

# Regional Infrastructure as a Catalyst for Job Creation

## Creating Jobs in Infrastructure – The PIDA Job Creation Toolkit

**Africa Talks Jobs – Open Lab**  
**1<sup>st</sup> November 2017, Addis Ababa/Ethiopia**




# NEPAD Agency


As an implementing agency of the AU has a mandate




to:




Facilitate and coordinate the implementation of continental and regional priority programmes and projects




Mobilise resources and partners in support of the implementation of Africa's priority programmes and projects



Conduct and coordinate research and knowledge management



Monitor and evaluate the implementation of programmes



Advocate on the AU and NEPAD vision, mission and core principle/ values

[www.nepad.org](http://www.nepad.org)



# NEPAD Agency

Four Investment Programmes to address new and emerging trends in Africa

Human Capital  
Development  
(Skills, Youth,  
Employment and  
Women  
Empowerment)



Natural Resources  
Governance and  
Food Security



Regional  
Integration,  
Infrastructure  
(Energy, Water, ICT,  
Transport) and  
Trade



Industrialisation,  
Science,  
Technology and  
Innovation

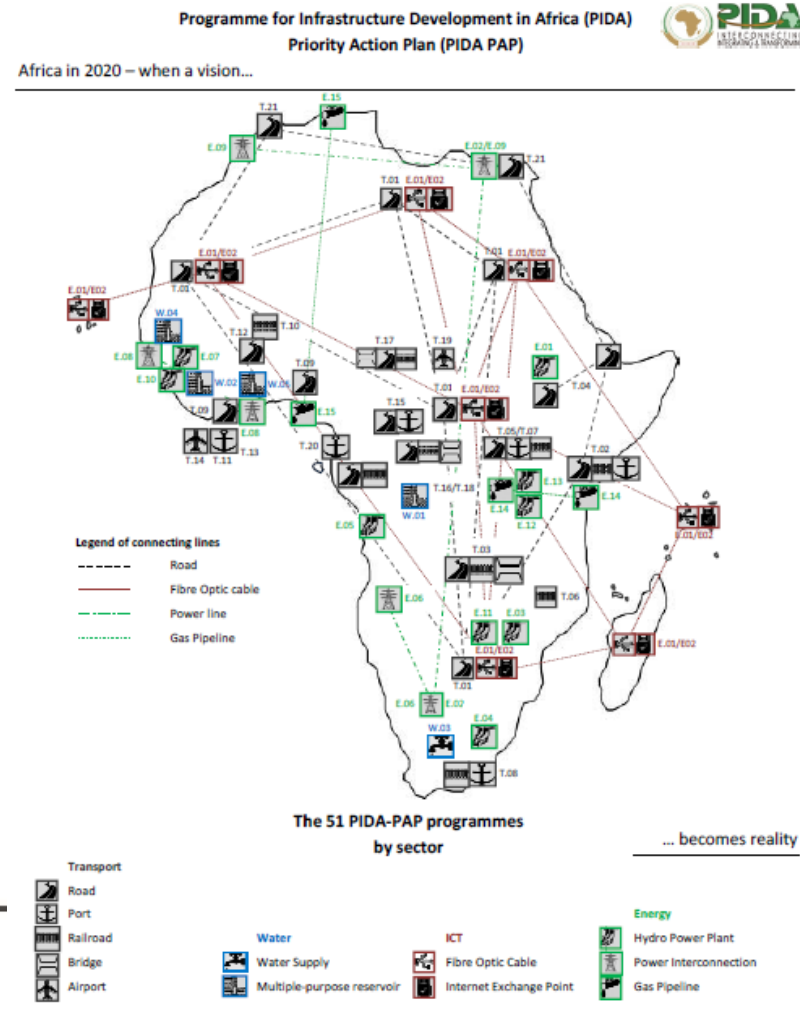


[www.nepad.org](http://www.nepad.org)



# Programme for Infrastructure Development in Africa (PIDA)

- Endorsed by the AU Assembly in 2012
- 400+ cross-border projects
- Cost US\$ 360 billion for the period 2012-2040.
- PIDA-PAP (2012-2020) - US\$68 billion



# PIDA Job Creation Toolkit

Toolkit  
Overview

Job  
Estimation

Job  
Maximisation

Project Case  
Studies

PIDA  
Links

# Toolkit Overview

## LEVEL I: FORECASTING OF JOBS & SKILLS

- estimate direct, indirect, induced during project planning, construction, O&M phases
- estimate jobs created due to improved infra service ("secondary jobs")
- estimate in which sector of the economy these secondary jobs are created

# Toolkit Overview

## LEVEL II: PROJECT STEERING & POLICY RECOMMENDATIONS

- Actionable guidelines to maximise jobs during project phases
- Policy recommendations to maximise jobs on national & regional level
- Alternative project designs to increase impact of African labour/materials
- Labour market information system to inform policy and decision makers on education and skills planning

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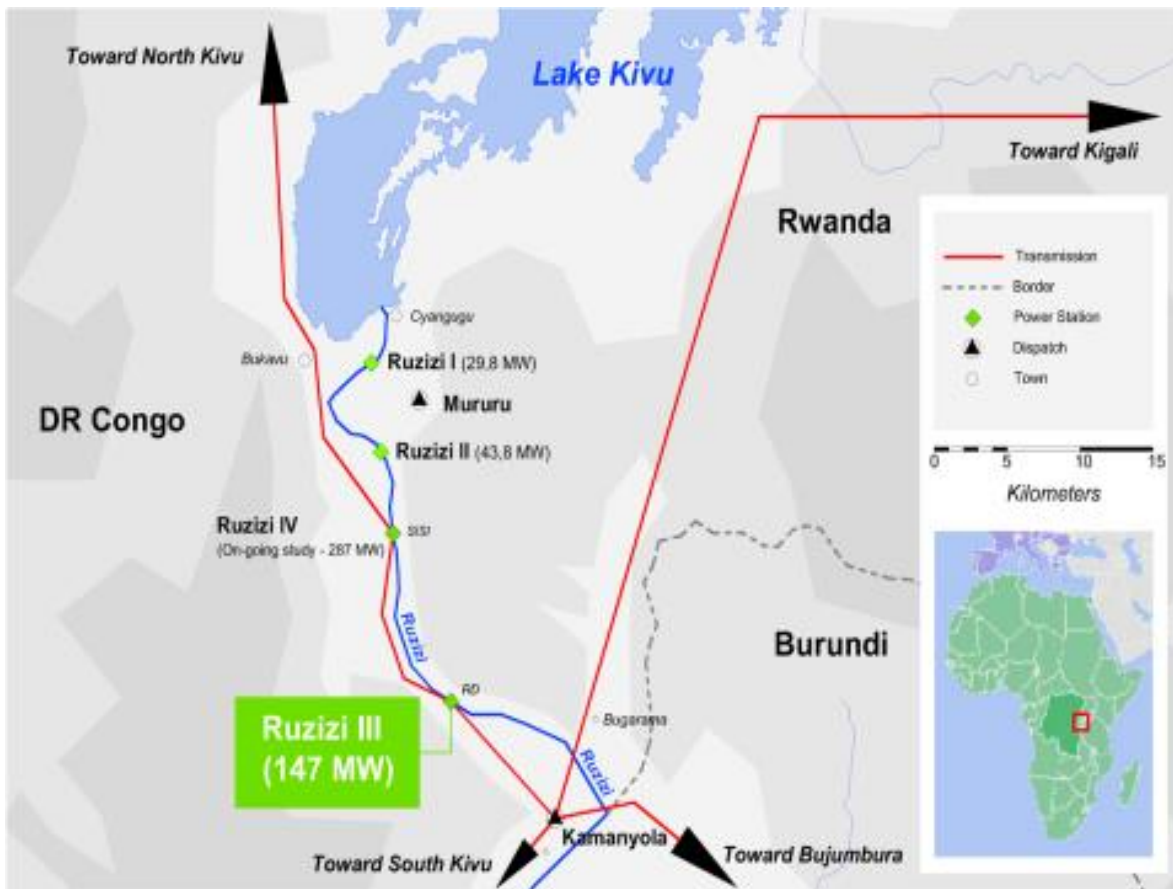
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# Job Estimation for a Hydro-Project

## Ruzizi III Hydropower Dam



- Increased electricity supply for estimated 107 million people in Great Lakes Region
- Households can switch energy use from mainly charcoal to grid connection
- Advantage of low cost and renewable energy sources
- Support peace process in Great Lakes Region via regional economic integration



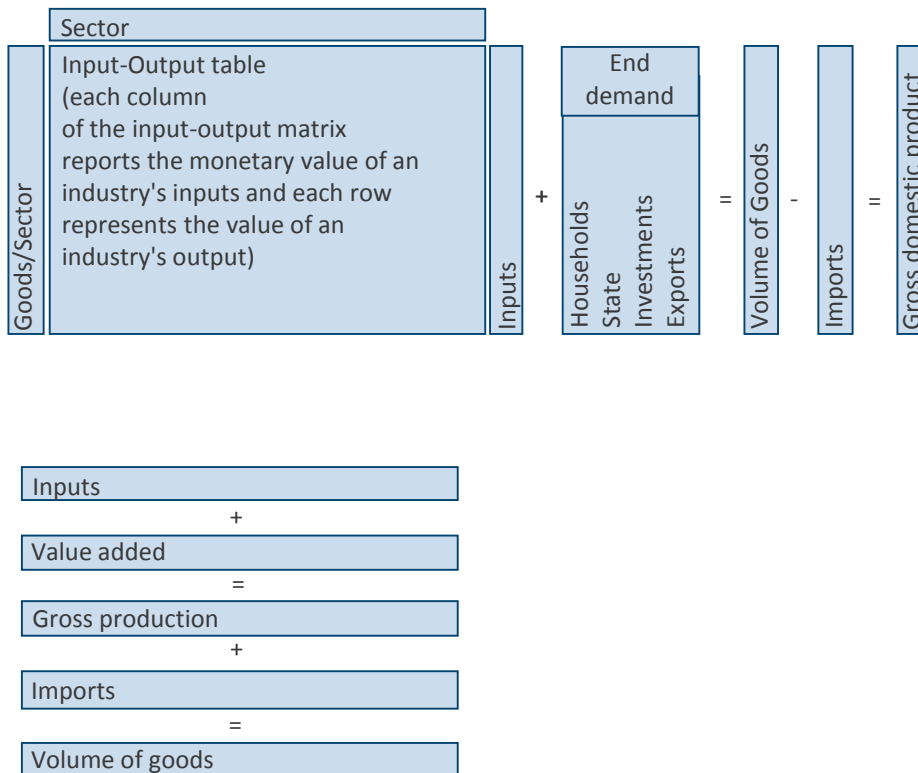
# Job Estimation Methodology

Output side (use side)

Estimate infrastructure investment by input category (e.g., construction, equipment, etc.)

Estimate changes in electricity production

Input side



- Direct, indirect and induced jobs in project preparation, construction, and operations & maintenance

- Direct, indirect and induced jobs resulting from secondary effects (improved electricity access; trade/transport effects etc.)

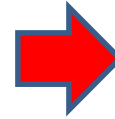


# Job Estimation Results

Phase : Project  
Preparation



25,255 job years  
over 6 years period



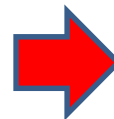
Phase: Project  
Construction



Phase: Project  
Operation &  
Maintenance



6,500 job years over  
50 years useful life



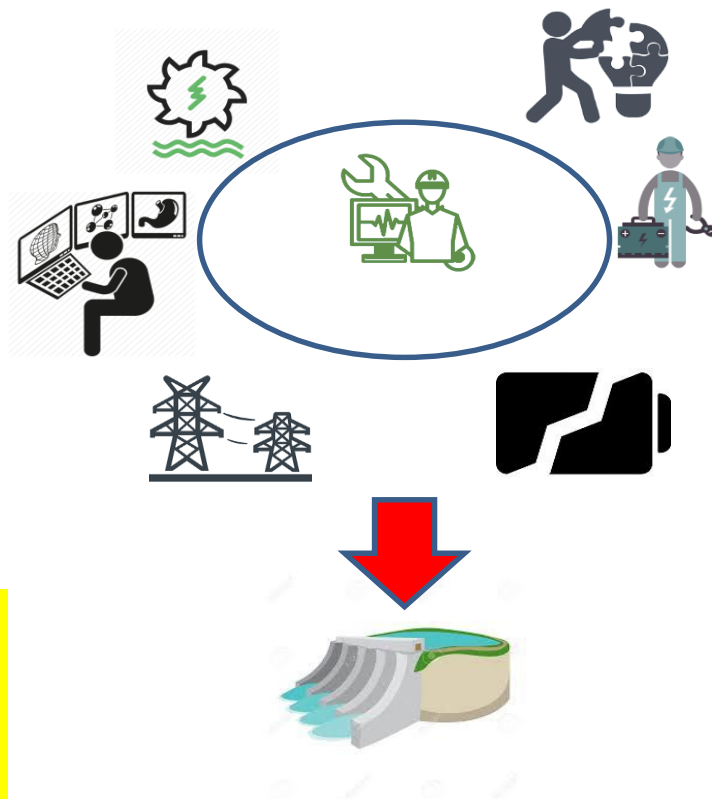
# Types of Jobs – Preparation & Construction



**Total: 25,255  
job years for  
Ruzizi III Dam**



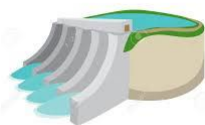
# Types of Jobs – Operation & Maintenance



**Total: 6,500 job  
years for Ruzizi III  
Dam**



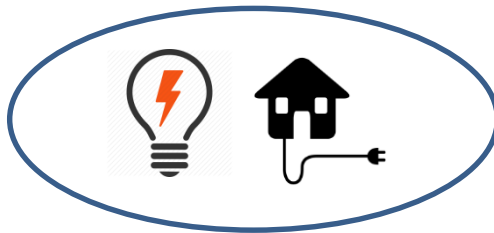
# Types of Jobs – Spillover Effects



## Sector Spillovers



## Sector Jobs



**Total: 103,700  
job years for  
Ruzizi III Dam**





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# Job Maximisation

Project  
Level



Policy  
Level

# Job Maximisation - Project Level

## Example: Preparation Phase Road Corridor

Sector/Sub-Sector:



REC/Countries:



Project Phase: Preparation



Recommendations:

- Scoping local content possibilities
- Database of cement suppliers in West Africa
- Labour Associations in Ghana etc.



# Job Maximisation - Project Level

## Example: Construction Phase of a Port

### Sector/Sub-Sector:



### REC/Countries:



### Project Phase: Construction



### Recommendations:

- Local Content Benchmarks/Guidelines
- Negotiate and structure a contract according to local content policy



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# Job Maximisation

Project  
Level

Policy  
Level



# Job Maximisation - Policy Level

## Example: Local Content Policy

### National Level Recommendations

- Foreign investors need to negotiate with local suppliers
- All infrastructure projects need to feature 30% local content \*

\* *Varies case by case*

### Regional Level Recommendations

- Regional guidelines to promote local content
- Review trade agreements according to local content

# Feedback & Reflection

- What is needed from public side to ensure that forecasted jobs are realized within Africa?
- How can toolkit results communicate with national/regional policy makers to enhance skills matching?
- What are possible partners that can enrich Toolkit content? (methodology, job maximization strategies)





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THANK YOU



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cooperation

DEUTSCHE ZUSAMMENARBEIT

With support of the  
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