



# Can Policy Engagement Create Youth Employment Opportunities? Lessons Learned from the YIEDIE Project

## Introduction

According to the World Bank, Ghana's youth population increased from 1.1 million in 1960 to 4.6 million in 2010. A major concern of successive governments in recent years has been to create adequate, decent and sustainable jobs for the growing youth population. Relative improvements in the country's GDP, which has averaged six percent growth within the last decade, have not translated into opportunities for the growing youth population. This has created a yawning gap in unemployment, though estimates of the numbers vary. The World Bank for instance estimates that of those unemployed, 65% are between 15 and 24 years while the most recent Ghana Living Standards Survey Round 6 reports that 3 in every 10 youths in Accra and 23% in other urban areas in Ghana are unemployed. This is further exacerbated by the fact that about 42% of youth between 15 and 24 years are underemployed. Despite these discrepancies, there is a

**Youth aged 15-24 years account for approximately 20 percent of Ghana's total population and 35.1 percent of the working age group.**

general consensus on the need for sustainable solutions to address the unemployment challenge.

Interestingly, although the construction sector happens to be one of the fastest and consistently growing sub-sectors of the economy, with an impressive average growth of 8% per annum and a labour absorption rate of between 10 and 12% per annum, very little has been done to leverage this potential to create job opportunities for Ghana's growing youth population.

While studies have cited multiple reasons for the limited youth participation in construction, available empirical and anecdotal evidence suggests that central to these explanations is a policy environment that does not provide the required support in terms of remuneration, working conditions and career progression to make the construction sector attractive to youth. In recognition of this fact, the Youth Inclusive Entrepreneurial Development Initiative for Employment (YIEDIE), a program designed to create economic opportunities for youth in the construction sector in five Ghanaian cities, implemented a number of interventions aimed at policy reform at both the national and city levels over the past four years. YIEDIE is part of the Youth Forward Initiative, which is focused on transitioning economically disadvantaged young people to find quality employment or start their own businesses in the growing agriculture and construction sectors in Ghana and Uganda.

This brief describes YIEDIE's policy engagement avenues and strategies, the rationale for this set of interventions and the extent to which these interventions have created opportunities for young people within the construction sector. The brief is based on a survey, in-depth key informant interviews and focus group discussions with TVET partners in all the project cities, members of construction associations, master craftsmen, youth and staff in the local assemblies.

## Engagement Avenues and Strategies

The issues confronting youth employment and entrepreneurship in the construction sector in Ghana are multifaceted. While some of these issues are localized, others are national in scale and scope, cutting across sectors and involving diverse stakeholder groups. With this in mind, YIEDIE used a number of platforms to push for reforms that would create opportunities for youth in construction.

### Youth Sector Engagement Group (YSEG)

YIEDIE's policy engagements at the national level are tied to the activities of the Youth Sector Engagement Group. As one of the structures of the Youth Forward Initiative, the YSEG facilitates and sustains continuous dialogue between policy makers, development partners, ministries, departments and



agencies and other relevant institutions on youth policies and the challenges of youth unemployment and underemployment. This is to ensure that policies formulated for the promotion of youth development, employment and entrepreneurship reflect the actual needs of young people in Ghana. Using a combination of multisector dialogues, field visits and quarterly meetings, the YSEG created opportunities for YIEDIE and MASO, the two YFI programs in Ghana, to engage duty bearers on specific challenges faced by youth in the construction and agric sectors. These interactions have contributed in bringing the issue of youth unemployment and underemployment to the fore in policy discussions.

### Technical Advisory Committee

At start-up, YIEDIE formed a Technical Advisory Committee (TAC) to serve as the fulcrum around which its policy engagements and other project activities revolve. It is chaired by the Council for Technical and Vocational Education and Training (COTVET), the regulator of technical and vocational education in Ghana, and has membership drawn from construction value chain stakeholders including the Ghana Real Estate Developers Association (GREDA), AGI Construction Group, Association of Building and Civil Engineering Contractors-Ghana (ABCECG) and Association of Road Contractors-Ghana (ASROC), and the National Vocational Technical Institute (NVTI) as well as youth representatives. The TAC enables regular, meaningful engagement between YIEDIE and stakeholders within the broader ecosystem, including the provision of timely information and guidance on

changes in procurement policies and laws, government goals and objectives regarding skills development, employment and entrepreneurship, and other developments within the construction sector. Considering the level of expertise the members of this committee bring, they provide direction regarding the areas in which policy engagements are needed and on critical issues which should inform these engagements, while youth members provide perspective on their needs. The TAC also ensures that YIEDIE aligns with market demand, conforms to government regulations and policies and provides opportunities to network with a wide range of stakeholders for employment possibilities.

### National Construction Summit

To broaden engagement even further, YIEDIE convened a national construction summit in 2016 to deliberate on sustainable ways to promote the sector's growth and create avenues for dignified and fulfilling work for youth. This was organized in collaboration with the Ministry of Employment and Labour Relations, COTVET and NVTI and brought together stakeholders along the construction value chain. It provided a platform for YIEDIE to explore, digest and synthesize issues within the construction ecosystem and identify priority areas for policy engagement at the national and city levels. In addition, YIEDIE cultivated collaborations with construction sector players, garnered support for its objectives, and built stronger relationships among the stakeholders and coalitions for policy reform capable of positively impacting the construction sector and the youth demographic. The deliberations at the summit brought to the fore issues of:

1. Investment and certification in TVET,
2. Access to affordable financing for youth and construction in general,
3. Inclusion and support systems for persons with disabilities (PWDs) and women in construction,
4. Development of local content policies to support local construction firms,
5. Enforcement of mandates that reserve a quota of employment on city contracts for locals, and streamlining business registration and procurement processes.

Subsequently, these have formed the basis for every YIEDIE policy engagement from the city to the national level.

### City-level Stakeholder Groups

While the TAC provides important market information and facilitates national-level partnerships, YIEDIE also convenes



city-level stakeholder groups in each targeted municipality. Composed of city officials, the private sector and training providers, these stakeholder groups inform the rollout of YIEDIE policy engagements in each city and provide for the incubation of strategies to address the challenges of the construction sector at the local level as well as developing job opportunities through close collaboration between construction firms and local assemblies. The long-term, collaborative relationships developed among these local stakeholders support development of a joint agenda for city-level policy reform with particular focus on encouraging local assemblies to enforce their hiring mandates and to establish them where absent. To the extent possible, YIEDIE has built the capacity of these actors to drive local policy development based on their deep knowledge of the city context. YIEDIE also uses this platform to promote the Artisans Association of Ghana (AAG) as a repository of well-trained, certified construction professionals to stakeholders in the sector.

## Policy Action Workshops

To support the above processes, YIEDIE produces policy briefs and other materials which discuss the implications of government policies and initiatives on youth employment, entrepreneurship and the general growth of the construction sector. These briefs are validated at policy action workshops at the city level which bring together the city-level stakeholder groups, youth, city and business leaders to collaboratively define concrete steps the city could and must take to improve the business environment in line with the city's medium- to long-term development plans. Specifically, this platform serves as the incubator of policy engagement strategies to inform city-level bylaws around business registration, procurement to encourage subcontracting with youth and issuing hiring mandates for municipal construction contracts. To concretize these engagements, YIEDIE signed MOUs with the Accra Metropolitan, Sekondi-Takoradi Metropolitan and Kumasi Metropolitan assemblies and meets with city leaders in these assemblies on a regular basis to follow-up on their commitments. YIEDIE has also signed MOUs with sector associations including GREDA, ABCECG, AGI Construction Sector, Ghana Institute of Construction (GIOC) and the Association of Road Contractors (ASROC).



## Media Engagement

In recognition of the fact that Ghanaian officials are often most responsive to issues discussed on the radio and

television, YIEDIE occasionally uses media engagements and roundtable discussions as part of its policy reform efforts. Media engagements allow the issues elaborated above to be discussed in a manner which is easily digestible by the ordinary Ghanaian and provide a public platform to invite city officials to make commitments to address the identified challenges. These are used strategically to get the needed traction from local and national-level stakeholders.

## Policy Engagement Outcomes

While these avenues and strategies have led to visible changes in some areas, others are taking more time to respond as with most policy reform efforts. The most immediate impact of these engagements have been mostly felt in neighboring districts of the local assemblies with which YIEDIE has signed MOUs.

## District legislation/MOUs

The MOUs signed with metropolitan and municipal assemblies have changed perceptions on the general capacity and attitude of youth toward work. Upon signing the MOUs, YIEDIE did a comprehensive socioeconomic analysis of publicly available data on the youth demography in each of the project cities. This analysis highlighted the need to increase investments to skills development, youth employment and support for youth start-ups which have been incorporated in the assemblies' recently completed medium-term development plans. While some of the assemblies have taken concrete steps to enforce their hiring mandates, others are in the process of developing policies and streamlining their hiring mandates to create economic opportunities for citizens including young people. Others are still at the preparatory stage, trying to make adjustments to existing bylaws to support youth employment. In the Ashiedu Keteke Sub-Metro of the Accra Metropolitan Assembly for instance, the Assembly has consistently encouraged contractors who are awarded contracts fully-funded by the Assembly's own internally generated funds (IGF) to engage at least 10% of the project's workers from the local communities. This potentially creates employment opportunities for youth with relevant skills. Indeed, on the basis of this directive, the presiding member of the Accra

Metropolitan Assembly confirmed that some youth with skills in masonry, carpentry and steel bending have been contracted to build a Community-Based Health Planning and Services (CHPS) structure in Alajo, a suburb of Accra.

The Business Advisory Centers in some of the assemblies have started providing business development services to youth construction start-ups including streamlining the business registration process, facilitating access to affordable credit and providing space for their operations. In addition, the Asokore Mampong Municipal Assembly, Afigya Kwabre, Atwima Nwabiagya North in Kumasi and the Sekondi Metropolitan Assembly held initial meetings with youth operating businesses within their jurisdiction. These meetings have created avenues for collaboration and enabled these assemblies to appreciate firsthand the challenges facing these start-ups in order to design appropriate interventions. Despite the limited engagements with the Tema Metropolitan Assembly, the assembly developed a youth policy plan with specific strategies for skills development, employment and entrepreneurship in response to the issues raised at the policy action workshops. These steps are the beginning of creating an enabling environment for youth employment.

Notwithstanding these positive developments, other challenges, including the existing requirements for the award of Government of Ghana (GoG)-funded contracts and permitting processes, still remain given that these are beyond the mandate of the local assemblies. Furthermore, the recent sub-divisions of local assemblies resulting in the reconstitution of the assemblies in the project cities (with the exception of Ashaiman) have rolled back some of the gains made in these areas.

## Local Content Policy

The impact of these policy engagements have also been visible at the national level. This may be due to the dissemination drive undertaken at the end of the national construction summit; the final report from the summit was shared with the Minister of State at the Office of the President in Charge of Private Sector Development and Public Private Partnership (PPP) and the Ministry of Employment and Labour Relations. Subsequently, portions of the report were captured in the manifestos of the leading political parties in Ghana going

into the last general elections. For instance, the deliberations from the summit proposed a quota of contracts awarded and funded by GoG should be given to youth and women. On its assumption into office, the current government committed to give 30% of GoG-funded construction contracts to youth and women-owned firms in the 2017 budget. While it may be too much to attribute this entirely to YIEDIE, our research showed that YIEDIE was a contributor to this change.

Aside from this, YIEDIE's strategy of building coalitions with existing institutions who have been engaging government at the national level is proving to be effective in creating the enabling environment for youth employment and entrepreneurship in the construction sector. In collaboration with the AGI Construction Sector group, GREDA and ABCECG, a local content policy—the first of its kind—has been developed for the construction sector. Among other things, this policy is proposing that 70% of GoG-funded contracts be awarded to local firms. After several reviews, the policy is currently with the Works and Housing Ministry for its integration into the Consolidated Local Content Policy currently being developed. Along with this policy, youth businesses within the construction sector will also have the opportunity to be considered for the 30% of GoG-funded projects which will be reserved for firms run by youth and women. Youth entrepreneurship and employment will receive a massive boost as this policy, once adopted, will be integrated into local, regional and national development plans.



## Direct Youth Employment

YIEDIE’s policy engagement have also had a direct impact on youth employment and entrepreneurship tied to city contracts. Data gleaned from youth and other stakeholders revealed that at least 122 youth have executed (either as the main or sub-contractor), worked on as an employee, or supported their master craftsperson to execute contracts funded by their local assemblies or GoG as shown in the table below.

Contract Type	Numbers		Contract Mode			Awarding Institution
	Male	Female	Main or Sub-contractor	Employee	With Master Craftsperson	
Electrical Installation	65	7	17	3	52	Forestry Commission, Electricity Company of Ghana, Adjei Kojo Basic School, Asokore Mampong Municipal Assembly, Asante Mampong Municipal Assembly, Offinso Municipal, Tema Development Corporation and Contracta Engenharia
Welding	2	1	2		1	Ejisu Juaben Municipal, Ga West Municipal, Jaman South District, Sunyani Municipal and STMA
Interior Décor		3	1		2	University of Cape Coast, Ashaiman Municipal Assembly and Shama Municipal Assembly
Tiling	4	2	2		4	Salvation Army Hospital Wiamoase
Construction of Railway Lines	2	1			3	Ghana Railway Company
Aluminum Fabrication	18	2			20	State Transport Corporation and Afigya Kwabre District Assembly
Masonry	15				15	Dominase Government Hospital
<b>Total</b>	<b>106</b>	<b>16</b>	<b>22</b>	<b>3</b>	<b>97</b>	

Out of the number of youth reported to have executed or been involved in a GoG/local government-funded contract, 16 were women and 106 were men. Though the number of women is low, it shows there has been a gradual paradigm shift and an acceptance of women’s capacity to work in the construction sector. According to those who reported they executed the contract as the main contractor, at no point in the process were they given preferential treatment; each had to go through the competitive bidding process. In the case of those who were sub-contracted, contracts were awarded based on referrals.

**Developing skills and technology levels of construction sector actors including youth has enormous potential for stimulating economic growth, improving the quality of service and creating jobs.**





In terms of the actual work done, contracts involved wiring public schools, changing old electrical meters in homes and installation of street lights at the request of the local assembly or the Electricity Company of Ghana, tiling offices and hospital wards, welding broken hospital beds and fixing burglar proofing. Others contracts were to lay railway lines and provide curtains and hall hangings. Institutions that contracted these youth include the Forestry Commission of Ghana, University of Cape Coast, Sunyani Municipal Assembly, Ejisu Juaben Municipal Assembly, Tema Development Corporation, Mampong Municipal Assembly and the Ghana Railway Company. Aside from these opportunities, considerable numbers of the youth surveyed also reported working on projects and with construction firms that executed contracts for individuals, churches, banks and other corporate bodies.

## Women's Participation in Construction

Aside from creating new opportunities for young people in the construction sector, YIEDIE's policy engagements have also succeeded in changing the narrative around female participation in construction. YIEDIE research shows that there has been a considerable shift in the perception around female participation in construction, especially among the influencers of female career choices including parents, religious leaders and teachers. The impact has been particularly visible in the number of women who enrolled in trade areas other than interior décor, which is traditionally female. Female enrollment in YIEDIE increased from 11% at the end of the first year of implementation to 33% at the end of the fourth year. The majority of these women enrolled in machine operations, painting, tiling, aluminium fabrication, electricals and metal fabrication—trades which were previously unwelcoming for females.

## Lessons Learned

1. Advocating for policy reforms at the city and national level requires considerable expertise and knowledge of the construction sector. It also requires a good understanding of the competing interest and poles of influence within the landscape to reduce the fragmentation and duplication of efforts. While having a YIEDIE officer dedicated to policy engagement was beneficial, there is the need to have a champion within government with considerable influence on the legislature and executive branch who can lead policy efforts within them. The project policy staff can engage stakeholders at the national and local level while the champion, who must be above the rank of a Chief Director, would engage the legislature and the executive branch.
2. Having a technical advisory committee with members drawn from industry is foundational to government and private sector engagement. The range of experience members of the TAC bring to the table and the networks they have cultivated enhance project decisions and lead to the identification of areas of mutual interest between the project and government, which is the foundation of policy reform.
3. Considering the fact that in Ghana, district assemblies draw their development plans from the national plans, engaging stakeholders at the national and local level simultaneously ensures the success of policy reform interventions by cultivating synergies. While engagement with district assembly will enhance the local relevance of the interventions, national level engagement enhances the sustainability of the interventions.
4. Catch the districts at planning time in order to get resource allocation. Although experience suggests it is not always a given that resources get allocated to every activity identified by the assembly, the chances for activities to be budgeted for when included at the planning stages are high. Delays in the disbursement of district assembly common fund allocations means that districts must prioritize their resources. Thus, engaging them early will most likely ensure that agreed-upon interventions receive budgetary allocations. This process is most successful when done with a government champion who wields considerable influence.

5. Finding the points of overlap with the private sector's agenda provides a powerful platform for influencing the government. The private sector is regarded as the engine of growth for the Ghanaian economy. Successive governments have therefore been very accommodating of the demands of the private sector. The level of traction received with the local content policy is evidence of the influence sector associations have on government. Building alliances with sector associations on sector-specific challenges increases the likelihood of receiving the needed executive support to create opportunities for youth employment and entrepreneurship in construction.

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*The Youth Forward initiative links young people to quality employment or entrepreneurship opportunities in the agricultural and construction sectors in Ghana and Uganda. This five-year partnership led by Mastercard Foundation, Overseas Development Institute, Global Communities, Solidaridad, NCBA CLUSA, and GOAL will reach more than 200,000 economically disadvantaged youth aged 15–24. The initiative uses an approach that combines market-relevant skills training, mentorship, internships, and access to financial services to help young people better their lives, transition to sustainable livelihoods, and contribute to social and economic change.*

*The Youth Forward Learning Partnership works across the initiative to develop an evidence-informed understanding of the needs of young people in Ghana and Uganda and how the program can best meet those needs.*



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