

ZAMBIA

greenJobs
PROGRAMME

ANNUAL *impact* REPORT
2014



United Nations
Z A M B I A

DEVELOPMENT OBJECTIVE

To promote sustainable enterprises and job creation in key economic sectors.

IMMEDIATE OBJECTIVES OR OUTCOMES

1. To deepen mindsets, attitudes and behaviour towards sustainable development
2. To strengthen policies and incentives for inclusive green growth and employment creation
3. To build strong institutions and promote competitive and sustainable MSMEs to grow and create jobs

BUDGET

Zambia	US\$200,000
UN Zambia	US\$1,050,000
Finland	US\$11,050,791
Total	US\$12,300, 791

DURATION AND TIME FRAME

Duration: 4 years (48 months) • **Start Date:** 01 September 2013 • **End Date:** 31 August 2017



Executive Summary

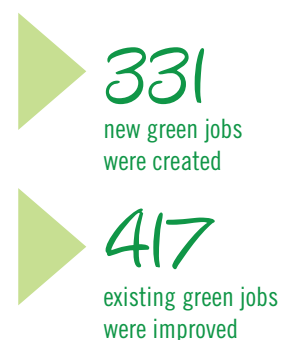


“Significant progress was made in developing markets for green building construction and promoting access to business linkages.”

The Green Jobs Programme of the Government of Zambia, with financial assistance from the Government of Finland and technical assistance from United Nations (UN) Zambia, is a private sector development programme aimed at promoting sustainable enterprises, creating more and better jobs, protecting people and preserving the quality of the environment.

In order to create integrated policy solutions and responses needed to address multi-dimensional challenges with efficiency gains and cost savings, the Zambia Green Jobs Programme is designed as a UN joint programme, led by the International Labour Organization (ILO), with contributions from United Nations Environment Programme (UNEP), United Nations Conference on Trade and Development (UNCTAD), International Trade Centre (ITC) and Food and Agriculture Organization (FAO). It therefore makes the best use of the mandates and expertise of the entire UN system to deliver results while facilitating the inclusion of all relevant stakeholders on inclusive green growth and job creation.

The Zambia Green Jobs Programme started on 1 September 2013 and was launched by the ILO Director-General, Mr Guy Ryder, on 12 December 2013. The Programme benefitted more than 3,000 building construction micro, small and medium enterprises out of which 866 enterprises reported significant enterprise growth, creating 331 new green jobs and improving the quality of 417 green jobs through improved rights at work, namely access to occupational safety and health, extending social protection floors and better adherence to labour law. This benefited more young people (aged below 35 years, Zambia Youth Policy; African Youth Charter) than adults but with less women beneficiaries than men.



Advancing gender equality, and in particular the economic empowerment of women in building construction, remained a challenge. However, progress was made in support women entrepreneurs such as formation and strengthening of the Zambia Association of Women in Construction as well as the advancement of the People's Progress on Housing and Poverty in Zambia, increasing their share of market opportunities in building construction, especially in the low cost housing residential market segment.

The Programme increased the local service delivery of some 570 local institutions of government, workers and employer organisations, including small business associations along the building construction value chain, which is spread across the six target provinces, namely Lusaka, Copperbelt, Eastern, North Western Province and Southern Province. More results in the next reporting year are expected from increased capacity on service delivery achieved through training of trainer programmes on Start and Improve your Green Construction Business; artisan skills on Solar Panel Making, Installation and Repair; Green Entrepreneurship; financial counselling; and the market and development training for small scale forestry growers.

The Programme has also established significant ownership and support from government through the key ministries of finance, commerce, labour, local government, natural resources and environment. A number of study tours to Kenya, South Africa, Germany and Italy were organised as well as exchange visits from Namibia and South Africa, as part of the capacity building support on policy making and review for inclusive green growth.

The Ministry of Finance, its entities and research partner Zambia Institute for Policy Analysis and Research (ZIPAR) entered into an implementation agreement with the Zambia Green Jobs Programme on employment projection and green jobs assessments in Energy, Waste Management, Tourism, Agriculture, Mining and Construction at large. Building construction sector instruments such as that of the Ministry of Energy excise duty on renewable energy materials and products were upheld; new policy, regulatory and legislative areas such as the Ministry of Local Government and Housing review of the Town Planning Act and its associated legislation including the building code, and dialogue on the formation of the Zambia Green Building Association were initiated. According to the database-driven monitoring and evaluation (M&E) system, 25% of sampled micro, small and medium enterprises (MSMEs) reported an increase in the ease of doing business during the year 2014.

Significant progress was also made in developing markets for green building construction and promoting access to business linkages. Various high value strategic partnerships with the private sector were concluded, with the major ones being Lafarge, Smart Homes and FNB on 600 middle income housing units in Lusaka and Ndola, with five demonstration units technically and financially supported by the Programme; First Quantum Kalumbila Mine with 1,200 middle income housing units within the property of the mine and a further 10,000 low cost housing units planned in the greater Kalumbila town, with two demonstration units supported by the Programme; Barrick Lumwana Mines with 500 housing units possible for mine workers in Lumwana and two housing units supported by the Programme; and with women in the savings and credit co-operative People's Progress on Housing and Poverty in Zambia on building 128 low cost houses in Lusaka and retrofitting 28 low cost houses in Lusaka, Ndola and Kitwe.

Overall market opportunities for the building construction of more than 2,400 middle and low income houses, plus a possible 10,000 with the growth and development of the Kalumbila town were developed, far exceeding the Programme target of 200 houses by end of August 2017, due to remarkable response and the financial contribution of the private sector partners. More than 3,000 MSMEs will benefit through business linkages and competitive capacity building which they need in order to grow and create green jobs. This is expected to impact positively on enterprise and household incomes, and it remains likely that the Programme will achieve its job creation targets of 5,000 new green jobs and 2,000 jobs of better quality by the end of August 2017.

By end August 2017:



Access to finance remained a challenge, with fewer banks and financial institutions demonstrating a strong willingness to establish MSME financial credit windows due to perceptions on risk and the lack of tradability on green buildings. Green building in Zambia is not yet rated, which is one of the chief reasons for the establishment of a Zambia Green Building Council.

A functional monitoring and evaluation system has been established, based on database software developed together with local IT consultants and building on a baseline study conducted in 2013, which covered 391 MSMEs and 248 households, largely in Lusaka and Copperbelt provinces based on the sampling weights. This database is undergoing continuous improvement and will be transferred to local partners at national and sub-national levels to improve the extent of measuring and reporting results as well as to start building on Programme ownership, replication and sustainability.

Abbreviations



AfDB	African Development Bank	NHA	National Housing Authority
ABCEC	Association of Building & Civil Engineering Contractors	NCC	National Council for Construction
BDS	Business Development Services	NAMSSC	National Association of Medium and Small Scale Contractors
CBU	Copperbelt University	NAPSA	National Pension Scheme Authority
DCED	Donor Committee for Enterprise Development	NPE	National Policy on Environment
EDP	Enterprise Development Plans	NUBEGW	National Union of Building, Engineering and General Workers
FAO	Food and Agriculture Organization of the United Nations	PPHPZ	People's Process on Housing and Poverty in Zambia
FC	Forest Certification	PSD	Private Sector Development
FFTUZ	Federation of Free Trade Unions in Zambia	RSNDP	Revised Sixth National Development Plan
FMC	Financial Management Counsellors	SME	Small and Medium Enterprises
FSP	Financial Service Provider	SNDP	Sixth National Development Plan
FQM	First Quantum Minerals	UN	United Nations
GDP	Gross Domestic Product	UNEP	United Nations Environment Programme
GRZ	Government of the Republic of Zambia	UNCTAD	United Nations Conference on Trade and Development
ITC	International Trade Centre	UNDP	United Nations Development Programme
JSC	Joint Steering Committee	UNZA	University of Zambia
JP	Joint Programme	WCFCB	Worker's Compensation Fund Control Board
ILO	International Labour Organization	ZABS	Zambia Bureau of Standards
M&E	Monitoring and Evaluation	ZCTU	Zambia Congress of Trade Unions
MA&D	Market Analysis and Development	ZDA	Zambia Development Agency
MCTI	Ministry of Commerce, Trade and Industry	ZEMA	Zambia Environmental Management Agency
MLGH	Ministry of Local Government and Housing	ZFE	Zambia Federation of Employers
MLSS	Ministry of Labour and Social Security	ZIA	Zambia Institute of Architects
MoFNP	Ministry of Finance and National Planning	ZIPAR	Zambia Institute for Policy Analysis and Research
MSME	Micro, Small and Medium Enterprise	ZGJP	Zambia Green Jobs Programme
MLNREP	Ministry of Lands, Natural Resources and Environmental Protection		
MWS	Ministry of Works and Supply		

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1. Country Context



Economic performance

Zambia's economic performance has been impressive since 2001. Real GDP averaged 5.7% and the country has experienced macroeconomic stability that is characterised by low fiscal deficits, single digit inflation, and a relatively stable exchange rate. Growth in exports has been robust, with gross international reserves rising to over US\$2bn (Ministry of Commerce, Trade and Industry, Strategy Paper on Industrialisation and Job Creation, March 2012). Notwithstanding these positive economic trends, economic growth has not translated into significant reductions in poverty and inequality for the majority of the Zambian people. Job creation has also not been commensurate with the gains registered from economic growth.

Unemployment, importance and challenges facing MSMEs

In 2012 the Zambia Labour Force Survey reported the unemployment rate was 7.8% of the labour force with 60.8% men and 39.2% women. The estimated number of unemployed young people aged 15 – 35 years was reported as 10% (Ministry of Labour and Social Services, Zambia Labour Force Survey, September 2013. CSO). A major area of concern is that formal private sector employment levels have remained almost stagnant since 1998 due to a number of constraints, and most employment growth has been recorded in the informal sector of the economy. Of the approximately 4.6 million Zambians reported to be employed, over 80% were in the informal sector. MSMEs, are generally viewed as important drivers for sustainable growth, because it is believed that they create jobs, diversify economic activities, and create wealth as well as stimulate local entrepreneurship and new technology. However, productivity and entrepreneurial skills remain low as MSMEs in Zambia are faced with numerous constraints including inaccessibility to finance and markets; high cost of borrowing from the commercial banks; lack of skilled labour; low technical and entrepreneurial skills combined with restrictive labour laws, numerous licensing procedures and a poor enabling environment for ease of doing business (World Bank website 2014).

Poverty and inequality

The current economic development has not resulted in equitable human development. The lack of a fair distribution of growth has caused a situation where poverty remains high and widespread, preventing a large number of the Zambian people from living under decent conditions and participating fully in society. Available national poverty data for 2010 indicate that as much as 61% of the Zambian population are poor with 42% of the population living in extreme poverty in 2010 (surviving on less than US\$1.25/day). Moreover, the absolute number of poor increased from about 6 million in 1991 to 7.9 million in 2010, where the poorest of the poor are living in rural areas, with the majority of these being women and children (African Economic Outlook, 2014).

Impact of economic and social activities on the environment

In achieving sustainable development, human well-being and the environment are strongly inter-linked. Ecosystems provide natural resources, materials and services upon which human life is sustained. People depend on natural resources for their basic needs such as food, water, air, energy and housing. Environmental changes and impacts on human well-being are induced by various drivers and pressures, among them demographic changes, trade, science and technology. Zambia is endowed with an abundance of diverse minerals and other natural resources. In several of the economic sectors, especially mining and housing, much of the positive economic performance has been characterised by negative drivers, pressures and impacts on the environment such as increased natural resource exploitation, urbanisation, pollution and changing consumer patterns, notably energy consumption.

As at 2008, a total of 216,215 ha was covered by open cast mining overburden, slug, tailings and waste rock dumps, occupying land that could have been used for other purposes. Available statistics as at 2006 show the annual waste generation in Zambia stood at 2 million tonnes, with about 20% of the waste generated disposed at ECZ licensed sites. (ECZ, World Bank & Nordic Development Fund. 2008 Zambia Environment Outlook Report 3.).

“ Adequate, affordable and decent housing plays a fundamental role in health promotion and the quality of life of humans. The prevailing levels of poverty have not enabled many to afford decent housing structures. ”

In 2001 the Zambian Ministry of Health reported that the biggest share of the urban population was residing in low cost peri-urban areas (60%) and that out of the total housing stock in Zambia, only 31% met the minimum development and health standards. The remaining 69% were non-compliant with housing standards and were poorly serviced (Ministry of Health, 2001). To date the Ministry of Local Government and Housing estimates the housing backlog or demand is likely to rise above 3 million units by 2030.

Policy environment

The failure of the strong macroeconomic position to translate into environmental, social and economic gains reflects important macroeconomic policy constraints. To this end Zambia has revised its Sixth National Development Plan (RSNDP) putting employment at the centre of social and economic development. In addition, the Strategy on Industrialisation and Job Creation was put in place to facilitate the creation of 1,000,000 new formal sector jobs over the next five years. Four growth sectors have been identified as having the greatest potential to achieve the objectives of promoting growth, employment, value addition and expanding Zambia's economic base and these are the Agriculture, Tourism, Construction and Manufacturing sectors. The Government of Zambia attaches great importance to the country's integrated environmental assessment and its commitment is reflected in the development of appropriate policy and the establishment of legal and legislative frameworks to guide environmental management in the country. Key among these is the 2008 National Policy on Environment (NPE).



A mining investment in one of Zambia's national parks.
Source: Lusaka Voice.



Lusaka's Old Garden Compound. Source: UKZambians.co.uk

2. Zambia Green Jobs Programme



Introduction

The Zambia Green Jobs Programme is a four-year sustainable development partnership between the Government and the United Nations (UN) in Zambia, with financial assistance from the Government of Finland. Launched in Lusaka on 12 December 2013 by the ILO Director General, Mr Guy Ryder, this Programme is making inclusive, sustainable growth and decent work a reality for the Zambian people by promoting sustainable enterprises, creating more and better jobs, protecting people and preserving the quality of the environment.

The Programme is part of the UN Zambia response to the growing consensus over the importance of placing employment at the centre of all national development efforts in order to reduce the rising challenge of unemployment, especially among women and young people; the growing inequalities and the deepening levels of poverty; and the impact of economic and social activities on the environment—despite the growth, low inflation and high levels of foreign direct investment Zambia has recorded in recent years.

Over the four years until 31 August 2017, this Programme will create 5,000 new green jobs through strengthening enterprise competitiveness and promoting sustainable business among Micro, Small and Medium Enterprises (MSMEs) along the building construction value chain in Zambia. In addition, the Programme will improve the quality of 2,000 existing jobs by enhancing productivity and working conditions in building construction MSMEs as well as deepening and extending social protection floors.



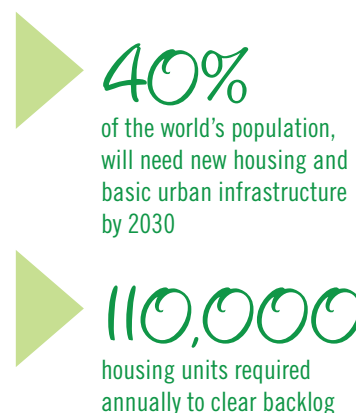
Zambia Green Jobs Programme official launch at Taj Pamodzi, Lusaka, Zambia on 12 December 2013. In the picture from right to left, Representative from Sweden, ILO Country Office Lusaka, Director, Martin Clemensson; ILO Director General Mr Guy Ryder; Deputy Minister of Commerce, UN RCO Representative, FAO Representative; and senior government officials, captains of industry, employers and worker organisations.

Programme relevance and validity of design

“The opportunity to tackle the rising challenges of decent affordable housing, job creation and environmental management in Zambia”

Decent, affordable housing is fundamental to the health and well-being of people and to the smooth functioning of economies. Yet around the world, in developing and advanced economies alike, cities are struggling to meet that need. Experts in housing and urban development weigh in on ways that countries are addressing or plan to take on the \$650 billion affordable housing gap. If current trends in urbanisation and income growth persist, by 2025 the number of urban households that live in substandard housing—or are so financially stretched by housing costs that they forego other essentials, such as healthcare—could grow to 440 million, from 330 million. This could mean that the global affordable housing gap would affect one in three urban dwellers, about 1.6 billion people (McKinsey, 2015). As the urban population is growing exponentially, the World Bank warns that three billion people, 40% of the world's population, will need new housing and basic urban infrastructure by 2030 (World Bank Group, 2015). Zambia is no exception and the private sector has heard the call.

According to Vision 2030, the total housing unit backlog is about one million and 110,000 dwelling units are required annually for the next ten years to clear the backlog. To satisfy new demand for houses all over the country, a similar number is required to be constructed annually. This works out to more than 2,100,000 which recent estimates from the Ministry of Local Government



and Housing indicate could easily reach 3,000,000 by 2030. Zambia needs to construct at least one house every minute to stay ahead of the demand. This excludes the retrofitting opportunities that exist among nearly 70% of the existing housing stock that does not currently meet the minimum development and health standards (Ministry of Health, 2001).

3,000,000
housing units possibly required by 2030

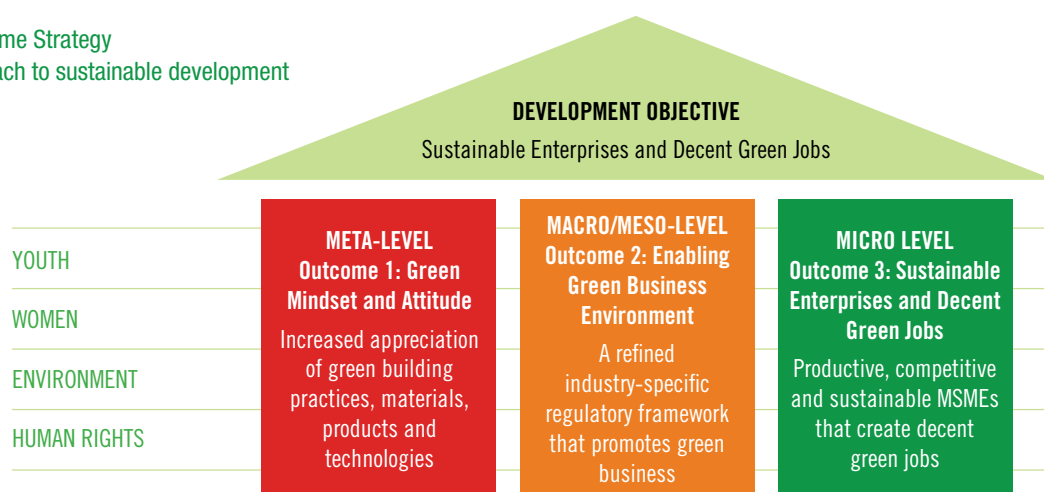
Meanwhile the building construction sector in general, and the residential housing sub-sector in particular, when utilised optimally, offers excellent potential for broad-based wealth and job creation. This is due to its high labour intensity, low entry barriers for semi-skilled and unskilled labour, and high concentration of MSMEs. The sector is furthermore an excellent conduit to facilitate the reduction of greenhouse gas emissions from the built environment, through the promotion of eco-friendly building materials, services, goods or technologies such as energy saving, renewable energy and water conservation. The sector has played a central role in Zambia's growth in recent years and presently makes up approximately 29.1% of the economy (African Economic Outlook, 2014).

Value chain development and local beneficiation to boost job creation

The Zambia Green Jobs Programme is wired for value chain development and based on a market systems development approach in order to, as a development objective; promote the inclusive growth of sustainable enterprises for the creation of decent green jobs.

This is achieved by building the national capacity of policy stakeholders and their local institutions to address systemic issues ranging from mindset, attitude and behaviour towards sustainable development; policies and incentives for inclusive green growth and employment creation; to the development of strong institutions and boosting job creation through MSME development while addressing the pertinent environmental and labour market issues of working conditions and productivity.

Figure 1: Programme Strategy
A systemic approach to sustainable development



Sizing up Zambia's green economy to increase sustainable development outreach, scale and impact

The "green" or "clean" or low-carbon economy — broadly defined as the sector of the economy that produces goods and services with an environmental benefit—remains a compelling aspiration. However, it seems or appears elusive in part because, in the absence of standard definitions and data, strikingly little is known about its nature, size, and growth. As part of the macro-level support, technical and financial assistance is given to economic ministries of finance, commerce and labour for economic planning and employment projection.

Delivering as One UN through a joint programme

In order to create integrated policy solutions and responses needed to address multi-dimensional challenges with efficiency gains and cost savings, the Zambia Green Jobs Programme is designed as a UN joint programme, led by the International Labour Organization (ILO), with contributions from the United Nations Environment Programme (UNEP), United Nations Conference on Trade and Development (UNCTAD), International Trade Centre (ITC) and Food and Agriculture Organization (FAO). The Zambia



Green Jobs Programme therefore makes the best use of the mandates and expertise of the entire UN system to deliver national results while facilitating the inclusion of all relevant stakeholders in inclusive green growth and job creation.

UN Administrative Agent, Funding and Reporting mechanism

The United Nations launched the “Delivering as One” pilot initiative in 2007 to respond to the challenges of a changing world and test how the UN family can provide development assistance in a more co-ordinated way. As a result, countries — both Government and UN partners — have undertaken efforts to work together more effectively and efficiently. These countries agreed to work with the UN system to capitalise on the strengths and comparative advantages of the different members of the UN family. Together they are experimenting with ways to increase the UN system’s impact through more coherent programmes, reduced transaction costs for governments, and lower overhead costs for the UN system.

Zambia is a self-starter country on UN Delivering as One. The Zambia Green Jobs Programme has been designed in this context of a partnership framework between the UN System and the Government of Zambia. In practice, the ILO signed a financing agreement with the donor, Finland. It disburses funds to participating agencies using a cost apportionment derived from the approved Programme budget. The disbursement of pass-through funds is based on the adoption and written approval of the technical and financial expenditure reports by the Joint Programme Steering Committee comprising Government, donor, UN System and Private Sector industry representatives.

In the final analysis the ILO consolidates the certified expenditure reports from all the participating agencies using its internal systems to produce the consolidated (1) Financial Progress Report; (2) Certified Statement of Income and Expenditure; and (3) Sources and Uses of Funds Report. These statements of accounts are certified by the ILO Budget and Finance Branch and released for submission together with the Technical Progress Report, which is produced by the Programme Management Unit based in the ILO Lusaka Office. In this case the ILO acts as both a Participating Agent and an Administrative Agent for the Zambia Green Jobs Programme.

Figure 2: Joint Programme interventions

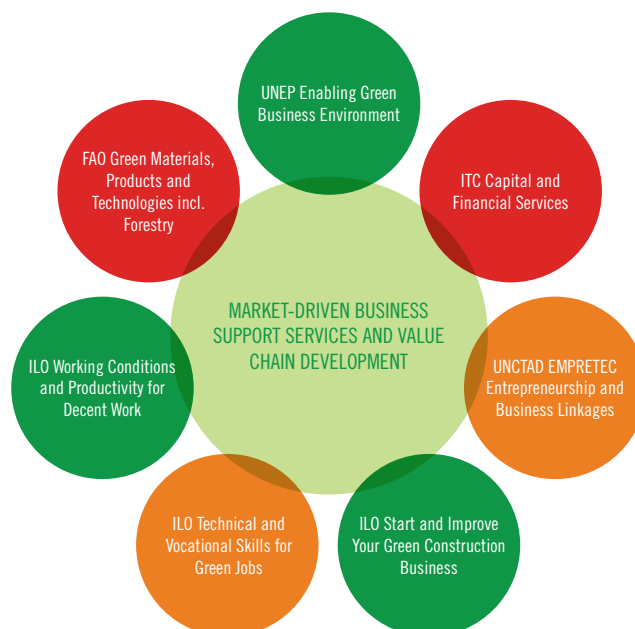
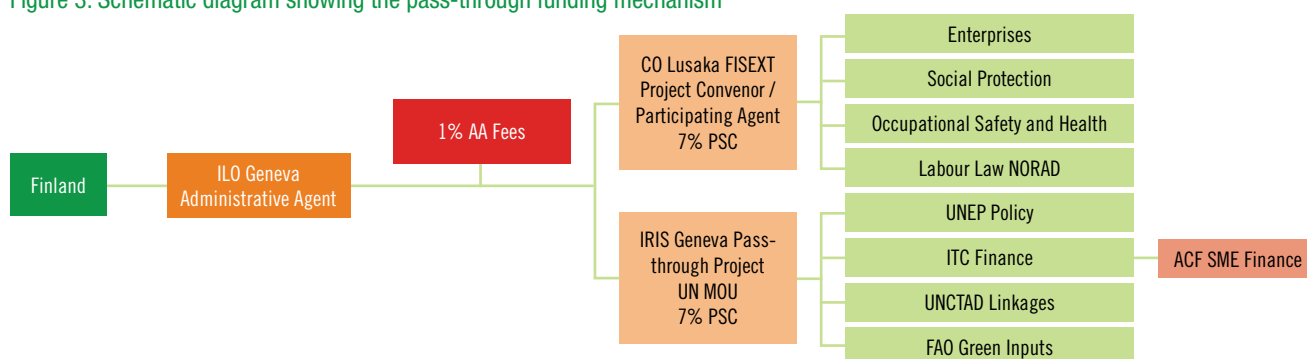


Figure 3: Schematic diagram showing the pass-through funding mechanism



Measuring and reporting results, exit and sustainability

Monitoring and Evaluation is aligned with the Donor Committee for Enterprise Development (DCED) Standard for Results Measurement, to better measure, manage, and demonstrate results. The monitoring and evaluation strategy combines before and after comparisons together with those comparing changes in performance between the participants (treatment group) and non-participants (control group) of the Programme. The Programme also harnesses national contributions, service user fees and other income to contribute towards financial sustainability. While financial sustainability is necessary, it is not a sufficient condition for sustainability. Therefore, in the systemic and value chain development approach, a range of factors is considered to ensure that the results of Programme interventions will be sustained into the future. These factors include adherence to local stakeholder priorities, ownership, participation and capacity building, promotion of appropriate technology and environmental conservation.

3. 2014 Achievements and Perspectives

3.1 Development objective: Sustainable enterprises and job creation

Table 3.1: Development objective: Sustainable enterprises and job creation

The following table chronicles the key performance indicators that measure the extent to which the overall objective is achieved in the building construction sector.

Objective	Key Performance Indicator	Percent Weighting	Status	2014 Milestones			Programme Target		
				Planned	Actual	% Achievement	Planned	Actual	% Complete
To promote sustainable enterprises and job creation in key economic sectors	1. No. of new, decent and green jobs created in target enterprises as a result of project support	25	On Schedule	500	331	66%	5,000	331	6%
	2. No. of green jobs whose quality has been improved	10	On Schedule	300	417	139%	2,000	417	21%
	3. No. of Programme beneficiaries	5	On Schedule	3,000	2,699	90%	16,000	2,699	17%
	4. % annual increase in financial performance reported by target MSMEs by May 2017	10	Delayed	151 ¹	38	25%	10%	- ²	-
	5. No. of households of project beneficiaries with increased incomes by May 2017	10	On Schedule	500	331	62%	7,500	331	5%
	6. % annual increase based on the number of Programme beneficiaries whose attitude towards doing green business is positive	10	On Schedule	151	38	25%	5 %	-	-
	7. Share of MSMEs stating improved ease of doing green business as a result of project supported policy, legal and regulatory reforms by May 2017	10	On Schedule	151	38	25%	80%	25%	31%
	8. Average % decrease in energy or water utility costs among houses built with green building materials (derived)	10	On Schedule	5%	20% Energy	400%	5%	20%	100%
	9. No. of buildings using green building technologies and materials, both new and retrofitted	10	On Schedule	25	29	116	200	29	14.5%
Overall		100	On Schedule			63%			

¹ Number of enterprises visited or evaluated

² Target of participating enterprises not stated in the log-frame



3.2 Outcome 1: Mindset, attitude and behaviour towards sustainable development

Outcome 1 addresses the consumer buyer behaviour of the public, policy makers and industry practitioners' towards best practice in green building, green financing and linkages. It raises the levels of awareness and knowledge of green construction, and in turn increases the demand and creates markets that warrant commercial interests. The table below provides the status of Outcome 1 as it is related to the outputs and indicators of achievement.

Table 3.2: Quantitative data and completion status

Outcome 1: Increased appreciation in the Zambian public at large, and building industry stakeholders in particular, of green building principles									
Outputs	Key Performance Indicator	Percent Weighting	Status	2014 Milestones			Programme Target		
				Planned	Actual	% Achievement	Planned	Actual	% Complete
Output 1.1: Increased awareness in the Zambian public about the link between green building, environmental sustainability and employment creation through MSME development	1. No. of people reached with green business advocacy messages	60	On Schedule	1,000	1,500,000 ³ 2,699 ⁴	100% 270%	18,000	1,500,000 2,699	100% 15%
Output 1.2: Increased awareness and dialogue among industry stakeholders about international best practice in green building and modern building technologies									
Output 1.3: (Gender-specific) Increased awareness and dialogue among industry stakeholders about gender inequalities in the world of work of the Zambian building industry, and international best practice in addressing these deficits	2. Improved participation of women in the building construction industry	40							
	a) Newly NCC ⁵ registered women contractors		On Schedule	-	-	-	10%	-	-
Output 1.4: (Gender-specific) A voice for women in the industry-specific policy dialogue	b) Women to higher NCC levels		Delayed	-	-	-	10%	-	
Overall		100	On Schedule						

³ Average based on media consumption data

⁴ Source: Monitoring and Evaluation System

⁵ National Construction Council is the regulator and office of registrar for the construction sector. Figures from NCC have not been gender disaggregated. Figures available show changes in MSME registration and graduation to higher levels.

3.2.1 Promoting green building design and entrepreneurs through awards and business plan competitions



The then Zambian Minister of Local Government and Housing, Hon. Emerine Kabanshi and former Finnish Minister for European Affairs and Foreign Trade, Mr Alexander Stubb, with winning Architects at Radisson Blue, Lusaka, on 21 May 2013



19 NAPSA Units built in Kalulushi through a competitive tender won by Afrospace. The concept and design by Afrospace also won the green building architectural design from the Zambia Ecohome competition. The competition was initiated by the Zambia Green Jobs Programme, working together with the Zambia Institute of Architects and the Copperbelt University.

3.2.2 Reviewing the training curriculum for Architecture at the Copperbelt University School of the Built Environment

VTT Technical Research Centre of Finland, with support from the Zambia Green Jobs Programme, assisted the Copperbelt University School of the Built Environment (CBU SBE) to revise their curriculum and include aspects of green building design in its Degree and Diploma courses in Architecture, Quantity Surveying, Land Surveying and Town & Country Planning, and Advanced Technician course in Construction. Architects, design consultants and construction managers, among other industry players, will debate the changes to the curriculum for final review and submission for approval by the university council and management in 2015.





3.3 Outcome 2: Policies and incentives for inclusive green growth and employment creation

Outcome 2 addresses the lack of knowledge and information for evidence based policy making on creating green jobs. It improves the weak regulatory and incentive regimes, including those on extending the basic Social Protection Floor for vulnerable workers and their families in Zambia's Building Construction Industry.

Table 3.3: Quantitative data and completion status

Outcome 2: A refined industry-specific regulatory framework that stimulates demand among private and public housing developers for green building materials and methods									
Outputs	Key Performance Indicator	Percent Weighting	Status	2014 Milestones			Programme Target		
				Planned	Actual	% Achievement	Planned	Actual	% Complete
Output 2.1: An assessment of the net green jobs creation potential in selected growth-oriented sectors of the Zambian economy	1. No. of buildings utilising green building materials, products and technologies ⁶	60	On Schedule	20	29	145%	200	29	14.5%
Output 2.2: An industry-wide green jobs pact emphasising MSME development as a strategic means of employment creation									
Output 2.3: Green building policy measures submitted to stakeholders and national green building guidelines and standards developed	2. No. of project-supported submissions for policy, legal and regulatory reform to promote an enabling environment for sustainable enterprise	30	On Schedule	1	4 ⁷	400%	3	4	75%
Output 2.4: Amended regulatory to exert pull and push factors on the market to adopt greener building practices including green financing principles and portfolios									
Output 2.5: Improved adherence to provisions of building and construction requirements and increased formalisation of businesses among MSMEs in the building construction value chain	3. No. of workers benefitting from extended social protection floors	10	On Schedule	500	147	29	7000	147	2%
Output 2.6: Improved social protection for workers and their families in the Zambian Building Construction Industry and strengthened capacity among constituents to implement policies that extend social protection in the Building and Construction Industry									
Overall		100	On Schedule						

⁶ Overall market opportunities for the green building construction of more than 12,400 middle and low income houses will arise from partnerships with Lafarge Plc and Kalubira Mine, far exceeding the Programme target of 200 houses by end of August 2017

⁷ Ministry of Finance budget submission; Construction Sector Environmental Impact Assessment Guidelines; Draft National Green Building Guidelines; and the Draft Construction Policy Review Report



International Labour
Organization



United Nations
Environment Programme

3.3.1 Economic modelling and employment projection support for macroeconomic policy makers

The International Labour Organization (ILO), through the Zambia Green Jobs Programme, supported the Ministry of Finance to discuss the green economy in Zambia as a source of economic renewal and potential job creation. Sectors were selected, namely Agriculture, Mining, Construction, Tourism and Waste Management. A road map on the assessment and promotion of green jobs in Zambia was developed and a multi-stakeholder Technical Working Group was established. Zambia, as represented by the Ministry of Finance, has also been included in the ILO Green Jobs Institutions Network (GAIN).

The ILO International Training Centre (ITC-IL) provided technical capacity building training for green jobs economic modelling and employment projection within the Ministry of Finance Economic Planning Department as well as its affiliate research organisation the Zambia Institute of Policy Analysis and Research (ZIPAR). In 2015, demand and supply green mapping of industries and jobs in these key sectors will be followed by the first Zambia Green Jobs Assessment by ZIPAR, the results of which will be fed into the policy discussions on the next National Development Plan and its associated economic and employment planning. This will also pave way for the up-scaling of the Zambia Green Jobs Programme model into different sectors of the economy.



Felix Nkulukusa, Permanent Secretary Economic Management and Finance, Ministry of Finance and Economic Planning on the occasion of the Zambia Green Jobs Assessment Workshop at the Taj Pamodzi Lusaka, Zambia

3.3.2 Towards a Zambia Green Building Association

A Green Building Council (GBC) is an independent, non for profit, member-based organisation that creates a platform that brings together the whole of the building industry with a mission to drive the sustainable transformation of the built environment. By bringing the industry together, the GBC creates a tightly knit community that speaks a common language and becomes the peak body, driving sustainability in the built environment in the country. Typically, GBCs play the role of providing green building governance, education, advocacy and certification within the property and building construction industry.



Climate change and other environmental risks caused by rapid industrialisation are a growing challenge, threatening poverty alleviation efforts and undercutting achievements in sustainable development. As part of the Zambia Green Jobs Programme, the National Council for Construction (NCC) in collaboration with National Association of Medium and Small Scale Contractors (NAMSSC) and Association of Building & Civil Engineering Contractors (ABCEC), have been engaged by ILO.



3.3.3 Green building capacity building for environment and town planning authorities

“Deepening the awareness of green/sustainable construction policies, principles and practices to influence mindsets, attitudes and behaviour towards sustainable development”

The degree of awareness at different levels of the construction and building sector is low with many misconceptions about the cost of sustainable construction. This has impact at policy, design, construction and operational levels as well as in terms of the use of products. These and many other factors have necessitated the work of the Zambia Green Jobs Programme which provides technical assistance to key players in government, statutory bodies and civil society to shape the mindsets, attitudes and behaviour towards sustainable development and to support the development of an enabling regulatory framework which supports a transition towards green and sustainable building and construction practices.

A study tour and an awareness-raising workshop were organised in Nairobi, Kenya. This provided an opportunity for knowledge and experience sharing and sites visit to four actual green buildings, namely the UNEP/UN Habitat Office facilities, Strathmore University, Kenya Commercial Bank Building and Edenville housing estate. As a result, the attitudes, knowledge levels and practices of the 48 participants (28 of whom were from Zambia) were influenced and improved. These participants included built environment policy makers, practitioners and professionals drawn from the public, private and academic sectors.



Green building knowledge and experience sharing workshop and study tour participants pictured at the UNEP/UN Habitat Office, Nairobi, Kenya

Strengthening well-defined and coherent regulatory frameworks that support green or sustainable construction

Stakeholders have expressed concerns over the lack of laws and regulations to incentivise the use of green building methods, materials and services (pull) and weak monitoring and enforcement of laws and regulations penalising unsustainable/harmful building practices (push). The current regulatory framework for the construction industry is fragmented in that different players in the sector are on the one hand governed by specific pieces of legislation and on the other governed by regulations which are administered by different parent ministries. For instance, the Public Health Act is held by the the Ministry of Health, however the Building Regulations which are contained in it are applied by the Ministry of Local Government and Housing through planning authorities and the Ministry of Works and Supply. Coupled with the above challenges is the limited engagement and stakeholder co-ordination on building construction, particularly on matters relating to green jobs and green building. The formal structures to facilitate dialogue among building industry stakeholders are very weak.

The Programme supported the review of the regulatory framework for the construction industry covering Acts of Parliament, regulations, policies and guidelines which resulted in a Draft Policy Review Report and Draft National Green Building Guidelines. These documents are currently being circulated for comments. The process is being spearheaded by the Ministry of Local Government and Housing. In addition to this an agreement between the UNEP Zambia Green Jobs Programme and the Zambia Environmental Management Agency (ZEMA) for the development of Construction Sector Environmental Impact Assessment Guidelines has been signed. These guidelines will be validated and adopted by stakeholders in the first part of the year 2015.

3.4 Outcome 3: Strong institutions, partnerships and promotion of sustainable MSMEs and job creation

Outcome 3 upgrades the technical/vocational and business management knowhow among MSME owner-managers and their workers, and among local timber growers and processors. It deepens MSME access to business financing, and working capital; integration into high value markets; address the risks and costs associated to HIV and AIDS response and improves their knowledge and adherence to occupational safety and health systems and regulations.

Table 3.4: Outcome 3: Quantitative data and completion status

Outcome 3: MSMEs have strengthened capacity to supply green building goods and services									
Outputs	Key Performance Indicator	Percent Weighting	Status	2014 Milestones			Programme Target		
				Planned	Actual	% Achievement	Planned	Actual	% Complete
	1. Number of enterprises: No. of nascent, new and established entrepreneurs (NNEEs) reached with industry-specific technical skills and other business development services geared towards MSMEs	30	On Schedule	500	866	173%	2,500	866	35%
	2. Support services consumed: Breakdown of business support services for entrepreneurs reached	10							
Output 3.1: Industry-specific technical skills and other business development services geared towards MSMEs	a) Business management and technical skills		On Schedule	100	94	94%	2,500	94	4%
Output 3.2: Industry-specific technical skills and business development services have capacitated growers and producers of wood-based building materials to meet the green building requirements	b) Forestry management and certification services		On Schedule	100	558	558%	2,500	558	22%
Output 3.3: Group forest certification for small-scale forest growers and MSME processors of wood-based building products has been achieved in pilot areas to meet the green building criteria									



Outcome 3: MSMEs have strengthened capacity to supply green building goods and services									
Outputs	Key Performance Indicator	Percent Weighting	Status	2014 Milestones			Programme Target		
				Planned	Actual	% Achievement	Planned	Actual	% Complete
Output 3.4: Improved access to finance services for MSMEs in the building construction industry	c) Financial services		On Schedule	100	135	135%	2,500	135	5%
Output 3.5: Enhanced linkages between MSMEs and large corporations along the value chain	d) Market access and business linkages		On Schedule	100	108	108%	2,500	108	4%
	3. Trainers trained: Number of trainers in entrepreneurship promotion and green business support service provision	20	On Schedule	100	79	79%	100	79	79%
	4. Workers reached: Number of workers with training and other support services	20	On Schedule	500	895	179%	7,000	895	13%
	5. Worker services consumed: Breakdown of worker services	10							
Output 3.6: (HIV and AIDS specific) Increased knowledge and application of HIV/AIDS mitigations measures among MSMEs in the value chain	a) HIV and AIDS	10	Delayed	500	0	0	7,000	0	0%
Output 3.7: Increased adherence to occupational safety and health and raised awareness on the link between better working conditions, productivity and competitiveness and improved working conditions	b) Occupational safety and health	10	On Schedule	500	417	83%	7,000	417	6%
Overall		100	On Schedule						



International Labour
Organization



United Nations Conference on
Trade and Development

3.4.1 Developing markets for green construction

“Providing collaborative support to developing markets and business linkages for green building while harnessing national solidarity towards sustainable development in Zambia”

ILO collaborated with UNCTAD in stimulating partnerships with leading and large private sector companies and investments in construction, mining and energy sectors as well as with government public works and housing institutions. These include:

1. Lafarge Zambia Limited: Construction of 600 residential units in Lusaka and Ndola
2. Kalumbila Mine (First Quantum Minerals): 12,000 houses comprising 2,000 at the mining site and the rest in the planned Kalumbila Town with technical support from VTT Training and Research Centre, a Finnish partner of the ZGJP
3. Peoples' Process for Housing and Poverty in Zambia, a membership-driven women's credit and savings co-operative, building homes for members as well as for sale and rental markets to boost revenue for their co-operative.
4. Barrick Lumwana Copper Mines (BLCM): Construction of demonstration houses for replication among low income staff (at least 500) and the Lumwana community at large.
5. Copperbelt Energy Corporation (CEC): On the occasion of the construction of a hydro power station in Kabompo, construction of 115 housing units for families affected by the construction of the power station.



Affordable Homes Partnership with Lafarge Plc.

Lafarge Plc, through its Building Greener Cities Programme, as well as banks such as First National Bank and developers such as Smart Homes, partnered with the ILO through the Zambia Green Jobs Programme to provide decent affordable homes which are fundamental to the health and well-being of people and to growing a strong, inclusive and transformative economy in Zambia that creates decent jobs and income opportunities for all people.

The partnership was approved on 11 November 2014 under the guidance of ILO programmes on sustainable enterprises and the promotion of the MNE Declaration, in conformity with the mandate and guidance provided by the 2008 ILO Declaration on Social Justice for a Fair Globalization. The Zambia Green Jobs Programme will conduct sustainability assessments and provide technical assistance on developing the local value chain for green building construction which links MSMEs to markets, finance, skills and business development services which they need in order to increase productivity, competitiveness and growth and in turn create decent green jobs.

600 decent affordable homes for the middle income residential market will be built in Lusaka and Ndola in 2015 at a total investment cost of US\$36 million. The amount of local business generated by this partnership, across the value chain of sustainable building construction, will link local MSMEs to create at least 3,000 new green jobs. Depending on the market response, more and better jobs and income opportunities are expected as the partnership grows and expands into other provinces in Zambia.



Kalumbila Town Development Partnership

Two green construction units will be built within the staff housing and facilities section of Kalumbila Minerals Limited, which has the estimated capacity to produce 300,000 tonnes of copper over a US\$2.4 billion investment by First Quantum Minerals Limited. First Quantum Minerals (FQM) is spearheading the creation of a national mortgage credit institute that will offer home buyers rates as low as 8%. The creation of the mortgage institute is driven by the mining company's special-purpose vehicles – Kabitaka Hills Housing Development Corporation (KHHDC) in Solwezi where its flagship operation Kansanshi Mine is located and Kalumbila Town Development Corporation (KTDC) at Kalumbila. KTDC will promote job creation and replicate the appropriate technology, practice and process for green construction of at least 2,000 housing units required within the mine and more than 10,000 housing units and various infrastructure development initiatives planned for the new Kalumbila Town, 150 kilometres west of Solwezi, North Western Province.

"With the Kalumbila and Kabitaka approaches, we have proved that taking the concepts of providing quality and affordable housing to a larger scale can serve as a springboard to address the housing deficit in Zambia," says KTDC manager, Kevin Thomas.



Green building partnership with First Quantum
Kalumbila Mine and Kalumbila Town developments
in North Western Province, Zambia

potential for

3,000

new green jobs in Lusaka and Ndola

10,000

housing units and various infrastructure
development initiatives for Kalumbila



Low cost housing partnership with Peoples' Process on Housing and Poverty in Zambia

40 brick layers from Lusaka, Kitwe and Choma upgraded and acquired new skills, learning how to produce compressed earth inter-locking bricks (Hydraform) and handmade earth bricks. A block of two semi-

detached two-bedroomed houses is under construction at a site in Lusaka, 10 miles along the Great North Road, based on a demonstration unit supported by the Programme.

Peoples' Process on Housing and Poverty in Zambia will replicate and construct 78 units at this site and 100 others in other provinces for their members and for rentals to boost revenue for the co-operative's income.



A housing scheme with a 7,000 member women savings and credit cooperative with offices around Zambia. Zambia Green Jobs Partnership with Peoples' Process on Housing and Poverty in Zambia will be launched in the second quarter of 2015 shortly after the rainy season.

3.4.2 Investment and business linkage support

84 MSMEs completed the UNCTAD EMPRETEC training to enhance their business linkage capacity and competitiveness to do business with large enterprises operating in the Copperbelt and North Western Provinces of Zambia, in response to the business linkage opportunities, some of which were established with the support of the Zambia Green Jobs Programme. Business Health Checks conducted among 23 of the participating MSMEs showed remarkable improvements in cash flows, but also revealed that more needs to be done in terms of financial literacy.



UNCTAD EMPRETEC linkage upgrading and entrepreneurship training for Saw millers, 3–8 February 2014, Kitwe, Copperbelt Province

Zambia's business case for affordable green building

As the urban population is growing exponentially, the World Bank warns that three billion people, 40% of the World's Population, will need new housing and basic urban infrastructure by 2030 (World Bank Group, 2015). UNCTAD conducted a study on the Zambia business case for affordable green building to assist the country to attract housing and infrastructure investments from domestic and international housing developers, financiers and investors. A consolidated version was externally reviewed by various institutions in Geneva. Preliminary results from this study will be presented by the Zambia Development Agency to local and international investment stakeholders at the Zambia Investment and Property (ZIP) Exposition, to be held at the Government Complex, from 21–24 April 2015. The Government of the Republic of Zambia (GRZ) actively seeks foreign investment through the Zambia Development Agency (ZDA), which was established in January 2007 through the consolidation of a number of trade and investment promotion entities into a one-stop resource for international investors interested in Zambia. ZDA is the main implementation partner of the UNCTAD Zambia Green Jobs Programme.

Study tour to build Zambia's capacity to stage investment missions for attracting foreign direct investments and raise awareness on green building technologies.

Zambian Stakeholders participated in international building construction fairs and exhibitions in Munich, Germany and Bologna, Italy as well as in the World Investment Forum in Geneva, Switzerland to promote learning, networking, knowledge and experience sharing on investment policies, incentives and business linkages. The Ministry of Commerce, Trade and Industry (MCTI) was afforded an opportunity to present Zambia as an investment destination. During the tour and at the World Investment Forum a number of lucrative investment leads were recorded, including those from investors in Italy, France and Belgium. UNCTAD continues to assist ZDA in following up on leads while building their capacity for planning and managing investment missions.

While in Geneva, and in liaison with the Embassy of Zambia in Switzerland, the UNCTAD Zambia Green Jobs Programme organized site visit of the Lafarge Sustainable Development Global Research Center in Lyon, France to raise awareness on market leading innovations on green construction technology.



Zambian delegates visiting the Lafarge Global Research Centre in Lyon, France. In the picture is Ministries of Labour, Finance and Commerce representatives.



Zambia participating in a high level panel at the 2014 World Investment Forum session on Making value Chains Work for the Poor.



3.4.3 Productivity, skills for green jobs and business development services

Technical training on solar assembly

The ILO Zambia Green Jobs Programme partnered with the Mount Elgon Self Help Community Project, Kampala, Uganda (www.mt-elgonproject.org) and Everbright Solar Inc., a factory direct seller of affordable UL certified grid-tied solar panels, based in California, US (www.everbrightsolar.net), to build the institutional capacity of Thorn Park Construction Training Centre, Lusaka, Zambia to train female and male solar technicians to undertake solar panel manufacturing, installation and maintenance. 29 solar technician trainers were trained and certified with Thorn Park Construction School. Eight existing low cost housing units in George compound, Lusaka were retrofitted with basic solar energy lighting facilities developed during the training of trainer course.



Thorn Park Mount Elgon competency course in solar panel assembly, installation and maintenance



Start and Improve Your Green Construction Business MSME training toolkit

The ILO Start and Improve Your Green Construction Business was developed with inputs from industry experts, training and policy makers from Zambia, South

Africa and Namibia. Ten trainers were trained in Zambia, and in turn as at 31 December 2014, some 65 MSMEs were equipped with green construction business management skills.



Strengthening Social Protection Floor for Vulnerable Workers and their families in Zambia Building and Construction Industry

An analysis of the social protection risks and a needs assessment in the building and construction industry revealed the mismatch between the current product and service offering provided by Social Security Institutions and the MSME demand and context of working relations and business environment in the sector. A compendium of international experiences on extending social protection coverage in the construction industry stimulated Zambia's social protection providers and stakeholders to engage in a national dialogue on how to extend coverage of social protection in the construction industry.



In Zambia, extending the social protection floor to workers in the informal economy remains a challenge

Emanating from the on-going dialogue processes were a number of creative and innovative partnerships with the Zambia Green Jobs Programme notably:

1. Workers' Compensation Fund Control Board (WCFCB) and National Pension Scheme Authority (NAPSA) on the implementation of innovative products to cover the construction sector, and the feasibility study on small scale plantation investments with the Zambia National Association of Saw Millers;
2. Strengthening the health savings scheme of the women's savings and credit cooperative People's Process on Housing and Poverty in Zambia; and
3. Collaboration with the Ministry of Health to extend the coverage of the National Health insurance scheme to vulnerable workers in the informal economy, including those in the building and construction sector.

Improving occupational safety and health to increase the productivity and working conditions of MSME workers in building construction

An occupational safety and health (OSH) profile was developed. It provides a situation analysis of the prevailing OSH conditions in the construction and building sector. This was followed by an OSH needs assessment to inform the development and adaptation of appropriate OSH awareness and training materials and tools for MSMEs. A training manual on OSH was developed for Thorn Park Construction Training Centre, in consultation with stakeholders including VTT Technical Research Centre of Finland, the Ministry of Labour and Social Security's Department of Occupational Safety and Health, the National Association of Medium and Small Scale Contractors, TEVETA etc.



Workers at a sawmilling plant in Kitwe, Copperbelt Province – the Zambia Green Jobs Programme baseline study revealed reported deaths and work related injuries in 21% (80) of the sampled MSMEs (391)

42 OSH trainers completed the OSH Training of Trainers Course and 87 proprietors and supervisors of enterprises in the sawmilling sector took part in the OSH Management training. As a result the training, 60 MSMEs submitted registration applications with the Workers' Compensation Fund Control Board (WCFCB) in order to access the occupational injury benefit scheme provided by WCFCB; and the Ministry of Labour and Social Security's Department of Occupational Safety and Health Services in order to access the gratis OSH inspection services offered by government.

Inspectorate staff from the Ministry of Labour and Social Security's Department of Occupational Safety and Health Services have reported that some enterprises that participated in the training programmes have registered marked improvements in OSH in their enterprises. Particular improvements include: replacement of hazardous pieces of sawmilling machinery; provision of personal protective equipment and clothing to workers; and improvements in housekeeping at the sawmills.

3.4.4 Financial services for MSMEs

Financial management counselling services for MSMEs

Three Master Trainers were recruited for the purpose of training, coaching and certifying financial management counsellors (FMCs). Following the training of trainers facilitated by the Master Trainers from 30 June to 04 July 2014 in Siavonga, FMCs started training and mentoring selected MSMEs from December 2014.

Two-day financial literacy training courses were conducted for small scale contractors by the FMCs under the supervision of the Master Trainers in five provinces, namely Lusaka, Southern, Eastern, Copperbelt and North Western. The objective of the trainings was to stimulate the MSMEs to look into their operations, structures and governance for the purpose of making improvements in their financial business practices, attitudes and business plan preparation.

Financial education for MSMEs

Seven Financial Service Providers (FSPs) are better equipped to respond to the financial needs of MSMEs.

Stanbic Bank, First National Bank, Citizens Economic Empowerment Commission, Development Bank of Zambia, Meanwood Financial Services, Madison Finance, Focus Finance and Betternow Finance were offered training and the Loancom credit scoring tool to tailor, assess and administer loans to MSMEs. However, many cited risks and appealed for incentives such as affordable lines of credit and credit guarantee schemes to share the risk of offering credit and financial services to MSMEs.



Training of 18 Financial Management Counsellors (FMCs), Siavonga, Zambia



Financial education for 130 MSMEs in Lusaka, Chipata and Kitwe, Zambia



3.4.5 *FAO business development services for wood-based MSMEs and promotion of forestry certification*

Market Analysis and Development tool for forestry MSMEs

Eight institutions provided a total of 12 master trainers that have undergone Training of Trainers on Market Analysis and Development (MA&D) and on Enterprise Development Plans (EDP) for forest growers and sawmillers and have been certified by FAO. Their services will improve business development and enterprise skills among the forest and wood-based MSMEs. A specific needs assessment was carried out to tailor the training to the specific technical training needs of sawmillers and secondary processors.



First cycle of the MA&D Training of Trainers that was conducted from the 6th to 10th October, 2014 at Ibis Gardens in Chisamba district.

Promoting community-based sustainable enterprise forestry start-ups

A total of 558 community start-up microenterprise timber growers with various pieces of land, have been identified and mobilised by the Department of Forestry in Solwezi (North Western Province), Chiwombo (Central Province), Choma (Southern Province), Chongwe (Lusaka Province) and Chipata (Eastern Province) for potentially establishing sustainable forestry enterprises in nursery and small scale plantations. The Zambia Green Jobs Programme will facilitate technical training and business start-up support through the Department of Forestry, Ministry of Lands.



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community start-up
microenterprise timber
growers

Dialogue on an appropriate mechanism for Forest Certification (FC) among smallholders and other forest growers

A systematic analysis of the institutional, legal and policy framework for forestry in Zambia with regard to code-of-conduct, eco-labelling and forest certification was done during the inception phase. This includes review of previous initiatives for adopting standards, guidelines and certification in Zambia and in neighbouring countries. Building on this, stakeholder discussions were initiated to promote an appropriate mechanism for Forest Certification (FC) among smallholders and other forest growers.



Community woodlot nursery in Chief Mushoro's village in Chipata, Eastern Province. Towards certified sustainable timber production among small scale foresters in Zambia. Construction timber in Zambia is at a critical shortage to the extent that the prices of timber have tripled in recent years because of very high demand for very little stock.

4. Challenges, Actions and Lessons Learned

4.1 Project strategy and design

Integrated policy solutions and responses are needed to address the multi-dimensional challenge of unemployment, poverty and inequality in Zambia. The systemic design, multi-faceted strategy and integrated package of support of the Zambia Green Jobs Programmes remains very relevant and effective in generating more appropriate and coherent policy solutions and responses which are needed to address multi-dimensional challenges.

4.2 Implementation and institutional arrangements

As a UN Joint Programme, the Zambia Green Jobs Programme makes the best use of the mandates and expertise of the five participating UN agencies while experimenting with ways to increase impact through more coherent programmes, reduce transaction costs for governments and development partners, and lower overhead costs for the UN system. This 'Delivering as One' approach is proving effective in aligning UN activities with national priorities and avoiding duplication. However, future programmes should consider pairing fewer UN agencies to reduce co-ordination challenges. The good practice of a 'One UN Team' including national professional officers housed in the administrative agency should be considered to promote high performance programme teams.

4.3 Sustainability

Sustainability must be specified in relation to the particular intervention under review. Different types of intervention have different time frames and serve different types of function in the development process. As part of a wider criterion of impact, the sustainability of the Zambia Green Jobs Programme is concerned with a forward-looking assessment or the likelihood that the benefits from an intervention will be maintained at an appropriate level for a reasonably long period of time after the withdrawal of direct programme support.

The focus on jobs, poverty and inequality remains high on the agenda as key priorities of the partner country. The active participation of partner country stakeholders in the planning, implementation and follow-up of development activities is stimulating local ownership. The active involvement of the Ministry of Finance and Private Sector partners highlights the partner country financial capacity and willingness to commit and mobilise financial resources to sustain results. Peaceful democratic elections also indicate a working system of accountability to citizens which is likely to increase the chances that benefits will be sustained.

However, participating UN agencies need to ensure that they do more in building the capacity of local institutions to ensure that they are able to increase outreach, scale and impact on inclusive green growth and job creation. Much of this will depend on the availability of final year resources based on the understanding that the full Programme will be funded by Finland up to August 2017. In the unlikely event that this does not materialise, targets will have to be revised downwards and the Programme will close next year August 2016 instead.

5. Risks and Assumptions



5.1 Country risks

Country risk helps businesses with market assessment, strategic planning and decision making to project their growth and profitability in Zambia. It also assesses explicit short- and long-term risk regarding political stability and is an important factor which directly affects the policy work of the Zambia Green Jobs Programme and indirectly the environment and performance of the private sector.

According to the Economist Intelligence Unit, macroeconomic stability will be maintained and the policy stance will stay broadly pragmatic as moderate voices within government and the opposition in parliament ensure that some of the more radical policy changes do not go through. Nevertheless, some employers have expressed concern over policy uncertainty in Zambia. Sovereign debt-servicing capacity will be supported by robust economic growth, low external debt and a predominance of concessional loans with long maturity periods. However, Zambia's BB rating could be downgraded if the global economic outlook worsens or policy uncertainty continues to increase as Zambia moves towards elections in 2016, leading to a significant reduction in the growth forecast.

5.2 Exchange rate risks

Zambia's Central Bank is committed to an exchange rate that reflects market fundamentals. KPMG expects that the Kwacha's value will be supported by strong growth in copper production during 2014–16, large foreign investment inflows and high public external borrowing. However, this may be offset by robust import demand, a stronger US dollar and slower growth in copper prices, which more recently have increased the pressure on the Kwacha, trading at 7,380 to the dollar at the time of writing the report. Speculative behaviour is increasing, price stability has shifted and overall inflation could rise.

There was a significant variation between the Euro and the Dollar resulting in considerable loss of funds available for programme implementation. This may affect the overall achievement of agreed targets and outcomes of the Zambia Green Jobs Programme.

5.3 Programme assumptions

All the development and management assumptions remained valid.

6. Financial Statements

Zambia Green Jobs Programme on Enhancing Competitiveness and Sustainable Business among MSMEs in Zambia's Building Construction Sector

FINANCIAL PROGRESS REPORT

As at 31/12/2014
(Amounts in US dollars)

Participating UN Organizations: ILO, FAO, ITC, UNCTAD, UNEP
Project Reference: ZAM/13/01/FIN

	Previous Periods (A) 01/09/2013 to 31/12/2013	Current Periods (B) 01/01/2014 to 31/12/2014	Total (C=A+B)
Income			
Contributions			
Finland	4,654,002.71	0.00	4,654,002.71
Other	411.98	772.95	1,184.93
Total income	4,654,414.69	772.95	4,655,187.64
Expenditure			
Programme costs			
Supplies, commodities, equipment and transport	2,360.00	130,720.00	133,080.00
Personnel (staff, consultants and travel)	154,004.93	1,501,320.57	1,655,325.50
Training of counterparts	67,665.00	440,264.58	507,929.58
Contracts	34,002.00	306,445.53	340,447.53
Other direct costs	14,790.24	171,173.67	185,963.91
Total programme costs	272,822.17	2,549,924.35	2,822,746.52
Indirect support costs	18,473.00	178,494.55	196,967.55
Administrative agent fees	46,540.07	0.00	46,540.07
Total expenditure	337,835.24	2,728,418.90	3,066,254.14
Balance	4,316,579.46	-2,727,645.95	1,588,933.51

30.04.2015
P.A.
Sietse Buijze
Chief, Technical Cooperation Budget Unit
Budget and Finance Branch
International Labour Organization





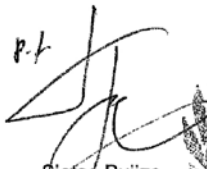
Zambia Green Jobs Programme on Enhancing Competitiveness and Sustainable Business among MSMEs in Zambia's Building Construction Sector

CERTIFIED STATEMENT OF INCOME AND EXPENDITURE

As at 31/12/2014
(Amounts in US dollars)

Participating UN Organizations: ILO, FAO, ITC, UNCTAD, UNEP
Project Reference: ZAM/13/01/FIN

	Period 01/09/2013 to 31/12/2014	Total
Income		
Contributions		
Finland	4,654,002.71	4,654,002.71
Other	1,184.93	1,184.93
Total Income	4,655,187.64	4,655,187.64
Expenditure		
Programme costs	2,822,746.52	2,822,746.52
Indirect support costs	196,967.55	196,967.55
Administrative agent fees	46,540.07	46,540.07
Total Expenditure	3,066,254.14	3,066,254.14
Balance	1,588,933.51	1,588,933.51

50.04.2015 
Sietse Buijze
Chief, Technical Cooperation Budget Unit
Budget and Finance Branch
International Labour Organization



**Zambia Green Jobs Programme on Enhancing Competitiveness and Sustainable Business
among MSMEs in Zambia's Building Construction Sector**

SOURCES AND USES OF FUNDS REPORT

As at 31/12/2014
(Amounts in US dollars)

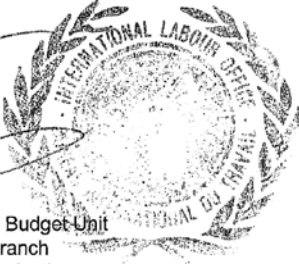
Participating UN Organizations: ILO, FAO, ITC, UNCTAD, UNEP
Project Reference: ZAM/13/01/FIN

	Previous Periods (A) 01/09/2013 to 31/12/2013	Current Periods (B) 01/01/2014 to 31/12/2014	Total (C=A+B)
Sources of funds			
Contributions			
Finland	4,654,002.71	0.00	4,654,002.71
Other	411.98	772.95	1,184.93
Total sources of funds	4,654,414.69	772.95	4,655,187.64
Uses of funds			
Disbursements			
ILO (Admin Agent)	3,241,187.79	0.00	3,241,187.79
FAO	591,181.97	0.00	591,181.97
ITC	209,092.11	0.00	209,092.11
UNCTAD	231,630.61	0.00	231,630.61
UNEP	334,370.16	0.00	334,370.16
Administrative agent fees	46,540.07	0.00	46,540.07
Total uses of funds	4,654,002.71	0.00	4,654,002.71
Balance	411.98	772.95	1,184.93

30.04.2015

P.J.

Sietse Buijze
Chief, Technical Cooperation Budget Unit
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7. Remarks from the Steering Committee Chair



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REPUBLIC OF ZAMBIA

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In reply, please quote

No. ...

Zambia is recognised as one of the top ten (10) fastest growing economies in Africa, with a sustained economic growth averaging 7% and inflation of about 7.1%. Further, the economy has experienced an increase in Foreign Direct Investment and non-traditional exports, notable trading partners being Brazil, China, India and South Africa.

Owing to this growth, is the booming construction sector, which has a high potential for employment creation. The continued support to and growth of this sector could address Zambia's major challenge of high unemployment and poverty levels. It is, however, important to note that the growth of sectors such as construction has resulted into increased environmental degradation. In that regard, it is important that Zambia shifts its economic growth model from merely focusing on employment creation towards inclusive green growth, which is in line with the global commitment on Sustainable Development Goals.

Sustainable Development Goals will promote dignity to alleviate poverty and inequality; promote prosperity to grow a strong, inclusive and transformative economy; among others. Above all, it will enhance partnerships to catalyse global solidarity for sustainable development while preserving or improving the quality of the environment.

In this vein, the Government of the Republic of Zambia, in collaboration with the private sector and in partnership with the United Nations Zambia Office, has embarked on the Zambia Green Jobs Programme with a view to create jobs that are environmentally sustainable and friendly. The Government of Zambia is most grateful to the Government of Finland, our long-term development partner which has provided necessary support towards the development of the Programme.

I would, therefore, urge all stakeholders to take keen interest in this Programme and be actively involved in its implementation in order to achieve an inclusive, sustainable growth and decent work a reality for the Zambian people.

Tobias Mulimbika

Director - Industry

For/Permanent Secretary

MINISTRY OF COMMERCE, TRADE AND INDUSTRY

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