doi.org/10.54394/00033864>

The designations employed in ILO publications and databases, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the ILO concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers or boundaries. See: www.ilo.org/disclaimer.

The opinions and views expressed in this publication are those of the author(s) and do not necessarily reflect the opinions, views or policies of the ILO.

Reference to names of firms and commercial products and processes does not imply their endorsement by the ILO, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

Foreword

This SADC Toolkit on Mainstreaming Decent Work and Labour Productivity in Key Economic Sectors is premised on evidence from the Decent Work in Construction Project (2023 -2026), implemented by the International Labour Organization (ILO), in collaboration with the SADC Secretariat and with the funding from Sweden.

As governments in the Southern African Development Community (SADC) intensify efforts to deepen regional integration, accelerate industrialisation, and expand employment opportunities, the question, that remains unanswered is how to ensure that growth is not only robust, but fair, inclusive, and transformative. The current and persisting decent work deficits, informality of employment, unsafe workplaces, weak social protection, and low productivity, continue to limit the region's ability to secure inclusive sectoral and economic growth. These challenges are systemic and deeply embedded in how the sectors are structured, how enterprises operate, and how labour is valued. They cannot be addressed through fragmented or enforcement-only approaches. They require proactive, coordinated action, and a shared regional commitment to change. Decent work is central to that ambition. Without it, economic gains remain fragile, inequality persists, and the promise of industrialisation falls short of its people.

Drawing from solid evidence and practical lessons generated in Mozambique, South Africa, and Zimbabwe, this Toolkit provides Member States with a clear and actionable roadmap for integrating decent work into economic and sectoral growth strategies. It represents more than technical guidelines; it is a policy instrument for shaping the future of labour markets in Eastern and Southern Africa. It calls on governments, employers, trade unions and all sector players to work in partnership to champion development that places people, especially the most vulnerable workers at the centre of economic transformation.

The core message of this Toolkit is unequivocal: decent work is a strategic investment in productivity, competitiveness, and sustainable development. When workers are protected, enterprises can innovate and compete more effectively. When procurement systems reward ethical business conduct, markets become fairer and more efficient. When social protection is expanded, the economy becomes more resilient to shocks. And when workers' voices are strengthened, social dialogue becomes a stabilising force for peace, progress, and prosperity.

The Toolkit is firmly anchored in the ILO's Decent Work Agenda and international labour standards and supports regional commitments under the SADC Protocol on Employment and Labour as well as the Regional Indicative Strategic Development Plan (RISDP).

The ILO encourages member states, social partners and market players to adopt this Toolkit as a strategic instrument for institutionalizing sector development strategies which ensure that social justice is not merely an ambition, but an indispensable foundation of economic growth.

Alexio Musindo

Director

DWT Eastern and Southern Africa

Country Office for Botswana Eswatini, Lesotho, and South Africa

Acknowledgements

The SADC Toolkit on Mainstreaming Decent Work and Labour Productivity in Key Economic Sectors was developed by the International Labour Organization (ILO), in collaboration with the Southern African Development Community (SADC), and a range of regional and national stakeholders. The Toolkit was developed under the overall direction of Mr. Alexio Musindo, ILO Director for the Decent Work Team for Eastern and Southern Africa, and Country Office for Botswana Eswatini, Lesotho, and South Africa.

The ILO expresses its sincere appreciation to the governments, employer organisations, worker organisations, key stakeholders and Project implementation partners from Mozambique, South Africa and Zimbabwe, whose pilot interventions provided the empirical foundation for the approaches presented in this Toolkit. Special appreciation is extended to the Project Steering Committee, chaired by Mr. Musaggy Juma (Mozambique - 2023), Ms. Aggy Moiloa (South Africa- 2024/2026), and Mr. Clemence Vusani (Zimbabwe -2025). Their leadership, direction, and commitment throughout the Project implementation was instrumental in achieving successful Project results. Further appreciation goes to the SADC Secretariat for its strategic guidance, and which through Dr. Maxwell Parakokwa ensured alignment of the Toolkit with regional policy frameworks and priorities.

The toolkit was developed with the support of the Labour and Economic Development Research Institute of Zimbabwe (LEDRI), which served as the lead consultant responsible for the initial drafting, and technical development of the publication. Their work drew extensively from evidence, lessons learned, and good practices generated through the Decent Work in Construction Project.

The development of the Toolkit benefited greatly from the technical inputs of the Decent Work in Construction Project team, Naomi Lintini, Nyasha Muchichwa, Grace Rwomushana, Darryl Crossman, and Tarisai Kudzurunga, and from the support various ILO Specialists whose insights and experiences helped ensure that the Toolkit provides actionable guidance for strengthening labour law compliance and labour productivity in key economic sectors across the SADC region.

The ILO further acknowledges the financial support of the Government of Sweden, which funded the Decent Work in Construction Project through the Toolkit was developed, and whose commitment to advancing labour rights, and inclusive economic development made this work possible

Table of Contents

Foreword.....	ii
Acknowledgements.....	iv
Executive Summary.....	1
1. Background and Context.....	3
1.1. Decent Work Deficits and Structural Labour Market Challenges	3
1.2. Low Labour Productivity and Decent Work	4
1.3. The Decent Work in Construction Project Response and Evidence Base	5
1.4. Rationale for a Regional Toolkit and Strategic Importance for SADC	6
2. Objectives of the Toolkit.....	6
3. Conceptual Framework.....	7
3.1. Normative and Policy Foundations.....	7
3.2. Analytical Lens: A Market Systems Development Perspective.....	7
3.3. The Decent Work–Productivity Nexus and System level of Interventions.....	9
3.4. Gender Equality, Inclusion, and Cross-Cutting Considerations	9
4. Core Components of the Toolkit.....	10
4.1. Pillar 1: Incentivising Compliance with Labour Laws	10
4.2. Pillar 2: Leveraging Public and Private Procurement to achieve higher compliance levels.	12
4.3. Pillar 3: Capacity Development of Small Enterprises (SMEs) on Decent Work and Productivity.....	14
4.4. Pillar 4: Strengthening Capacity of Worker Organisations to represent, and advocacy for rights of vulnerable workers.....	16
4.5. Pillar 5: Expanding Access to Social Protection for Vulnerable Workers	17
5. Implementation Approach and Institutional Arrangements	19
5.1 Guiding Principles for Implementation	19
5.2 Institutional Anchoring at National Level.....	19
6. Roles and Responsibilities of Key Actors.....	22
7. Monitoring, Evaluation, and Reporting Framework.....	22

Executive Summary

The Southern African Development Community (SADC) is pursuing an ambitious regional development agenda centred on economic integration, industrialisation, infrastructure development, and inclusive growth. Key economic sectors, particularly infrastructure-intensive and labour-absorbing sectors such as construction, manufacturing, transport, agriculture, and related services, play a central role in achieving these objectives. While these sectors have generated employment and economic activity across the region, they continue to be characterised by persistent decent work deficits, widespread informality, unsafe working conditions, low wages, weak labour law compliance, and low labour productivity. These structural challenges undermine the sustainability of growth, weaken enterprise competitiveness, and limit the developmental impact of public and private investment.

This SADC Toolkit on Mainstreaming Decent Work and Labour Productivity in Key Economic Sectors is premised on evidence from the Decent Work in Construction Project, implemented by the International Labour Organization (ILO), in collaboration with the SADC Secretariat and with the funding from Sweden. The Toolkit draws on concrete lessons, empirical evidence, and good practices generated through pilot interventions implemented in Mozambique, South Africa, and Zimbabwe. While informed by construction sector experience, the Toolkit is designed as a sector-agnostic framework that can be adapted to other priority sectors within the SADC region. The Toolkit provides a comprehensive, evidence-based framework to support Member States in systematically integrating decent work and productivity considerations into sector development strategies, policies, and implementation mechanisms.

The Toolkit responds to a critical policy strategy gap: the historical separation between labour market interventions and economic and sector development strategies, as well as the treatment of labour as a cost that has to be minimized, rather than a resource that has to be invested in. the toolkit It advances the central proposition that decent work and labour productivity are mutually reinforcing objectives, and that labour law compliance should be understood not as a regulatory burden, but as a strategic investment in productivity, enterprise resilience, and long-term competitiveness. By reframing decent work as an economic and productivity issue, the Toolkit provides a common framework for key stakeholder engagement including by ministries responsible for labour, finance, public works, industry, planning, and social security, as well as by employers' and workers' organisations and private sector.

The Toolkit is presented as a practical instrument for supporting countries Member States to move beyond fragmented or ad hoc interventions and towards a coherent, systemic approach that addresses the root causes of decent work deficits and low labour productivity. It reinforces the proposition that compliance with labour laws standards and decent work principles is not a cost to competitiveness but rather a critical driver of productivity, enterprise resilience, and sustainable economic growth.

At its core, the Toolkit provides Countries with a structured pathway for translating regional good practice and commitments into national and sector-level action. It applies the ILO's Market Systems Development approach to address enterprise level root causes of decent work deficits and low productivity. The Toolkit promotes coordinated and integrated multi-level action, from regulatory incentivization, procurement and contracting systems, enterprise development support mechanisms, to worker representation, education and protection

frameworks. This systemic approach is essential for achieving meaningful and sustained behavioural change and measurable impact at scale.

The Toolkit is organised around five mutually reinforcing pillars of intervention. The first pillar focuses on *incentivizing compliance with labour laws* through strategic compliance planning, enabling labour inspectorates to implement pro-active and data-driven, interventions that promote compliance while making efficient use of limited resources. The second pillar focuses on *leveraging public and private procurement and contracting* as powerful tools for shaping market incentives, ensuring that decent work requirements and productivity provisions are embedded in tendering, costing, contract management, and performance assessment processes. The third pillar provides *enterprise-level guidance for by strengthening the capacity of small and medium-sized enterprises* to comply with labour laws, improve productivity, and transition towards sustainable business models. The fourth pillar focuses on *strengthening worker representation and protection*, ensuring that workers, in vulnerable employment environments, have effective representation, voice, and agency in the workplace. The fifth pillar focuses on *expanding access to social protection systems*, to reduce vulnerability, supporting workforce stability, and facilitating transitions to formality.

To support effective implementation, the Toolkit provides Member States with tried and tested approaches to achieving decent work and labour productivity through step-by-step intervention matrices, guidance on institutional arrangements, and a phased implementation approach that allows for prioritisation, learning, and scaling.

The expected outcomes of implementing the Toolkit guidelines includes improved compliance with labour laws, improved employee wellness, and increased labour productivity, more stable and formal employment relationships inclusive social protection systems and stronger and worker representation systems. Over the longer term, these outcomes are expected to contribute to more competitive and resilient enterprises, fairer and more efficient markets, and inclusive, productivity-driven growth across key sectors in the SADC region.

1. Background and Context

The Southern African Development Community (SADC) has identified industrialisation, infrastructure development, employment creation, and inclusive growth as central pillars of its regional integration and development agenda. These priorities are reflected in the Regional Indicative Strategic Development Plan (RISDP), the SADC Industrialization Strategy and Roadmap, the SADC Declaration on Productivity (1999), SADC Protocol on Employment and Labour, and the SADC Decent Work Programme. Key economic sectors, particularly those that are labour-intensive and infrastructure-driven, play a critical role in translating these policy commitments into tangible development outcomes for the region's populations.

Over the past decade, SADC Member States have experienced increased public and private investment in sectors such as construction, manufacturing, transport, agriculture, mining-related services, and urban infrastructure. This expansion has generated employment opportunities across a wide range of occupational levels, including for young people, women, and low-skilled workers. However, the quality of employment generated has not kept pace with the scale of investment and economic growth. In many sectors, employment remains characterised by high levels of informality, insecure and short-term contracts, weak enforcement of labour standards, unsafe working conditions, and limited access to social protection.

These challenges are particularly pronounced in sectors where competitive pressures are high and margins are thin. Enterprises operating in such environments often respond to cost pressures by reducing labour costs through non-compliance with labour laws, subcontracting, and informal employment arrangements. These conditions are reinforced by procurement and contracting systems that prioritise lowest-cost bids without adequately accounting for labour law compliance, as well as by limited enforcement capacity and insufficient access to enterprise support services, particularly for small and medium-sized enterprises (SMEs).

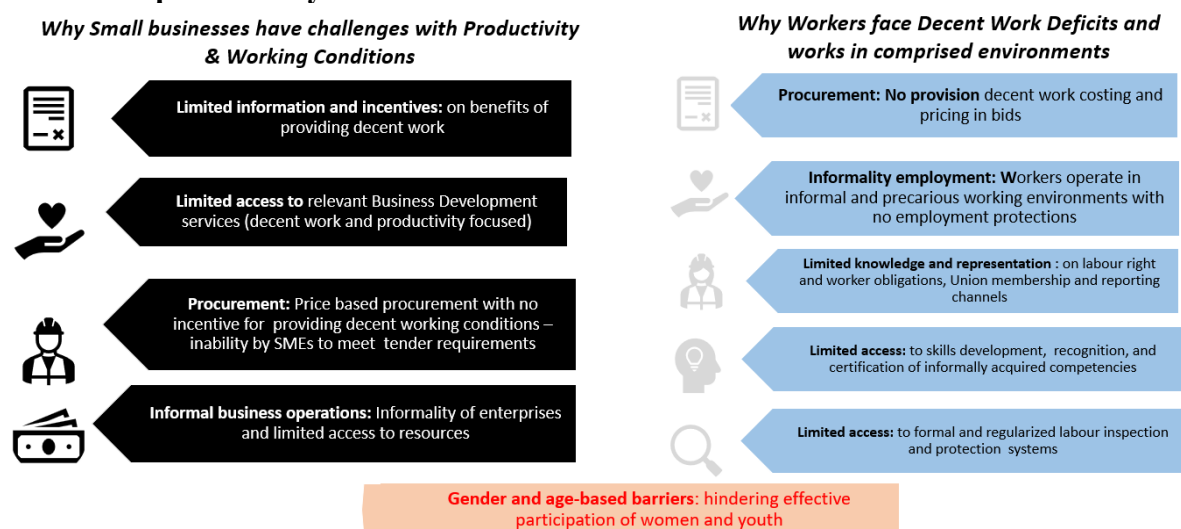
The persistence of these challenges demonstrates that decent work deficits and low productivity are systemic in nature. They are embedded in the way market's function, in the incentives facing enterprises, in the capacity of institutions, and in the rules and norms governing economic activity. Addressing these challenges therefore requires a coordinated and systemic response that aligns labour administration, procurement systems, enterprise support, social dialogue, and social protection policies.

1.1. Decent Work Deficits and Structural Labour Market Challenges

Evidence from the Decent work in Construction Project and from other sources indicates that decent work challenges are systemic rather than incidental. The market system analysis reports in the construction sector in Mozambique, South Africa and Zimbabwe,¹ identified root causes of decent work deficits, accidents and low enterprise productivity in the construction sector from both the enterprise-side and the worker-side as indicated in Figure 1.

¹ [MSA Report Mozambique.pdf](#), [MSA Report South Africa.pdf](#), and, [MSA Report Zimbabwe.pdf](#)

Figure 1: Identified root causes of decent work deficits, accidents and low enterprise productivity



The market system analysis revealed common patterns, including widespread underpayment of wages, excessive working hours, inadequate occupational safety and health measures, limited access to training and skills development, and exclusion of informal and non-standard workers from social protection systems. Contractual arrangements often leave SMEs in a position of extreme vulnerability, particularly through the prevalence of labour-only contracts. The assessments showed that in Mozambique and South Africa, SMEs are frequently restricted to these low-profit contracts where they compete almost entirely on price. This creates a *race to the bottom* in where main contractors demand price reductions after the initial bid are submitted. To maintain viability under such “take it or leave it” pressure, SMEs are forced to cut costs in areas like wages, occupational health and safety.

The assessment established that labour law compliance Units face significant resource and systemic hurdles that limit their ability to promote and ensure compliance, particularly at the subcontractor level. It was also established that worker representation is uneven among informal, casual, and short-term contract workers, especially for women, youth and persons with disabilities. Weak representation limits workers’ ability to assert their rights, engage in collective bargaining, and contribute to productivity-enhancing workplace dialogue. At the same time, employer organisations often lack the tools and incentives to promote responsible business conduct among their members, particularly smaller enterprises. While formal workers may benefit from mandatory leave, unemployment insurance, and injury compensation schemes, a significant proportion of the workforce remains informal and excluded from these protections.

1.2. Low Labour Productivity and Decent Work

At sector level, low productivity undermines competitiveness and reduces the returns on investment. Infrastructure projects, for example, experience delays, cost overruns, and quality challenges that are often linked to weak labour management and unsafe working conditions. In manufacturing and services, low productivity limits the ability of enterprises to integrate into regional and global value chains. The persistence of low productivity has broader macroeconomic implications. It constrains economic diversification, limits fiscal space through reduced tax revenues, and weakens the capacity of economies to absorb growing labour forces into productive and decent employment.

Low labour productivity and deficits in decent work are therefore mutually reinforcing and should be understood as part of the same structural challenge. Precarious employment arrangements, particularly informal and short-term subcontracting, discourage both employers and workers from investing in skills development and long-term performance improvements. Workers without employment security, written contracts, or access to social protection have limited incentives and opportunities to enhance their competencies, while employers operating on thin margins often prioritise cost-cutting over workforce development.

1.3. The Decent Work in Construction Project Response and Evidence Base

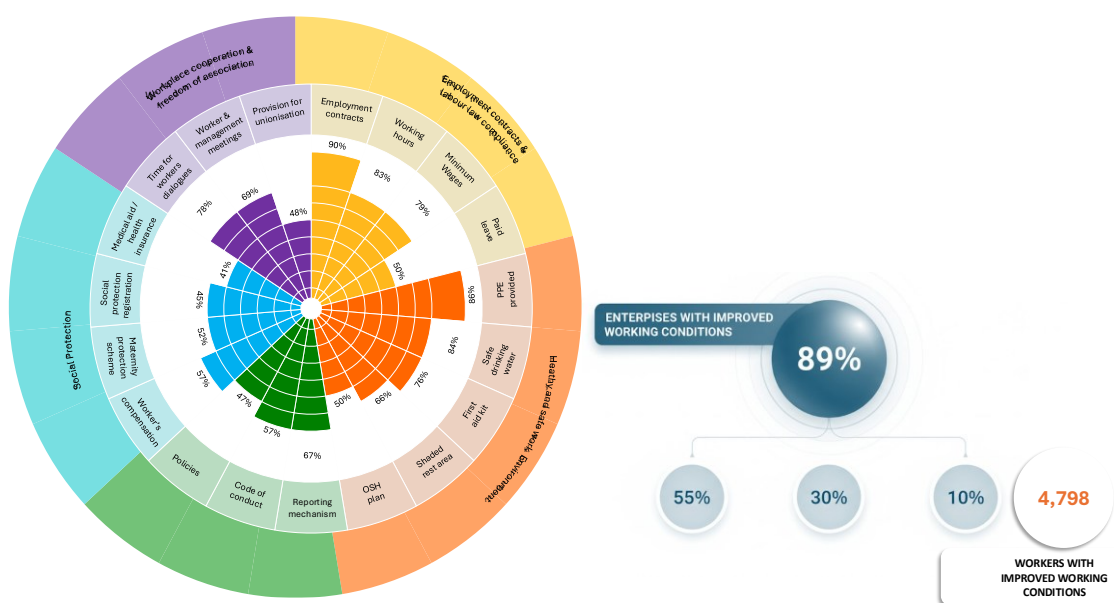
The Decent Work in Construction Project was designed as a strategic response to these challenges. The Project applied a Market Systems Development approach to identify and address the systemic drivers of decent work deficits and low productivity in the construction sector and piloted integrated interventions in Mozambique, South Africa, and Zimbabwe. The pilot interventions included:

- (i) trade unions representing vulnerable workers² and providing orientation on fundamental rights at work and Occupational Safety and Health (OSH).
- (ii) national social protection institutions extending coverage to vulnerable workers, particularly those in informal construction work.
- (iii) contracting authorities integrating decent work principles into small works contracts and basic employment agreements.
- (iv) procurement authorities embedding decent work criteria into tendering processes and incorporating decent work costing into bids.
- (v) Business Development Service Providers delivering support to SMEs on decent work and labour productivity.
- (vi) workers' compensation and insurance providers adapting services to the needs of small construction enterprises; and
- (vii) public and private inspection bodies implementing proactive inspections and compliance frameworks.

Through these interventions, Project demonstrated that a targeted, coordinated approach can produce tangible and measurable improvements in labour law compliance. Importantly, the Project generated evidence that labour law compliance contributes to improved labour productivity and overall business performance, reduced accidents, and greater workforce stability. These pilot interventions provided proof of concept that decent work and productivity can be advanced simultaneously when interventions are aligned with sector realities and supported by social dialogue. The lessons learned and good practice from these interventions form the empirical foundation of this Toolkit.

² Vulnerable workers are defined as short-term and informal workers.

Figure 2: Enterprise Level Intervention Outcomes from Decent Work in Construction Project



1.4. Rationale for a Regional Toolkit and Strategic Importance for SADC

While pilot interventions have demonstrated what is possible, impact remains limited to the countries that piloted the interventions. Most other Member States still face structural challenges with ensuring labour law compliance and achieving high labour productivity at sectorial level. There is therefore a strong rationale for a regional framework that provides coherence guidance, that promotes peer learning and supports replication of the good practice while acknowledging national diversity.

This Toolkit responds to this need by offering SADC Member States a common framework, presented in a set of structured intervention pathways, with practical guidance for implementation. It translated good practice and lessons from tried and tested methodologies into a mechanism for scaling-up proven approaches across sectors and countries.

The Toolkit promotes a systemic and integrated approach to achieving decent work and higher labour productivity at sectorial level and contributes directly to SADC's broader objectives of inclusive growth, regional competitiveness, and social cohesion. It strengthens the alignment between labour, economic, and industrial policies and strategies and supports the development of resilient labour markets capable of withstanding economic shocks.

The Toolkit therefore represents a strategic instrument for advancing SADC's development agenda and for demonstrating regional leadership in highlighting the nexus between decent work and labour productivity as a foundation for sustainable economic transformation.

2. Objectives of the Toolkit

The objective of this Toolkit is to provide a comprehensive, evidence-based framework that will serve as guidance for Member States on how to systemically institutionalise an evidence-based approach to the promotion of decent work and labour productivity, to ensure that priority

sector driven economic growth is inclusive, competitive, resilient, mutually beneficial, and socially sustainable.

It has been developed as a tool for fostering the replication and scaling-up of proven good practices emerging from pilot interventions and allows for flexibility in adaptation to national and sector-specific contexts. The Toolkit seeks to strengthen the capacity of governments, employers' organisations, workers' organisations and key sector partners to work collaboratively through social dialogue mechanisms to collectively address labour market and productivity challenges. In doing so, the Toolkit contributes directly to the implementation of the SADC Decent Work Programme, national Decent Work Country Programmes, and to relevant national development agendas.

The Toolkit positions decent work not as a peripheral labour market concern, but as a core economic and productivity strategy, that should be fully integrated into sector development policies, enterprise support systems, public investment frameworks, labour administration and management systems across the SADC region.

3. Conceptual Framework

3.1. Normative and Policy Foundations

The Toolkit is grounded and anchored in International Labour Organization's Decent Work Agenda and International Labour Standards, in regional policy commitments, and development frameworks. At its core, the Toolkit is structured around ILO's four mutually reinforcing decent work pillars: the promotion of employment, rights at work, social protection, and social dialogue which provide the normative foundation for advancing social justice, inclusive growth, and sustainable development across Member States. Provisions of the Toolkit contribute to SDG 8 on promoting sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

At regional level, the Toolkit directly supports the implementation of the SADC Decent Work Programme, the Regional Indicative Strategic Development Plan (RISDP), and to the broader continental Agenda 2063.

The toolkit aligns with principles of responsible business conduct, recognising that enterprises have a responsibility to respect labour rights and to contribute positively to economic and social development. By embedding decent work considerations into sector development and market governance, the Toolkit reinforces coherence between labour, economic, and industrial policies and practices.

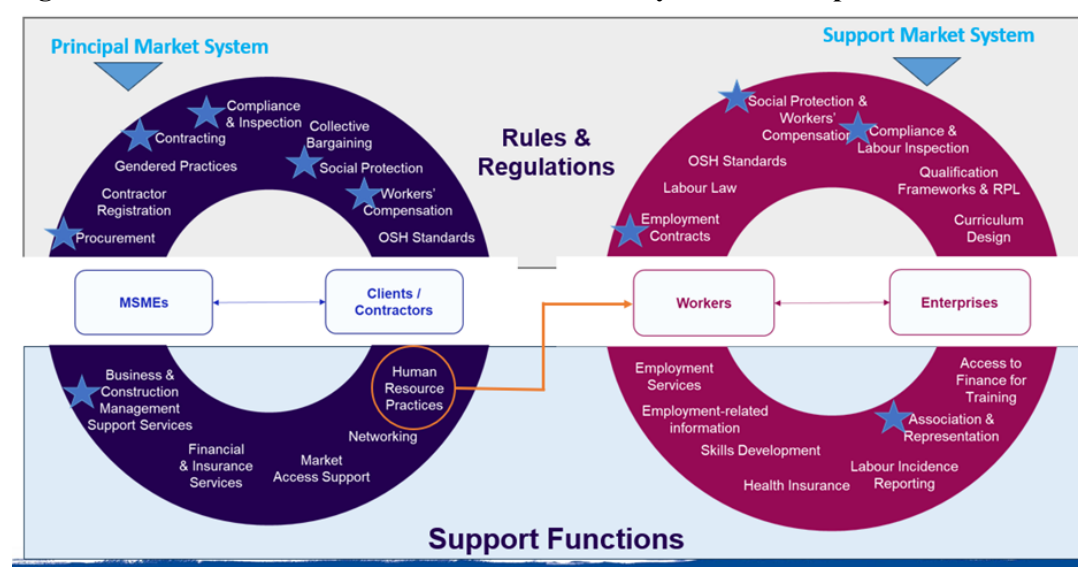
3.2. Analytical Lens: A Market Systems Development Perspective

The Toolkit applies ILO's Market Systems Development (MSD) approach to analyse and address decent work deficits and low labour productivity. This development approach recognises that labour market outcomes are shaped not only by individual enterprises or workers, but by the broader market system within which economic activity takes place. This system comprises core market actors, where the basic demand and supply transactions happen (such labour demand by employers and labour supply by workers), supporting functions where activities to support the effectively performance of the core a market happen (including skills development, finance, business services, and social protection services) and the rules and

regulations functions that that govern and regulate business practice in the core market (including social norms, bye-laws, and sector regulations)

Evidence from the Decent Work in construction Project clearly demonstrated that decent work deficits and low labour productivity are two sides of the same coin, acting as mutually reinforcing vicious cycle components where low-productivity, precarious work often create decent work deficits, while poor working conditions (deficits in decent work) tend to keep productivity low. This vicious cycle persist where market systems fail to provide appropriate incentives for improving compliance, where capacities and related services under supporting functions are weak or mismatched, and where rules and regulations do not provide clear decent work guidelines Low labour productivity is similarly linked to limited enterprise management capacities and weak systems including inadequate skills, poor occupational safety and health standards, and high staff turnover resulting from precarious employment arrangements.

Figure 3: Illustrative Construction Sector Market Systems Development Framework



By applying a market system development lens, the Toolkit amplifies the need for addressing root causes of systemic failures, rather than treating symptoms in isolation. This approach supports sustainable change by incentivizing behaviour change and strengthening institutional capacities across entire market systems. The Toolkit guiding principles are therefore as follows:

- i. **Systemic Change:** To achieve sustainable transformation, interventions must target the underlying causes of market constraints and not just symptoms,
- ii. **Evidence-Based Framework:** Interventions must be built good practice and tested approaches generated through pilot interventions (proof of Concept).
- iii. **Labour law Compliance as a Driver of Productivity:** Compliance with labour rights and Decent Work requirements must be viewed and presented as integral component of enterprise productivity and sustainability, and not as a cost.
- iv. **Market Actors-Driven Solutions and Systemic Feedback Loops:** Market Actors-driven consensus and co-designed solutions with a rigorous results-based monitoring system to generate quantifiable evidence that decent work investments boost productivity, establishing the systemic feedback loops.

3.3. The Decent Work–Productivity Nexus and System level of Interventions

A central premise of the Toolkit is that decent work and labour productivity are mutually reinforcing outcomes. Empirical evidence from the Project and globally demonstrates that poor working conditions, weak labour rights compliance, and unsafe workplaces undermine productivity through high labour turnover, low worker motivation, frequent accidents, skills erosion, and reputational risks. Conversely, enterprises that invest in decent work practices benefit from improved workforce stability, enhanced skills utilisation, reduced absenteeism, and more efficient production processes. At sector level, consistent compliance with labour laws contributes to fair competition, discourages low-road business models, thereby creating an enabling environment for higher productivity among the sector's enterprises. -

This Toolkit therefore reframes labour law compliance and decent work not as external constraints, but as integral components of enterprise productivity, competitiveness, and sustainability. This reframing is critical for securing the engagement of economic and sectoral Ministries and related institutions beyond ministries responsible for labour.

The analytical framework underpinning the Toolkit recognises that sustainable improvements in decent work and productivity require coordinated interventions across multiple levels of the system.

- At the *macro level*, interventions target national policies, legal and regulatory framework that govern business performance. These interventions aim at strengthening rules, incentives, and resources that influence enterprise conduct across sectors. This includes review and revision of relevant laws policies and regulations to include decent work provisions and requirements.
- At the *meso level*, Interventions focus on building and strengthening the capacity of supporting institutions to provide targeted and decent work focused services., This includes strengthening capacities and understanding of the decent work and labour productivity nexus among labour inspectorates, procurement authorities, business development service providers, training institutions, employer and worker organisations, and social protection agencies among others. Enhancing the capacity and coordination of these institutions is essential for translating policy commitments and development strategies into effective concrete service delivery packages and positive compliance outcomes.
- At the *micro level*, focus is on interventions that directly support enterprises and workers to adopt and implement compliant business and labour management practices, that enhance to employee wellness, improve productivity, and strengthen workplace cooperation. This includes enterprise-level capacity development, worker education, and workplace dialogue mechanisms.

The Toolkit is designed to ensure coherence across these system levels, recognising that interventions at one level will be insufficient unless reinforced by complementary actions across all levels in the system.

3.4. Gender Equality, Inclusion, and Cross-Cutting Considerations

The conceptual framework recognises that decent work deficits and productivity constraints often disproportionately affect women, young people, migrant workers, and other vulnerable groups. This is informed by results of the Market Systems Analyses across the three pilot countries which established that despite its economic significance, the sector remains highly informal and structurally exclusionary, with women and young workers disproportionately

concentrated in precarious, low-paid roles where they face occupational segregation, exposure to harassment, and inadequate workplace facilities. Gender equality and inclusion are therefore cross-cutting considerations throughout the Toolkit. Member States are encouraged to apply a gender and inclusion responsive lens in diagnostics, intervention design, implementation, and monitoring, ensuring that policies, strategies and programmes address differential impacts and promote equality of opportunities.

4. Core Components of the Toolkit

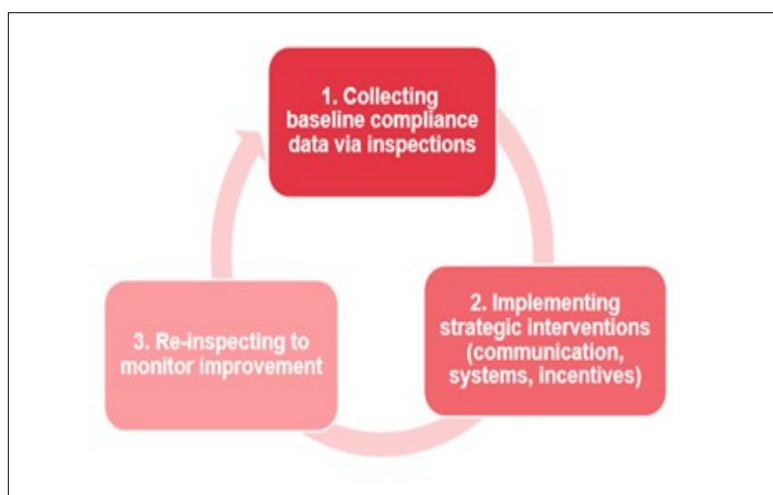
The Toolkit is structured around five mutually enforcing pillars that together address the key systemic constraints affecting decent work and productivity in priority sectors. These pillars are designed to be implemented in an integrated manner and adapted to national and sectoral contexts. These five pillars form a coherent and integrated approach to strengthening decent work and labour productivity in key sectors.

To ensure consistent and practical implementation of the provision of the Toolkit across diverse national contexts, a *standardised step-by-step intervention matrix* is set out for each of the five pillars. The matrices provide Member States with a sequenced approach that links diagnosis, practical actions, institutional strengthening, implementation, and monitoring. While the steps are presented in a linear manner, Member States may adapt sequencing based on national priorities and capacities.

4.1. Pillar 1: Incentivising Compliance with Labour Laws

The first pillar focuses on strengthening the capacity of Labour Inspectorates to incentivize labour law compliance through the adoption of strategic compliance planning approaches. The Strategic compliance model is an ILO developed methodology for promoting strategic labour law compliance planning. It is a six-step exercise to formulate, sequence and operationalize actions needed, to attain sustain labour law compliance. The flexible and dynamic nature of the intervention allows labour inspectorates to come up with comprehensive proactive compliance strategies targeting multiple non-compliance issues. This involves a shift from reactive, routine inspection practices towards a suite of proactive, risk-based, and data and incentive driven compliance interventions of which inspection is just one part. Labour inspectorates are supported to identify high-risk subsectors and workplaces, design targeted interventions that combine education, incentives and compliance guidance coupled with systematic follow up, monitoring and evaluation of intervention outcomes. of results. This promotes voluntary compliance, by addressing systemic causes of violations, and builds a strong case for compliance partnerships among employers, workers, and compliance institutions.

Figure 4: Strategic Compliance Planning Model



By institutionalising strategic compliance planning intervention, Member States can maximise the impact of limited resources, promote voluntary compliance, and build a culture of respect for labour laws. Importantly, this approach positions compliance not only as a legal obligation but as a strategic asset for boosting labour productivity in the sector's enterprises.

Focus: To strengthen labour law compliance and improve labour productivity through proactive, risk-based, and evidence and incentives driven labour compliance mechanisms.

What this entails in practice:

i) Capacity Building for Labour Inspectorates: Capacity building for labour inspectors in the Strategic Compliance Planning approach, to facilitate a shift from traditional "find and fix" enforcement to a proactive, incentives -driven approaches. The pillar works to support inspectorates to achieve high compliance rates despite limited resources. The capacity building interventions, enhances g the technical knowledge of labour inspectors, to effectively address challenges in the context of dynamic labour markets. Moving from "what" happened to "why" it happened (e.g., assessing if a violation is due to ignorance of the law, economic desperation, or wilful disregard for the law.

ii) Institutionalise Strategic Compliance Planning (SCP): Moving away from routine/random reactive inspections to comprehensive data and incentives suite of interventions that target high-risk areas and which aimed at changing behaviours. The following steps should be undertaken:

Step 1: Baseline Compliance Assessment (First Inspection)- Conduct a structured assessment of levels of labour law compliance among enterprises in selected priority sectors to establish a baseline. This assessment should analyse inspection data, identify common violations, map high-risk subsectors and employment arrangements, and review inspectorate capacity, mandates, and resources. Based on the baseline assessment, Labour Inspectorates should prioritise the subsectors, geographical areas, and type of enterprises that present the highest levels of noncompliance and low labour productivity. Clear criteria for risk classification should be established to guide data collection.

Step 2: Design of Strategic Compliance Interventions- Develop targeted compliance interventions that prioritize awareness-raising, education, incentives, and guided compliance pathways. Intervention packages should be tailored to the identified non-compliance risks Labour inspectorates should implement the designed interventions in a coordinated and time-bound manner, ensuring consistency of messaging and application of standards. Collaboration with key sector stakeholders, including employer and worker organisations and other regulatory bodies is encouraged to reinforce compliance messaging.

Step 3: Monitoring, Re-Inspection, and Evaluation- After implementation of strategic compliance activities, follow up re-inspections should be conducted to assess changes in levels of compliance across previously identified noncompliance area. Results should be analysed to determine effectiveness, identify lessons learned, and the general impact of the strategic compliance interventions undertaken. This should inform subsequent strategic compliance planning cycles. It is recommended that Standard Operating Procedures are developed and formally integrated into the Labour Inspectorate processes to ensure sustainability and continuous improvement.

ii) Use of Digital Tools to enhance labour inspectorate services: The adoption of digital tools including online labour administration and case management portals [e.g. ILO's Labour Inspectorates and the Future of Technology (LIFT)] is encouraged and represents a fundamental shift from reactive, paper-based workflows to a proactive, data-driven strategy. The use of digital tools can substantially address resource constraints and inspection financing challenges by reducing operational costs, increasing productivity, and enabling risk-based targeting of limited resources. By applying these digital tools, inspectorates can overcome resource shortages through evidence-based prioritization, using data to target high-risk sectors such as construction or agriculture instead of conducting random visits. This strategic approach allows a small number of inspectors to maximize their impact by identifying key compliance drivers and utilising global best practices to create a ripple effect of safety and legal adherence across the entire labour market.

On the operational side, the digital tools enhance field efficiency through real-time data collection, automated risk scoring, and unprecedented visibility into complex supply chains. By digitizing the compliance promotion processes, electronic tools can help combat corruption and ensure due process for employers while protecting workers' rights. Ultimately, such digital platforms generate harmonized statistics that support governments to develop responsive and more effective policies and strategies ensuring decent work for all through a more transparent and accountable inspection system.

4.2. Pillar 2: Leveraging Public and Private Procurement to achieve higher compliance levels.

The second pillar addresses public and private procurement and contracting systems as a critical leverage point for improving labour law compliance. Procurement Authorities exert significant influence over enterprise behaviour and pricing structures. When procurement systems prioritise lowest-cost bids without accounting for the cost of labour law compliance, they inadvertently set the stage for non-compliant workplaces that where informality and decent work deficits thrive. This structural emphasis on lowest-cost tendering fuels a broader race to the bottom, treating wages, labour rights, and occupational health and safety provisions as adjustable cost variables rather than fixed obligations. Firms may under-budget for worker protections to remain competitive, particularly in contexts marked by economic volatility and aggressive price squeezing along subcontracting chains. In the absence of mandatory, ring-fenced allocations for labour and safety within tender documentation, the system effectively rewards cost-cutting over compliance, transferring financial and legal risk downward and leaving vulnerable workers exposed to unsafe conditions and unpaid entitlements.

This pillar is guidance integrate decent work requirements into tender documents, costing models, and contract performance monitoring mechanisms. This includes requirements for bidders to provide proof of commitment to comply with Decent Work requirements in the bid

evaluation technical evaluation the use of standardised labour clauses, requirements for formal employment contracts, compliance with minimum wages, registration for social protection, and adherence to occupational safety and health standards. This guidance seeks to support procurement units to ensure that contractors and subcontractors uphold fair labour practices whilst ensuring productivity and enterprise sustainability. By aligning procurement practices with decent work objectives, Member States can correct market distortions and promote fair competition based on productivity and quality rather than labour exploitation. This pillar recognizes that public and private contracting mechanisms represent a powerful point of leverage to mandate decent work practices throughout the supply chain.

Focus: To promote integration of decent work requirements in public and private procurement systems and processes with the view to incentivize among sector enterprises compliance

What this entails in practice:

i) Review of Procurement and tendering Frameworks-Member States should assess existing procurement laws, regulations, tender documents, and contract management practices to identify gaps in the integration of labour standards and decent work requirements. Findings should inform legal amendments, updated bidding documents, and strengthened contract management to ensure procurement promotes compliance, productivity, and fair competition.

ii) Development of Standardised Decent Work Criteria: -Based on the review, standard labour clauses, compliance requirements, and costing guidelines should be developed for inclusion in procurement and contracting documents. Reforming price-driven procurement systems requires embedding labour standards directly into public contracting frameworks, as established under the International Labour Organization Labour Clauses in Public Contracts Convention, 1949 (No. 94). The ILO guidance on *Decent Work in Public Procurement*², demonstrates how the principles of Convention No. 94 can be operationalized. The table below outlines practical measures that public procurement actors can adopt to strengthen each of these elements through contracting processes.

Table 1: Contribution of public procurement to promotion of decent work and labour productivity

Public procurement measures to promote decent work										
Public procurement measures to promote decent work	Employment opportunities	Recruitment	Adequate earnings and productive	Decent working time	Combining work, family and personal life	Work that should be abolished	Stability and security of work	Equal opportunity and employment	Safe work environment	Social security
Support for SMEs										
Implementation of supplier code of conduct										
Promotion of employment opportunities for disadvantaged groups										
Enforcement of labour and social security obligations										
Enforcement of health and safety regulations										
Support enforcement of minimum wages										
Maintain appropriate duration of working days										
Support enforcement of minimum wages										
Maintain appropriate duration of working days										
Support prevention of raining										
Provide access to training management										

Source: ILO - [Promoting Decent Work Through Public Procurement](#)

iii) Capacity Building for Procurement Authority Procurement officials and contracting authorities should be trained on the application of decent work provisions, labour-compliant costing models, and contract monitoring responsibilities. Effective integration of decent work provisions into public procurement frameworks depends on the technical competence and institutional readiness of procurement officials and contracting authorities.

iv) Integration into Tendering and Contract Award Processes-Decent work requirements should be systematically incorporated into tender evaluation criteria, contract award decisions, and performance assessments, ensuring that labour law compliance is a pre-condition for participation particularly in government tenders. Below is an example of possible Decent Work scoring that can be included in existing Bids evaluation criteria suggestion of how the scoring during tender evaluation can be operationalized. Thus, Technical pricing (65%); Proof of commitment to comply with decent and labour law requirements (15%); Other Requirements (20%).

Figure 5: Bids Evaluation Criteria



v) Contract Monitoring and Enforcement-Mechanisms should be established to monitor compliance during contract implementation, including collaboration between procurement authorities, labour inspectorates, main contractors, employers and worker organizations.

vi) Review and Refinement- Procurement regulations and practices should be periodically reviewed to assess their impact on labour law compliance, productivity, and to establish how they influence market behaviour. adjustments made as necessary to strengthen effectiveness. Regular audits and stakeholder consultations with employers' organisations, trade unions, and oversight bodies can help identify unintended consequences, such as excessive administrative burdens or market exclusion. Based on these assessments, procurement rules, evaluation criteria, and enforcement mechanisms should be adjusted to enhance effectiveness while maintaining fairness and competitiveness.

4.3. Pillar 3: Capacity Development of Small Enterprises (SMEs) on Decent Work and Productivity

The third pillar recognises that many enterprises, particularly small enterprises face a wide range of challenges that limit their ability to provide decent and productive working environments. Many rely on informal employment practices, such as verbal contracts, irregular

working hours, and unstructured overtime, which stem from limited administrative capacity and a lack of formal human resource systems. Financial constraints, including unpredictable cash flow and late client payments, make it difficult for SMEs to comply with statutory law labour requirements. Collectively, these challenges highlight the need for targeted training to build the capacity of small enterprises to comply with labour laws

This pillar focuses on strengthening SME capacity through provision of integrated business development support that combines general business management support with content on decent work compliance and productivity improvement. The aim of interventions under this pillar is to equip enterprises with the capacities, knowledge, systems, and tools required to create decent, conducive and more productive workplaces. This approach recommends capacity strengthening of national level business development service (BDS) providers, so that they can effectively deliver decent work focused support services to small enterprises. The Toolkit promotes the delivery a suite of tailored services that include training, mentorship, and follow up advisory services covering labour law compliance, human resource management, occupational safety and health, and productivity enhancement techniques.

Interventions under this pillar help to build the capacity of small enterprises create non-compliance and low labour productivity are two sides of the same coin, acting as mutually reinforcing vicious cycle components where low-productivity, precarious work often create decent work deficits, while poor working conditions (deficits in decent work) tend to keep productivity low. That accessing decent work focused business development support can open market opportunities such as eligibility for public contracts, or access to business financing. This reinforces the business case for labour law compliance.

Focus: To enhance the capacity of Small Business to comply with labour laws, improve productivity, and transition towards more sustainable and inclusive business models.

What this entails in practice:

- i) Needs and Capacity Assessment of small and medium enterprises** - Assessment of capacities limitation of SMES in the area of labour law compliance, labour productivity, and business management capacity with the view to identify key constraints and support needs. Based on identified needs, integrated training and mentorship programmes should be developed, combining labour law compliance, human resource management, occupational safety and health, and productivity improvement. Needs assessment studies conducted by the Project by BDS Providers in the pilot countries identified key gaps include the absence of formal human resource systems, inadequate knowledge of labour laws, and reliance on informal practices such as verbal contracts, unstructured working hours, and inconsistent overtime management and limited understanding of the concept of decent work among small business owners
- ii) Development of tailor-made decent work focused training and mentorship programmes.** Based on assessments findings, Service Providers should develop tailor made programmes to address identified capacity, knowledge and process gaps. The programmes should ideally use content in the ILO *Decent Work in Construction Training Manual* which provides guidance on how to deliver such business development support. Service Providers should institutionalize decent work focused enterprise support, to ensure that small enterprises have ready access to such support as and when needed.

iii) Delivery of Integrated Training and Mentorship Support: Providing holistic training and mentorship packages for business owners and managers covering labour law compliance, Decent Work principles, business management, and productivity improvement techniques. SMEs should receive tailored, practical support delivered through accredited service providers, with emphasis on applying learning directly in enterprise operations. In addition to classroom or virtual sessions, mentorship and on-site coaching should be conducted to provide hands on guidance on integrate compliance and productivity improvements systems in daily business operations, thereby reinforcing behavioural change.

iv) Monitoring Enterprise Performance Outcomes- Progress should be tracked through measurable indicators such, number of written employment contracts in place, improvements in OSH practices, number of workers registered with workers compensation and social protection programmes and levels of productivity improvements. Regular monitoring will help to identify gaps, recognise high-performing enterprises, and adjust technical assistance or capacity-building approaches as needed. Feedback loops derived from these monitoring activities can inform refinement of support programmes, tender evaluation criteria, and incentive structures. This will help create a dynamic system that continuously reinforces decent work outcomes while improving enterprise performance and overall sector competitiveness.

4.4. Pillar 4: Strengthening Capacity of Worker Organisations to represent, and advocacy for rights of vulnerable workers.

The fourth pillar focuses on enhancing the capacity of worker organisations to represent and advocate for workers in vulnerable employment situations, including informal, casual, and short-term contract workers. Inclusive worker representation, and effective advocacy are essential tools for improving labour law compliance. Institutionalizing workplace cooperation and social dialogue mechanism plays a key role in speedy resolution of workplace challenges and promoting productive work environments. Interventions under This pillar are aimed at building the capacity of supports Worker Organisations to extend trade union representation and protection and outreach to workers in vulnerable work environments, including informal and short-term contract workers. With strengthened competencies and capacities, Trade Unions can effectively raise awareness about labour rights and obligations among vulnerable workers, and educate them on about labour rights, and they can engage in more effective advocacy policy dialogue mechanism and sector governance structures.

Experience from the Project countries, established that informal and short contract workers have limited or not access to trade union representation and do not benefit from available labour law provisions with most of them working without written contracts which restricts their access to statutory protections such as social security, paid leave, injury compensation, and mechanisms for dispute resolution.

The absence of effective worker committees, or functioning grievance mechanisms means the workers have not formal channels through which concerns can be raised and resolved. Without strong, independent worker organizations and institutionalized platforms for social dialogue, individual workers bear the burden of enforcing their own rights, often at considerable personal risk. In this regard, strengthened social dialogue contributes to more stable labour relations, improved compliance, and shared ownership of productivity gains.

Focus: To enhance improve access to representation, strengthen voice, and agency of workers, particularly those in vulnerable employment situations, and to strengthen advocacy, social

dialogue and workplace cooperation as a mechanism for achieving improved labour law compliance, and more productive working environments.

What this entails in practice:

i) Strengthening Advocacy capacity of Worker Organisations Enhancing the skills of Trade Unions to negotiate with employers, lobby governments for better labour laws, and campaign for safer working conditions, including securing fair wages and benefits for members **and in** collective bargaining, and dispute resolution, By reinforcing both representational strength and policy influence, worker organisations can move beyond reactive dispute handling toward proactive shaping of labour market governance frameworks.

ii) Worker Education on Labour Rights and Agency- Educating workers with the view to strengthen their collective voice and agency at work. Structured worker education programmes designed to improve knowledge of labour laws and rights at work, contractual obligations, occupational safety and health standards, grievance procedures. Such programmes should be practical, accessible, and delivered in formats suitable for workers in both formal and non-standard employment arrangements.

iii) Increase outreach and representation of workers in vulnerable employment environments. This focuses on extending support and representation to workers who are often excluded or underserved, such as those in informal, temporary, remote, or subcontracted arrangements. Innovative approaches should be adopted to reach workers in non-standard and hard-to-reach employment arrangements, including community-based and sector-specific outreach.

4.5. Pillar 5: Expanding Access to Social Protection for Vulnerable Workers

This pillar focuses on promoting extension of social protection coverage to workers in informal and non-standard forms of employment. Limited access to social protection increases vulnerability and undermines workforce stability and productivity. For informal and short-term contractor workers, accessing social security remains a major challenge. This is due to a combination of financial and non-financial barriers. On the demand side, informal and short-term contract workers earn low, irregular and unpredictable incomes, making regular contributions difficult, while complex registration procedures, cumbersome documentation, and limited digital infrastructure discourage enrolment. Workers also lack adequate knowledge about available schemes, eligibility, and benefits. On the supply side, weak enforcement, limited administrative capacities, fragmented coordination, and gaps in legislation leave most informal workers excluded. This is particularly true for workers in complex sub-contracting chains. These challenges, collectively result in low social protection coverage, heightened vulnerability to shocks, and persistent insecurity for vulnerable workers.

This Pillar promotes the development and/or expansion of inclusive, flexible, and portable social protection mechanisms tailored to the realities of the high levels of informal and short-term employment situations in Southern Africa. This includes simplified registration procedures, affordable contribution models, and the use of digital solutions to improve access and uptake. Expanded social protection enhances income security, reduces occupational risks, and supports transitions to formality.

Focus: To reduce vulnerability, enhance income security, work security³, and support transitions to formality through inclusive social protection systems.

What this entails in practice:

i) **Social Protection Gap Analysis-** Member States should conduct sector-specific assessments to identify coverage gaps, risks faced by workers, and barriers to access for informal and non-standard workers. Such diagnostics allow policymakers to understand workers' vulnerability profiles, including income volatility, exposure to occupational risks, gender-specific constraints, and administrative or legal gaps. A structured gap analysis ensures that subsequent reforms are grounded in evidence and respond directly to the realities of each sector.

ii) **Policy and Scheme Design-** Using the findings from the gap analysis, Member States should design or adapt flexible, affordable, and portable social protection schemes that reflect actual labour market conditions⁴. Scheme design should incorporate contribution flexibility for irregular earners, simple benefit packages that prioritise high-risk areas (e.g., health, injury, maternity), and portability that allows workers to maintain coverage even when changing employers, sectors, or locations. Policies should aim to balance adequacy of protection with affordability, ensuring that inclusion is feasible for both workers and small-scale enterprises

iii) **Simplification of Registration and Contributions-** Administrative procedures should be simplified, and contribution models adjusted where necessary, to facilitate enrolment of vulnerable workers and small enterprises. This includes streamlining documentation requirements, decentralising registration points, and adopting digital and mobile platforms that allow workers to self-register. Contribution models should also be adapted to accommodate workers with irregular incomes through flexible contribution schedules, and payment options.

iv) **Outreach and Awareness Raising-** Targeted outreach campaigns, supported by worker organisations and community structures and, social media and digital tools, should be implemented to raise awareness and encourage uptake.

v) **Design Implementation and Service Delivery of inclusive Social Protection schemes-** Social protection schemes should be rolled out in coordination with relevant institutions, ensuring efficient service delivery and responsiveness to worker needs.

vi) **Monitoring Inclusivity of design schemes and Impact-** Coverage rates, utilisation, and impacts on and overall impact on worker income security, workers income security and reduction in vulnerability should be monitored and used to inform continuous improvement of schemes.

³ **Income Security:** Stability and adequacy of income through minimum wage protection, social security, and progressive taxation. **Work Security:** Protection against accidents and illness at work through health and safety regulations and limited working hours.

⁴ An Assessment should design or adapt flexible, affordable, and portable social protection schemes that reflect actual labour market conditions. Scheme design should incorporate contribution flexibility for irregular earners, simple benefit packages that prioritise high-risk areas (e.g., health, injury, maternity), and portability that allows workers to maintain coverage even when changing employers, sectors, or locations. Policies should aim to balance adequacy of protection with affordability, ensuring that inclusion is feasible for both workers of Social Protection Needs of Informal and Short-Term Contract Workers in the Construction Sector in Zimbabwe, 2025

5. Implementation Approach and Institutional Arrangements

The implementation approach for the Decent Work in Construction Toolkit is grounded in the practical, tested process applied during the Decent Work in Construction Project. The approach outlines a six-stage implementation pathway that begins with sector market system assessment (MSA) and culminates in institutionalisation of successful practices. This chapter expands each of those stages into a complete, replicable methodology for Member States and sector institutions seeking to mainstream decent work and productivity improvements at scale.

The goal is to ensure that interventions address root causes, strengthen behavioural and institutional change, and produce sustained improvements for enterprises and workers. The approach recognises that decent work deficits and low productivity are systemic challenges shaped by incentives, capacities, behaviours, and rules across the construction market system. Implementation therefore requires coordinated, multi-level interventions (meta, macro, meso, micro) anchored within existing national governance frameworks

This process requires a coordinated, phased, and institutionally anchored approach with sequenced actions, and mechanisms for coordination, sustainability, and scale.

5.1 Guiding Principles for Implementation

Implementation of the Toolkit should be guided by the principles of national ownership, tripartite engagement, policy coherence, and sustainability. Member States are encouraged to adapt the Toolkit to national contexts while maintaining alignment with regional standards and commitments. Implementation should prioritise systemic change over isolated interventions and should leverage existing institutional structures, and processes to avoid parallel systems.

A key principle underpinning the implementation approach is the integration of decent work and labour productivity objectives into mainstream sector governance and economic planning processes, rather than treating them as stand-alone labour market interventions.

5.2 Institutional Anchoring in Key Market Actors Interventions Systems

Member States are encouraged to anchor implementation in existing market (sector) actors intervention systems and processes to ensure sector ownership and sustainability. The National Tripartite Committee, Decent Work Country Programme (DWCP) Steering Committee, or equivalent body can serve as the primary oversight and coordination mechanism for monitoring implementation of the Toolkit provisions in targeted sectors.

Where necessary, Member States should establish sector-specific sub-committees under the tripartite structure to oversee implementation in priority sectors. These sub-committees should include representatives from relevant line ministries employer organisations, worker organisations, and key sector institutions.

5.3 The Six-Step Implementation Approach

To ensure manageability and effectiveness, Member States are encouraged to ensure that implementation of the provisions of the Toolkit are led by relevant market actors through a phased process that allows for learning, adjustment, and scaling. In this regard, the tested implementation approach used by the Decent Working Construction Project provides six sequential steps as follows: -

- i) Conduct construction sector market systems assessments to identify binding constraints.

- ii) Forge partnerships through due diligence with relevant and influential market (sector) actors.
- iii) Support the market actors and their implementing partners to identify specific labour law and productivity challenges and beneficiary (enterprises and workers) needs.
- iv) Facilitate co-creation of tailor-made solutions and interventions for addressing underlying causes of identified challenges.
- v) Where delivery limitation exists, support capacity and competency building of implementing partners/market actors and development of knowledge products.
- vi) Support Market Actors and their implementing partners to pilot and co-finance implementation of designed interventions and institutionalization of successful practices.

Step 1: Sector Market Systems Assessment

The process begins with a structured assessment of the sectors' market to diagnose systemic constraints that cause decent work deficits and low productivity. This market system assessment identifies labour rights compliance gaps, productivity bottlenecks, sectoral norms and behaviours, capacity limitations among sector enterprises, weaknesses in regulatory and support systems, and limitations in incentive structures that reinforce non-compliance. This diagnostic establishes the baseline, informs the selection of priority interventions that can catalyse change, and determines where systemic leverage is strongest.

Step 2: Identify Key market actors, Conduct Due Diligence and Strategic Partnerships

Following diagnosis, partnerships are forged with relevant sector players including private sector service providers, government departments, trade unions, employer associations, and support organisations. This step involves mapping and assessing potential partners and available service providers, clarifying roles, mandates, and capacities, establishing implementation and co-financing partnership agreements, ensuring tripartite and multi-stakeholder ownership. These partnerships form the institutional backbone for all subsequent interventions and enable joint stewardship and financing of proposed catalytic actions.

Step 3: Identification of specific labour law and productivity challenges and beneficiary (enterprises and workers) needs

Working with established partners, targeted beneficiaries' assessments are conducted to identify enterprise-level compliance challenges and management capacity gaps, productivity inefficiencies, vulnerabilities faced by workers, and gaps in service delivery or regulatory practice. This step ensures that interventions are evidence-based and beneficiary needs-driven, directly responding to the real barriers limiting labour law compliance and low labour productivity.

Step 4: Co-Creation of Tailor-Made Interventions to addressing Root Causes

At this stage, key sector players and partners collaborate with service providers to design interventions that respond to the underlying systemic issues identified earlier. Co-creation ensures alignment with market realities ownership of proposed solution demonstrated through co-financing arrangements; that interventions are tailored to specific target groups (e.g. small enterprises, workers, regulators); that strategies address simultaneously address decent work deficits and productivity constraints, and that there is buy-in and commitment from key sector actors.

Step 5: Capacity Building of Sector Market Actors and Service Providers

Availability of relevant capacities and competencies of sector service providers underpins the success and sustainability of the service provision outlines in this Toolkit. This step focuses on strengthening capacities and competency building of implementing partners/market actors and on development of related knowledge products for promoting and incentivizing labour law compliance and labour productivity in targeted sectors. This can include equipping labour inspectorates with proactive labour law compliance planning and incentive-based approaches digital case management approaches; Supporting procurements authorities to integrating decent-work criteria in procurement and tendering processes; strengthening capacities of sector support institutions (including business development services providers, training institutions, social protection agencies etc); and worker organisations. Building institutional and human capacities ensures that behavioural and structural change becomes possible, scalable, and lasting.

Step 6: Piloting innovative approaches and Institutionalisation of Successful Practices

Sector actors and implementing Institutions are supported to pilot new and innovative approaches for promoting and incentivizing labour law compliance and for improving labour productivity practices, validating what works, before institutionalizing processes and scaling. Piloting allows for iterative learning, adaptation to different contexts, refinement of processes tools, and guidelines, and provides ‘proof of concept’ and practical demonstration of verifiable impact. Successful pilots should then be institutionalised, so that they become part of routine organizational practice (e.g., compliance campaigns), procurement systems (standard clauses, scoring criteria, decent-work embedded support offerings to small businesses, worker organisations’ outreach routines, inclusive social protection access mechanisms. Institutionalisation creates a clear pathway for change and anchors new practices in the system to secure sustainability.

This six-step implementation approach operationalises a multi-level sector specific systemic change drive where meta level interventions contribute to shaping norms, beliefs, and values around decent work and productivity; macro level interventions influence national regulations, policies, and standards; meso level interventions work to strengthen institutions, support systems, and services; and micro level interventions at the core of the market system support improvements in enterprise labour law compliance and productivity capacities and practices and ultimately in employee morale and wellbeing thereby security a human centred development approach.

To ensure sustainability, approved sectoral action plans should be integrated into institutional programmes of sector actors. Member States are encouraged to align interventions outlined in this Toolkit with ongoing reforms in labour market, public procurement systems, enterprise development, and social protection reforms to maximise synergies and resource efficiency. This includes for example integrating strategic compliance planning into labour inspectorate procedures, incorporating decent work requirements into procurement systems, mainstreaming decent work modules into SME support programmes, strengthening worker organisation strategies, and operationalising inclusive social protection mechanisms. Institutionalisation is critical to ensuring that reforms are sustained beyond pilot project cycles.

Member States should periodically review implementation progress, assess outcomes, and document lessons learned. Successful interventions should be scaled up within and across

sectors, while ineffective approaches should be adjusted or discontinued. Regional peer learning platforms facilitated by the SADC Secretariat and the ILO should be used to support cross-country learning and harmonisation.

6. Roles and Responsibilities of Key Actors

Effective implementation of the Toolkit requires a whole of society approach where different actors have clearly defined roles and where there is strong inter-institutional coordination.

- **Government ministries** responsible for labour and employment should lead on policy alignment, labour administration reforms, and oversight of compliance mechanisms. Ministries responsible for public works, infrastructure, industry, and procurement should ensure the integration of decent work standards into sector strategies and contracting systems. Ministries of finance and planning play a critical role in ensuring alignment with national budgets and fiscal frameworks.
- **Employer organisations** are expected to champion responsible business conduct, support SME capacity development, and promote compliance among member enterprises.
- **Worker organisations** should play a central role in representing workers, monitoring compliance at workplace level, raising awareness of rights, and engaging in social dialogue.
- **Other Sector Actors** including private sector and organizations providing various support services should be integrated into the intervention models.

7. Monitoring, Evaluation, and Reporting Framework

Effective monitoring, evaluation, and reporting are essential to ensure that the mainstreaming of decent work and labour productivity in key economic sectors delivers measurable, credible, and sustained results. This section sets out a structured Monitoring, Evaluation, and Reporting Framework (MERF) designed to support accountability, learning, evidence-based decision-making, and regional coherence. It is designed to be robust to capture systemic change, while remaining flexible and adaptable to diverse national contexts and institutional capacities. Member States are encouraged to prepare annual national reports on decent work and productivity in priority sectors, using harmonised indicators to facilitate regional comparison and learning.

The table below provides Member States with a clear, measurable framework to track progress in implementing the Decent Work and Productivity Guidelines. It establishes Minimum benchmarks for foundational compliance, and Performance Indicators (PIs) for monitoring systemic outcomes. These standards should be viewed as integral to any integrated intervention package aimed at sustainably improving labour law compliance and labour productivity.

Table 2: Intervention Benchmarks and Indicators

Pillar	Minimum Benchmark	Performance Indicator	Data Source
Pillar 1: Incentivising Compliance with Labour Laws Planning Pillar	Institutionalization of the Strategic Compliance Planning (SCP) to promote voluntary compliance.	% of strategic compliance incentives-driven, interventions undertaken vs. reactive/routine inspections. % reduction in violations in high-risk work-environments a.	Labour Inspectorate Management Information System (MIS); Compliance Baseline/Evaluation Reports; Inspectorate Training Records. Case-management Reports
Pillar 2: Leveraging Public and Private Procurement to achieve higher compliance levels	Standardized mandatory criteria integrated into public infrastructure tenders and contracts.	% of public tenders that include mandatory clauses for formal labour law complaint employment contracts, social protection registration,	Public Procurement Authority/Agency Records; Analysis of Tender Documents and Contract Awards.
Pillar 3: Capacity Development of small Enterprises on Decent Work and Productivity	Availability of integrated training packages and Formalization Incentives linking business support to decent work compliance.	% of SMEs participating in decent work focused training and mentorship programmes. % of participating SMEs showing documented progress in labour law compliance and productivity improvements	Data from Business Development Service (BDS) and Departments Responsible for SME Development
Pillar 4: Strengthening Worker Organizations to Represent Informal and Vulnerable Workers	Worker Organizations' capacity enhanced to organize, advocate for, and provide education to informal and vulnerable workers.	% increase in membership of informal/vulnerable workers in trade unions/worker organizations. % of policy advocacy proposals on reforms influenced by worker organization advocacy	Worker Organization Membership/Outreach Records; Social Dialogue Forum Minutes; Policy Reform Tracking Database.
Pillar 5: Expanding Access to Social Protection for vulnerable workers	Flexible and Portable Social Protection Schemes introduced and simplified access mechanisms implemented for informal and short-term workers.	% increase in enrolment/uptake of informal/short-term workers in social protection schemes % of innovative outreach/digital solutions deployed.	Social Security/Protection Scheme Enrolment Data; Scheme Outreach/Awareness Campaign Reports.

7. Conclusion

This Toolkit is more than a technical guide; it is a strategic instrument for shaping future labour markets in Southern Africa. It positions decent work as a driver of productivity, competitiveness, and sustainable development. Evidence from the Decent Work in Construction Project confirms that when procurement systems, inspectorates, SMEs, worker organisations, and social protection institutions act in coordination, systemic improvements in labour conditions and productivity are achievable.

The Toolkit thus encourages Member States to embrace a paradigm shift where labour law compliance is viewed not as a cost, but as a catalyst for enterprise development, innovation, and long-term sector sustainability. By guiding the integration of decent work principles into procurement systems, enterprise support services, social protection mechanisms, and workplace governance mechanism, the toolkit supports Member States to practically create environments where workers are protected, enterprises thrive, and economies become more resilient.

The SADC Secretariat is committed to supporting capacity development, peer learning, and knowledge exchanges to promote the scaling up of the good practices upon which this Toolkit is based. The toolkit remains a living and dynamic instrument for countries to adopt and adapt based on specific contexts. It will evolve with more regional experiences creating a stronger pathway to a more just, productive, and inclusive SADC region.

Member States are encouraged to embed its principles into sector development strategies so that through collective commitment and coordinated action, the SADC region can advance towards a future where decent work and productivity are mutually reinforcing building blocks of sustainable economic transformation.