



Evaluation Summary



International
Labour
Office

Evaluation
Office

Zambia Green Jobs Programme - Midterm Evaluation

Quick Facts

Countries: Zambia

Mid-Term Evaluation: 9 Sept.-31 Oct. 2015

Mode of Evaluation: Independent

Administrative Unit: ILO Country Office-Lusaka

Technical Area: ENTERPRISES

Evaluation Manager: Adolphus Chinomwe, Evaluation Manager

Evaluation Team: Ngonidzaisho Marimo (Team Leader) & Griffin Nyirongo (Local Consultant)

Project Start Date: 1 September 2013

Project End Date: 31 August 2017

Project TC Symbol : ZAM/13/01/FIN

Project Donor & Budget: Finland (US\$12,100,791)

Keywords: micro, small and medium enterprises, productivity, competitiveness, working conditions, decent green jobs

Background and Context

The Zambia Green Jobs Programme (ZGJP) is a sustainable development Programme which facilitates private sector development for inclusive green growth, more and better jobs particularly for young people and women. The Programme is implemented by the Government of Zambia and national partners with technical assistance from the United Nations and funding from the Government of Finland.

The Programme development objective is to enhance competitiveness and sustainable business among MSMEs in Zambia's building construction sector. Its immediate objective is to create at least 5,000 decent green jobs particularly for young people, improve the quality of at least 2,000 jobs in MSMEs which in turn will improve the incomes and livelihoods of at least 8,000 households that depend on the building construction sector. This objective is pursued through three main outcomes:

- a) Outcome 1: Increased appreciation in the Zambian public at large and building industry stakeholders in particular, of green building principles;
- b) Outcome 2: A refined industry-specific regulatory framework that stimulates demand among private and public housing developers for environmentally friendly building materials, products and methods; and
- c) Outcome 3: MSMEs have enhanced capacity to effectively participate in the building construction and green building products and services markets.

Target groups for the Programme are: Small-scale active contractors registered with the National Construction Council (NCC), Small scale producers of sustainable building materials and technologies, and building professional service providers.

Present situation of the project

The Programme is being implemented in a context of high rural poverty (60.5%), depressed copper prices leading to rapid currency depreciation, increases in

inflation pressures and interests rates which have constrained access to credit, downgrading of credit rating which lowered foreign direct investments and business confidence. Consequently, the Ministry of Finance has projected that Zambia will achieve a real GDP growth rate of 4.6 per cent and not the earlier projected 7.0 percent in 2015. The country also faces several development challenges chief among them, the need to accelerate the inclusivity and diversification of the economy, and continue the drive to create decent jobs, especially for young people and women, as well as create wealth to ensure greater provision of social safety nets for poverty reduction.

Infrastructure development and in particular the building construction industry in Zambia offers excellent potential for broad based wealth and job creation due its high labour intensity, low entry barriers for semi-skilled and unskilled labour, and high concentration of MSMEs. However, the sector is among the most prone sectors to industrial accidents and injuries, and workers are amongst the most vulnerable to ill health, and poverty in case of maternity, disease, unemployment, disability, or old age, for lack of any form of social protection.

Purpose, Scope and Clients of the Evaluation

The aim purpose of the independent evaluation was to analyse progress made towards achieving outcomes and outputs, identify good practices and lessons learned and propose recommendations for improvement for the remaining two years of the Programme and beyond. The evaluation served three main purposes:

- (i) To Give an independent assessment of progress to date of the Programme across the three outcomes, assessing performance as per the targets and indicators of achievement at output level, strategies and implementation modalities chosen, partnership arrangements, constraints and opportunities in Zambia.
- (ii) To Provide strategic and operational recommendations as well as highlight lessons to improve performance and delivery of Programme results; and

- (iii) To Document lessons and good practices on the UN Delivering as One approach and pass through funding system.

The main clients for the evaluation are: (1) the Government of Zambia; (2) Government of Finland; (3) United Nations, especially the participating agencies; and (4) Private sector including its employers and workers' organizations.

Methodology of the evaluation

The review employed an inclusive evaluation, meaning that different stakeholder groups were included in the evaluation and data was collected from different groups of people. ILO guidelines on evaluation of Programmes guided the approach to the evaluation.

The evaluation adopted both qualitative and quantitative approaches. The quantitative approaches aimed at quantifying the results achieved by the Programme according to its results framework. The qualitative approach comprised key informant interviews and focus group discussions. These approaches explored issues encapsulated in the evaluation framework.

Key stakeholder organisations and institutions in Zambia involved with the Programme were interviewed. Interviews and site visits were conducted in North Western and Copperbelt provinces.

Main findings and conclusions

Relevance and Strategic Fit

The evaluation finds that the design of the Zambia Green Jobs Programme has remained relevant considering the country priorities on creating decent jobs particularly for young people and creating wealth to ensure a greater provision for social safety nets.

The national development plan, policies, strategies and action plans of the Government of Zambia, country assistance plan and private sector development strategy of the Government of Finland and the UN System in Zambia all resonate well with

the Programme objectives and activities at meta, macro, meso and micro levels of the Zambian economy.

The level of ownership and participation of various national stakeholders including reputable private sector companies, multi-national firms and research organizations, including those from Finland, provided evidence that the Programme is addressing relevant issues, main challenges and opportunities for sustainable private sector development, inclusive green growth and job creation in the building construction sector.

Validity of Design

The ZGJP Programme design is coherent and responds to underlying challenges for promoting sustainable enterprises and the creation of decent green jobs through private sector development. The design identifies and responds to three overarching systemic challenges: (1) changing attitudes, (2) policy, legal and regulatory framework (PLRF) reform and, (3) capacity building of the MSMEs. Furthermore, the Programme design adopts a market systems development framework and value chain development approach.

Joint planning adopted for the 2015 activities has helped to strengthen coherence in planning and implementation ensuring the Programme integrity is sustained. Similarly, the coordination of inputs of the UN agencies into the Steering Committee and PLRF reforms have helped the participating UN agencies speak with one voice on Programme implementation and policy position. However there are some challenges that need to be addressed:

- a) Some activities need to be reviewed to ensure sufficient logic with the Programme results chain e.g. timber production needs to focus on private sector, solar panel assembly, installation, and operations and maintenance needs to explore ways of sustaining the new enterprises through linkages with capital markets.
- b) Assumptions that partners have capacity to implement have not held true as some face major challenges in documentation and liquidating advances.

- c) Target group of MSMEs needs to focus also on small to medium enterprises that are in most cases more growth ready.
- d) The Programme design missed an opportunity to incorporate a risk guarantee fund to catalyse capital investments in green building markets. Its absence has undermined progress on access to finance for enterprises supported by the Programme.
- e) Some targets were unrealistic from the onset vis a vis the budget, geographic area and the design of the Programme e.g. gender, access to financial services, business linkages and market access.

Project Effectiveness

The ZGJP is on course on most of its key performance indicators. At the time of the evaluation the Programme had supported the creation of 2,549 new green and decent jobs in micro, small and medium enterprises mainly in the North Western (754), Copperbelt (600) and Southern Provinces (509). This figure excludes 3,600 cases of casual employment recorded in the form of temporary and part-time jobs. The Programme is well on course to meet its overall target of 5,000 new green and decent jobs by 31 August 2017.

The evaluation also noted a number of challenges arising from the strategies and actions that can be taken during Programme implementation. There are, for example, management arrangements of the UN Delivering as One that can be improved as well as the unrealistic targets and measurement criteria set for some of the output indicators from the onset which should be revised.

Of particular concern are the outputs regarding access to finance, business linkages, social protection, occupational safety and health (OSH), gender and HIV and AIDS response. Progress on these outputs is behind schedule and therefore some recommendations have been made in order to improve the overall performance.

Impact Orientation and Sustainability

Shaping practices and behaviour towards green building is critical to sustainability and the

Programme has demonstrated this through the development of the curriculum to incorporate green building and construction at the Copperbelt University, National Council for Construction (NCC) School of Construction and Thornpark Construction Training School.

The use of partner organisations to implement components of the Programme has proved successful to contributing to impact and sustainability as opposed to setting up new structures.

Sustainability of the Programme is threatened by the supply of timber from ZAFFICO which currently is the major source of timber supply which has not increased in tandem with doubling of sawmillers. This has meant sawmillers getting smaller volumes of timber which has negatively affected their viability. Sustainability of green building practices, technologies and materials will also depend on the perceptions of costs and affordability of green construction. There is a high cost perception among stakeholders including the financial institutions and large private sector.

The Programme has made progress in building the capacity of people and national institutions and strengthening an enabling environment (laws, policies, people's skills, attitudes, building regulations have been developed) which will facilitate use of green technologies and material in construction.

Main Recommendations

Main recommendations for the Programme are:

Recommendation 1: Steering Committee needs to review the current MoU to include measures and operational guidelines to make the DaO arrangement much more effective.

Recommendation 2: The Programme in consultation with the Steering Committee and FAO need to revise the target group for forestry production and management from community members to private sector.

Recommendation 3: The Programme through the Steering Committee needs to define a working definition of MSMEs and decide on the inclusion of growth ready SMEs as main primary target groups to reach green decent job growth potential of current opportunities and initiatives.

Recommendation 4: The Programme needs, at this stage, to focus more on creating internal business linkages and market access for MSMEs with large private sector, and public procurement institutions rolling out building construction.

Recommendation 5: The Programme through the Steering Committee should look to review and possibly adopt the proposed revisions to indicators and targets made by the mid-term evaluation team.

Recommendation 6: The Steering Committee needs to review the emerging risks and consider review and approving the suggested mitigation measures by the mid-term evaluation team. Of particular note is the uncertainty of the availability of funding from Finland which makes it difficult to plan.

Recommendation 7: In the absence of additional funding the Steering Committee needs to consider a no cost extension for some activities which will need more time to be consolidated and nurtured to impact and sustainability.

Recommendation 8: The Steering Committee needs to explore the possibility of concentrating activities in two geographic areas (North Western and Copperbelt provinces) in the remaining years, where results are likely to occur to strengthen and nurture to outcomes and impact.

Recommendation 9: In the future it may be possible for the Steering Committee to consider basket funding with many cooperating partners promoting private sector development in Zambia coming together with Finland to support the Zambia Green Jobs Programme in the long term for the achievement of the SDGs and in the short term for promoting the creation of decent jobs for young people and women.