Study on Employment-Intensive Methods in Infrastructure and other Non-Social Sector Programmes

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Contents

Acronyms

ACP	Africa, Caribbean, Pacific (South Africa and Cuba) Region
ADB	Asian Development Bank
AFD	Agence Française de Développement
AGETIP	Agence d'Exécution des Travaux d'Intérêt Public
AGETUR	Agence d'Exécution des Travaux Urbains (Benin)
AIDCO	EuropeAid Cooperation Office
AU	African Union
CRIS	Common Relex Information System
CSP	Country Strategy Paper
CSP	Country Strategy Paper
DAC	OECD Development Assistance Committee
DANIDA	Danish International Development Agency
DFID	UK Department for International Development
DG DEV	Development Directorate-General
DG RELEX	External Relations Directorate-General
DWCP	Decent Work Country Programme
ECHO	European Commission Humanitarian Office
EcoFin Analysis	Economic and Financial Analysis (AIDCO)
EDF	European Development Fund
EDW	Employment and decent work
EI	Employment-intensive
EII	Employment-intensive infrastructure
EMP/INVEST	ILO Employment-Intensive Investment Unit
ENPI	European Neighbourhood and Partnership Instrument
ESIP	Employment, social inclusion and social protection (AIDCO)
FAO	Food and Agriculture Organization of the United Nations
FIDIC	Fédération Internationale des Ingénieurs-Conseils
GIME	Grupo de Interesse de Manutenção de Estradas (São Tome e Principe)
HIEQ	Haute intensité d'équipement
HIMO	Haute intensité de main d'œuvre
IFC	International Finance Corporation (World Bank Group)
ILO	International Labour Organisation
ILO-EIIP	ILO Employment Intensive Investment Programme
KfW Entwicklungsbank	German development bank
LBM	Labour-based methods
MDB	Multilateral Development Bank
NAO	National Authorising Officer
NIP	National Indicative Programme
ROM	Results Oriented Monitoring
SIDA	Swedish International Development Cooperation Agency
SME	Small and Medium-sized Enterprise
PWP	Public Works Programme
UNCDF	UN Capital Development Fund
UNDP	United Nations Development Programme

Executive summary

1. The objective of this study project is to analyse how employment and decent work (EDW) objectives have been addressed in EC infrastructure and other non-social sector programmes, in particular the use of employment intensive methods, and how they could be better integrated in the future.

2. 'Employment-intensive' is the term used by the International Labour Organisation (ILO) to mean the optimal use of labour to reach maximum effect on poverty reduction, while paying due regard to cost and quality issues. It should be distinguished from the maximum use of labour, often with the specific exclusion of equipment. Generally, an appropriate mix of labour and equipment is required to provide products of adequate quality in a cost effective manner.

3. EC is funding a significant number of programmes using employment-intensive methods, but the size of the programmes is often rather small. A review of CRIS and ROM documentation enabled the study team to identify employment intensive approaches in 45 EC projects/programmes in 27 countries since 2000. However, only 7 of the 45 projects were located outside of sub-Saharan Africa.

4. Global and EC experience with employment-intensive technologies has to date been mainly in the roads sector. But recently the range of technologies and the approaches have evolved to embrace a broader range of activities, in other infrastructure sectors and beyond. There would appear to be some room for replicating and scaling up employment-intensive approaches in the roads sector, but there are also constraints and a consequent need to identify opportunities to promote employment in other sectors as well. Promising areas are environmental management and climate change adaptation, as well as multi-sector projects embracing agriculture and forestry.

5. A major constraint to the expansion of employment-intensive approaches in the roads sector is the required technical specification. Equipment may be needed to reach the specified quality standards – although there are likely to be elements of the work that can still be carried out using employment-intensive techniques. Strict quality control is also vital to delivering durable assets. Time is a more important factor than cost in deciding whether to adopt employment – intensive methods and unreasonable programmes may oblige government and/or contractors to resort to the use of equipment. Labour availability (particularly in rural areas during the agricultural season) can also serve as a constraint.

6. Experience with projects in Benin and Kenya suggests that EC prefers to support large projects, whereas employment-intensive infrastructure programmes generally require numerous contracts with small enterprises. Prompt disbursement of funds in a decentralised setting is also important and EC procedures may not allow this.

7. The EC's transition toward increased partner autonomy will lessen the degree of influence exerted over the implementation methods used in projects. Increased partner autonomy is a positive development as it may facilitate the EC's support of employment-intensive works where this has been adopted as government policy. But elsewhere new methods will be required to

promote employment-intensive approaches, with a greater focus on political dialogue and demand-led capacity building.

8. Employment-intensive approaches cannot be adopted without prior planning. The analysis of past experience reveals a significant input of capacity building of multiple bodies (including Government, managers, supervisors, SMEs and civil society) as a pre-condition for project success. Building capacity to a point where programme sustainability is achieved requires a long time horizon – certainly longer than one EDF. Sustainability also requires mainstreaming of the approach into government planning and procedures.

9. Building a system to manage and maintain rural roads and other infrastructure (whether using labour-based or equipment based approaches) is likely to take even longer, but successful models exist (such as the GIME in the EC Sao Tome & Principe project) and could be replicated. Maintaining assets is vital if the flow of benefits from the investment is to be sustained, and can generate long-term employment opportunities, but many partner governments do not have sufficient funds or capacity. Donors (including EC) are now funding maintenance and this should be promoted.

10. There is frequently a tension between social and technical objectives in employment-intensive programmes, particularly between targeting the poorest (or rotating labour to bring benefits to the greatest number) and producing a high quality product. There may also be tension between community participation in project selection and investing in assets that best promote national development objectives.

11. The tension between social and technical objectives is most clearly demonstrated in the identification of two basic poles to which employment-intensive interventions may be drawn: (i) provision of employment in the context of emergency relief (post-crisis/conflict) where the main objective is to provide cash to the target population over a short period of time and (ii) investment in infrastructure using employment intensive approaches with the main objective of creating viable and durable assets. It is important to realise that these different forms of employment-intensive intervention respond to different labour market contexts: the first 'humanitarian-led' intervention is responding to temporary unemployment: while the second 'development-led' intervention is responding to chronic unemployment and underemployment - situations associated with under-development and widespread poverty.

12. However, in practice the differences between the two types of intervention may not be so profound. Too often development led interventions also provide only short term employment and the pre-conditions for building quality and sustainability in the asset are not in place. It should be possible for well planned interventions to achieve both objectives – emergency job creation and quality assets – by placing as much emphasis on the product as on the employment. This is essential if they are to contribute to poverty alleviation in the longer term, as pro-poor economic growth is compromised by poor quality assets.

13. In sum, the study has found that the immediate positive effects of employment-intensive infrastructure programmes are real and can be profound when correctly planned and

implemented. However, the longer-term contribution to alleviation of poverty in situations of chronic unemployment and underemployment is much less clear. These approaches do have the potential to alleviate poverty in such contexts provided that the following conditions exist:

i. They are part of a continuous programme of employment intensive infrastructure construction/rehabilitation over a period of years
ii. They succeed in introducing and sustaining a programme to maintain the assets created using employment intensive methods
iii. The assets created are of high quality and support productive activities and sustainable livelihoods on the part of the poor, and
iv. If necessary, the creation of assets is accompanied by the delivery of complementary inputs (seeds, fertilizer) and services (agricultural extension, business development) that may be needed for the development of sustainable livelihoods.

14. Decent Work: EDF standard conditions of contract contain clauses on compliance with ILO core labour standards and national labour law. Some contracts used for employment intensive works contain a few additional clauses. The issues raised are mainly around working conditions including health and safety, but the contracts used in the Roads 2000 project in Kenya also include clauses on minimum wages, provision of water and resting time. However, the key challenge for the meaningful implementation of any contractual provision is to establish responsibilities and a framework for monitoring and reporting. This could most effectively be provided from within the project team.

15. The Decent Work Agenda is relevant to all EC infrastructure programming and not just to employment-intensive approaches. On major projects funded by the EU it is commonly the responsibility of the project supervisor to ensure that the contractor complies with the contractual obligations, but practice is not consistent. There are major issues here outside the scope of this study. Employment-intensive works should be perceived as a point of entry to the broader question of decent work in infrastructure works, not its conclusion.

Summary of Recommendations

1. Strengthen and expand EC support for employment-intensive infrastructure programmes in partner countries where employment-intensive investment is a government priority.

Experience suggests that, where projects are implemented without active partner government support and ownership, their impact is short-lived, in terms of sustainability of both asset and employment. The best results will be obtained if the EC works in cooperation with government and with other donor agencies through a decentralised management system.

2. Adopt a long time horizon.

Long term involvement is critical to building the capacity required for sustainability. So it is important to make a thorough assessment of capacity-building needs and adjust the project programme, budget and staffing arrangements accordingly.

3. Give attention to support for routine maintenance and for developing and strengthening a maintenance system in the roads sector.

Careful consideration should be given to funding routine maintenance in order to preserve the value of the assets and generate opportunities for regular employment over an extended period of time. Even more important is help to build and strengthen national maintenance systems. This will also require continued technical assistance over an extended period.

4. Promote the expansion of employment intensive programmes into new sectors and into multi-sector projects aimed at creating sustainable livelihoods.

The EC should embrace opportunities to scale up employment-intensive opportunities in the roads sector, but should also promote employment intensive approaches in other infrastructure sub-sectors and in other sectors. Promising areas are irrigation and water management, environmental management and climate change adaptation, and multi-sector projects embracing agriculture and forestry.

Multi-sector projects can be particularly useful in focusing attention away from the immediate objective of creating short-term employment in construction to the creation of sustainable livelihoods in the longer term. Additional inputs may be required (seeds, fertilizer, business training) in order to bring this about.

5. Develop partnerships with other agencies engaged in employment-intensive infrastructure.

The EU has not, historically, been at the forefront of efforts to promote employment-intensive infrastructure. For this reason, it is proposed that AIDCO should develop strategic alliances with a limited number of agencies, particularly ILO (EIIP).

One avenue worthy of exploration is ‘delegated cooperation’ with another development agency which has the competence, experience and willingness to implement and manage a substantial employment-intensive programme.

6. Promote coordination and cooperation around the employment dimension within AIDCO and the EC Delegations.

Integration of employment concerns into planning requires a mix of expertise which cannot easily be resourced within a single unit.

Within Commission services and within Delegations, there is scope to improve coordination between infrastructure / operations staff and social development experts. Infrastructure teams should be required to consult with social sectors when designing infrastructure programmes.

7. Promote cross-learning between employment intensive interventions in a humanitarian / social protection context and interventions in the development context of infrastructure programming.

Many of the EC projects where employment intensive approaches are 'core' are a response to crisis situations and as such fall under the responsibility of ECHO and not AIDCO. Both could benefit from improved cross-learning between humanitarian and development-led interventions, and between respective Directorates.

Moreover, given the re-invigoration of interest in employment-intensive approaches as part of 'social safety net' strategies a strong case can be made for increasing the duration of such projects, building capacity and improving the quality of the infrastructure, thereby seeking to increase their effectiveness in long-term poverty alleviation.

8. Recognise the relevance of the Decent Work Agenda to all infrastructure programming, including large-scale, capital-intensive works

It is important that decent terms of employment and working conditions are integrated into contracts and a clear framework established for monitoring and reporting in employment intensive projects. But all investment in infrastructure creates jobs, and the Decent Work Agenda applies equally to infrastructure investments where employment-intensive approaches are not used. The study team strongly propose that employment-intensive works should be perceived as a point of entry to the broader question of decent work in infrastructure works, not its conclusion.

Introduction

1.1 Background

Under-investment in infrastructure and burgeoning unemployment have both been widely identified as key risks to the development of low-income countries in the wake of the global economic crisis.

The 2007 EC Staff Working Document ('Promoting Employment through EU Development Cooperation') proposes that 'there is significant opportunity to create employment through infrastructure programmes'. More recently, the 2009 EC Communication following the Council Conclusions on supporting developing countries in coping with the crisis states that 'the Commission will provide support for labour-intensive infrastructure works and maintenance in order to preserve access to services and to curb likely under-spending on maintenance due to fiscal pressure in developing countries'.

Further, in the current global economic climate, efforts to promote and sustain employment – particularly in lower income countries – have come to the fore. This is reflected in the development of the Global Jobs Pact. In its 2009 presentation to the European Parliament on the Global Jobs Pact[1], ILO highlights the importance of employment-intensive infrastructure, as well as its linkages to 'green jobs' (in labour-based environmental rehabilitation and climate change resilience activities, for instance) and the strong 'multiplier effects' of optimising the employment content of infrastructure investment.

Similarly, in its 2010 survey[2] of employment instruments, the International Labour Conference 'notes that, interestingly, several countries have recognized the importance of increasing the labour intensity of investments in infrastructure, an approach the ILO has long advocated, as a means of increasing employment'.

The relevance of employment promotion through public infrastructure works and creation of common goods has also seen increasing attention from other significant multilateral agencies in recent years, including the World Bank[3] and UNDP[4].

1.2 Project overview

The overarching objective of this project is to analyse how employment and decent work (EDW) objectives have been addressed in EC infrastructure and other non-social sector programmes, in

[1] 'Poverty reduction and jobs creation – Implementing the ILO Global Jobs Pact: The decent work response to the financial and economic crisis' – ILO presentation to the European Parliament, October 2009
[2] International Labour Conference – 99th Session, 2010 – Report III (Part 1B) 'General Survey concerning employment instruments in light of the 2008 Declaration on Social Justice for a Fair Globalization'
[3] In June 2010, the World Bank hosted a major South-South Learning Forum on Public Works: http://go.worldbank.org/GE7HCKW4W0; the World Bank's Social Protection team have undertaken significant recent reviews of experiences in Public Works, including 'How To Make Public Works Work: A Review of the Experiences', May 2009: http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Safety-Nets-DP/0905.pdf
[4] The UNDP-supported International Policy Centre for Inclusive Growth (IPC-IG) has recently issued a significant paper on 'Public Works And Employment Programmes: Towards A Long-Term Development Approach': www.ipc-undp.org/pub/IPCWorkingPaper66.pdf

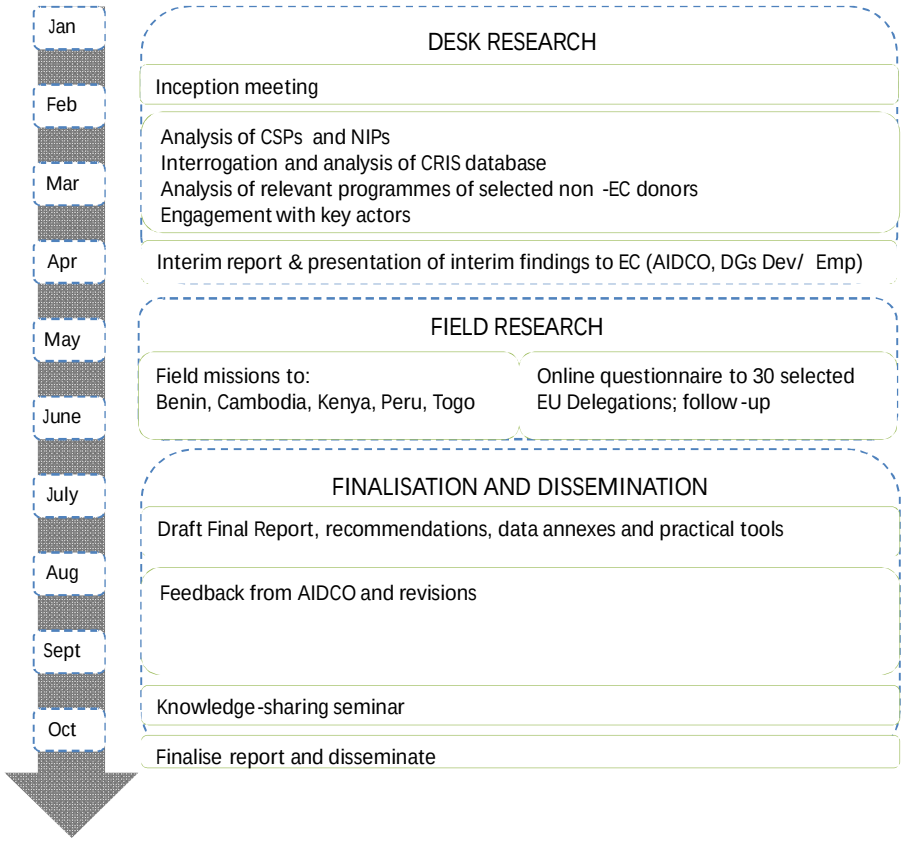
particular the use of employment intensive methods, and how they could be better integrated in the future. The study team's work has therefore focused on three dimensions:

A. Collation of experience to date: understanding the opportunities and challenges of implementing employment-intensive programmes, and collating examples of best practice through: study of EC and non-EC projects and programmes; engagement with AIDCO/RELEX staff, and other key non-EC agencies; field missions to selected countries.
B. Assessment: evaluating the potential means for greater incorporation of employment and decent work concerns in EC infrastructure and other non-social sector programmes.
C. Practical recommendations and tools: providing targeted recommendations for EuropeAid and EC Delegation staff worldwide to take employment and decent work objectives more fully into account in programming activities, and providing practical tools to support this.

A full project overview is given at Annex L.

Through this study we use the term 'employment-intensive approaches' to refer to the economically efficient employment of as great a proportion of labour as is technically feasible, ideally throughout the construction process including the production of materials, to produce a standard of construction that meets the project specification, programme and budget. For a number of activities, an appropriate mix of labour and equipment may be required to provide products of adequate quality in a cost-effective manner.

PROJECT OVERVIEW



2 Employment, infrastructure and poverty

2.1 Approaches to employment generation: the labour-equipment 'mix'

All investment in infrastructure will create employment. Research for the ILO in 2001 [5] found that the high-income countries are responsible for 77% of global construction output, but only 26% of global employment in the construction industry. The position of low-income countries is reversed with 74% of global construction employment and only 23% of global output. This means that the 'employment intensity' of construction activity is already much higher in low-income than in high-income countries[6].

It has been argued that the quantity of employment generated for each unit of investment could be higher still if it was not for the bias towards equipment-based methods and imported inputs on the part of those who make investment decisions in developing countries (clients, lenders, and consultant engineers).

The employment dimension of infrastructure is of particular relevance to EC programming. Many of the low-income countries where EC infrastructure programming is concentrated are characterised by high levels of unemployment and under-employment, and accompanying levels of poverty. For poverty reduction strategies to be successful in this context, the poor must share in the benefits of growth.

Research shows that the greater the employment focus, the more effective economic growth becomes in fighting poverty[7]. It is widely recognised that unemployment and under-employment need to be addressed by active employment generation.

The quantity of employment generated from any given investment depends in the first instance on the amount and composition of the investment (particular sub-sector) but also on the 'technology' employed – where technology is defined to embrace the combination of labour, materials and equipment required to deliver the outputs. Employment may be increased by:

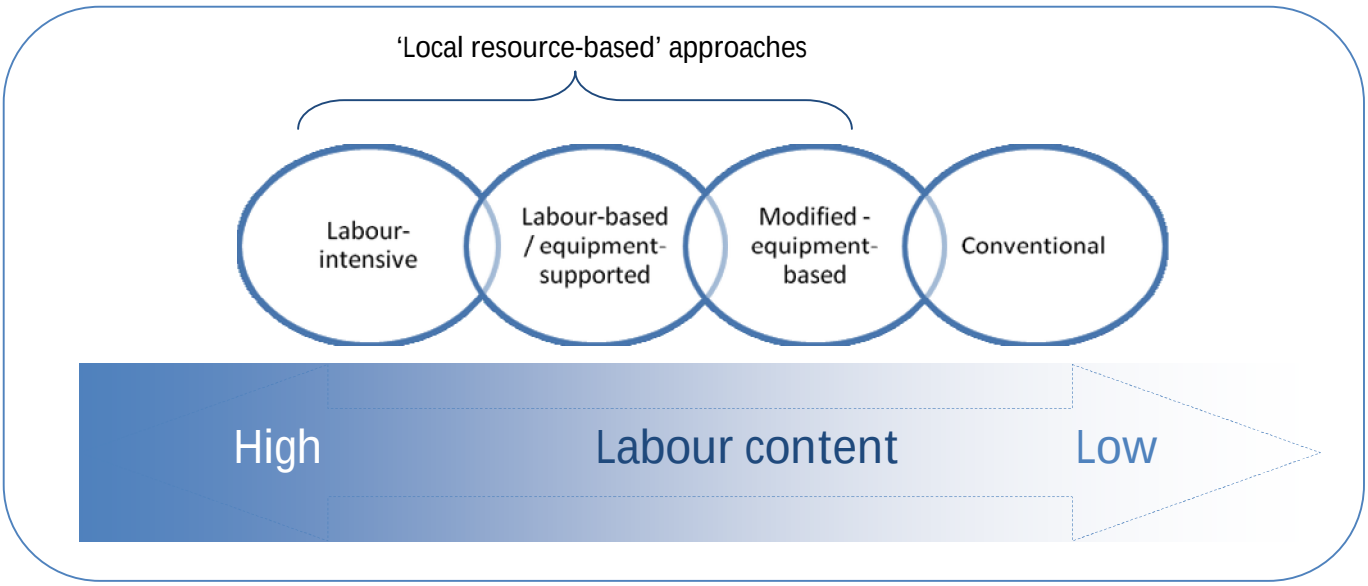
i. changing the labour/equipment balance to favour the use of labour and
ii. procuring inputs of materials and equipment locally.

The required change of technology may be brought about by a conscious policy decision on the part of governments, client, donors and/or their advisers to promote the use of more appropriate technologies (eg through changing the design and specification and/or inserting requirements in contract conditions). It may also be facilitated by releasing some of the constraints to local resource use, for example by contracting with small local enterprises (SMEs) who tend to use local resources more intensively than international contractors. However, training for SMEs on how best to implement employment-intensive work is a continuing requirement.

[5] The construction industry in developing countries: Its image, employment prospects and skill requirements, ILO, Sectoral Activities Programme, Geneva, 2001
[6] Conversely, this means that productivity is much lower: in 1998 average construction output per person employed was US$8,501 in low-income countries compared with US$79, 623 in the high-income countries
[7] See for example: Fighting Poverty: The Development-Employment Link, ed R. Islam, ILO / Lynne Rienner, 2006

The objective of increasing employment in infrastructure projects is probably most closely associated with the work of the International Labour Organisation (ILO). Since the 1970s, the Employment Intensive Investment Programme of the ILO (EIIP[8]) has been promoting employment in infrastructure construction. The ILO strategy has evolved to strengthen public and private sector development emphasising long-term structured policy changes for employment generation, which support the broader agenda for decent work, rather than short-term emergency relief works (Public Works Programmes – PWPs).

The particular focus of ILO EIIP has been on changing the labour/equipment balance by the development and promotion of labour-based technologies. Labour Based (LB) technologies (also known as Labour Based Equipment Supported (LBES) technologies) are defined as technologies where labour is supported by equipment to deliver a technically defined range of infrastructure works to a specified standard. They can usefully be distinguished from Labour-intensive (LI) technologies that use only labour supported by hand tools, such as are generally adopted in PWPs.



A summary of the various possibilities and levels of substitution between labour and equipment is shown in the table below. The typical labour content in the total cost of the project is only indicative, varying with wage rates and the cost of other essential inputs. 'Employment intensive' in this context is a generic term to describe a variety of strategies or programmes to promote employment.

TYPOLOGY OF TECHNOLOGIES

Technology	Abbreviation	Typical project labour content (in total cost)
Equipment based (conventional)	(EB)	5%<15%
Modified-equipment-based	(MEB)	<30%

[8] For a recent overview of EIIP activities, see: 'Mitigating a Jobs Crisis: Innovations in Public Employment Programmes (IPEP)', Maikel Lieuw-Kie-Song and Kate Philip, ILO EIIP, 2010: www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_142973.pdf

Labour-based-equipment-supported	(LBES)	<40%
Labour-intensive	(LI)	<80%

Source: Guidelines for optimizing local employment in infrastructure reconstruction and development programmes in Iraq, ILO, 2005

The fundamental logic of employment-intensive approaches is to optimise the employment share of investments made in various forms of infrastructure, based on a balance between use of labour and use of equipment: labour inputs are prioritised only where they are technically feasible and economically viable, that is cost-effectiveness and quality aspects are ensured. Key limiting factors are the cost and availability of labour and the minimum technical standards required in the built infrastructure. Other issues relate to previous experience with these approaches and the prospect of sustainability.

Several comparative studies have shown that labour-based technologies for rural road construction can prove more cost-effective than equipment-intensive approaches at the market wage rates prevailing in most low-income countries. (Note that these analyses do not include lifecycle costs[9].) Some examples are shown below.

LESOTHO, 2005

Type of road construction	Financial costs (USD/km)
Labour-based	51,000
Equipment-based	81,000

Source: 'Technology Choice: 10 years on: An Update on the Experiences of Lesotho and Zimbabwe with Labour-based Technology', D. Stiedl, February 2005

NICARAGUA, 2009

- On average, the cost per kilometre of rural road rehabilitation using labour-based methods was US$ 22,727 (2008 prices). The estimated cost using machine-based methods was the same in financial terms.
- Unskilled labour represents 47% of the cost using labour-based methods compared with 3% using machine-based methods. Equipment comprises 69% of the cost using machine-based methods compared with 21% using labour-based methods.

Source: 'Comparative Study on Employment Creation and Financial and Economic Costs of Labour-based and Machine-based methods in Rural Roads in Nicaragua', IT Transport, May 2009

[9] Comparative costs analysis of employment-intensive infrastructure programmes often distinguishes between 'financial costs' and 'economic costs', where the former represents the actual market price of the transaction and the latter reflects the costs to the economy and to society, using 'shadow prices' which reflect the social value of the intervention. Only financial costs are cited here, as these are the costs to be covered by the funding agency.

CAMBODIA, 2003

Weighted average cost of gravel roads in Cambodia

Average labour-based	Average equipment-based
• ADB Rural Infrastructure Improvement Project (contracts): 77km@ 11,116 USD/km • ILO Upstream Project (force account): 36km @ 13,733 UDS/km • ADB Rural Infrastructure Improvement Project (force account): 525km @ 14,663 USD/km • ILO Upstream Project (contracts): 7km @ 16,732 UDS/km	• DPWT Urban Road Restoration Project (contracts): 12km @ 20,678 USD/km • MPWT Primary Road Restoration Project (contracts): 438km @ 19,121 USD/km • MPWT Rehabilitation Emergency Project (force account): 438km @ 15,528 USD/km • Norwegian Peoples Aid / Action Nord Sud (contracts): 48km @ 12,356 USD/km

Source: 'Jobs or Machines: Comparative Analysis of Rural Road Work in Cambodia', ASIST-AP / ILO, Bangkok, 2003

Virtually all construction projects comprise at least some elements (work items) where labour-based or labour-intensive methods could be used. What follows is an overview of the forms of infrastructure – and other non-social sector – interventions where labour-intensive approaches have been successfully deployed, based on the study team's review of EC and non-EC projects.

WORK ITEMS AMENABLE TO EMPLOYMENT-INTENSIVE APPROACHES[10]

SECTOR	WORK ITEM	TECHNOLOGY
Roads	• Secondary and tertiary roads construction, rehabilitation and maintenance	Gravel, earth, culverts, bridges
	• Components of major roads	Clearing drains, cutting grass on verges
	• Urban roads	Concrete, block or stone pavement
	• Road sub-grades	Lime/cement stabilisation
Water and Irrigation	• Small to medium sized dams	Rubble masonry concrete
	• Water collection and storage systems	Cleaning and rehabilitation of wells and water tanks
	• Watershed protection, soil conservation and environmental protection works	Vegetative barriers, stream bank protection
	• River and sea retaining walls	Structures filled with local stones
	• Drainage works	Constructing and clearing drains
Forestry	• Re-forestation projects in natural forest, homesteads or plantations	Planting and watering, tree nurseries
Buildings	• Health sector programmes (hospitals, health centres)	Labour based activities on site: • Hand clearing of site, in situ concrete using hand crushed aggregates, hand feeding concrete mixers and hand placing concrete Materials sourced/produced locally: • Hand dressed stone, timber products , recycled steel items, tiles
	• Education programmes (schools, teachers' accommodation)	
	• Government offices and other public sector buildings	

[10] See also list of amenable activities at para.6, Annex 2: 'Public Works And Employment Programmes: Towards A Long-Term Development Approach', IPC-IG Working Paper 66 June, United Nations Development Programme, 2010 : www.ipc-undp.org/pub/IPCWorkingPaper66.pdf

Global experience with labour-based (LB) technologies of most donors, and certainly that of ILO-EIIP, has to date been mainly in rural (gravel and earth) road construction and maintenance projects, where the use of labour-based methods can generate up to five times the employment of equipment based methods and with considerable savings in foreign exchange. This approach is still relevant and a major plank in the ILO-EIIP programme.

However, in the past 5 – 10 years both the range of technologies and the approaches (in ILO and other agencies) have evolved to embrace a broader series of activities – including some non-infrastructure activities – and a broader emphasis on local resources (including working with local contractors and sourcing local products) and local participatory planning. The following boxes demonstrate some of the key trends bearing on employment-intensive approaches to infrastructure.

EXTENDING THE SCOPE OF EMPLOYMENT-INTENSIVE ACTIVITIES

- use of labour-based methods in irrigation, forestry (including environmental rehabilitation through re-forestation), water supply projects and extension of the range of technologies for road construction
- employment creation in urban areas through infrastructure or settlement upgrading (eg World Bank Community Infrastructure upgrading programmes, UN-Habitat urban slum upgrading)
- developing an express role for employment-intensive approaches in post-conflict as well as post-disaster contexts (eg rehabilitation of former combatants)

DRAWING MORE BROADLY ON LOCAL RESOURCES

- involving communities in project identification, planning, procurement and actual construction in both rural and urban areas
- greater use of local resources of labour and materials ('local content') through involvement of small and medium enterprises (SMEs)
- changes to the procurement and contracting system to facilitate involvement of SMEs and micro-enterprises (cf. AGETIP experience in francophone Africa) – this includes redesigning contracts into smaller units which small contractors can bid for; simplifying, speeding up and making contract award procedures transparent; producing lighter contract documentation (tendering and bidding documents, bills of quantities); including local content clauses in contract specifications such as use of local materials (crucial for linkages between sectors and multiplier effects), participation of communities

INCORPORATING LABOUR RIGHTS INTO PROGRAMME DESIGN AND MONITORING (MORE AND BETTER JOBS)

- ILO-EIIP focus on fair wages and equal access to work
- incorporation of labour standards as standards for contract performance (eg International Finance Corporation Performance Standard 2 ("PS2"), incorporated into Equator Principles)
- changes in procurement to promote respect for labour standards (note labour clauses in new Multilateral Development Bank 2010 harmonised version of FIDIC contract conditions)

GREATER INVOLVEMENT OF PRIVATE SECTOR CONTRACTORS

- Originally much of the work in employment-intensive infrastructure was by direct labour/ force account ('force account' or 'own account' labour describes a situation where the client undertakes construction with directly-employed labour and directly-purchased materials)
- The shift to the private sector entails:
  - → the need to build skills and develop a cadre of labour-based contractors and provide them with work
  - → institutional changes are required – simpler contracts, prompt payment regimes
  - → less control over wages and labour standards means increased importance of monitoring

DECENTRALISATION – KEY TASKS DELEGATED TO LOCAL AUTHORITIES

- With the decentralisation of procurement local authorities assume major role as clients
- expertise to manage programmes at local level may be lacking and has to be developed
- decentralisation of responsibilities not always accompanied by devolution of funds
- local authorities often reluctant to take on responsibility for maintenance

MAINSTREAMING EMPLOYMENT GENERATION INTO NATIONAL POLICIES AND PROGRAMMES

- an ongoing concern that is very relevant in the context of EC and other donors moving to (sector) budget support and sector dialogue
- creation of continuous work for labour based contractors requires on-going programmes
- new roles for donors in supporting government attempts to influence investment and build capacity for implementation

2.2 The functioning of the labour market

Employment and job creation are increasingly recognized as being central to poverty reduction. This is plainly reflected in MDG 1 ('Eradicate extreme poverty and hunger'), which includes the following Target 1b: "Achieve full and productive employment and decent work for all, including women and young people"[11].

The effective functioning of the labour market is a central factor linking the economy to the well-being of individuals and households. In many instances, however, labour markets do not provide sufficient jobs for all those who wish to work. As noted above, many of the low-income countries where EC development assistance focuses on infrastructure are characterised by chronic unemployment and underemployment and widespread poverty – a situation which has been exacerbated by the impacts of the global financial crisis. This section presents a summary overview of some of the key labour market dysfunctions to which employment–intensive approaches seek to respond[12].

TEMPORARY LABOUR MARKET OR LIVELIHOODS DISRUPTION

Temporary labour market or livelihoods disruptions may result from natural disasters (droughts, floods or hurricanes) or man-made disasters, such as conflict or economic downturns. Such events entail a period of elevated unemployment and/or significant livelihoods disturbance, which leaves the affected population with a pressing need for basic income to cope with heightened risks for a defined period of time.

LONG-TERM ABSENCE OF INCOME-GENERATING OPPORTUNITIES

In many low income countries, and in many of the ACP states where much EC infrastructure support is concentrated, labour supply greatly outstrips demand and a very high proportion of the labour force have only a marginal attachment to work. Official unemployment figures may not capture the full extent of joblessness, as official measures include only those adults who are: i. without work, ii. available for work, and iii. looking for work. The relaxed standard definition requires only i. and ii. and is hence more appropriate in low income countries where work is so scarce that many are no longer looking.

A significant proportion of unemployment in these countries is structural: that is, it derives from an absence of income-earning opportunities, not solely from imbalance in the demand and supply of skills. In addition to the lack of opportunities for paid employment, opportunities to engage in productive activities through self-employment in farming or in small businesses may also be highly constrained, not least due to lack of cash for investment. In many cases the problem is compounded by serious infrastructure and service delivery deficits which mean lack of access to markets or to water or energy.

UNDER-EMPLOYMENT

'Under-employment' describes the under-utilisation of labour relating to: skilled individuals undertaking tasks which do not draw on their skills; intentional or tacit overstaffing, particularly in

[11] See indicators for MDG Target 1b at: www.undp.org/mdg/goal1.shtml

[12] A more developed overview of labour market dysfunction is given in : 'Mitigating a Jobs Crisis: Innovations in Public Employment Programmes (IPEP)', Maikel Lieuw-Kie-Song and Kate Philip, ILO EIIP, 2010: www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_142973.pdf

the public sector; involuntary part-time or occasional work due to lack of labour market demand, or demand for the goods or services produced by those in self-employment.

An additional significant concern – particularly in rural labour markets highly dependent on agricultural production – is underemployment due to seasonality of agricultural employment.

Under-employment is a key issue in many countries of relevance to this guide, with many people engaged only in part-time, seasonal or occasional work due to lack of labour market demand.

YOUTH UN(DER)EMPLOYMENT

Youth un(der)employment is a particularly pernicious phenomenon, as without practical working experience young workers' skills and qualifications are not consolidated. Youth unemployment is a particular problem in urban areas and in post-conflict situations. For instance, the Timor Leste EU Delegation explains its support for employment-intensive infrastructure in light of "high youth unemployment [which] is one of the underlying causes of conflict and instability" [survey response].

In developing any employment-intensive intervention, then, a key factor is to understand the labour market context in which the project will be implemented.

2.3 A 'typology' of employment-intensive interventions

Different forms of un(der)employment require different responses. Hence a useful way of categorising employment-intensive infrastructure interventions relates to the objective of the intervention and the problem is seeks to address . The 'typology' presented below is adapted from recent work undertaken by McCord (ODI 2008, 2009), based on an assessment of 167 employment-intensive Public Works Programmes in sub-Saharan Africa. The broad schema is consistent both with this study's review of some 45 EC projects and 79 non-EC projects and programmes worldwide – presented at Section 3 below – and with a recent World Bank review of public works projects in some 30 countries globally[13].

The typology has been subsequently utilised by UNDP (IPC-IG, 2010). It necessarily reflects a generalised categorisation, but serves well to explain some key success factors and some key challenges. Three main types of employment-intensive approach have been identified as relevant to this study – labelled A, B and C in Figure 1 below. (Type D is principally relevant to higher income countries, and is not discussed in detail here.)

TYPE A: SHORT-TERM EMPLOYMENT

Type A interventions are generally adopted in a post-disaster situation, be it man-made (eg conflict) or natural. In these situations, it is necessary to act quickly to provide employment in order to sustain basic livelihoods, particularly where revenue-generating activities have been disturbed or halted by the events in question.

As ILO notes with regard to Iraq, "the peace dividend in all countries emerging from conflict is the expectation of new and improved opportunities for employment and livelihoods, and without these peace and stability cannot take root"[14]. Indeed, our analysis suggests that around one half of all EC

[13] 'How To Make Public Works Work: A Review of the Experiences', May 2009

[14] Mike Shone, Guidelines for optimizing local employment in infrastructure reconstruction and development programmes in Iraq, ILO, 2005

interventions which incorporate employment-intensive methods respond to post-conflict reconstruction needs, and often include a strong reconciliation element . (More detail is presented in Section 3).

In many cases, an immediate employment response to crisis situations is a food-for-work or cash-for-work programme (eg PWPs – Public Works Programmes). These programmes serve a purpose of alleviating acute suffering and contributing to maintaining the peace in the case of post-conflict situations. However, as the project is planned and implemented in a short space of time and may use only labour and no equipment (wholly 'labour intensive'[15]), the resulting assets may not be of optimal quality, not part of a planned programme and may be poorly maintained.

TYPE B: GOVERNMENT EMPLOYMENT PROGRAMMES

These are programmes where Governments invest in creating employment for the poor, guaranteeing a minimum duration of employment each year (as in India) or on a seasonal basis (as planned in Cambodia). Employment in public works may be a component of these programmes, but construction is not necessarily seen as the only, or the best, vehicle for delivering jobs. Programmes may also include cash transfer.

Clearly substantial funds will be needed to offer this type of social protection at scale. While donors may contribute, such schemes may be most appropriate in economies experiencing significant growth, where they can be used to address the challenge of increasing inequality that generally accompanies economic growth. The programme Construyendo Perú which is described in Section 3 could be seen as an example of this type of initiative.

TYPE C: LABOUR INTENSIFICATION

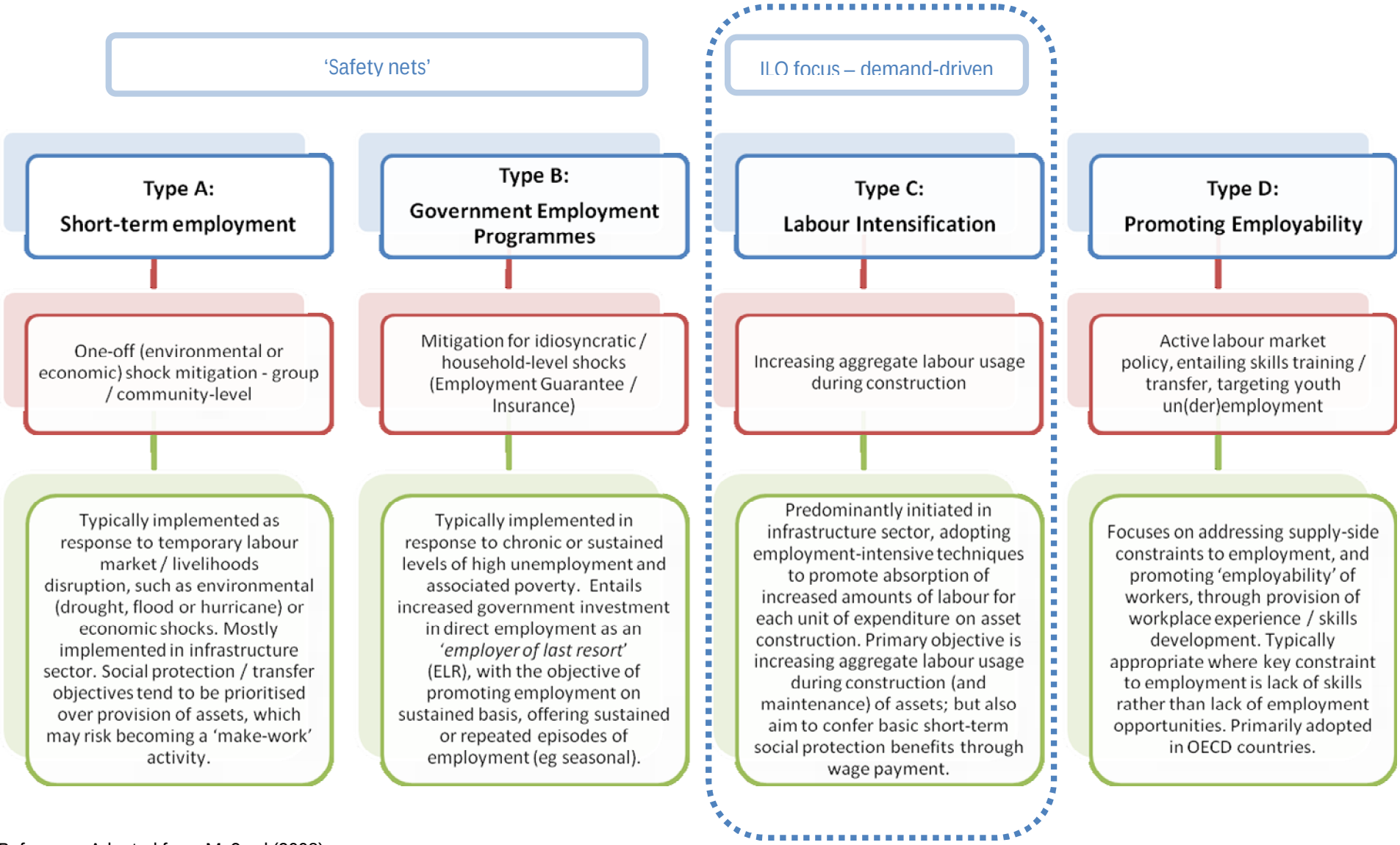
Type C interventions are the most broadly applicable and sustainable employment-intensive interventions as they focus on mainstreaming labour-based technologies into existing and future infrastructure plans.

Type C interventions best describe the logic and objectives of the programmes supported by the ILO-EIIP, which has moved significantly toward a role of providing technical assistance and expertise in response to demand from partner governments.

This approach could be seen to be appropriate in any low-wage economy, but may bring particularly significant benefits in situations of chronic unemployment and under-employment in stagnant or slow growing economies, characteristics exhibited by many of the low-income countries where EC development assistance focuses on infrastructure.

[15] Some observers would say that such projects are more accurately described as labour extensive – that is, the emphasis is on the size of the labour force with scant concern for either product or productivity. See McCutcheon, R. 'The generation of productive employment opportunities for the unskilled: principles, potential and pitfalls of labour-intensive construction' – 10th Path to Full Employment Conference / 15th National Unemployment Conference, 4-5 December 2008, Centre of Full Employment and Equity (CofFEE), University of Newcastle, Australia, 2008 www.robert-mccutcheon.com/resources/Newcastle%20CofFEE%2008%20RM%20Generation%2010Dec08.pdf

FIGURE 1: EMPLOYMENT-INTENSIVE INVESTMENTS: TYPOLOGY



Reference: Adapted from McCord (2008)

2.4 The link to poverty alleviation

There is comprehensive evidence that employment-intensive methods employ significantly more labour than alternatives, with positive gender impacts. A recent example is the comprehensive evaluation of Danida's rural roads programme in Nicaragua.

NICARAGUA, 2009
"For rural road rehabilitation, using labour-based methods instead of machine-based methods generates 17 times more employment. On average, 30% of this employment is for women."
Source: 'Comparative Study on Employment Creation and Financial and Economic Costs of Labour-based and Machine-based methods in Rural Roads in Nicaragua', May 2009, IT Transport / Danida

Evidently, there are manifold potential links here between employment-intensive approaches to infrastructure, asset creation and poverty alleviation. In order to provide a clearer picture of all aspects of the poverty reduction potential of such approaches, this section attempts to break down these complex links as follows:

A. Short-term direct effects: direct employment and revenue-generating opportunities

B. Short-term indirect effects: indirect employment creation

C. Long-term effects: chronic poverty alleviation effects

A. SHORT-TERM DIRECT EFFECTS

The most immediate poverty-alleviating effect of any investment in infrastructure is the local employment created in its construction, improvement and subsequent maintenance. Employment-intensive methods entail the creation of an optimal number of unskilled and low-skilled jobs, which are readily accessible by individuals with low levels of education or training, both in urban and rural contexts. If suitably targeted, the poor can benefit directly through earnings from these revenue-generating activities. Optimising these benefits depends on the extent to which the activities are:

- employment-intensive
- located in areas containing significant numbers of the poor, and
- managed in a way that the poorest are targeted efficiently (eg through appropriate wage-setting).

Several project evaluation and impact studies have found evidence in support of the operation of a 'self-targeting' mechanism in employment-intensive works – namely, that most of the unskilled labour is carried out by the poorer groups since the (market) wage rates offered by the contractors does not attract the better-off. On the other hand, a study in Cambodia found that the poorest households have a high dependency ratio with few adults available for work[16]. The poorest households may therefore be unable to take advantage of the opportunity for employment created

[16] Employment in ILO supported road construction and maintenance: The impact of wage earning on workers: (study for the ILO Technical assistance to the labour-based rural infrastructure works programme "Upstream project") Judith Zweers and Alebachew Kassie, Center for Advanced study, Phnom Penh,2000

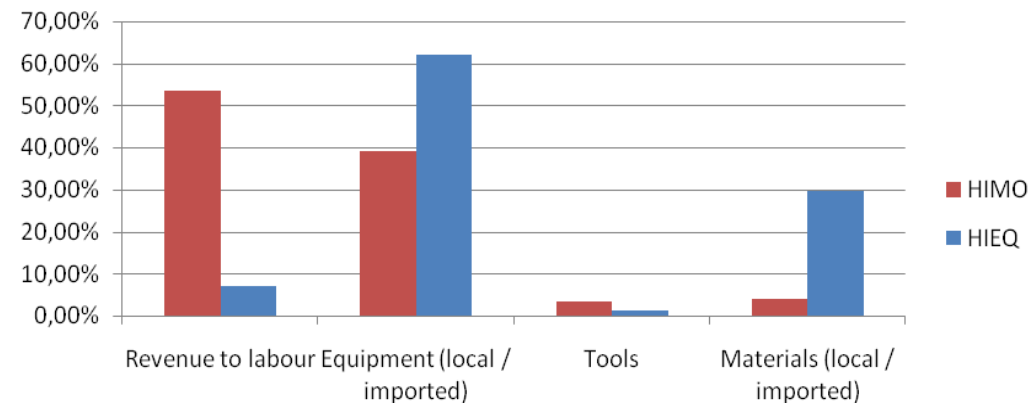
by the infrastructure investment (in this instance, rural roads). Alternatively, they may be obliged to employ others to undertake their normal duties (eg farming) in order to release adults for work on the road. Evidently, the relative benefit of incomes derived from employment-intensive works depends on the opportunity cost of labour – that is the value of the income foregone in order to participate in the employment-intensive works.

B. SHORT-TERM INDIRECT EFFECTS

There are potential backward and forward linkages to any investment. The strength of these linkages will depend on the way in which the invested funds are spent. Below is an illustration from Cameroon which presents the relative allocation of funds for an employment-intensive versus a capital-intensive infrastructure investment. It should be noted that over 50% of HIMO investment accrues to labour, while materials and equipment costs of HIMO methods are lower.

CAMEROON, 2009

Cost structure of capital-intensive (HIEQ) versus labour-intensive (HIMO) investment



Source : Samuel Yemene, 'Evaluation de l'emploi dans le secteur des infrastructures: cas du Cameroun', 13th Regional Seminar For Labour-Based Practitioners, Kampala, 30 November – 4 December, 2009

'Backward linkages' from investments relate to the sourcing of materials and equipment. In the majority of countries where employment-intensive approaches are appropriate, equipment is generally imported; it is materials that are locally supplied. However, as the example from Cameroon demonstrates (and this is supported by other case studies) expenditure on materials in road construction is likely to be lower when using labour-based methods, as materials are sourced on or near to the site and the cost is included in the labour rates. Moreover, the choice of employment-intensive or equipment-based methods will likely reflect different specifications, with HIMO methods more likely to be deployed on earth or gravel roads, whereas equipment-based methods are more likely on sealed roads.

While backward linkages may be of limited significance, immediate forward linkages – through workers spending their wages in the local economy – may well be substantial.

Quantitative estimates of the multiplier effects of expenditure by workers employed on labour based infrastructure projects on demand and investment in the economy as a whole have been made in studies in Nepal, Rwanda and Madagascar, supported by the ILO-EIIP. Typically, assuming

imported consumer goods to account for 15 to 25% and a marginal propensity to consume of 60% to 80%, the multiplier would be in the range of 1.5-2.8.

Below is a recent example (2006) of a simulation tool used to inform planning in Benin, which seeks to draw together indirect economic impacts of employment-intensive infrastructure. According to the simulation[17], for a FCFA 5bn (USD 11.8m) investment in rural infrastructure, the use of local resources (labour, tools, materials) for rural road rehabilitation directly generates 12 times more direct jobs than the mechanised equivalent, with each direct job created entailing the creation of 4.1 indirect jobs.

BENIN, 2006 - MACRO-ECONOMIC SIMULATION OF MULTIPLIER EFFECTS OF EMPLOYMENT-INTENSIVE INVESTMENT

In millions / FCFA	Equipment-based			Labour-intensive		
	Total	Direct Effect	Indirect Effect	Total	Direct Effect	Indirect Effect
GNP	6,483	380	6,104	12,822	2,614	10,208
Household consumption	6,331	329	6,003	12,555	2,265	10,290
Gross household Income	7,306	380	6,926	14,488	2,614	11,874
Private Investment	6,080	66	6,014	7,154	454	6,700
Public deficit	-3,148	-4,633	1,485	-2,693	-4,723	2,031
Investment Expenditure	5,000	5,000	0	5,000	5,000	0
Revenue	1,852	367	1,485	2,307	277	2,031
Taxes / consumption	666	79	588	944	35	910
Taxes / foreign trade	960	277	683	915	161	754
Taxes / income	226	12	214	448	81	367
Balance of payments	-8,566	-2,472	-6,093	-8,165	-1,440	-6,275
Imports	8,566	2,472	6,093	8,165	1,440	6,275
Employment creation (full-time equivalents)	13,641	425	13,216	25,851	5,042	20,809
Multiplier	1.29			2.56		

Source: Rapport sur le profil social national : Emploi et Pauvreté, Edition 2006, Observatoire du changement social, Ministère du développement de l'économie et des finances, Benin

C. LONG TERM EFFECTS – POVERTY ALLEVIATION

The longer term contribution of employment–intensive infrastructure investments to the alleviation of chronic poverty is much less clear. For the poor to work themselves out of poverty an extended period of productive employment is required. This could be provided either in the construction or maintenance of assets or through the creation of alternative income and employment opportunities (for instance, by the workers reinvesting their wages in farming or business) facilitated by the asset itself. The link to poverty alleviation is either direct – through the employment created – or indirect, through the asset. Each possibility will be examined in turn.

[17] Fixed-price input output model – for equivalent methodology see: www.oit.org/public/french/region/afpro/yaounde/download/coop/pn2r/evalemploi2010.pdf

CONTINUITY OF EMPLOYMENT

Construction work on any particular project is temporary, so employment opportunities in the construction of infrastructure in any one locality will necessarily be short-term. To create on-going employment in infrastructure construction requires a continuous programme of new construction/ rehabilitation and this will inevitably require mobility on the part of the workers (with the possible exception of urban construction). There is evidence from a number of countries[18] that contractors seek to develop a more permanent semi-skilled workforce with continuous employment for the most committed and able workers and this is inevitably accompanied by migration (from rural to urban areas, from one part of the country to another, or even to overseas). For this reason it may be resisted as it means the breakdown of the model of creating employment for local communities living in the vicinity of the asset and involving the beneficiaries in the planning, implementation and maintenance. Indeed, the Danida-supported employment intensive rural roads rehabilitation programme in southern Benin has become a 'victim of its own success' in this regard, with trained and experienced workers from one project area travelling to work on other rehabilitation sites in neighbouring regions.

Investment in routine maintenance is the best (and probably the only) way to create on-going employment for people in the vicinity of the works, albeit at a lower level than in new construction or rehabilitation. This is the most worthwhile objective but seldom achieved in practice. Examples of regular employment provided to those living alongside the road through routine maintenance have been particularly hard to find. But an excellent example, based on support from the EC, can be found in Sao Tome and Principe, which is described in detail in Section 3). Another example can be found in Peru in the project '(micro-enterprises for road maintenance'. But it is generally recognised that building a maintenance system faces many challenges and requires donor involvement over a protracted period of time.

OTHER INCOME-EARNING OPPORTUNITIES

The re-investment of wages in subsequent income-generating activities beyond the duration of the project depends on the capacity of the worker to save and/or invest beyond immediate household needs. Some expenditure surveys among workers, described in the boxes below, indicate that the main share of wages paid is spent on immediate consumption requirements. When programmes are targeting the poorest sections of society, this means the consumption of food.

[18] Employment in ILO supported road construction and maintenance: The impact of wage earning on workers: (study for the ILO Technical assistance to the labour-based rural infrastructure works programme "Upstream project") Judith Zweers and Alebachew Kassie, Center for Advanced study, Phnom Penh,2000

USE OF EARNINGS FROM EMPLOYMENT-INTENSIVE WORKS: BENIN

The 2006 'Socio-Economic Impact Assessment' of Danida's PASR rural roads sub-project in Benin included a household survey covering 260 men and 140 women in the Zou department engaged in the employment-intensive rural road rehabilitation works:

- 83.5% (234 persons) of those surveyed (and who participated in the construction works) stated that they spent the income primarily on basic needs, particularly household food expenses
- 9.4% said that they invested the income in the diversification of their economic activities (small business, livestock)
- 7.8% stated that they used the income earned on the rehabilitation sites to strengthen their production capacity
- 6.4% said that they gave priority to spending the income on the acquisition of material goods (especially bicycles and motorcycles)
- The remaining interviewees intended to use the income earned for other purposes (socio-cultural prestige expenses, improvement of livelihoods)

Reference: Ministère des Affaires Etrangères – Danida, Etude d'Impact socio-économique de Réhabilitation des Pistes Rurales au Bénin, Septembre 2006

USE OF EARNINGS FROM EMPLOYMENT-INTENSIVE WORKS: RWANDA

A survey of some 585 former EI project workers was undertaken in Rwanda in 2009, as a means of evaluating the impact of the employment-intensive components of two EC-funded programmes: PARES and DPRP, focusing on two sub-projects – the rehabilitation of the Kabuga – Runyonza – Mulindi road, and the rehabilitation of the Mpazi ravine.

The study suggests that the employment-intensive projects contributed significantly to increasing incomes of workers during the project duration, but that there is no evidence of the persistence of this increase in incomes post-project. Some 60% of women workers interviewed and 47% of men confirmed that they had been able to save some earnings; however, only 22% of interviewees had maintained these savings at the time of the survey. In addition, whereas savings were primarily intended to be used as capital for starting income-generating activities, the study notes that it was used primarily for clothing (94%), food (92%), payment of the mutual health insurance (84.3%); 41% was used to service existing debts. In terms of income-generating activities, 18% of interviewees invested in livestock, 16% started a (micro-) business and 10% developed an existing business.

Reference: « Evaluation et analyse ECOFIN conjointes des programmes d'appui à la réinsertion économique et sociale des démobilisés de la ville de Kigali (PARES) et de la partie HIMO du volet 'Soutien aux districts' du DPRPR », Contrat Spécifique n° 2009/201548, Juin 2009, Rapport Final

However, even if the poorest are unable to save in order to invest in income generating activities, they may still benefit from investment made by others in response to the opportunities opened up by the infrastructure assets. Rural roads provide access to markets for farmers: irrigation systems provide water in times of drought. There is substantial evidence that the provision of access (or water) alone can serve as a powerful catalyst to the expansion of productive activity. When the asset created by investment in infrastructure is a road, the benefits go beyond the purely economic. Roads provide access, without which rural communities face much greater obstacles in obtaining health, education and other social services; they are also saddled with a large amount of unproductive time spent simply in meeting their daily needs[19].

Where lack of access to market (or water for irrigation) was the only factor inhibiting the development of productive activities in the agriculture or other sectors, the expansion in output and employment may occur spontaneously. In fact, the economic activity generated by the completion of the asset alone has been the focus of most of the impact evaluation studies reviewed.

The development of productive activities may, however, be held back by other missing inputs or services (such as agricultural extension services, seeds, fertiliser, water, loans to SMEs, business skills) and these may need to be channelled to the affected communities before the creative energies of the local population can be released.

Understanding of the local context is essential in identifying the need for complementary services. These could be provided through a multi-sector project which may then become an agriculture, environment, or private sector development project, with the infrastructure focus subsidiary. A prime example here would be the Malawi Income Generating Public Works Programme – IGPWP. Alternatively they could be provided through cooperation with other donor agencies or the local government.

FORGING STRONGER LINKS BETWEEN EMPLOYMENT-INTENSIVE INFRASTRUCTURE AND POVERTY REDUCTION

The conclusion emerges that programmes to construct quality infrastructure assets while creating employment through labour intensification have the potential to alleviate poverty in countries with chronic un(der)employment, provided that the following four conditions exists:

1. They are part of a continuous programme of employment-intensive infrastructure construction/rehabilitation over a period of years
2. They succeed in introducing and sustaining a programme to maintain the assets created using employment-intensive methods
3. The assets created are of high quality and support productive activities and sustainable livelihoods on the part of the poor, and

[19] 'Wasted Time: The Price of Poor Access', Geoff Edmonds, Development Policies Department, International Labour Office, Geneva, 1999

4. If necessary, the construction of assets is accompanied by the delivery of complementary inputs (seeds, fertilizer) and services (agricultural extension, business development) that may be needed for the development of sustainable livelihoods.

3 EC policy, programming and procedure relating to employment-intensive infrastructure

This section describes the findings of the desk research on EC employment-intensive infrastructure interventions, commencing with the policy framework established within programming documents, and continuing by identifying and profiling key employment-intensive interventions supported by EC since 2000. The section concludes with an overview of the application of EC development cooperation approaches and modalities in the context of employment-intensive infrastructure.

As noted in the introduction, the EC has ongoing and high-level commitments to promote employment promotion as a cross-cutting issue to be integrated across its development aid, including in the infrastructure sector, and particularly through the form of employment-intensive investments in this sector.

The translation of these policy commitments into identification, formulation and implementation of projects and programmes is effected through the establishment of programming priorities – in the form of response strategies indicated in Country (or Regional) Strategy Papers (CSP) and National Indicative Programmes (NIP). It is therefore relevant to start with an analysis of the extent to which these programming documents integrate employment promotion in infrastructure (and other non-social sector) development assistance, and more specifically, employment-intensive approaches to infrastructure.

3.1 The infrastructure–employment axis in EC programming

Reviewing 115 CSP and NIP documents for the two most recent rounds (2002-2006 or 2007-2013), the study team identified 61 countries for which the EC response strategy has a focus on infrastructure development (for either programming period).

COUNTRIES WHERE CSP/NIP IDENTIFIES INFRASTRUCTURE DEVELOPMENT AS EC FOCUS

Algeria	Dominica	Lebanon	Rwanda
Bahamas	Eritrea	Lesotho	Sao Tome e Principe
Belize	Ethiopia	Liberia	Senegal
Benin	Gabon	Madagascar	Sierra Leone
Burkina Faso	Gambia	Malawi	Solomon Islands
Burundi	Ghana	Mali	Somalia
Cambodia	Grenada	Mauritania	Sri Lanka
Cameroon	Guatemala	Morocco	Suriname
Cape Verde	Guinea Bissau	Mozambique	Syrian Arab Republic
CAR	Guyana	Nepal	Tanzania
Chad	Haiti	Niger	Timor-Leste
Comoros	Jamaica	Pakistan	Togo
Congo (Brazzaville)	Jordan	Panama	Uganda
Congo (Dem. Rep)	Kenya	Papua New Guinea	Ukraine
Cote d'Ivoire	Lao PDR	Peru	Yemen
			Zambia

There were 13 countries which were initially identified as relevant – primarily in view of other donors' employment-intensive infrastructure activities – but where CSP/NIP documents did not indicate an EC development focus on infrastructure: Azerbaijan, Bangladesh, Botswana, Costa Rica, Egypt, Honduras, Indonesia[20], Namibia, Nicaragua, Paraguay, Philippines, South Africa and Vanuatu. Note that this list includes several countries where other key agencies – particularly ILO-EIIP – have (or have had) significant employment-intensive infrastructure programmes. For instance – ILO-EIIP has made some of its most significant advances in Indonesia, Philippines and South Africa; Danida has undertaken substantial labour-based rural road rehabilitation in Nicaragua.

At this point, two direct consequences were recognised for the study: firstly, that some of the most significant experience of relevant non-EC agencies potentially lay outside the immediate geographical scope of the study, which aimed to follow the contours of EC development assistance priorities; secondly, that the absence of these countries restricted the geographical spread of subsequent analysis, particularly as regards (South East) Asia and Latin America, where infrastructure is not generally a programming priority for EC development cooperation.

For these reasons, and in order to present a truly global picture, the study team gave additional attention to its parallel analysis of other (non-EC) donor's experiences worldwide (see below).

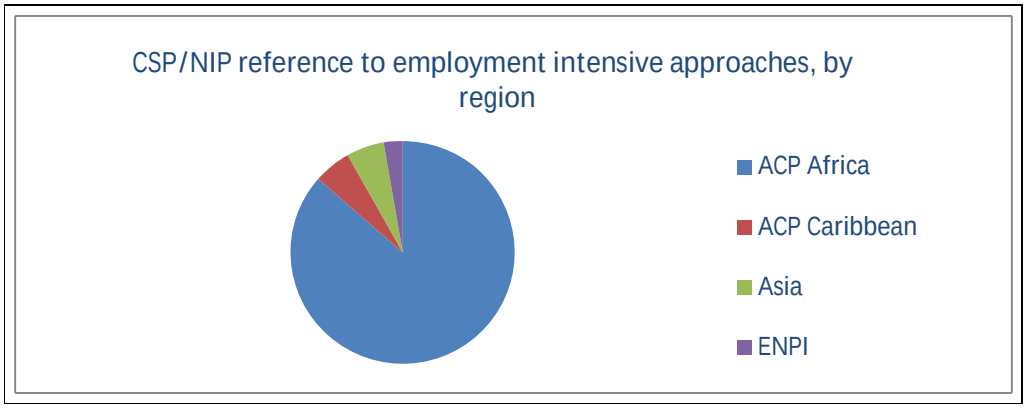
Employment-intensive infrastructure as a focal area in programming

Of the 61 countries where infrastructure development was identified as a programming priority, employment-intensive approaches to infrastructure were nominated as a core EC objective in 24 CSPs/NIPs.

Benin	Haiti	Rwanda
Burundi	Kenya	Sao Tome e Principe
Cameroon	Lao	Senegal
Central African Republic	Lesotho	Sierra Leone
Congo (Brazzaville)	Liberia	Suriname
Cote d'Ivoire	Malawi	Tanzania
Eritrea	Morocco	Togo
Ghana	Namibia	Uganda

The geographical distribution of these partner countries is set out below, and reveals a strong concentration in Africa. Employment-intensive approaches are also referenced in CSP/NIP as part of the national government strategy in 17 of the 24 countries, and are referenced as part of the programmes implemented by other donors in 8 countries (see Annex B and C).

[20] It is however noted that the EC has played a lead role within the Multi-Donor Trust Fund for the post-tsunami reconstruction of Aceh, supporting several employment-intensive reconstruction programmes.


CSP/NIP reference to employment intensive approaches, by region
ACP Africa
ACP Caribbean
Asia
ENPI

EMPLOYMENT-INTENSIVE INFRASTRUCTURE AS A SHARED STRATEGIC PRIORITY

At this stage of our analysis, we were able to identify a number of countries where the CSP/NIP documents indicate that employment-intensive infrastructure is a priority for both EC and national government (as part of the national development strategy). These countries are:

- Benin, Cameroon, Central African Republic, Congo (Brazzaville), Kenya, Rwanda, Sierra Leone and Uganda

Note that this list is partial to the extent that it reflects only the references made to national government strategic objectives in CSP and NIP documentation.

'Gap analysis' of EC programming focus on employment-intensive infrastructure

Of the 61 countries where CSP/NIPs indicate that infrastructure is an EC focus, there are 38 countries whose CSP/NIPs state that employment-intensive approaches to infrastructure are not a focus for EC interventions:

Algeria, Bahamas, Belize, Burkina Faso, Cambodia, Cape Verde, Chad, Comoros, Congo (DRC), Dominica, Ethiopia, Gabon, Gambia, Grenada, Guatemala, Guinea Bissau, Guyana, Jamaica, Jordan, Lebanon, Madagascar, Mali, Mauritania, Mozambique, Nepal, Niger, Pakistan, Panama, Papua New Guinea, Peru, Solomon Islands, Somalia, Sri Lanka, Syrian Arab Republic, Timor-Leste, Ukraine, Yemen and Zambia.

This is significant because these countries include several where employment-intensive approaches to infrastructure are well-established by other donors and/or by national government. Of these 38 countries, the study team identified employment-intensive programmes initiated by other (non-EC) agencies in 23 countries:

Burkina Faso, Cambodia, Cape Verde, Chad, Congo (DRC), Ethiopia, Gambia, Madagascar, Mali, Mauritania, Mozambique, Nepal, Niger, Pakistan, Papua New Guinea, Peru, Solomon Islands, Somalia, Sri Lanka, Timor-Leste, Yemen and Zambia.

Indeed, countries such as Burkina Faso, Solomon Islands, Madagascar[21], Mozambique and Nepal have seen some of the concentrated efforts of relevant donors and agencies to promote employment-intensive approaches, including ILO-EIIP, Danida, Helvetas, ADB, DFID and SIDA – see Annex F.

[21] However, it is noted, for instance, that a new project is under consideration by EuropeAid which would involve Swiss NGO Helvetas implementing labour-intensive methods in the rural roads sector in Burkina Faso (and EC has historically supported labour-based components within transport infrastructure programmes in Madagascar). It is equally noted that correspondence with the EU Delegation to the Solomon Islands reveals a significant level of EC activity with regard to labour-based infrastructure development (rehabilitation and maintenance of roads, construction of jetties) in coordination with ADB and AusAID.

3.2 EC project & programme analysis

Focusing on those countries where CSPs/NIPs had identified either an EC or partner government focus on employment-intensive infrastructure, the study team identified a 'long-list' of 130 projects and programmes – in 37 countries – for which we collated CRIS materials wherever available. As a result of this initial analysis of CRIS and ROM database documentation, the study team identified employment-intensive approaches in 45 EC projects/programmes in 27 countries since 2000. These are presented in full at Annex D.

45 IDENTIFIED EC EMPLOYMENT-INTENSIVE INTERVENTIONS SINCE 2000

Benin	3	Congo (DR)	4	Madagascar	2	Somalia	1
Burkina Faso	1	Eritrea	3	Malawi	1	Sri Lanka	1
Burundi	1	Haiti	2	Pakistan	1	Tanzania	1
Cameroon	1	Kenya	1	Philippines	1	Timor Leste	1
Central African Republic	3	Lao PR	1	Rwanda	2	Togo	1
Congo (Brazzaville)	1	Lesotho	2	Sao Tome and Principe	2	Uganda	4
Cote d'Ivoire	1	Liberia	2	Senegal	1		

These 45 projects and programmes incorporate two broad categories:

1. 20 projects / programmes based on employment-intensive (HIMO[22]) methods
2. 25 projects / programmes which include employment-intensive components which are not central to the project

It should be noted that the majority of the 20 programmes where employment-intensive approaches are a core basis for the programme are outside the roads sector (in sectors such as urban development, rural development, water).

The remaining 25 projects/programmes include a non-core employment-intensive component (most commonly labour-intensive road maintenance works).

SECTORAL AND GEOGRAPHICAL DISTRIBUTION OF 45 PROJECTS IDENTIFIED

DAC	Sector	Number*	Countries
14020	Water supply and sanitation	2	DRC
15230	Post-conflict peace-building (UN)	1	Eritrea
16050	Multi-sector aid – basic social services	2	CAR, DRC
21020	Road transport	24	Benin, Burkina Faso, Cameroon, Haiti, Kenya, Lesotho, Liberia, Madagascar, Sao Tome e Principe, Sri Lanka, Tanzania, Uganda
31120	Agricultural development	1	Somalia
31162	Industrial crops/export crops (sugar)	1	Kenya
41040	Environmental policy	1	Eritrea
43030	Urban development and management	5	Benin, CAR, Senegal, Togo
43040	Rural development	3	Malawi, Rwanda, Timor Leste
52010	General budget support	1	Eritrea
73010	Reconstruction relief /rehabilitation	1	Haiti

*DAC sector codes not available for all projects/programmes (9 missing)

[22] Given that the majority of these interventions are in francophone Africa, we use the French acronym HIMO (haute intensité de main d'œuvre) as synonymous with 'employment-intensive' in English, consistent with ILO usage.

Of those projects with a core employment-intensive component, rural roads and urban roads and drains dominate.

- Rural Roads: rural road rehabilitation and maintenance using labour-based methods is widespread and has a long history in low-wage countries, as reflected by the desk research and field missions.[23] It is therefore unsurprising that a high proportion of the EC's labour-based infrastructure portfolio is in rural roads.
- Urban Works: it is important that the EC has a focus on, and has developed expertise in, urban infrastructure works using labour-intensive techniques given the growing challenges of urban migration and un(der)employment in the developing world. Urban infrastructure works are likely to experience fewer difficulties with availability of labour than rural works (a challenge mentioned frequently in the non-EC projects analysed) due to density of population and less fluctuation with agricultural seasons.

Geographical overview

Our review of EC interventions suggests that almost all EC experience of employment-intensive approaches to infrastructure is in ACP countries, and in Africa in particular. Of the 45 projects identified, only 7 were located outside the African continent:

FED/2003/016-354	PRD - Programme de réhabilitation et de développement d'infrastructures socio-économiques de base / Haiti	Haiti
FED/2009/021-608	Programme d'appui à la politique nationale des Transports	Haiti
-	Microprojects Development Through Local Communities (MPDLC) Project	Lao PR
ASIE/2006/119-419	Community-based Livelihoods Recovery Programme for Earthquake Affected Areas	Pakistan
-	Upland Development Programme for Southern Mindanao	Philippines
ASIE/2004/005-998	North and East Road Rehabilitation Programme (NERRP)	Sri Lanka
ASIE/2003/005-795	Timor Leste Rural Development Programme	Timor Leste

Of the programmes, only those in Pakistan and Timor Leste have a central focus on employment-intensive infrastructure. In both cases, project design and implementation was undertaken by non-EC actors (UNDP/ILO). Similarly, ILO-led employment-intensive reconstruction efforts in Aceh and Nias – under the aegis of the Multi-Donor Trust Fund, to which the EC was the major donor – are covered in our analysis of non-EC programmes (see Section 5 and Annex F).

In addition, subsequent surveys of 30 EU Delegations revealed some additional experiences not derived from our analysis of CRIS. Of these, the most significant is:

FED/2010/022-220	Solomon Islands Second Road Improvement (Sector) Project	Solomon Islands

[23] The rationale behind this includes: rural road technology is generally appropriate for HIMO (gravel or earth roads); equipment-based maintenance methods are not cost-effective for rural roads; where carried out by those living in along the road, HIMO maintenance generates ownership of the infrastructure and benefits participants through improved access as well as paid work.

3.3 The scope of EC experience

On the basis of this initial analysis alone, it should be noted that EC support for employment-intensive approaches to infrastructure is more significant than suggested in previous studies. The two most relevant sources here are:

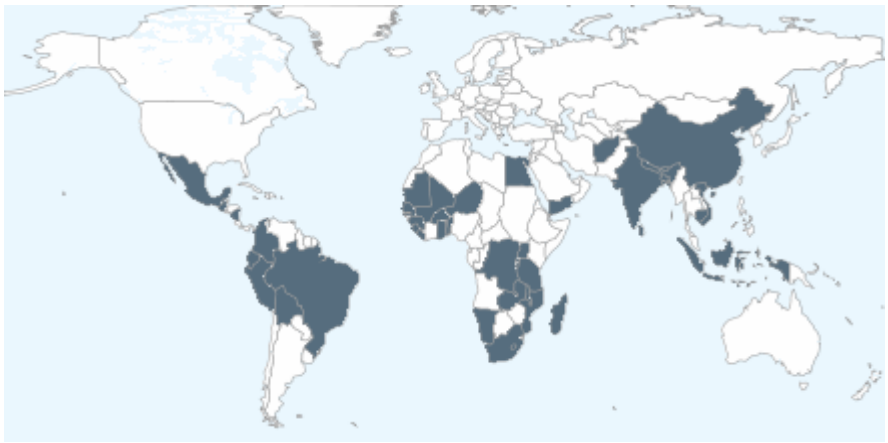
- 2004 evaluation of EC transport interventions in third countries ("Except in countries such as Benin, the Central African Republic, Congo-Brazzaville or Lesotho where the EC promoted labour-intensive projects, creating jobs was not a primary objective of EC-funded transport projects.")

- Annex V to 2007 the Staff Working Document ("The EU experience in LBM is relatively limited. Nevertheless, there are some projects/programmes based on LBM methods such as a road rehabilitation programme using labour-intensive techniques in Lesotho (9th EDF) and in Congo Brazzaville.")

While noting that this represents more substantial EC activity in this field than previously suggested, however, it is also instructive to compare the geographical distribution of EC projects with the much broader distribution of the 79 non-EC projects analysed (for a full overview, see Annexes D and F):

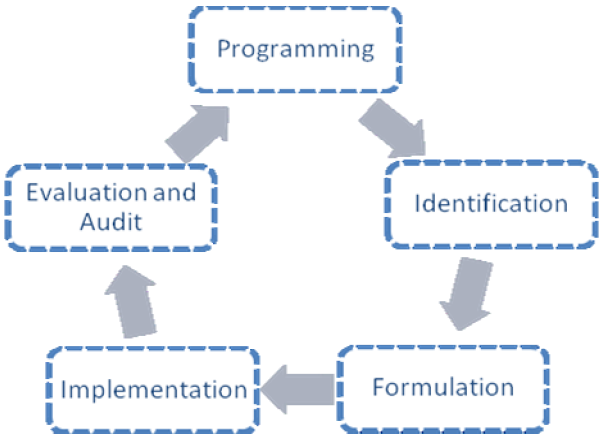
DISTRIBUTION OF EC EI INTERVENTIONS IDENTIFIED

DISTRIBUTION OF NON-EC EI INTERVENTIONS ANALYSED



4 Following an employment-intensive infrastructure focus through the EC project cycle

EC PROJECT CYCLE



Building on the analysis in Section 3, here we to try to map the tensions and opportunities related to the implementation of employment intensive methodologies into the five-stage EC project cycle.

4.1 Programming

The identification, formulation and implementation of EC development interventions are directly derived from the priorities identified in programming documentation, and most specifically the Country (or, where appropriate, Regional) Strategy Paper and accompanying National Indicative Programme. This means, for the most part, that employment-intensive infrastructure interventions are likely to be realised only where they have been already identified in programming documents.

In order to ascertain the geographical scope for up-scaling EC support for employment-intensive infrastructure, it is important to remember the degree to which CSP/NIP programming priorities determine interventions and the geographical constraints identified in the CSP/NIP analysis – namely, that infrastructure per se is not an EC strategic objective in many of the Asian and Latin American countries where other agencies are promoting employment-intensive approaches. The reasons for this strategic decision remain outside the scope of this study.

Employment promotion through infrastructure is, then, mostly a programming priority within the ACP, and specifically in sub-Saharan Africa. This geographical concentration appears to reflect several factors:

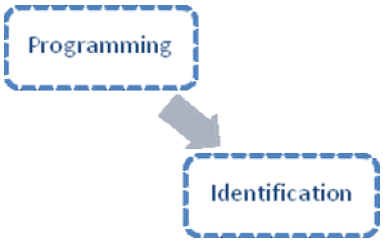
- EC focus on (appropriate scale of / and HIMO-amenable maintenance activities within) infrastructure in sub-Saharan Africa
- Partner country governments' receptiveness and commitment to labour-intensive investments in infrastructure in the region (itself reflecting the influence and guidance of

policy dialogue including several actors, such as ILO, AFD (as is the case in Central African Republic), Danida (Benin) or Belgian Cooperation (DRC)

- Presence and experience of delegated contract implementation structures, such as AGETIPs[24] and AGETURs, which facilitate HIMO implementation
- Persistence of labour market contexts – characterised by chronic un(der)employment – to which labour-based methods represent an effective and appropriate response (whereas labour availability has been noted as a challenge in rural parts of some Asian countries[25])

There are exceptions: several significant EC experiences of employment-intensive infrastructure have been in the context of emergency humanitarian aid (DG ECHO), outside the framework of development cooperation; others have been funded under the auspices of thematic instruments such as the Instrument for Stability – the case in Timor Leste – or the €1bn EU 'Food Facility'[26].
Indeed, analysis of the CRIS database also identified EC projects including employment-intensive component in five countries where employment-intensive approaches were not identified as an EC response strategy or objective: Congo (Dem. Rep.), Madagascar, Pakistan, Somalia and Sri Lanka. Given that, in all cases except Madagascar, these projects were aimed to mitigate the impact of natural disaster (Pakistan earthquake, Sri Lanka tsunami) or human conflict (DRC, Somalia), this finding tallies with the above observation that a potentially significant proportion of EC experience of the employment-intensive approach has been in humanitarian emergency responses administered by DG ECHO, and falling outside the programming framework of longer-term development cooperation.

4.2 Translating programming priorities in project identification



In relation to the transition of programming priorities into action, a key point made by the majority of the seven EU Delegations which responded in detail to the study team's structured survey was that employment-intensive approaches need to be integrated at Project ID stage on the basis of priorities highlighted in the NIP. Our review suggests that the EC is supporting employment-intensive works in the majority of the 24 countries whose CSP/NIPs indicate an EC programming

[24] 'AGETIP' originally stood for Agence d'Exécution des Travaux d'Intérêt Public (contre le sous-emploi) – this is the name of the Senegalese agency for public works and employment which was established in the late 1980s. By 2008 the AGETIP model had been replicated in 17 other African countries, under various associated acronyms. The AGETIP model is similar to a 'Social Fund', a term more commonly used for a similar type of institution in developing countries in Latin America and African countries outside West Africa.
[25] Moreover, as the 2004 DFID evaluation of ILO employment-intensive infrastructure activities in Asia notes in direct terms: "the potential for large scale employment-intensive works is limited in the region and does not sell well to governments". Evaluation of The Advisory Support, Information Services and Training Programme - Asia-Pacific Region (ASIST-AP), Sarah Ladbury and John Howe, December 2004
[26] Addressing the period in-between emergency aid and medium - to long-term development cooperation, the Food Facility (2009-2011) includes support for safety net measures, allowing for social transfers to vulnerable population groups, often in the form of labour-intensive public works (roads, irrigation projects etc).

focus on employment-intensive infrastructure[27]. This would tend to suggest that programming priorities can translate into projects.

A practical issue raised by the field missions and Delegation survey responses was the importance the Delegation having 'visibility' of employment-intensive approaches as a feasible project option. Many of those Delegations which are supporting employment-intensive approaches have drawn on the successful experience of others in informing project identification: Benin (Danida), Kenya (Danida and ILO), Solomon Islands (ADB), Liberia (ILO and World Bank), Cote d'Ivoire (World Bank).

Other avenues to convert employment-intensive programming priorities

There are geographical and other constraints on the 'scaling-up' of employment-intensive approaches within infrastructure: infrastructure is not a focus for EC development cooperation in many countries where other donors are promoting this approach; the characteristics of the EC (transport) infrastructure portfolio – large-scale, high-spec assets – may not typically be amenable to a substantial employment-intensive component.

It is important to appreciate, then, the potential for identification of projects which serve to promote employment in a variety of other sectors (see Section 5). Moreover, productive asset creation through employment-intensive activities may be supported through social funds, as well as projects with a social protection objective. We recognise that these latter projects are outside the scope of the current study, which is limited to infrastructure and other non-social sectors, but do feel that they are worthy of further consideration.

Challenges to greater translation of programming priorities

The study team notes that there is considerable scope to improve the way in which Delegations understand the feasibility of employment-intensive works. For example, timely disbursement is a priority for all Delegations; information obtained during field missions suggests that employment-intensive interventions are perceived to be a risk to this priority. Therefore, it is important to clarify the ways in which employment-intensive works can be used without compromising project completion.

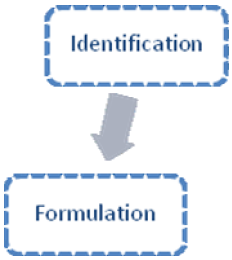
The study team also noted that Delegations are commonly lightly staffed compared to other donor offices, while employment-intensive works tend to be management-intensive. This is undoubtedly an impediment to the perceived feasibility of direct support for such an approach, and suggests that interventions or proposed actions should be designed in such a way that they can be delivered in partnership with others or with minimum resource requirements.

Further, it is of crucial practical importance to note that employment-intensive works require integration between technical engineering knowledge and social development knowledge. An understanding of the social aspects of development on the part of the project team greatly improves the chance of successful employment-intensive interventions and an appreciation of the social benefits of employment-intensive works may better convince delegation staff and others of the value of committing the additional management effort required. Other donors have tended to achieve this mix of knowledge and skills either by employing engineers who have training or

[27] The study team were unable to find any examples of current employment-intensive infrastructure activities in Ghana, Namibia, Sierra Leone or Suriname, however.

experience in the social aspects of development or by encouraging integration and co-operation between their technical and social programme departments.

4.3 Incorporating the employment dimension in project formulation



The next important phase in the process involves a transition from the identification of the employment-intensive priorities in the project through to a formulation of these elements in the actual project formulation.

A formulation study normally has to be conducted by a consultant engineer to enable the delegation to draft the Action Fiche (AF) for the project. The standard ToRs for each formulation study include:

- an analysis and assessment of the factors which determine the feasibility of the proposed project, including technical factors, economic and financial factors (ECOFIN analysis), legal and institutional factors, social, gender equality and health factors, and environmental factors (environmental impact assessment)
- technical study (detailed technical design)
- preparation of the works and service (institutional support TA) tender dossiers;

The study team's review and field missions suggest that, even where employment-intensive methods are proposed as an appropriate technology at project identification stage, employment-intensive technologies may not be retained through the process of project formulation. There are several factors bearing on this question, including:

- Interest and experience of partner government (NAO) and decentralised agencies in employment-intensive methods
- Parameters for technical – and other – studies including express consideration of employment concerns
- Adequate information on cost and management implications of employment-intensive methods being available
- Presence of successful predecessor projects from which to draw both credence and practical lessons

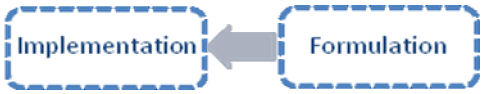
One practical example of a focus on employment content diminishing within project design between identification and formulation phases is the PAUT (Projet d'Aménagement Urbain du Togo) project in Togo. The field mission to Togo indicated that the planned employment-intensive component of the PAUT project had been reduced in response to a change in the technical specifications, following a technical study undertaken by an international consultant. The changes in technical specifications related primarily to:

- The replacement of the gutters initially planned as reinforced concrete by rubble gutters

- The replacement of the coating of the roadways and pavements initially planned as paving stone by a bituminous surfacing

These changes, which would enable a greater stretch of road to be rehabilitated, were accepted and requested by the NAO. Given that neither proposed replacement materials are amenable to employment-intensive approaches, the HIMO component of the project has been significantly reduced.

4.4 From formulation to implementation



A. Financing frameworks

Commission support for a sector programme can be implemented according to three possible financing 'modalities', with varying degrees of (de)centralisation in implementation (see summaries below):

1. Sector budget support
2. Pool funding
3. Project approach

The study team found that the majority of EC experience with employment-intensive infrastructure – and all 18 of the EC core HIMO projects analysed in detail – were financed on the basis of a 'classic' project structure (although two projects were intending to shift to a sectoral budget support model in the medium-term[28]).

The project approach allows the Commission to be involved in the detail of the project and to monitor its progress more closely, and is still commonly used:

- where use of sector budget support and pool funding is not possible (ie many of the sub-Saharan African countries which are the focus on EC employment-intensive experience)
- and for contracts for major works, identification and formulation studies, technical assistance and pilot activities (many of which are often entailed by the employment-intensive approach)

It is noted, however, that the Commission aims to move from a project approach to a budget support or sector budget support approach (in particular to facilitate better 'ownership'), including in sub-Saharan Africa.

[28] FED/2009/021-383 (Programme d'Appui au Secteur des Transports et à la gestion des Finances Publiques à São Tomé e Príncipe – PASTFP) and FED/2003/016-357, (Decentralised Programme for Rural Poverty Reduction – DPRPR)

FINANCING MODALITIES	
SECTOR BUDGET SUPPORT	EDF funds are integrated with domestic resources and managed by national administrations following national procedures; the delegation is not involved in managing tenders or contracts. The transfer of funds is accompanied by policy dialogue appropriate to the specific context. Funds are transferred in annual tranches and disbursement is subject to meeting results measured by performance indicators for the sector monitored by the donor(s).
POOL FUNDING	Funds managed by the Commission are pooled with funds contributed by other donors and possibly also by the government. For example in the road sector, the funds are usually pooled in a Roads Fund or a Road Maintenance Fund. The pool funding can be used for financing the sector in general or, as is more common, be earmarked for specific types of activity only, eg maintenance activities.
PROJECT APPROACH	The most commonly used financing modality: involves the completion of a series of activities designed to achieve clearly defined targets within a fixed time-limit and an agreed budget. 'Programme-estimates' (devis-programmes) are the procedures applied when projects and programmes are implemented by means of decentralised management; programme-estimates must be used in the case of all direct labour operations.

Given the challenges discussed below, one interesting model, adopted by the Benin Delegation, is to create a 'delegation contract' (convention de délégation) that passes responsibility for implementation to another (bilateral, EC Member State) donor that is already running a successful decentralised employment-intensive infrastructure programme, with strong partner government appropriation. The Benin Delegation is set to establish a delegation contract with Danida that is intended to enable the bilateral donor to expand its successful programme country-wide.

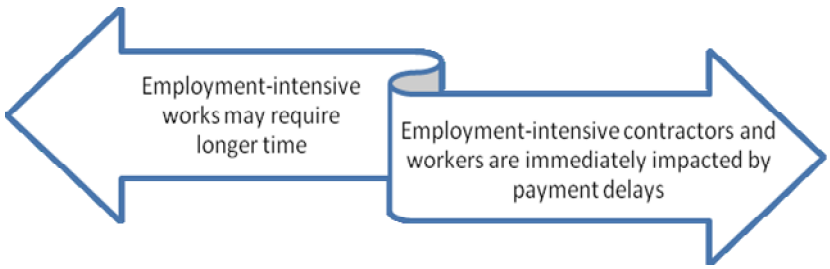
PROCUREMENT, CONTRACTING AND FINANCIAL DISBURSEMENT PROCEDURES

However, some field missions – and EU Delegation survey respondents – noted that EC procurement, contracting and financial disbursement procedures may not immediately be suited to employment-intensive approaches.

The main procedural issues are:

I. Disbursement allowing timely payment

The timing of funding flows is crucial to the use of employment-intensive methods. This reflects two parallel pressures:



Employment intensive methods use small labour-based contractors who are particularly sensitive to delays in payment, as they have little capital and they need to make regular payments to the workers. Rapid and regular disbursement of funds can be facilitated by decentralised procurement and contract management. In the Kenya Roads 2000 programme, for instance, procurement and contract administration is decentralised to district engineers. Other donors (SIDA and AFD) make payments in advance to facilitate regular and timely payment. But the EU Delegation in Nairobi

confirms that the EC's disbursement procedures do not provide for this option: EDF procedures entail that all procurement should be carried out centrally from the Nairobi head office and payment should only be made in stages, after delivery of the works. Administering projects from Nairobi led to delays in disbursing funds and contributed to the EC Delegation's poor performance in generating employment. The EC spent only 5% of the project costs on wages, compared to SIDA's 49%[29], as equipment was deployed in place of labour in an attempt to meet the target completion date following the delayed start.

A very similar challenge is clear in relation to the decentralised contracting authority (AGETUR) for an urban works project in Benin (PARVA), which is implemented by the contracting authority through budget support from the Ministry of Environment. The project had not succeeded in delivering high employment content through HIMO. AGETUR suggested that this was in large part due to (the threat of) delayed disbursements which motivated contractors to employ mechanised techniques in order to speed the approval and therefore payment of works.

II. Appropriateness of lot size and accompanying contracting procedures

There are clear links between the successful realisation of employment-intensive projects and the capacity of local SME and micro-enterprises – which are likely to use labour more intensively than larger enterprises – to win competitive tenders to perform works. One element of this is the scale of work put out to tender; another is the relative complexity of the administrative and contractual procedures for tendering parties.

There is significant experience among Delegations of 'parcelling' smaller lots in order to enable SME participation in competitive tenders. For instance, in the Solomon Islands road rehabilitation project in coordination with ADB [survey response], contracts are split to meet local capacities, as existing providers are very small scale. Similar practices are widely reported by other Delegations – Liberia, Cote d'Ivoire, Burkina Faso.

However there is also evidence (from Kenya and Peru) of project managers 'bundling' contracts into bigger packages in order to overcome the high administrative costs of handling many small contracts; and this is indeed consistent with an overarching EC development cooperation to reduce project management overheads.

In relation to contracts and contractual procedures, several respondents reported that the EDF General Conditions are not appropriate and simplified tender documents are being used. For instance, the Timor Leste Delegation report that, in the context of labour-based rural road rehabilitation under the Instrument for Stability (IfS), the EDF General Conditions are not appropriate and simplified tender documents are being used. In Benin, Danida have developed a model tender document adapted for small-scale employment-intensive works, accompanied by guidelines for (local communes) to evaluate the tenders. Danida has also supported training for SMEs in the preparation of bids.

[29] Information from Asfaw Kidanu, Roads 2000 Chief Technical Adviser, ILO Kenya

The EC Delegation's programming under Kenya Roads 2000 faced potential constraints due to the obligatory use of longer, more complex contracts. Respondents suggested that a contract period of 6 months was decided by the EU in order to be able to use the FIDIC[30] Short Form Of Contract, as EC rules specify the (more complex) Long Form Of Contract for projects lasting over 6 months. The six month contract period was too short and contractors resorted to the use of equipment in order to complete the work on time. Similar problems were reported on rural road and irrigation projects during the Cambodia field mission.

III. Other issues in competitive tendering

One key issue raised in Delegation survey responses is the ability for Delegations to evaluate tenders on the basis of the proposed method to be employed in the works. There are mixed views on this and some clarification from AIDCO on this specific issue could be valuable. According to basic principles of competitive tendering enshrined in the EDF procedures, nominating use of labour-based methods as a selection criterion is – or should be – possible, but only where the use of labour-based methods has been stated in the contract requirements in the tender documentation.

Other specificities of competitive tendering procedures may also limit EC's scope to develop the capacity of SMEs. For instance, under the provisions of the Kenya Roads 2000 programme, SMEs that successfully complete the training are to be awarded a 'trial contract' which gives them the opportunity to gain experience and consolidate what they have learnt. While other donors were able to support trial contracts, the EC Delegation was not, as this practice was regarded as 'sole-sourcing' and anti-competitive.

IV. The shift to sectoral budget support

The Commission has a defined preference for sector budget support, and the AIDCO Handbook for Road Managers note that, if large numbers of small infrastructure contracts are to be carried out and if conditions allow, sector budget support should be the first choice modality for financing the Commission's support to sector programmes (eg to support road maintenance activities).

The study team is aware that the EC's ongoing transition toward varying degrees of partner autonomy (eg programme approach, decentralised management, sectoral budget support, general budget support) will serve to affect the position of the EC in terms of the implementation of employment-intensive approaches: in effect, moving away from the project approach will lessen the degree of control that the EC has over the implementation methods used in projects. Equally, it will increase EC influence over broader policy issues through policy dialogue.

However, given the institutional constraints mentioned above, it is clear that it is currently far from straightforward for the EC to implement an employment-intensive project autonomously. Further, evidence from the field missions, particularly Togo, suggests there are real challenges to EC implementing employment-intensive programmes where the government/NAO is not proactive in its support for these measures. (Moreover, such donor-led approaches would run counter to the principles of agreements defining aid best practice, such as the Paris Declaration.)

[30] See www1.fidic.org/resources/contracts/describe/FC-AF-A-AA-10.asp: these are the international standard Conditions of Contract recommended for engineering and building work of relatively small capital value.

Therefore, the transition to delegating management to other parties may in fact facilitate the EC's support of employment-intensive works where it has been adopted as government policy.[31] Where employment-intensive approaches are not mainstreamed into government policy, they can still be promoted through political dialogue in the case of general budget support.

In the case of sectoral budget support significant additional advocacy tools are still left in the hands of donors; donors provide technical assistance and disbursement is based on a framework which includes process and qualitative indicators, which could include employment indicators. The move towards budget support should not therefore be seen as a barrier to encouraging employment-intensive approaches, but new methods will be required, with a greater focus on policy dialogue and demand-led capacity building.

B. Implementation frameworks

MODES OF IMPLEMENTATION – PROJECT APPROACH AND POOLED FUNDING	
CENTRALISED	European Commission is the Contracting Authority and takes decisions for the beneficiary country.
INDIRECT CENTRALISED	Commission delegates its prerogatives to a nominated Contracting Authority.
DECENTRALISED	Ex-ante: procurement and award of contracts are taken by the Contracting Authority and referred for approval to the Commission.
	Ex-post: decisions foreseen in the Financing Agreement are taken by the Contracting Authority without prior reference to the European Commission.
JOINT MANAGEMENT	Certain implementation tasks are delegated to international organisations (eg UN agencies)
SHARED MANAGEMENT	Implementation tasks are delegated to Member State/s

Given the challenges in EC procedures discussed above, some form of decentralised management would seem to be appropriate for the implementation of employment-intensive infrastructure projects.

In fact, in its detailed analysis of 18 EC projects where employment-intensive approaches were a core project component, the study team found that the vast majority were implemented on a decentralised basis (15 out of 18 – see Annex E).

Given the relatively limited geographical scope of review, there is a strong pattern for decentralised management structure to be derived from the core HIMO projects. Works were delegated in almost all cases to delegated contracting authorities (maitrise d'ouvrage déléguée) such as AGETIPs[32] which then contract local SMEs and/or community groups. Generally, AGETIPs have proven to be successful intermediary bodies managing the large number of small contracts and rapid payment requirements of employment-intensive works using SMEs.

Sub-contracted works are then carried out either by SMEs or a combination of SMEs and community groups / associations. SME involvement promotes the development of the private sector and

[31] The EC 'Handbook for Road Managers' states that "if large numbers of small infrastructure contracts are to be carried out and if conditions allow, sector budget support should be the first choice modality for financing the Commission's support to sector programmes (e.g. to support road maintenance activities)."
[32] The exception is DRC, which does not have an AGETIP

sustainable employment generation. However, almost all the projects find that the weakness of the private sector is a major challenge, as discussed in Section 5 below. The combination of SMEs and community groups also seems to be a successful approach. Where this approach is adopted, the private sector is generally employed to carry out construction and rehabilitation works, while community groups carry out maintenance.

Where EC projects were not implemented through decentralised management, this was either because:

- The fragility of the state entailed that the NAO had been temporarily relieved of responsibilities (DRC, Somalia)
- The project was implemented through joint management with another international organisation FAO in Somalia and UNDP in Eritrea)

One interesting model, adopted by the Benin Delegation, is to create a 'delegation contract' (convention de délégation) that passes responsibility for implementation to another donor (in this case a bilateral, EC Member State) that is already running a successful decentralised employment-intensive infrastructure programme, with strong partner government appropriation. The Benin Delegation is set to establish a delegation contract with Danida that is intended to enable the bilateral donor to expand its successful programme country-wide. A similar arrangement has been agreed between the EC and the ILO in Timor Leste.

The role of the private sector in delivery

A somewhat surprising finding of the analysis of EC projects where employment-intensive approaches are core is that around half of these projects used direct labour / force account (en régie). This is in part explained by the profile of the projects – eg in post-conflict environments with very low private sector capacity. It should however be noted that some of the most successful EC-supported HIMO projects – such as PARES and DPRPR in Rwanda, IGPWP in Malawi and rural road maintenance in Sao Tome – have used direct labour.

Our analysis suggests that while the development of the private sector is a key factor in promoting economic growth, there remains a place for direct labour works where the private sector is very weak, or where the works may not interest private sector organisations, such as small-scale, regular maintenance works.

Implementation through force account has been phased out in Kenya, with corresponding massive cuts in staff numbers and the loss of knowledge in implementing employment-intensive works. Many respondents feel that the phasing out of force account is lamentable, particularly as the capacity to respond quickly to emergency situations has been lost. Force account still occurs in Cambodia, but it has also been phased out in Peru.

4.5 Evaluating the employment dimension

The study team has found some excellent evaluation resources available pertaining to key EC-supported employment-intensive interventions, in particular, those relating to the following projects:

- Rwanda: Evaluation et analyse ECOFIN conjointes des programmes d'appui à la réinsertion économique et sociale des démobilisés de la ville de Kigali (PARES) et de la partie « haute intensité de main d'œuvre » du volet Soutien aux districts du DPRPR, Contrat Spécifique n° 2009/201548, Juin 2009
- Sao Tome e Principe: Evaluation a mi-parcours du projet d'appui au secteur routier de Sao Tome e Principe, Contrat Spécifique No 2007/137657, Août 2007
- Benin: Etude d'Impact socio-économique de Réhabilitation des Pistes Rurales au Bénin, Danida, Septembre 2006 (evaluation of predecessor to EC-supported project)

Vitally, these studies give express attention to the creation of decent work in the broader sense: the means by which employment in revenue-generating activities contributes to household economies, the ability of all members of communities to participate, and the extent to which the project contribute to sustainable poverty reduction – either through continued employment, or enabling investment in other revenue-generating activities (see Section 2).

However, in general terms, the employment dimension is not given a high level of attention in standard evaluation formats (it is subsumed among a series of cross-cutting issues). Moreover, many evaluations analysed have found that there has been inadequate – qualitative or quantitative – information available on employment to make a reasoned assessment.

It is more likely that an employment-intensive project will achieve its employment creation and poverty reduction goals if explicit indicators to this effect are included in the Logical Framework. This point is emphasised in the 2010 interim evaluation of the EC CAR Galabadja urban works project, where the indicators are found to be vague and qualitative rather than quantitative. Of the 18 projects analysed, only seven have quantitative indicators related to either the number of jobs created and / or the total proportion of the project budget transferred to workers in the form of wages. None had indicators that reflect the difference the intervention has made to livelihoods/development.

Good practice in EC documentation suggests that LogFrames for HIMO projects should contain quantitative indicators – for instance, related to the number of work days generated, the proportion of the project budget transferred to workers in the form of wages, and women's participation rates (and those for other targeted groups). In several cases, our analysis of EC project documentation

suggests that these indicators were either absent from the LogFrame (8 out of 17 LogFrames analysed), or were present but not closely monitored.

More challenging still is the meaningful evaluation of qualitative aspects relating to working conditions. Where these questions are raised in EC documentation, there is a tacit understanding that this will be the responsibility of the supervisor, and eventually the state: there is little evidence of active pursuit of compliance or of effective monitoring, nor of capacity building needs in order to achieve verifiable decent work outcomes.

5 Thematic analysis: incorporating the employment dimension in infrastructure projects and programmes

This section presents the principal themes arising from: the team's detailed documentary analysis of 18 EC projects (see Annex E); survey responses from 7 EU Delegations – Gabon, Eritrea, Liberia, Cote d'Ivoire, Solomon Island and Timor Leste; and the team's field missions to Benin, Cambodia, Kenya, Peru and Togo. It also incorporates our documentary review of some 79 non-EC projects (Annex F).

The discussion is organised thematically in order to avoid repetition and to seek to aggregate patterns and learning with regard to the integration of the employment dimension in infrastructure programming in low-income countries worldwide.

The following seven themes describe the principal challenges and opportunities identified, based on the various sources highlighted above. Our analysis of these issues forms the basis of the recommendations provided in Section 6.

- Capacity building, partner government ownership and need for a long time horizon
- Supporting sustainable maintenance
- Balancing social and technical objectives
- Constraints: technology, programme & labour availability
- Integrating decent work
- Looking beyond (transport) infrastructure

5.1 Capacity building, partner government ownership and long time horizon

Our analysis of both EC and non-EC project experience identifies lack of capacity within national bodies, both government bodies and the private sector, as the most significant challenge to employment-intensive infrastructure projects. This section sets out the findings from the EC projects, followed by the non-EC projects, and finally the field missions.

Key points emerging from the analysis are:

- capacity building of multiple bodies including government, SMEs and civil society is a key element of project success
- identifying capacity-building needs is a necessary, but time-consuming, first step
- building capacity to the point where programme sustainability is achieved requires a long time horizon – almost certainly longer than one EDF
- government capacity-building should aim to mainstream employment-intensive approaches into infrastructure strategy, planning and procedures
- successful models exist and could be replicated, such as the 'GIME' in the EC Sao Tome & Principe project (see below)

GOVERNMENT CAPACITY

The implementation frameworks analysis in Section 4 above confirms that EC projects are on the whole decentralised in implementation. The study team is cognisant that Commission aims to provide partner governments with increasing levels of autonomy in future EDFs, in line with the global consensus on aid best practice. Developing government capacity already plays a key role in project success, and is set to become increasingly important.

Challenges related to government capacity vary considerably depending on the country and, unsurprisingly, are particularly pronounced in post-conflict and fragile states. Decentralisation of procurement and contract management and the predominance of projects in rural areas have added to the problem. Some of the challenges related specifically to implementing employment-intensive works are:

- Slow administrative procedures delayed the project and caused difficulties for implementing agencies (CAR, urban development)
- Concerns over heavy administrative burden placed on state bodies by carrying out multiple tenders in order to select SMEs (Senegal urban works)
- Severe delays in transfer of funds from the Treasury to the AGETUR and AGETIP making it very difficult for them to carry out the works (Benin rural roads)

LOCAL PRIVATE SECTOR CAPACITY

The most common challenges related to working with SMEs are: technical weakness, managerial weakness, financial weakness, insufficient number of viable SMEs to bid (CAR urban works, Benin urban works, Sao Tome e Principe roads). Relating to management capacity, the Gabon EU Delegation, responsible for overseeing the rural road maintenance programme, makes the observation that inexperienced managers 'will give the impression that the HIMO approach is not reliable when the problem is, in fact, mismanagement'.

Emerging SMEs face challenges including: insufficiency and irregularity of work; financing equipment purchases; lack of a rent-purchase system; difficulty of accessing bank credit, lack of technical documentation (Benin, rural roads).

AGETIPS

Agences d'Exécution des Travaux d'Intérêt Public (AGETIPs - public works and employment agencies) are private non-profit entities that manage labour-intensive public works. They are financed by fees for the services they provide, without receiving government or donor funds to cover their administrative expenses. The first was established in Senegal in 1989 with support from the World Bank, but they have since become widespread in West Africa. A project evaluation for the Madagascar AGETIP finds that "the strengths of AGETIPs have been their independence from government and transparent involvement of the private sector; they have quickly provided highly visible results".

AGETIPs were employed as implementing project managers in five of the EC projects analysed. Their involvement is generally seen as making a significant contribution to project success. One of the key successes of the AGETIPS is the very short turn-around on contractors' payments, as working capital is a critical constraint on the activities of SMEs.

AGETIPs currently exist only in (mostly francophone) West and Central Africa. Suggestions for better support / capacity building for AGETIPs are given in the Project ID and design tool.

It should also be noted that where works are carried out through the private sector, it is more difficult to ensure that an employment-intensive approach is adopted and that social objectives (such as poverty reduction and gender equality) are taken into account. Clauses can be written into tenders and contracts, but there is a limit to what contractors will accept and / or be able to achieve. SMEs (and micro-enterprises) will tend to use a labour-intensive approach, as they do not possess sophisticated machinery. However, training for SMEs in how best to implement employment-intensive projects, and awareness-raising on social objectives almost universally necessary, and to pay dividends if well implemented.

CAPACITY BUILDING, PROJECT DURATION AND TECHNICAL ASSISTANCE

In the 18 EC projects analysed in detail, the project duration varies from two years (CAR Galabadja urban works) to nine years (DRC rural roads). There are several comments in project documentation expressing concern that the duration is too short to carry out the necessary capacity building that would ensure the sustainability of the project.[33]

The proportion of the budget devoted to Technical Assistance (TA) in these 18 projects varies from 4.8% (Senegal) to >50% (Somalia – this is principally a capacity-building project). While the need for TA is highly context and project-dependent, this significant variation may merit consideration of development of a more coherent approach to capacity building for EDW within the EC[34].

GIME – SAO TOME & PRINCIPE

A successful example of long-term employment creation through maintenance works is the Sao Tome & Principe Community Road Maintenance Groups (GIME). The GIMEs are rural civil society groups supervised by the government body in charge of roads (INAE) and funded directly by the state. They are composed from people living in the area of the road and are responsible for maintaining a section of road. 32 GIMEs provide work for 1700 people – 3% of the total population. The initiative has been highly successful in terms of road maintenance and rehabilitation, and generating employment opportunities for the very poor. It has also been found to be a very inexpensive way to maintain the roads.

Key recommendations from the mid-term evaluation are:

- Extend the GIMEs' work to other sectors, such as drainage, irrigation, reforestation and rubbish collection.
- Build the capacity of some GIME groups to take on more technically challenging works, possibly with the long-term aim of converting to private enterprises.
- A key concern is the sustainability of the project, as government funding will be difficult to find once the project has closed.

Nonetheless, the GIME represent a successful initiative that could be replicated elsewhere.

[33] It is important, however, to note the difference between emergency, post-conflict projects and longer-term development projects. The Eritrea post-conflict rehabilitation project documentation states that 'a short delivery and completion time is essential for the success of the implementation of infrastructure projects in post-emergency situations'. It also notes that 'in order to increase the efficiency and to speed up the implementation of the programme, the different rehabilitation / reconstruction of economic infrastructure [...] will be limited to lots of at least €2m. The rehabilitation / reconstruction of social infrastructure will be limited to lots of at least €1m'.

[34] See 'Designing for employment: incorporating employment and decent work concerns into infrastructure project identification and design', Tools for practitioners, AIDCO E3/E7

One approach to building capacity – and to promoting acceptance of the employment-intensive approach – is to carry out projects of a longer duration, or repeated programmes with a capacity-building element (and / or devote a higher proportion of the project budget to capacity building). This has been successfully implemented in Sao Tome & Principe – Support to the Transport Sector, where three consecutive projects were carried out in the 8th, 9th and 10th EDFs. Documentation for the 10th EDF project states that 'the previous projects were focused principally on the restructuring of the roads sector and their principal success was the creation of a system of maintenance for the whole road network managed by civil society (GIMEs – see box above). One aspect of this project will be a support to the GIMEs in consolidating their knowledge and supporting certain GIMEs to develop capacity to carry out more technically challenging works.' Such an approach also has the advantage that it is more likely to generate long-term employment opportunities by supporting the implementation of long-term, government funded maintenance programmes (such as the GIME); and / or promoting acceptance of HIMO within government so that future donor or government funded infrastructure projects use this approach.

The review of non-EC projects revealed that capacity-building needs vary a great deal depending on the country context. Groups that require support may include any or all of: government; private sector; civil society; community groups; labour unions; employers' associations. Government capacity-building programmes need to be demand-led; they will serve little purpose where there is not explicit interest from government. Identifying the groups that require support, and finding appropriate ways to support them is challenging, but necessary to ensure that the project is implemented successfully, that it genuinely promotes employment objectives, and that the infrastructure is sustainable and will not fall into disrepair. Most importantly, capacity building initiatives should enable partner countries to integrate employment and decent work objectives into future infrastructure projects supported by national government budgets or other donors.

The analysis suggests that, for large-scale infrastructure projects, institutional support will be required for all or most of the groups listed above, and will require a long time horizon. This implies a willingness to make significant commitments in terms of time and funding. Engagement with local government bodies is central to developing a sustainable maintenance strategy[35].

In order for labour-intensive and decent work objectives to be realised, capacity building on its own might not be enough. Procedures, processes and legislation may also need to be changed.

The table at Annex G gives positive examples, examples of challenges, and examples of innovative approaches found in our review of non-EC projects.

The field missions confirmed the importance of an extended period of capacity building, particularly of government, consultants, contractors and labour, in order to implement projects using the labour-based approach. This means that donor support is needed over a long period of time. In

[35] Further, it is noted that the EU has already supported institutional strengthening of relevant decentralised contracting authorities (AGETIPS) through the PRO€INVEST private sector investment vehicle: "PRO€INVEST supported AFRICATIP in order to complete a pan-African training programme, in the public works sector, for executives of the member agencies in 16 countries [...] Overall, the programme has helped AFRICATIP agencies implement public infrastructure projects, develop local expertise, and create jobs using the HIMO approach" www.proinvest-eu.org/files/who-we-are/Annual_Report_2008_EN.pdf

order to sustain the capacity once built, the approach has to be mainstreamed into government strategy, planning and procedures. With decentralisation, building the capacity of government officials at local level to manage programmes is critical.[36]

Kenya and Cambodia were chosen for field missions as examples of countries where labour-based technology has been implemented over a number of years (15 years in Cambodia; 30 years in Kenya) and where it is official Government policy to incorporate the technology into infrastructure programmes – in particular programmes for constructing and maintaining rural roads. Much has been achieved in both countries, for example: Cambodia has made significant progress in building local government capacity and improving coordination among ministries at local level; Kenya has developed standard documents and procedures for employment-intensive works. But in both countries implementation is still project based and capacity has been lost over the years as projects come to an end. In neither country is the approach fully mainstreamed, rather it is still seen as donor-led. In Cambodia the Ministry of Rural Development has a clear preference for using equipment and only uses labour-based methods when this is a requirement of the donor (which is less and less often the case as new projects are using equipment). In Kenya there is still considerable resistance to labour-based methods, particularly from engineers.

Peru provides an example of a country in which rural road maintenance using micro-enterprises is fully mainstreamed into government policy (see the table in Section A for details of the programme). The Decentralised Roads Department has developed and trained the micro-enterprises over the past 15 years; it now funds the vast majority of the work and plans to continue to take on financial responsibility. However, the government is moving away from a focus on employment generation as the old direct-contracting system is not in line with Peru's liberal market economic strategy. From early 2009, micro-enterprises have been required to compete in open bidding. There have been some examples of large contractors winning multiple contracts and re-employing the previous micro-enterprise employees on a lower wage. The government's response is a new training programme designed to equip the micro-enterprises to compete in the market. This demonstrates the need for long-term, ongoing capacity-building where employment-intensive works are concerned. The best way to ensure that such programmes are implemented is full government ownership.

Benin represents an interesting example of infrastructure policy in transition. The World Bank began to support (force account) labour-based works in Benin since the late 1970s – the so-called brigades légères – and the Bank supported the establishment of the decentralised contracting authority for urban works (AGETUR – the second 'AGETIP'-style institution on the African continent, established in 1991.) However, increased government ownership of employment-intensive approaches is more recent, entails different actors (Danida in particular and, in principle, local communes as decentralised contracting authorities) and the focus has shifted from urban works to rural road rehabilitation and maintenance, working with private sector SMEs. Having tested various approaches – see box below – the Benin government has come to a strong commitment in its 2006 National Rural Roads Strategy to labour-based rural road maintenance as the most effective means to deliver sustainable rural access.

[36] Decentralisation can also be seen as an opportunity, as decentralised management structures are more appropriate for the small-scale contracts adopted for employment intensive infrastructure.

Danida – which is set to be the implementation partner of the EC under a new 'delegation contract' for rural road rehabilitation – has been present in the rural roads sector in Benin for 10 years, and has been strongly influential in shaping policy over the long-term relating to the employment dimension of rural infrastructure[37]. Danida has supported capacity building and institutional strengthening at macro-, meso- and micro-levels:

- Partner government (DGTP – rural roads section of the public works directorate, local offices, municipalities)
- Road Funds
- Contractors and consulting engineers (vitally including training on technical specifications, as well as assistance with tender preparation and site supervision)
- Communities, workers and users' associations

BENIN – PUTTING EMPLOYMENT-INTENSIVE STRATEGY TO THE TEST

The Benin rural roads maintenance strategy was tested through three different projects, financed respectively by the World Bank, DANIDA, and AFD / EU (EU took over the AFD programme). Whereas the two other projects employed mechanised approaches, DANIDA'S Road Sector Support Program (PASR) sought to promote labour-based (HIMO) methods. An independent evaluation rated the DANIDA PASR project the highest. The strength of the project was identified as its adaptability to the evolving situation, particularly in view of increasing decentralisation, and the markedly higher levels of local appropriation. As a result, the DANIDA project (PASR II) has expanded to cover four départments (Zou, Collines, Plateau, and Couffo) and is set to expand nationwide with EC support.

Source: Etudes d'Evaluation des Projets Pilotes de Pistes Rurales et pour l'Elaboration d'une Stratégie Nationale et un Programme de Transport Rural – Rapport Final d'Evaluation Janvier 2006, SOFRECO

Nonetheless, a recent evaluation suggests that there is still scope to improve the impact of capacity building in the Danida project in Benin. Only 11 out of 26 communes which had received training were judged capable of autonomous project management[38]. It is worth noting also that Danida intends in the future to put greater emphasis on the role of consulting engineers to deliver much of the non-technical assistance at site level, a shift away from the 'community mobilisation' model (using NGOs). Technical advisers to the project noted that consulting engineers have greater – practical and contractual – influence over contractors to follow project specifications, including 'social' objectives.

In relation to government capacity, it is worth noting that EC Delegations in Benin, Kenya, Gabon and Togo express the view that employment-intensive infrastructure works are less exposed to corrupt practices, due to the small contract size (which reduces the payoff to setting up patron-client

[37] This is not limited to dialogue with partner government. Danida has undertaken activities to promote labour-based approaches in educational institutions: providing three universities in Benin with materials on HIMO; carrying out exchange visits at two different campuses; and developing a training course on rural road construction / rehabilitation for the national engineering curriculum.

[38] Enquêtes évaluation du transfert des compétences aux communes appuyées par le Programme d'Appui au Secteur Routier (PASR 2) – Rapport De Mission, Adda et Badji, Avril 2009

networks) and increased transparency due to civil society involvement. However local level corruption is not necessarily any less damaging and was noted as a problem in Cambodia and in Kenya.

5.2 Supporting Sustainable Maintenance

The benefits of improved access facilitated by the construction and rehabilitation of rural roads are short-lived if the roads are not maintained. Indeed, roads are generally funded on the basis of an economic analysis which assumes a design life of the road based on an effective maintenance regime. Road deterioration due to lack of maintenance has become a growing issue in a number of developing countries. The situation is particularly critical with unsealed roads, which is the case for the majority of rural roads in many countries.

In this connexion, it is therefore of significance that the 2009 EC Communication following the Council Conclusions on supporting developing countries in coping with the crisis states that 'the Commission will provide support for labour-intensive infrastructure works and maintenance in order to preserve access to services and to curb likely under-spending on maintenance due to fiscal pressure in developing countries'.

The challenge of ensuring assets created using employment-intensive methods are maintained is repeatedly mentioned in both the EC and non-EC project documentation, as well as by field mission respondents. Key points emerging from our analysis are: building a system to manage and maintain rural roads and other infrastructure is likely to take many years; donors should consider funding maintenance as many partner country governments do not have sufficient funds or capacity, resulting in poor maintenance, asset deterioration and lost opportunities.

Seven of the 18 sets of EC project documentation analysed explicitly mention concerns over maintenance. For example, one of the recommendations in the Rwanda DPRPR project mid-term evaluation is that the team should 'improve the project exit strategies. A strategy for funding and implementing maintenance should be established in partnership with the organisations that will receive the infrastructure before the project closes'.

In the non-EC documentation, two of the examples of challenges given in the table in Annex G relate to maintenance (Qinghai Community Development Programme, China: AusAID & Construction and Rehabilitation of Rural Roads – Togo: UNCDF), while the Communal labour-intensive project Madagascar, funded by Norway provides a third example. The project evaluation states that: 'the incapacity of the communities to budget for periodic maintenance is a challenge, particularly for rural roads. There are issues with the acceptance of responsibility of community maintenance obligations on the part of the Organisation Public de Coopération Intercommunale.'

A recent World Bank review of 60 employment-intensive public works interventions in some 30 low- and middle-income countries concurs:

"Maintaining the assets created and sustaining the workfare intervention are important issues generally not addressed in most public workfare projects. Sustainability problems were evident in 15 of the 60 infrastructure projects reviewed. Most assets (primarily some heavily used roads) were not being adequately maintained. This neglect can be attributed in large part to the lack of a sense of local ownership of the projects, since community involvement in project planning and design was not actively sought. Even where, after the completion of the asset, the local communities are involved in their maintenance through the local

communities' presidents, the unavailability of resources prevents them from maintaining the projects. In fact in most projects no practical arrangements were put in place to ensure maintenance nor were beneficiaries assigned the responsibility for that task."

'How To Make Public Works Work: A Review of the Experiences', World Bank SP Discussion Paper No. 0905, May 2009

Field mission respondents frequently mentioned the challenges associated with maintenance, and stressed that maintenance is key both for providing on-going employment and sustaining the flow of benefits from the asset. Building a system to manage and maintain rural roads – whether labour or equipment based - can take many years (15 years is suggested by ILO) and few donors are willing to commit to this length of time, although a few have done so (including the EC in Sao Tome and Principe).

A key issue here is donor funding of maintenance. Most donors insist – and many Government officials in beneficiary countries agree – that maintenance should be locally funded. With the exception of Peru, where sustainability of the rural roads programme is due in large part to the Ministry of Economics and Finance having a budget line for maintenance in the national budget, maintenance activities are still commonly dogged by lack of funds. There is still donor resistance to funding routine maintenance and in most agreements there is a clause committing governments to set aside funds for this – sometimes to be paid up-front before the project starts. Most countries have established Road Funds for maintenance but the funds are never sufficient and tend to be used for the major roads.

The mission to Cambodia revealed that other donors are also beginning to fund routine maintenance. The policy switch took place in 2007/08 when the ADB – a major funder of the roads programme – decided that 'asset management' (i.e. maintenance) should take priority over rehabilitation and reconstruction. Maintenance is the focus of a new ADB project (equipment rather than labour based) which World Bank is supporting. The World Bank is also putting money into the Road Fund.

In Benin, routine maintenance remains the (financial) responsibility of local communes. Under the terms of the Danida rural roads rehabilitation project– which the EC is due to support in its expansion nationwide – communes which fail to undertake routine maintenance are not eligible for funding for rural road rehabilitation. Danida is also seeking to support the mainstreaming of labour-based methods in periodic road maintenance, through its support for the Road Fund[39].

The only examples the study team found of successful initiatives to maintain maintenance standards on the rural roads while simultaneously generating regular employment for local labour are in Sao Tome e Principe and Peru. These examples merit study and possibly replication. In Kenya, systems that generate on-going employment with local responsibility for maintaining a stretch of road are not in place: when maintenance funds are available workers are employed on a casual basis. Government personnel in Kenya consistently expressed concern that maintaining the roads rehabilitated under Roads 2000 would be very challenging.

[39] In principle, responsibilities for maintenance in Benin have been devolved as follows: routine maintenance is the responsibility of local communes; periodic maintenance is the responsibility of the Roads Fund; rehabilitation is the responsibility of the DGTP public works directorate.

5.3 Balancing Social and Technical Objectives

Our review suggests that there is frequently a tension as to which set of objectives should be prioritised: social objectives (eg promote local participation, gender equality, reconciliation post-conflict), or technical objectives (construct / maintain an asset to a high technical standard, on time).

Simplifying from the typology presented at Section 2, we have identified two basic 'poles' to which employment-intensive interventions may be drawn:

1. Provision of (short-term) employment, in the context of emergency relief (post-crisis/conflict), where the express objective is to provide revenue-generating activities to a target population using labour-intensive methods
2. Creation of infrastructure using appropriate technology – where labour-based methods are found to be most appropriate, where the express objective is asset creation

Our analysis of EC projects suggests that identifying where the emphasis should lie is highly context dependent, is likely to be best understood by local partners, and depends in part on levels of poverty and rates of economic growth; it is important to establish where the emphasis lies and communicate this to all stakeholders (particularly the project team) before implementation begins.

In the EC projects, explicit mention of this tension was found in the Rwanda DPRPR evaluation, although it was implicit in several sets of project documentation. The Rwanda evaluation recommended that the project team should 'clearly define the logic of the intervention and do not confuse the approach (labour-intensive or capital-intensive) and the objectives'.

The issue is mentioned several times in the non-EC project documentation; project evaluations spanning Asia, Latin American and Africa, found that there was a conflict between targeting the poorest and ensuring project sustainability. The sources of conflict were identified as:

- targeting the poorest for employment makes it more difficult to produce a high quality product;
- rotating labour so as to bring benefits to the greatest number means that investment in training workers is lost;
- in the case of small enterprises, there is a conflict between social objectives and the fact that the enterprise must be run in a business-like fashion;
- selection of projects can be biased by the desire to bring benefits to the poorest.

The field missions and survey responses provide several examples of this tension. For example, in the Kenyan rural road rehabilitation programme (Roads 2000, which involves several donors, each of which is responsible for a certain district, including the EC), SIDA outperformed the other donors on social objectives by a significant margin, but two other donors stated that they believed SIDAs work was not of a sufficiently high technical standard. The SIDA consultant acknowledged that achieving the optimum balance was challenging. The EC survey respondent from the Timor Leste Delegation finds that:

> 'A balance between the objective of generating increased employment and the need to ensure viability by requiring that minimum quality standards for the works are achieved represents the main challenge. Labour-based methods can be successfully used for the rehabilitation / maintenance of lightly trafficked rural / community / feeder earth roads. However [...] the best area where labour-based approaches can generate long-term employment is in rural /

community / feeder roads routine maintenance on the basis of simple contracts with communities in the vicinity of these roads.'

Considering in isolation the employment-generation objective, it is interesting to note that only in Benin and Kenya – the countries with lowest rates of growth and highest rates of poverty – were the economic multiplier effects of incomes from employment-intensive construction works mentioned as a significant advantage. Indeed, a macro-economic simulation of these multiplier effects[40] was instrumental in engendering the prioritisation of employment-intensive methods in the 2006 Benin National Rural Roads Strategy (see Section 2).

In Cambodia and Peru, where economic growth rates are high, the emphasis was placed to a greater degree on rapidly producing high quality infrastructure to facilitate continued growth, and thus pull people out of poverty. The employment produced through construction and maintenance was seen largely as 'collateral', and HIMO methods were used where it was seen to be the most technologically appropriate and cost effective method (eg micro-enterprises for road maintenance in Peru), rather than with the explicit aim of generating employment.

However, Peru and Cambodia both have (relatively small-scale) public works social protection programmes aimed at the very poorest that have explicit employment creation objectives. Implementing parallel programmes, one that clearly prioritises high quality asset creation and the other prioritising social protection, is one approach to addressing the tension discussed here. In any case, the research demonstrates that understanding and addressing this tension before implementation begins plays a key role in project success.

Interestingly, the field missions revealed that in many instances current projects that focus on infrastructure provision with employment generation as a secondary objective have their origins in post-conflict or crisis response projects in which social objectives took priority. This is the case in Peru where an employment-intensive road maintenance programme following the Sendero Luminoso civil conflict has evolved into the micro-enterprises programme, and also in Cambodia where employment-intensive programmes following the Khmer Rouge period have evolved into national road programmes. It could be that when the immediate need for employment generation passes, some of the skills and experience that have been acquired are put to use in integrating employment–intensive approaches into the delivery of infrastructure programmes.

5.4 Constraints: Technology, Programme and Labour Availability

Constraints related to technology, programme and labour availability emerged in the documentation and field missions, as did evidence that they can be overcome through careful and early planning. Key points are: equipment may be required to reach the specified quality standards, but there are likely to be elements of the intervention that can still be carried out using employment-intensive techniques; time is a more important factor than cost in deciding whether to adopt employment-intensive methods, and unreasonable programmes may oblige governments and / or contractors to adopt equipment-based methods; labour availability should be analysed before deciding to adopt employment intensive methods; where labour availability fluctuates due to agricultural seasons this can be integrated into project planning.

[40] Rapport sur le profil social national: Emploi et Pauvreté, Edition 2006, Observatoire du changement social, Ministère du développement de l'économie et des finances, Benin

TECHNOLOGY

The feasibility of adopting employment-intensive methods is dependent on the technology adopted; for example it is widely known that gravel roads are better suited to labour-based methods than bitumen roads. However, technology choices are constrained by a number of other considerations, not least the required technical specification and cost. Consideration of appropriate technologies is therefore necessary early in the planning process to achieve a balance between employment generation and other objectives.

The study team did not find a great deal of discussion of appropriate technology in the EC documentation analysed, although it may have been documented elsewhere. In some cases, there is discussion of technology choice within the TAPS to Financing Agreements; for example the TAPs for CAR Urban Development indicate that both cleaning-up and road-building works will be employment-intensive 'where the context permits', as 'previous experience suggests this is an appropriate technology'.

A sample of the non-EC projects analysed were unable to meet their employment generation targets as their projects required a higher specification than could be easily achieved using labour-based methods. For example, in the 'Capacity building for local resource-based road works in NAD and Nias, Indonesia' project, funded by the UNDP and multi-donor trust fund for Aceh and Nias, the evaluation found that 'The main reason for the shortfalls [in employment created] was… that almost all the roads selected for rehabilitation were major district roads that had been bitumen surfaced before, or required bitumen surfacing. The project should provide capacity building in both road construction techniques: bitumen surfaced roads and gravel roads.' Achieving labour-based targets was also found to be a challenge on the larger elements of public works programmes. On the positive side, the labour-intensive forestry project in Mali found that the project 'definitively contributed to… the conception of techniques and technologies that support the participation of populations'.

Field mission respondents across the five case study countries expressed the view that in road construction as well as in other applications, quality control is key to delivering an asset that is of sufficient quality and durability to be sustainable. Sometimes the desired quality can only be obtained with the help of equipment. For example in Cambodia rural roads were found to be in such a poor state in the 1990s that equipment (graders) had to be used to bring them into maintainable condition. There is a serious shortage of laterite in the country and this also is a factor in the recent decision to upgrade rural roads to paved standard. However, labour based methods are still used in the construction of bridges and culverts and in the maintenance of the verges and clearing the drains.

TIME

Evidence from the field missions suggests that time is a more important factor than cost in deciding whether to adopt employment-intensive methods. Employment-intensive implementation generally requires a longer programme than equipment-based interventions due to: the need for capacity-building and awareness-raising at all levels; the complexity of contracting arrangements to provide technical assistance as well as works contracts, especially in the context of decentralisation.

Time is also needed to mobilise the required number of workers and implementation of some tasks (eg grading) will inevitably take longer. If programmes are too short, time pressures – whether due

to late receipt of funds or other factors – tend to push clients and contractors towards the use of equipment.

LABOUR AVAILABILITY

Several of the non-EC evaluations discuss the challenges and opportunities created by seasonal variance in the availability of labour, generally due to varying demand in the agriculture sector. However, for projects in which labour fluctuations are integrated into project planning, labour-based projects can provide much needed income in these low seasons, thereby improving food securing and providing an alternative to seasonal migration in search of work. Some projects have found that the area in which they are working is too sparsely populated to draw labourers from the local vicinity. Workers may then migrate to the region, generating concerns around local resource use, conflict, and the spread of HIV / AIDS. Our analysis suggests that labour availability has been particularly challenging in parts of Asia.

The field missions confirmed these findings; in some places there may be a reluctance to work in construction at certain times of the year or to work in construction at all. This is particularly likely among young men, who often prefer to migrate to the towns or overseas in search of more rewarding work. This is the situation in north-west Cambodia where many men are migrant workers in Thailand. Shortages of labour here in the past have led to increased use of equipment, but also to the employment of women on a significant scale. It is also the case in eastern Benin, neighbouring Nigeria, where cross-border trade is perceived to be more remunerative, and in cotton-producing regions in the north.

5.5 Integrating Decent Work

Given the focus of this study on employment promotion in infrastructure and other non-social sectors, the study team has given greatest attention to employment-intensive methods. However, the need to ensure decent working conditions – in line with national and international labour standards – is one which goes beyond the strictures of the projects described here (see Recommendations). For this reason, the study team notes that it was unable – within the parameters of this review – to fully assess the extent to which, and the means by which, labour rights are ensured throughout the entire EC infrastructure portfolio. As suggested in the Recommendations, this remains an area of work of the highest importance, in view of EC commitments to decent work promotion in development cooperation.

There are a series of dilemmas relating to the structure of employment-intensive works – which seek to target the poorest by setting wages which exclude the non-poor through self-selection – and the promotion of decent work. As the ILO itself states, 'there are no workers' rights without work[41]'; equally, though, decent work is not about a job at any cost. The balance of more and better jobs – in the context of employment promotion among the most vulnerable workers in low-income countries – is indeed far from self-evident. The ILO has led the way in identifying and working through these dilemmas, particularly in its Guidance[42] (the 'Blue Book') on labour rights in employment-intensive

[41] Reducing the decent work deficit: a global challenge, Report of the Director-General to the International Labour Conference, ILO Geneva, June 2001

[42] Employment Intensive Infrastructure Programmes: Labour Policies and Practices, Geneva, International Labour Office, 1998

infrastructure. The World Bank has also given particular consideration to wage-setting as a targeting mechanism in employment-intensive public works activities.

The study team clearly found that decent work concerns are seldom addressed in EC project/programme documentation: where they are, this tends to be highlighting labour clauses – and potential additional clauses – in conditions of contract. It should be noted that the standard conditions of contract[43] contain clauses on compliance with ILO core labour standards (para. 12.9) and national labour law (para. 14.2).

Alongside the 45 projects deploying employment-intensive methods, the project team identified five additional (non-LBM) infrastructure projects where decent work issues were expressly raised at contracting stage: Eritrea: Road Maintenance and Safety Programme, Phase II; Kenya: Northern Corridor Rehabilitation Programme Phase III; Kenya: Merille – Marsabit Road; Mozambique: Construction of a Bridge over the Zambezi River; Uganda: Backlog Roads Maintenance Programme. The issues raised are mainly around working conditions including health and safety, although the right to collective bargaining is also raised in the Kenya Northern Corridor project. Details are available in Annex A. In addition, decent work issues (working conditions) were raised in project documentation for 11 of the 45 LBM-based / LBM-component projects.

Many of the EC and non-EC projects analysed included objectives related to women's participation, and most found them challenging to meet. The proportion of women employed varies from 51% to zero between projects. Principal challenges encountered were: the physical nature of the work; women's other time commitments, including childcare and other domestic tasks; socio-cultural division of gender roles. The emerging consensus is that successfully generating opportunities for women to participate requires significant additional time and resources, and often a dedicated 'Gender Action Plan'.

A key challenge for the meaningful implementation of any contractual provision is to establish responsibilities and a framework for monitoring and reporting. In respect of labour standards provisions, these questions are seldom addressed in EC project documentation. Where they are – exemplified below – it is established that monitoring of such provision falls under the responsibilities of an appointed supervisor:

- Kenya: Northern Corridor Rehabilitation Programme Phase III: TAPs state that 'periodic review inspections of the labour situation are expected to be made by the District Labour Office as a matter of routine', and that 'the project supervisor through the supervisor's representative will ensure that the contractor complies with the contractual obligations with regard to all the above mentioned cross-cutting issues.'
- Kenya: Merille – Marsabit Road: TAPs state that 'a Works Supervising Consultant (Technical Assistance Team) will assist the Beneficiary in the implementation of the project. The Consultant will be appointed as the Supervisor's representative and shall provide services to include [...] contractual obligations relating to labour laws and other cross-cutting issues.
- Uganda: Backlog Roads Maintenance Programme: 'The project supervisor through the supervisor's representative will ensure that the contractor complies with the contractual

[43] General Conditions For Works Contracts Financed by the European Development Fund (EDF) or the European Union

obligations with regard to all the above-mentioned cross-cutting issues [including compliance with labour and OHS legislation].'

The field missions confirmed that few projects address decent working conditions explicitly, apart from some conditions in contracts and assigning responsibility for monitoring (usually to the supervisor's representative).

On major projects in Kenya which are funded by the EU, the client respects the collective bargaining agreements (CBAs) between the trade unions and employers' organisation and increases payment to contractors whenever there is a negotiated wage increase. But there are fears that CBAs will be more difficult to enforce when Chinese contractors enter the field as they are generally not members of the contractors association and therefore not party to the agreements.

There is also some evidence that the movement away from force account (Kenya) and direct contracting (Peru) towards competitive tendering for contracts is likely to have had a negative impact on wages and working conditions. In Kenya contractors prefer task rates to daily wages and agreed task rates are much harder than wages to enforce.

There is also little explicit reference to labour standards in labour-based projects. In the Roads 2000 project, components of decent working conditions specified in the standard contract include minimum wages, provision of water and resting time, and some minimum health and safety provisions. It is the responsibility of the donor's consultant to enforce them, but the study team learned during the field missions that the consultants do not do so consistently. The Government of Kenya sets minimum wages for each industry. But market rates (the rates at which people are willing to work) differ quite widely according to the location and the time of year. Where there are few other opportunities for paid employment, many are willing to work for wages well below the government minimum. In other situations, contractors may have to pay substantially more.

In the government-run Construyendo Perú social protection programme, workers are not considered as 'employees' under national labour legislation; they do not receive social security and their wage is approximately two-thirds of the minimum wage. The Labour Ministry explained that this was due to a combination of pressure from the private sector and the Ministry of Economics and Finance not to distort the market by paying the minimum wage, and secondly as a targeting mechanism to attract the very poorest to the programme.

A central feature of Danida's rural road project in Benin is the involvement of local road 'user associations', enabling community representatives to participate in the process of selecting the road to be rehabilitated, to discuss the general conditions of the rehabilitation and to monitor implementation by the contractors. The road user associations seek to ensure a fair distribution of work between the villagers willing to work, and determination of 'tasks' (ie one day's work) according to the guidelines drafted by Danida.

The road user associations have also played a key role in preventing and managing conflicts arising between the contractors and the local workforce during the rehabilitation of the rural roads. The mediation of local NGOs specialised in intermédiation sociale helped the road user associations in carrying out this task by ensuring that working conditions – including wages, payment methods, hours, prohibition of child labour – were understood and accepted by villagers and contractors. The

structure allows for a recourse mechanism whereby conflict or concerns arising between workers and contractors could be settled with the help of the NGOs or be refereed back to the road user associations and Danida's principal implementing agency – COWI.

Another core component of the Danida project in Benin is the emphasis placed on women's participation. In areas where gender discrimination is common and women often excluded from resource allocation processes, contractors' contracts provide for 'free and equitable access regardless of sex, ethnic group, or social status' and local NGOs have worked with communities and contractors to progressively 'amend the image of women as sellers of food to roadwork sites to [...] the image of women as road-workers'. In practice this required a substantial change in perceptions among both communities and contractors. For instance, contractors commonly declared some work as 'highly physical' and inaccessible to women; as a result women were under-represented among the workforce in most worksites. On the other hand, a socio-economic evaluation found that the local road user associations themselves had required greater numbers of women to be recruited on the site, and women were to be found working on a variety of core tasks.

Those promising exceptions show that although much remains to be done to ensure an effective and functional distribution of the male and female workforce, local road user associations, with the help and mediation of local NGOs, can be key partners in promoting decent work.

5.6 Looking Beyond (Transport) Infrastructure

The desk research and field missions revealed that the majority of current and planned employment-intensive interventions are in the infrastructure sector with a particular focus on rural roads. However, several successful examples demonstrate that expansion into other sectors is entirely feasible, and can generate significant positive outcomes. The general consensus amongst those interviewed in the five field mission countries is that employment-intensive construction is suitable for a range of project types outside of rural road construction and maintenance where it is best established. Examples were found of its use in urban works, some tasks in the maintenance of primary roads, irrigation projects, forestry and the construction of many types of social infrastructure (schools, health centres etc).

Liberia Schools and Learning Resource Centres

The EU Delegation to the Republic of Liberia issued tenders for the construction of 16 schools and 9 learning and resource centres, and contracts were awarded to 6 Liberian building contractors in September 2009. The works are highly labour-intensive as Liberian contractors have little machinery, and local community members were recruited as building site operatives and labourers. In recognition of the challenge of quality assurance, the EC Delegation contracted an international firm to oversee construction. They have deployed two teams of experienced local engineers who monitor construction standards and carry out materials testing.

Capacity building was carried out for both contractors and government. Prior to contract commencement, workshops were arranged to promote good workmanship and practices amongst the various building contractors. This not only included advice on production of concrete works and soil testing methodology, but also financial advice and guidance in scheduling, and site safety. Capacity-building will be carried out with the Division of Educational Facilities to enable site supervision duties to be undertaken by existing staff in future projects. In common with many

employment-intensive projects, the Liberia project has experienced programming delays, and a proposed extension to the original contract period is currently being considered.

Malawi IGPWP

The EC-supported Malawi IGPWP programme purpose is to 'enhance the socio-economic situation of the rural/peri-urban population through improving accessibility, infrastructure and promotion of productive activities within rural/peri-urban areas and by creating linkages to economic activities'. It covers forestry and irrigation as well as roads and bridges. The two evaluations available are generally very positive, observing that 'forestry activities in many sites, being within the direct control of communities, are not only seen to be sustainable but also to be generating spontaneous initiative for more tree planting and maintenance', and 'the success of the design can be attributed to the absorption by the beneficiaries of the concept of ownership coupled to payment for example for regular inputs such as road maintenance and work and inputs on irrigation'. There are also signs that the irrigation activities will be sustainable, and that funding can be found to continue the initiative from the agricultural sector.

Multi-Sector Projects in Post-Conflict Contexts

It is also important to note that post-conflict interventions are also often multi-sector. Three multi-sector post-conflict EC projects were analysed in detail. All three projects respond to situations in which basic infrastructure is lacking, income-generating opportunities are scarce, and re-integration of IDPs and ex-combatants is a priority (Somalia support to economic development programme, Eritrea post-conflict rehabilitation, Eritrea support to former IDPs / Expellees - post-conflict cash-for-work programme). Of these, the first two focus on building capacity in fragile states, although they include minor infrastructure interventions, including small roads, bridges, water and sanitation, schools and health centres; the third (cash for work) is primarily a social protection programme.

EMPLOYMENT-INTENSIVE WORKS AND 'GREEN JOBS'

In many developing countries, areas critical to the continued functioning of larger eco-systems are in need of urgent attention. A number of the activities involved— planting native vegetation, removing invasive species, afforestation and re-forestation, building structures that reduce erosion, protecting reserves, watershed management and flood protection—are highly labour-intensive and have the potential to create employment for the poor. The benefits of these investments most often accrue to poor and local communities and the income yielded by such beneficial environmental activities also eases pressures to exploit the environment.

See: Lieuw-Kie-Song, M. R. (2009) 'Green Jobs for the Poor: A Public Employment Approach', Poverty Reduction Discussion Paper PG/2009/02. New York, UNDP

One particularly promising area for employment-intensive approaches is in environmental management and climate change adaptation. The box above sets out the argument for creating 'Green Jobs' in the growing environmental sector. Note that the successful EC Malawi Income Generating Public Works Programme (IGPWP) project, described immediately above, is a multi-sector programme with a large environmental component. The non-EC Mali Labour-Based Forestry project, funded by NORAD, UNDP and the National Government and described in the table at Annex G provides a further valuable example.

ILO Nepal – irrigation and watershed development

From 2007-2010, the Dutch Government has supported the ILO 'Employment Creation and Peace Building based on Local Economic Development' (EmpLED) project in Nepal. The main objective of the project is to contribute to national peace building and poverty reduction, including employment-intensive community infrastructure. 'Green jobs' outcomes have included:

- Irrigation field canals and agricultural roads: 28,700 green workdays, 500 workers ($ 4.8 USD per workday created), USD 135,574 (4kilometers of agricultural roads, canals to irrigate 210 ha)
- Watershed development – riverbed and embankment works and bio-engineering components (agro-forestry and slope/embankment grassing): 22,600 green workdays , 600 workers ($5 USD per workday created), USD 112,800 (restoring/upgrading 16 sq km watershed)

Source: www.ilo.org/kathmandu/whatwedo/projects/lang--en/WCMS_112924/index.htm

Rwanda's Vision 2020 Umurenge Programme (VUP)

- VUP is managed from the Ministry of Local Government and the point of service delivery is the Umurenge (Sector)
- Environmental issues are important to Rwanda: around 90% of the population is involved in farming but only 52% of the land is cultivatable; frequently this leads to over farming and soil degradation
- VUP projects include activities which have a positive impact on land productivity, particularly dealing with soil erosion and water conservation as well as road and building construction: land productivity and irrigation, mainly terracing, but also anti-erosive ditches, valley dam construction and forestry Construction, including road, bridges and buildings (eg school classrooms, health centres)

Source: www.minaloc.gov.rw/IMG/pdf_VUP_final.pdf

POST-CONFLICT: A SPECIFIC CONTEXT

Projects implemented immediately post-conflict present a different set of opportunities and challenges. The principal opportunities identified in the analysis are that labour-intensive projects: contribute to reconciliation and reintegration of ex-combatants by providing work and encouraging different social groups to work together; increase the likelihood that peace will be sustained by providing employment opportunities for ex-combatants and injecting cash into the economy; are an effective and dignified method of aid distribution.

Two principal challenges were identified in non-EC employment-intensive programme in post-conflict contexts. The first is that after long, widespread conflicts, extreme lack of government capacity and the absence of basic infrastructure can make government involvement in reconstruction (with the aim of promoting national ownership and building capacity) extremely difficult or impossible (Afghanistan and Sierra Leone). It may be more realistic for external agencies to carry out the works, while running parallel capacity-building programmes so that government bodies can participate in and own future projects. The second is that the goal of ensuring that the infrastructure constructed is appropriate and sustainable can sometimes be forgotten in the rush to provide aid, leading to expensive mistakes. Taking additional time to ensure appropriateness and implement necessary accompanying measures pays dividends.

A positive example relevant to both these challenges is the post-conflict World Bank Urban Infrastructure project implemented in Bangui, Central African Republic, in which Neighbourhood Development Committees were developed and played a central role in managing and implementing the works. This is one method of increasing the likelihood that the infrastructure will be sustainable, and generating ownership within the local population.

6 Findings & Recommendations

6.1 Findings

This study has explored ways in which employment and decent work objectives have been addressed in EC infrastructure and other non-social sector programmes, in particular the use of employment-intensive methods. As most of the experience of the EC and other donors in these methods has been in the roads sector, in particular rural roads, this has been a significant part of our study. The key findings from the study fall into two categories, as outlined below:

A. Technology and the link with poverty reduction

There is clear evidence that, in defined circumstances and for defined tasks, employment-intensive techniques can deliver results of appropriate quality, within an agreed timeframe and to budget. Moreover, these approaches – if properly managed and supported – can bring additional benefits in that they:

- intensify the development impact of the investment made, through direct and indirect employment generation, often with a strong participation of women, and cash injection into the local economy
- increase local ownership of the assets and facilitate skills transfer to local communities – knowledge that will be useful for later maintenance
- realise significant foreign exchange savings

However, employment intensive infrastructure is not an easy option. To produce quality outputs efficiently requires substantial and continuous training and capacity building at a number of levels (engineers, managers, supervisors, contractors, workers) over a period of years, which often conflicts with the 2-3 year programming cycle most donors use. A long time horizon is therefore needed is order to justify the input in technical assistance required. Embedding into local procedures and mainstreaming is the best way to ensure continuity and get the most out of the investment in capacity building. Hence government buy-in is key.

In situations of chronic unemployment and underemployment, a long time horizon is also required if the infrastructure investment is to have any significant impact on longer term poverty alleviation. In these situations short term employment is not sufficient. The employment generated must be on-going.

To create sustainable employment requires a continuous programme of new construction or rehabilitation, which requires a mobile labour force. Routine maintenance is the only way to create on-going employment for people in the vicinity of the works – albeit at a lower level than in new construction or rehabilitation. Maintenance has been long neglected and is vitally important in sustaining the flow of benefits from the asset. Building a maintenance system is a very long term exercise.

Long term poverty alleviation can also be effected through the impact of the asset (ie the opportunities for creation of income provided by the road/irrigation system). This may happen spontaneously in some places (where access or water was the only missing factor). But it may

require additional inputs to the affected communities – for instance, in the form of agricultural extension services, loans to SME, or business skills.

In sum, the study has found that the immediate positive effects of employment-intensive infrastructure programmes are real and can be profound when correctly planned and implemented. However, the longer-term contribution to alleviation of poverty in situations of chronic unemployment and underemployment is much less clear. These approaches do have the potential to alleviate poverty in such contexts provided that the following conditions exist:

1. They are part of a continuous programme of employment intensive infrastructure construction/rehabilitation over a period of years
2. They succeed in introducing and sustaining a programme to maintain the assets created using employment intensive methods
3. The assets created are of high quality and support productive activities and sustainable livelihoods on the part of the poor, and
4. If necessary, the creation of assets is accompanied by the delivery of complementary inputs (seeds, fertilizer) and services (agricultural extension, business development) that may be needed for the development of sustainable livelihoods.

B. EC programmes vis-à-vis other donors'

The study finds that EC experience in this field is more significant than perhaps previously understood. However it is mostly confined to sub-Saharan Africa. There would appear to be scope to increase the extent to which the employment dimension is incorporated in infrastructure programming, and even in the roads sector in sub-Saharan Africa, as a number of partner countries are identified in the study where employment-intensive is either/both an EC or partner government priority, and where the EC has yet to support employment-intensive interventions.

However there are constraints to the expansion of employment intensive investment in EC infrastructure programme, due to three factors:

- EC supports many major infrastructure projects where employment-intensive technology may not always be suitable
- EC support for (transport) infrastructure is strongly concentrated within ACP
- Government support for employment intensive approaches in the transport sector is not widespread

Hence, in other geographical regions, where the EC is not investing in infrastructure and has no programming priority to do so, there is a need to identify opportunities to promote employment in other infrastructure sub-sectors and beyond.

Many of the EC projects where employment-intensive approaches are 'core' are a response to crisis situations. The weighting of the balance between infrastructure and crisis-led or humanitarian programmes has important consequences in terms of institutional responsibilities, funding channels and instruments and potential for scale. For instance, in many cases, responsibility for crisis-led interventions by definition falls within ECHO, not AIDCO. Hence such approaches do not provide a useful template for mainstreaming and up-scaling employment-friendly infrastructure in the context

of AIDCO's development mandate, nor will they necessarily entail the institutional and policy shifts necessary to make this happen.

Experience with projects in Benin and Kenya suggests that EC procedures may not be sufficiently flexible to support implementation of employment-intensive infrastructure, which generally requires numerous contracts with small enterprises and prompt disbursement of funds in a decentralised setting. EC Delegations may also not be well suited to implementing projects with a strong community engagement element as infrastructure teams in EC Delegations generally do not include social development specialists and tend to work independently from the social development teams.

These difficulties are being overcome in many of the EC projects analysed, by decentralised management, whereby responsibility for implementation is delegated to a government body or to an AGETIP. In some instances the whole responsibility for implementation is delegated to another agency (in Benin to Danida; in Timor Leste to the ILO).

Of particular importance to the broader Decent Work Agenda are the internationally-recognised core labour standards of the ILO, as well as national legal provisions bearing on health and safety, wages, hours and provision of social protection. This study finds that EC performance on the implementation and monitoring of these vital cross-cutting factors could be improved, both on employment intensive projects and major works. Beyond commitments to national and international norms in EDF General Conditions, EC contracts may contain a few clauses related to wages and working conditions, but the means of monitoring and reporting are seldom specified and in practice the requirements are seldom enforced.

6.2 Recommendations

1. Strengthen and expand EC support for employment-intensive infrastructure (EII) programmes in partner countries where this is a government priority

EC decides programming priorities in dialogue with governments; it is therefore difficult to promote employment-intensive approaches in contexts where government is not supportive. To do so could in any case be counter-productive. Experience highlighted here suggests that, where projects are implemented without active partner government support and ownership, their impact is short-lived, in terms of sustainability of both asset and employment.

The best results will be obtained if the EC works in cooperation with government and with other donor agencies through a decentralised management system.

2. Adopt a long time horizon

Long-term involvement is critical to building the capacity required for sustainability. So it is important to make a thorough assessment of capacity-building needs and adjust the project programme, budget and staffing arrangements accordingly.

3. Give attention to support for routine maintenance and for developing and strengthening a maintenance system in the roads sector

Careful consideration should be given to funding routine maintenance in order to preserve the value of the assets and generate opportunities for regular employment over an extended period of time. Even more important is help to build and strengthen national systems for routine maintenance.

Successful models do exist – such as the GIME in the EC Sao Tome e Principe project – and could be replicated. But this may require continued technical assistance over an extended period.

4. Promote the expansion of employment intensive programmes into new sectors and into multi-sector projects aimed at creating sustainable livelihoods

The EC should embrace opportunities to scale up employment-intensive opportunities in the roads sector, but should also promote employment intensive approaches in other infrastructure sub-sectors and in other sectors. Promising areas are irrigation and water management, environmental management and climate change adaptation, and multi-sector projects embracing agriculture and forestry.

Multi-sector projects can be particularly useful in focusing attention away from the immediate objective of creating short-term employment in construction to the creation of sustainable livelihoods in the longer term. Additional inputs may be required (seeds, fertilizer, business training) in order to bring this about.

5. Develop partnerships with other agencies engaged in employment-intensive infrastructure

The EU has not, historically, been at the forefront of efforts to promote employment-intensive infrastructure. This study suggests that other agencies – and most particularly ILO and World Bank, alongside several bilateral agencies and national governments – have much to offer the EU in terms of their experience, expertise and ability to implement and manage complex projects on the ground. For this reason, it is proposed that AIDCO should develop strategic alliances with a limited number of agencies, particularly ILO-EIIP.

Moreover, the Commission should recognise that several of these agencies have already made significant steps to 'mainstream' employment-friendly policies and employment-intensive approaches in infrastructure planning and delivery. There are also instances where national governments have taken full ownership for their own infrastructure programmes, with limited assistance from external actors. The EU should seek to understand the dynamics of this situation and understand where it can add value to the process

6. Promote coordination and cooperation around the employment dimension within the AIDCO and the EC Delegations

Integration of employment concerns into planning requires a mix of expertise which cannot easily be resourced within a single unit.

Within Commission services and within Delegations, there is scope to improve coordination between infrastructure / operations staff and social development experts. Infrastructure teams should be required to consult with social sectors when designing infrastructure programmes.

Moreover, it is recognised that the uptake of employment-friendly infrastructure policies and projects relies greatly on the awareness, interest and enthusiasm of Delegation staff as it does on the AIDCO side. Evidently, AIDCO can stimulate such interest, and the advocacy tool provided here is intended for this end. It is noted that there is a need to create greater 'visibility' of employment-intensive methods within Delegations, and particularly of employment-intensive projects underway within the country or region. The resources provided in this study should assist in increasing

visibility; one lesson of the field missions, however, is that direct experience of how employment-intensive works operate in practice provides the most compelling case.

7. Promote cross-learning between employment intensive interventions in a humanitarian / social protection context and interventions in the development context of infrastructure programming

It has been noted that many of the EC projects where employment intensive approaches are 'core' are a response to crisis situations and as such fall under the responsibility of ECHO and not AIDCO. However in practice the difference between the two types of intervention is not so profound. Both could benefit from improved cross-learning between humanitarian and development-led interventions, and between respective Directorates.

Moreover, given the re-invigoration of interest in employment-intensive approaches as part of 'social safety net' strategies – evidenced by the (content of the) recent World Bank-hosted South-South Learning Forum on Public Works – a strong case can be made for increasing the duration of such projects, building capacity and improving the quality of the infrastructure: namely, seeking to increase their effectiveness in long-term poverty alleviation.

8. Recognise the relevance of the Decent Work Agenda to all infrastructure programming, including large-scale, capital-intensive works

It is important that decent terms of employment and working conditions are integrated into contracts and a clear framework established for monitoring and reporting in employment intensive projects. But all investment in infrastructure creates jobs, and the Decent Work Agenda applies equally to infrastructure investments where employment-intensive approaches are not used. For this reason, we would propose that the tools emerging from this study provide a framework for the meaningful, monitoring and reporting of decent working conditions in all infrastructure investments. The study team strongly propose that employment-intensive works should be perceived as a point of entry to the broader question of decent work in infrastructure works, not its conclusion.

Annex A: Decent Work in Developing Country Infrastructure

The study team is attentive both to employment (creation) and decent work concerns: that is, how infrastructure and other non-social programming can contribute to 'more and better' jobs.

It is noted that a focus on 'more and better' jobs itself implies a narrow interpretation of the ILO 'decent work' concept, which entails four 'pillars' which are interdependent and mutually reinforcing:

- Access to productive employment and income opportunities;
- Rights at work, particularly with respect to the core labour standards;
- Systems of social protection; and
- A voice at work through social dialogue.

However, it should be noted that the ILO EIIP – in its overview of 'Decent Work Deficits' in construction[44] - considers 'social protection' to include mainly income from employment ('income is what is most needed'). It is further argued that 'additional ways of putting the floor of basic rights in place' are (i) accident insurance or other measures to compensate workers for injury and (ii) the outcomes of EIIP works (eg water supply, better access) which themselves go a long way towards lowering vulnerability and exclusion. Moreover, as noted above, where employment-intensive approaches are used in the context of cash-for-work or food-for-work programmes, these approaches are properly fulfilling a role of social protection.

For ILO-EIIP, it also helpful to consider social dialogue in a broader sense, in the context of promoting employment-intensive works. For instance, in its 2004 review, EIIP highlights (DANIDA-funded) activities to promote integration of employment, social and investment policy through Employment and Investment Policy Units at national level with 'tripartite plus' steering committees to guide the policy units to work on specific sectors and issues.

In the table below we provide a brief overview of the key decent work issues in developing country infrastructure activities.

Labour rights and working conditions in developing country infrastructure

Employment relationships	• Employment of workers on a temporary, casual basis has grown rapidly in the past decades and is now widespread in the construction industry throughout the developing world (see ILO 2001 for growth and extent of the practice). • These practices allow contractors to cope with fluctuations in their workload – but pass the risk of adjustment to the workers in the form of slack periods without work • Often there is only a small core of regular employees with a huge periphery of casual workers employed on temporary contracts (frequently with no written contract). • A contract – preferably written – substantiates an employment relationship and give rises to reciprocal rights and responsibilities: without it, statutory protections are readily eroded. • Outsourcing of labour to sub-contractors (labour-only contractors or labour providers) is also widespread in both developed and developing countries. In

[44] Reducing the decent work deficit in the infrastructure and construction sectors: The experience and proposals of ILO's Employment-Intensive Investment Programme, ILO, 2004

	many developing countries, from South America to South East Asia, engaging construction workers through intermediaries (labour suppliers) is the traditional way of achieving the flexibility that contractors seek. • There is little evidence that a move back to direct employment is likely in the foreseeable future – at least in developing countries – so measures will therefore be needed to combat the worst effects of these practices.
Wages	• A two-tier wage structure has developed in the construction industry with 'core workers' receiving several times the wages of casuals plus paid holiday and other benefits including sick pay and accident insurance. Casual workers generally receive none of these benefits and wages for them are set by the market and often below the legal minimum (evidence from ILO 2001). • In addition to failing to meet legal minima, wages are often not paid on time (exacerbated in cases of labour intermediaries); it is also not uncommon for deductions to be made from workers pay • Historically, in the context of direct labour employed by state actors, wages have been set by the state; given the move the private contracting, such wage-setting is considerably more problematic, and likely undesirable
Freedom of association and worker organisation	• Accompanying the trend toward out-sourced labour is a decline in unionisation rates of construction forces worldwide. Union membership is considerably lower amongst employees of labour providers in most regions. • These changes in employment relationships have undermined workers' ability to organise and bargain collectively – and have led directly to an increase in the occurrence and severity of each of the issues outlined here.
Hours of work	• Construction workers generally work for long hours (up to 12 hours a day for 7 days a week is not uncommon). Long hours are often voluntary (in order to compensate for low wages, but also because construction workers are often away from home) but may also be compulsory.
Occupational Health and Safety (OHS)	• Occupational health and safety is a key issue in construction: it is recognised as the third most dangerous occupation: plus published data is likely to underestimate real number of accidents, and reporting of work related ill-health is practically non-existent. • The risks to construction workers of injury or ill health from hazardous working environments are exacerbated by long hours of work, poor living conditions, high rates of labour turnover and the failure to provide training, insurance or other benefits to casual workers. • It is also not uncommon for casual workers to receive none of the protective clothing provided for regular workers • Construction workers are also particularly susceptible to HIV-AIDS due to the prevalence of young men in the workforce and long periods away from home
Women workers	• Women are commonly either excluded from construction work or given inferior jobs with lower pay • Incorporating women into the (predominantly male) construction workforce is often a high priority of donors. Gender mainstreaming in construction can however be problematic because: o there is huge prejudice and inequality of opportunity in what is regarded as a male preserve – this includes inequality of pay, inequality of access to decision-making bodies, occupational segregation where women are present in the sector, and harassment o women have many other roles to play, especially in the rural areas o to have regular work the construction workforce has to be mobile and this means leaving children behind or taking them to site • Some measures designed to protect women workers can have unintended consequences (e.g. restriction on hours may prevent their participation in key activities such as concrete pouring)
Migrant workers: rights to organise	• Migrant workers are commonly employed on terms of employment inferior than those applicable to local labour, and frequently face obstacles to participating in

	worker representation structures such as trade unions. This is a problem where terms and conditions fall below statutory minima determined by national labour law – in terms of health and safety, minimum wages, and maximum working hours/overtime. • This situation is more likely to arise where migrant workers are not 'regularised' with the authorities and hence cannot easily seek recourse to statutory protection.
Forced labour	• In some cases – particularly 'enclave projects' – migrant workers may find themselves in a situation tantamount to forced labour- e.g. where they are tied to one employer – or labour provider – without the right to leave, or when unlawful deductions are made from their wages. • Unacceptable labour practices – and, at worst, forced labour – may arise from the retention of documents (such as passport or work permit) by the labour provider, the withholding of wages, or other forms of involuntary labour coercion, exercised under threat of menace or penalty.
Other vulnerable groups – internal migrants	• Construction workers generally work away from home – i.e. they are internal migrants. As such, they are likely to work much longer hours – in remote sites there is often not much to do – preferring to earn as much money as possible while away from home (see 'Working hours'). • In several regions, internal migrants or other groups may also be employed in unacceptable situations similar to those described above: this is particularly the case with ethnic minority groups and some indigenous populations.
Young workers and hazardous child labour	• While child labour is not as prevalent in construction as in other sectors such as agriculture or mining, however there are reports of child labour in construction in several low income countries where infrastructure is a focus for EC. Moreover, child labour is a known in many of the ancillary and supply chain activities relating to construction – not least stone quarrying, brick manufacture and timber. • Construction work is generally 'hazardous', but particular tasks are exceptionally so (work at heights, with dangerous machinery, underground etc). Under ILO conventions and almost all national labour laws, hazardous work many not be performed by young workers aged under 18 (C182 provides for national government to schedule tasks characterised as 'hazardous').

Annex B: employment-intensive infrastructure in CSP/NIPs

	= employment intensive infrastructure is part of EC focus/reference in CSP/NIPs

Countries	EC focus	Country's national development strategy	Other donors' programmes
Benin	X	X	
Botswana		X	
Burundi	X		
Cameroon	X	X	
Cape Verde		X	
Central African Republic	X	X	
Chad			X
Congo (Brazzaville)	X	X	X
Cote d'Ivoire	X		
Eritrea	X		
Ethiopia		X	
Gabon		X	X
Gambia		X	
Guinea Bissau		X	
Ghana	X		
Haiti	X		
Kenya	X	X	
Lao	X		
Lesotho	X		X
Liberia	X		X
Madagascar		X	
Malawi	X		
Mauritania			X
Morocco	X		
Namibia	X		
Niger			X
Pakistan		X	
Rwanda	X	X	
Sao Tome e Principe	X		
Senegal	X		X
Sierra Leone	X	X	
South Africa		X	
Suriname	X		
Tanzania	X		
Togo	X		
Uganda	X	X	
Zambia		X	
Total	24	17	8

Annex C: Nature of reference to employment-intensive approaches in CSP/NIPs

Reference to employment-intensive approaches to infrastructure as part of EC response strategy or objectives
Reference to employment-intensive approaches to infrastructure as part of country strategy (or other donors' activities)

Country	Source of reference		Employment intensive / labour based reference (summary)
Benin	EC response strategy / objectives	10th EDF and 9th EDF	Part of EC transport sector support targets employment-intensive works (budget support to Road Funds and implementation of employment-intensive works).
Botswana	Country strategy	10th EDF	The Government provides a comprehensive set of social protection and safety-net schemes (SSN) such as the Labour Based Public Works Programmes.
Burundi	EC response strategy / objectives	9th EDF	As part of the EC focus on rural development, infrastructure including using employment-intensive techniques is mentioned.
Cameroon	EC response strategy / objectives	9th EDF	Weak reference to employment-intensive methods (as part of previous EC intervention).
Cape Verde	Country strategy	9th EDF	Le système des FAIMO consiste à garantir un minimum de revenus aux couches de la population en situation d'extrême précarité par la réalisation de travaux publics dans le secteur de la conservation de l'eau et des sols ainsi que dans la construction de routes pavées. Ces travaux à caractère saisonnier (3 à 8 mois/an), financés sur les fonds de contrepartie de l'aide alimentaire, emploient environ 20.000 travailleurs.
Central African Republic	EC response strategy & country strategy	9th EDF	EC stresses that projects will be designed and implemented with a strong gender consideration, through employment-intensive methods wherever possible in order to provide both men and women with wages. Country Strategy: Country's national strategy is to promote employment, in particular through the use of employment intensive methods (HIMO).
Congo (Brazzaville)	EC response strategy & country strategy	9th EDF	Congo's national focus on youth employment aims to provide decommissioned soldiers jobs through employment-intensive work such as road maintenance. EC support to Congo's national transport strategies will aim to encourage employment intensive methods.
Cote d'Ivoire	EC response strategy / objectives	10th EDF	Infrastructure works including employment-intensive techniques are part of EC 'promoting social cohesion' response.
Chad	Other donors	9th EDF	Il s'agit par exemple des pistes rurales situées dans la région du Mayo-Kébi sur financement KFW avec le lancement d'un projet pilote HIMO (haute intensité de main d'œuvre) et des pistes cotonnières sur financement AFD situées dans le sud du pays.
Ethiopia	Country strategy	10th EDF and 9th EDF	Efforts will be made to maximise generation of employment – including local labour – by adopting labour-intensive techniques and appropriate training and skills development programmes for construction and maintenance [of transport infrastructure] (10th EDF). Monitoring indicators used by government for road programmes include sustainability indicators including the proportion of construction by the private sector, labour-based vs total construction ratio (9th EDF).

Eritrea	EC response strategy / objectives	10th EDF and 9th EDF	Generating employment by using labour-intensive road maintenance approach is part of EC focus area in infrastructure rehabilitation. Infrastructure is a minor part of the post conflict rehabilitation focus area. Past cooperation in the area of infrastructure development included the most emblematic project which is without any doubt the central road axis of the country, linking the lowlands and the highlands (Massawa to Asmara) and therefore essential for the economic viability of the country. This project was executed with local know-how and using labour-intensive methods.
Gabon	Country strategy	10th EDF	Reference to a pilot project using employment-intensive methods in infrastructure development work as part of the national strategy to fight poverty and unemployment.
Gambia	Country strategy	10th EDF	Moreover, in line with the aims of the PRSP, future maintenance will be carried out through the allocation of maintenance contracts to private companies, and in order to maximise employment opportunities, labour-based methods will be prioritised.
Ghana	EC response strategy / objectives	10th EDF	Private sector development: local decision-making will allow increased use of small and medium sized enterprises, particularly for infrastructure and feeder roads. Tender lots may need to be adjusted according to the capacity of labour-based contractors. Strong contract management will be needed to ensure timely delivery of outputs. Decent Work, notably child labour is one of the 7 cross cutting issues of EC activities.
Guinea Bissau	Country strategy	10th EDF	Reference to the use of the road maintenance fund resources to implement EI road maintenance methods.
Haiti	EC response strategy / objectives	9th EDF	Reference to '540 rural projects supporting employment generation', notably through EI investments.
Kenya	EC response strategy / objectives	10th EDF and 9th EDF	Kenya national development objectives included raise income opportunities for the poor through promoting rural employment, rehabilitation of infrastructure and labour intensive methods. EC response: Transport / Road sector focus: Mention of the use of labour based small contractors (9th EDF). 10th EDF makes reference to the rural roads component of the 9th EDF which has also helped to open up rural agricultural areas – particularly tea and coffee growing regions – to market access and employment generation through labour-intensive works delivery methods.
Lao	EC response strategy / objectives	9th EDF	The EC-Lao PDR cooperation has developed field experience in providing small-scale, village access roads and horse trails, enabling villages to link up with markets and get access to additional services. This type of infrastructure, using labour-intensive methods, should be targeted at disadvantaged ethnic minority groups in upland areas.
Liberia	EC response strategy / objectives	10th EDF	The reconstruction of such infrastructure has the potential to provide employment and develop national income, with further multiplier effects on economic reconstruction and poverty reduction. The programmes will target in particular vulnerable or marginalised groups (women, children, minorities/excluded groups, the disabled), and facilitate their participation in the identification, planning and implementation of activities.
Lesotho	EC response strategy / objectives	10th EDF and 9th EDF	Residual STABEX funds have been applied to labour-intensive public works schemes, focused on road construction and maintenance. This activity has been carried out as an income- support initiative for livestock owners and other rural families in designated drought- affected areas. Over 161, 000 man-days of labour have been generated with €559, 840 being injected into target communities.

			Focus of Road Transport Focal Sector: Establishment of a sector-wide road maintenance and capital investment programmes for the medium-term and create employment through the utilisation, whenever possible, of labour-based methods of road construction and maintenance (9th EDF)
Madagascar	Country strategy	10th EDF	Employment-intensive value chain and works are a key area of focus for the country response strategy – to improve pro poor economic performance.
Malawi	EC response strategy / objectives	9th EDF	In the transport infrastructure sector, the EC's objectives are to: maintain and upgrade the road network through the NRA; upgrade and maintain the rural feeder road network through a high labour intensity Public Works programme, and improve the infrastructure providing links between Malawi's internal, regional and global markets (9thEDF)
Mauritania	Other donors	9th EDF	Germany (KfW) – Programme d'infrastructure HIMO (185M UM)
Morocco	EC response strategy / objectives		Weak reference to employment creation through infrastructure (link to employment-intensive methods unclear). Infrastructure and rural development projects financed by the EC should result in the creation of 15.000 jobs.
Namibia	EC response strategy / objectives	9th EDF	Rural employment creation through on and off farm income generating activities is a key component of EC rural development focal sector – Labour-based rural road intervention.
Niger	Other donors	10th EDF	Germany (KfW) –Travaux d'infrastructure à haute intensité de travail en zone Niger
Pakistan	Country strategy (IP)		A community approach based on social mobilisation and capacity-building to improve and build community infrastructure, whenever feasible using a labour-intensive approach, to secure better access to social services and microcredit, to improve social safety nets, to develop human and natural resources and forge better links with public and private development agencies
Rwanda	EC response strategy / objectives	9th EDF	Specific objectives of EC intervention will be to: b) develop rural infrastructure to provide a conducive environment for rural economic growth; c) promote off-farm employment The promotion of off-farm employment will be achieved by applying a labour-intensive public works approach to the development of rural infrastructure and to environmental measures. The reinforcement of district and sector administrations will also encourage rural 'growth clusters' around which small scale service and manufacturing industries should develop. As part of EC focus on rural development, use of employment-intensive techniques in infrastructure development.
Sao Tome e Principe	EC response strategy & country strategy	10th EDF	High political will to base any road maintenance programmes on employment-intensive methods. EC's road maintenance support will use SMEs to ensure a maximum impact on poverty reduction (9th EDF)
Senegal	EC response strategy / objectives	10th EDF	EC focus area: Regional integration through infrastructure development including employment-intensive techniques.
Sierra Leone	EC response strategy / objectives	10th EDF and 9th EDF	In this context, the previous EC interventions in the sector will be taken into account. Labour-intensive methods should be supported and used whenever possible. Rural employment creation is included as a non-focal sector: facilitate pro-poor economic growth, job creation and sustainable development in rural areas by means of agricultural development (10th EDF). The contribution of 9th EDF resources will pursue and complement an ongoing 7th and 8th EDF program providing financial and institutional support to the national Road Authority (SLRA). For all works concerned by the programme outlined above, Community-funded operations will be designed to promote labour intensive working methods, involving local governments, and private sector

			participation (9th EDF).
South Africa	Country strategy	10th EDF	Between 1996 and 2005, a number of government strategies and programmes have been devised to enhance and consolidate the social and economic transformation of South Africa by tackling poverty and vulnerability and by bridging the gap between the first and second economies. Initiatives have included the Integrated Sustainable Rural Development Programme, the Urban Renewal Programme, the Expanded Public Works Programme, the Comprehensive Agricultural Support Programme, the Municipal Integrated Development Plans, the Human Resource Development Programme and the National Skills Development Strategy.
Suriname	EC response strategy / objectives	9th EDF	EC acknowledges that labour intensive maintenance programs (managed by the Road Authority) in urban and rural areas have the potential to strengthen the participation of women in the transport sector
Tanzania	EC response strategy / objectives	9th EDF	EC 9th EDF options for the road sector: Provide funding for the development and maintenance of the district and community road networks using small contractors and labour intensive methods to maximise income distribution in rural areas.
Togo	EC response strategy / objectives	10th EDF	Infrastructure is a focus sector for EC with the fight against unemployment through employment-intensive methods among the main goals
Uganda	EC response strategy / objectives	10th EDF	As part of EC transport infrastructure focal area, the overarching objective of poverty alleviation will be facilitated by employment-generating road construction and maintenance works, in particular labour intensive routine maintenance.
Zambia	Country strategy	10th EDF and 9th EDF	Different recent studies insist on the necessity to ensure improvements and further support for the labour-intensive agricultural sector as the best way to reach the most vulnerable and to reduce extreme poverty (10th EDF). Reference made to labour-intensive programmes for the rehabilitation and maintenance of community and feeder roads in the national transport policy, with no further reference (9th EDF).

Annex D: Overview of EC projects and programmes incorporating EDW factors

LBM-based ("HIMO" project)
LBM component (incorporates "HIMO")
DW component (no LBM/HIMO)

	Decision N°	Title	Country	DAC sector	LBM/HIMO-based project?	LBM/HIMO component?	Employment as objective?	DW / rights component?
1.	FED/2003/016-318	Projet d'Appui à la Réalisation des Travaux Urbains de Voirie et d'Assainissement (PARVA)	Benin	43030	Yes	Yes	Yes	No
2.	FED/2005/017-868	Aménagement de la route Banikoara-Kandi	Benin	21020	No	Yes	No	No
3.	(CRIS 21-956)	Pistes rurales désenclavement	Benin	21020	Yes	Yes	Yes	Yes
4.	FED/2003/016-386	Appui au programme sectoriel des transports (PST-2)	Burkina Faso	21020	No	Yes (putative)	No	No
5.	FED/2004/016-904	Aménagement et bitumage de la RN 12 (Gitega-Karuzi-Muyinga)	Burundi	21020	No	Yes (putative)	No	No
6.	FED/2008/020-905	Programme routier 10ème FED	Cameroon	21020	No	Yes	No	Yes
7.	(9 ACP CA 08)	Travaux d'assainissement de Galabadja	Central African Republic	43030	Yes	Yes	Yes	No
8.	FED/2009/021-431	Pôles de Développement - 1ère phase	Central African Republic	16050	No	Yes (putative)	No	No
9.	FED/2009/021-685	Appui au développement urbain en RCA	Central African Republic	43030	Yes	Yes	Yes	Yes
10.	(7 ACP COB 56)	Réhabilitation des pistes rurales selon la méthode à haute intensité de main d'œuvre	Congo (Brazzaville)	21020	Yes	Yes	Yes	No
11.	FED/2006/017-938	Programme d'urgence de réhabilitation post-crise (PUR III)	Ivory Coast		No	Yes	Yes	No
12.	FED/2002/015-990	Programme d'appui a la réhabilitation (PAR II)	Congo (DR)		Yes	Yes	No	No
13.	FED/2006/018-667	Projet d'Assainissement Urbain à Kinshasa (PAUK)	Congo (DR)	14020	Yes (in part)	Yes	Yes	No
14.	FED/2006/020-696	Réhabilitation et réintégration socio-économique dans les régions de l'est de la RDC (LRRD)	Congo (DR)	16050	No	Yes	Yes	No
15.	FED/2009/021-535	Projet d'entretien et réhabilitation des infrastructures routières en RDC et amélioration de l'assainissement urbain à Kinshasa	Congo (DR)	14020	No	Yes	Yes	No

	Decision N°	Title	Country	DAC sector	LBM/HIMO-based project?	LBM/HIMO component?	Employment as objective?	DW / rights component?
16.	FED/2005/017-355	Post-conflict rehabilitation programme for Eritrea	Eritrea	15230	Yes	Yes	Yes	No
17.	FED/2006/018-728	Road Maintenance and Safety Programme, Phase II	Eritrea	21020	No	No	Yes	Yes (contract conditions)
18.	FED/2009/021-467	Support to IDPs/expellees return/resettlement and host communities to enhance peri-urban productive safety net through Cash for Work programme	Eritrea	52010	Yes	Yes	Yes	Yes
19.	FED/2009/021-491	National Heritage Programme	Eritrea	41040	Yes	Yes	Yes	Yes (contract conditions)
20.	FED/2003/016-354	PRD - Programme de réhabilitation et de développement d'infrastructures socio-économiques de base / Haiti	Haiti	73010	No	Yes	Yes	No
21.	FED/2009/021-608	Programme d'appui à la politique nationale des Transports	Haiti	21020	No	Yes (road maintenance)	No	No
22.	FED/2006/018-582	Northern Corridor Rehabilitation Programme Phase III	Kenya	21020	No	?	Yes	Yes (contract conditions)
23.	DCI-SUCRE/2009/021-090	Annual Action Programme 2009 under the Accompanying Measures for the Sugar Protocol countries for Kenya	Kenya	31162	No	Yes	Yes	Yes (gender)
24.	FED/2009/021-655	10th EDF - Regional Economic Integration by means of Transport Infrastructure - Regional Roads Component (Merille – Marsabit Road)	Kenya	21020	No	?	Yes	Yes (contract conditions)
25.	-	Microprojects Development Through Local Communities (MPDLC) Project	Lao PR		No	Yes	Yes	No
26.	-	8th EDF Road Transport Infrastructure Programme (RTIP)	Lesotho	21010	No	Yes	Yes	No
27.	FED/2006/018-685	Upgrading and Strengthening of 110km of the Paved Primary Road Network (A1-A2-A1-B23)	Lesotho	21010	No	Yes	Yes	No
28.		County Development Programme	Liberia		No	Yes	Yes	No
29.	FED/2009/021-344	Support to the Liberia Reconstruction Trust Fund (LRTF)	Liberia	21020	No	Yes	No	No
30.	FED/2001/015-425	PROGRAMME D'APPUI A L'ENTRETIEN ROUTIER ET AU DESENCLAVEMENT DE LA REGION SAVA	Madagascar			Yes		
31.	FED/2003/016-316	Désenclavement des régions Diana et Sofia dans le Nord de Madagascar	Madagascar	21020	Yes	Yes	Yes	No
32.	FED/2007/019-433	Income Generating Public Works Programme (IGPWP)	Malawi	43040	Yes	Yes	Yes	No
33.	FED/2005/017-763	Construction of a Bridge over the Zambezi River	Mozambique	21020	No	No	Yes	Yes
34.	ASIE/2006/119-419	Community-based Livelihoods Recovery Programme for Earthquake Affected Areas	Pakistan		Yes	Yes	Yes	Yes (ILO EIIP)

	Decision N°	Title	Country	DAC sector	LBM/HIMO-based project?	LBM/HIMO component?	Employment as objective?	DW / rights component?
35.		Upland Development Programme for Southern Mindanao	Philippines		No	Yes	Yes	No
36.		Programme d'appui à la réinsertion économique et sociale des démobilisés de la ville de Kigali (PARES)	Rwanda		Yes (significant part)	Yes	Yes	No
37.	FED/2003/016-357	DPRPR - Decentralised Programme for Rural Poverty Reduction	Rwanda	43040	Yes (significant part)	Yes	Yes	No
38.	FED/2004/017-415	Appui au Secteur Routier National	Sao Tome and Principe	21020	Yes	Yes	Yes	No
39.	FED/2009/021-383	Programme d'Appui au Secteur des Transports et à la gestion des Finances Publiques à São Tomé e Príncipe PASTFP	Sao Tome and Principe	21020	Yes	Yes	Yes	No
40.	FED/2006/018-570	Programme spécial des voiries urbaines avec Haute Intensité de Main d'œuvre	Senegal	43030	Yes	Yes	Yes	
41.	FED/2009/021-578	Support to Economic Development Programme I	Somalia	31120	Yes	Yes	Yes	Yes (wages /gender)
42.	ASIE/2004/005-998	North and East Road Rehabilitation Programme (NERRP)	Sri Lanka	21020	No	Yes	Yes	Yes (gender)
43.	FED/2009/021-210	Road Transport Sector Policy Support Programme (TranSP)	Tanzania	21020	No	Yes	No	No
44.	ASIE/2003/005-795	Timor Leste Rural Development Programme	Timor Leste	43040	No	Yes	Yes	Yes
45.	FED/2007/018-857	Projet d'aménagement urbain au Togo (PAUT)	Togo	43030	Yes	Yes	Yes	Yes (gender/ young workers)
46.	FED/2006/018-457	Backlog Roads Maintenance Programme (BRMP)	Uganda	21020	No	No	No	Yes (contract conditions)
47.	FED/2008/019-711	Ugandan Road Sector Policy Support Programme - Capacity Development Component	Uganda	21020	No	Yes (putative)	No	No
48.	FED/2008/019-711	Ugandan Road Sector Policy Support Programme - Capacity Development Component	Uganda	21010	No	Yes (putative)	No	No
49.	FED/2009/021-504	Northern Corridor Road Improvement Project: Mbarara - Ntungamo – Katuna	Uganda	21020	No	Yes (putative)	No	Yes (contract conditions)
50.	FED/2009/021-711	Ugandan Road Sector Policy Support Programme - Budget Support Component	Uganda	21020	No	Yes (putative)	No	No

Annex E: Overview of 18 EC employment-intensive projects/programmes analysed in detail

Decision N°	Title	Country	DAC Sector	Budget €	Financing modality	Implementation	Direct labour?	TA[1]	Duration
(CRIS 21-956)	Improving Access through Construction of Rural Roads (Pistes rurales désenclavement)	Benin	21020 - Road transport	10m	Project approach	Decentralised management	No	n/a	n/a
FED/2003/016-318	Project to support urban roads and drainage networks (Projet d'Appui à la Réalisation des Travaux Urbains de Voirie et d'Assainissement – PARVA)	Benin	43030 - Urban development	30m	Project approach	Decentralised management	No	n/a	n/a
(9 ACP CA 08)	CAR Bangui (Galabadja) Urban Road and Drainage Works (Travaux d'assainissement de Galabadja)	CAR	43030 - Urban development	5m	Project approach	Decentralised Management	No	5.7%	2.2 yrs
FED/2009/021-685	Support to Urban Development (Appui au développement urbain en RCA)	CAR	43030 - Urban development	10m	Project approach	Decentralised management	No	n/a	n/a
FED/2002/015-990	Rehabilitation support programme (Programme d'appui à la réhabilitation – PAR II)	DRC	(Rural roads / drinking water)	131m	Project approach	Centralised management	Yes	5.7%	4 revised to 9 yrs
FED/2006/018-667	Urban drainage project in Kinshasa (Projet d'assainissement urbain à Kinshasa – PAUK)	DRC	14020 - Water supply / sanitation	22m	Project approach (programme estimate)	Centralised management	Yes	22.6%	n/a
FED/2009/021-467	Support to former IDP / expellees and host communities to enhance peri-urban productive safety net through cash for work programmes	Eritrea	52010 - General budget support (food security)	4.86m	Project approach	Joint management (UNDP)	Yes	n/a	n/a
FED/2009/021-491	Eritrea National Heritage Programme	Eritrea	41040 - Environmental policy (site preservation)	5m	Project approach	Decentralised management	No	9% (at least)	6.5 yrs
FED/2005/017-355	Eritrea post-conflict rehabilitation	Eritrea	15230 - Post-conflict peace-building (UN)	15m	Project approach	Decentralised management	Yes	7.4%	4 yrs
DCI-SUCRE/2009/021-090	Kenya annual action programme 2009 under the accompanying measures for sugar protocol countries	Kenya	31162 – Industrial crops (Rural development – 57%; road infrastructure – 43%)	5.74m	Project approach	Partial decentralised management	No	n/a	n/a

[1] % of total budget envisaged for TA = technical assistance. This includes capacity building with government and private sector and 'social' activities e.g. awareness-raising with beneficiaries. Note: some of these figures are approximate – activities included in TA are not clearly delineated in all cases.

Decision N°	Title	Country	DAC Sector	Budget €	Financing modality	Implementation	Direct labour?	TA[1]	Duration
FED/2003/016-316	Creating access to the regions of Diana and Sofia (Désenclavement des régions Diana et Sofia dans le Nord de Madagascar)	Madagascar	21020 - Road transport (mainly rural, some urban)	112m	Project approach	Decentralised management	No	4.9%	5 yrs
FED/2007/019-433	Income Generation Public Works Programme (IGPWP)	Malawi	43040 - Rural development (Rural roads, forestry, agriculture)	25.9m	Project approach (programme estimate)	Decentralised management	Yes	17.4%	6 yrs
FED/2003/016-357	Rwanda: Decentralised Programme for Rural Poverty Reduction (DPRPR);	Rwanda	43040 - Rural development (DPRPR – Rural roads)	32m	Project approach	Decentralised management	Yes	4.9%	n/a
(9 ACP RWA 003)	Support Programme for Economic & Social Re-integration of ex-combatants in Kigali (Programme d'appui à la réinsertion économique et sociale des démobilisés de la ville de Kigali – PARES)	Rwanda	n/a	n/a	Project approach (programme estimate)	Decentralised management	Yes	n/a	n/a
FED/2009/021-383	Support to the transport sector (Programme d'Appui au Secteur des Transports et à la gestion des Finances Publiques à São Tomé e Príncipe – PASTFP)	Sao Tome & Principe	21020 - Road transport	13.8m	Project approach (programme estimate)	Partial decentralised management	Yes (in part)	11.4%	4.75 yrs
FED/2004/017-415	Support to the National Roads Sector (Appui au Secteur Routier National)	Sao Tome & Principe	21020 - Road transport (Rural roads – rehabilitation)	7.95m	Project approach	Partial decentralised management	Yes (in part)	n/a	n/a
FED/2006/018-570	Special programme of urban road works using labour-intensive techniques (Programme spécial des voiries urbaines avec haute intensité de main d'œuvre)	Senegal	43030 - Urban development	34m	Project approach	Decentralised management	No	4.8%	4 yrs
FED/2009/021-578	Support to Economic Development Programme I	Somalia	31120 - Agricultural development (Multi-sector)	29m	Project approach	Centralised / Joint management (FAO)	No	>50%	7 yrs
FED/2007/018-857	Urban Construction Project (Projet d'aménagement urbain au Togo – PAUT)	Togo	43030 - Urban development	18m	Project approach			9.4%	4 yrs

Annex F: Non-EC projects analysed

= of particular relevance

	COUNTRY	PROJECT TITLE	PRINCIPAL DONOR
1.	Afghanistan	Labour Intensive Works Program	World Bank
2.	Afghanistan	Emergency infrastructure reconstruction project	World Bank
3.	Bangladesh	Small-Scale Water Resources Development Sector Project – Bangladesh	Asian Development Bank
4.	Bangladesh	Third Rural Infrastructure Development Project	Asian Development Bank
5.	Bangladesh	Third Road Rehabilitation and Maintenance Project	World Bank
6.	Benin	Evaluation of Danida Programme in Benin - Transport - 1996-2010	DANIDA
7.	Benin	Roads sector support programme - Rural roads component	DANIDA
8.	Bhutan	Rural Access Project	World Bank
9.	Bolivia	Bolivia: Rural Emergency Programme (FDC I), Rural Infrastructure (FDC II)	KfW
10.	Brazil	Integrated Urban Upgrading for the Poor: Ribeira Azul Program	World Bank
11.	Burkina Faso	Rural Roads - Opening up the East, Burkina Faso	SDC (Helvetas)
12.	Burkina Faso	Burkina Faso: Public Works and Employment	KfW
13.	Burundi	Public Works and Employment Project	World Bank
14.	Cambodia	Labour-based infrastructure rehabilitation project	UNDP
15.	Cambodia	Mainstreaming Labor-Based Maintenance to the National Road Network	Asian Development Bank
16.	China	Qinghai Community Development Programme	AusAID
17.	Colombia	Community Works And Employment Project	World Bank
18.	Congo, DR	Agricultural And Rural Sector Rehabilitation Support Project	African Development Bank
19.	Congo, DR	Emergency Infrastructure Rehabilitation And Living Conditions Improvement Project	World Bank
20.	Ecuador	Pilot Project - Road Maintenance using Micro-Enterprises - Comparison of three models	National Government
21.	Egypt	Social Fund (SFD) – Job Creation Programme Rural Infrastructure III	KfW
22.	Gambia	Poverty Alleviation and Capacity Building Project	World Bank
23.	Ghana	Awoshie-Pokuase Road Project	African Development Bank
24.	Guatemala	Rural Road Construction I	KfW
25.	Guinea	Second National Rural Infrastructure Project	World Bank

26.	India	Maharashtra Employment Guarantee Scheme Rural Public Works Programme	National Government
27.	Indonesia	Capacity building for local resource-based road works in NAD and Nias	UNDP (ILO)
28.	Indonesia	Sustainable Rural Infrastructure Development Services for Poverty Reduction in Asia Pacific Region	SIDA (ILO)
29.	Indonesia	Capacity building for local resource-based road works	UNDP
30.	Indonesia	Rebuilding Livelihoods & Employment Opportunities (Indonesia Post-Tsunami)	Finland (ILO)
31.	Indonesia	Community and Local Government Support Sector Development Program	Asian Development Bank
32.	Lao PR	Rehabilitation and Improvement of Paklai - Kenthao Road Project – Laos	UNCDF
33.	Lesotho	Lesotho: Labour-Intensive Road Construction IV-V	German Cooperation
34.	Liberia	Poverty Reduction through Decent Employment Creation in Liberia	Netherlands MinBuza
35.	Madagascar	Communal labour-intensive project Madagascar (HIMO)	NORAD
36.	Madagascar	Madagascar Urban Infrastructure Project	World Bank
37.	Malawi	Trunk Road Rehabilitation Project (Blantyre-Zomba Road)	African Development Bank
38.	Mali	Integration of youth in the labour market through Employment Intensive Investment Program - Mali	Luxembourg
39.	Mali	Labour-based forestry	NORAD
40.	Mauritania	Mauritania: Pro-employment Urban Infrastructure Programme I and II	KfW
41.	Mexico	Municipal Development In Rural Areas Project	World Bank
42.	Mozambique	Multinational: Nacala Road Corridor Rehabilitation Project-Phase I	African Development Bank
43.	Mozambique	Feeder Road Programme Mozambique	SIDA
44.	Namibia	Namibia: Labour-Based Road Construction Northern Central Region	KfW
45.	Nepal	Bardibas – Jaleshwor, Janakpur – Dhanushadham Feeder Roads Project Nepal	UNCDF
46.	Nepal	Local Infrastructure for Livelihood Improvement (LILI) Nepal	SDC, DFID (Helvetas)
47.	Nepal	Rural Access Programme Nepal	DFID
48.	Nepal	Rural Infrastructure Project	World Bank
49.	Nicaragua	Support to the Transport Sector	DANIDA
50.	Niger	Public Works and Employment Creation, Phases I and II	KfW
51.	Peru	Safe and Sustainable Transport Project	World Bank, IADB
52.	Peru	Micro-enterprises for road maintenance in Peru	National Government (ILO)
53.	Rwanda	Local Development Program (Gicumbi and Rulindo)	UNCDF, UNDP
54.	Rwanda	Umutara Community Resource and Infrastructure Development Project	IFAD, OPEC, Netherlands
55.	Rwanda	Construction, Rehabilitation and Equipment of Primary Schools	Belgian Cooperation
56.	Senegal	Public works and employment projects	World Bank
57.	Sierra Leone	Sierra Leone: Reconstruction of Rural Infrastructure (Phases I and II)	German Cooperation
58.	South Africa	Limpopo Province Labour Intensive Rural Roads Maintenance Programme	National Government (ILO)
59.	South Africa	Community-based public works programme - South Africa	National Government (ILO)

60.	Sri Lanka	Infrastructure Maintenance To Reduce Rural Poverty	Asian Development Bank
61.	Tanzania	Support to good local governance (including rehabilitation and maintenance of district feeder roads)	UNCDF
62.	Tanzania	Hannah Hassif Community Based Settlement Upgrading Phase II	UNDP
63.	Timor-Leste	Support for Rural Infrastructure Development and Employment Generation (TIM-Works)	EC, NORAD (ILO)
64.	Timor-Leste	Employment Intensive Public Works Programmes Timor Leste - Appropriate wage rate and related issues	AusAID, EC, World Bank, ADB
65.	Timor-Leste	Proposed Grant Assistance: Supporting Local Governance and Community-Based Infrastructure Works	Asian Development Bank
66.	Togo	Construction and Rehabilitation of Rural Roads – Togo	UNCDF
67.	Uganda	Uganda: Road Maintenance Programme Eastern Uganda	KfW
68.	Vietnam	Community Based Rural Infrastructure Program	World Bank
69.	Yemen, Rep.	RY-Public Works II	World Bank
70.	Yemen, Rep.	Work-intensive Water and Sanitation in Provincial Towns	KfW
71.	Zambia	Feeder Roads Project - Eastern Province	UNDP

Annex G: Capacity building lessons from non-EC projects

CAPACITY BUILDING – POSITIVE EXAMPLES FROM NON-EC PROGRAMMES

Support for Rural Infrastructure Development and Employment Generation (TIM-Works), Timor-Leste: Norway / EC / National Government / Ireland

Timor-Leste was post-conflict at the time of project implementation, and a low-capacity environment. At mid-term evaluation, the capacity-building component was found to be progressing well. The project aimed to "[develop] strategies, guidelines, procedures and modalities…to be integrated and institutionalized within the government system (like procurement procedures), [establish] labour productivity norms as the basis for payment, [develop] sufficient implementation capacities within the public and private sector, [establish] effective modalities for involving local communities in the planning and implementation of such works." The Mid-Term Evaluation consulted acknowledges that this requires a time horizon of at least five years.

Labour-Based Forestry, Mali: NORAD / UNDP / National Government

The project aimed to build the capacity of institutional partners, the state, and youth groups. The project was always intended to be a long-term venture, and eventually lasted 15 years (1989-2004). The project supported revision of legislation as well as building the capacity of important groups. The final evaluation finds that the project "definitively contributed to the formulation of a new approach to forestry in Mali, the revision of legislative and regulatory texts, and the conception of techniques and technologies that support the participation of populations and the management of forestry resources in Mali".

Local Development Program (Gicumbi and Rulindo), Rwanda: Belgian Survival Fund, UNDCF, UNDP, National Government

This project emphasized capacity-building of local institutions and community involvement. The mid-term evaluation finds that "local entities' institutional strengthening has been without a doubt one of the most tangible achievements of this Project. That was done by providing technical assistance to local entities and their various components, supporting the creation at Provincial level of the committee evaluating the Districts' performance as well as making available Development Advisors (DA) allowing local entities to coordinate and mobilize local stakeholders effectively. Getting people to participate in the planning and implementation process of activities promotes a sense of responsibility and ownership of the investments, as regarding for instance operating and maintaining new infrastructures".

CHALLENGES FOR CAPACITY-BUILDING IN NON-EC PROGRAMMES

Qinghai Community Development Programme, China: AusAID

This cash-for-work programme to develop local infrastructure had a strong emphasis on working with communities and developing community capacity. However, the final evaluation recognizes that the importance of working with local institutions was overlooked: "It is important to interact at the institutional level in addition to having a strong focus on the poor at the community level… Ensure that the design of the road works is approved and supported by all key agencies, so it will be maintained according to agreed-upon arrangements. Maintenance must be planned through institutions that have the will and resources to continue after project completion."

Third Road Rehabilitation and Maintenance Project, Bangladesh: World Bank, DFID, National Government

The project included a significant technical assistance / capacity building element focused on government, particularly the Roads and Highways Department (RHD). However, institutional reform proved more challenging than anticipated. The final evaluation finds that "compared to the extensive time-frame and considerable total funding of institutional development assistance [US$45 million] to date, only limited impacts of a wider institutional development nature has been achieved in RHD. The TA and IDC activities…

have not had significantly positive impacts on accountability and governance problems in RHD…Successful implementation of institutional and policy reforms in the road transport sector requires more than capacity building. The Road and Highway Department's public procurement processes need significant improvement to ensure transparency and accountability.'

Construction and Rehabilitation of Rural Roads – Togo: UNCDF

The project evaluation finds that 'omission of institutional reinforcement' was a major project oversight, that resulted in the roads being poorly maintained, and donated equipment not being used at intended. It states: "While the haste of project execution and start-up problems share some blame, the primary reason behind the project's shortcomings was the omission of institutional reinforcement. This oversight resulted in an absence of maintenance for four years after the project was completed. Road production was strongly emphasized over institutional capacity building."

INNOVATIVE APPROACHES TO CAPACITY BUILDING IN NON-EC PROGRAMMES

Micro-Enterprises for Road Maintenance

Colombia pioneered the formation of both private and cooperative micro-enterprises for road maintenance in the late 1980s and early 1990s. The practice is now widespread amongst Latin American countries, and has spread to some parts of Africa and Asia. Generally, enterprises are formed from people living alongside the road and have responsibility for a section of road close to their homes. In Latin America, performance-based contracts are commonly used and have met with considerable success. In Peru, a successful micro-enterprises programme has been running since the mid-90s. There are currently around 600 micro-enterprises covering 12,000 km of the rural road network, out of an estimated 40,000 km. In February 2009, the Ministry of Transport and Communications changed the contracting procedure changed from direct government contracting to open competitive bidding. It remains to be seen how the micro-enterprises will fare; there have been some incidences of large contractors winning multiple contracts and re-employing the former micro-enterprise workers as labourers on a lower salary. Capacity-building for the micro-enterprises is ongoing.

AGETIPs

Agences d'Exécution des Travaux d'Intérêt Public (AGETIPs - public works and employment agencies) are private non-profit entities that manage labour-intensive public works. They are financed by fees for the services they provide, without receiving government or donor funds to cover their administrative expenses. The first was established in Senegal in 1989 with support from the World Bank, but they have since become widespread in West Africa. A project evaluation for the Madagascar AGETIP finds that "the strengths of AGETIPs have been their independence from government and transparent involvement of the private sector; they have quickly provided highly visible results".

Annex H: Rationale for field mission selection

COUNTRIES	RATIONALE
Benin & Togo	• EC-supported HIMO activities in both countries • Comparison between different stages of implementation (eg one HIMO project completed in Benin (PARVA), another under consideration) • Significant challenges to learn from on previous PARVA project in Benin • Example of EC interaction with other donor (Danida) on HIMO • Rational to combine two countries • Good level of information / evaluation available for Benin
Cambodia	• Important example of other donors' activities in mainstreaming and scaling-up employment-intensive approaches (eg ADB project on mainstreaming employment-intensive approaches in roads maintenance, ILO ASIST-AP activities working with government planning agencies re employment content of infrastructure, UNDP programme) • National poverty reduction strategy includes focus on infrastructure (EC focus is indirect, through support for national strategy) • Government buy-in: Government of Cambodia has endorsed LBAT (Labour Based Appropriate Technology) as the technology of choice for its rural infrastructure works programme • Provides geographical spread – covering Asia • Good level of information available (eg cost comparisons for labour-based v equipment-based works)
Kenya	• EC: infrastructure focus and reference to employment-intensive approaches • Strongest example of a) incorporating employment generation in larger-scale transport infrastructure (ie mainstreaming/scaling-up) and b) decent promotion through labour standards commitments in EC conditions of contract (ie scope to explore how these are implemented and monitored) • Kenya has strong experience of HIMO, and several agencies (eg SIDA) are engaged in supporting capacity building of Rural Roads Agency • Good level of information available
Peru	• In March 2000, in the framework of the Peace agreements between Peru and Ecuador, EC committed itself to financing the reconstruction of the Piura-Guayaquil road), albeit no express commitment to employment-intensive approaches. • Therefore interesting candidate for exploring scope for mainstreaming / scaling-up employment generation through infrastructure investment. • ILO and other donors' activities: ILO-EIIP has activities in Peru, as does World Bank. 2 projects analysed in interim report: Safe and Sustainable Transport Project (World Bank, IADB) and Micro-enterprises for road maintenance in Peru (National Government/ILO). Includes relevant and interesting experience of engagement of local micro-enterprises in employment-intensive works. • Government buy-in: Government Emergency Programme "A Trabajar" contains short-term employment and income generating measures through reconstruction/maintenance of social infrastructure as well as roads, housing, institutional strengthening of local governments, etc. (total budget of this programme: US$ 614 million)

Annex I: Research framework for field missions

The following are the top-level questions which provided the research framework for the field missions (the framework was adapted depending on the context of each field mission):

WHY – TECHNOLOGY CHOICE AND OBJECTIVES

- Rationale for HIMO approach: on what basis is HIMO selected as appropriate technology?
- What information sources are used? Do Delegations have – or commission – data on comparative costs of construction by HIMO versus equipment-based methods?
- What is the significance of partner government and other donors' experience in privileging HIMO: are there examples where EC has taken a lead in promoting HIMO, or is the pattern that EC supports HIMO where this approach already has local buy-in due to actions of others. In which case, which actors are most prominent in early promotion of HIMO?
- To what extent is HIMO seen as 'donor-driven'? Where there is local buy-in, how has this come about?
- Does the preponderance of cash-for-work and food-for-work schemes means that HIMO is perceived mainly as a means to achieve the objective of (targeted) aid distribution, rather than a viable and appropriate means to construct infrastructure?
- How are local employment and economic development concerns taken into account more generally – eg in contracting local SMEs and sourcing local materials?
- (For 'could-have' countries: why is EC not involved in HIMO approaches, given that partner govt / other donors are promoting this strongly?)

WHAT – SECTORS AND ACTIVITIES AMENDABLE TO HIMO

- Which activities are undertaken using HIMO approach, and in what sectors? Why?
- What sorts of specification (bitumen, gravel, concrete roads) obviate potential for HIMO?
- Is there any experience of deploying HIMO techniques in ancillary activities (eg maintenance, clearing, verge-planting) to larger, high-spec infrastructure – to what extent can equipment-based and HIMO approaches be combined and in which permutations?
- In the roads sector, is maintenance the only task commonly performed on larger-scale road networks (highways, primary)?
- Role for HIMO within 'social fund' projects (eg education, housing, health)?
- What challenges are there in promoting HIMO outside 'classic' roads and urban works projects?
- What are the main influencing factors determining the EC's ability to scale up employment-intensive approaches – including expansion of these approaches to activities outside infrastructure, and incorporating employment-intensive components (such as maintenance) within larger-scale infrastructure interventions?

WHO – ACTORS AND INSTITUTIONAL ARRANGEMENTS

- Who implements? Is force account labour still a reality in EC projects? Is labour availability a challenge? How are beneficiary groups targeted, if at all?
- What experience does EC have of working to build capacity of labour-based SMEs? What are the challenges? Are there gaps in terms of skills/technology to adopting the HIMO approach?
- How is local capacity taken into account in project design (including project duration)?
- Comparison of approaches in 'classic' project context and sector budget support context?
- Perceptions of other donors: which donors are most active in HIMO?
- Are there experiences of HIMO being implemented in the context of public-private coordination? Are any international / non-national contractors involved in HIMO works?

WHEN – PLANNING FOR HIMO IN THE PROJECT CYCLE

- Where are the key intervention points to ensure that employment questions are included in infrastructure and other non-social sector programmes? How does this differ in context of sector budget support?
- What experiences in influencing the partner government planning process to promote awareness of (potentially positive) employment impacts of infrastructure development?
- Is there local take-up of ILO Integrated Rural Accessibility Planning – IRAP – or similar?
- How much room is there for adopting more employment-intensive approaches once the design and specification is set? (eg through tender procedures/contract requirements)
- How are local communities involved in programme / project planning and design? Is this incorporated into standard approach to project formulation, or could it be?

HOW – TENDERING, CONTRACTING AND IMPLEMENTATION

- What contracting documents / process are used for EC HIMO projects?
- How are SMEs contracted?
- Who provides management and supervision in the various contexts?
- Where EC General Conditions are used, how can they be modified to be made more appropriate for HIMO works with labour-based SMEs. Where there is a decentralised approach, how does partner government contract works (eg through AGETIP)?
- What alternatives are there to AGETIP?

DECENT WORK – LABOUR RIGHTS AND WORKING CONDITIONS

- What experience is there of monitoring commitments to international and national labour standards under EC General Conditions?
- Who undertakes monitoring of employment and OHS, and how are responsibilities allocated and communicated?
- Is there any interaction with partner government agencies (eg labour inspectorate) or social partners (eg trade unions) in this regard?
- Does the EC – or other actors - have experience in providing information and creating awareness of Decent Work commitments?

DELEGATION – GUIDANCE NEEDS ASSESSMENT

- Within the Delegation(s), who has been championing / driving HIMO projects? Are they engineers or social development specialists?
- General: how aware (and/or interested) are Delegation staff of HIMO, EC experience with the approach and its broad potential?
- General: to what extent are employment concerns (quantitative and qualitative) incorporated into 'standard' programme / project approaches?
- What forms of information and guidance would be useful?
    i. Information and awareness tools (what is HIMO)
    ii. Advocacy and communications tools (making the case for HIMO)
    iii. Decision-making tools (eg decision tree)
    iv. Technical tools for implementing HIMO (eg guidance on contracting, indicators and evaluation)
    v. Decent Work guidance
- Within the Delegations, who are the immediate audience for such tools/information?

Annex J: Interlocutors – field missions

BENIN	
Delegation of the European Union in Benin	Mr. Binh Adjemian, Chef de section Infrastructure Mr. Giorgio Kirchmayr, Chargé de Programme – Infrastructures Mr. Alain Découx, Attaché – Chargé de Programmes Section Social
Agence d'Exécution des Travaux Urbains (AGETUR)	Mr. Lambert Koty, Président Directeur Général
ALDIPE (NGO)	Mr. Jules Behanzin, Chef d'équipe
Ambassade Royale de Danemark – DANIDA	Ms. Birte Torp Pedersen, Conseiller Programme Transport Dr. Jean-Claude Takpa, Chargé de Programmes –Transport et Infrastructures
Assurance BTP	Mr. Cyprien Adjalala, Directeur
COWI (Danida project partner)	Mr. Samuel Dossou, Coordinateur PASR2 Ms. Espérancia Adjovi, Ingénieur/Formateur Ms. Rabiath O. Ibikoule, Responsable Administrative et Financière Ms. Jeannette Akpado Glele, Chef d'Antenne Lokossa Mr. Claude Segnon, Technicien Lokossa
Direction Départementale des Transports des Travaux Publics du Mono et du Couffo	Mr. Waïdi Lassissi Yessoufou, Directeur Mr. Eustache Essou, Chef Division travaux Publics
Observatoire de Changement Social Ministère d'Etat chargé de la Prospective, du Développement et de l'Evaluation de l'Action	Ms. Justine Oudjougbe, Directrice Mr. Ambroise Agbota Mr. Salvawal Alidou
Gros Œuvre Design	Mr. Boniface Padonou, Directeur
Fonds Routier	Mr. Sylvestre Janvier Kotchofa, Directeur Mr. George Gandonou, Ingénieur des Travaux Publics
MGE Conseil	Mr. Fiacre Mounir Adda, Directeur Adjoint
Ministère des Transports Terrestres, des Transports Aériens et des Travaux Publics	Mr. Yaya Moufardjou, Directeur des Pistes Rurales Direction Générale des Travaux Publics Mr. Anatole Kouzonde, Directeur de la Perspective, du Suivi et de l'Evaluation Direction Générale des Travaux Publics
CAMBODIA	
European Union Delegation to Cambodia	Ms. Michelle Labeeu, Head of Operations Ms. Nesrine Talbi, Programme Officer - Education, Health and Social Development Mr. Seth van Doorn , Attaché - Political and Commercial Affairs
Agence Française de Développement	Mr. Sideth Muong, Project Officer
Asian Development Bank	Ms. Karin Schelzig Bloom, Social sector specialist Mr. Nida Ouk, Senior project implementation officer - infrastructure
H.P Gauff Ingenieure GmbH & Co. KG – JBG	Mr. Lothar Schnell, Team Leader, Rural Infrastructure Programme (RIP)
International Labour Organisation Regional Office for Asia and the Pacific	Mr. Bjørn Johannessen ASIST-AP
Ministry of Interior	H.E. Ngy Chanphal, Secretary of State, 2nd vice Chair of CARD
Ministry of Rural Development	H.E. Suos Kong, Secretary of State H.E. Yoeun Sophal, Director of rural road department Mr. Chan Darong, Director General for Technical Affairs H.E. Daniel Nuon, Deputy Director General of Technical Affairs - Project Director of Rural Infrastructure Programme
World Bank Cambodia Country Office	Mr. Ratta Sann, Infrastructure Operations Officer
World Food Programme	Mr. Joachim Groder, Programme Officer and Mr. Meng Chanthoeun, Programme Officer, Disaster risk reduction unit
KENYA	
Delegation of the European Union in Kenya	Mr. Zissimos Vergos, Counsellor - Head of Infrastructure Section, Mr. Andrew Gitonga, Project officer -Transport infrastructure Ms. Anastasia Ndundu Consultant to EU Roads 2000
Agence Française de Développement	Ms. Anthea Manasseh, Chargée de mission Mr. Eric Goss, Team Leader - Egis bceom - GOK/AFD Roads 2000 Central

Building Workers International	Mr. Joe Macharia - Coordinateur de projets
Max and Partners Ltd	Mr. W.N. Omari , Managing Director
ILO Project - Creating Jobs: Capacity building for roads 2000 Programme.	Mr. Asfaw Kidanu, Chief Technical Adviser - R2000 Coordinating Unit
Kenya Building, Construction, Timber, Furniture & Allied Industries Employees Union	Mr. Francis K. Murage, National General Secretary - 2nd Vice Chair of COTU Mr. William M. Kibiri, Assistant National General Secretary Mr. Eustace Gikunju Mr. Paul Kiragu
Kenya Rural Roads Authority –KeRRA	Mr. Mwangi Maingi, Director General
KfW	Ms. Rosemary Kung'u, National coordinator - Roads programme
SIDA R2000 Roads 2000 Nyanza Province	Ms. Jane Ndirangu, Team Leader
PERU	
Delegation of the European Union in Peru	Mr. Victor Velarde Vigo, Sección Cooperación Mr. Karl-Heinz VOGEL, Cooperation Attaché Mr. Ignacio BURRULL, First Secretary - Head of Economic and Regional Cooperation
Centro de Promocion Social para Poblacion en Riesgo – Espacio Vital	Mr. Frederick Urfer, Senior Consultant
Construyendo Perú	Mr. David Adolfo Palacios Valverde, Director Nacional
Federación de Trabajadores en Construcción Civil del Perú	Mr. Teobaldo Bravo Aldana, Secretary Mr. Luis Villanueva Carbajal
ILO – Sub-Regional Office of the ILO for Andean Countries	Ms. Brigitte Zug Castillo, Deputy Director Mr. Francisco Verdera, Specialist in Employment Policy
ILO – Programa de Inversiones Intensivas en Empleo	Mr. Emilio Salomón Alvarez, Expert in Employment Creation
Ministerio de Trabajo y Promoción del Empleo	Mr. Javier Barreda Jarra, Vice-Minster - Employment Promotion and Vocational Training
PROVIAS Nacional	Mr. Raúl Torres, Director Ms. Wuilda Jacha
Proyecto Apoyo a la Integracion Fisia Regional (EU Funded Project)	Ms. Ana Maria Montti de Montero, Bi-national Director
World Bank	Mr. Pierre-Antoine Picand, Transport Projects
TOGO	
Délégation de l'Union Européenne au Togo	Ms. Karin Jonsson, Attachée - Chef Adjointe des Opérations Mr. Amevi Hervé Afanoukoe, Chargé de Programme Infrastructures
Agence Française de Développement	Mr. Yves Picard, Directeur Ms. Clémentine Dardy-Dumeur, Chargée de Projets
AGETUR	Mr. Victor Djogbessi, Directeur Technique Mr. Gilbert Messan Aziaka, Gestionnaire de Projet- Directeur Financier
Banque Ouest Africaine de Développement	Mr. Daouda Berté, Chef de Division des routes et infrastructures
BCCT	Mr. Alfé Kodjo Seddoh, Directeur Général
CITAFRIC	Mr. Paa-leh Awesso, Directeur Général Ms. Clémence Badabon
I.T. Transport Ltd	Mr. Laurent Guérin, Consultant in Transport for Rural Development
Ministère des travaux publics, des transports, de l'urbanisme et de l'habitat	Mr. Tchanilé Ouro Gbele, Directeur des Pistes Rurales Mr. Babarbi Djobo Mr. Ounoh Anwone, Directeur de l'entretien routier
Ministère de la Coopération, du Développement et de l'Aménagement du Territoire	Mr. Esso-Wazina Yerima, Coordonnateur CAON
Ministère du Développement à la base, de l'artisanat, de la jeunesse et de l'emploi des jeunes	Ms. Victoire Tomegah-Dogbe, Ministre Mr. Bouwassi Datcha, Secrétariat Jeunesse et emploi des jeunes
PNUD	Ms. Sonia Rigaud, Chargée de Programme VNU
World Bank	Mr. Giuseppe Zampaglione, Senior Social Protection Specialist - Human Development Department Ms. Elena Celada

Annex K: Global stakeholders engaged

Organisation	First Name	Surname	Position
Agence Française de Développement (AFD)	Odile	Conchou	Environmental and Social Expert
Agence Française de Développement (AFD)	Anne-Laure	Ullmann	Division Collectivités locales et Développement urbain - Département Technique Opérationnel
BTC-CTB (Belgium)	Jean-Christophe	Charlier	Strategy Unit
BWI Global Union Federation	Fiona	Murie	Director Health and Safety, Construction Coordinator, Building and Woodworkers International
DANIDA	Annelise	Boysen	Counsellor Development (Zambia)
DANIDA	Torben Traustedt	Larsen	Senior Technical Adviser - Transportation
DANIDA	Jens Erik	Bendix Rasmussen	Chief Technical Adviser
DANIDA	Lars Christian	Oxe	Chief Technical Adviser
DANIDA	Eva Jakobsen	Broegaard	Evaluation Department
DRN	Maria	Barriga	Project Manager
DFID	Yusaf	Samiullah	Head of Profession - Infrastructure
EBRD	Alke	Schmidt	Senior Environmental and Social Adviser
Helvetas	Franz	Gähwiler	Nepal, Bhutan - Infrastructure
Helvetas	Albert	Bürgi	Infrastructure
ILO - Brussels Office	Rudi	Delarue	Director
ILO - EIIP	Terje	Tessem	Chief, EIIP
ILO - EIIP	Marc	Van Imschoot	Senior Advisor, EIIP
ILO - EIIP	Emmanuel	Rubayiza	Senior Advisor, EIIP
ILO SRO Dakar	Claude	Yao Kouamé	Senior Specialist, EIIP
ILO - SECTOR	Edmundo	Werna	Focal point for construction & urban development, Sectoral Activities Department
KfW	Theo	Dickmann	Infrastructure
SIDA	Sara	Spånt	Department for Economic Opportunities
SIDA	Cecilia	Scharp	Head of Infrastructure Team
World Bank	Giuseppe	Zampaglione	Sr. Social Protection Specialist, Africa Region
World Bank	Colin	Andrews	Social Protection Specialist, Social Protection & Labor (Safety Nets Team)
World Bank	Briana	Wilson	Social Protection and Labor Anchor - Human Development Network
World Bank	Gylfi	Palsson	Senior Transport Specialist
World Bank	Andrés	Pizarro	Especialista en Transporte Senior

Annex L : Project overview

A. Desk research

I. ANALYSIS OF EMPLOYMENT / INFRASTRUCTURE AXIS IN CSP AND NIP DOCUMENTS

The starting point of the project was to establish the policy and strategy context for the employment dimension within EC infrastructure (and other non-social sector) programming.

The study team undertook an initial analysis of Country Strategy Papers (CSP) and National Indicative Programmes (NIP) for 115 countries – where infrastructure is a development priority for either EC or partner government – subsequently identifying 74 countries as most relevant to the research on the basis of:

- development status (excluding BRIC and other advanced transition economies)
- stakeholder input (ensuring that all countries where employment-intensive infrastructure approaches are known to have been promoted were included)

The CSP and NIP documents for these 74 countries were analysed in detail and entered into a database – capturing any references to the employment dimension of infrastructure in the last 2 CSP/NIP (2002-2006 and 2007-2013). A summary of the findings of this analysis are presented in Section 3. The full database is to be made available to the Commission.

II. IDENTIFICATION AND ANALYSIS OF PROJECTS & PROGRAMMES RELEVANT TO EMPLOYMENT / INFRASTRUCTURE AXIS IN CRIS DATABASE

The study team then undertook an iterative analysis of the CRIS project database, seeking to identify those projects where employment concerns in infrastructure – and particularly employment-intensive methods – had been expressly addressed.

In order to begin to identify relevant EC interventions, we conducted an initial review of EC development assistance materials including:

- EuropeAid country and regional evaluations (for all countries identified as relevant in previous section, by EuropeAid staff and by key agencies interviewed)
- EuropeAid sectoral evaluations for Transport (2004), Rehabilitation and Construction (2003), Water and Sanitation (2006)
- EuropeAid evaluations by instrument / channel, including report on EC support for UN agencies (2008)
- Annual Country Reviews for ACP states under 9th EDF and 10th EDF
- Commission Staff Working Document – Promoting Employment through EU Development Cooperation - Annex V: Infrastructure and Labour Based Methods (LBM)
- Supporting documents of EU-Africa Partnership on Infrastructure
- Overview of EC infrastructure interventions (1584 transport; 1230 urban works) provided by E7

Working with a 'core' of the 37 countries where CSPs/NIPs had identified either an EC or national partner focus on employment-intensive infrastructure, the study team identified a 'long-list' of 130

projects and programmes – in 37 countries[46] – for which we collated documentary materials wherever available. We included in this long-list all potentially relevant projects referenced by EuropeAid E3 and E7 in communications with the study team, as well as countries highlighted by other key agencies (see next section). In order to consolidate E7 input, we established a brief online survey in French and English which was distributed to E7 staff.

The team reviewed the following items for each of these 130 projects project, pending availability: ID fiche, Action fiche, financing agreements / TAPs / LogFrame, Terms of Reference (ToR) for consultants and contractors, procurement tender documentation, and detailed M&E (monitoring and evaluation) frameworks and reports (ROM).

The study team also undertook interviews with Commission staff, including AIDCO E3 (ESIP) and E7 (infrastructure), and reviewed the outcomes of EC-ILO Joint Seminars, the most recent of which – focusing on the ACP countries – took place in June 2009 and included an EC employment-intensive infrastructure case study (Rwanda). Further, the team made contact with the team responsible for the evaluation of AIDCO ESIP activities undertaken by the Development Researchers Network.

The objectives of this section of the research were to produce:

- A clear map of the EC programmes and projects where employment-intensive approaches have been adopted
- An analysis of how employment and decent work (EDW) factors were incorporated at various stages: programming, identification, formulation and implementation
- An overview of the common principles of methodology deployed
- A summary analysis of specific issues related to employment and decent work in relation to these programmes and projects, including key evaluation findings

The findings of this part of the research are presented in Sections 3 – 5.

III. ASSESSMENT OF INTEGRATION OF EMPLOYMENT OBJECTIVES BY NON-EC ACTORS

Recognising the range of experience among other actors in this area, the study team identified and contacted other Intergovernmental Organisations and bilateral development agencies that have supported programmes relating to employment-intensive works and the promotion of decent work in infrastructure / construction, including:

African Development Bank (AfDB)	ILO
Asian Development Bank (ADB)	Netherlands Ministry for Foreign Affairs
AusAID	NORAD
Belgian Cooperation	SIDA
DANIDA	UNCDF
DFID	UNDP
German Cooperation (principally KfW)	World Bank

[46] Benin, Bolivia, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Congo (Brazzaville), Congo (DR), Eritrea, Haiti, Ivory Coast, Kenya, Kyrgyzstan, Lao PR, Lesotho, Liberia, Madagascar, Malawi, Morocco, Mozambique, Namibia, Nepal, Nicaragua, Pakistan, Philippines, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, Sri Lanka, Tanzania, Timor Leste, Togo and Uganda.

Our selection of agencies and projects was informed by close communication with ILO-EIIP. In particular, we analysed some 79 projects supported by non-EC actors (see Annex F), in order to identify the most significant success factors, and challenges encountered, in promoting an employment-intensive approach to infrastructure development. The projects represent a much broader geographical range than the selected sample of EC projects.

The study team recognises the breadth of practitioner-led literature on this topic (see bibliography for overview). In its research, the team paid particular attention to the substantial materials made publicly available by the ILO-EIIP, including the ASISTDOC publications database[47] and the World Bank 'Social Safety Nets' resources[48].

In addition, the study team directly engaged stakeholders in Tanzania (including EC Delegation staff and Danida), and a range of African partner government stakeholders at the EU-AU Workshop on Employment and Decent work in Africa, held from 30 June – 2 July 2010, in Dakar, Senegal[49].

The findings from this part of the desk research have been integrated with the findings of the study of EC projects and presented as a thematic analysis in Section 5. Many concrete examples of notable practice have been drawn from both this review, and the analysis of EC projects above, in order to substantiate the practical guidance tools accompanying this study.

B. Field missions

I. SELECTION OF CASE STUDY COUNTRIES

On the basis of our analysis of EC policy and programming, and subsequent analysis of specific projects, the study team proposed a shortlist of countries which were most appropriate for field missions, as envisaged under the terms of reference. This shortlist was established in order to reflect:

- The broadest possible range of EC experience – in geographical, sectoral and contextual terms (incorporating 'classic' projects and the shift to sector budget support);
- Inclusion of projects where EC has already evaluated employment-intensive programmes, in order to capitalise on lessons learnt;
- Crossover with the activities of other key non-EC actors, including ILO and other UN agencies, regional development banks and bilateral development agencies;
- The need to incorporate decent work concerns (i.e. promotion and monitoring of decent working conditions) within the project scope;
- At least one location where EC 'could have used' employment-intensive approaches.

There are a number of potentially relevant countries which we have not included in our shortlist, due to non-project related factors: Haiti, DRC, Somalia, Eritrea, Sao Tome e Principe.

[47] www.ilo.org/dyn/asist/asistdocs.home
[48] http://go.worldbank.org/IFOHJJAPD0
[49] http://capacity4dev.ec.europa.eu/wg/employment-social-protection-and-decent-work-africa

After comprehensive and close consultation with the Commission (AIDCO E3 and E7[50]), the following five countries were selected for field missions: Benin, Kenya, Cambodia, Peru, and Togo. The rationale for the selection of these countries can be found at Annex H.

II. FIELD MISSIONS

The country missions enabled the study team to verify emerging findings from research to date, to delve deeper into the impact and lessons from selected programmes, and to test stakeholder views on opportunities and barriers to future EC work in this area.

For each country mission, the study team established a comprehensive programme of interviews and meetings, engaging the following key interlocutors:

- EU Delegation staff;
- Partner country government – including Ministries of Labour, Public Works, Planning, Economy/Development;
- Other developments agencies – including multilateral (World Bank, ILO, UNDP, WFP), bilateral (including EU member state development cooperation);
- Social partners – including construction contractors, sectoral trade union/s.

For a full list of interlocutors for all five field missions, see Annex J. The research framework for the field missions is presented at Annex I.

C. Developing findings and finalising practical recommendations

I. PRACTICAL RECOMMENDATIONS AND TOOLS

On the basis of its research, the study team has developed a series of practical recommendations for the EC. These recommendations present a number of strategic and operational priorities for AIDCO and sister agencies which aim to set out clear avenues for better integration of the employment dimension in infrastructure (and other non-social sector) programming.

The recommendations are accompanied by a series of 'tools' – which aim to translate the complex ideas explored here into practical and simple methods for integrating employment intensive approaches and decent work considerations into EC programming.

II. KNOWLEDGE-SHARING WORKSHOP

The study team organised a one day workshop in Brussels on 4 October 2010. The objective of the workshop was to disseminate the results of the study, to facilitate exchange of approaches to strengthen the use of employment intensive methods in infrastructure and other non-social sectors programmes.

[50] The study team also took into account the geographical focus of an important EC counterpart – ILO – in its activities on employment-intensive infrastructure investment: Cambodia, Indonesia, Philippines, Cameroon, Cote d'Ivoire, Kenya, Liberia, Madagascar, Mozambique, Rwanda, Sierra Leone, South Africa, Uganda, Zambia, Honduras, Paraguay and Peru.

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