



“Employment-intensive public investments: a catalyst for poverty reduction: Creating jobs through employment, environmental and social protection policies and strategies”

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WORLD ECONOMIC & SOCIAL OUTLOOK 2017

- 201 million unemployed in 2017
- 2.7 million more in 2018
- 1.4 billion (42% of total employment) considered to be vulnerable forms of employment
- 70 million youth unemployed in 2017 (1 in 8 youth in LAC, Caribbean and Sub Saharan Africa)
- 80% lack social protection and working poverty



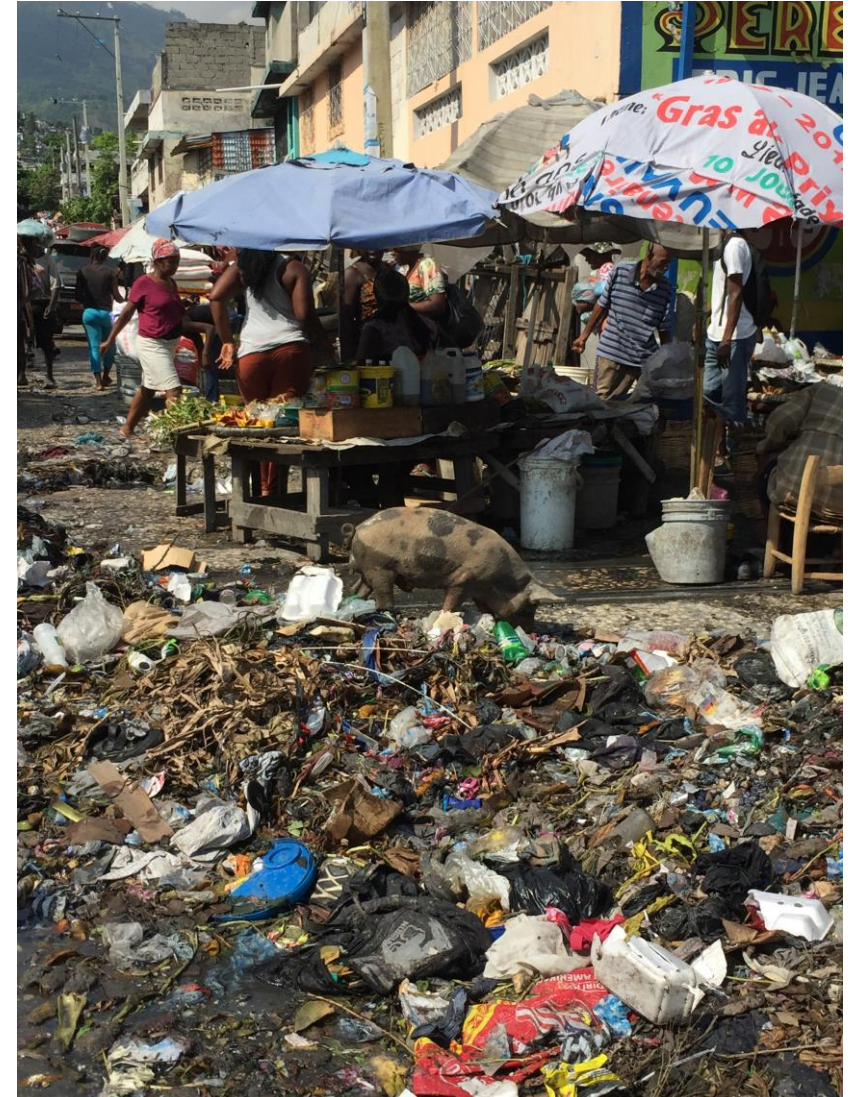
INEQUALITY GAPS IN THE FUTURE?

- Economic performance in 2016 with global GDP growth hitting a six-year low at 3.1%
- Inability of economy to
 - (i) generate sufficient number of jobs,
 - (ii) improve the quality of employment for those employed,
 - (iii) ensure that the growth is inclusive



FURTHER EXACERBATED BY

- Climate Change (rapid / slow onset disaster)
- Protracted conflicts (stemming food and water security)
- Technological changes and Future of work
- Donor fatigue
- Culture of dependency





**Increasing economic,
social and environmental
inequality leading to
social unrest**

WHAT DO WE NEED TO DO?

- **Good practices:**
 - Address un(der)employment and discouraged workers;
 - Address root causes;
 - Strengthen economic, social and climate resilience;
 - Strengthen and build local and national capacities (from design to monitoring);
 - Direct budget support and national programmes;
 - Integrated strategies
 - Coordinated and joint programmes to deliver on collective outcomes (globally and locally);



**Design EII multi-sectoral
national public
employment programmes
(PEP)**

WHAT DO WE MEAN BY PEP?

- An (LI/LB) employment-intensive investment approach;
- Nationally financed PWP (e.g. humanitarian-development);
- Multi-sectoral (e.g. agriculture, environment, infrastructure, social);
- Addressing the effects AND root causes of inequality;
- A rights-based approach (e.g. Employment Guarantee, Social Protection Floor);
- Addressing many SDGs at the same time;
- Complementarity between employment-social protection;
- Better targeting of vulnerable;
- CB for employability and sustainability through EI approaches;
- Not the expansion of civil service.

THE ROLE OF THE STATE / GOVERNMENT?

PEPs are based on the belief that government has an active role to play

- In **addressing un(der)employment**
- **Work as a right** that government has to realize – consistently offering stability and predictability...
- Role of government to be dynamic: **responsive** to poverty, economic cycles, crises and disasters
- Provides a **legal (or implicit) guarantee** of work
- Work **at minimum conditions** (minimum wages and standards)
- A permanent alternative: no one will take up work at worse wages and conditions
- Individuals or households can participate over extended periods – **predictability and stability**
- Aims to “distort” the labour market by creating a floor
- Acts as “quasi” unemployment insurance (informal sector, minimum wage earners)



PEPS AS PART OF THE SOCIAL SECURITY



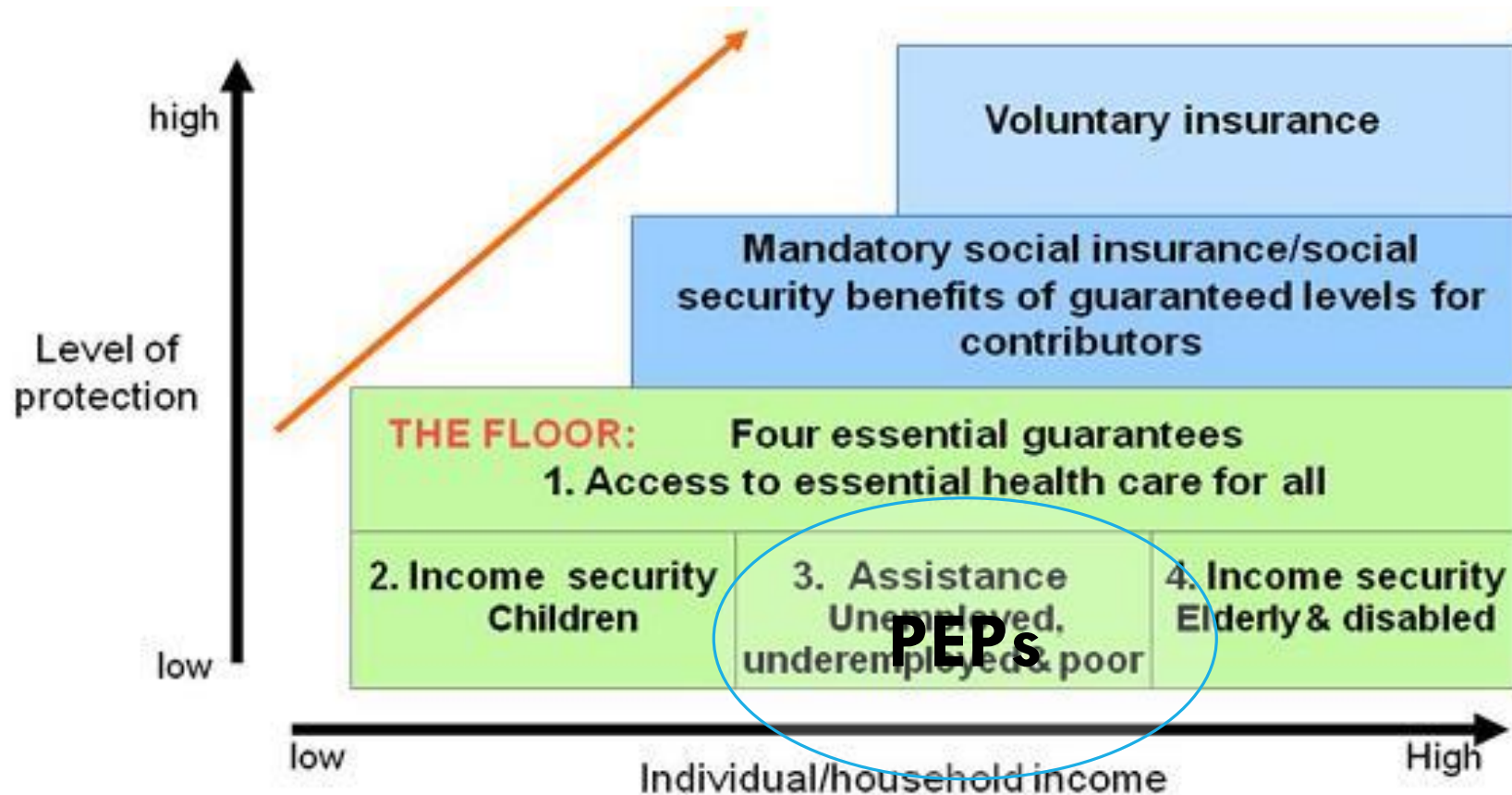
can be achieved through different means, including through employment guarantee and other public employment schemes

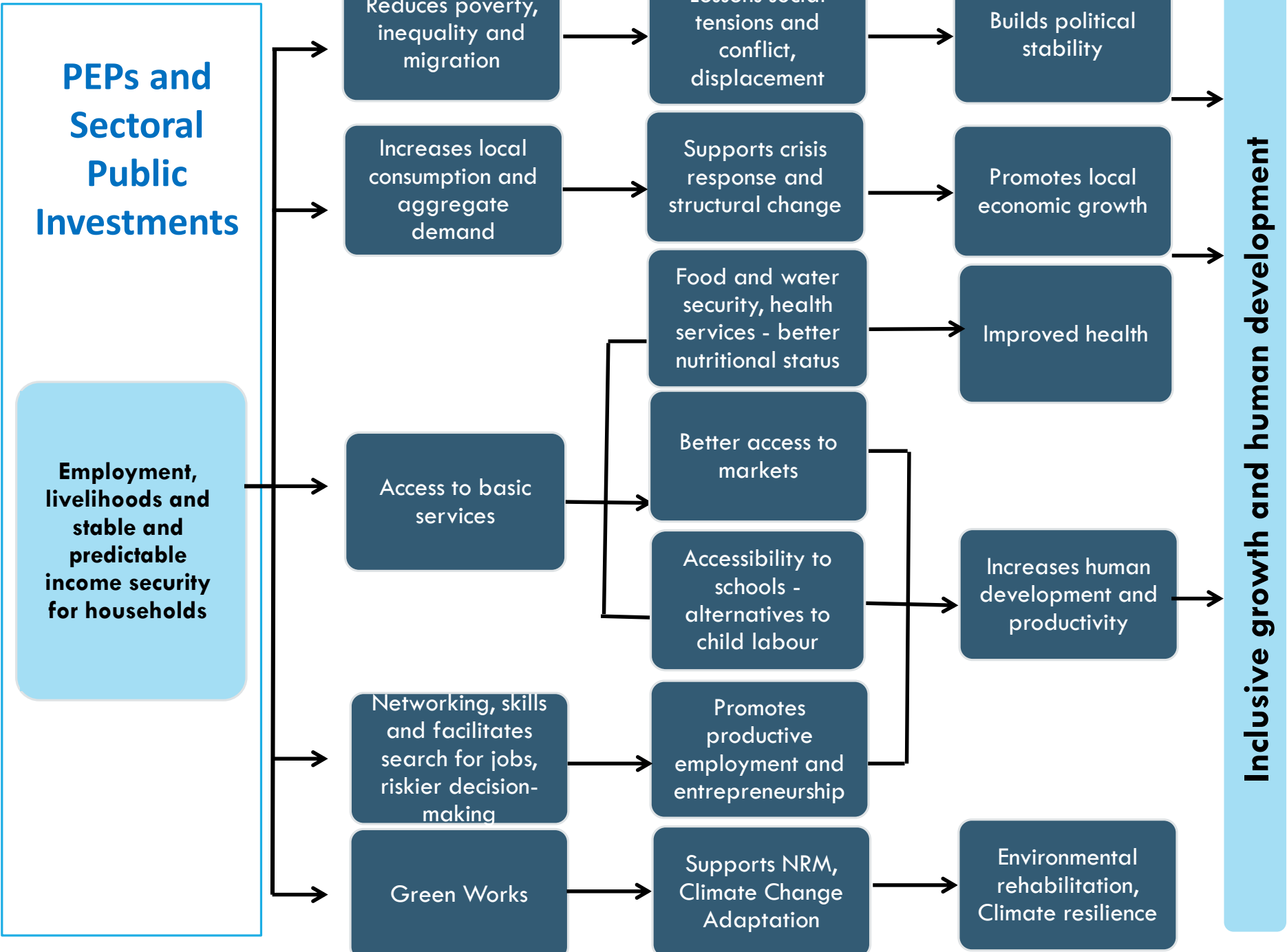
Current reality: Very limited access : around 80 % of world population have no access to adequate social protection -> ILO campaign

SOME KEY PRINCIPLES:

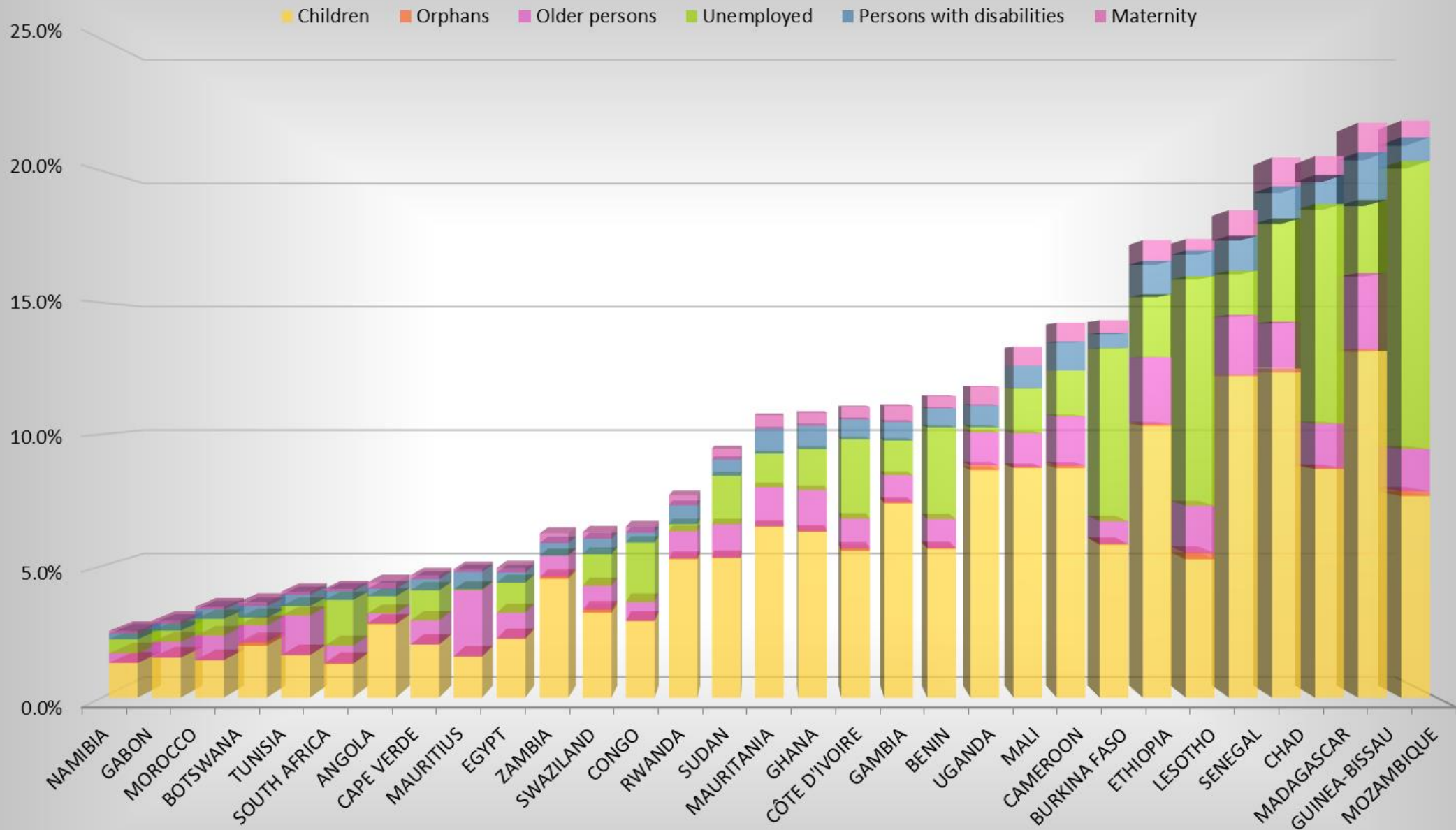
- Universality of protection, based on social solidarity
- Progressive realization
- Adequacy and predictability of benefits
- Coherence with social, economic and employment policy
- HOW? Diversity of schemes:
 - contributory –non contributory,
 - based on employment, based on residence,
 - universal-targeted, conditional-unconditional, categorical, etc.
 - diversity of risk and groups covered, eligibility criteria, financing mechanisms, rights entitlements, etc

PEPS AS PART OF SOCIAL PROTECTION FLOOR (SPF)





Cost of the total benefit package as % of GDP



*The assumption for administration expenses is of 15% for universal benefits in a standard year of operation. Such expenses are significantly higher in initial years of implementation. For targeted benefits, administration charges are assumed at 30% of benefit expenses based on relevant evidence (Cf. guidebook for additional explanations)

PEPS AS AN AGENT FOR TRANSFORMATION

Providing Employment (work for participants)

Social Protection (income/cash transfers for participants)

Public infrastructure and/or social goods and services

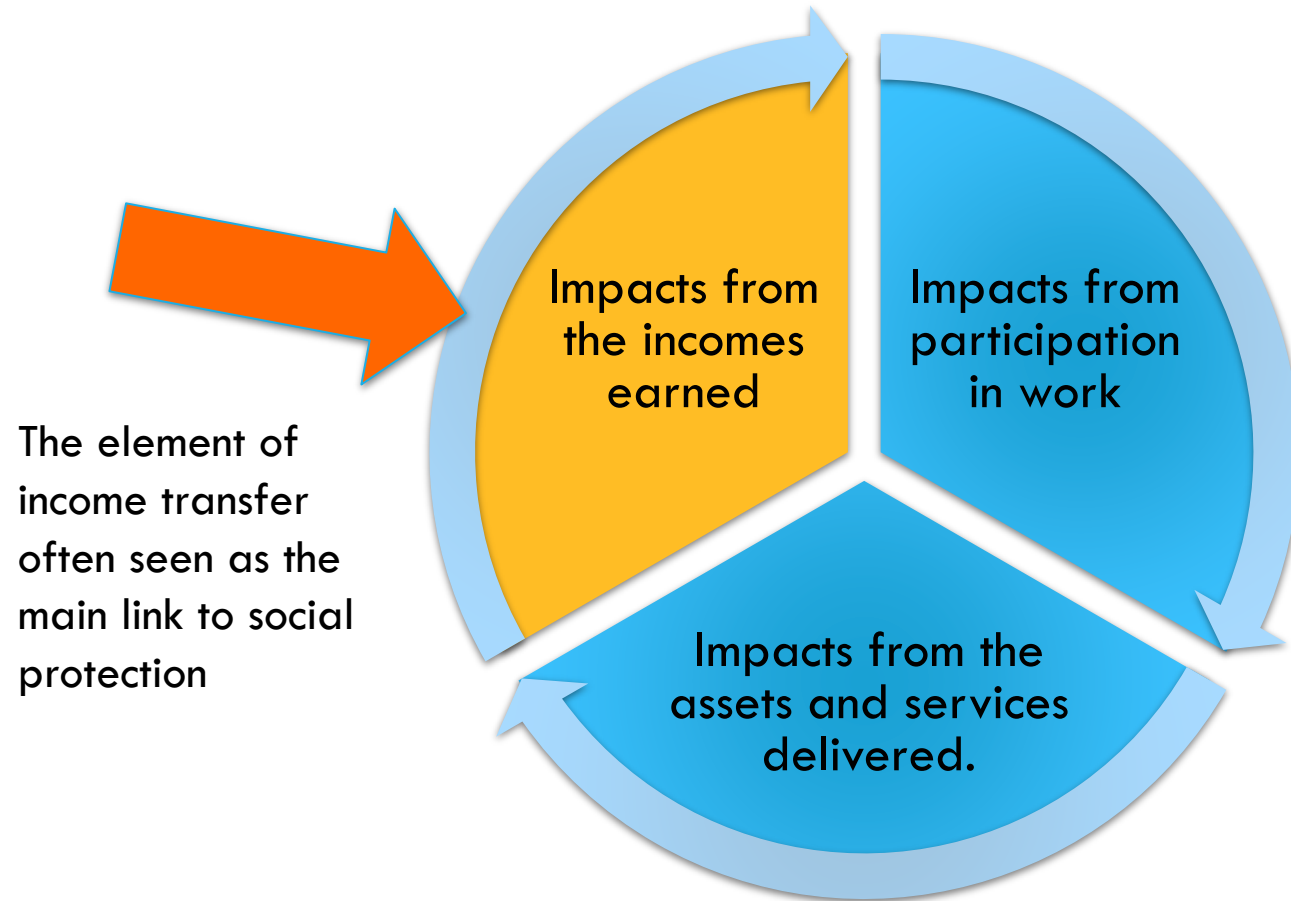
Green Works natural resources management, regeneration and rehabilitation, increased biodiversity



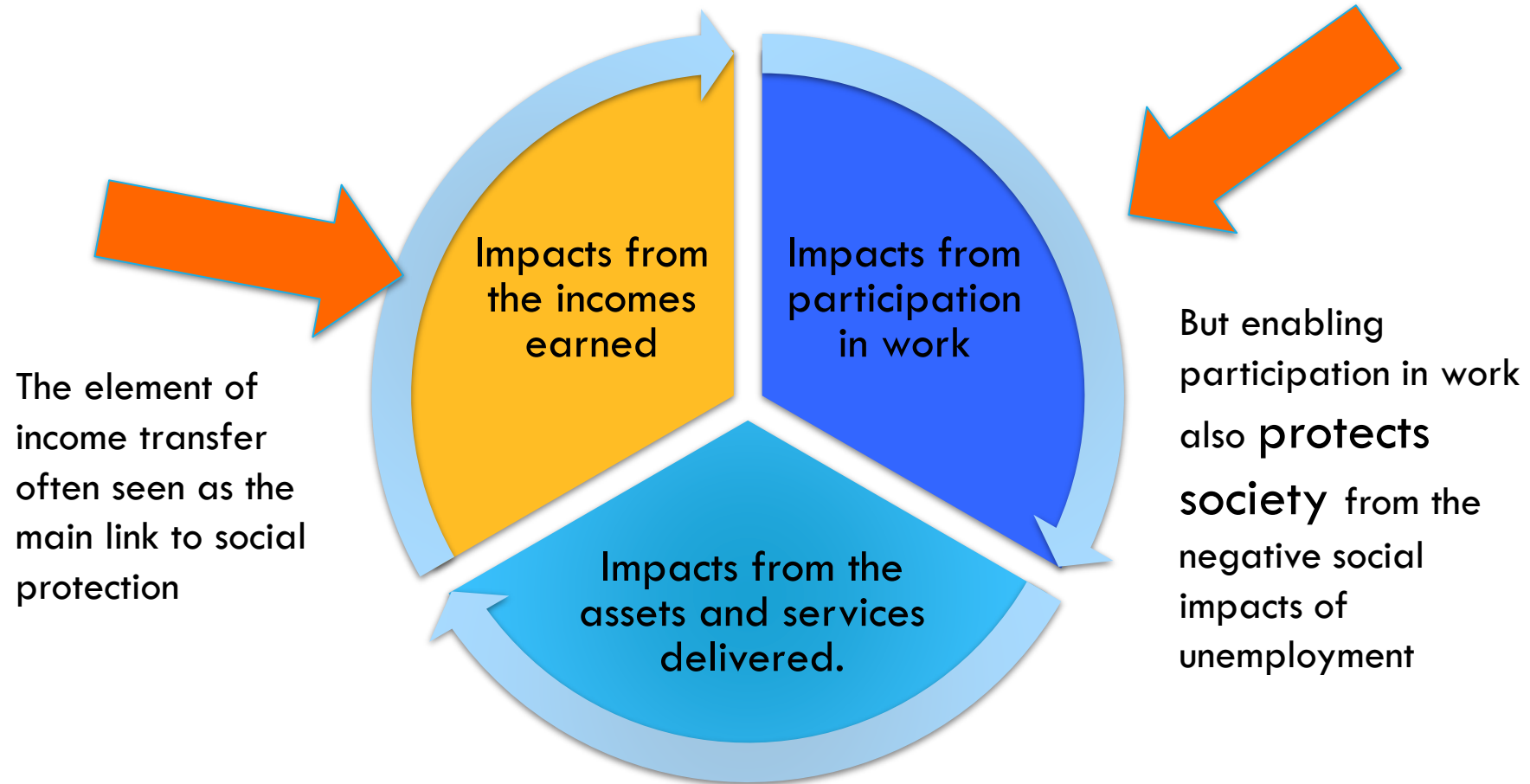
Design is key: The starting point or main priority has important impacts on the form the programme takes

Addressing all through **public investments**, potential for better synergies and impacts, and a more rationalized use of limited national funds

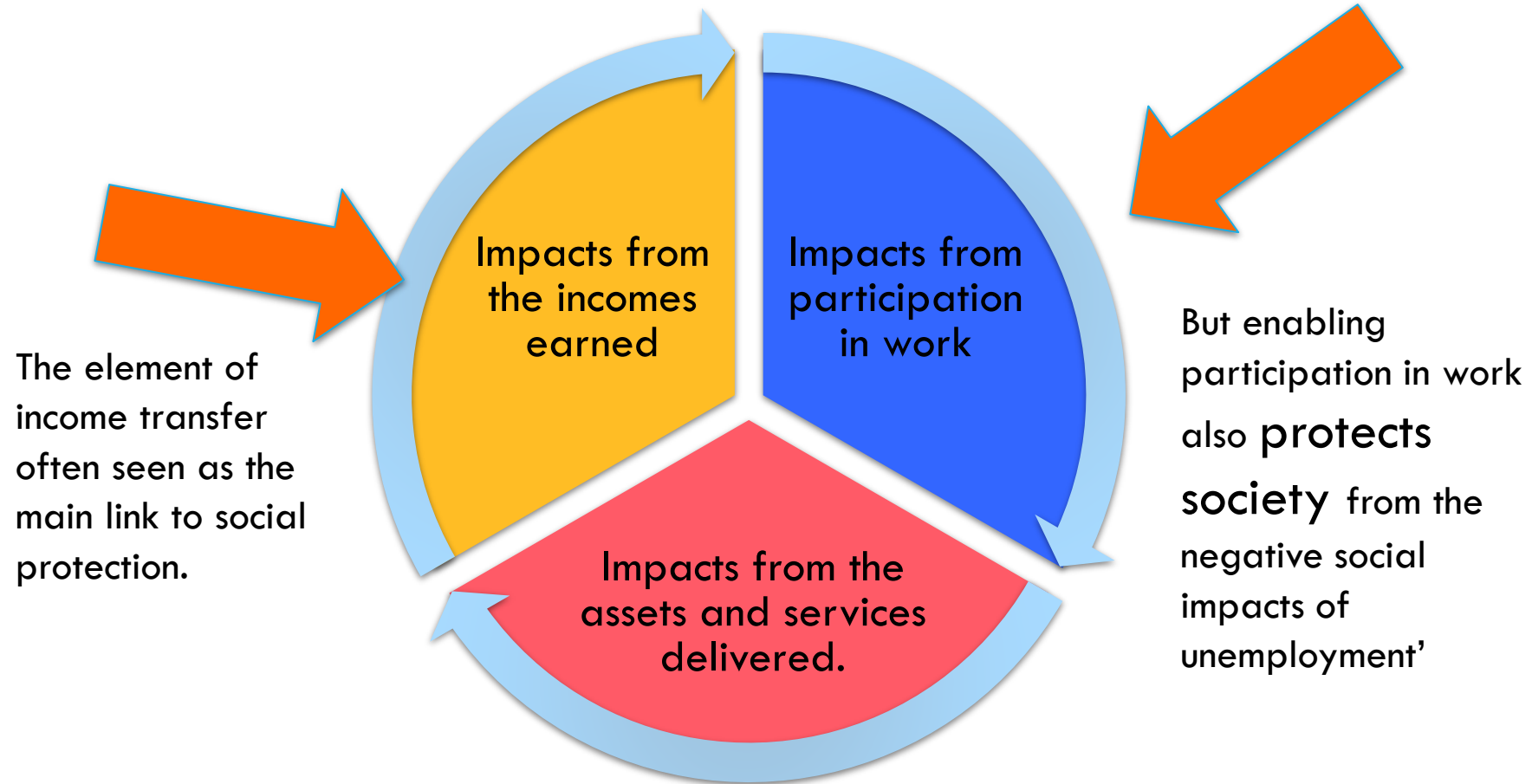
PUBLIC EMPLOYMENT: AN INSTRUMENT OF SOCIAL PROTECTION



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And with good design, public employment can directly support key areas of public/social policy

PEP RATIONALE & SCALE

- **Mahatma Ghandi National Rural *Employment* Guarantee Act (MGNREGA)**

- **Rationale:** providing wage employment opportunities in rural areas (policy of inclusive growth);
- **Scale:** Programme and budget need to grow and shrink with demands for employment of rights holders (55 millions HH in 645 districts in 2011/12)

- **Expanded *Public Works* Programme (EPWP 3)**

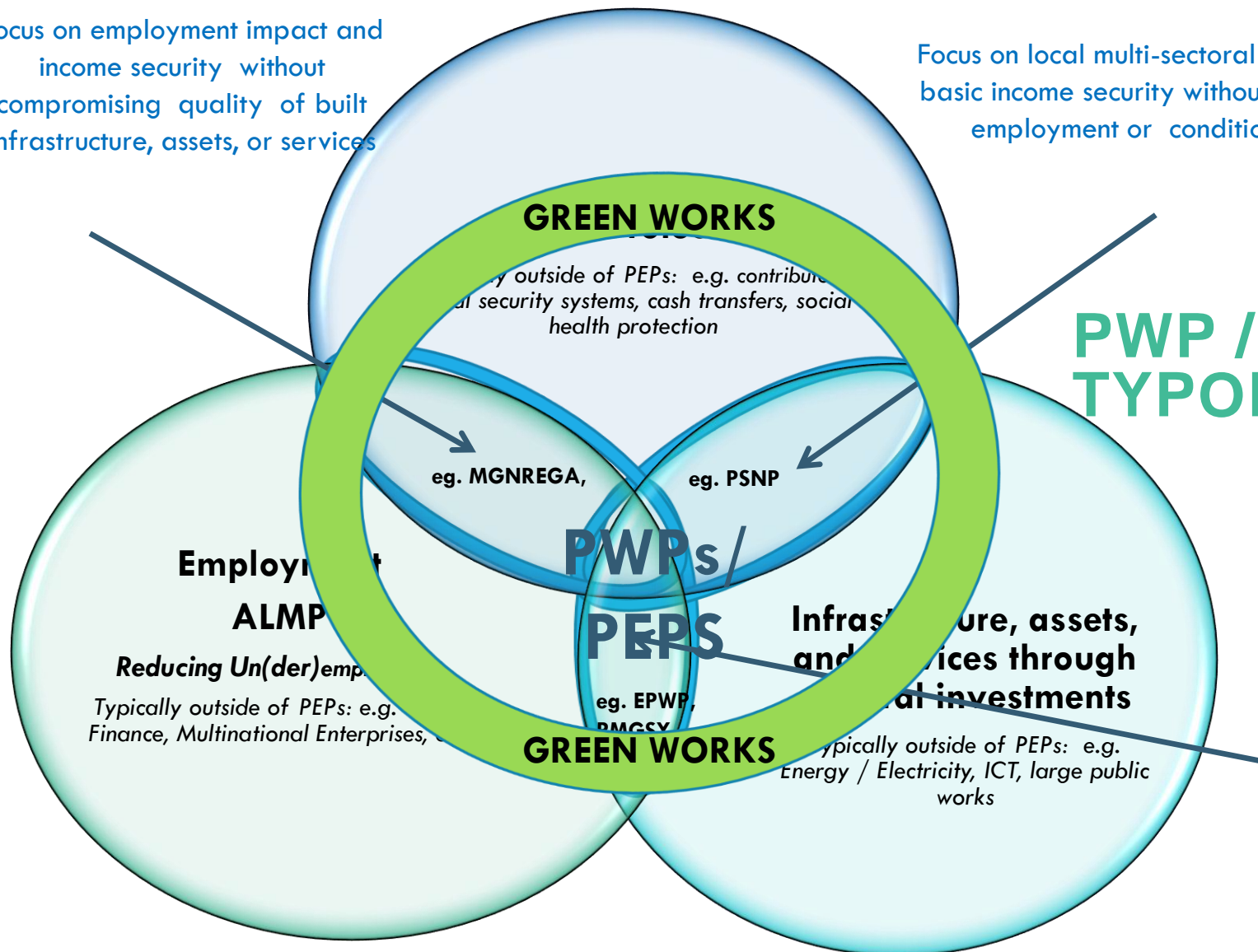
- **Rationale:** draw unemployed in productive work + skills
- **Scale:** Programme size based on investment requirements to address “backlogs” (Infrastructure and service deficits), not employment or social needs (1m job opportunities in 2004-08, 2nd Phase 4.5m job opportunities 2009-13, 3rd Phase 6m job opportunities 2014-19)

- **Productive *Safety Net* Programme (PSNP 4)**

- **Rationale:** Smoothen household consumption – to bridge production deficits in chronically food insecure farming households
- **Scale:** Aims to cover all chronically food insecure, no more no less (8 million people up to 2020)

Focus on employment impact and income security without compromising quality of built infrastructure, assets, or services

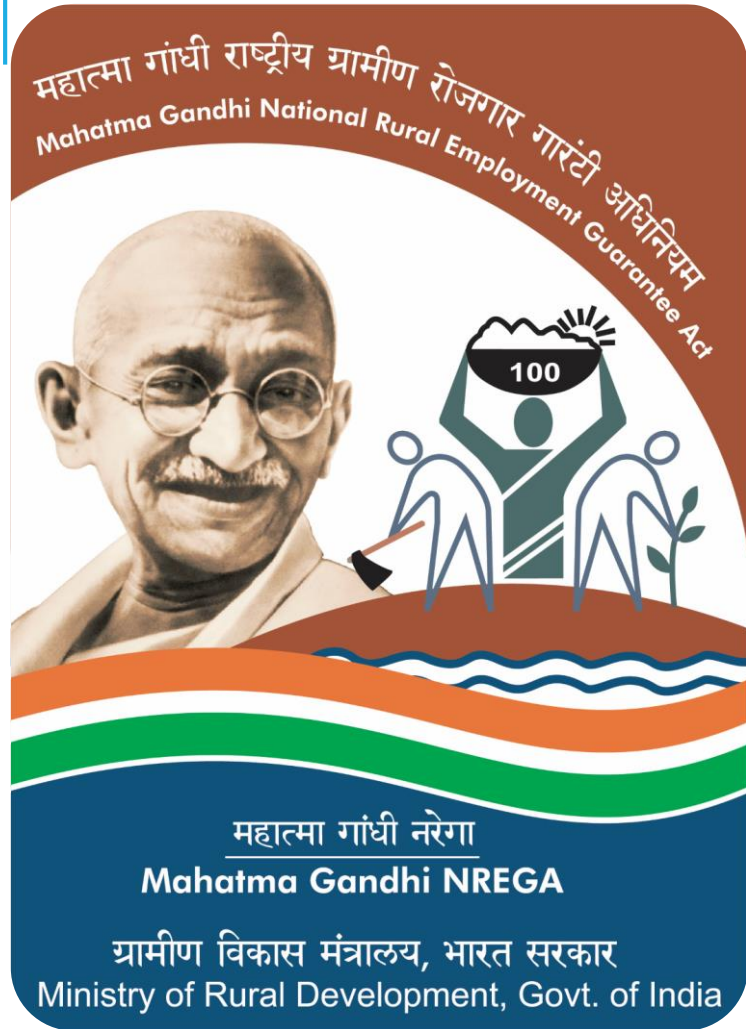
Focus on local multi-sectoral investment and basic income security without compromising employment or conditions of work



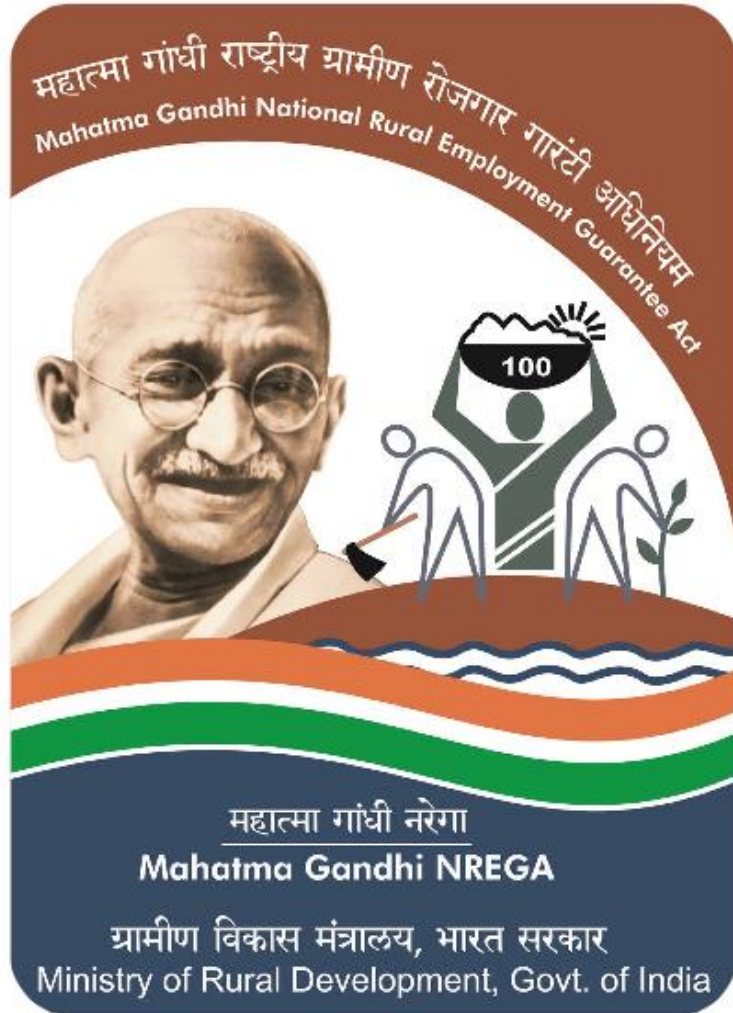
PWP / PEP TYPOLOGY

Focus on type of sectoral investments and their employment impact without compromising quality of investment in human capital

BASIC PREMISE



- 1) Poverty is not the fault of the poor
- 2) Inequality brings down growth:
More Equal Societies Almost Always Do Better
- 3) A country grows on the strength of its domestic market



A right to work

MGNREGA: A MAJOR POLICY INNOVATION

From a right to work when work is *available*

to

A right to work when work is *needed*.

Shifts the focus to putting the needs of people first:
which is what rights are supposed to do.

Shifts the onus of employment creation from the economy to society
A significant contribution to the decommodification of labour

PEPS AND INFRASTRUCTURE



PEPS AND ENVIRONMENT



PEP AND EARLY CHILDHOOD DEVELOPMENT, YOUTH, ARTS



PEPS AND THE CARE SECTOR

The uneven burden of care: an unresolved gender issue

Paying for such work in PEPs gives it social recognition – and an economic value.

Institutionalizing community-based care, augmenting often-stretched health systems.

With strong career path opportunities into the health system.



Strengthening the social dimension of social protection...

PEPS AND THE REFUGEE CRISIS

1. Providing work for locals – to augment support services and infrastructure in areas with high concentrations of refugees

- Greece
- Egypt

2. Providing work for locals and refugees together

- Jordan
- Lebanon



TIME TO SCALE UP: MGNREGA

Features	2006/2007	2008/2009	2009/2010	2011/2012
Expenditure in billion US\$ (expenditure)	1.4 (73%)	4.5 (73%)	6.2 (76%)	6.5 (73%)
Number of districts covered	200	619	619	645
Number of households	21 million	45 million	53 million	55 million
Number of WD in millions	90.5	216	284	257

COSTS OF ADAPTATION

TABLE 1. Annual Adaptation Costs in Developing Countries

Assessment	Annual Cost	Year
UNDP 2007	\$86 billion	2015
UNFCCC 2007	\$28–67 billion	2030
World Bank 2006	\$9–41 billion	present
Oxfam 2007	\$50 billion +	present
Stern Review 2006	\$4–37 billion	present

Sources: UNDP (2007, p. 192-194); Agrawala and Fankhauser (2008, p. 69)

Source: WRI

COSTS OF IMPLEMENTING A PEP

Programme	Expenditure (millions USD) for given year	Expenditure as % of GDP	Nr of work opportunities	Work opportunities as % of Labour force
NREGA (India 09/10)	7 587	0.46%	52.6 million	9.7%
PSNP (Ethiopia 08/09)	360	1.2%	1.5 million	4.8%
EPWP (South Africa 09/010)	3 952	1.1%	643 000	2.8%
KKV (Kenya 09)	43	0.12%	300 000	
CfWTEP (Liberia 09)	1.5	0.17%	8 500	0.8%*
Jefes (Argentina 2003)	3 056	0.9%	2 210 000	13.0%
Kosovo 2010 (projected)	3	0.1%	5 000	0.6%
FAIMO (Cape Verde)	10.8 (1998), 19.7 (1992)	Between 2% (1998) and 5% (1992)	15 000 to 20 000	11.5% (2000)

RECOMMENDATIONS

- 1) Support countries to achieve **Full Employment** through multi-sectoral PEPs
 - UN's 1st Expert Group Report «*National and International Measures for Full Employment*» (ECOSOC resolution 290 (XI), 15 August 1950)
 - ILO Employment Policy Convention, 1964 (No.122) on Full Employment – 111/187 countries ratified
 - Employer of Last Resort (ELR), Employment Guarantee Scheme (EGS), Social Protection Floor (SPF), SDGs – legal predictability, transparency and stability
- 2) Build policy coherence: effective integrated multi-sectoral strategies (economic, social and environmental empowering and impacts)
- 3) Strengthen local and national institutions
- 4) Local resource-based approached (LRB) : local multipliers through ownership, participation, materials and indigenous / traditional knowledge
- 5) Self targeting most vulnerable or through single registry



INTER-AGENCY SOCIAL PROTECTION ASSESSMENTS (ISPA) supported by the following partners



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WORLD BANK GROUP



UNITED NATIONS UNIVERSITY

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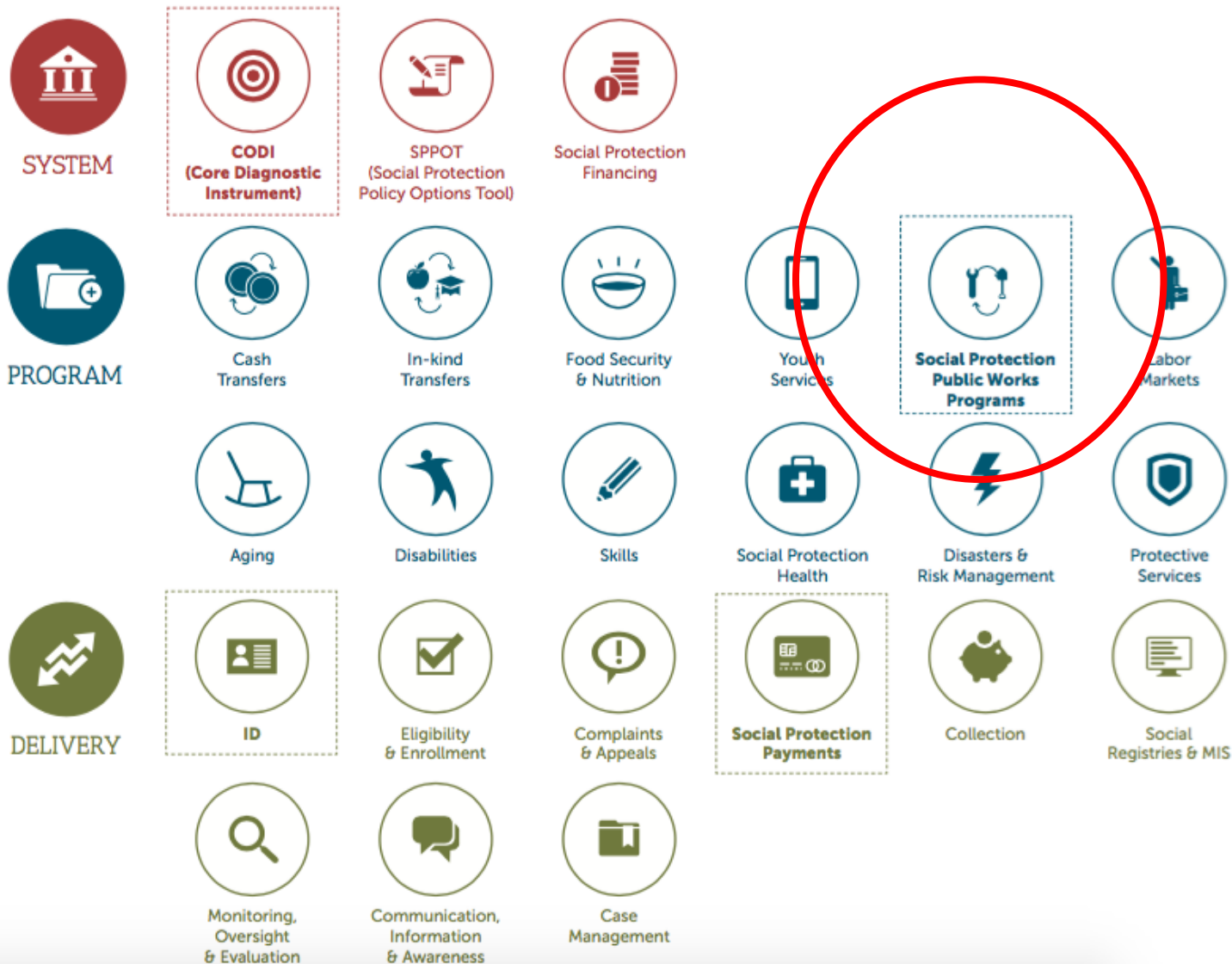


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THE ISPA CONSTELLATION

Over the next 5 years, over 20 ISPA tools are proposed to be developed, covering social protection **SYSTEM**, **PROGRAM** & **DELIVERY** mechanisms.



ISPA tool application process



Request for the assessment and preparatory phase:

- Inception meeting
- Stakeholder analysis and coordination of development partners

Getting started:

- Formation of the assessment team and steering committee
- Training on tool application and adaptation of the tool

Launch of the assessment:

- Orientation meeting: agree on objectives and process

Data collection:

- Desk review, pre-population of the questionnaire
- Stakeholder consultations, site visits, focus groups discussions

Assessment:

- Completion of assessment matrix and drafting of country report

Finalization:

- Consultative workshop
- Revision of matrix and report, delivery to the government

COUNTRY EXPERIENCES:

The currently available ISPA tools have already been piloted in various countries.



WHAT WORKS AND WHY?

| «Multiple WINs»

- Based on collaborative and **transparent** approaches to building systems
- Harmonization** of indicators, language and understanding of multiple objectives of PWP's
- Stronger **collaboration** between agencies and stakeholders
- Consistency** between global and local actors
- Flexible** 'living' version to be adapted and updated based on national context and needs
- National ownership**

LEARN MORE:



[ISPATools.org/public-works](https://ispatools.org/public-works)

Please navigate to the ISPA website, where you can learn more about the ISPA initiative, the ISPA tools, and how to get involved with improving social protection for all.



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HIGHLIGHTS OF SOME ILO PUBLICATIONS related to Employment-Intensive Investment Approaches



EMPLOYMENT INTENSIVE INVESTMENT PROGRAMME (EIIP)



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Green Works

Promoting forestry, irrigation, soil, water & flood protection at the heart of recovery and reconstruction

- Restoring and protecting productive capacity of lands
- Resilient infrastructure and climate change adaptation
- Livelihood and income security for the most vulnerable



Employment-Intensive Investment Programme



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Community and LRB Approaches

Addressing local needs and local resource-based appropriate technologies

- Community-based planning, consultation and participation with rights-based approach
- Strengthening local organizations, negotiation, and collective bargaining
- Community contracting and social audits



Employment-Intensive Investment Programme

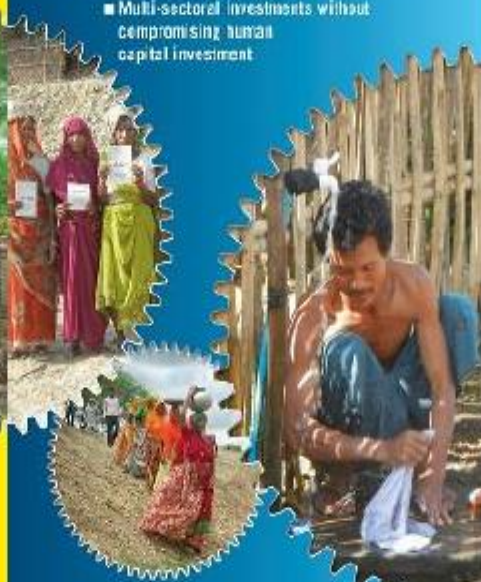


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PEPs (Public Employment Programmes)

Short-term programmes to Employment Guarantee Schemes (EGS)

- Employment without compromising quality of assets
- Basic income security without compromising conditions of work
- Multi-sectoral investments without compromising human capital investment



Employment-Intensive Investment Programme



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Public and Private Sector Development

Development of construction industries and employment intensive infrastructure investments

- Establishing environment and delivery systems
- Contracting identification and registration, contracts management and management of resources
- Knowledge and skills development on labour practices and social safeguards



Employment-Intensive Investment Programme

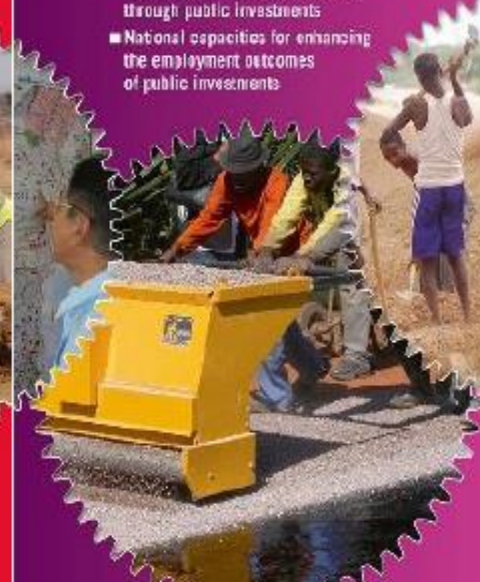


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Employment Impact Assessment

Analysing the employment impact of public investment and sectoral policies

- Assessing the employment impact of public investment
- Policy advice for developing strategies and programmes for job creation through public investments
- National capacities for enhancing the employment outcomes of public investments



Employment-Intensive Investment Programme



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PUBLICATIONS ON PEPS

Towards acceptable wages for public employment programmes : A guide for conducting studies for wage setting and estimating labour supply response, ILO Employment Working Paper No. 15 (2013)
www.ilo.org/wcmsp5/groups/public/---ed.../publication/wcms_223867.pdf

Towards the right to work: A Guidebook for Designing Innovative Public Employment Programmes, ILO Geneva (2012)

Towards the right to work: Innovations in Public Employment Programmes, IPEP ILO Employment Working Paper No. 69 (2010) http://www.ilo.org/employment/Whatwedo/Publications/working-papers/WCMS_158483/lang-en/index.htm

The Community Work Programme: Building a Society that Works, ILO Employment Working Paper No. 149 (2013) http://www.ilo.org/employment/Whatwedo/Publications/working-papers/WCMS_223866/lang-en/index.htm

Social Funds : Lessosn for the Future, ILO Geneva (2003)
http://staging.ilo.org/public/libdoc/ilo/2003/103B09_67_engl.pdf



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PUBLICATIONS ON GREEN WORKS

Towards an ILO approach to climate change adaptation, ILO Employment Working Paper No. 104 (2011)

http://www.ilo.org/employment/Whatwedo/Publications/working-papers/WCMS_174612/lang--en/index.htm

Local investments for climate change adaptation : Green jobs through green works, ILO Regional Office for Asia and the Pacific (2011)

http://www.ilo.org/wcm5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_172716.pdf

Community contracting initiatives in calamity-prone areas : A practical guide, ILO Country Office for the Philippines (2011)

http://www.ilo.org/manila/areasofwork/employment-promotion/WCMS_396366/lang--en/index.htm



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ON GENDER & INFRASTRUCTURE

Women in infrastructure works: Boosting gender equality and rural development, ILO Employment Working Paper No.194, Geneva (2015)
http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_policy/---invest/documents/publication/wcms_426588.pdf

Illustrated Guidelines for Gender-Responsive Employment Intensive-Investment Programmes, ILO Geneva (2015) http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_policy/---invest/documents/publication/wcms_459976.pdf

Policy Brief - Boosting gender equality and rural development, ILO Geneva
http://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_150834.pdf



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ON HUMANITARIAN RESPONSE

- ILO's response on Conflict & Disaster Settings: Guides & Tools, ILO Geneva (2010)
<http://staging.ilo.org/public/libdoc/ilo/2010/457427.pdf>
- ILO/FAO Liveihood Assessment Tool, ILO Geneva (2009)
http://www.ilo.org/wcmsp5/groups/public/@ed_emp/documents/publication/wcms_159109.pdf
- Livelihood and Employment Creation : Food for Work, ILO Regional Office for Asia and the Pacific (2005)
http://www.ilo.org/public//english/region/asro/colombo/downloads/publications/livelihood/4_foodforwork.pdf
- *Working out of Disaster : Improving Employment and Livelihood in Countries Affected by the Tsunami* (2005) http://www.ilo.org/wcmsp5/groups/public/@asia/@ro-bangkok/documents/publication/wcms_bk_pb_114_en.pdf
- Guidelines on Food for Work Programmes, ILO Geneva (1997)
http://www.ilo.org/wcmsp5/groups/public/@ed_emp/@emp_policy/@invest/documents/instructionalmaterial/wcms_asist_6036.pdf



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DEVELOPMENT
THROUGH SOCIAL
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