

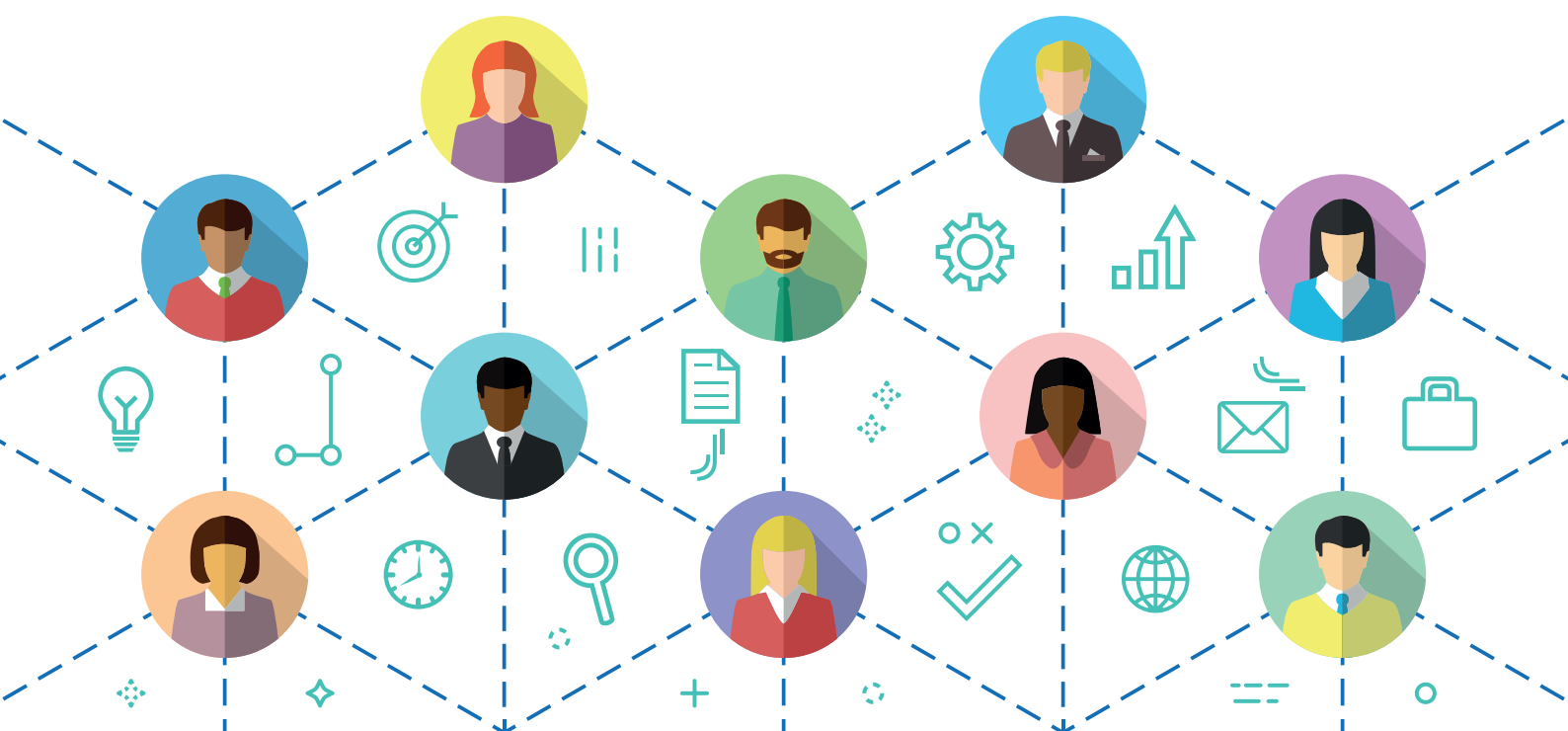


European
Commission

GETTING FROM POLICIES TO EMPLOYMENT

Lessons learned from the EU
and ILO STRENGTHEN project

FINAL REPORT
Workshop of 9 October 2019
Brussels



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SOCIAL JUSTICE
DECENT WORK



International
Cooperation and
Development



The EU funded project is working to ‘STRENGTHEN’ the capabilities of partner countries to analyse and design sector and trade policies and programmes to enhance the creation of more and better jobs.

The project has developed tools and methods for assessing the impact on employment globally and in nine developing countries, and has built capacity of stakeholders to apply these tools.

Summary of the workshop’s key takeaway

- The European Commission and the ILO convened key stakeholders for the workshop *Getting from policies to employment: lessons learned from the EU and ILO STRENGTHEN project*.
- 60 government representatives, civil society, practitioners and experts participated to exchange and learn lessons on how informed sector and trade policies can support more and better job creation, and influence policy and programme development.
- The EC underlined its commitment to promoting more and better jobs in partner countries, and are promoting an evidence based approach through projects such as STRENGTHEN.
- Partner country representatives spoke of the benefits and needs for tools and approaches implemented by STRENGTHEN, in understanding the employment dimension of trade and sector policies and in identifying and promoting sectors and industries with greatest job potential.
- Tools and methodologies developed can be adapted to other countries and applied to other trade and sector policies.
- Challenges remain, such as confronting informal employment, convincing policy makers and policy coordination, skills and training, and a greater focus on the needs of women and youth.

The **workshop – *Getting from policies to employment: lessons learned from the EU and ILO STRENGTHEN***

project – was held in Brussels on 9 October and brought together over 60 government representatives, civil society, practitioners and experts together to exchange and learn lessons on how informed sector and trade policies can support more and better job creation, and influence policy and programme development.

The workshop was organised by the European Commission’s Directorate-General for International Cooperation and Development in collaboration with the International Labour Organisation and was an opportunity to assess tools and approaches developed by the [EU and ILO STRENGTHEN project](#).

The overall **objective** of the workshop was to ***exchange and assess experiences and lessons on how informed sector and trade policies can support more and better job creation, and influence policy and programme development.***

BACKGROUND

The workshop was organised at a timely point, when job creation is high on the political agenda and there is a need to raise awareness of the available tools to design policies and investments that help maximise job creation in developing countries.

The importance of decent employment is overwhelming and is a cornerstone of the 2030 Agenda and the EU’s international development agenda. Employment is both a stand-alone Sustainable Development Goal and is rooted in many of the other goals, such as ending poverty and hunger, achieving gender equality and reducing inequalities.

EU AND ILO STRENGTHEN PROJECT

The EU-funded project – *Strengthening the Impact on Employment of Sector and Trade Policies* – is being implemented by the ILO. The project is working to ‘STRENGTHEN’ the capabilities of countries to analyse and design sector and trade policies and programmes that enhance employment creation for more and better jobs. The project has developed tools and methods for assessing the impact on employment globally and in nine developing countries: Benin, Ghana, Guatemala, Honduras, Cote d’Ivoire, Morocco, Myanmar, Philippines and Rwanda.

WORKSHOP PROCEEDINGS

The workshop’s one day programme packed a lot in and included opening addresses by EC and ILO representatives, a panel discussion with country representatives, presentations and discussions on lessons learned led by the project’s experts, and working groups.

The workshop was facilitated by **Giovanni Sgobaro**, a social and organisational development consultant, facilitator and trainer.

OPENING REMARKS

The opening remarks were delivered by **Françoise Millecam**, Head of Sector, Employment and Social Inclusion, of the European Commission International Cooperation and Development and **Sangheon Lee**, Director of the Employment Policy Department at the ILO.

“Accessing a decent job is the main route out of poverty. We have partnered with the ILO to identify and develop sustainable initiatives with best decent job potential,” said Françoise Millecam during her remarks.

Ms Millecam spoke of the urgency to develop policies that promote decent jobs around the world. In Africa alone, 450 million young Africans will enter the labour market, and with unchanged policies, only 100 million jobs will be created by 2035. The EU has a comprehensive approach, investing in people, and in specific sectors, such as energy, transport and trade facilitation. One such example of the EU’s work is the Africa-Europe Alliance for Sustainable Investment and Jobs.

The importance of understanding the employment implications of policy options is critical for governments, the private sector and development organisations alike, which is why projects such as STRENGTHEN are needed.

Sangheon Lee, during his opening statement, remarked that “The ILO is spearheading efforts to strengthen the



Françoise Millecam, Head of Sector, Employment and Social Inclusion, European Commission International Cooperation and Development

capabilities of countries to better assess ways to create more and better jobs. We need simultaneous action on multiple fronts to strengthen knowledge, capacities, multi-stakeholder dialogue and policies”.

The importance of understanding the employment impact of different sector and trade options, in light of unprecedented changes in the world of work, is critical to ensuring policies have the maximum positive impact on creating decent work, which was the purpose of the workshop.

PANEL DISCUSSION

The panel explored the experiences of Cote d’Ivoire, Bénin, Morocco and the Philippines, where representatives talked of the processes, achievements, challenges and future perspectives of designing policies to create more and better jobs.

The **panel members** were:

- **Dede Genevieve Adjei**, Technical Advisor to the Director General on Employment and Social Policy, Ministry for the Economy and Finance, **Cote d’Ivoire**
- **Aristide Medenou**, Director General of Economic Affairs at the Ministry of Economy and Finance, **Bénin**
- **Fatima Idahmad**, Former National Coordinator of the STRENGTHEN project, **Morocco**
- **Walter Van Hattum**, Coordinator of Generalised Scheme of Preferences, DG Trade, **European Commission**.

The panel spoke of the role the project played in convening stakeholders, some of whom had not considered the employment dimension before. The building of capacities and providing data for evidence-based policy making was considered instrumental by all.



Sangheon Lee, Director of the Employment Policy Department, ILO

Dede Genevieve Adjei of the Ministry for the Economy and Finance, **Cote d'Ivoire**, spoke of how STRENGTHEN helped the Ministry to develop a robust methodology with indicators to measure the employment impact of national economic policies. The capacities of institutions to design and assess the impact on employment need to be strengthened.

Fatima Idahmad, the former National Coordinator of the STRENGTHEN project in **Morocco**, talked about the relevance of the tools developed by the project for different national actors, many of whom do not give due consideration to the employment dimension of their policies. An example of the application of the tools was when they were used to check the estimations of the country's 'Plan d'Accélération Industrielle'. Given the quantity of foreign investment in Morocco, the project helped analyse the employment impact of different investments.

The representative from **Bénin**, **Aristide Medenou**, Director General of Economic Affairs at the Ministry of Economy and Finance, remarked that "ignoring youth unemployment is like sleeping with a grenade under your pillow". The project tools were used to analyse a new government programme and a recent investment in hydroelectricity. STRENGTHEN also raised awareness about the importance of employment in different sectors.

Walter Van Hattum, of DG Trade in the **European Commission**, underlined that "adhering to labour standards is good for business". He spoke about the experience of the Philippines, where exports grew as a result of being granted trade preferences as part of the EU's GSP+ regime. This process provided an opportunity to discuss at the highest level how to improve labour rights and standards. The focus was on the creation of quality, value added decent jobs. Through STRENGTHEN, sectors with high potential for job creation were identified in the Philippines, such as BPO (Business Process Outsourcing) and the coconut industry.

Questions from the audience touched on the nature of jobs in the future with technology and automation, impact of climate change and need to create green jobs, importance of agriculture, need to promote and apply labour standards and stamp out child labour, focus on youth is essential and encourage rural development.

LESSONS LEARNED – PRESENTATIONS FROM PROJECT EXPERTS

The next session heard from experts on how developed tools and approaches were applied, and included adopting a value chain approach; agro-processing in Bénin, Rwanda, Philippines, Cote d'Ivoire and Ghana; infrastructure investments in Rwanda and Ghana; and local multipliers and their application in Africa. The results achieved in Guatemala were presented, where the focus was on the artisanal textile industry.

The presenters were:

1. **David Cheong**, Project Manager of the Component B of STRENGTHEN, Employment Policy Department, Trade and Employment Specialist, ILO Geneva
2. **Claudia Vasquez**, Consultant for Strengthen in Guatemala.
3. **Maikel Lieuw-Kie-Song**, Project Manager of the Component A of STRENGTHEN, Employment Policy Department, ILO Geneva
4. **Mathieu Charpe**, Senior Economist, Employment Impact Assessment, ILO

All the presentations can be found [here](#).



Speakers and panelists

The first presentation was on **“TRAVERA (Trade and Value Chains in Employment-Rich Activities)”**. TRAVERA is an approach to developing value chains that promotes employment creation and upgrading through trade. The approach helps countries to:

1. Identify export value chains that have rich potential for employment.
2. Support stakeholders in elaborating strategies to develop value chains that link SMEs with international markets and create more and better opportunities for workers.

3. Build capacity for monitoring and evaluating employment within export value chains.

TRAVERA focuses on the employment dimension of export value chains, and includes a platform to consult with stakeholders and a suite of quantitative and qualitative tools. Sectors identified by TRAVERA include: coconut in the Philippines, textiles and garments in Myanmar, automobile industry in Morocco, artisanal textiles in Guatemala, yams, cassava and sweet potato in Ghana and cashew nuts in Benin.

Selected Export Value Chain

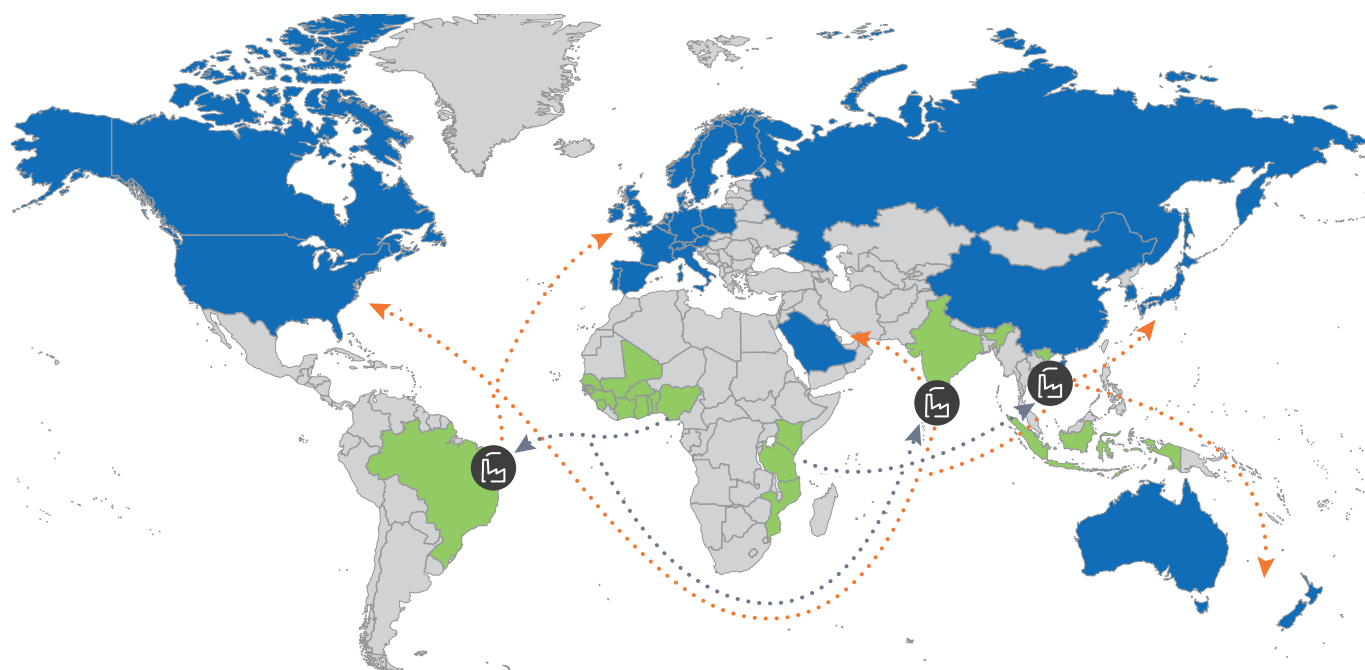


TRAVERA selected export value chains.

The second presentation was on **“Agricultural Value Chains and Agro-Processing”** where the project produced a range of studies that looked at the employment potential of different agricultural value chains, which included: Coconut (Philippines), Cashew Nut (Benin), Yams, Cassava and Sweet Potato (Ghana), Cocoa (Ghana), Cassava (Cote d'Ivoire), and Coffee, tea and phyretrum (Rwanda).



Benin's Cashew Nut Sector



- Cashew Producer
- Cashew Consumer
- Cashew Processor
- ⋯→ Main Flows of Raw Cashews
- ⋯→ Main Flows of Processed Cashews

- Benin in the 2nd largest producer of cashew nuts in West Africa
- Cashews are the 2nd most important export product of Benin

Agro-value chain study on the cashew nut sector in Benin.

The next presentation was on “**Employment Impact Assessments of Infrastructure policies and investments in Ghana and Rwanda**”. The examples illustrated the importance of employment impact assessments of investments, so that the employment dimension of an investment decision can be considered.

Infrastructure Investments and Influencing Employment Outcomes

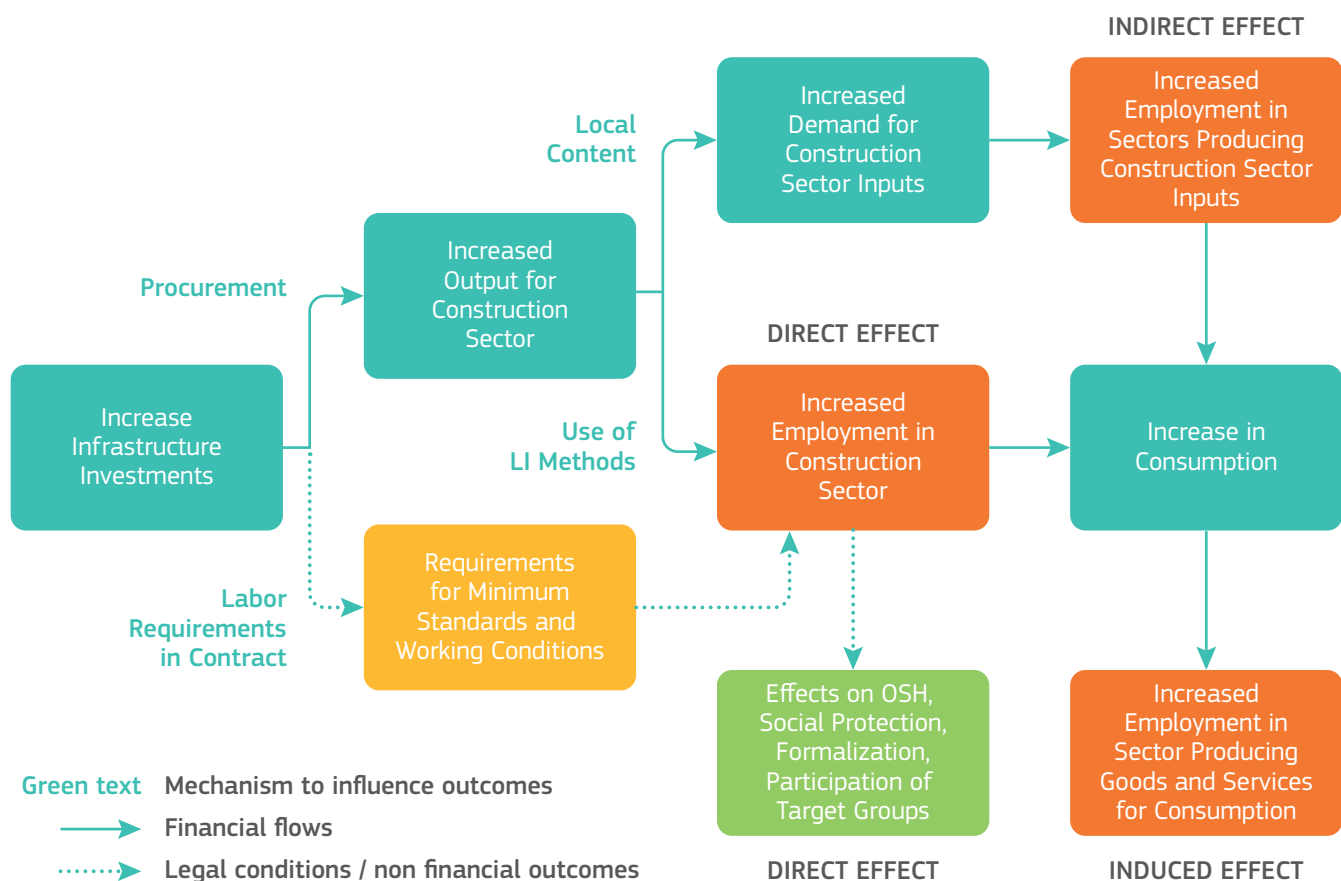


Diagram illustrating the different employment outcomes from an infrastructure investment from ILO conference presentation.

The examples presented were of an assessment of the employment effects of social housing construction project in Ghana, which created a total of 135,000 direct, indirect or induced jobs, and showed that for every direct job, 0.7 indirect jobs were created. The other examples was the assessment of the employment effects of road sector investments in Rwanda. The national feeder road strategy was estimated to create between 10,000 and 24,000 full-time jobs, which was equivalent to 5-12% of the national off-farm employment target.

The fourth presentation was on “**Local labour markets in Sub-Saharan Africa**” and looked at the employment impact of investments, including projects and loans. The

challenge is finding the right tool and available data set, one being the population census. The assessment conducted by the project looked at 9 Sub-Saharan African countries and used census data from 1,350 administrative entities over 10 years. A concrete example of one of the findings was that it showed that manufacturing employment increased by 43% in Ghana, despite it declining in 18 districts and the share of manufacturing employment related to overall employment remaining constant (at 10%). The studies show the multiplier effects of job creation, for example, one job created in manufacturing creates an additional three to seven jobs in the service sector. The studies will be expanded to cover more countries in the future.

The final presentation was on the “**Artisanal textile and garment industry in Guatemala**”, on which the project produced an analysis using the TRAVERA methodology. The latest estimate of the artisans working in Guatemala was two million in 2018, of which 70% worked in textiles, producing a range of products.

All the experts’ presentations can be found [here](#).

WORKING GROUPS

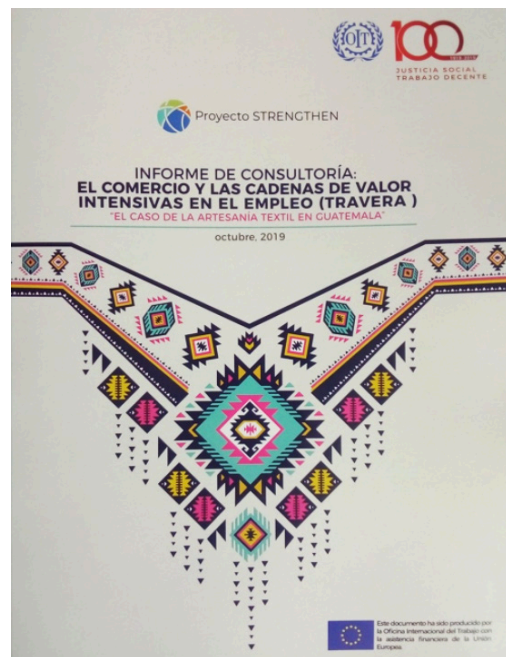
All participants were given an opportunity to discuss some key issues and provide recommendations for future initiatives on promoting more and better jobs from sectoral and trade policies.

Two groups were formed and discussed the following three questions:

- **Lessons learned:** what lessons have we learned from STRENGTHEN and other projects, and what are their implications for future similar initiatives?
- **Perspectives and process:** who should contribute to employment, trade and sectoral policy design, at what level (national, regional, global), and how?
- **Future trends:** what do we need to consider - technology disruptions, a changing trade landscape, environmental issues, SDGs and required investments – and how do we factor these in?

Throughout an engaging and participatory discussion a number of points were raised including:

- The importance of recognising employment as a cross-cutting theme is essential and the need to integrate an employment perspective across all sectors.
- Tools and methods developed by STRENGTHEN contributed to enhance the implementation of national employment policies in countries where the project was implemented.
- The need to focus on informal employment, which is a major challenge in most developing countries.
- We need precise data to convince policy makers and the use of analytical tools developed by the project can provide these.
- Need to increase training and apprenticeships in sectors requiring specific skills that may not be available from the labour market.
- Need for STED – Skills for Trade and Economic Diversification – which is a method to analyse what competences are necessary at each value chain stage.



Cover of the report on the artisanal textile and garment industry in Guatemala.

- More understanding around changing consumer preferences, in particular around environmental and social issues.
- The critical role played by investors and the private sector.
- The promotion of a circular economic model.
- The need to focus on employment creation for women and youth, who face particular challenges in entering the jobs market.
- Need for inter-ministerial coordination and tri-partite dialogue.
- Need to include civil society in policy formation and implementation.

These recommendations will be taken on board for future initiatives and a possible extension of the STRENGTHEN project.

Conclusions:

- The EC, the ILO and participating organisations will continue to apply and develop the lessons and tools presented during the workshop in order to strengthen the employment impact of trade and sector policies.
- Opportunities will be identified and seized to develop and adapt the tools and methodologies to other countries and policy areas.

- Participants commit to disseminate the knowledge products and tools more widely throughout their organisations and other relevant stakeholders.
- The EC and the ILO will take on board the recommendations developed during the workshop, in particular during the working groups for future initiatives and any possible extension of the STRENGTHEN project.
- Measures will be adopted in order to tackle and overcome some of the key challenges identified, such as integrating and reducing informal employment, convincing policy makers and policy coordination, improving skills and training, and a focusing more on the needs of women and youth.
- The importance of continuing these exchanges and facilitating dialogue amongst development partners, partner countries and other stakeholders around these issues was acknowledged by all.

FURTHER READING & RESOURCES:

- Web article on the workshop [here](#).
- Workshop materials including the programme and useful documents [here](#).
- The speakers' presentations [here](#).
- Capacity4Dev interviews with [Jean Paul Heerschap](#), [Claudia Vasquez](#) and [Fatima Idahmad](#).
- Photos from the workshop [here](#).
- Employment and decent work webpage of European Commission International Cooperation and Development [here](#).
- STRENGTHEN project ILO webpage [here](#).
- Video on the STRENGTHEN project [here](#).



[https://ec.europa.eu/international-partnerships/
topics/employment-and-decent-work_en](https://ec.europa.eu/international-partnerships/topics/employment-and-decent-work_en)

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