Optimizing Employment Outcomes from Infrastructure Investments

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Employment Impact Assessments

ILO welcomes focus on Job creation of AUDA-NEPAD and PIDA.

In line with purpose and mandate of the ILO to promote Full Employment and Decent Work.

Employment Impact Assessments - as done using the PIDA Jobs Toolkit are an important part of this - and have been promoted by ILO as an integral part of project preparation, monitoring and evaluation.

Particular focus on Public Investments - and how these can support and promote more and better jobs.
Why is EmpIA of Public Investment?

Construction sector employment in Africa, and especially SSA remains much lower than rest of the world.
How can Employment Impact Assessments help?

**Building Support and Reporting**
Job creation has high political interest so demonstrating how planned investments will create jobs will help in mobilizing support for the project and infrastructure investment more generally.

**Supporting Decision-making**
So that job creation potential can support decisions on:
- Increasing infrastructure investment
- Selection of projects
- Procurement strategy
- Material and input supply strategies to deploy
- Choice of technology
- Incorporating measures that support better jobs, including skills development
ILO- EU STRENGTHEN 2 Project: Employment Impact Assessment of EU investments in Africa

EU External Investment Plan: Supporting Infrastructure in Africa through Blending and Guarantees

Potential for considerable overlap with PIDA projects-mention of 62 Project in latest PIDA progress report that are supported through EIP.

Project currently assessing 102 approved or ongoing EU supported projects in 16 Sub-Saharan African countries.

Useful to share some selected preliminary results- also looking at some of the qualitative dimensions of the job created through these projects.
Preliminary results: Jobs (Full Time Equivalent) per million EUR invested
Preliminary results on skills of jobs created (difference from average)
Preliminary results on gender (difference from average)

Advancing social justice, promoting decent work
Important qualitative dimensions

Some indicators

- **Average wage**, ratio of average wage to national average or national median, or construction sector average
- **Access**: ability of youth, women and poor to benefit from jobs created
- **Occupational Safety and Health**: Incidence and frequency rates or accidents or fatalities, compare to national
- **Access to social security and social protection**: Entitlements to paid leave, Access to Health Insurance, Access to Social Security, Accident insurance coverage
- **Compliance with 4 ILO fundamental principles**: No child labour, forced labour, discrimination and right to organize
- **Informal Employment**: compare to national of construction sector share of employment that can be considered informal
Current ILO practice and approach for infrastructure investments: EmplA Guide

Guide with 4 units

- Unit 1: Conceptual framework
- Unit 2: Indicators for measuring employment
- Unit 3: More in-depth analysis of qualitative dimensions of direct employment
- Unit 4: Indirect and induced employment

- Complementary to PIDA Jobs Toolkit
Conclusions

Job creation remains an imperative in Africa

► Large potential for job creation in construction sector
► As well as other sectors supplying infrastructure: manufacturing jobs
► Support PIDA strategy: Infrastructure investment essential for supporting other sectors: access to water, transport, electricity, communication etc.: PIDA
► Important to not only focus on more jobs however, but also better jobs: strategy to gradually, but consistently, improve job quality
► ILO looks forward to continued and deepened collaboration with AUDA-NEPAD and PIDA, in particular through Strengthen 2 project