

A NOTE FROM NAJWAH

SEPTEMBER 2020

The national lockdown has resulted in an almost complete shutdown of economic activity that has forever changed the frame of our social interactions and has forced us to rethink the way we work and connect as human beings. Governments, organisations and citizens must reimagine a new future. In the face of overwhelming uncertainty, many have been paralysed by fear of the unknown, but now is the time to rise up and embrace new opportunities, to innovate and to co-create a future that is more equitable and inclusive.

We have entered a time of rapid social change. Sociologists define social change as the transformation of human relationships and interactions that, in turn, transform cultural and social institutions, both negatively and positively. This change can often spur on further advances in technology or innovation for the overall benefit of society, but in some instances, it can also be divisive.

COVID-19 and its aftermath have deepened socio-economic inequalities that already exist in our communities, threatening the empowerment of women and youth, in particular. The support interventions and economic stimulus programmes that are being designed and developed for a post-COVID economy must aim to create inclusive and sustainable economies and societies. They should not perpetuate the gaps that currently exist. The United Nations predicts that the global recession brought on by the pandemic is likely to result in a reduction in the incomes and labour market participation of women, with a significant number falling back into extreme poverty. After all the empowerment gains in recent years, government, civil society and the private sector need to join forces to guard against us regressing and undoing the work of decades.

The Jobs Fund's mandate clearly puts women and youth at the heart of its interventions. I am proud to say that our partners continue to deliver on this mandate, with 64% and 57% of all jobs and internships created to date being filled by youth and women, respectively. However, our efforts must be scaled. It is our responsibility to work towards achieving greater impact. Now more than ever, women and youth need to remain top of mind for implementers and policy-makers alike, beyond the confines of Women's Month and Youth Month. This is not the time for indecision. We need to act now. Achieving higher levels of economic inclusivity, equality and social justice should be at the heart of our strategies.

N. Alkie-Edries

[@JobsFund_NT](#)

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THE JOBS FUND CONTRACTED PORTFOLIO (AS AT JUNE 2020)

146 contracted projects
R8.5 billion in grant funding
R13.3 billion from our partners
259 225 permanent jobs



**Important
DATE!**

9 October 2020:
Quarterly reporting
submission

CREATING JOBS THROUGH INFRASTRUCTURE INVESTMENT – LESSONS FROM THE JOBS FUND’S PORTFOLIO

Investment in infrastructure has been acknowledged as an important contributor to job creation and economic growth. Investment in infrastructure can lower transaction costs, create economic linkages and improve productive capacities. Additionally, infrastructure expansion creates jobs during the construction and maintenance phases of the project, and increases demand in the economy, thereby supporting forward linkages.

In the context of the Jobs Fund, the infrastructure investment funding window aims to co-finance light infrastructure projects that unlock job creation potential in an economic sector or geographical area.



SNAPSHOT OF THE INFRASTRUCTURE INVESTMENT PORTFOLIO

9 infrastructure projects funded by the Jobs Fund to date

R777 million spent on infrastructure projects

Average Jobs Fund grant of **R98 million**

Infrastructure investment window created **4380** direct jobs

OVERALL IMPACT OF THE INFRASTRUCTURE INVESTMENT PORTFOLIO



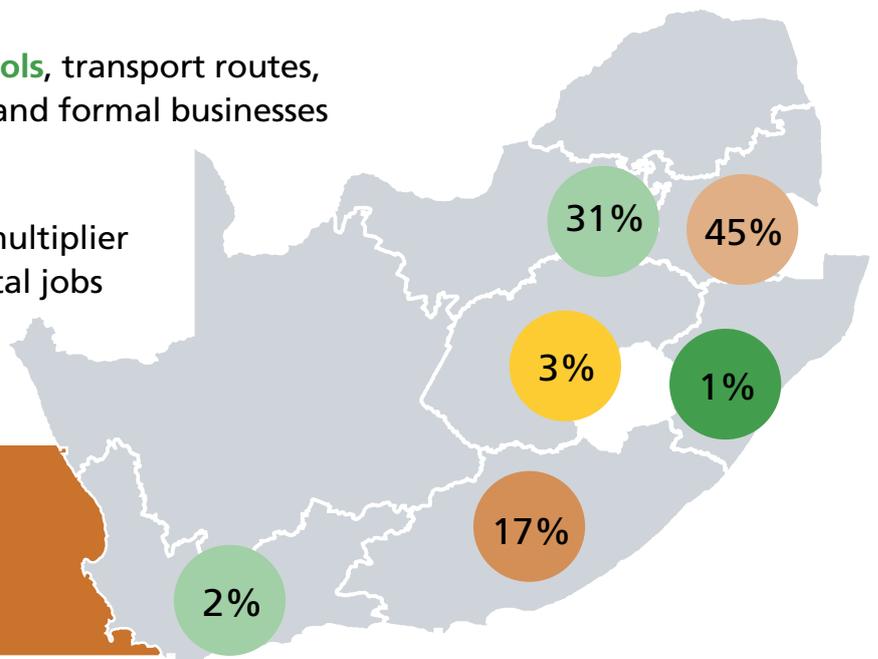
4380
Direct permanent jobs



New schools, transport routes, informal and formal businesses



1.1 GDP multiplier
19 500 total jobs



GEOGRAPHIC DISTRIBUTION OF JOBS CREATED BY THE INFRASTRUCTURE INVESTMENTS PORTFOLIO

The evaluation identified three key lessons for investment in infrastructure, which are elaborated on below:

1. Light infrastructure alone does not create jobs,
2. Understanding impact holistically safeguards against underestimating the extent of job creation impact, and
3. Infrastructure with shared access and value creation has the potential for greater impact.

1. LIGHT INFRASTRUCTURE ALONE DOES NOT CREATE JOBS



The evaluation found that light infrastructure was a necessary, but insufficient component of job creation under this funding window. In all of the cases, the majority of job creation impacts were driven by the secondary enterprise development and/or support for workseekers' activities that were part of the overall intervention design. The infrastructure component did, however, provide the foundation for the job creation activities to take place. The analysis further

2. UNDERSTANDING IMPACT HOLISTICALLY IS CRUCIAL



To avoid the pitfalls of underestimating the overall impact of infrastructure projects on broader job creation and the potential economic stimulus it provides, the study illustrated the importance of measuring impact beyond direct jobs. Holistic measures should include the direct, indirect and induced effects of infrastructure investment. This is particularly important when the aim is to fund infrastructure that is enabling and ultimately catalyses investment and economic activity in other sec-

3. INFRASTRUCTURE WITH SHARED ACCESS AND VALUE CREATION HAS POTENTIAL FOR GREATER IMPACT



There is also evidence that infrastructure projects have catalysed small business development in the immediate surrounding areas. The extent to which light infrastructure can act as a catalyst for additional investment and, in some cases, urban regeneration, partly depends on who is able to access this infrastructure. Investment into the development of assets that are held and enjoyed by a single enterprise is likely to enhance the business capability and improve the asset share value of that enterprise, but it is then unlikely to crowd-in significant economic activity. Therefore, it is important to adopt an

revealed that projects that provided comprehensive secondary activities were more successful at creating long-term, sustainable jobs. These activities should form an explicit part of the overall design of the intervention. While they may only form a small part of the budget allocation, they should be carefully designed to respond to beneficiary growth requirements and augment the initiative's overall strategy.

Recommendation

Explicitly appraise and monitor the supporting service components of infrastructure projects. An infrastructure project with a clear and well-defined set of secondary supporting activities is more likely to lead to job creation than a "build it and they will come" approach.

tors. The related impact is often underestimated when the focus is primarily on the measurement of direct jobs created over the grant funded period. Measuring impact holistically involves the use of various qualitative and quantitative methodologies that, once set up and integrated into the current measurement processes, are simple to use.

Recommendation

Take a holistic approach to impact measurement at all stages of the project cycle. It is important that the total employment impact and catalytic potential of each infrastructure investment is estimated when making funding decisions, monitored during implementation, and tracked after the project is fully disbursed. The assessment of direct, indirect and induced impact should be incorporated into the measurement framework for the intervention at the outset.

investment approach that promotes shared access and benefit. This could include joint ownership or ensuring that beneficiaries have strong upstream and downstream linkages.

Recommendation

Consider the potential for infrastructure investments to crowd-in additional investment and catalyse further job creation. Funders should explicitly consider the extent to which infrastructure investments facilitate the crowding-in of additional ecosystem role players. This may include the promotion of investments that leverage off and align to existing developmental plans, as well as considering to whom the primary benefits will flow and who is able to access the funded infrastructure. This can be included as a criterion for funding in the origination, application and appraisal processes.

RIISING TO THE CHALLENGE: JUNIOR OLYMPIAN EXCELS IN AGRIBUSINESS



Land distribution and transformation in the agriculture value chain is a long-term process that requires careful nurturing to bear fruit. Exploring ownership modalities that not only offer communities access to land, but also empower them to benefit from the productive use of the land, is essential in unlocking opportunities for more sustainable rural development.

Paul Lombard, the son of two farmworkers, who is now Managing Director of Eve Brand pear and apple farms says he had no inclination to enter a career in agriculture when he was growing up.

Lombard was born and raised on an olive farm in Paarl, "I was very interested in canoeing, and was fortunate to be awarded a sport bursary to Paarl Boys High School. I achieved SA Colours, and even had the opportunity to represent South Africa at the 2005 Junior Olympics held in Australia".

"As for career ambitions, I considered various job options, from policeman to bank manager, but it was only when I started working on the farm during my holidays that I realised there is more to agriculture than just spades and forks – there's also plant improvement opportunities, quarantine opportunities and much more," the 32-year-old recalls.

He was awarded a bursary from Hortgro, previously known as the Deciduous Fruit Producers' Trust, to complete his BSc Agric degree at the Elsenburg Agricultural Training Institute. In 2006, he made the tough decision to put sport aside to focus fully on his studies.

In 2012, after gaining some practical farming experience, Lombard started at Eve Brand in the capacity of junior manager. Under the guidance and mentorship of then Managing Director, Hannes Stapelberg, Lombard climbed steadily through



the ranks and was ready to take over the leadership reins when Stapelberg opted to step back from the day-to-day running of the farms in 2017.

"I'm a developer, and one of my most successful strategies has been to hand-pick the right people and develop their potential," says Stapelberg. "When I decided to move to Paarl, it was the best thing I could do for everybody because it forced them to take up the responsibility. I mentored Paul for four years, and he got to a place where his leadership was being acknowledged. Then I said 'Thank you,' and I left him to it."

"Taking up this new level of responsibility was a big step," Lombard explains, "but I felt I was ready to accept the challenge. Some of the other beneficiaries may initially have questioned whether this 'young boy' was ready to take responsibility for our shared interests. However, Hannes and the management team were very supportive."

After two seasons and some difficult times for the industry, his confidence and experience has grown.

In the medium to long term, Eve Brand is pursuing a diversification strategy with aims for vertical integration, including the development of a cooling and packaging facility. Lombard and his team have their sights set on making this enterprise a successful model for the design and implementation of similar empowerment schemes in future.



Helena Roodt

Where are you from?

I was born in Gauteng, but also lived in North West and went to high school in the Northern Cape. I have lived and worked in five of the nine provinces (Free State, North West, Northern Cape, Western Cape and Gauteng).

What did you study?

I studied for an LLB at the University of Stellenbosch. In my last year of study, I had the opportunity to travel to The Netherlands to complete the last semester of my degree at Leiden University as an exchange student. My experience in The Netherlands rebutted the fallacy that South Africa cannot compete with so-called First World countries academically, and I am pleased to confirm that our universities definitely can.

The Dutch were very welcoming of me and were always interested to know more about my life in South Africa; like the name of my pet

STAFF PROFILE

zebra! My time in Leiden also made me appreciate the generous and enthusiastic nature of South Africans so much more.

After graduating, I completed my articles and was admitted as an attorney in 2009.

What is your role in the Jobs Fund?

I am a Legal Advisor.

Which part of your job do you like most?

I love interacting with my colleagues from within the legal team, as well as from the different business units, and learning from them. It is quite heart-warming to interact with the Job Fund Partners and beneficiaries during Site Visits to see what is being achieved with the Jobs Fund's grant funding. No day at the Jobs Fund is the same and I find that exciting and challenging.

What challenges do you face in the implementation of the projects you manage?

It is quite demanding to implement projects in the current economic climate, while simultaneously trying to navigate the additional problems and challenges that the Coronavirus pandemic has created. The challenges that the Jobs Fund Partners face while implementing their projects must sometimes be coaxed out of them before solutions can be discussed and agreed upon.

Is enough being done to tackle the unemployment challenge in South Africa?

Quite a few initiatives have been launched to tackle unemployment in South Africa. However, the responsibility of eradicating unemployment and, by implication, poverty, cannot solely be the task of the government. The private sector needs to partner with government, particularly on initiatives like the Jobs Fund, on a long-term basis to implement a more concerted and strategic effort to combat unemployment in South Africa.