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Investing in decent jobs

#MondeEnCommun

> WHY INVEST IN DECENT JOBS?

Mass unemployment, underemployment, precarious employment and poor working conditions give people the impression that they are globalization's losers. Work is the leading source of income for individuals and families, and economic empowerment is the first step toward social recognition. Furthermore, work is a right which offers everyone the guarantee of decent living conditions and represents a source of individual fulfillment as well as social and civic integration. However, in developing or emerging countries, economic growth – when it exists – does not automatically lead to an increase in the number and quality of jobs, and is not necessarily associated with a social policy which mitigates shocks and helps citizens recover. Today, in the world,

- ❖ **190 million people are unemployed, whereas 344 million people will enter the job market over the next ten years¹,**
- ❖ **2.5 billion people work in the informal economy²,**
- ❖ **every 15 seconds, a worker dies of a work-related accident or illness³.**

Without resolute action, this situation may not only last but worsen. Indeed:

- The **need for jobs is constantly growing**. Every year, 40 million people, the majority being young Africans, enter the job market and hope to find a job or opportunities for economic activity;
- Work is transforming, due to the dual effects of globalization and technological evolutions – in particular **the digital revolution and the transition toward a low-carbon economy**, which bring about major changes in modes of production and the skills expected from workers. When these evolutions are neither thought through nor supported, they can jeopardize workers, whether they are salaried or independent, and further widen the gap with the corporate world.

In this changing context, mass unemployment and underemployment contribute to a spiral of individual and collective resentment which can have significant social and political repercussions. At the same time, companies may encounter difficulties in recruiting expected new profiles. The rise in the feeling of exclusion fosters defiance of public policies and the risk of tipping into violence. Moreover, the lack of skills feeds a negative dynamic of the absence of productivity gains, failure to advance in the value chain, disincentivizing private investment, national or international, the loss of territorial or national attractiveness, and difficulties in carrying out needed retraining.

Conversely, numerous studies⁴ show the **triple positive effect** of policies favoring the increase in the number and quality of jobs and the support of economic activity:

- on people's standard of living and on poverty reduction;
- on companies' productivity and the dynamism of the private sector;
- on social cohesion, trust in institutions and civic participation.

The issue for decent work is both:

- **quantitative:** place and maintain in employment all economically active people, notably women and youth;
- **qualitative:** improve the quality of jobs (working conditions, social protection ...) and workers' perspectives.

Employment is not mandated. But it is possible to create conditions favorable for the greatest number of people to gain access to decent jobs and to economic activities which are rewarding both for individuals (autonomy) and for businesses (territory-wide stimulation of SMEs and micro-enterprises).

AFD can help many countries to design and finance these crucial policies for the economic and human development of the countries where we intervene. It has high value-added relative to other donors, built notably on its capacity to help a wide diversity of actors through strengthening their capacity, on its systemic approaches notably encouraging social dialogue, on the variety of its financing tools, and lastly on the density of the French expertise network which it can mobilize.

These policies must account for the full complexity of the realities of employment. In particular:

- the widespread nature of informal employment (whether in the informal economy or undeclared employment in formal enterprises);
- the continued importance of agricultural and para-agricultural employment, particularly in sub-Saharan Africa (where the majority of opportunities are still found in this sector);
- the fact that job creation is partly dependent on the general economic environment (notably regulatory and fiscal) and on investment policies, which underscores the cross-cutting nature of this issue in AFD's strategy.

¹ ILO, 2019

² Recommendation (n° 204) on the transition from informal economies to formal economies, 2015 – ILO 2017

³ <https://www.ilo.org/global/topics/safety-and-health-at-work/lang-en/index.htm>

⁴ See notably the 2013 World Development Report entitled Jobs, which synthesizes numerous works on this subject

This roadmap does not presume to cover every issue of decent employment, which could implicate nearly every AFD intervention (including the domains of energy, transport, water and sanitation, health, agricultural development ...). Its objective is to draw the outlines of interventions specific to the sector of access to the labor market and the quality of jobs therein. In doing so, however, it favors a better appropriation of the question of decent employment by all operational staff members responsible for all sectors, at headquarters and in the field, bearing in mind that the Education-Training-Employment division (EDU) has initiated and will reinforce the possible links with other AFD technical divisions to create greater awareness of the issues of employment in the different sectors, like the "Jobs and Cities" approach launched with the Urban Development, Town Planning and Housing division (VIL).

Developing decent employment means defending the human value of work, strengthening the economy and the attractiveness of territories, and helping to build a more just society by reducing inequality.

> AFD'S POSITION

A cross-cutting issue

A job provides each of us with social status and economic power; it is the first response to people's aspirations in terms of utility and social well-being. Work is fundamentally a right from which no one, particularly women, can be excluded. In view of this, massive youth unemployment can become a factor in intense social protest, as the "Arab Spring" movement clearly showed.

The lack of economic opportunities and the poor quality of jobs also explain individual mobility obligations and that of some population movements: rural exodus, territorial and international migrations. Beyond migration undertaken for security reasons – armed conflicts and natural catastrophes, for example –, it appears that, in a context where school enrollment is improving markedly⁵, the will to migrate is essentially motivated by the lack of decent work – and this, whatever the territory in the world⁶. **In sub-Saharan Africa, more than one youth in three (37%) would like to settle permanently in another country⁷.**

This lack of decent work does not only concern migrants. **On a worldwide level, the economic burden of bad security and health practices at work represents 4% of GDP every year⁸.**

In conclusion, decent work is found at the juncture of two indissociable types of issues:

- **quantitative:** creation of an environment favorable to the diversification of economic opportunities, entering the job market and maintaining everyone in a job,
- **qualitative:** improvement of the quality of jobs in the formal and informal sectors.

The issues related to employment therefore go beyond support for individual pathways to become or to remain employable and to find one's place in the political economy of societies; the changes in work linked to its fundamental political and social value must be evaluated, as well its mobility in a context of globalization of value chains and its transformation with technological evolutions (digital, automation) of the economy and the aspirations to a development which is respectful of the great ecological equilibria. Finally, the issues related to employment are closely linked to the types of growth and investment choices.

A company-wide mobilization of AFD Group

In the face of these issues, all of AFD Group must be mobilized to act in a united fashion on these dimensions relative to:

- The implementation of an environment conducive to decent work (regulatory, financial, governance, social protection, migration management environments ...)
- The creation of decent jobs and support for high-skilled entrepreneurship
- Support for individual pathways, from training to low- and mid-skilled entrepreneurship (→ EDU division)

The scope of intervention of the EDU division is presented in detail in the following section, which constitutes the operational breakdown of the 2016-2020 EDU Strategic Intervention Framework on the issues of employment.

⁵ Education For All Global Monitoring Report, 2015, UNESCO

⁶ World Employment and Social Outlook for Youth, 2016, ILO

⁷ Gallup World Poll, 2014

⁸ <https://www.ilo.org/global/topics/safety-and-health-at-work/lang-en/index.htm>

> WHAT INTERVENTIONS FOR EMPLOYMENT?

In brief, the main challenges and intervention levers for the EDU division of AFD to promote decent jobs can be summarized in the table below.

	INDIVIDUALS	INTERMEDIATION	JOBS	
ISSUES	Employability	Link between individuals and jobs	Quantity and accessibility of jobs	Quality of jobs
MAIN CHALLENGES	Absence of basic skills required for access to a quality job (vulnerable populations); No match of available skills with labor market needs	Absence or lack of effectiveness of information systems, orientation and placement of job seekers and of active labor market policy	Low number of available salaried jobs; Hindrances to entrepreneurship; Lack of equity in access to employment (salaried or self-employed)	Inexistence or non-application of regulations (on-the-job health and security, social dialogue ...); Insufficiency of social protection systems; Professional inequality between men and women
AFD INTERVENTION LEVERS	Employability (1) Further implicate professional sectors / organizations in the design, implementation and monitoring of training schemes (2) Support the creation of professional orientation services within training centers / universities or encourage linkage with public employment services (3) Support enterprise creation during training (entrepreneurship training) and upon completion of training (4) Support the implementation or overhaul of financing schemes for lifelong training (5) Develop systems of recognition of acquired experience	Policies of labor market and territories (1) Develop support schemes for salaried employment (active labor market policies) (2) Strengthen employment services or intermediation between labor supply (individuals) and demand (firms) (3) Develop national and territorial mechanisms of observation of the labor market	Entrepreneurship and informal (1) Support for integrated entrepreneurship pathways adapted to needs of first-time creators of micro enterprises and of small entrepreneurs in the formal or informal sector (2) Develop seed funding as a complement to the existing financial supply (3) Support the structuring of the informal sector to offer decent entrepreneurship opportunities in rural areas (5) Take advantage of entrepreneurial opportunities in new sectors linked to energy – ecology – digital – social transitions, as well as CCI	Decent work (1) Strengthen awareness of the issues of decent work in the private sector through public banks, firms, CSOs (2) Strengthen awareness of the issues of decent work in the informal sector in public policies (3) Strengthen schemes for continuous learning (4) Encourage representation of informal sector firms
	Gender and decent work (1) Strengthen awareness of issues of professional equality in the private sector (2) Strengthen awareness of issues of women's economic empowerment in public policies (3) Work in close coordination with civil society to increase economic opportunities for women or to reduce the social norms which weigh on the professional activity of women			
	Employment and vulnerabilities (1) Strengthen awareness of vulnerable groups in public policies through: <ul style="list-style-type: none"> - supplementing 1st level social protection schemes with professional insertion mechanisms to strengthen the capacity of these groups to sustainably lift themselves from poverty - strengthening professional insertion capacities of public and private social action actors (social workers, public and private institutions) (2) Support schemes adapted to specific post-crisis contexts through: <ul style="list-style-type: none"> - further implicating development actors, particularly NGOs - mobilizing multiple social and professional insertion tools - alternating a short-term approach with longer-term institutional capacity building actions - strengthening the link with education and training programs such as functional literacy or "second chance" programs - Further integrating climate risk. 			

1. STRENGTHENING EMPLOYABILITY

1.1. Intervention logic and examples

The employability strengthening programs are part of the continuity of skills development programs (education, vocational training, higher education) stressing **the stakes of social and professional integration beginning with the training program and supporting individual transitions toward job opportunities – salaried or self-employed.**

The **activities** carried out in the scope of employment strengthening programs are the following:

- **Further implicate professional sectors/organizations in the design, implementation and monitoring of training schemes** (identification of short-staffed jobs, adaptation of training programs in function of the evolution of industry sectors and needs, implication in training through apprenticeship schemes, forward-looking dialogue on skills needs in function of national and territorial economic development strategies);
- **Support the creation of professional orientation services within training centers / universities or encourage links with public employment services** to support cross-cutting skills development schemes (soft skills: social and behavioral skills such as punctuality, teamwork, etc.), support for the definition and the preparation of the professional project, support in the job search (preparation of CV and cover letter ...);

In **Chad**, the Bab Al Amal project ("Gateway to Employment") aims to improve socio-economic insertion of youth, vulnerable Chadians by structuring the training and insertion scheme through the development of apprenticeship training and support for socio-economic insertion in 5 cities in the country. The project is financed by a €10.3 M grant from the European Union's Emergency Trust Fund (ETF). The contracting authority is entrusted to the ministry with the NGO Essor supporting it. The project foresees supporting more than 5000 youths (of whom 2700 will be trained) to attain a salaried job or self-employment.

- **Support in creating an enterprise during the training scheme (training for entrepreneurship) and upon completing that scheme:** integration of entrepreneurship support structures (incubators ...) within the training modules, close linkage with entrepreneurship support platforms, setup of financing offers adapted to first-time enterprise creators (interest-free loans, guarantee funds, etc.).

In **Côte d'Ivoire**, 58 000 youths are supported in the creation of their activity (non-financial support/coaching and initiation) in the scope of the deployment of the youth employment public policy. The €48 M project, financed by a Debt Reduction and Development Contract or C2D (C2D 1 of €15 M; C2D 2 of €33 M) is led by the Ministry of Youth and Employment and implemented by Agence Emploi Jeunes with service provision from several NGOs: IECD (France) and MESAD and ODAFEM (Côte d'Ivoire).

- **Support for the implementation or overhaul of financing schemes for lifelong training**, such as the vocational training financing fund, led by social partners and supplemented by vocational training and/or apprenticeship fees or taxes, generally deducted from the payroll, and allowing for the financing of worker skills development (pre-employment youth training, continuing education for workers in the formal and informal sectors).

In **Madagascar**, AFD supported the process of public-private coordination and the definition of the regulatory framework in view of the implementation of a financial contribution from firms for the development of continuing vocational training and a management fund for this contribution. It supports the start of activities of this training fund which will finance the strengthening of skills for enterprise employees and also groups in vulnerable or precarious situations (workers in the informal sector, agriculture producers, unemployed people, etc.). Contracting authority: Ministry overseeing Technical Instruction and vocational training – Delegated contracting authority: Association manager of the fund administered by social partners. Duration: 5 years / Budget and financing tool: €6 M grant.

- **Develop systems of recognition of acquired experience** allowing adults with several years of professional experience to obtain validation of technical skills implemented in their activity in order to improve their professional evolution perspectives and to facilitate the resumption of studies.

1.2. Financial tools, counterparts and “équipe France” (team France)

Financial Tools	<ul style="list-style-type: none"> • Grant, Emergency Trust Fund, C2D, Loan
Counterparts and actors working in the field	<ul style="list-style-type: none"> • Ministries of Education, of Vocational Training, of Youth • Public and private support schemes for insertion and orientation of youth (ANPE, Local missions, Insertion and orientation committees) • Professional sectors • Fund for financing vocational education • CSOs/NGOs • Territorial communities • Financial and non-financial support services for the creation of companies
Equipe France	<ul style="list-style-type: none"> • Public and private support schemes for the insertion and orientation of youth (Pôle Emploi / Local missions) • Financing platforms (Initiative France, Réseau Entreprendre) and microfinance institutions (ADIE) • Incubation (Bond'Innov) • French NGOs (IECD, GRET, Essor, Acting for Life, Apprentis Orphelins d'Auteuil, Handicap International, Care, Plan international, etc.) • Structuring of professional environment (Codifor, CFDT, AFT, etc.)

2. LABOR MARKET AND TERRITORIAL POLICIES

2.1. Intervention logic and examples

The policies of employment promotion of AFD intervention countries are organized into three goals depending on the situation of the individuals to whom they are addressed: strengthening of employability / better access to salaried jobs / development of entrepreneurship.

The **key principles of intervention** are the following:

- The construction of a **public policy dialogue** around job promotion actions by:
 - encouraging the collaboration among different public actors (examples: Ministry of Economy and Finance, Ministries of Labor, of Handicrafts, of Agriculture, of Vocational Training, of Higher Education, Ministry of the Interior and Territorial Communities, Ministry in charge of SMEs/SMLs),
 - Strengthening the implication of the private sector in the design and implementation of public policies in favor of job promotion (representatives of the private sector, social partners, consular chambers, territorial communities, civil society).
- The support of the **territorial breakdown of interventions** for the promotion of employment by:
 - linking job-related interventions with economic and human development policies of territories,
 - Strengthening institutional and organizational capacities of actors to increase their responsiveness and to constantly adjust territorial policies (economic, training, etc.), particularly territorial communities.
- The strengthening of **public policy monitoring and evaluation mechanisms**, in drawing attention to their effectiveness, equity and economic model.
- **Digital integration** to strengthen effectiveness and efficiency of public and private action for job promotion.
- **The analysis of difficulties and the proposal of adapted solutions to groups more removed from the labor market** (NEET, women, inhabitants of rural areas).

Activities carried out in the scope of support programs for labor market public policies and their breakdown in territories are the following:

- **The development of support schemes for salaried jobs (active labor market policies)**
 - destined for **job seekers**:
 - skills assessments, support for definition of professional project
 - Job search techniques (search for job offers, CV workshops, cover letter, preparation for job interview ...)
 - Linguistic passports, soft skills passport
 - Geographical mobility aid
 - In-company internships
 - Professional retraining scheme, notably to support transitions between different sectors
 - destined for **enterprises**:
 - Support mechanisms for company recruitment (support for job and skills forecasting management, recruitment by simulation ...)
 - Subsidized jobs through salary cost reduction mechanisms to encourage enterprise recruitment of specific categories of job seekers.

In **Morocco**, the Emploi 2 project in appraisal in 2019 aims to support the operationalization of the national policy to promote employment and its deployment in three territories. Various activities are planned (1) at the territorial level to finance actions adapted to territorial and group specificities; (2) at the national level through the structuring of entrepreneurship and intermediation ecosystems. The monitoring and implementation of the project implicate different public actors (Ministry of Labor, Training, Interior, Economy and Finance ...) at the central and decentralized levels, territorial communities, associations, private sector. Different technical assistance is mobilized to accompany the loan, notably those of Pôle Emploi and Initiative France ... The project will be financed by a €150 M sovereign loan in addition to a €15 M EU grant.

- **The strengthening of employment or intermediation services between supply (individuals) and demand for work (enterprises) in order to:**
 - Profile (**criterization**) of job seekers in accounting for their degree of autonomy and their professional project and develop an offer of services adapted to their needs / also for companies in developing an offer of services adapted to different sectors and different sized companies,
 - Territorialize employment services in order to strengthen adaptation to the specific context of each territory and deploy an employment service accessible to all, notably via material investments to create new agencies and the reconfiguration of existing agencies.
 - Develop a more operational and integrating partnership strategy at the national and territorial levels,
 - Develop support functions to ensure the effective implementation of employment services: information system, training, communication, evaluation, national and territorial monitoring, partnerships.

In **Côte d'Ivoire**, the Employment components of the DEFI program (Education, Training and Youth Insertion) carried out since 2013 aim to strengthen the tools and schemes of the Agence Emploi Jeunes (support for the organizational reform and, upon the nationwide deployment, improvement of its service offer, development of its partnership strategy (strengthening of links with CSOs and local integration and employment actors). The project amount totals €48 M financed through C2Ds (C2D 1 of €15 M; C2D 2 of €33 M).

In **Mauritania**, the support program for insertion/employment aims to stabilize the regulatory framework of youth insertion agencies, to pool best practices (training of employment advisers, unified computer data base), support the agency deployment of insertion in the territory and strengthen the quality of service offer (greeting, orientation, training, support for entrepreneurship, mobilization of companies). The project is financed by a C2D grant of €10 M, of which €2 M in project aid is devoted to insertion.

- **The development of national and territorial labor market observation mechanisms**

In **Morocco**, the "skills and employment development" project, approved in 2014, aims to structure and implement reforms of the initial and continuing vocational training scheme, and to encourage more equitable access to the public employment service. Different activities are being carried out: capacity building for professional sectors to express their skills needs and linkage with training schemes, development of the services offer by ANAPEC, the national agency for the promotion of employment and skills, adapted to young people without diplomas, structuring of yield schemes within and outside of vocational training in order to better measure effectiveness, efficiency and equity of training schemes, as well as a system of analytical accounting for ANAPEC. This Sectoral Budget Support was financed by a sovereign loan of €50 M and a €0.5 M grant. The program is being implemented by the Ministry of Employment and has various sources of technical assistance, including Pôle Emploi.

2.2. Financial tools, counterparts and team France

Financial Tools	<ul style="list-style-type: none"> • Sovereign loan, C2D, grant
Counterparts and actors intervening in the field	<ul style="list-style-type: none"> • Ministries of Employment, Labor, Professional Insertion, Economy and Finance, Interior ... • Employment services (public and private) • Professional representatives of the formal and informal sectors / management • Territorial communities • CSOs
Equipe France	<ul style="list-style-type: none"> • Pôle Emploi, Local missions • French NGOs (IECD, GRET, Essor, Acting for Life, Apprentis Orphelins d'Auteuil, Handicap International, Plan international, etc.) • Association of regions of France

3. ENTREPRENEURSHIP AND THE INFORMAL SECTOR

3.1. Intervention logic and examples

Entrepreneurship represents the form of employment with the most opportunities in the next decade in countries where AFD intervenes.

The **key principles of intervention** to support individual pathways to entrepreneurship are the following:

- Support programs for entrepreneurship are tailored for both the formal and informal labor market sectors with particular attention for structuring the informal sector.
- The programs offering a support service to the creation of an enterprise adapted to the configuration (institutional, social, economic) of territories and the diversity of situations:
 - The ecosystem of the creation of companies must aim at covering all needs for support and financing creators. The first step is to carry out a shared diagnosis in each territory to identify insufficiently covered territorial pockets (value chain approach), groups and sectors. Proximity is a necessary condition to succeed with the proposed support,

- This implies adopting a bottom-up approach beginning with territories (local ecosystems, support for local structures to assist entrepreneurship) and interacting with the central level (linkage with public policies).
- An individual's creation of an enterprise is an integrated pathway which implies developing partnerships:
 - Quality integrated support pathways, adapted to the needs of everyone and to territorial specificities requiring the identification of actors who are diversified, experienced and whose interventions can be assessed,
 - These actors must complement one another's work to ensure the continuity and quality of the support chain.

The **activities** led in the scope of support programs for entrepreneurship are the following:

- **Support guidance pathways** adapted to needs, as much for first-time micro-enterprise creators as for existing small entrepreneurs, in the formal or informal sector, and integrated around the 4 key stages of a creation or development pathway for a company:
 - **Aid for planning:** sensitization, identification of entrepreneur profiles, of enterprise projects,
 - **Aid for creation:** (a) diagnosis of potential of project leader and the project, of its maturity, and (b) drafting of a business plan and preparation of requests for financing,
 - **Implementation of project:** legal and social formalization and mobilization of financing,
 - **Post-creation support:** support at the effective start (establishment, HR choices, markets, suppliers, equipment ...).

In **Chad**, projects Pape 1 (2015-2019) and Pape 2 (under appraisal for 2019 approval) contribute to economic and job development in the city of Ndjamen, supporting the creation and development of economic activities, notably by youth. The various activities carried out include transmitting an entrepreneurial culture and a long-term offer of financial and non-financial support services for business creation. The Pape 1 and 2 projects for a total grant amount of €11.5 M (€1.5 M for grant 1 and €10 M for grant 2) are being implemented by local association Bet Al Nadjah, which gathers public and private actors whose shared objective is to develop the micro-economic fabric in Ndjamen (city hall, State agencies, FONAP, French CSO ESSOR, Chamber of Commerce, banks, microfinance ...).

- **Development of seed funding as a complement to the existing financial offer**

The financial needs of first-time enterprise creators are wide-ranging and require a range of financial services: microfinance providers for very small projects, interest-free loan platforms (and/or guarantees) for all projects needing a bit more financing, banking establishments and capital risk providers, notably for start-ups. Ongoing projects aiming to support an integrated approach toward assistance and financing of enterprise creation and to strengthen seed-funding mechanisms in enterprise creation notably through the interest-free system, well adapted to territorial approaches.

- **Support structuring of the informal sector to offer decent opportunities for entrepreneurship**

There is no question of formalizing the informal sector at any cost, but rather designing support which helps contribute to the improvement of production conditions in decent work conditions. Projects therefore focus on:

- promoting integration of the informal sector into value chains, notably through improving capacities of production and product launch (training in enterprise management, technology transfer, definition of professional quality norms ...),
- support the emergence of financial and non-financial services adapted to this target:
 - Develop financial services. Access to finance is a major challenge for enterprises in the informal sector, and this challenge can be a lever to prompt them to improve their norms in terms of job quality. These mechanisms can be adapted to countries in the sub-Saharan African and Mediterranean regions.
 - Develop non-financial support services for workers in the informal sector (activities in support and consulting, training, support in facilitating administrative tasks, even proposing attractive tax and social protection statuses).

- Strengthen informal sector representative structures (within professional sectors or their structuring in common interest groups) and their dialogue capacity with different actors, notably public, to design and orient public policies (handiwork, taxation, training, health, etc.). In Ghana, the Union of Informal Workers Associations (UNIWA) gathers associations of informal workers from diverse sectors into unions in order to promote their common interests and strengthen their ability to negotiate collectively.
- Prompt vocational training financing funds to welcome informal sector workers and adapt their tools and approaches in order to facilitate this target group's access to continuing education.

- **Strengthen decent entrepreneurial opportunities in rural areas**

In Africa particularly, rural areas remain a large source of jobs and a major stake for social stability and support for the climate transition. Rural job projects consist of:

- Further integrating services to develop sectors to optimize the value chain (valuation, transformation, quality certification ...),
- Support the structuring of entrepreneurial schemes adapted to rural issues: integrated entrepreneurial pathways, adapted financing ...
- Insist on decent work aspects (working conditions, social protection mechanisms and reduction of vulnerabilities adapted to rural territories),
- Further exploit digital potential in order to:
 - Promote technological solutions adapted to local uses (TAMKEEN Program in Fez: Low tech linked to university research program)
 - Strengthen attractiveness of rural territories in particular for youths who are better and better trained
- Strengthen the link between the stakes of employment and urban development (cf. 'Jobs and Cities' project led by VIL/EDU and EVA and 'City and agribusiness system: the role of markets').

In **Sahel (Mali, Senegal, Chad and Burkina Faso)**, the HUB IIT Sahel project aims to help professionalize African MSMEs in agribusiness, mostly run by women, by facilitating their access to adapted technological solutions, taking environmental and social issues into account and supporting the financing and implementation of these solutions. The project, financed by a €4.5 M grant, is implemented by French NGO TECHDEV and 4 Sahelian partner NGOs. The main expected results are the following: 7 Hub-IIT operational staff in the 4 countries, 950 micro and small agribusiness enterprises supported, 6000 professionalized salaried employees and managers on site, 70% being women.

- **Seize entrepreneurship opportunities in new sectors:**

- **Energy, ecology and climate transitions:** renewable energies, energy efficiency in buildings, waste management, cleaner means of transport, support for a low-carbon trajectory ...

Since 2015, different partnerships have been formed to calibrate the issues in developing skills and work opportunities to support the transition toward a low-carbon economy and strengthen the link between AFD's two Strategic Orientation Plan (SOP) pillars: "100% Paris Agreement" and "100% social link". Examples are (1) the partnership with the International Labour Office to estimate the economic and social consequences of the transition to a low-carbon economy in South Africa, Brazil and Indonesia by calibrating the creation and loss of jobs and needs in the development of skills and professional retraining programs; (2) implication in creating a platform for a fair transition and green jobs by the French Ministry of Ecological and Solidarity Transition (policy recommendations presented at COP 21, 22 and 23); and (3) participation at different Green Climate Fund meetings.

- The **digital transition:** digital entrepreneurship suffers particularly from access to financing in the countries of French-speaking Africa. AFD can capitalize on its strong presence in the territory to

support a territorial network of digital entrepreneurs. The Digital Africa project approved in 2018 will contribute. Many already active incubators (such as JokkoLabs and CTIC in Senegal, Woelab in Togo, Smart-Up in Côte d'Ivoire and Congo iHub in DRC) could be mobilized and supported.

Since 2016, various meetings have been held with French digital actors, in particular Open Classroom, Webforce 3, Simplon, Numa, Pôle emploi ..., in order to understand the social issues linked to the digital transition from the perspective of skills development (code training ...), the loss/creation of jobs and the transformation of forms of work ("uberization of the labor market"). In 2017, a partnership was formed with the National Digital Council (CNNum) and the Association for New Generation Internet Foundation (Fing) on the "digital transformations of employment and work in South countries". The objectives of the partnership were the following: (1) Awareness creation, acculturation, training of AFD teams on the impact of digital technologies on labor markets (4 issues identified: observe transformations of work and employment, develop employability through lifelong training, secure professional pathways, support the transformation of public employment services); (2) Operational support in Morocco and Côte d'Ivoire: analysis of the ecosystem, identification of actors, and organization of meetings between public and private actors.

- The **social transition**: human services, care of dependents: children and elderly people ...

Since 2013, in support of the pre-identification of operations on the issues of empowering women economically, (1) various studies have been conducted (IRD, BSR ...) on the hindrances encountered by women in gaining access to and remaining in the labor market, and the role played by schemes for the care of dependents (double dividend: vector for maintaining jobs and sources of job creation); (2) key partnerships were formed with French actors, notably ANACT (national agency for the improvement of working conditions), day care sector representatives (public, private, association), municipalities ...

- The **Cultural and Creative Industries (CCI)** (cinema, music, fashion, craftwork), also present growth and employment perspectives – all while building a sector in which France can assert a national identity and proven experience (particularly for subjects linked to culture).

3.2. Financial tools, counterparts and team France

Financial Tools	<ul style="list-style-type: none"> • Grant, Emergency Trust Fund, C2D, Trade-Related Capacity Building Program, Loan
Counterparts and actors intervening in the field	<ul style="list-style-type: none"> • Ministries of employment, youth, SMEs, agriculture, handicrafts, commerce and industry • Public and private support schemes for entrepreneurship (SME agency, associations, business centers ...) • Financial and non-financial support services for enterprise creation • Professional representations of the informal sector • Guarantee funds • CSOs/NGOs • Territorial municipalities
Equipe France	<ul style="list-style-type: none"> • Private support schemes for the creation and financing of businesses (Initiative France, Réseau Entreprendre) • Microfinance institutions (ADIE), IPADEV Fund, FADEV • Incubators (Bond'Innov) • French NGOs (IECD, GRET, Eссор, Acting for Life, Apprentis d'Auteuil, Handicap International, Plan International, etc.)

3.3. Linkage with other transitions

Concerning the complementarity of EDU and AFI entrepreneurship interventions, the distribution can be summarized as follows:

- EDU is developing support programs for self-employment and micro-enterprises, in particular for youth, in the continuity of its interventions in education, vocational training and higher education and linked with

projects supported by other divisions: EDU interventions complement those supported by AFI in proposing different entry points.

- EDU is devoting its interventions to support for individual pathways and support for their employment strategy (self-employment, support for micro-enterprises), whereas AFI is, among other activities, focusing more on supporting enterprise ecosystems, whatever their level of maturity (start-ups, micro-enterprises, SMEs, enterprise support organizations – chambers of commerce, clusters, etc. ...), for the creation of new local economic value added and for the development of business.
- EDU and AFI collaborate on the issue of supporting the ecosystem of entrepreneurship in particular for first-time enterprise creations at the territorial level.

4. DECENT WORK

4.1. Intervention logic and examples

“Decent work is the possibility for everyone to obtain a productive and suitably remunerated job, including safe workplace conditions and social protection for their family. It provides individuals with the possibility to develop themselves and integrate society. It is also important to guarantee equal opportunity to men and women on the labor market. The persistence of the lack of possibilities for decent work, of insufficient investment and of underconsumption provoke the erosion of the basic social contract underlying democratic societies: ensure everyone a share in the fruits of progress.” (UN, 2016).

The **stakes of decent work** in the countries of intervention are huge and imply more integrated interventions in the six dimensions of decent work:

1. Work conditions: health and safety at work, fight against child and forced labor, formalization of salaried work
2. Remuneration: adequate earnings
3. Social protection: access to mechanisms of social protection (workplace accidents, professional illnesses, family, retirement, unemployment insurance) with attention to informal workers and to jobs affected by the climate transition
4. Social dialogue: strengthen collective negotiations and organizations (unions and management) which play a role
5. Organization of work time: fight against overemployment (indecent hours) and against underemployment / reconciliation of family and professional life
6. Continuing education (offering salaried workers perspectives of internal evolution or external retraining)

The **activities** led in the scope of support programs for decent work are the following:

- **Increase the awareness of the issues of decent work in the private sector with different levers:**
 - **Public development banks:** technical and financial support for medium-sized enterprises to improve the integration of decent work issues. AFD could expand the approach adopted in the TSKB project to new geographies notably by using the EDFC network.
 - **Enterprises:**
 - Use of different levers (CSR, law on duty of care ...) to encourage enterprises, notably French, to be exemplary toward sub-contractors in the domain of decent work;
 - Examine observations and financing needs identified by groups of payers (ICS ...) to support material and immaterial sub-contractor investments, notably through credit lines.
 - **Foundations – NGOs – Associations:** capitalize on decent work initiatives supported by these structures with a view to deploying them more widely (example of Better Work project).

In **Turkey**, since 2016, AFD has been working with the bank TSKB (non-sovereign loan of €100 M with €600 000 of TSKB self-financing technical assistance) to support enterprise compliance with Turkish regulations on workplace health and safety.

- **Increase public policy's consideration of issues of decent work in the informal sector**

- Support States in putting regulatory frameworks in place which are adapted to the economic reality of the informal sector, such as a progressive tax policy or registration procedures or simplified recruitment, a minimum wage which does not discourage employers ...
- Strengthen the network, intervention methodologies and means for workplace inspectors in order to expand their advisory and control role.

- **Strengthen continuing education schemes and their financing mechanisms in order to support lifelong learning and ensure the transition to different jobs.**

EDU division's interventions in this domain concern the support for implementing schemes and regulatory frameworks favoring the organization and financing of continuing education, and the recognition of professional skills, however they were acquired. These interventions aim to favor the professional evolution of workers, whether in the formal or informal sector, and lifelong learning. They more exactly concern implementation or reinforcement:

- national certification frameworks, favoring readability of skills by enterprises, the recognition and circulation of skills between countries,
 - schemes for validation of acquired experience,
 - funds for financing training
 - schemes for pre-employment training and continuing education, notably public enterprise interns (energy, water, etc.), and the strengthening of the human resources function (anticipatory skills management, drafting of training plans).
- **Favor the representation of informal sector enterprises** with the professional sectors or their structuring in common interest groups in order to facilitate social dialogue for the conception of public policies (social protection, taxation, training ...). In Ghana, the Union of Informal Workers Associations (UNIWA) gathers associations of informal workers from diverse sectors into unions to promote their common interests and to strengthen the ability to negotiate collectively.

4.2. Financial tools, counterparts and équipe France

Financial Tools	<ul style="list-style-type: none"> • Credit line, Sovereign and non-sovereign loan, Grant
Counterparts and actors intervening in the field	<ul style="list-style-type: none"> • Ministries of Labor, SMEs, Agriculture, Handicrafts, Commerce and Industry • Public or development banks; private banks • Social partners and representatives of informal sector • Payers, notably French (cf. law obliging vigilance⁹), and their groupings • CSOs/NGOs • Territorial municipalities • ILO (International Labour Organization and International Labour Office)
Equipe France	<ul style="list-style-type: none"> • ANACT (National agency for the improvement of working conditions) • INTEFFP (National institute of labor, employment and vocational training) • ICS (Initiative for Compliance and Sustainability) (created by the Federation of Trade and Distribution) • Large French enterprises with subsidiaries or suppliers in countries of intervention • Vigeo Eiris and other social ratings agencies

⁹ Law n° 2017-399 of 27 March 2017 concerning the obligation of vigilance of parent companies and payer enterprises is a French law which notably requires large enterprises (+ 5000 employees) to draw up a vigilance plan including "reasonable vigilance measures able to identify risks and anticipate serious breaches of or harm to the following: human rights and basic liberties, the health and safety of people as well as the environment, resulting from activities of the company and those companies which it controls directly or indirectly, as well as activities of sub-contractors or suppliers with which an established commercial relationship is maintained." Non-respect of these so-defined obligations can give rise to legal action.

5. GENDER AND DECENT JOBS

5.1. Intervention logic and examples

Further empowering women economically means having the means to participate in the economic development process, contributing to it and profiting from it such that it assures them of the equitable recognition of the value of their contribution and the respect of their dignity. The participation of women in economic life and the increase of their power to act in this domain are essential to strengthening their rights, to providing them with control of their lives and to exerting influence within the municipality. Increasing women's economic empowerment is a source of economic growth and reduction of inequalities, and is an indispensable condition to achieving the SDGs (5 and 8).

There are different obstacles to women's economic empowerment:

1. unfavorable attitudes and social norms,
2. discriminatory laws and regulations against women working,
3. a lack of employability,
4. lack of access to goods and resources,
5. high presence of women in unremunerated domestic work and care.

The activities pursued in the scope of support programs for the employability and economic empowerment of women are the following:

- **Increase the awareness of the issues of professional equality in the private sector**
 - Public development banks: increase the awareness of the issues of women's economic empowerment in medium-sized enterprises by implementing dedicated credit lines in building upon the experience gained with TSKB (tools, technical assistance – cf. *supra*) and through the IDFC network;
 - Support taking charge of professional equality issues in large public or private enterprises. As an example, through the Association of African Electricity Companies (ASEA), AFD is supporting a pilot project to consider professional equality issues in production, distribution, transport and electricity companies.

In **Turkey**, since 2016, AFD has been working in tandem with TSKB bank (non-sovereign loan of €100 M with €600 000 of self-financing technical assistance financed by TSKB) to raise awareness of medium-sized enterprises (between 300 and 3000 employees) of issues of professional gender equality. The originality of the approach consists of (1) developing an enterprise eligibility tool for the credit line (gender toolkit inspired by the ANACT tool (National agency for the improvement of working conditions)), (2) supporting the enterprise in drafting a plan of actions, and (3) financing enterprise investments, particularly actions to strengthen equal access for men and women to professional opportunities.

- **Increasing awareness of the issues of women's economic empowerment in public policies:**
 - Develop programs to strengthen the employability of women,
 - Support women's entrepreneurship by removing different obstacles (financial and non-financial) to the creation of enterprises,
 - Promote equity of access to movable or immovable property through legal changes, e.g. in the right to property or inheritance,
 - Support the development of modes of care for dependents (children, elderly people),
 - Strengthen the institutional framework to integrate gender issues at the uppermost levels of the State.

In **Albania**, a €50 M public policy loan with €1.7 M of technical assistance is being appraised to strengthen equal access for women and men to professional opportunities through different actions: pillar 1 – transformation of legislation and regulatory measures for equal access to inheritance and property for women and men; pillar 2

– strengthening employment services and care mechanisms for dependent people; pillar 3 – integration of gender issues at the uppermost levels of the State.

- **Work in close coordination with civil society to increase economic opportunities for women or reduce social norms hindering women's professional activity** (example of Hub IIT project).

5.2. Financial tools, counterparts and équipe France

Financial Tools	<ul style="list-style-type: none"> • Credit Line, Sovereign and Non-Sovereign Loan, Grant
Counterparts and actors intervening in the field	<ul style="list-style-type: none"> • Ministries of Labor, Education, Social Protection, Social Affairs • Public or development banks and IDFC network; private banks • CSOs/NGOs • Territorial municipalities • ILO (International Labour Organization and International Labour Office)
Equipe France	<ul style="list-style-type: none"> • ANACT (National agency for the improvement of working conditions) • ORSE, High Council on Equality, Ministry of Labor • Expertise France • CSOs – Plan, Quartiers du monde, Batik ...

6. EMPLOYMENT AND VULNERABILITIES

6.1. Intervention logic and examples

Professional and social insertion schemes for vulnerable people aim to accompany these people toward activity and decent work. Such people will have suffered any of various types of shocks: economic (increase in poverty and inequalities after an economic crisis), political (crisis and conflict ...), climate (natural catastrophes ...). The implementation of these programs helps reduce their vulnerability, increase their resilience and ability to respond more generally to the issues of reduction of inequalities and social cohesion. The interventions are integrated into:

- support for public policies targeting groups which are marginalized and excluded from the economic sphere: logic of reinsertion and implementation of adapted schemes of support toward employment,
- support for rebounding and resilience in territories weakened by crises or conflicts: logic of rapid economic relaunching through labor-intensive projects and AGR and strengthening employment support schemes.

The activities carried out are the following:

- **Increase the awareness of vulnerable groups in public policies by:**
 - Supplementing **1st level social protection schemes** by professional insertion mechanisms to strengthen the capacity of these groups to sustainably rise from poverty,
 - Strengthening **professional insertion capacities of public and private actors working in social action** (social workers, public and private institutions).

In **Congo**, AFD is supporting the national social action policy (€10 M in C2D) in order to implement employment or self-employment support schemes which are adapted to vulnerable groups isolated from the world of work (targeting, local assistance, short training, insertion follow-up, ex-post support). These schemes are part of a wider policy response, overseen by the Ministry of Social Affairs, that is coupled with a social safety net strategy set up by the World Bank and AFD.

- **Support schemes adapted to post-crisis contexts by:**

- **Further implicating development actors**, particularly NGOs, which know crisis areas and social engineering to support the resilience of these groups and territories when the State is absent,
- **Mobilizing multiple social insertion tools** (sports, culture, civic integration ...) and **professional insertion** (life skills, technical skills and economic support) in order to work on different dimensions of exclusion,
- **Alternating a short-term approach in order to strengthen individuals' immediate resilience** (economic relaunching, social cohesion) and **longer-term actions to strengthen institutional capacities** (decentralized and deconcentrated) and economic ecosystems (training and insertion schemes, financing and advice mechanism, links with economic operators);
- **Reinforcing linkage with education and training programs such as:**
 - Functional literacy programs associated with the development of employment or economic activity skills,
 - "Second chance" type programs proposing personalized support to out-of-school youth or NEET to move toward employment, including support in drawing up a professional project, upgrading key skills and familiarization with the professional environment.

In **Niger**, in response to the crisis caused by the presence of Boko Haram in the Diffa region, AFD is supporting a program (under public contracting authority but with the participation of NGOs) which combines the setup of high labor-intensive works, the support of income-generating activities (AGR), literacy and training actions and support for socio-educational, cultural and sports initiatives overseen by youth and aimed at fostering the reinforcement of social links.

- **Further integrating climate risk**

Interventions today are concentrated essentially in the areas of security crisis (Sahel, Lake Chad, Syrian perimeter) whereas countries where AFD intervenes are also increasingly exposed to climate crises (extreme droughts or floods affecting economic activities). For example, it is estimated that more than 2.7 billion people in 46 countries are exposed to risks of armed conflicts caused by repercussions from climate change (IA, 2007). These countries are, for the most part, developing or emerging (Africa, Asia and Latin America). Thus, climate risk must also lead us to better prepare for its impacts on employment and to adapt our operational responses.

It concerns, for example:

- Better devising labor-intensive programs closely linked with infrastructures aiding communities with resilience to climate change,
- Proposing socially adaptive protection, protecting poor households against climate shocks before their occurrence (through foreseeable transfers and strengthening of community assets), and scalable during extreme phenomena,
- Orienting empowerment schemes for vulnerable people through entrepreneurship – for example, by encouraging youth initiatives in the face of climate change.

6.2. Financial tools, counterparts and équipe France

Financial Tools	<ul style="list-style-type: none"> • Minka Peace and Resilience Fund, 209 Grant, Emergency Trust Fund, C2D
Counterparts and actors intervening in the field	<ul style="list-style-type: none"> • Ministry of Labor and Employment, Ministry of Social Affairs • Municipalities • Local missions • Social services / Social Action Communities • NGOs/CSOs/Foundations • International organizations intervening in the fight against poverty (UNDP, ...)
Equipe France	<ul style="list-style-type: none"> • Public and private social action schemes (Regional institute for social work, Lille Social institute) • French NGOs (IECD, GRET, Eссор, Acting for Life, Apprentis Orphelins d'Auteuil, Handicap International, Care, Aides et Action, Plan international, etc.) • Expertise France

APPENDIX 1 – EDU DIVISION'S DECENT JOBS TEAM

EDU division is organized in 4 work groups: Education / Vocational Training / Higher Education and Research / Decent Jobs. The Decent Jobs group includes various profiles

EDU contact	Portfolio: focus on interventions	Countries
Laurent CORTESE	Deputy Manager – Decent jobs & TVET monitoring	
Ivan POSTEL VINAY (Lead)	Employability / Decent Work	Tunisia, Albania, Mauritius
Flavien ANNO	Rural Employment	DRC, Congo, Niger
Morgane BEAUDOIN	Green Employment, Jobs and Cities, CCI	Mauritania
Antoine BELOSSELSKY	Employment and Energy-Climate Transition	Congo, Nigeria, Mozambique, Ethiopia
Paula CUBILLOS CELIS	Employability, Informal, Gender	Dominican Republic, Mexico, Ecuador, Costa Rica
Virginie DAGO	Employment / Finance, Vulnerabilities	Niger, Jordan, Angola
Christine GONCALVES	Employability / Entrepreneurship and Informal	Burkina Faso, Cambodia, Madagascar, CZZ HUB-IIT
Blaise GONDA	Employment and Social Transitions	Morocco, Lebanon
Caroline JOLLY	Employment / Vulnerabilities	Mali, Gabon, Comoros, CAR
Virginie LUCAS	Employability / Entrepreneurship and Informal	Cameroon, Chad, Côte d'Ivoire, Liberia

Within the EDU division, the Decent Jobs group works closely with the leads of the other groups:

- Alexia LEVESQUE – Lead, TVET
- Quentin DELPECH – Lead, Higher Education and Research
- Audrey NIRRENGARTEN – Lead, Primary and Secondary Education

APPENDIX 2 - GLOSSARY

Unemployed / Job seekers: Unemployed people are defined as all working age people who were not employed, had sought employment in a recent specified period, and were currently available for employment if the possibility to fill a job existed. Seeking a job refers to all efforts made during a specified recent period including the four preceding weeks or the preceding month, aiming to find a job or create an enterprise or a farm. That also includes seeking work which is part-time, informal, temporary, seasonal or occasional, within the national territory or abroad (ILOSTAT).

Employment: Employed people are defined as all working-age people who, during a short reference period, were engaged in any activity aimed at producing goods or supplying services in exchange for remuneration or profit (ILOSTAT).

Independent employment: employment whose remuneration is directly dependent on profits (realized or potential) originating from produced goods and services. The independent worker takes management decisions affecting the enterprise or delegates this competency, all while remaining responsible for the well-being of the enterprise¹⁰.

Informal employment: Employment lacking social and legal protection and social benefits. These jobs can be found in the formal sector, the informal sector or in households¹¹.

Precarious employment: Work relationship where job security, considered one of the principal elements of the job contract, is lacking. Included are temporary and short-term work contracts, involuntary part-time work and sub-contracting.

Labor supply: in this document, refers to the working-age population which is actively seeking work.

Working-age population: People aged 15 and over, although this definition can vary slightly from one country to another. According to ILO norms, the lower working age limit is set at 15 years old.

Informal sector: The informal sector is composed of small, private and unregistered enterprises, unincorporated, engaged, at least in part, in the production of goods and services for the market. An enterprise is considered unregistered when it is not registered under national laws, such as commercial regulation, tax or social security laws, the regulation of professional groups. An enterprise is considered small when it has fewer than a certain number of permanent employees (for example, five employees). The number is defined according to the national context. An enterprise does not constitute a company if it does not have a legal entity which is distinct from its owners. This generally means that a complete set of accounts is not kept. When people produce goods or services solely for the consumption of their own household, such as food or child care, this is not considered to be an informal sector activity.

Underemployment: This term describes workers who, when they are asked, indicate that they would like to and are available to work more than they currently work, as defined by a work time threshold¹².

Unemployment rate: corresponds to the number of unemployed people expressed as a percentage of the total number of people in labor force. The labor force (or economically active population) is equivalent to the sum of all employed people plus all unemployed people (ILOSTAT⁹).

NEET rate (Not in Employment, Education or Training): measure of the number of people aged 15 to 24 who are neither employed, nor in the school system, nor in training, as a percentage of the total number of people aged 15 to 24 (ILOSTAT).

Work: includes all activities performed by people of all sexual orientations and all ages in order to produce goods or supply services destined for third-party consumption or for their personal consumption. a) The definition of work is independent of its formal or informal character or the legality of the activity. b) Work excludes activities which do not involve the production of goods or services (for example, pensions, begging and theft), self-care (for example, personal grooming and hygiene) and activities which cannot be carried out by a person other than oneself (for example, sleeping, learning and leisure activities) (ILOSTAT).

Family workers: Workers who are members of the family of an independent worker or who live with this person, and who help this person in their activity, sometimes with no remuneration. The activity can be, for example, a small enterprise or a small family farm.

¹⁰ Entrepreneurship at a Glance, 2013, OECD

¹¹ National Employment Policies: A guide for workers' organisations, 2015, ILO

¹² National Employment Policies: A guide for workers' organisations, 2015, ILO

AGENCE FRANÇAISE DE DÉVELOPPEMENT

Agence Française de Développement (AFD) Group implements France's policy on development and international solidarity.

Comprised of AFD, which finances the public sector and NGOs; Proparco, which finances the private sector; and soon, Expertise France for technical cooperation, the Group finances, supports and accelerates transitions towards a more resilient and sustainable world.

We are building – with our partners – shared solutions, with and for the people of the Global South. Our teams are active in more than 4,000 projects in the field, in the French overseas departments and some 115 countries, including areas in crisis.

We strive to protect the common good – promoting peace, biodiversity and a stable climate, as well as gender equality, health and education. It's our way of contributing to the commitment that France and the French people have made to fulfill the Sustainable Development Goals. Towards a world in common.

Agence Française de Développement

5, rue Roland Barthes | 75598 Paris Cedex 12 | France |
Tél : +33 1 53 44 31 31 | Fax : +33 1 44 87 99 39 | www.afd.fr
Twitter : @afd_france | Instagram : afd_france

