INTERNATIONAL LABOUR ORGANIZATION
Development Cooperation
PROJECT DOCUMENT

Cover Page	
XB Symbol	**ZWE/17/01M/SWE**
Project title	**Green enter*PRIZE* Innovation & Development in Zimbabwe**
Country	Zimbabwe
SDGs	*5, 7, 8, 9 and 13*
P&B Outcomes	*Outcome 4: Promoting sustainable enterprises*
DWCP Outcomes	*ZWE103: Sector specific entrepreneurship development policies and programmes with emphasis on youths and women implemented*
Technical field	*Sustainable enterprises*
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Collaborating ILO Units	ILO Decent Work Team (DWT)/Pretoria, Skills, Green Jobs, Small Enterprise Unit and Enterprises Department, ILO Geneva
Implementing Partners	**Ministry of Environment, Water and Climate, Ministry of SMEs and Cooperative Development, Ministry of Youth, Indigenisation and Economic Empowerment, Ministry of Higher and Tertiary Education, Business Council for Sustainable Development, Employers' Confederation of Zimbabwe, Confederation of Zimbabwe Industries, Stimulus Africa Foundation**
Time frame	**36 months (December 2017 - November 2020)**

Executive summary

The proposed project seeks to contribute to solving a series of inter-related development problems, such as high levels of youth employment, low levels of formal and growth oriented entrepreneurship and unsustainable production processes of SMEs in Zimbabwe. The causes of these problems stem from, among other things, historical gender inequality where women, and especially young women, do not have access to equal technical skills and entrepreneurship development opportunities. In addition, the current education system does not produce work ready graduates and neither graduates with entrepreneurial skills and competencies, which results in both young men and women struggling to find employment as well as struggling to start their own businesses.

In addition, an inadequate legal and regulatory green economy framework means that enterprises, first of all, lack incentives to move towards sustainable operations and, secondly, lack awareness about opportunities in the green economy wherefore many firms continue to source unsustainable inputs and continue to pollute water and air. Finally, a stagnant economy with very low levels of economic activity has led to virtual de-industrialization with many larger enterprises folding resulting in growth of informal SMEs as those laid off seek alternative means for a living. In summary, the labour market currently does not create enough formal employment and green jobs opportunities.

Against this background, the proposed project seeks to support to green and growth oriented male and female owned small and medium sized enterprises (SMEs) stimulate the market for green products and services through expansion of access to skills for green jobs and through the greening of existing enterprises. The ultimate goal is the creation of green and decent jobs for women and men, and especially young women and men, through sustainable enterprises. The concept of the green economy and green growth remain relatively new to Zimbabwean entrepreneurs, as well as to the general public. The prevailing macroeconomic challenges with low levels of economic growth and outright deindustrialisation with subsequent high levels of informalisation are major hindrances for a transition to a productive and green economy. The “sustainable and inclusive growth, productivity and jobs” equation is what all governments are trying to solve in an era of climate change and ecological overshoot with over-exploitation of the Earth’s natural resources.

The question is where will the new jobs come from, which firms create the jobs and how can development partners, such as Sida and the ILO support the Zimbabwean economy to create jobs in a world where “business as usual” is no longer feasible for any national economy? The proposed project seeks to contribute to providing solutions to the “sustainable growth, productivity and jobs” questions by focussing on gender equality, green skills, green entrepreneurship and responsible business practices. The end-of-project outcome is an improved pool of sustainable SMEs where i) young men and women with green technical and entrepreneurial skills start economic activities in the green economy; ii) innovative green and growth oriented male and female owned SMEs access financial and non-financial BDS and grow their businesses and; iii) SMEs have greener management practices, improved work place cooperation and improved gender sensitive working conditions.

The project strategy seeks to, firstly, support young men and women to access skills to increase their employability and economic participation in the green economy; secondly, to stimulate interest in the green economy and demand for green products and services from emerging and new growth oriented green enterprises with subsequent provision of financial and technical assistance to these firms; and, thirdly to provide technical assistance to existing firms in selected sectors assisting SMEs in greening their business and manufacturing processes through an in-business training and consulting programme that increases productivity and improves cleaner production processes and working conditions. Through these mutually reinforcing approaches, the project will also build the capacity of TVET institutions and BDS providers to provide green enterprise training.

The project will directly support 3’000 in-school male and female in-school youth, in at least 20 training institutions in acquiring green technical skills, support the development of 75 green and growth oriented SMEs through an enterprise challenge fund, and support another 75 existing SMEs in selected sectors, plus another 500 emerging and new SMEs, who apply to the challenge fund, but don’t win prizes, and therefore instead will have access to green business management training. The goal is to create at least 2’000 green jobs of which 1’000 is from the TVET component and 1’000 is through the challenge fund. In addition, another 1’000 existing jobs in existing SMEs and large enterprises will be improved through the provision of sustainable and responsible green training to firms in selected sectors.

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1. Background & Justification

1.1. Problem analysis

Zimbabwe's economy continues to face significant challenges that hampers private sector development and employment creation. The protracted economic underperformance with 2017 growth estimated at 2.2 per cent[1] is well below the levels necessary to address poverty and also make a dent in the high levels of decent work deficits. Growth is set to remain well below potential, as business conditions and the policymaking remains uncertain deterring both domestic and foreign investment.

Unemployment stands at 11.3 per cent. However, the bigger challenge is the lack of decent and productive work resulting in various forms of labour underutilization, such as underemployment, low incomes and low productivity, especially in the informal economy where 94 per cent of Zimbabweans are employed.[2] Poverty remains persistent with 63 per cent of the population living under the Total Consumption Poverty Line[3] and 16 per cent being extremely poor[4]. The high levels of informality is a major factor behind these weak social and economic outcomes. The 2012 FinScope survey found that 5.7 million people were working in micro, small and medium-sized enterprises (MSMEs)[5] but of these 2 million are business owners operating as individual self-employed entrepreneurs and as much as 22 per cent are unpaid or contributing family workers, of which the majority are female.

Zimbabwe's current overall ranking at 161 out of 190 countries on the World Bank's Ease of Doing Business index as it requires 10 procedures, takes 91 days and costs 119.2 per cent of income per capita to start a business.[6] Zimbabwe furthermore dropped four places from 2016 to 2017, which does not bode well for any positive short-term change of the business environment. The World Economic Forum also rated Zimbabwe 126 out of 138 countries in terms of most problematic factors for starting a business.[7] A study by Bindura University from 2011 demonstrates that after beating the odds and succeeding in setting up a business, an entrepreneur is undermined by a host of challenges resulting in a high rate of failure of 60 per cent of firms in the first year, another 25 per cent failing within three years and only 15 per cent surviving.[8] This situation has not improved since 2011 as the drop on the Ease of Doing Business ranking clearly demonstrates.

Although financial inclusion has improved in recent years largely driven by the growth of mobile money, only 14 per cent of business owners are banked, and only 3 per cent use a bank account in the name of the business. Banking infrastructure is largely inaccessible to the majority of firms in Zimbabwe due to high transaction costs and strict credit assessments and demands for collateral when applying for credit facilities. As many as 72 per cent of business owners do not put their money in the bank, but save at home and a negligible 2 per cent of businesses are insured to cope with potential shocks[9]. The ILO's on-going assessment of the Enabling Environment for Sustainable Enterprises[10] in Zimbabwe corroborate

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[1] Economist Intelligence Unit, Country Report, 2nd quarter 2017 (www.eiu.com)
[2] ZIMSTAT Labour Force Survey 2014
[3] The Total Consumption Poverty Line (TCPL) for one person stood at $102.00 and for an average of five persons per household at $511.00 in January 2014.
[4] Individuals or households that fall below the food poverty line are described as severely poor. The Food Poverty Line describes the minimum value of food items that should be consumed by an individual per month and should satisfy the dietary needs.
[5] FinScope and Zimbabwe (2012) MSME Survey Zimbabwe 2012 Source: http://www.finmark.org.za/wp-content/uploads/pubs/FinScope_Zimbabwe_Broch13FNL.pdf
[6] http://www.doingbusiness.org/~/media/wbg/doingbusiness/documents/profiles/country/zwe.pdf
[7] http://www3.weforum.org/docs/GCR2016-2017/05FullReport/TheGlobalCompetitivenessReport2016-2017_FINAL.pdf
[8] Determinants of SME Failure in Zimbabwe: A Case Study of Bindura, Department of Economics, Bindura University of Science Education, 2011 (www.ijeronline.com/documents/volumes/Vol%202%20issue%205/ijer20110205SO(8)%20r.pdf)
[9] http://www.finmark.org.za/wp-content/uploads/2016/02/FinScope_Zimbabwe_Broch13FNL.pdf
[10] Enabling Environment for Sustainable Enterprises in Zimbabwe Survey Report, February 2017 surveyed more than 500

these findings revealing that of the 522 businesses surveyed in the early months of 2017; both formal and informal SMEs find access to formal finance a severe challenge to business growth. Most of the participants, who operate in both the formal and informal enterprises ranked own savings (70.7 and 84.8 per cent respectively) as the first source of finance for a new business idea. Most of the participants who operate in both the formal and informal enterprises ranked other business (64.5 and 61.5 per cent respectively) as another important source of finance for a new business idea.

In terms of the specific challenges to promoting green skills and green enterprise development, the concepts of the green economy remain rather new to Zimbabwean public, entrepreneurs and enterprises. In particular, the absence of a green economy legislative framework or a green growth strategy and the lack of incentives discourage firms from investing in greening their business processes or participating in environmental certification programmes to reduce their carbon foot print. This consequently also means that there is limited data and information on the carbon footprint of enterprises and economic sectors.

The ZIMASSET highlights that "Despite Zimbabwe being endowed with abundant natural resources, the country continues to face multiple environmental management challenges that include pollution, poor waste management, deforestation, land degradation, veld fires, poaching and biodiversity loss".[11] Currently, energy efficiency of Zimbabwean enterprises is low in many industrial sites due to obsolete industrial production technologies that are energy intensive[12]. This is despite the fact that Zimbabwe generates approximately 1200MW of electricity against a total demand of 2200MW – a situation which makes energy efficiency inevitable. The country is currently experiencing a net deficit of power.[13] Energy efficiency in most companies is carried out on an ad-hoc basis with organisations lacking a systematic approach to energy efficiency and setting of energy targets.

Specific water consumption is high in several industrial sectors with typical beverage enterprises using 20hl water per hl of beverage in comparison to a global best practice of 4hl/hl (ABIWSI, 2010)[14]. Such inefficiencies are caused by old equipment, water leakages, lack of recycling, and lack of process optimisation among other factors. Strict water management programmes that foster efficient water utilisation should be developed in order to promote water savings. Several enterprises that performed in the African Beverage Industry Water Saving Initiative (ABWISI) and African Industry Water Saving Initiative (AFIWSI) have clearly improved their capabilities to implement monitoring and measurement capabilities at firm level.

Industrial waste management in Zimbabwe remains a key challenges with many companies still to adopt integrated waste management. High waste generation rates, lack of effective waste management technologies, as well as the absence of world class disposal sites result in many companies disposing waste in water bodies and undesignated sites. Currently, Zimbabwean industry generates 442 839 tonnes of waste per annum.[15] Hazardous waste from industry, including used oil is a major problem at disposal sites, such as Golden Quarry located in Harare. Industries are generally not able to fully invest in wastewater treatment technologies due to low access to capital and technical assistance resulting in some industries now facing potential closure by environmental management authorities. However, the lack of a clear strategy and technologies for effluent management has resulted in high levels of pollution in water bodies, such as Lake Chivero and Manyame River. Several studies have noted the growth of a

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enterprises about their perception of the business environment

[11] www.herald.co.zw/wp-content/uploads/2014/01/Zim-Asset.pdf

[12] Green-Economy a tool for sustainable development http://www.herald.co.zw/green-economy-tool-for-sustainable-development/

[13] National Energy Policy: http://www.zimenergycouncil.co.zw/index.php/downloads

[14] Source: Adapted from the African Beverage Industry Water Saving Initiative (ABIWSI) available at file:///C:/Users/user/Downloads/african_beverage_industry_water_savings_initiative_abiwsi.pdf

[15] Source: Adapted from the Zimbabwe Integrated Solid Waste Management Plan statistics for the year 2011, (IES, 2014)

water hyacinth in Lake Chivero at an unprecedented rate that could affect the water treatment works, as well as the aesthetic functions of the lake. Costs of water treatment in Lake Chivero are already estimated at approximately $US4 million and increases in pollution will see this figure rise.[16]

The government is aware of the challenges to environmental degradation and the need for sustainable development and a National Climate Change Department has been created in the Ministry of Environment, Water and Climate. Whereas some legislation does exist regarding the governance of natural resources and waste management and a National Climate Change Response Strategy has been formulated to mainstream climate change adaptation and mitigation strategies in economic and social development, this has neither translated into a framework for private sector and entrepreneurship development.

There is also very limited capacities to develop requisite skills to make the transition to a greener economy happen. The absence of a comprehensive green economy policy framework, also means there are no fiscal measures to promote the transition to cleaner production and a green economy. Furthermore, Zimbabwean companies are not mandated to acquire environmental certification, such as the ISO 14001, nor establish internal environment management systems.[17] The Department of Climate Change could potentially play an important role in supporting climate change adaptation and mitigation activities between government and the private sector, if properly resourced. The Ministry is in the process of developing an integrated Solid Waste Management Plan *"To reduce solid waste, improve delivery of service, maximise resource recovery of all materials, protect public and ecological health through a participatory approach of sustainable waste management"*. In pursuit of this mission, the Government of Zimbabwe set an ambitious but achievable Goal of "minimising solid waste generation by maximising resource use at source through sustainable consumption and cleaner production".

In terms of the specific employment challenges for young people, the 2012 census highlight that whereas youth aged 15-34 constitute 36 per cent of the Zimbabwean population, they make up 84 per cent of the unemployed. On the one hand, the economy is not creating enough formal employment opportunities and, on the other hand, young people face a plethora of barriers, in terms of accessing skills and entrepreneurship training that could make them more employable, as well as able to pursue economic ventures. Some of the main barriers are the high entry qualifications to formal TVET institutions, as well as fees that cannot be met by many young Zimbabweans. Furthermore, TVET courses are generally a minimum of three years full-time and too long for a young person without a regular stream of income to support themselves, and often, numerous dependents. The Zimbabwe 2011 Labour Force and Child Labour Survey found that Zimbabwe's 57 public TVET providers are accessed by only 0.5 per cent of the 15-24 age group.

Furthermore, another widely cited problem, also alluded to in the Zimbabwe Country Report for the 2014 African Union Ministerial conference on youth employment, is the mismatch between the skills being taught by the formal vocational training system and what is needed in the labour market. A recent UNESCO report notes that "transition to a green society and economy is expected to drive new developments, new jobs and new skills requirements. Thus, a new way of thinking needs to be made, particularly from those sectors with direct responsibility to produce skilled workforce that can be absorbed in the labour market".[18] Thus, to 'green the economy' of Zimbabwe, one of the first steps is to 'green' vocational training centres by introducing green curricula to produce skilled green collar workers. This would help to also align TVET centres to emerging market demands, bridge the gap

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[16] Comments from the Food and beverages cluster on pollution situation in Harare http://www.hararenews.co.zw/2015/09/city-of-harare-and-ema-blamed-for-pollution-of-harare-rivers/

[17] Mapping Zimbabwe's Potential for a Green Economy, Report Prepared for SIDA, Easther Chigumira, CompTroub Pvt, 2016

[18] http://www.unevoc.unesco.org/fileadmin/user_upload/docs/Greening_TVET_Framework-Bonn-Final_Draft.pdf

between TVET and industry, and to increase the employability of Zimbabwean youths, who emerge from TVET centres. Skill shortages are acting as a barrier to driving transitions to greening the economy and post-secondary curricula is largely silent on greening strategies and technologies.

Furthermore, financial institutions in Zimbabwe have not been forthcoming with the required investment for the transition to a green economy. In short, the market for any type of business loans and credit in Zimbabwe is small and constrained by low incomes, a declining corporate sector, shrinking formal sector employment, high levels of non-performing loans and increased informality.[19] ILO Consultations with a Technical Assistance (TA) service provider to a multi-million dollar credit guarantee scheme with one of the biggest commercial banks in Zimbabwe highlighted how SMEs, and especially youth and women owned SMEs, find it virtually impossible to access loans even with the existence of a credit guarantee facility with a 50 per cent risk sharing. Bank culture and credit risk assessments are still based on lending to larger firms with collateral, fixed assets and a track record and not to young entrepreneurs and enterprises without movable assets and personal and business banking track record.

The scheme in question has only made four loans in a two year period showing that the use of credit guarantees does not provide a quick-fix for increasing access to credit to SMEs. The TA provider felt that under these constrained circumstances, as mentioned above, a challenge fund/business competition, which allows young entrepreneurs to pass the hurdle of securing a first loan and build a track record in the process would be an appropriate response. The macroeconomic challenges have resulted in a risk averse financial sector, wherefore the opportunities to mobilize resources from local capital markets and investors in Zimbabwe remain severely constrained.

In terms of the status of gender equality in Zimbabwe, tradition and cultural practices continue to limit women's economic opportunities. In the home, men generally retain greater access to and control over household economic resources (2015 ZDHS) and women normally have limited access and control of productive assets – particularly, property ownership. Poverty and economic reliance on men subject women to abuse and, in some circumstances, to gender based violence, transactional sex and HIV and Aids. Urban women's employment options are limited and often only the poorest of working conditions are offered. Women consequently dominate the informal sector, where they are concentrated in precarious and time-consuming trades, where they face multitude of risks.

A Broad-Based Women's Economic Empowerment Framework is being suggested by the government through the ZIMASSET to enhance women's business ownership and entrepreneurship and employability, but policies in key sectors earmarked for economic growth, such as agriculture, mining, trade and tourism have not yet been gender mainstreamed, and women in Zimbabwe continue to have unequal access to finances, skills and markets.

Furthermore, working conditions are precarious for many women with weak maternal protection where a pregnancy often leads to termination of employment. Women are also forced to return to work immediately after birth, despite the absence of child care facilities. Environmental, health and safety risks for women are abounding in the informal sector as most micro and small enterprises do not have any measures in place for occupational health and safety (OSH) and see OSH improvements as an unnecessary cost rather than a means to increase productivity. Workers in SME's are not covered by the national social security scheme, however, evidence suggests women form informal group based on social protection schemes.

Whereas Zimbabwe is a signatory to two ILO gender equality conventions, the Equal Remuneration Convention (No. 100) and the Discrimination in Employment and Occupation Convention (No. 111), the ratification of the Workers with Family Responsibilities Convention (No. 156) and Maternity Protection

[19] Zimbabwe Financial Inclusion Report, CENFRI, 2016

Convention (No. 183) is still pending. The provisions for women to manage their triple roles in society (productive, reproductive and community) are crucial to ensure that they are able to gain economic empowerment and independence.

1.2. Addressing the development challenge

The project seeks to contribute to addressing this identified development challenge in three specific ways. Firstly, by supporting young men and women to access green skills, secondly by supporting emerging and new[20] SMEs to develop green products and services and, thirdly, by supporting existing and more established firms in selected sectors to green their business and manufacturing processes. This approach seeks to skill young people who enter the labour market, support SMEs across a firm age continuum and thus identify the young and growth oriented entrepreneurs and enterprises, the so-called "gazelles"[21], as well as more mature ones to facilitate the transition to cleaner production, improve productivity, working conditions and create jobs as a transition mechanisms to fighting poverty. This approach builds on global evidence, including ILO experience on youth and women economic empowerment, skilling the green economy[22], and offers the best prospects for systemic sustainable enterprise development and employment creation.

It forms part of other approaches by the ILO in Zimbabwe through the Decent Work Country Programme framework to promote job creation through skills and entrepreneurship development targeting the informal economy and SMEs. The question is how to best support new and established firms to reshape the Zimbabwean economy? Improving the knowledge and understanding of high growth firms in developing countries, such as Zimbabwe is critical to improving effectiveness of interventions to spur job creation and increase productivity. However, most of what we understand about growth entrepreneurship today is based on data from Europe, North America, and the broader group of upper-income OECD-member.[23]

The project intention is furthermore to shed more light on growth oriented enterprises in Zimbabwe and contribute to answering the ""sustainable inclusive growth, productivity and jobs" equation. One answer might be found in a group of small, young and fast-growing firms that contribute disproportionately to productivity, growth and job creation, the so-called "Gazelles". As an example, in the US, about 50 per cent of new firms will have gone out of business before the age of 5. In Zimbabwe, the exact survival rate is unknown, but it is likely to be as low as 15 per cent, in the current environment. Of surviving firms in the US only a small per cent achieves output growth of more than 25 per cent, but they account for more than 50 per cent of aggregate output. Similarly, only 17 per cent of surviving firms experience employment growth above 25 per cent, but they create 60 per cent of all new jobs. A 2014 GEM study, which surveyed more than 70'000 firms in 60 countries over a four year period found that 4 per cent of all entrepreneurs were high-growth/gazelles, but they created 30 per cent of all new jobs.

This data suggests that supporting the expansion of an existing high-growth SME can create up to 100 times the number of new jobs, as supporting a new micro-enterprise or subsistence enterprise. The question is, how can we identify high-growth firms and is it possible at all to identify growth firms ex

[20] The definition of "emerging" and "new" firms is based on the Global Entrepreneurship Monitor (GEM) definition where an emerging firm is not a pure start-up, but between 6-12 months old whereas a new firm is from 12-42 months. Established firms are +42 months. The initiative does not intend to support pure start-ups unless the specific idea is assessed feasible.
[21] The OECD defines a firm with 10+ employees and annual growth in employment or turnover of more than 20 percent over three years. David Birch of the Massachusetts Institute of Technology (MIT) who coined the term "gazelles" simply to identify gazelles as firms that sustain 20 percent annual revenue over a four year period.
[22] Skills for Green Jobs, a global view, synthesis report based on 21 country studies, ILO Geneva 2011
[23] The 2016 World Bank study on Growth Entrepreneurship in Developing Countries, funded by Finland, Norad and Sida offers valuable insights into growth oriented entrepreneurship.

ante? The World Bank research mentioned above and new research using data on individual entrepreneur and firm-level characteristics seem to make it possible to narrow down the pool of potential growth firms. Research on business plan competitions, in particular, in combination with expert panels and strict screening and selection processes and boot camps that support capacity development of the entrepreneur shows a lot of promise in being able to effectively identify and support growth-oriented entrepreneurs. An experimental research study[24] on identifying and spurring high-growth entrepreneurship shows that winners of business plan competitions results in greater firm entry, higher survival of existing businesses, higher profits and sales, and higher employment, including increases of over 20 percentage points in the likelihood of a firm having 10 or more workers. These effects appear to occur largely through the provision of grants enabling firms to in turn secure more capital and hire more labour. The study documents the large positive impacts on new firms, as well as expansion of existing firms. Three years after the competition, new firm winners were 37 percentage points more likely than the control group to be operating a business and 23 percentage points more likely to have a firm with 10 or more workers, while existing firm winners were 20 percentage points more likely to have survived, and 21 percentage points more likely to have a firm with 10 or more workers. Together the 1,200 winners are estimated to have generated 7,000 more jobs than the control group, they were innovating more and are earning higher sales and profits.[25] This research and other panel data however also suggest that targeting of more mature firms of 5 years and older can expand employment.

The proposed dual intervention model of targeting young and older firms to stimulate green products, services and business processes and the challenge fund/business competition modality is justified based on the above mentioned research, but also by the ILO's own experience in running business competitions for growth oriented enterprises in South Africa, where 1'726 jobs were created as well as through the globally recognised enterprise training programme, Sustaining Competitive and Responsible Enterprises (SCORE) and other relevant training. These have shown remarkable results in reducing costs and waste in firms, in improving process systematisation, continuous improvement and the creation of more and better jobs. Globally, SCORE has trained more than 1'000 firms, built the skills of more than 6'700 workers and managers with more than 50 per cent of firms increasing productivity, 91 per cent of firms reducing costs, 64 per cent of firms reducing defects, 44 per cent making energy savings and 48 per cent reducing waste. The project builds on these past results and lessons learned.

Whereas estimates in Zimbabwe are not yet known, globally it is envisaged that green products and services form a rapidly growing market for SMEs in developing countries. A World Bank study[26] estimates that the demand for clean technology products and services from SMEs will be $ 1.6 trillion in the next 10 years. With the Sustainable Development Goals (SDGs) adopted in September 2015, the world is plotting a new course for sustainable development towards 2030. The Conference of the Parties (COP) under the United Nations Framework Convention on Climate Change (UNFCCC) adopted the Paris Agreement as a new legally-binding framework for an internationally coordinated effort to tackle climate change. At the heart of both the Paris Agreement and the SDGs is the notion that "business as usual" is no longer sustainable and that current business models must change and embrace the green economy, which must be regarded as a source of enterprise development opportunities and economic renewal in all countries.

However, even in the absence of reliable data and information, the support infrastructure and policy framework for green innovation and SME development is still very weak in Zimbabwe, making the embracing of the green economy a significant development challenge. In time, policies and strategies

[24] *Identifying and spurring high-growth entrepreneurship, experimental evidence from a business plan competition,* David McKenzie, World Bank Development Research Group, 2015
[25] Ibid
[26] Building Competitive Green Industries: The Climate and Clean Technology Opportunity for Developing Countries, World Bank 2014

are needed to encourage the transition to green economy enterprises in a more systemic manner as a means to meeting the targets of the Paris Agreement and the SDGs. Developing an eco-system that enables SMEs to seize business opportunities based on sustainable consumption and production and with access to financial and non-financial BDS is needed to create sustainable, decent and green jobs. Whereas there is a National Climate Change Response Strategy, this has not been translated into specific green economy initiatives in key economic sectors. A number of organisations[27] have made investments in renewable energy and technologies in Zimbabwe, not enough attention is being paid to the development of green entrepreneurs and relevant skills for green jobs, as a means to addressing climate change, green growth and employment creation through sustainable development. Skills gaps and chronic skills shortages in the short term pose a major barrier for Zimbabwe's transition to a green economy and the mitigation measures that Zimbabwe must put in place as its nationally determined contributions (NDCs). The project proposes to improve the situation by enhanced capacity of training providers to design and implement training programmes that provide skills for the green economy. This will be achieved by greening TVET and skills development; institutions will be supported to mainstream green technical and business skills across a number of vocations. Technical support will be delivered to mainstream environmental awareness into their curriculum, as well as to upgrade the capacities of lecturers and managers across training institutions. This will ensure graduates leave the training institutions (beyond the lifespan of the project) with skills on greening production processes and environmental protection. In addition, the project will provide young people with skills for self or wage employment in green jobs.

The project made a conscious decision to not suggest interventions in the policy space, the approach is to demonstrate how young people (3'000), SMEs (150) and their workers (1'000) through dedicated and targeted support can break out of the "business as usual" conundrum and thus pave the way for national policies and programmes. The project also expects to specifically amplify the voice, presence and contribution of girls and women in green economy initiatives and climate change in general.

1.3. Stakeholders & Target groups

The key stakeholders of the project are government ministries involved with and overseeing climate change and sustainable development efforts in Zimbabwe. The Zimbabwe National Climate Change Response Strategy was developed in 2015[28] and its goal is to mainstream climate change adaptation and mitigation strategies in economic and social development at national and sectoral levels through multi-stakeholder engagement. This strategy guides the following ministries in their endeavours on clean and efficient energy usage in industry, clean production processes, renewable energy and promotion of energy efficient technologies, entrepreneurship and management training, support to the development of clusters, business linkages and enterprise associations.

- Ministry of Industry and Commerce
- Ministry of Energy and Power Development
- Ministry of Environment, Water and Climate
- Ministry of Small and Medium Enterprises and Cooperatives
- Ministry of Higher and Tertiary Education
- Ministry of Youth, Indigenisation and Economic Empowerment

Important stakeholders from the private sectors include the

- Employers' Confederation of Zimbabwe (EMCOZ)

[27] Civil Society Organizations such as Oxfam, Practical Action, ZERO, GEF, SNV, HIVOS and NRE, Government institutions such as ZERA, REA and ZPC as well as Private Sector entities such as ECONET and Green Fuel Chisumbanje are among the actors.

[28] Zimbabwe's National Climate Change Response Strategy, Government of Zimbabwe, Ministry of Environment Water and Climate, 2015

- Confederation of Zimbabwe Industries (CZI)

who are all important business member organisations whose members the project will target for SCORE training with the key national implementing partner Business Council for Sustainable Development, which in this respect is also an important stakeholder. Other players could include the Swedish industrial representative organization, International Council of Swedish Industry *Näringslivets Internationella Råd* (NIR) that has assisted local business organizations on initiatives towards energy efficiency. Globally linkages can built with the International Organization of Employers (IOE) through the ILO Bureau of Employers' Activities (ACT/EMP).

In terms of organised labour a key stakeholder is the

- Zimbabwe Congress of Trade Unions (ZCTU)

and its members and target groups, which are workers in enterprises across Zimbabwe who also have an important stake in the greening of enterprises. Particularly for component three, ZCTU will play an important role in the SCORE workplace cooperation and greener production which will be rolled out in established SMEs. Globally linkages can built with other workers' organizations that have experiences and knowledge on green economy initiatives through the ILO Bureau of Workers' Activities (ACTRAV).

1.4. Beneficiaries

The project distinguishes between ultimate beneficiaries and direct recipients. The ultimate beneficiaries are Zimbabwean men and women managing and owning enterprises and working in enterprises whereas the direct recipients are those organisations and partners, who will directly benefit from capacity development by the ILO to serve the needs of the ultimate beneficiaries.

Beneficiaries will be selected from interested students already enrolled in TVET colleges; under industrial courses/programmes (electrical/mechanical engineering et al) to undertake green skills courses. The mode of cooperation with the TVET institutions will be contract for services for the design and teaching of the green skills courses with ILO technical support. The other beneficiaries are those selected from local rural and urban communities based on age, levels of vulnerability, interest and the potential or existence of green business economic opportunities. We will use the same model for the design and delivery of the same green skills courses with the VTCs through contracts for services; complemented by ILO technical support. The same principles on beneficiary selection would prevail for selection of TVET institutional beneficiaries.

Ultimate beneficiaries

- Young men and women enrolled in education and training institutions
- Growth oriented young entrepreneurs
- Workers and managers in SMEs, including small exporters and subcontractors in industries with high job creation potential and significant decent work deficits, including gender discrimination. The targeted SMEs have approximately 50-250 employees[29], a size where most SMEs start creating a middle management layer and have the necessary capacity to absorb new approaches and methodologies in their operations.

Direct recipients

- Technical Vocational Education and Training Institutions, public as well as private, and male and female lecturers
- Community based technical skills and learning initiatives

[29] This is the target size of the enterprises for the SCORE programme, but if there is commercial demand for the services in enterprises below or above this employment bracket the project will take advantage of such opportunities and be flexible in the size-limits

- Employers and industry associations such as EMCOZ and CZI and the Business Council for Sustainable Development, the key implementing partner for component 3 of the project
- BDS providers and training providers, including commercial providers, such as individual consultants, consulting firms and social enterprises such as Stimulus Africa, a key implementing partner of the component 2 of the project.
- National and sectoral trade unions such as ZCTU and its members. While most SMEs are not unionized, unions have a natural interest in improving productivity and working conditions in SMEs and industrial sectors and support efforts to increase the voice of workers in those enterprises without formal worker representation.
- Government departments and agencies involved in the development and implementation of sustainable development and SME policies and programmes, such as Ministries of Industry and Commerce; Energy and Power Development, Environment, Water and Climate; and Small and Medium Enterprises and Cooperatives, as mentioned above.

1.5. Assessment of implementing partners

The project will work with two key implementing partners spanning a firm age continuum younger and more mature firms and entrepreneurs in Zimbabwe from the i) the educated and more tech-savy innovative and growth oriented young men and women entrepreneurs, which are the target group of StimulusAfrica and ii) existing SMEs that pursue cleaner production and sustainable and responsible enterprise practices through their membership of the Zimbabwe Business Council for Sustainable Development. These are the key implementing partners with whom Memorandum of Understanding and implementation agreements will be signed, but this does not by any means exclude collaboration and coordination with other organisations that seek to green the economy.

Stimulus Africa

The partnership with Stimulus Africa (www.stimulusafrica.org) is based on their outreach to young entrepreneurs and the lessons learned in the process. The Green enter*PRIZE* challenge is similar to "*Get in the Ring"*, a business Pitch Competition run by Stimulus since 2015. What Stimulus will bring to the partnership is enterprise development programming for micro and small enterprises designed to build the capacity of the entrepreneurs and support to establish their enterprise. Stimulus Africa's approach is three-pronged starting with a business 'health check' and skills assessment of the individual entrepreneur(s) which enables the organisation to tailor the capacity development program to suit the needs of each enterprise.

This process is followed by an intensive 'Business Modelling Boot-camp' which enable Stimulus Africa to get more insight into the business models being pursued by the entrepreneurs and assist them in strengthening these through training (strategy, project management, sustainability, finance whilst teaching them how to pitch their businesses/ideas), , Networking (market linkages, showcase/expos and supply chain development) and Mentorship (three tiered approach (1) peer collaboration (2) group mentorship (3) corporate leader mentors through the CEO Masterclass platform).
Stimulus Africa will bring this programming to the project with a 'green business' focus developed through their Green Business Network.

In addition to the enterprise development programming, the Green enter*PRIZE* challenge will hold showcases/expos organised to give participating entrepreneurs the opportunity to present their enterprises to the general public with a view of building their brand visibility and getting much needed consumer feedback which they can use to modify their product or service. Furthermore, the establishment of a Green Incubator program that will provide intensive business development support to the winners of the challenge, combined with a Revolving Loan Fund (RLF) will also be explored in the process. Providing part of the challenge fund to Stimulus to manage as a revolving loan fund (RLF) to distribute support green entrepreneurs beyond the project period has tentatively been discussed between Stimulus and the ILO.

Access to such an RLF will be achieved by the enterprise going through the specific Green Incubator program. This will be a motivator for an entrepreneur to invest in the training, which will give them a foundational knowledge that promote healthy enterprise development and increase the chances of pay back on loans. Furthermore, in the process Stimulus business experts will also be capacitated to deliver the SCORE programme through Stimulus beyond the project period.
The green enterPRIZE challenge process will also be recorded as a form of "dragons den", which can subsequently be broadcast on ZBC and/or Africa Magic as well as a robust media campaign across traditional and new media channels to publicise this program and sensitise the public to procuring from green businesses, embrace innovation and modifying their own environmentally unfriendly practices domestically and in the workplace.

Business Council for Sustainable Development Zimbabwe (BCSDZ) and Employers' Confederation of Zimbabwe (EMCOZ)

The partnership with BCSDZ (www.bcsdz.co.zw) and EMCOZ (www.emcoz.co.zw) is based on their outreach to the corporate sector in Zimbabwe and their efforts to promote sustainable development. The BCSDZ was formed 24 years ago on the occasion of the 1992 Rio Conference on Sustainable Development by a group of leading business people in Zimbabwe who shared concerns about environmental issues and therefore encouraged commitment by business to the implementation of environmental management programmes.
In subsequent years BCSDZ has steadily broadened its agenda in line with international thinking to encompass sustainable development seeking to contribute to economic growth, ecological balance and social progress. The BCSDZ is an affiliated network partner to the World Business Council for Sustainable Development based in Geneva.[30] The BCSDZ is therefore able to keep in touch with the latest issues, thinking and best practice on sustainable development in business. Similarly, EMCOZ is a member of the International Organisation of Employers (IOE) and can tap into the knowledge and experience of IOE on sustainable business practices.

The BCSDZ runs various capacity development activities on sustainable development for its members coordinated by technical committees in the areas of climate change & emissions, energy, environmental management, waste , water and sustainable development reporting. CEOs and managing directors from its member companies sit on these technical committees and thus provide access to key players in the manufacturing and service sectors.

Through the partnership the SCORE programme will be rolled out to BCSDZ members as well as to members of other business associations and in particular with the Employers' Confederation of Zimbabwe (EMCOZ) as the key ILO organised business constituent in Zimbabwe, and support the key thematic areas of the BCSDZ namely energy efficiency and renewable energy, water, climate change, waste, legislation and sustainability reporting. Mainstreaming issues of sustainability into the business strategy is the main thrust of the BCSDZ and through the SCORE programme, there is significant complementarity and alignment which enables adoption of cleaner production

[30] www.wbcsd.org. The WBCSD is a coalition of some 200 international companies united by a shared commitment to Sustainable Development. Members are drawn from over 36 countries and 22 major industrial sectors. The WBCSD has 70 Global Network Partners.

technologies.
The BCSDZ and EMCOZ will facilitate the networking with and capacity development of the corporate sector and will provide local expertise who can work in collaboration with international experts of the ILO in implementing the SCORE programme. The technical committees of the BCSDZ have for many years been effective tools of identifying industrial needs and designing relevant interventions in the field of sustainable development. Identification of training needs of various enterprises and prioritizing sectors is key given the resource constraints associated with any project. BCSDZ and EMCOZ and their members will also be involved in the green enter*PRIZE* challenge in terms of design, mobilizing sponsorships and assisting in the overall adjudication process.

2. Strategy & logical framework

2.1. Description of the project strategy

The project pursues a three-pronged strategy to create green growth and green jobs through technical skills development and SME development. Firstly, through supporting young men and women to access skills needed to green the economy, secondly, by identifying and supporting growth oriented young male and female owned enterprises through a challenge fund and, thirdly, through the direct targeting of existing SMEs with practical training and in-factory consulting programme on improving productivity through improvement of working conditions and cleaner production in the manufacturing and service sectors through a gender lens.

The strategy is furthermore built on three concepts and assumptions that drive gender mainstreaming and measurement in enterprise development interventions. Firstly, that gender-based bias exists in the ability of men and women to participate in and benefit from economic activities. Secondly, that enterprise development interventions, unless designed otherwise, can contain inherent ‘gender blindness’ and as a result, can exclude women unintentionally by design, for instance presuming that there are no differences in women’s and men’s access to enterprise opportunities and that support for men and women is the same. Thirdly, gender mainstreaming in enterprise development interventions may not be enough to level the playing field for men and women to participate and benefit in the project’s activities Therefore, transformative activities that proactively promote gender equality and focus on women are required to bring women’s enterprises to a level where they can compete effectively.

Component 1: Greening TVET and Skills Development

One of the most effective approaches to facilitating the entry of young women and young men in the labour market is an integrated package, which brings together the provision of relevant and quality skills training, the availability of labour market information and of career guidance and employment services. Improved basic education and core work skills are particularly important for young people to enable them to develop lifelong learning skills, as well as to enter the labour market. Technical vocational education and training play this role in Zimbabwe.

SMEs however, face challenges accessing technical training, mainly because of a lack of resources to meet costs and/or the extremely limited enrolment capacity of the institutions. The entire TVET system in Zimbabwe can train only 20,000 students per year, compared to the 5 million active in SMEs. Skill shortages act as a barrier to driving the transition to a greener economy forward. The few that get access to training institutions fail to get the right set of skills to allow them to adapt or scale up green technologies.

The project proposes to improve the situation by enhanced capacity of training providers to design and implement training programmes that provide skills for the green economy in a gender sensitive manner. TVET institutions will be identified, the current curricula offered across a number of trades will be assessed to identify possible entry points to "green" production processes. As an example, the current motor mechanics curricula could be studied, identifying the practices that negatively affect the environment, such as disposal of waste products (e.g. used oil). The curricula will be revised to ensure graduates enter the market with relevant green technical and business skills across a number of vocations.

A key limitation is often the capabilities of management and teaching staff at training institutions, the project will target these, using a training of trainers approach. Through this capacity development, the institutions are better placed to ensure current and future cohorts of young men and women leave the institutions with skills for a green economy. The last element will be to demonstrate how skills development institutions can stay in line with the changing labour market needs. The skills required for the future economy will be increasingly aligned to the green economy. Training institutions will be supported to do a mapping of local green economic opportunities and to design training programmes to respond to such opportunities. In a community where access to energy or waste management is a challenge a training institution will be provided with technical assistance to develop and deliver the relevant training. Using such an approach 3000 young men and women will be provided with skills and offered post training support to ensure they can capitalise on their skills and get into self or wage employment.

Component 2: Identifying and supporting growth oriented SMEs

The project strategy for identifying, screening and selecting growth oriented SMEs will be through one national annual green business competition (3 in total over the three year project) entitled *The Green enterPRIZE Innovation Challenge*. The key criteria for entering the competition is innovation, creativity, skills development and job creation and the challenge will provide opportunities for a broad spectrum of emerging, as well as new and established enterprises across various economic sub-sectors to enter the competition and win prizes in different categories. A criteria with 9 categories will be developed including the size, sector of SMEs, growth potential et al in collaboration with business organizations; ZNCC and BCSDZ.

Each annual competition will have 9 categories with a green and/or innovative focus[31] and a winner and two runners-up (1st, 2nd, 3rd prizes) will be identified in each category totalling a total number of 25 enterprises/entrepreneurs annually and 75 enterprises in total over the project period, who will be selected. Specific categories for best woman entrepreneur and best young woman entrepreneur will be standard categories in each annual competition to promote women in business as a means to contributing to greater gender equality. Competition prizes will comprise a mix of financial and non-financial BDS. All entrepreneurs who compete will receive technical support regardless of whether they win a prize (see further below).

The challenge approach is the project's key entry point for identifying and, through various screening and vetting steps, subsequently selecting SMEs for financial and non-financial assistance in support of immediate objective 2[32]. This challenge fund modality is deliberately chosen given that a more systemic change intervention model, including any transformation of the financial sector, is deemed unfeasible due to the depressed economy and stifled business environment in Zimbabwe where access to financial and non-financial business development services is a severe structural challenge. Therefore, the specific

[31] The categories will be designed with Stimulus Africa and other national partners during project start-up, but likely categories for the first year are best young entrepreneur, best woman entrepreneur, best young woman entrepreneur, most innovative business, best ICT business, best agribusiness, best tourism business, best manufacturing business, best service business, best renewable energy

[32] The challenge fund will only be deployed in support of component 2 with a focus on growth oriented entrepreneurs.

purpose of the fund is to get especially growth oriented young men and women entrepreneurs access to finance and build a finance experience that will allow them to secure formal finance in the future.

Zimbabwe's current overall ranking at 161 out of 190 countries on the World Bank's Ease of Doing Business index does not bode well for any positive short-term change of the business environment. Zimbabwe dropped 4 places from 2016. The ILO Enabling Environment for Sustainable Enterprises survey[33] mentioned earlier also highlighted that both formal and informal SMEs find access to formal finance a severe challenge to business growth. More than 75 per cent use own savings for business investments. In short, the challenge fund provides an opportunity for SMEs to compete for funds and technical assistance in an environment where such BDS is scarce.

The strategy for the challenge fund modality is furthermore to develop public awareness and understanding of the crucial role the private sector must play in contributing to sustainable development - and the sustainable development goals - and to address climate change through the implementation of sustainable enterprise practices where economic, social and environmental outcomes are seen as inseparable, interlinked and mutually supportive. The public visibility and excitement created around the annual Green enter*PRIZE* Challenge, which will culminate in an annual sustainable "green" innovation summit will inspire other firms to compete and go green and compete for finance and support and it will have much greater outreach to the public compared to a more traditional project approach.
The Green enter*PRIZE* Challenge will be promoted and marketed through printed media, a weekly radio show and electronic media, a dedicated competition website, business associations and chambers of commerce and through an annual roadshow to the major cities and economic centres covering each province culminating in the sustainable "green" innovation summit where the annual winners will be awarded and all shortlisted businesses will be showcased. The communication strategy for the promotion of the Challenge will look into the different communication channels used by both young women and men to ensure both have equal chances of getting the information and applying. The annual media campaign will be run over four months with the roadshow and summit taking place in the last two months in the selected geographical locations will inform the public about the annual competition and the criterion for entering the competition and technical information sessions will be run to highlight some of the key challenges to greening the economy and on how to find solutions to climate challenges and address behaviour change through positive "green" messaging in mainstream and online media.

Each annual competition is expected to attract between 250 to 350 applications through the competition website,[34] and also in entrepreneurship hubs across Zimbabwe supported by Stimulus. A conscious effort will be made to ensure young women will have access to information about the completion in these geographical locations. Subsequently all applications will be screened for eligibility, firstly by the ILO project team and, secondly, by a screening panel consisting of business consultants, industry experts, financial experts and relevant government experts under the supervision and guidance of the ILO and its key implementing partner. Shortlisted businesses will then receive technical assistance to further develop their green business plan/idea and finally be invited for a final judging event during the summit where they will pitch their proposals to a panel of judges with expertise in the particular area.

The business models that are found most feasible and which score highest on the various indicators including greatest projected job creation impact following the adjudication process will subsequently be scored as 1st, 2nd and 3rd in the category in which they compete. Following each annual summit, a total of 27 SMEs will have been identified for tailor made financial and technical support through a

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33 Enabling Environment for Sustainable Enterprises in Zimbabwe Survey Report, February 2017
34 Only electronic submissions made through the competition website and with the relevant supporting documents will be accepted. The ILO has developed a challenge fund modality to receive, manage and screen electronic business submissions.

business incubation and acceleration program in the 9 categories. Following the pitch event, the selected SMEs will participate with the other shortlisted candidates in a showcase event / expo where the general public can come and see their businesses (products/services) displayed and get an appreciation of what green businesses look like as a further public awareness strategy. On the last day of the summit the prize giving ceremony will take place.

A tailor made business modelling program (financial and non-financial BDS support) will subsequently be designed for each SME taking into account the specific needs of each SME in question and especially the challenges that women and young women entrepreneurs may be facing in respect of controlling their own productive resources and finance they have won[35]. Whereas the standard ILO modality for challenge funds are the provision of grants in instalments upon strict monitoring and reporting of usage, other financial options may be applied depending on the specific needs and challenges of the SME in question. Should an SME be successful in securing formal finance from a commercial bank, but is in need of a guarantee, then the financial component of the tailor made BDS package may be set aside as a guarantee for that particular business. However, the intention is not to set up an actual guarantee fund.

Some of the growth oriented SMEs may also be at a level and scale where they could benefit from the ILO's Sustaining Competitive and Responsible Enterprises (SCORE) programme to improve productivity, working conditions for men and women in SMEs. The programme pursues best international practice in manufacturing and service sectors and also facilitates SME participation in global supply chains. The SCORE approach would then be combined with the suite of Stimulus Africa business training courses that have been designed and developed in Zimbabwe with the Zimbabwean entrepreneurs and economic operating environment in mind. Combining SCORE with the Stimulus BET training would fully equip the entrepreneurs with international best practice as well as relevant tools and strategies to do business in Zimbabwe.

The SMEs that enter the competition, but are not successful in winning prizes will be screened for eligibility to still enter the range of Stimulus Africa Programmes such as the BET training mentioned above or the "Chose Women – Buy Local" initiative that supports women entrepreneurs specifically or the sector specific incubation programmes. Those entrepreneurs who are still not successful will have other option to participate in a Start Your Business (SYB) programme run by the network of SIYB trainers in Zimbabwe.

Component 3: Support existing SMEs in greening their processes

The introduction of SCORE to the Zimbabwean BDS market with the Business Council for Sustainable Development Zimbabwe is also an important second part of the project strategy and is key to improve the productivity of and cleaner production process of enterprises and the SMEs in their supply chains. Demonstrating the strong link between productivity and working conditions is at the heart of the ILO approach to creating more and better jobs through sustainable enterprises development. At the macro-economic level productivity is the single most important key determinant of a country's standard of living. Wide productivity differentials between countries are the main explanation of per capital income differences.[36]

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[35] See also the study *Growing microenterprises: How gender and family can impact outcomes – evidence from Uganda*, in the "What works in SME Development" series, by the SME unit of the ILO, ILO 2017. http://www.ilo.org/empent/units/boosting-employment-through-small-enterprise-development/WCMS_547454/lang--en/index.htm

[36] As Paul Krugman, the 2008 Nobel Prize Economics laureate wrote in his popular guide to the economic landscape of the 1990s *"Productivity isn't everything, but in the long run it is almost everything. A country's ability to improve its standard of living over time depends almost entirely on its ability to raise its output per worker"*, The Age of Diminished Expectations, 1994.

The most important single driver of productivity is enterprises becoming better at what they do. At the enterprise-level, productivity gains lower production costs and help enterprises shore-up their competitiveness. In the right market environment, increased productivity leads to higher profits that can be reinvested and also distributed to workers in the form of higher wages or more jobs. In stagnant markets, jobs can be lost as a result of improvements in productivity, though more jobs may eventually get lost without gains in productivity.

Whereas larger enterprises often invest in capital intensive new machinery, SMEs usually with limited access to finance, rely less on this route to higher productivity. Therefore, the focus of a SCORE intervention is on enhancing the human resources and the production process, both of which are areas of intervention that are not overly costly and have the potential to provide quick returns. There is considerable evidence that modern management practices lead to higher enterprise productivity and ultimately to improved enterprise performance and better working conditions.[37] Furthermore, current research shows that innovations in work organization, continuous workplace learning, environmentally responsible production, good labour-management relations, safe working conditions and respect for workers' rights are all very important ways to raise productivity in SMEs.[38]

In summary, productivity upgrading through better people management and workplace practices is comparatively cheaper and faster than capital intensive technology upgrading through machines, plants, etc. These elements have been incorporated into the design of the SCORE package. It combines crucial elements of modern management practices with high-performance HR practices, cleaner production and a concern for worker safety, as illustrated below.

Figure 1: Integrating advanced manufacturing practices and better working conditions

Additionality, Catalytic Change, Cost & Risk Sharing

This project strategy is deliberately chosen as a means to support young men and women to access skills to make them employable in the green economy, to support young growth oriented firms to enter the green economy and for existing firms to green their production processes. The lack of a clear green economy policy and legislative framework and the assessment taken that producing a policy framework is not feasible in the short term has informed the choice of strategy. In terms of additionality, the

[37] See for instance a) R. Locke, F. Qin and A. Brause: Does monitoring improve labor standards? Lessons from Nike, in Industrial and Labor Relations Review (2007, Vol. 61, No. 1), and b) N. Bloom et al.: Does management matter? Evidence from India, The Quarterly Journal of Economics (2013, Vol. 128, Issue 1)

[38] R. Croucher et al.: Can better working conditions improve the performance of SMEs? An international literature review, ILO, Geneva, 2013.

proposed project interventions are therefore unlikely to have taken place without the involvement of Sida and the ILO. The project is thus triggering a gender equal green economy development, which otherwise would not have taken place at the same scale.

Furthermore, the partnership with BCSDZ and its members on the SCORE programme is likely to produce a long term multiplier effect on the private sector with long term investments in greening large enterprises in Zimbabwe and thus a strong contribution to meeting the SDGs and the nationally determined contributions, which have been pegged at 33 per cent reduction in emissions[39], and to improve social responsibility of their operations.

Finally, the private corporate sector will contribute in two different ways, firstly to the enter*PRIZE* challenge through sponsorships and in-kind contributions, such as time for mentoring young male and female entrepreneurs as well as inclusive business modelling and, secondly, through cost sharing of and contribution to the implementation of the SCORE programme in selected factories. In fact, firms will be selected to participate in the SCORE programme on a "quid pro quo" basis, where firms are also expected to contribute to the in-factory implementation. The first module of the SCORE programme may be provided for free or at subsidized rates to stimulate full demand for the entire package. The challenge fund modality will <u>not</u> be used for provision of any type of funds to the BCSDZ participating businesses, neither capital investments nor any type of seed capital.

2.2. Sectoral focus

The green enter*PRIZE* Challenge targeting growth oriented young SMEs will over the course of the project be open to any sector, as the greening of the economy must take place across sectors, however, priority will be given to enterprises and ideas that have the capacity to create new 'green' jobs through manufacturing locally. In terms of the provision of SCORE training and in-factory/enterprise consulting, some sectors have preliminary been identified with BCSDZ as these are more likely to have catalytic effects across industry. These sectors are i) agro-processing in the broadest sense, including the packaging industry, dairy and beverages, ii) the chemical industries, since 3 out of 5 Zimbabwean firms use chemicals in one form or another in the manufacturing process, including fertilizer, iii) plastic recycling, such as PET bottles and PP bags, which has great prospect for also strengthening the role of small enterprises to recycle plastic waste from both households and industry and reach blow mode technology levels in Zimbabwe.[40]

2.3. ILO Capacity

The ILO is a United Nations specialized agency with 185 member States and a rich history of almost 100 years of developing and promoting the application of internationally recognized human and labour rights. The ILO is the only tripartite UN Agency, bringing together representatives of governments and employers' and workers' organizations to shape policies and programs that impact on the working lives of people globally. The promotion of decent, safe and healthy working conditions and environment has been a constant objective of the ILO action since its creation.

The ILO was accredited to Zimbabwe in 1990 as a multi-disciplinary team responsible for Southern Africa. As a result of organisational restructuring, the local Office currently has a staff complement of 16 members, drawing technical support from a pool of experts in various fields from the ILO Pretoria Decent Work Team consisting of 15 technical specialists who will support the project, as well as the technical departments at ILO headquarters in Geneva.

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[39] Conversation with the Director of BCSDZ, Twanda Collins Muzamwese, 15 June 2017

[40] These sectors are just preliminary ideas and will be further analysed with BCSDZ and its members during project start-up.

The ILO has significant experience in managing large technical cooperation projects in Africa and globally.[41] The Regular Budget of the ILO for the 2016/17 biennium amounts to US$640 million with an additional extra US$410 million mobilised for technical development cooperation. In the 2014/15 biennium, the ILO started new development cooperation projects amounting to more than US$110 million in Africa alone, including:

- Since 2002, the ILO has been actively supporting Women's Entrepreneurship Development and trained thousands of women entrepreneurs globally and especially in Eastern and Southern Africa with gender sensitive tools and approaches. A recent experimental impact study of women entrepreneurs in Kenya shows that an ILO business training programme improved the survival, profitability and growth of businesses receiving training.[42]
- From 2010 to 2015, the ILO implemented the US$25 million Africa Commission/Denmark funded *Youth Entrepreneurship Facility (YEF)* in Kenya, Tanzania and Uganda reaching more than 28,834 emerging and existing entrepreneurs, supporting the creation of 51'489 jobs[43].
- In Benin and Zimbabwe, during the same period, the ILO implemented the US$16.8 million Africa Commission/Denmark funded project *Skills for Youth Employment and Rural Development Programme for Southern and Western Africa*, which reached more than 41,000 young men and women with skills and economic empowerment training.
- Since 2010, the ILO has implemented the *Sustainable Enterprise Development Facility* in South Africa with funding from the Government of Flanders. This project has reached more than 5'000 entrepreneurs through its enter*PRIZE* Job Creation Challenges.[44]
- In Zambia, the ILO is currently implementing the US$13.3 million *Green Jobs Programme* with funding from Finland. The programme supports the greening of the construction industry and built environment and has in the past three years benefitted more than 6'667 enterprises, workers and their representatives, trained more than 1,500 small enterprises in entrepreneurship, small business management and better working conditions for increased productivity.[45]
- The *Start and Improve Your Business (SIYB) Programme* funded by SIDA since its inception in the 1980's has reached more than 15 million emerging and established entrepreneurs creating 2.1 million new businesses and 6.3 million new jobs between 2011-2015. With a network of 65'000 trainers from 3'000 partner institutions and 300 master trainers SIYB has been translated into 40 languages and is introduced to more than 100 countries, including Zimbabwe.[46]
- The SCORE programme is currently being implemented in 8 countries having trained a total of 1,134 SMEs with a total workforce of more than 270,000 workers. A total of 8,841 managers and workers (32% women, 51% workers) have jointly participated in SCORE training and data show solid improvements, in particular in the area of quality, defect reduction and reduction in OSH incidents.
- The ILO leads in the UN system in the application of a market systems approach and the Donor Committee for Enterprise Development standard in its Private Sector Development and employment generation projects.

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[41] www.ilo.org/DevelopmentCooperationDashboard
[42] *Developing markets: How training female entrepreneurs can improve business practices and profits – evidence from Kenya*, What Works in SME Development Series, ILO 2017
[43] www.yefafrica.org. For a video on Green Entrepreneurship see www.youtube.com/watch?v=M-EDC7urqx0
[44] www.sedfafrica.co.za
[45] www.zambiagreenjobs.org
[46] See the study *The Next 15 million: Entrepreneurship Training at Scale – New Data on the global outreach of the ILO's Entrepreneurship Training*, in the What Works in SME Development Series, ILO 2017. http://www.ilo.org/empent/areas/start-and-improve-your-business/WCMS_555791/lang--en/index.htm

2.4. Lessons learned

The project design is based on lessons learned by the ILO, as well as by the two key implementing partners, Stimulus Africa and the Business Council for Sustainable Development and it is thus aligned also with ongoing interventions of these two partner organisations.

Lessons learned from South Africa from the series of enter*PRIZE* challenges run since 2013 has given the ILO valuable insight into how such competitions can attract growth oriented entrepreneurs, as well as insights on how to manage the entire process from screening, selecting and designing the tailor made support package. An important lesson learned is to clarify expectations from participating entrepreneurs up front with respect to the entire process and that the competition is not about "free money and free technical support". On the contrary, the competition places significant demands on the participants throughout the process and only the best business models makes it through the "eye of the needle" at the very end.

A second important lesson is that entrepreneurs must have their "skin in the game" and put their contributions into the business model. Grants are not provided unless a matching contribution is made by the entrepreneurs, who are winners and runners-up. A third lesson is that the provision of grants are not always needed and that access to finance is not the key constraint for a business. Rather technical assistance and mentoring over a longer period may be required. Therefore, grants may not necessarily be provided if the assessment is that they entrepreneur just need technical assistance

Stimulus has incubated 50 enterprises in the last two years, comprising of 50 per cent women and 45 per cent youth (male & female) and 5 per cent men through their flagship enterprise development incubator program called The Pivot Institute and The Choose Women: Buy Local Initiative under the Stimulus Women's Network, which has been particularly instrumental in identifying and supporting women owned enterprises. Stimulus has learned some valuable lessons, which has now lead to a refined three pronged incubation process to achieve the best results. Firstly, training through the Stimulus BET (Business Essentials Training), which covers business modelling, project management, green business development, finance, legal, marketing and branding, strategy/change management and innovation; ii) secondly, mentorship through a three-tiered mentorship approach focussing on a) peer collaboration, b) group mentorship and c) CEO master class program, which encourages support on various levels from peers working together to the group learning from captains of industry and, iii) thirdly, networks development supporting value chain entry, market linkages , connecting the participants to potential collaborators and suppliers. Partnering with the ILO on the green enter*PRIZE* challenge will enable Stimulus to build on the work it has already done in SME enterprise development by providing a key component that previous programs have lacked, namely the challenge fund that will give entrepreneurs access to "critical finance".

Lessons learned from the global SCORE programme have been taken into account in the design and will also be taken carefully into account in the implementation of SCORE in Zimbabwe. For the past eight years, the ILO has been implementing SCORE in selected countries in Africa, Asia and Latin America.[47] A key lesson learned is to target SMEs with a work force between 50–250 employees as the target group where potential to create more and better formal employment and green processes are higher. Another key lesson is to ensure CEO commitment to the training programme, as well as engagement of emerging middle-management. A third key lesson is to work in areas and sectors where SMEs are located geographically close to each other since this lower travel costs and more SMEs can be served by the same trainer. Furthermore, peer-learning between enterprises takes place and there is knowledge spill-over to other SMEs in the cluster. A final key lesson to be mentioned[48] is the

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[47] Bolivia, China, Columbia, Ghana, India, Indonesia, Peru, South Africa, Vietnam

[48] There are additional lessons pertaining more to the operation of the programme that are not mentioned here.

importance of a rigorous selection of trainers. Only trainers with an industrial engineering background and/or experience in shop-floor consulting will achieve results. Trainers lacking this experience will required a lot of investment and training to understand the programme. Clear decision needs to be made at one point in terms of which trainers the programme will continue to invest in and non-performing trainers should be weeded out as early as possible.

The Business Council for Sustainable Development Zimbabwe has already demonstrated that green industry and corporate sustainability makes business sense, hence the membership has basic awareness of the significance of these issues at corporate, national, regional and international level. What the SCORE programme will be able to build on, is the enhanced strength of monitoring and measurement capabilities of various enterprises in terms of their energy, water, waste and chemical consumption including recommendations of cleaner production technologies.

The partnership will build on past results and lessons of greening industry that already identified the need to offer recognised capacity development programmes at enterprise level in Zimbabwe that foster pollution prevention and cost savings. Lessons learnt from previous activities of the BCSDZ point out to the fact that most local businesses have not yet developed capacity to track environmental impacts throughout the life cycle of the product and also are not yet able to apportion life cycle costs and savings throughout their supply chains. The partnership with BCSDZ seeks to ensure that there is build up from the previous findings and that a methodology of cost benefit analysis of environmental improvements are well implemented at company level.

2.5. The logical framework

2.5.1. Development objective

The project contributes to SMEs growing and creating more & better jobs for women and men through gender equal skills development and sustainable enterprises practices

2.5.2. Strategic fit with National & Regional Policies and Programmes

At the Africa regional level, initiatives that resonate with the proposal are, for example, the Africa Enterprise Challenge Fund (AECF) - an off-shoot of the Alliance for a Green Revolution in Africa (AGRA), which supports innovative business ideas in agribusiness and renewable energy and climate change, among others. In addition, AECF provides access to funding through challenge funds, to enterprises of varied sizes to facilitate their growth, creating jobs in the process, with the potential socially and economically transforming rural areas. At the SADC sub-regional level, the proposal is ahead of time as it puts into effect the draft SADC Green Growth Strategy and Action Plan whose aim is to enhance the green economy and promote sustained growth, build and strengthen the required capacities and promote investment in sectors that support clean technologies and green production processes, use of renewable energy and in addition, create employment.

Whereas the Government of Zimbabwe has participated in international and regional discussions on the green economy, it has unfortunately fallen short of developing its own guiding framework. While there are many pronouncements in various existing legislation, the absence of a single policy document on the green economy makes it difficult to claim that the country is aligned to international protocols. This fragmented position also makes it difficult for statutory bodies, like ZIMSTAT to venture into quantifying the number of jobs to be created by the green economy, which would justify meaningful investment in the sector. In addition, this absence of legislation does not make it mandatory for enterprises and the private sector to submit at a minimal, audit reports on industrial energy efficiency, waste water recycling and production process control to align their production to emerging international requirements.

However, the existence of a 2015 green economy strategy for Zimbabwe developed by Government of

Sweden, gives valuable direction. The ILO proposal complements this strategy as its focus on women and young people including small, medium and large private sector enterprises that aim to create green jobs in clean technologies and related value chains. Deliberate efforts to target women and young people, who are a generally a marginalised cohort, calls for specific approaches and tailor-made products to enable them to access finance, engage in sustainable production and ensure that they participate in the country's economic growth.

The proposal strategically fits with the government priorities on youth empowerment, rural development and poverty reduction and the national development plans, including the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (Zim-ASSET). Under Zim-ASSET, the project is linked to the Priority Areas: 7.3 Infrastructure and Utilities Cluster and 7.4 Value Addition and Beneficiation Cluster under the 'Renewable Energy' and 'Energy and Power" key result areas, respectively. These clusters resonate with Sustainable Development Goals 1, 2, 3, 5, 6, 7, 8, 13 and 17 that Zimbabwe has prioritised and committed to in its development agenda.

Furthermore, Zimbabwe is among the few countries in the world that has a dedicated Ministry of Small and Medium Enterprises and Cooperative Development as a "nerve" centre for sustainable, inclusive socio-economic empowerment, growth and development of SMEs and Cooperatives. The Ministry has a mandate to stimulate economic growth, create wealth and employment opportunities and promote sustainable environmental conservation practices among SMEs and Cooperatives.

2.5.3. Immediate objectives

The project is structured along three immediate objectives:

Immediate objective 1: Young men and women with green technical and entrepreneurial skills start economic activities in the green economy

Immediate objective 2: Innovative green and growth oriented male and female owned SMEs access financial and non-financial business development services and grow their businesses

Immediate objective 3: SMEs have greener management practices, improved work place cooperation and improved gender sensitive working conditions

2.5.4. Outputs & activities

Immediate objective 1: Young men and women with green technical and entrepreneurial skills start economic activities in the green economy

The specific goal of this immediate objective is to strengthen the capacity of training providers to design and implement training programmes that provide skills for the green economy and to ensure that young people become more employable and economically active as a result. This component seeks to green TVET and skills development by supporting institutions to mainstream green technical and business skills across a number of vocations, as well as to provide young people with skills for self or waged employment green jobs.

Output 1.1: Technical vocational education and training institutions integrate gender mainstreamed green technical and business skills into their curriculum

1.1.1 Identify vocations that have significant impact on the environment
1.1.2 Design and develop updates for the curriculum across the identified vocations, ensuring key green technical and green skills are integrated
1.1.3 Gender mainstream curriculum and teaching materials and promote particularly girl students' participation in green skills training

Output 1.2: Reduced skills gap of training institutions' management and men and women teaching staff in green technical and business skills

1.2.1 Undertake a gender disaggregated skills audit to identify the skills gap of management and key teaching staff in partner training institutions

1.2.2 Train TVETs and training providers on implementation of the new green economy modules in line with the gender disaggregated skills gap identified as to ensure proper green skills knowledge are passed on to young women and men students

1.2.3 Ensure a green skills focus in courses offered by women lecturers and train women lecturers to pass green skills and knowledge on to young women

Output 1.3: Young men and women are provided with skills for self or wage employment in green jobs

1.3.1 Mapping of viable green economic opportunities in select communities for young women and men

1.3.2 Develop short, low cost training programmes related to the identified green economic opportunities and tailored to the different needs of young women and men

1.3.3 Train young men and women to position themselves to take advantage of identified green economic opportunities

1.3.4 Deliver gender sensitive post training assistance to support the placement of young men and women in self or wage employment

Regarding immediate objective 2: Innovative green and growth oriented SMEs access financial and non-financial business development services and grow their businesses

The specific goal of this immediate objective is to first of all identify growth oriented enterprises through the business competition and, secondly, ensure that these growth oriented SMEs are provided with the appropriate and relevant technical support. This component seeks to make strategic alliances with BDS providers and financial institutions to avail green BDS and finance, capacitate BDS providers to provide the technical assistance and to broker partnerships between SMEs and Zimbabwean or foreign producers of innovative green products, so that local SMEs may for instance also become part of national, regional and global supply chains

Output 2.1: The public and private sector, and especially young men and women entrepreneurs, have increased knowledge and understanding of the green economy

2.1.1 Identify sectors, categories and gender focussed selection criteria with key implementing partners for the annual enter*PRIZE* challenge and design challenge

2.1.2 Design and develop enter*PRIZE* competition website and back-end data base for sorting, scoring and managing submissions

2.1.3 Prepare and disseminate gender sensitive information & communication materials and enter partnerships with media such as TV, radio stations and printed media

2.1.4 Mobilise corporate sponsorships to participate in enter*PRIZE* challenge

2.1.5 Organise annual kick-off launch event with national media appearance and wide social media dissemination to promote the competition equally among young men and women

2.1.6 Showcase equally young male and female role model entrepreneurs and demonstrate how they have pursued opportunities and succeeded in the green economy

2.1.7 Organise and conduct annual road shows in selected towns and cities to inform the public about the enter*PRIZE* challenge

2.1.8 Record the entire green enter*PRIZE* challenge process and establish partnership with Zimbabwe broadcasting company to air on television

Output 2.2: Men and women entrepreneurs have developed and submitted green business models, have been screened and awarded prizes in specific categories

2.2.1 Support and monitor electronic submissions to the competition website
2.2.2 Screen and shortlist male and female entrepreneur submissions from the competition website and ensure gender balance
2.2.3 Train and take shortlisted entrepreneurs and SMEs through Boot Camps on how to pitch their business plan
2.2.4 Organise judging events where entrepreneurs and MSEs pitch their plan to panels of judges
2.2.5 Identify winners and organise prize giving ceremonies / green summits

Output 2.3: Tailor made prizes consisting of financial and non-financial BDS have been designed for each annual winners and runners-up in the specific categories

2.3.1 Further assess the specific financial and technical assistance needs of each winner and runners-up and develop a tailor made financial and TA support package for each enterprise
2.3.2 Induct winners and runners-up in the Stimulus Africa Pivot Institute incubating them over 12 months through the green incubator programme
2.3.3 Provide financial assistance and TA to each winner and runners-up to further grow and develop each growth oriented and green enterprise
2.3.4 Explore opportunities in the sectors of the winners and runners-up and support the establishment of business partnerships with large enterprises, including MNEs
2.3.5 Monitor firm growth on key enterprise performance and sustainability indicators and prepare annual impact assessment report

Output 2.4 Green business management training provided to men and women owned SMEs that compete in the enter*PRIZE* challenge, but do not qualify as winners and runners-up

2.4.1 Identify, select and capacitate BDS providers, male and female trainers, to provide green business development services to SMEs, including through the suite of Stimulus Africa support programmes
2.4.2 Organise general green business management training for male and female owned SMEs
2.4.3 Establish strategic alliances with commercial banks and especially those with credit guarantee mechanisms, like Barclay's Bank supported by Sida
2.4.4 Refer SMEs and young men and women entrepreneurs to commercial banks under the strategic alliances established
2.4.5 Monitor loan uptake success rate
2.4.6 Undertake annual impact assessments of business performance as a result of BDS provided

Regarding immediate objective 3: SMEs have greener management practices, improved work place cooperation and improved gender sensitive working conditions

The specific goal of this immediate objective is to support enterprises to introduce responsible management practices that, in addition to economic have social and environmental positive outcomes. Cleaner production is a strategy to reduce environmental pollution and simultaneously reduce the consumption of resources in the production process. Skills and human capital development of employees will take place in the targeted SMEs through improved work place cooperation, where workers and managers jointly identify and share concerns and ideas and encourage innovative thinking to identify solutions to enterprise challenges, growth constraints and skills development needs.

Output 3.1: Sub-sectors and clusters with greening and job creation potential selected

3.1.1 Undertake rapid sub-sector and organizational analysis and short-list clusters and sub-sectors

3.1.2 Organise meetings with BCSDZ, CZI and EMCOZ and present the SCORE and agree on programme implementation modalities

3.1.3 Prepare and sign written agreements with implementation partners defining commitment, roles, responsibilities, roll-out strategy and funding models with firm contributions

3.1.4 Launch call for expression of interest to male and female owned SMEs to participate in SCORE training, screen and select firms based on SCORE global selection criteria

Output 3.2: Locally adapted, gender-mainstreamed training materials available

3.2.1 Conduct a material suitability/adaptation workshop with stakeholders, incorporating gender mainstreaming issues

3.2.2 Adapt the international edition of the training materials to the Zimbabwe context and consider reflecting the emerging legal and regulatory green framework

3.2.3 Set up a financially sustainable material production and distribution mechanism for the program

Output 3.3: Implementation partners and service providers have capacities to market, sell and organize training

3.3.1 Identify and select relevant BDS providers and implementing partners together with the Business Council for Sustainable Development

3.3.2 Identify, screen and select BDS / consultancy sector specialists in the SCORE programme and methodology

3.3.3 Provide TOT (training of trainers) on SCORE Modules 1 to 5 to service providers following the SCORE TOT methodology, including how to include gender equality in the in-factory counselling process

3.3.4 Support business plan development of partners on how to embed SCORE in their service portfolios and develop the SCORE roll-out plan for each service provider for their specific sector

3.3.5 Train implementing partners in marketing of the SCORE programme

Output 3.4: SMEs are trained in work place cooperation and cleaner production and impact documented

3.4.1 In collaboration with implementing partners sign up firms and undertake enterprise baseline assessment and train SMEs in the SCORE methodology

3.4.2 Support the establishment of gender balanced Enterprise Improvement Teams (EITs) in each participating enterprise

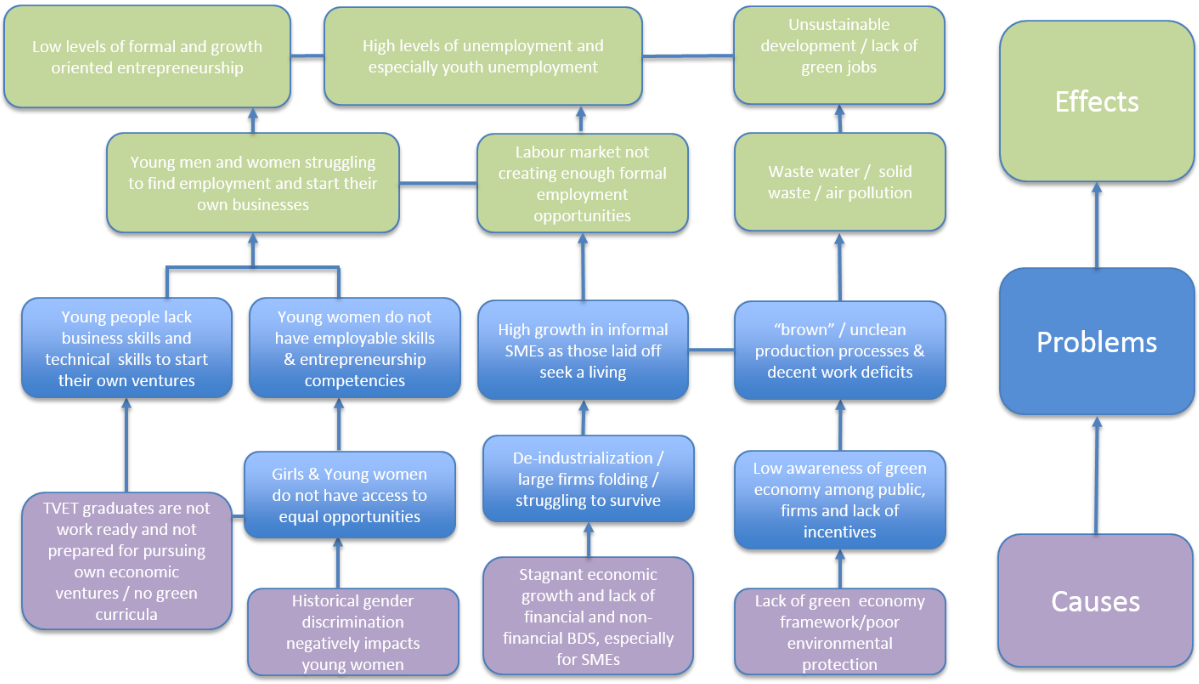
3.4.3 Monitor quality of training and upload data to the global SCORE M&E management system

3.4.4 Document good gender sensitive workplace practice and impact at firm level through case studies and videos and disseminate

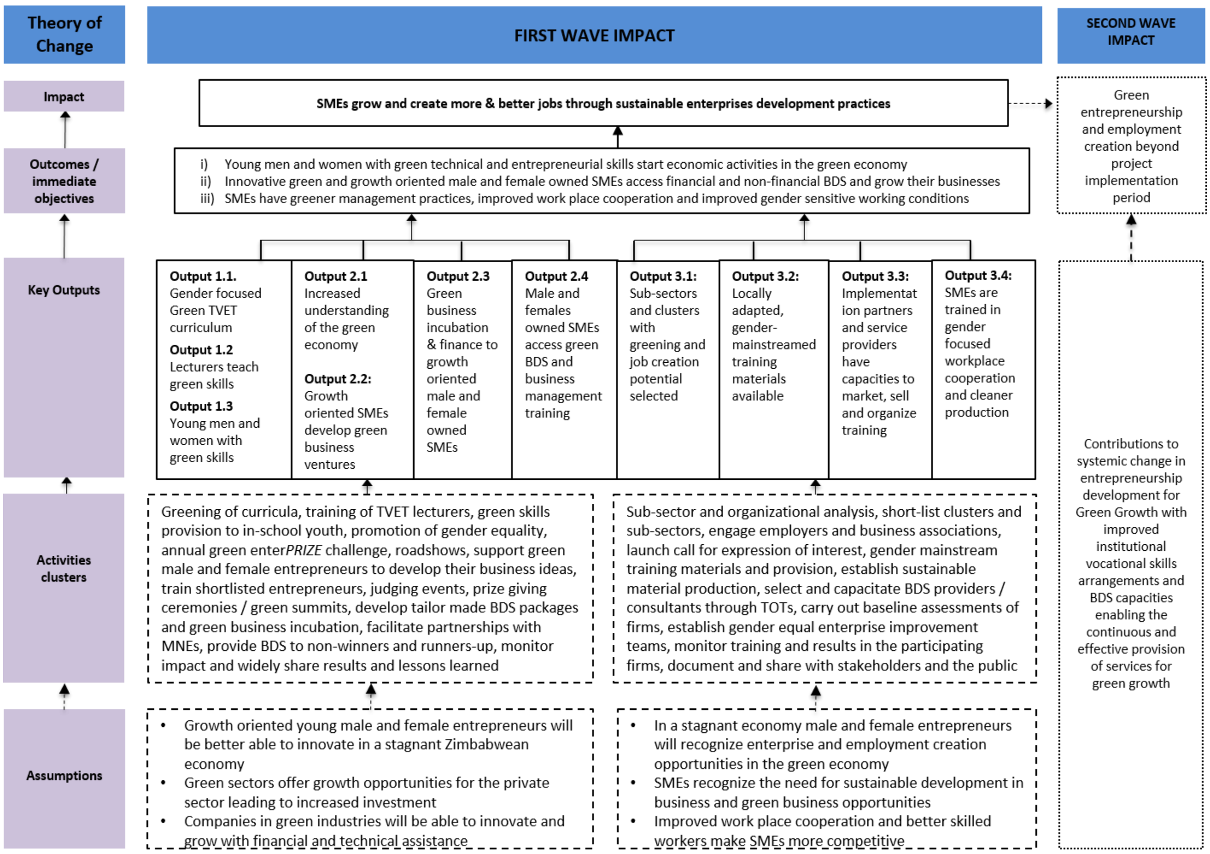
3.4.5 Organise one annual green economy conference with industry and sector associations, share and discuss impact and lessons learned to pave the way for systemic greening across of firms across the economy

2.5.5. Problem Tree Analysis & Theory of Change

Problem Tree Analysis



Theory of Change



2.5.6. Expected end-of-project results

What will be different after project roll-out?
The project seeks to directly support the development of 75 green and growth oriented men and women owned SMEs through an enterprise challenge fund, another 75 existing medium and large enterprise in selected sectors, and another 500 emerging and new SMEs who apply to the challenge fund, but don't win prizes, and therefore instead will have access to green business management training. The goal is to create at least 1'000 green and decent jobs through the challenge fund and improve another 1'000 jobs in existing SMEs and large enterprises through the provision of green training to firms in selected sectors.
To achieve this the following outputs and outcomes will have been achieved:

Component 1: Greening TVET and Skills Development

- At least 20 training institutions implementing revised gender mainstreamed green technical and business skills development curricula
- At least male and female 40 lecturers will have their skills upgraded positioning them to cascade the key issues to future students
- At least 3'000 male and female learners reached with the revised curriculum benefitting from green technical and business skills

Key Outcome: Training institutions continue to design and deliver gender sensitive green technical and entrepreneurship skills to young men and women learners

Key impact: 1'000 young men and women secure employment and/or are economically active

Component 2: green enter*PRIZE* Challenge

- Gender sensitive, green and growth training tools in priority sectors developed and introduced in the BDS market
- At least 5 BDS providers capacitated to deliver green enterprise growth training
- At least one strategic alliance with a financial institution to make green finance available to growth oriented men and women owned SMEs in addition to the grants provided by the project
- At least 5 business partnerships established between growth-oriented SMEs who come through the competition and local/foreign corporate enterprises.
- At least 5 corporate sponsors contribute financial and non-financial support annually to the Green enter*PRIZE* challenge.

Key Outcome: Innovative green and growth oriented SMEs will have accessed financial and non-financial BDS, they will have grown their business and created jobs for Zimbabwean men and women

Key impact: 75 growth oriented SMEs and 1'000 green jobs of which at least 50 percent are for women

Component 3: Sustaining Competitive and Responsible Enterprises (SCORE)

- Institutional and trainer / consultant capacity developed in Zimbabwe to continue rolling out the SCORE programme with a cleaner production and productivity focus
- At least 75 SMEs enterprises are continuously implementing greener management practices and reporting on sustainability
- At least 250 men and women workers will have been trained in green skills and cleaner production techniques.

Key Outcome: More resource efficient production practices adopted among SMEs with at least 60 per cent of SMEs reached having adopted practises to reduce adverse environmental impact, as well as, improved gender policies and improved productivity

Key impact: 1’000 male and female workers have improved gender equal working conditions

Summary of the Value Proposition:

- 2’000 jobs created
- 1’000 jobs improved
- 3’000 youth reached with skills
- 75 Growth Oriented SMEs that receive financial and non-financial BDS
- 75 existing SMEs who receive SCORE
- 500 young entrepreneurs (those who do not win prizes still get BDS)

A crude measure is the SIDA contribution to project budget of US$3,090,632 divided by the 3’000 jobs created and improved, which comes to roughly $1’000/job and these are green and decent jobs and we are leaving behind capacitated institutions and a better eco-system for green entrepreneurship.

2.5.7. Indicators

See annexes F and G for the list of detailed indicators to be applied to measure the impact of the project at firm levels.

2.5.8. Assumptions & risk analysis

The political and economic situation in Zimbabwe will likely remain precarious for the proposed life span of the project. Although a political transition can be expected in the coming years, it is uncertain when exactly this will take place and this continues to result in poor economic performance, high levels of unemployment and dire living conditions for the majority of Zimbabweans. Growth is projected at 2.2 per cent in 2017 and rising to 4.7 per cent by 2021[49], but this is still far below the needed growth to address the high levels of poverty.

Corruption remains a critical concern, with Zimbabwe ranking 154 out of 176 countries in Transparency International's 2016 Corruption Perceptions Index. However, notwithstanding the precarious situation, the ILO believes that the political and economic environment will remain sufficiently stable to implement targeted development interventions with the private sector, while avoiding passing funds through government entities. The enter*PRIZE* challenge fund and competition will be managed by the ILO in a transparent manner with clear criteria and guidelines in place for screening, shortlisting and monitoring SMEs for support. It is expected that Finance and Business Development Service Providers continue to remain committed in designing new and adapted services related to new and existing green business development opportunities.

See Annex E: Assumptions and Risks Table

3. Institutional framework & management arrangements

3.1. Institutional framework

The project will be guided by a national Project Steering Committee (PSC) comprising members from the Government of Zimbabwe, organised business, organised labour representatives, the three key implementing partners, Sida and the ILO. The proposed members are:

- Ministry of Industry and Commerce
- Ministry of Energy and Power Development
- Ministry of Environment, Water and Climate
- Ministry of Small and Medium Enterprises and Cooperatives
- Ministry of Higher and Tertiary Education

[49] Economist Intelligence Unit, Zimbabwe Country report, 2nd quarter 2017

- Employers' Confederation of Zimbabwe (EMCOZ)
- Confederation of Zimbabwe Industries (CZI)
- Business Council for Sustainable Development Zimbabwe (BCSDZ)
- Zimbabwe Congress of Trade Unions (ZCTU)
- Stimulus Africa
- Sida
- ILO

The PSC will met every 6 months and have the primary mandate to provide policy and strategic guidance; and fiduciary and technical oversight to the implementation of the Programme. More specifically, the PSC will:

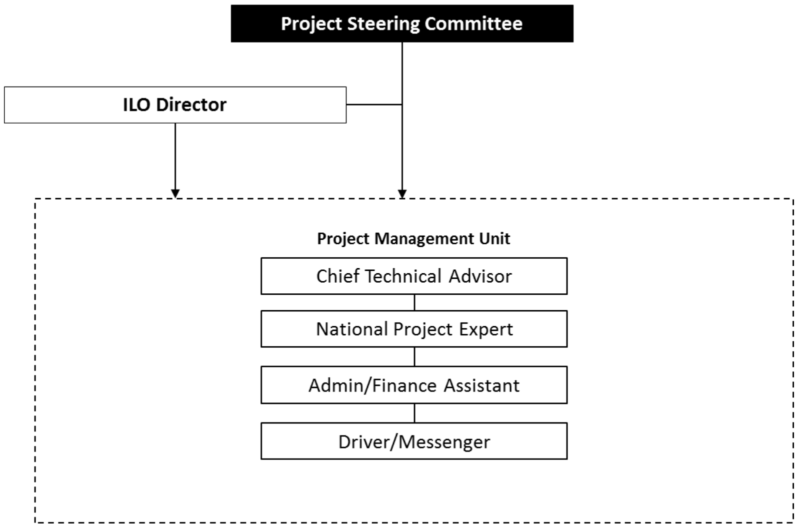
- Review progress reports, annual reports and other key reports presented by project management
- Provide strategic direction and guidance to project implementation
- Ensure national ownership and alignment with Zimbabwe development priorities
- Lobby and advocate for enabling policy, legal and regulatory framework for greening the economy
- Approve possible changes to the project document if needed
- Endorse implementation plans, annual work plans and budgets.

3.2. Management arrangements

A gender balanced Project Management Unit (PMU) will be established and operate within the ILO Country Office in Harare. Given the nature of the project with its multi-partner and multi-stakeholder approach, this is assessed as the most feasible option given that the project implementation and advisory team would not easily be embedded within one organisation. The technical project team will run day to day operations of the project and will facilitate implementation and coordination of all project activities. The primary responsibilities of the PMU will include the following:

- Prepare project work plans and budgets
- Facilitate implementation of project activities and ensure operational efficiency
- Ensure resources are effectively used to achieve set project outputs and outcomes
- Define project baseline information to enable sound monitoring and evaluation,
- Establish and implement adequate project reporting mechanisms
- Ensure integration of work plans, budgets, reports, and other project related documents,
- Prepare project progress reports
- Provide recommendations on re-allocation of budget provisions
- Address management and implementation challenges, and identify emerging lessons.
- Establish and implement a project communication strategy
- Develop partnership with other key stakeholders

The Project Management Team will comprise of one internationally recruited Chief Technical Advisor (CTA) with demonstrated experience in the technical areas of the project. This position will be advertised and the position may be filled by an existing ILO expert or an external expert to the organisation. In addition, the project will have one National Project Officer, who will be a technical expert in preferably industrial engineering and/or with shop floor management. The technical staff will be supported by one Finance and Administration Assistant and one Driver. All positions will be advertised for a competitive recruitment process and men and women with the required skills will be strongly encouraged to apply for any of the four positions. Recruitment of all these staff will take up to about 1.5months for local staff and 3-months for the Chief Technical Advisor, who will be on a 24 months contract. The project start-up will be supported by the National Project Expert with backing from the Senior Specialist for Enterprise Development based in DWT/Pretoria**.** The project will also benefit from finance and administrative backstopping from the ILO Office - Programme Officer, Finance Officer and the Director.



The CTA will work under the overall supervision of the Director of the ILO Office for Zimbabwe and Namibia and be technically backstopped directly by the Decent Work Support Team based at the ILO Pretoria office. The ILO will make available the Senior Specialist for Enterprise Development, who will contribute a total of 3 work months over the duration of the project. In addition, other DWT specialists will technically backstop the project, when requested by the Director and act as advisors to the ILO Director for Steering Committee Meetings, as well as ex-officio members. Further backstopping will be provided by relevant departments at ILO HQ, namely ENTERPRISES, SME, the Global SCORE Programme. Furthermore, the International Training Centre of the ILO (ITC/ILO) may take an important role in the development and implementation of training to beneficiaries and partners.

4. Sustainability

The project seeks to build the capacities of key partners in continuing to providing green skills, green entrepreneurship and greening of industry. During project implementation, the capacities of these partners will be built to sustain the services and products introduced to the market beyond the project implementation period.

Beyond the project period, the technical training institutions will continue to deliver programmes that mainstream green skills as the capacity of these institutions, of their management and teaching staff would have been upgraded. Subsequent cohorts of young women and men will benefit from these skills. The necessary curriculum reviews would have been done and the materials available for rolling out beyond the institutions that benefitted directly. Lastly, some of the training institutions will have been supported to make investments to green their infrastructure to serve as model institutions, which will have policy lessons for replication across the skills development sector, on how to adopt green technology in production processes, which graduates will carry to the world of work.

Stimulus will receive training or trainers training in order to also play a part in delivering the SCORE training. Furthermore, a Green Incubator Program will be one of the outcomes of the partnership with Stimulus, which will continue to provide approved green business incubation to – growth oriented entrepreneurs. In collaboration with Stimulus the ILO will build strong corporate relationships through the duration of the program, which will lead to a corporately funded Green enter*PRIZE* challenge after the program. During the program it will be explored if funds raised from corporate partnerships can be set aside to fund a fourth year of the challenge as a kick-off to the post programme sustainability strategy for the program.

An important sustainability component still to be explored further during project start-up is using part of the challenge fund to establish a revolving fund to be managed by Stimulus to distribute to support entrepreneurs beyond the program, with an interest rate charged to cover the management costs. Access to the fund will be achieved by the enterprise going through the specific training program that will be developed with the ILO. Access to the fund will be a strong motivator for an entrepreneur to invest in the training and business incubation, which will give them foundational knowledge and important entrepreneurship skills that will promote healthy and feasible business ventures and thus secure loan repayments.

The **Business Council for Sustainable Development** and the **Employers' Confederation of Zimbabwe** will be able to sustain the implementation of the SCORE programme and take ownership of the results and sustainability beyond the project. BDS provider and trainer capacities will be developed with a small group of strong BDS providers, as well as with BCSDZ and EMCOZ, which will use the results of the selected sectors and case studies as a basis for implementing training in other sectors. BCSDZ and EMCOZ will also make compilation of the results for wider dissemination to other industries as well as document material for policy advice and awareness. Beyond the project, the BCSDZ and EMCOZ will ensure that the SCORE programme is adopted as an official tool that every new member must go through in order to improve competitiveness. The BCSDZ and EMCOZ will take ownership through strengthening local capacity by organizing further "training of trainers" in the SCORE training.

The gender equality outcomes will be sustained, as the intervention will have empowered both young men and women and particularly a cohort of young women with skills and entrepreneurship competencies that have enabled them to secure jobs and start their own businesses, as well as to have promoted women in supervisory and technical positions. The project will have improved the capacity of the skills development system to develop and deliver green vocational training programmes that are sensitive to the gender dynamics in the labour market and in the world of business. The project will have set in motion gender equality promotion by challenging social norms and attitudes proving that women can access green jobs that might be viewed as the preserve of men. In addition, the women entrepreneurs who will be empowered will also serve as role models for other young women and challenge stereotypes. Advocacy will have focused on behavioural change communication in communities, as well as coalition building between women and men, to aim towards broad partnerships and change of attitudes and cultures, which can be maintained beyond the project period.

5. Monitoring & evaluation

5.1. Evaluation

The ILO views project evaluation seriously as both a management and organizational learning tool. An evaluation, considered as an assessment of an intervention, focusses on what worked, what did not work, and why that was the case. The evaluation process also examines if the best approach was taken, and if the best method was used to execute it. The project will follow the ILO Policy on Evaluation for Technical Cooperation projects[50] and the Development Cooperation Internal Governance Manual. A project of this nature, which takes over 30 months to implement, will undergo six (6) months progress reporting and an annual review led by the Project Team in collaboration with stakeholders, a mid-term evaluation in year 2 and a final independent evaluation in year 3 to be conducted by an independent Evaluation Consultant. All of these progress and evaluation reports will be submitted to and discussed with Sida in regular meetings and also in the 6 monthly steering committee meetings of the project. As a policy guideline, a minimum of 5 per cent of the total project budget is allocated for monitoring and evaluation including self-evaluations and internal evaluations and 2 per cent of the budget is allocated to independent external evaluations.

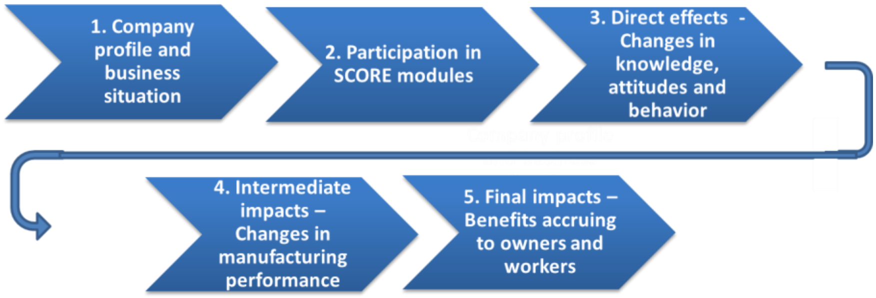
[50] http://www.ilo.org/eval/Evaluationguidance/WCMS_168289/lang--en/index.htm

5.2. Monitoring & Impact Assessment

The core of the M&E system to be used by the project consists of an overall Management Information System (MIS) using smart sheets (www.smartsheet.com) where project activities and outreach will be logged and kept up to date regularly enabling SIDA and other key stakeholders to log into the MIS from any location and see progress in work plan implementation and training activities. A monitoring plan including field visits/missions by the National Steering Committee, the Technical Working Group, and the Project team and SIDA will be developed and progress reported in mission reports and updated in the MIS.

Secondly, the ILO has invested significant efforts into monitoring and analysing the results in the enterprises that are participating in enterprise improvement training. The SCORE programme has developed a solid theory of change and a comprehensive M&E system to track indicators along the different levels of the intervention logic as shown below.

Theory of change for SCORE Training



The core of the M&E system consists of i) a baseline and progress assessment where trainers track SME's adoption of certain management and working condition practices, and ii) a Key Performance Indicator (KPI) catalogue to track impact indicators of specific improvement in participating SMEs. The progress assessment includes a section, where trainers can highlight the specific impacts of the chosen improvement projects. These results will be used in case studies to supplement the collected data. Baseline and enterprise improvement across KPIs are then uses for case studies and for aggregate impact assessments.

Project information will also be made available on the PARDEV dashboard for development cooperation.[51]

6. Knowledge sharing & communication

The project will contribute greatly to knowledge sharing and communication around the green economy, green entrepreneurship and sustainable development. The activities and events of the

[51] www.ilo.org/DevelopmentCooperationDashboard

project during the three year time frame will greatly contribute to the visibility of the green economy and the opportunities for job creation in greening the economy.

A series of knowledge resources covering a range of themes will be created by the project. These knowledge resources will be communicated and shared widely through stakeholder engagements, internet and social media platforms, advocacy networks; publications; and email distribution lists.
The knowledge resources and events that will be produced and undertaken include:

i. Rapid market assessments on sectors with green job creation potential
ii. Green enter*PRIZE* competition website
iii. Annual green enter*PRIZE* competition information pack
iv. Annual roadshows with information about the green economy
v. Video documentaries about the green enter*PRIZE* challenge process, greening of SMEs and how young people with green skills secures employment
vi. Green boot camps
vii. Green economy summits
viii. Cases studies about successful green entrepreneurs
ix. Seminars and workshops
x. Project twitter handle
xi. Project Facebook account
xii. Radio and TV programmes
xiii. Impact assessments and results reports

During project start-up a knowledge sharing and communication strategy will be developed with clear outputs and target in terms of sharing knowledge about the green economy and the impact of the project to the general public, to stakeholders and to beneficiaries

7. Budget

The proposed budget is formulated in accordance with the Financial Rules and Regulations of the ILO and in line with the Sweden and the ILO Partnership Agreement regarding the global funding and Agreement template for specific project funding, Article 7-Conditions for the utilisation of the Swedish Contribution: The ILO shall administer the contribution in accordance with its regulations, rules, directives and procedures. The proposed total SIDA contribution budget is US$ 3,092,632, inclusive of direct and indirect costs, to deliver the proposed outcomes and outputs and achieve the planned results in Zimbabwe within a 36-month period. Detailed justification for the budget and allocations are indicated in the Budget Narrative attached as Annex B.

7.1. Inputs-ILO Contribution

The ILO will contribute the following inputs to the project:

- Director's 1.5 work months x USD21,750 = USD 32,625
- Programme Officer 6 work months x USD7,800 = USD 46,800
- Specialist 3 work months x USD21,750 = USD 65,250
- Finance & Admin Officer 10 work months x USD6,000 = USD 60,000
- Secretary 12 work months x USD2,900 = USD 34,800
- Vehicle = USD 35,000
- Office space for four project staff = USD 39,000
- **Grand total = USD 313,475**

Sida is requested to make a budget contribution of US$ 3’090’632 million available for:

- Project staff (4)
- Travel costs
- Sector selection analysis/research

- Material adaptation
- Seminars and workshops
- ICT equipment
- Aid funds (grants/revolving loan fund)
- Development of knowledge resources

The grand total for the project including SIDA and ILO in-kind contribution is **USD3, 404,107.00**

7.2. SIDA Contribution ILO Budget Format

TBA

8. Gender Framework

The Government of Zimbabwe is committed to the achievement of gender equality and women's empowerment and has ratified a number of gender related international and regional instruments, such as ILO Gender Equality Conventions[52], the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action (BPfA), the African Charter on the Rights of Women and the Southern African Development Community Protocol on Gender and Development. Zimbabwe continues to engender its laws through the alignment process to the Constitution and has also developed a National Gender Policy.

Similarly, gender equality is an essential component of the ILO vision of Decent Work for all women and men. The project strategy seeks therefore also to promote equal rights, opportunities and treatment to men and women as beneficiaries, participants and decision makers and the project therefore has an explicit goal of promoting gender equality in sustainable enterprises in Zimbabwe and has set targets and outcome indicators for the promotion of gender equality.

The gender equality focus acknowledges that women, in particular due to historical gender discrimination in Zimbabwe have not had access to equal opportunities and therefore have also not had the opportunity to develop technical skills and entrepreneurship competencies to the same extent as men. The effect of this is that women are still under-represented among formal enterprise owners in the Zimbabwean labour market and disadvantaged when it comes to accessing education, training, access to finance and enterprise creation opportunities. The project will address these gender related imbalances in a transformative manner by ensuring that all activities undertaken by the project are gender sensitive from the design and information stage to the implementation and evaluation stage. In terms of the three project components this will be addressed in the following manner:

Firstly, by ensuring that the criteria for selecting TVET institutions under Component 1 is that an institution is offering technical training courses to both young men and women; that the vocations to be greened offer opportunities for both young men and women; that the curricula to be greened are done so in a gender sensitive manner; that lecturers trained are both men and women lecturers and that the promotion of the courses are gender sensitive. Targets have been set to ensure equal participation and job creation for both young men and women.

Secondly, by ensuring that the annual design of the green enter*PRIZE* Challenge Fund under Component 2 is designed with gender experts, that the challenge is gender sensitive and actively carries messages about gender equality and women's entrepreneurship; that specific categories are designed for best woman entrepreneur and best young woman entrepreneur; that specific green business incubation and boot-camps from time to time are divided between men and women; that the tailor made BDS packages consisting of technical assistance and finance also takes into account issues, such as control over resources and money in the household, family pressures and unequal power relationships, which are shown to have an impact on lower returns to businesses run by women. Targets have been set to ensure equal participation, business development and job creation for both young men and women.

Thirdly, by ensuring that the greening of business and manufacturing processes under Component 3 is gender sensitive in the promotion of the programme to both men and women owned firms, that the selection of BDS providers and their capacity to deliver gender sensitive training is a selection criteria since gender specific initiatives and gender targets in BDS provision are often needed as an empowerment strategy since generic services do not meet women's training and personal needs; that the in-factory training and counselling is gender sensitive; that the enterprise improvement teams

[52] Equal Remuneration Convention (No. 100) and Discrimination (Employment and Occupation) Convention (No. 111).

established in each SCORE participating SMEs are gender balanced; that participating SMEs develop a gender quality policy and that there is an increase of women in management, advisory and technical positions.

In all areas of monitoring and evaluation, data collected by the project will be sex and age disaggregated. During project start up, a more elaborated gender-mainstreaming strategy for the project components will be developed to ensure that men and women have equal access to information and participation in the activities of the project.

Finally, it should be mentioned that the key implementing partners are also acutely aware of the need for promoting gender equality in Zimbabwe. EMCOZ as the ILO Employers' Constituent in Zimbabwe fully subscribe to ILO conventions, recommendations and guidelines promoting gender equality as well as does BCSDZ in their efforts to promote gender equality as an integral part of their sustainability initiatives with Zimbabwean firms. The World Business Council for Sustainable Development has recently launched the leading women awards to award women contributing to sustainability and BCSD in Zimbabwe plans to replicate this locally. Stimulus Africa Foundation has had a Gender equality and Diversity Policy in Place since 2012. Stimulus Africa takes an inclusive approach to its programming rooted in the firm belief that all people regardless of sex, age, ethnic background, disability / ability or religion should be treated fairly and equally.

Understanding and engaging the power relations between women and men and between other subordinate and dominant groups and empowering women and other marginalized groups' is an essential and critical part of Stimulus' work on promoting Gender Equity and Diversity. Stimulus Africa seeks to ensure that key participants representing affected people and the women supported are involved in the design, implementation as well as the monitoring and evaluation of programs. Stimulus Women's Network was established to enable the organisation to have a platform focused on driving women's economic empowerment. The approach to working with young women and girls focus on confidence building and positive role-modelling alongside entrepreneur learning to create an enabling environment for young women and girls to excel.

9. ILO's Anti-corruption Zero Tolerance and Institutional Measures

The ILO applies the International Public Sector Accounting Standards Board® (IPSASB®) and has developed IPSAS® accrual-based standards used for the preparation of general purpose financial statements by governments and other public sector entities. Through these standards, the IPSASB aims to enhance the quality, consistency, and transparency of public sector financial reporting worldwide. The adoption of high quality accounting standards improves the transparency of financial reporting and information available for good governance. In addition, the ILO uses a double entry book-keeping system using Oracle ERP. Bank reconciliations are required in every ILO Office and a whistle blowing policy and protection system is in place.

These regulations will also apply to contract management with service providers and grantees, which are bound by strict procurement guidelines and reporting on use of funds. Separate Purchase Orders are committed in the financial system for single activities and services to be provided and can always be tracked along with expenditures that are always made in instalments upon submission of agreed deliverables. External collaboration contracts (with individuals) or service contracts (with registered entities) are based on terms of reference and agreed deliverables and payment schedules, which are monitored, firstly, by the project, secondly, by the financial comptroller in the Financial Unit in the ILO Harare Country Office before being approved by the Director. Payments are only released upon double signatures by ILO officials with signatory responsibilities. Grant agreements are managed in the same manner. For more on the Organisational and Office wide capacities and check and balances kindly refer to the attached Organisational Self-Assessment attached for ILO Country Office for Zimbabwe and Namibia.

Annex A: Logical framework analysis

Project structure	Indicators	Means of verification	Assumptions
Development Objective/Expected impact • The project contributes to SMEs growing and creating more & better jobs for women and men through gender equal skills development and sustainable enterprises practices	**Long-term impact indicators** • # of jobs created (2'000 new jobs, at least 50% for women) • # of jobs improved and greened (1'000, at least 50% for women) • Increased control over business profits as described by women (at least 50% of women reached)	**Sources of information** • Gender disaggregated enterprise baseline data ex-ante and ex-post interventions • Follow-up longitudinal surveys • Quasi-experimental impact assessments	**Sustainability assumptions** • In a stagnant economy male and female entrepreneurs will recognize enterprise and employment creation opportunities in the green economy
Immediate objectives/project outcomes 1. Young men and women with green technical and entrepreneurial skills start economic activities in the green economy 2. Innovative green and growth oriented male and female owned SMEs access financial and non-financial BDS and grow their businesses 3. SMEs have greener management practices, improved work place cooperation and improved gender sensitive working conditions	**Indicators for short/mid-term impact** 1.1 # of youth reached with green technical skills and business skills (3'000, at least 50% women) 2.1 # of Growth Oriented Enterprises incubated (75, at least 50% women owned) 2.2. # of 500 SMEs access BDS (500, 50% women owned) 3.1 # of male and female owned SMEs have greened their business practices (75, at least 50% women) 3.2 % increase of women in management positions / supervisory roles or in technical positions (at least 20% increase)	**Sources of information** • Gender disaggregated student records • Training institutions data • M&E data and entrepreneur score cards • SCORE Smart Sheet M&E system • Longitudinal entrepreneurship education surveys	**Implementation assumptions** • Training institutions are able to absorb new green curricula • The BDS providers continue their efforts to develop and bring innovative green BDS to market • Male and female entrepreneurs' quest for entrepreneurship will continue to increase as a one of the key responses to high rates of unemployment
Regards immediate objective #1:			

Project structure	Indicators	Means of verification	Assumptions
Young men and women with green technical and entrepreneurial skills start economic activities in the green economy Output 1.1: Technical vocational education and training institutions integrate green technical and business skills into their curriculum Output 1.2: Reduced skills gap of training institutions' management and key teaching staff in green technical and business skills Output 1.3: Young men and women are provided with skills for self or wage employment in green jobs	1.1.1: # of training institutions implementing green curricula (20) 1.2.1: # of teachers deliver green skills courses (40, at least 40% women) 1.3.1: # of students receive green skills training (3'000)	• Gender sensitive curricula • Gender disaggregated reports from material development workshops • M&E data including school reports and longitudinal surveys	• Young men and women that receive green technical skills and entrepreneurship education will be able to improve their employability and their entrepreneurial intentions
Regards immediate objective #2: *Innovative green and growth oriented male and female owned SMEs access financial and non-financial BDS and grow their businesses* Output 2.1: The public and private sector has increased knowledge and understanding of the green economy Output 2.2: Entrepreneurs have developed and submitted green business models / ventures have been screened and awarded prizes in specific categories Output 2.3: Tailor made prizes consisting of financial and non-financial BDS have been designed for each annual winner and runners-up in the specific categories Output 2.4: Green business management training provided to SMEs that compete in the enterPRIZE challenge, but do not qualify as winners and runners-up	2.1.1 # of green enter*PRIZE* Challenges designed (3) 2.1.2 # of green enter*PRIZE* Job Challenges road shows (3) 2.1.3: competition website 2.2.1 # of hits on competition website (15'000) 2.2.2: # of business submissions received (750) 2.3.1: # of applications funded for winners and runners-up (75, at least 50% women) 2.4.1: # of non-winners and runners-up receive non-financial BDS (500, at least 50% women) 2.4.2: # impact assessment reports (3)	• green enter*PRIZE* gender sensitive challenge information booklet • Gender disaggregated reports from road shows, judging and prize giving ceremonies • competition website statistics • physical evidence of applications • grant agreements with male and female winners and runners-up • media clippings, taped radio and TV shows telling the stories of successful male and female entrepreneurs	• Emerging and established growth oriented male and female entrepreneurs remain encouraged to participate in the competition in their quest for green entrepreneurship and job creation

Project structure	Indicators	Means of verification	Assumptions
Regards immediate objective #3: *SMEs have greener management practices, improved work place cooperation and improved gender sensitive working conditions* Output 3.1: Sub-sectors and clusters with greening and job creation potential selected Output 3.2: Locally adapted, gender-mainstreamed training materials available Output 3.3: Implementation partners and service providers have capacities to market, sell and organize training Output 3.4: SMEs are trained in work place cooperation and cleaner production and impact documented and shared	3.1.1: rapid market assessment report with key information on priority sectors including gender analysis (1) 3.1.2. # MOUs and implementation agreements with business member organisations (5) 3.2.1: set of adapted and gender mainstreamed SCORE materials (1) 3.2.2: materials printing and distribution mechanism in place with printing house (1) 3.3.1: # implementation agreements with BDS providers (5) 3.3.2: # of TOTs (9) 3.3.3: # of BDS provider business plans to embed SCORE in service portfolio (5) 3.4.1: # of enterprise baseline assessments (75) 3.4.2: # of gender balanced Enterprise Improvement Teams (75) 3.4.3: # of enterprise improvement reports (75) 3.4.4: # of firms reached with policies that promote gender equality in the workplace are in place (at least 40%) 3.4.5: # of green economy summits with organised business (3)	• RMA report • Physical evidence of MOUs • Adapted materials • Physical evidence of applications received • Implementation agreements entered into with BDS providers with clear gender equality targets • Gender disaggregated project M&E reports • Gender disaggregated enterprise level data reports (see annex F for full list of SCORE indicators being measured) • Firm gender equality policies • Media clippings, documentary from of green economy summit	• Training programme fits with partner needs and priorities • Implementation partners have minimum management capacity • Trainers with minimum capacity available • SMEs willing to partially pay for training and advisory services

Annex E: Assumptions and risks table

Assumptions and risk analysis				
Assumption *Key = High, Medium, Low*	**Importance**	**Likelihood of non-occurrence**	**Risk level**	**Mitigation measures**
Sustainability assumptions				
Training programme fits with partner needs and priorities	High	Low	Low	Only partnerships with partners who have shown commitment and demonstrated experience through their own programmes have been established
National funding opportunities available	High	Medium	Medi um	The programme will support key implementation partners to establish commercial demand for the products and services introduced through the project. Public funding is unlikely to available in the short term.
Senior policy-makers interested in the topic of green economy and entrepreneurship	High	Low	Low	The project will work with the key government stakeholders and senior policy makers from different ministries and elevate visibility of the green economy. However, any short term policy reform is unlikely to happen
Implementation assumptions				
SMEs willing to partially pay for training and advisory services	High	Medium	Medi um	Young men and women coming through the TVET training is unlikely to be able to pay for services, but Growth Oriented SMEs and established SMEs will be expected to contribute
Implementation partners have minimum management capacity	High	Low	Low	The programme is working with strong partners that have shown capacity to run training and programmes on their own. The capacity development will further strengthen the capacity of these partners.
Local trainers with minimum capacity available	High	Low	Low	The ILO has previously developed local trainers and expert trainers in Zimbabwe and new competent trainers have been identified in the project design process
Management assumptions				
Effective organisational, administrative and technical support provided to support project implementation	High	Low	Low	The ILO Country Office for Harare has a strong internal management and financial and administrative system in place. Technical support will be provided by the Decent Work Team in Pretoria bringing in global lessons learned for programme implementation. An experienced project team will be recruited to manage the project.
Monitoring assumptions				

Effective monitoring and controls are in place to ensure project integrity and progress in implementation	High	Low	Low	The project has defined reporting mechanisms and oversight and the institutions are subject to internal and external audit. The project is subject to independent audit. Furthermore, the M&E system is based on tried and tested systems applied by the ILO in other projects.
Transparency	High	Low	Low	No mitigation required. The process is consultative by design and the challenge fund will be managed in a transparent manner with clear criteria where everyone will have the opportunity to participate.

Annex F: Standard indicators for the SCORE programme

1. **Indicators on company profile and business situation**
   1.1. Nr. of employees (m/f)
   1.2. Ownership (m/f/other)
   1.3. Membership with business member organization (y/n)
   1.4. Existence of staff union (y/n)
   1.5. Existence of collective bargaining agreement (y/n)
   1.6. Exporting (y/n)

2. **Participation in SCORE modules**
   2.1. Participation of enterprises in M1, M2, M3, M4, M5 and short-course
   2.2. Participation of staff (w/m, m/f) in workshops in M1, M2, M3, M4, M5 and short-course
   2.3. Enterprise satisfaction
   2.4. Nr. of enterprise visits
   2.5. % of SMEs taking more than 1 module
   2.6. Average nr. of modules per enterprise
   2.7. Total nr. of modules trained
   2.8. Nr of SMEs discontinuing training

3. **Direct effects – changes in knowledge, attitudes and behaviour**
   3.1. Nr. of EIT meetings
   3.2. Presence of women and men in EIT
   3.3. Nr. of improvement projects implemented
   3.4. Nr. of gender-sensitive practices
   3.5. Different indicators from indicator catalogue depending on improvement projects to be used in case studies

4. **Intermediate impacts – Changes in manufacturing performance**
   4.1. Daily w-m meetings
   4.2. Employee suggestion system
   4.3. 5S
   4.4. Quality Policy
   4.5. Systematic defect analysis
   4.6. Quality information shared with workers
   4.7. Machine maintenance system
   4.8. HR policy
   4.9. Jobs descriptions
   4.10. OSH Committee
   4.11. OSH Policy

5. **Final impacts – Benefits accruing to owners and workers**
   5.1. Cost savings
   5.2. Reduction in defects
   5.3. Reduction in energy consumption
   5.4. Reduction in materials usage
   5.5. Reduction in waste produced
   5.6. Reduction in worker complaints
   5.7. Reduction in accidents
   5.8. Increase in wages
   5.9. Reduction in labour turnover
   5.10. Job creation and losses in firms trained

KPI catalogue

The below indicators are a small sample of indicators that are being used to monitor outcomes of enterprise improvement projects in participating SMEs. There is an unlimited number of indicators that can be used and it is therefore not possible to list them all, but the catalogue will be expanded over time.

Process indicators

- Nr. of EIT meetings per month (to be reported by all enterprises)
- Nr. of improvement projects implemented per month (to be reported by all enterprises)

Continuous improvement

- % of workers trained on SCORE Training content
- Nr. of EIT meetings
- % of women in EITs
- Nr. of improvement projects completed (not counting sub-projects)
- Cost-savings per project (where it can be calculated)
- Process time reductions
- Nr. of teams conducting daily worker-manager meetings

5S:

- Square-meters of space freed
- Reduction in search time
- Nr. of 5S audits done
- 5S audit score
- Nr. or % of workstations passing 5S audit

Quality:

- % Defects: number of defective parts detected / total number of items checked * 100
- % Scrap: Number of parts scrapped/total production (good parts + scrap+ reworked parts)/ *100
- % Rework: Number of parts reworked/ total production (good parts + scrap+ reworked parts)/ *100

Cost/Productivity:

- Production Output: production output per shift or per day.
- Labour Productivity: production output per day/total labour man-hours worked that day.
- Machine Downtime: recorded at each machine per shift or per day.
- Equipment Utilization*: number of hours the equipment was utilized in a week or month/total number of hours available for production in the week or month.
- Inventory: measured in days of consumption (raw material + work in process + finished goods)

*Note: while there are more advanced metrics to measure equipment availability and performance, such as OEE (Overall Equipment Effectiveness), measuring equipment utilization is generally a good pace to get started.

Delivery:

- % on time delivery: number of deliveries made to customers on-time, error-free, in-full (full quantities) per month/(total number of deliveries made + number of missed deliveries)*100
- % customer returns/rejections: number of units rejected/returned by customer/total number of units delivered to customer *100
- Customer satisfaction index: dependent on weightage assigned on customer satisfaction survey. ‘Likert scale’ (i.e. rating performance on a scale of 1-5 or 1-10) is normally used for this purpose.

OSH:

- No of Accidents: Total number of lost-time accidents per week or month
- No of workstations where safety improvements were implemented
- Nr. of emergency drills conducted

HR:

- Nr. of exit interviews conducted
- % of staff with job descriptions
- % of staff with formal contracts
- Hours of training provided to staff
- % of staff with certain qualification
- Nr. of hours worked overtime
- Absenteeism: total number of work days missed/total number of work days planned *100
- Labour turnover rate: number of employees to have left in a time period (a month)/number of active employees at the beginning of the time period *100

Cleaner Production:

- Energy/water use: number of units of energy/water consumed per month/number of units of production** per month
- Liters/Kg of hazardous materials used

**Only where units of productions are similar.

Annex G: Decent Work Indicators for Sustainable Enterprises Development Interventions, Eastern and Southern Africa

Indicator 1:	Number of target group/population that has received financial or non-financial BDS as a result of ILO intervention

Definition

This indicator assesses the number of people that are reached through an ILO intervention whether directly by the ILO, or indirectly, through a BDS provider, a financial BDS provider or a learning institution capacitated by the ILO. This indicator gives us an idea of the reach of the various enterprise interventions that are being implemented.

Disaggregation

- Sex of people reached
- Age of people reached[53]
- Location of people reached (urban/rural)
- Type of Intervention that reaches people[54]

Alignments:

1) P&B Outcomes 16/17

1: More and better jobs for inclusive growth and improved youth employment prospect
Indicator 1.2: Member States that have taken targeted action on jobs and skills for young people through the development and implementation of multi-pronged policies and programmes
Indicator 1.4: Member States in which constituents have implemented institutional development and capacity-building programmes in industrial, sectoral, trade, skills, infrastructure, investment or environmental policies for more productive and better quality jobs

3: Creating and extending social protection floors
Indicator 3.3: Member States that have set up new programmes or improved the existing ones that contribute to extending social protection coverage or improving benefit adequacy

4: Promoting sustainable enterprises
Indicator 4.2: Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains
Indicator 4.3: Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation with a focus on young people and women

5: Decent work in the rural economy
Indicator 5.2: Member States in which constituents have set up targeted programmes that contribute to decent work and productive employment in rural areas

6: Formalization of the informal economy
Indicator 6.2: Member States in which **constituents have increased awareness** and the knowledge base on informality to promote and facilitate the transition to formality
Indicator 6.3: Members States in which at least one of the constituents has taken measures to **promote gender equality or address the needs of vulnerable groups** when facilitating the transition to formality

8: Protecting workers from unacceptable forms of work
Indicator 8.2: Member States in which one or more constituents have strengthened their institutional capacity to protect workers, especially the most vulnerable, from unacceptable forms of work

10: Strong and representative employers' and workers' organizations
Indicator 10.2: Organizations that have successfully created, strengthened and delivered sustainable services to respond to the needs of existing and potential members

53 The standard age brackets are 16-24, 25-35, 36+, but for outreach purposes in-school youth below age 15 that receive entrepreneurship education (KAB, startUP&go etc.) are also counted

54 Business environment reform, entrepreneurship education, BDS (business management, OSH, productivity, social protection, social dialogue, environmental services or technical skills) and access to financial services (loans, grants, insurance)

2) **SADC Indicators**

A - Economic and social context for decent work
1. Labour productivity (GDP per employed person, level and growth rate); MDG Indicator #1.4

B - Employment opportunities
2. Employment-to-population ratio, by sex - MDG Indicator #1.5
3. Unemployment rate, by sex and urban/rural areas
4. Youth unemployment rate, 15-24 years and SADC youth age group, by sex and urban/rural areas
5. Informal employment Rate, by sex, urban/rural, and educational levels.

C- Decent hours
2. Excessive hours (work with more than 48 hours per week; hours 'actually worked').
3. Time-related underemployment rate, by sex and urban/rural areas;

D - Safe work environment
1. Occupational injury rate, fatal, by sex, urban/rural and economic sector

E - Social dialogue, workers' and employers' representation
1. Trade unions membership and Union density rate, by sex
2. Membership of Enterprises belonging to employers' organisations, and rate, by sex
3. Collective bargaining coverage rate, by sex.

D- Work that should be abolished
4. Child labour (5-17 years), by sex and urban/rural areas.

Equal opportunity and treatment in employment
1. Share of women in wage employment in the non-agricultural sector, by urban/rural areas; MDG Indicator #3.2
2. Female share of employment in ISCO 08 groups 11 and 12

Indicator 2: Number of start-ups and new businesses supported as a result of ILO intervention

Definition

This indicator assesses the number of "nascent" and "new" businesses that develop as a result of an ILO intervention. A "nascent" or "start-up" is a business in operation for less than 6 months whereas a "new" business is in operation between 6 and 42 months.

Disaggregation

- Sex of entrepreneur
- Age of entrepreneur
- Age of enterprise[55]
- Enterprise size[56]
- Geographical location of enterprise[57]
- Type of enterprise[58]
- Sector where enterprise operates[59]
- Type of Intervention

Alignment:

1) **P&B Outcomes 16/17**

1: More and better jobs for inclusive growth and improved youth employment prospect
Indicator 1.2: Member States that have taken targeted action on jobs and skills for young people through the development and implementation of multi-pronged policies and programmes
Indicator 1.4: Member States in which constituents have implemented institutional development and capacity-building programmes in industrial, sectoral, trade, skills, infrastructure, investment or environmental policies for more productive and better quality jobs

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[55] Age of business uses the GEM definition where a "nascent/start-up" is less than 6 months, a "new" business is between 6-42 months and an established is 42+ months
[56] Based on the ILO employment level definition: Micro 2-9, small 10-49, medium 50-99, large 100+ (all including business owner)
[57] Rural or urban
[58] SME, large enterprise and cooperative
[59] Sector: Primary production, manufacturing, whole sale/retail, services)

4: Promoting sustainable enterprises
Indicator 4.2: Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains
Indicator 4.3: Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation with a focus on young people and women

5: Decent work in the rural economy
Indicator 5.2: Member States in which constituents have set up targeted programmes that contribute to decent work and productive employment in rural areas

2) **SADC Indicators**
B - Employment opportunities
2. Employment-to-population ratio, by sex - MDG Indicator #1.5
3. Unemployment rate, by sex and urban/rural areas
4. Youth unemployment rate, 15-24 years and SADC youth age group, by sex and urban/rural areas
5. Informal employment Rate, by sex, urban/rural, and educational levels.

Indicator 3: Increased number of firms that report improved working conditions as a result of ILO intervention

Definition

This indicator aims to capture improved working conditions in the businesses that have been supported. For a business to be counted under this indicator it needs to demonstrate an improvement for employees through documented evidence of one or more of the following criteria:

i. formalization of employment contracts
ii. increased income
iii. OSH improvements
iv. contribution to a national unemployment scheme
v. contribution to a national skills levy system
vi. contribution to medical cover
vii. contribution to pension scheme
viii. improved workplace cooperation/social dialogue.

The level of improvements will be captured in a radar diagram.

Disaggregation

- Sex of entrepreneur
- Age of entrepreneur
- Age of enterprise
- Enterprise size
- Geographical location of enterprise
- Type of enterprise
- Sector where enterprise operates
- Type of Intervention

Alignment:

1) **P&B Outcomes 16/17**
3: Creating and extending social protection floors
Indicator 3.3: Member States that have set up new programmes or improved the existing ones that contribute to extending social protection coverage or improving benefit adequacy

4: Promoting sustainable enterprises

Indicator 4.2: Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains
Indicator 4.3: Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation with a focus on young people and women

5: Decent work in the rural economy
Indicator 5.2: Member States in which constituents have set up targeted programmes that contribute to decent work and productive employment in rural areas

6: Formalization of the informal economy
Indicator 6.2: Member States in which constituents have increased awareness and the knowledge base on informality to promote and facilitate the transition to formality
Indicator 6.3: Members States in which at least one of the constituents has taken measures to promote gender equality or address the needs of vulnerable groups when facilitating the transition to formality

8: Protecting workers from unacceptable forms of work
Indicator 8.2: Member States in which one or more constituents have strengthened their institutional capacity to protect workers, especially the most vulnerable, from unacceptable forms of work

10: Strong and representative employers' and workers' organizations
Indicator 10.1: Organizations that have successfully adjusted their organizational structures or governance or management practices to increase leadership capacity, effectiveness, relevance and representativeness

2) **SADC Indicators**
C- Decent hours
2. Excessive hours (work with more than 48 hours per week; hours 'actually worked').
3. Time-related underemployment rate, by sex and urban/rural areas;

D - Safe work environment
1. Occupational injury rate, fatal, by sex, urban/rural and economic sector

E - Social dialogue, workers' and employers' representation
1. Trade unions membership and Union density rate, by sex
2. Membership of Enterprises belonging to employers' organisations, and rate, by sex
3. Collective bargaining coverage rate, by sex.

D- Work that should be abolished
4. Child labour (5-17 years), by sex and urban/rural areas.

Equal opportunity and treatment in employment
1. Share of women in wage employment in the non-agricultural sector, by urban/rural areas; MDG Indicator #3.2
2. Female share of employment in ISCO 08 groups 11 and 12

Indicator 4: Increased number of businesses reporting improved net income as a result of ILO intervention

Definition
This indicator takes stock of increased business net income. The assessment of net income generated is calculated based on average revenue and costs over a defined period.

Disaggregation
- Sex of entrepreneur
- Age of entrepreneur
- Age of enterprise
- Enterprise size
- Geographical location of enterprise
- Type of enterprise
- Sector where enterprise operates
- Type of Intervention

Alignment:

1) <u>P&B Outcomes 16/17</u>
1: More and better jobs for inclusive growth and improved youth employment prospect
<u>Indicator 1.2</u>: Member States that have taken targeted action on jobs and skills for young people through the development and implementation of multi-pronged policies and programmes
<u>Indicator 1.4</u>: Member States in which constituents have implemented institutional development and capacity-building programmes in industrial, sectoral, trade, skills, infrastructure, investment or environmental policies for more productive and better quality jobs

4: Promoting sustainable enterprises
<u>Indicator 4.2</u>: Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains
<u>Indicator 4.3</u>: Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation with a focus on young people and women

5: Decent work in the rural economy
<u>Indicator 5.2:</u> Member States in which constituents have set up targeted programmes that contribute to decent work and productive employment in rural areas

6: Formalization of the informal economy
<u>Indicator 6.2</u>: Member States in which constituents have increased awareness and the knowledge base on informality to promote and facilitate the transition to formality
<u>Indicator 6.3</u>: Members States in which at least one of the constituents has taken measures to promote gender equality or address the needs of vulnerable groups when facilitating the transition to formality

2) <u>SADC Indicators</u>
A - Economic and social context for decent work
1. Labour productivity (GDP per employed person, level and growth rate); MDG Indicator #1.4

B - Employment opportunities
5. Informal employment Rate, by sex, urban/rural, and educational levels.

Indicator 5: Increased number of additional sustainable and full-time equivalent net jobs created as a result of ILO intervention

Definition

This indicator assesses the increase in the number of sustainable and full time equivalent jobs created for the target group as a result of direct or indirect ILO intervention. “Full-time equivalent” refers to the number of hours of work (40 hours) that is supported by an enterprise rather than the number of people that fill a position. As such it is possible that two or three people may contribute towards one full-time equivalent job. “Additional” means jobs created (the difference between follow-up and baseline) minus jobs lost.

Disaggregation

- Sex (jobs created)
- Age of people for whom jobs are created
- Age of enterprise who creates the jobs
- Enterprise size
- Geographical location enterprise where jobs are created
- Type of enterprise
- Sector where enterprise operates
- Type of Intervention
- % of jobs created are Green Jobs (to be defined)

Alignment:

1) <u>P&B Outcomes 16/17</u>
1: More and better jobs for inclusive growth and improved youth employment prospect
<u>Indicator 1.2</u>: Member States that have taken targeted action on jobs and skills for young people through the development and implementation of multi-pronged policies and programmes
<u>Indicator 1.4</u>: Member States in which constituents have implemented institutional development and capacity-building programmes in industrial, sectoral, trade, skills, infrastructure, investment or environmental policies for more productive and better quality jobs

4: Promoting sustainable enterprises
<u>Indicator 4.2</u>: Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains
<u>Indicator 4.3</u>: Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation with a focus on young people and women

5: Decent work in the rural economy
<u>Indicator 5.2:</u> Member States in which constituents have set up targeted programmes that contribute to decent work and productive employment in rural areas

2) <u>SADC Indicators</u>
B - Employment opportunities
2. Employment-to-population ratio, by sex - MDG Indicator #1.5
3. Unemployment rate, by sex and urban/rural areas
4. Youth unemployment rate, 15-24 years and SADC youth age group, by sex and urban/rural areas
5. Informal employment Rate, by sex, urban/rural, and educational levels.

Indicator 6: Increased number of businesses that improve their level of formalization as a result of ILO intervention

Definition

This indicator assesses enterprises transition towards formalization. “Level of formalization” is a process which can be improved through activities such as:

i. establishment of a bank account
ii. business registration
iii. VAT registration
iv. business tax registration
v. implementation of employment contracts
vi. Implementation of OSH measures
vii. Improved social protection measures (medical aid, contribution to unemployment and pensions schemes)
viii. Membership of an employer’s organization.

The level of formalization will be captured in a radar diagram.

Disaggregation

- Sex of entrepreneur
- Age of entrepreneur
- Age of enterprise
- Enterprise size
- Geographical location of enterprise

- Type of enterprise
- Sector where enterprise operates
- Type of Intervention

Alignment:

1) P&B Outcomes 16/17
3: Creating and extending social protection floors
Indicator 3.3: Member States that have set up new programmes or improved the existing ones that contribute to extending social protection coverage or improving benefit adequacy

4: Promoting sustainable enterprises
Indicator 4.2: Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains
Indicator 4.3: Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation with a focus on young people and women

5: Decent work in the rural economy
Indicator 5.2: Member States in which constituents have set up targeted programmes that contribute to decent work and productive employment in rural areas

6: Formalization of the informal economy
Indicator 6.2: Member States in which **constituents have increased awareness** and the knowledge base on informality to promote and facilitate the transition to formality
Indicator 6.3: Members States in which at least one of the constituents has taken measures to **promote gender equality or address the needs of vulnerable groups** when facilitating the transition to formality

2) SADC Indicators
C- Decent hours
2. Excessive hours (work with more than 48 hours per week; hours 'actually worked').
3. Time-related underemployment rate, by sex and urban/rural areas;

D - Safe work environment
1. Occupational injury rate, fatal, by sex, urban/rural and economic sector

E - Social dialogue, workers' and employers' representation
1. Trade unions membership and Union density rate, by sex
2. Membership of Enterprises belonging to employers' organisations, and rate, by sex
3. Collective bargaining coverage rate, by sex.

D- Work that should be abolished
4. Child labour (5-17 years), by sex and urban/rural areas.

Equal opportunity and treatment in employment
1. Share of women in wage employment in the non-agricultural sector, by urban/rural areas; MDG Indicator #3.2
2. Female share of employment in ISCO 08 groups 11 and 12

Indicator 7: Increased number of firms that report improved productivity levels as a result of ILO intervention

Definition

This indicator assesses the number of enterprises that are considered to be more productive as a result of a direct or indirect ILO intervention. There are various ways in which productivity can be assessed including: i) increased labour productivity (defined as increased output/number employees); ii) increased sales turnover.

Disaggregation

- Sex of entrepreneur
- Age of entrepreneur
- Age of enterprise
- Enterprise size

- Geographical location of enterprise
- Type of enterprise
- Sector where enterprise operates
- Type of Intervention

Alignment:

1) **P&B Outcomes 16/17**

   1: More and better jobs for inclusive growth and improved youth employment prospect

   Indicator 1.2: Member States that have taken targeted action on jobs and skills for young people through the development and implementation of multi-pronged policies and programmes

   Indicator 1.4: Member States in which constituents have implemented institutional development and capacity-building programmes in industrial, sectoral, trade, skills, infrastructure, investment or environmental policies for more productive and better quality jobs

   4: Promoting sustainable enterprises

   Indicator 4.2: Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains

   Indicator 4.3: Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation with a focus on young people and women

2) **SADC Indicators**

   A - Economic and social context for decent work

   1. Labour productivity (GDP per employed person, level and growth rate); MDG Indicator #1.4

Indicator 8: Increased number of firms that implement access to social dialogue mechanism as a result of ILO intervention

Definition

This indicator aims to track the improvements that are reported by participating enterprises to access to social dialogue mechanisms such as:

i. established mechanisms for labour-management cooperation
ii. freedom of association of workers in the enterprise
iii. right of workers to collective bargaining
iv. employee involvement in problem solving
v. climate of cooperation and trust in the enterprise
vi. established mechanisms for communication
vii. trade union membership of workers
viii. enterprise membership of employers' organisation.

The level of social dialogue will be captured in a radar diagram.

Disaggregation

- Sex of entrepreneur
- Age of entrepreneur
- Age of enterprise
- Enterprise size
- Geographical location of enterprise
- Type of enterprise
- Sector where enterprise operates
- Type of Intervention

Alignment:

1) P&B Outcomes 16/17
4: Promoting sustainable enterprises
Indicator 4.2: Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains

10: Strong and representative employers' and workers' organizations
Indicator 10.1: Organizations that have successfully adjusted their organizational structures or governance or management practices to increase leadership capacity, effectiveness, relevance and representativeness

2) SADC Indicators
E - Social dialogue, workers' and employers' representation
1. Trade unions membership and Union density rate, by sex
2. Membership of Enterprises belonging to employers' organisations, and rate, by sex
3. Collective bargaining coverage rate, by sex.

Indicator 9: Increased number of firms that improve the level of environmentally sustainable business practices as a result of ILO intervention

Definition

This indicator assesses the number of enterprises that improve their level of sustainable practices through the adoption of environmental business strategies. Among others, this includes greening operations through an Environmental Management System (EMS), the development of a product with a circular life-cycle, eco-innovation and product design, green supply chain management and an environmental business strategy. Such strategies could include documented evidence of:

i. improved levels of resource efficiency
ii. reduced pollution levels
iii. increased use of renewable energy

iv. reduced water usage and water recycling
v. solid waste recycling
vi. investment in clean technology
vii. sales of certified green products or services
viii. green accounting practices

The level of environmental sustainable business practices will be captured in a radar diagram.

Disaggregation

- Sex of entrepreneur
- Age of entrepreneur
- Age of enterprise
- Enterprise size
- Geographical location of enterprise
- Type of enterprise
- Sector where enterprise operates
- Type of Intervention

Alignment:

1) P&B Outcomes 16/17

1: More and better jobs for inclusive growth and improved youth employment prospect
Indicator 1.4: Member States in which constituents have implemented institutional development and capacity-building programmes in industrial, sectoral, trade, skills, infrastructure, investment or environmental policies for more productive and better quality jobs

4: Promoting sustainable enterprises
Indicator 4.2: Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains
Indicator 4.3: Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation with a focus on young people and women

5: Decent work in the rural economy
Indicator 5.2: Member States in which constituents have set up targeted programmes that contribute to decent work and productive employment in rural areas

Indicator 10: Number of policies, laws or regulatory frameworks reformed for a business enabling environment as a result of ILO intervention

Definition

This indicator tracks the positive effects of the technical assistance, which is provided by the ILO that leads to changes within the policy, laws and regulatory environments. These changes are conducive for the development and growth of sustainable enterprises. This includes: i) assessment undertaken on the Enabling Environment for Sustainable Enterprises, ii) action plans developed by government and social partners to improve the business environment, iii) new/revised policies and laws and administrative changes – including policies aimed at increasing formalization - at national, subnational or sectorial levels

Disaggregation

i. # of assessment undertaken on the Enabling Environment for Sustainable Enterprises
ii. # of action plans developed by government and social partners to improve the business environment
iii. # of new/revised policies and laws and administrative changes - including policies aimed at increasing formalization - at national, subnational or sectorial levels
iv. # of enterprises reached and impact on:

- start-up
- job creation
- working conditions
- formality
- productivity
- social dialogue
- environmentally sustainable business practices

Alignment:

1) P&B Outcomes 16/17

1: More and better jobs for inclusive growth and improved youth employment prospect
Indicator 1.4: Member States in which constituents have implemented institutional development and capacity-building programmes in industrial, sectoral, trade, skills, infrastructure, investment or environmental policies for more productive and better quality jobs

3: Creating and extending social protection floors
Indicator 3.3: Member States that have set up new programmes or improved the existing ones that contribute to extending social protection coverage or improving benefit adequacy

4: Promoting sustainable enterprises
Indicator 4.1: Member states where the enabling environment for sustainable enterprises has been improved through policy, legal, institutional or regulatory reforms

5: Decent work in the rural economy
Indicator 5.2: Member States in which constituents have set up targeted programmes that contribute to decent work and productive employment in rural areas

6: Formalization of the informal economy
Indicator 6.1: Member States that have updated their legal, policy or strategic frameworks to facilitate the transition to formality

10: Strong and representative employers' and workers' organizations
Indicator 10.1: Organizations that have successfully adjusted their organizational structures or governance or management practices to increase leadership capacity, effectiveness, relevance and representativeness