

Employment Promotion by Trade Unions in Zambia

A Strategic Approach

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FOREWORD

This Strategy Paper on Employment Promotion by Trade Unions in Zambia was endorsed for implementation by the ZCTU General Council in March 2004. It is our sincere hope that it will enhance the impact of employment promotion efforts undertaken by Zambia Congress of Mineworkers and Mineworkers Union of Zambia since 1998. The strategy is based on experiences since then to support self-employment of thousands of retrenchees, retirees and other informal sector operators in the country.

As the support for CISEP by GTZ/STEP-IN is coming to an end, the Trade Unions were challenged with the task of ensuring the sustainability of an operational response to the prevailing unemployment in Zambia. Apart from maintaining the necessary staff to continue with the vital CISEP activities (information, training, business counselling), it was felt that there should be a wider perspective with regard to employment promotion by the labour movement. Therefore, relevant departments from ZCTU and MUZ were asked to contribute towards the drafting of a strategy that intends to develop CISEP into a fully-fledged service delivery approach of the unions.

It will furthermore help to remind Government about the need of applying principles of Good Governance at its labour market policy. Moreover, the private sector has to be taken into account with regard to its Corporate Social Responsibility, especially when it comes to the timely preparation of would-be retrenchees and retirees for self-employment.

The paper also makes recommendations for an appropriate institutional set-up concerning employment promotion inside and outside the unions. This refers particularly to the urgent need by ZCTU and its affiliates to combine efforts of promoting self-employment and of organising the informal economy for the mutual benefit of the informal sector operators and the labour movement in Zambia.

The process of developing this strategy included a wide range of contributors from within ZCTU (Departments of Education, Research, Women, Organisation), from the Retrenchee Advisor at ZCTU-CISEP and from MUZ (Departments of Education, Organisation, Research), but also from GTZ/STEP-IN (Dr. Peter Herrmann) and Friedrich-Ebert-Stiftung (Mr. Michael Schultheiss). It is hoped that this spirit of result-oriented co-operation will continue in future, when it comes to the intended dissemination of the strategy to Trade Unions affiliated to the Congress. It would also be appreciated if Government institutions, the private sector and relevant Civil Society Organisations could make good use of these recommendations.

Sylvester Tembo

ZCTU SECRETARY GENERAL

Kitwe, March 2004

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Summary

The labour movement in Zambia has always advocated for a comprehensive employment promotion policy. The direct intervention by Trade Unions on the labour market, however, is a recent development in order to support the thousands of people, who have been forced out of the formal employment to work in the informal economy. This follows the massive retrenchment and rationalisation exercise, particularly in the copper mining industry, which this country has undergone in the wake of the largely unsuccessful privatisation process started in 1991.

Due to the weak economic performance, there was a general inability by the private sector to create enough jobs for a growing population. The problem was aggravated by the failure of Government to provide adequate employment promotion policies or social security. Moreover, apart from retrenched and retirees, the Trade Unions see the need to promote self-employment and to organise the informal economy as a whole, being increasingly the often harsh source of livelihood for a majority of Zambians.

Direct employment promotion by Trade Unions in Zambia began in 1998 with the establishment of the first CISEP Centre in Kitwe, run by ZCTU. The other centre is being operated by MUZ in Chingola-Nchanga. Both centres have been supported by Friedrich-Ebert-Foundation (FES) and the GTZ/STEP-IN project, which also contributed to the setting up of seven other centres in Lusaka. All these centres now form a network of CISEP users (ACU), trying to enhance the sustainability and further development of a modest, but functioning response to unemployment.

The expansion of Trade Union efforts away from its traditional field, i.e. negotiating for better wages and working conditions in the formal economy, bears serious consequences and challenges. Due to its complexity, the approach cannot cover the whole informal economy at once. Training and organising efforts should start with ISOs, who are related to the labour movement (members and ex-members) or who have some degree of self-organisation (women's groups, traders or craftsmen at their business locations).

New tasks ahead: the Trade Unions have to:

- extend their efforts from the formal into the informal economy, which includes entrepreneurial support *and* organising the informal sector operators (ISOs) into associations (ISAs). These will eventually be associated with ZCTU or a member union to improve on the socio-political representation of the ISOs
- encourage notified retrenched and retirees to form or join ISAs in order to enable them to keep vital links to the labour movement
- include preparation for retrenchment and retirement into retrenchment/retirement-package negotiations with the employers
- become service-oriented towards the (potential) self-employed persons, i.e. for the immediate benefit of retrenched, retirees and other ISOs
- participate as planning *and* implementing partners in economic development programmes like Poverty Reduction Strategy Programme (PRSP)

- embrace employment promotion as a cross-cutting issue like gender or HIV/AIDS, which needs commitment in different Trade Union departments and organs

Organisational challenges for the labour movement arise from the need to:

- open up affiliated unions' constitutions to allow informal sector associations to become associated members of a Trade Union
- define clear responsibilities for employment promotion activities, particularly on departmental level
- embark on intensive networking with both internal and external stakeholders
- intensify *programme-oriented activities* (e.g. promotion of informal sector operators like retrenched or women combined with an effort to organise them) instead of *isolated projects* with only one specific objective
- raise additional funds for the labour-intensive service delivery approach
- run CISEP centres in a sustainable, effective and efficient manner, committing structures, staff and funding to this purpose on a long-term basis

Implementation process: as a step-by-step approach, given the complexity of the matter and the scarcity of funds:

Short-term activities

- Ensure the continuity of the CISEP approach by MUZ and ZCTU as the core of employment promotion activities by the Trade Unions
- Design integrated programmes (for employment promotion *and* organising the informal economy) between departments within one Trade Union, and between unions
- Spread the CISEP approach in an appropriate way to other affiliated unions

Medium-term activities

- Initiate job creation programmes for joint implementation by Government (including local authorities), private sector and civil society organisations
- Intensify the organisation of the informal economy to increase target group orientation and sustainability of the employment promotion measures

Long-term activities

- Lobby Government and the private sector for an enabling environment for employment promotion (Policy framework, Corporate Social Responsibility)
- Develop, resuscitate and strengthen other areas of service delivery by Trade Unions (i.e. apart from CISEP), e.g. on Credit and Savings Schemes, welfare schemes, promotion of business associations and bottom-up co-operatives

The objectives, results and activities outlined in the chapters 2 to 5 might be used as the basis of a concrete ACTION PLAN for implementation by interested Trade

Unions affiliated to ZCTU, but also by other organisations. Timetables, indicators, responsibilities and costing, however, have to be designed according to the specific needs and capabilities of that organisation.

1. Employment situation and the informal economy

"I wanted to start a chicken run together with other women. But they cannot pay the necessary 15000 Kwacha after they have spent all their terminal benefits. What shall I do to make ends meet?"

Former mining company employee in Luanshya, August 2003 (ASA 2003: p.1)

1.1. Labour market deficiencies in a liberalised economy

Since the change from a state-controlled to a free market economy was started in 1991, Zambia has experienced a number of negative impacts, especially on the labour market. Mismanaged privatisation, lack of economic growth and the inevitable rationalisation in a competitive and globalised economy left scores of former employees in the formal economy jobless, forcing them to look for one of the few other formal employment opportunities, facing unemployment or starting a business in the informal economy.

The informal economy in Zambia, however, does not only have to absorb the former government and parastatal employees, but it is also the source of survival for those ninety percent of Zambians, who never even had a chance to enter the formal labour market.

It still debatable, if the informal economy has the potential to lead to strong and sustainable growth and transforming itself eventually into the broader formal economy, or if it is a mere mean of survival and reservoir for cheap labour and services, subsidising the rather shrinking formal economy. Nevertheless, efforts have to be made to develop its entrepreneurial capacity systematically in order to enhance this transitional process.

Despite its economic and social importance, labour in the informal economy is still being insufficiently supported (if not hampered) by Government, but also underrepresented within the labour movement. Typical for the informal economy is its complexity of labour relationships and diversity of trades, which also made it difficult for the trade unions to engage themselves in organising the sector. Generally, labour in the informal economy is:

- **unrecognised**, i.e. not registered by the appropriate state agencies
- **unprotected**, i.e. labour laws are not being implemented or even not applicable
- **excluded**, i.e. from services like infrastructure provision or banking facilities

- **underrepresented**, i.e. by Trade Unions or other civil society organisations

A major obstacle for an improved economic performance by informal sector operators (ISOs) is their lack of qualification for an increasingly competitive market. "From the characteristics of the informal sector it is evident that the level of education among participants is low and the generally lack skills." (Muneku 2001: p.93). This is also a problem for many former miners, who form the majority of retrenchees. They are either unskilled or semi-skilled, and their often one-sided qualifications from the mines do not help them to set up a business in another field (Mwanalushi 2001: p.6).

In this paper, enterprises of the informal economy are understood according to the definition of the Small Enterprises Development Board (SEDB) for micro-enterprises, i.e. with less than 10 employees, investments in plants and machinery of less than 10 million Kwacha and an annual turnover of less than 20 million Kwacha. Most micro-enterprises, however, have a much lower initial investment, turnover and a workforce often not exceeding one employee.

Enterprises between 10 and 30 employees, investments of less than 50 million ZK and an annual turnover of up to 80 million ZK are defined by SEDB as Small and Medium Enterprises (SMEs). While most micro-enterprises belong to the informal economy, SMEs are usually part of the formal economy. Both types are nevertheless combined in the category of Micro-, Small, and Medium Enterprises (MSMEs) in order to distinguish them from large-scale companies. There are also direct links between SMEs and micro-enterprises, e.g. through work contracts given to ISOs by small and medium sized firms.

1.2. Managing life and work after retrenchment and retirement

As many of the former Trade Union members went into the informal economy, it is important to look at their coping strategies for this new and challenging situation, before any conclusion can be drawn on how to improve their status. Apart from retrenchments following privatisation and rationalisation, also the retirees have to be looked at, as they equally go into self-employment, given the lack of a comprehensive social security system in the country.

Retrenchees and retirees, who are already active as micro-entrepreneurs, are surely advanced compared to those former employees, who are still without any feasible occupation even years after their retrenchment. Former formal economy employees have at the first glance some advantages compared to other ISOs:

- professional skills and/or working experience (on different levels)
- resources like terminal benefits, land, housing
- potential business contacts
- access to training programmes before and after retrenchment/retirement.

Nevertheless, these advantages have been used in many cases "too little" or "too late". Moreover, even those who can make use of their few advantages, still face major business problems in a competitive environment:

- Lack of appropriate qualification for self-employment (insufficient business and technical skills, lack of exposure and business ideas)
- Limited market and working capital, especially for the expansion beyond subsistence level
- Insufficient inputs (limited terminal benefits, i.e. not received or spent on unproductive activities; lack of land titles; insufficient extension services; unaffordable credit facilities)
- Inadequate attitude towards the new employment situation (employment-orientation rather than self-employment orientation; subsistence strategies instead of market-oriented economic strategies)
- Lack of co-ordinated action, both with regard to production and lobbying (Informal Sector Associations not developed to capacity)
- Impeding economic and social framework conditions (high costs of responsibilities for extended families, especially as former wage-earner and household head; HIV/AIDS and poverty trap slowing down economic performance by ISOs)

All these factors result in low productivity, little chance for business expansion, very limited wealth growth and employment creation (on average, each ISO employs only one other person in the enterprise).

While many of the above mentioned factors are valid for a majority of ISOs, retrenchees and retirees are additionally influenced in their economic performance by certain socio-economic features in their life after retrenchment or retirement. These were highlighted in a study on the working and living conditions of former miners on the Copperbelt (ASA study 2003: p.1-10):

- Ex-Miners are either unemployed (18%), re-employed by another firm (12%), self-employed (22%) or subsistence farmers (48%). These farming ex-miners are by far the largest and poorest group, therefore calling for special attention by the relevant stakeholders.
- A large majority of the ex-miners does not make use of their skills acquired as a miner, i.e. they need comprehensive re-training
- Despite a general interest to co-operate, only a minority of the self-employed and the farming ex-miners have business partners or belong to a business association, i.e. there is need for sensitisation of the advantages of "joining hands"
- Almost every ex-miner is unsatisfied with the support by the mining companies, the Government or the Trade Unions given to them both before and after retrenchment

The specific self-help capacity of retrenchees (and to a large extend of retirees), is therefore characterized as follows:

- Low income level, especially among unemployed and farming ex-employees, which impedes capital accumulation necessary to expand a business beyond subsistence level

- Low self-esteem resulting from the retrenchment shock, which is problematic in a competitive environment
- Deprivation of professional qualifications, especially after a long spell of un- or underemployment (i.e. more than one year)
- Low socio-political influence (lack of Trade Union representation)

Trade Unions, Government, Private Sector and Civil Society need to tackle these shortcomings in order to raise the urgently needed self-help capacity of the informal sector operators, particularly retirees and retrenched.

1.3. Support systems for the informal economy in Zambia

The legal framework and the physical infrastructure that could assist the informal sector operators have not been developed adequately. The old regulations, some of which were enacted in the 1960s like the Market Act, are still being used to regulate activities in the informal economy. Apart from not adjusting the laws according to the economic changes, there were also attempts to misuse the ISOs for political purposes. The Chiluba government (1991 - 2001), for instance, used street vendors, marketeers and transport officers in their political campaigns. The so-called Vendors' Desk at State House, manned with a Deputy Minister, was set up towards that end.

Unfortunately, the Desk did not come up with any policy or regulation, but only co-ordinated the link between the ruling party and the economy. The departure of Mr. Chiluba in 2001 ended the existence of the Vendors' Desk at State House, as the new administration under Mr. Mwanawasa saw no need of continuing with the desk.

Employment promotion has been neglected by both the old and the new Government, however, during the time of privatisation in Zambia, despite the foreseeable effects on the labour market. Equally, the higher demand for jobs due to population growth has not been actively tackled by a pro-active government policy. Positive approaches like the one of SEDB, which was set up to assist ISOs in terms of registration, tax exemption and entrepreneurial support, are being hampered by insufficient funding.

There are other interventions from quasi-government institutions, government departments and micro-finance institutions that have been formed to offer various services to informal sector operators. Nevertheless, these interventions have not been very effective due to lack of a national policy on the informal economy and the lack of a central authority with the mandate of co-ordinating informal economy activities in the country.

A number of corporate institutions have, in the name of good corporate citizenship, also set up internal frameworks responsible for informal economy intervention. Konkola Copper Mines Plc (KCM) is a good example of a corporate institution with an entrepreneurial support unit which focuses on multi-skilling through business training as a preparation for retirement and retrenchment. Moreover, the company has listed 557 SMEs for contracts on the delivery of supply services such as cleaning, catering and provision of goods. In this way, firms like KCM also contribute towards the economic empowerment of local Zambian entrepreneurs.

A number of industrial and agricultural business development programmes have been launched since several years by local and international NGOs, i.e. with donor support. These are, however, rarely targeted towards former employees of the formal economy. Nevertheless, some of these initiatives are led successfully by retirees and retrenchedes, which shows their capacity to be beneficial to the economy and the society as a whole. Unfortunately, the informal economy in the Copperbelt has not taken off as it is the case in Lusaka or even some rural areas, due to the prevailing orientation towards heavy industry and big business.

In the recent past, ISOs and their associations have intensified calls for a national informal economy policy and the inclusion of informal sector associations (ISAs) in decision-making bodies. ISAs and entrepreneurial support institutions like CISEP are also working more closely together.

It will now be the task of the labour movement to lead and co-ordinate such demands for a stronger lobbying towards a national policy and regulatory framework on the informal economy.

2. The Trade Unions' response to the labour market crisis

The failed privatisation process not only pushed thousands of former miners and other employees into the informal economy, but it also deprived the labour movement of many of its members, as union membership ceases three months after retrenchment or retirement. In order to support its former members and the informal sector operators at large, however, ZCTU changed its constitution to allow representations of ISOs to become associated members to Congress (ZCTU Constitution: p.14). On top of this effort to organise the informal economy, ZCTU and MUZ started an employment promotion programme called CISEP (Concept for Informal Employment Promotion), which aims at uplifting the entrepreneurial and technical skills of retrenched, retirees and other micro-entrepreneurs.

This chapter gives an overview of employment promotion activities, which have already been undertaken by the Trade Unions in Zambia. It then goes ahead with an overview of the methodology used for the further development of the Trade Unions' intervention on the labour market. Finally, the core elements of this strategy for employment promotion will be presented. More detailed information on proposed activities can be found in the respective chapters on *Areas of Intervention* (chapter 3, 4, 5).

2.1. Concept for Informal Sector Employment Promotion (CISEP): a stepping stone for employment promotion

The Zambia Congress of Trade Unions and the Mineworkers Union of Zambia have been actively involved since 1998 in the establishment of CISEP, in conjunction with the Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA) and the GTZ/STEP-IN - project. CISEP is a nationwide approach that works as a blueprint ("franchise") for training providers from different backgrounds, e.g. community centres, vocational training schools, churches or Trade Unions. The contact between the labour movement and GTZ/STEP-IN aimed at employment promotion facilities was made through FES, which has since then also contributed significantly to the implementation of CISEP activities.

CISEP Centres under their so-called "parent organisations" like MUZ and ZCTU provide business information, needs assessment, short-term technical and business management courses. They also put emphasis on a close follow-up of their training activities through individual business counselling and organisational support for informal sector associations. Currently, there are seven centres operating in Lusaka and three in the Copperbelt Province. CISEP activities are supported on national level by the CISEP National Co-ordination Office in Lusaka, and by the CISEP Co-ordination Office for the Copperbelt based in Kitwe.

The impact of neo-liberal policies, principally, policies of privatisation and liberalisation, had brought changes in job tenure in both the public and private sectors. Together with the implementation of the Public Sector Reform Programme (PSRP) for the rationalisation of public sector jobs, these economic measures necessitated

retrenchments and indeed lead to the massive losses of jobs and the need for alternative economic livelihoods. Apart from their members, the Trade Unions are also directly negatively affected by the unemployment problem. The Trade Unions lost thousands of paying members over the last years due to retrenchment exercises, which could weaken their economic, social and political influence.

Considering the fact that most of the retrenched left employment very energetic and able to contribute positively to the economic growth and their own alternative livelihoods, MUZ and ZCTU pro-actively moved to engage themselves in implementing the concept. CISEP was thus adopted in recognition of the increasing economic activities in the informal economy as people who are no longer formally employed and those with no access to formal employment strive to earn a living.

In response to the stated need to orient the former miners and other retrenched and to equip them with business and life skills, ZCTU and MUZ have established formal structures under the Departments of Education and Training in order to design and implement tailor-made training and counselling programmes for the target group.

Mineworkers Union of Zambia, through its second-highest decision-making organ (Supreme Council) has endorsed CISEP for implementation as a pilot project at its Chingola-Nchanga branch. The project, which is currently serviced by a full-time business counsellor, has been running and gaining ground in the last three years.

At ZCTU level, the CISEP centre is operating since 1998 as a co-ordinating office for the Copperbelt (including Chingola-Nchanga and a CISEP Centre run by UCZ in Kitwe-Wusakile), but it also offers the whole range of CISEP activities by the co-ordinator and an extension worker. Moreover, there is a Retrenchee Advisor from DED in place, who collaborates closely with both ZCTU and MUZ. Thousands of potential and performing micro-entrepreneurs were already trained and counselled by the CISEP centres on the Copperbelt, therefore contributing significantly towards the creation of opportunities for self-employment, poverty alleviation and enhancing economic growth.

With regard to funding, MUZ and ZCTU as key players, determined to see the long-term sustainability of the project, are now preparing for the exit of the seed donor funding made possible by GTZ and FES by beginning to absorb running costs of the project, e.g. the payment of salaries of CISEP key staff members. The centres are also expected to raise more funds from their own activities as they are already doing now, e.g. out of increased collaboration with the private sector (retrenchment preparation courses, which are being paid for by the employers).

Last but not least, TEVETA has committed itself to sponsor certain measures like short-term training courses from its development fund, which will contribute significantly to the sustainability of CISEP. In order to obtain organisational sustainability of CISEP on a national level, the Trade Unions are an active member of the Association of CISEP Users (ACU), which was founded in 2003 with the purpose of enhancing the co-operation of the different parent organisations running CISEP centres in Zambia.

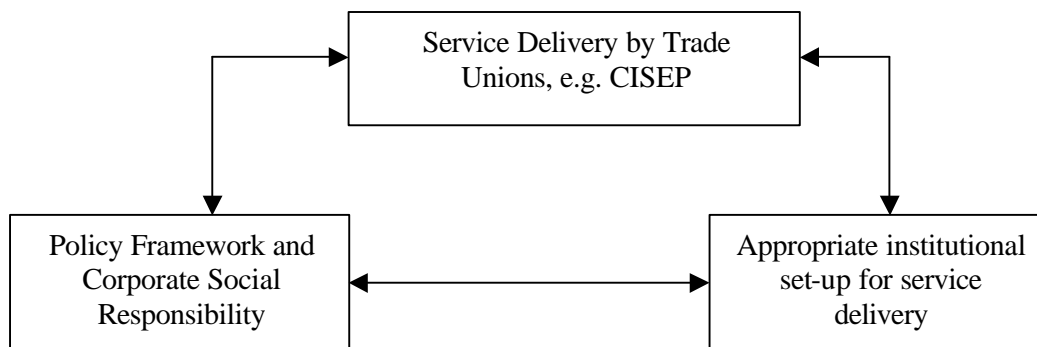
2.2. Towards a comprehensive strategy on employment promotion by Trade Unions

2.2.1. The need for a wider perspective

The CISEP centres run by ZCTU and MUZ have been a first and rather successful initiative by the labour movement towards tackling of the unemployment problem in the country. There is need, however, to put their efforts into broader perspective with regard to the major factors influencing employment promotion measures, i.e.:

- Good Governance principles that the Government should apply to the labour market through an appropriate Labour Market Policy and effective implementation programmes, based on the ILO-conventions and other international agreements (e.g. PRSP) signed by the Government
- Corporate Social Responsibility (CSR) of the private sector towards retrenched and its social environment at large, especially by large companies
- Institutional set-up for successful employment promotion activities within the Trade Unions structures and those of like-minded organisations
- Service Delivery approach by the Trade Unions for their members, of which employment promotion is one important element, but not the only one
- Pledge of the Trade Unions that they are willing and able to organise the informal economy enterprises and its workers in order to raise their productivity, the welfare of the informal sector operators and their socio-political representation through the labour movement.

The following strategy therefore deals with three interdependent components relevant for employment promotion by the labour movement:



2.2.2. Methodological approach

In order to achieve feasible results in connection with the rather complex nature of the labour market in Zambia with all its diverse stakeholders, structural shortcomings and limited resources, the following systematic approach has been developed.

It is based on a detailed SWOT-analysis that was undertaken by the editorial team in conjunction with other stakeholders from ZCTU, MUZ, GTZ and FES. The elements of this strategy for employment promotion by Trade Unions in Zambia follow the logical framework approach:

I. Objectives

Focus: WHY are we doing it?

Vision (or overall objective), can only be achieved, if other stakeholders like Government and Private Sector also fulfil their commitments.

Strategic objective, refers to the goal that should be within the employment promotion capacity by the Trade Unions.

II. Results and activities

Focus: WHAT are we going to do?

Results (or Areas of Intervention), refer to concrete targets that the Trade Unions set up in order to achieve the strategic objective and to contribute to the fulfilment of its vision

Activities, refer to actions that should be undertaken to achieve the stated results (here only major activities are mentioned; for detailed sub-activities, see relevant chapters 3, 4, 5)

III. Approaches

Focus: HOW are we going to achieve the objectives?

The specific approaches are being elaborated for each objective, result and major activities in order to explain their conceptual background and setting of priorities.

Note: the inclusion of the applied approaches is a modification of the logical framework method. It seems to be a viable way, however, for the user to get a deeper understanding of the proposed interventions.

IV. Responsibilities, indicators, costing and timing for particular activities

These are mentioned here as a reminder, but have to be dealt with on implementation level, i.e. not on this strategy level. They are therefore not part of this paper, but the objectives, results and activities outlined below and in chapters three to five can be used as a basis for a concrete plan of action, modified according to the needs of the implementing organisation.

2.2.3. Core elements of a strategy for employment promotion

Vision:

"Retrenchees, retirees and other persons in need of employment have found decent (self-) employment opportunities within the formal or informal economy"

Approach: the trade unions should take into consideration that they alone cannot relief the labour market of its deficiencies. But they can use their strong socio-political influence to urge other stakeholders like Government and private sector to take job creation seriously. The term "decent" refers to the need for (self-) employment opportunities that are well beyond the subsistence level so common in the informal sector today, even if this might only be achieved on the long term.

Strategic objective:

"Trade Unions enable their members, ex-members and potential members to find decent (self-) employment opportunities within the formal or informal economy"

Approach: Informal sector operators have immediate needs to improve their working and living conditions, as well as a medium- and long-term need for improved social and political representation. Therefore, a multi-pronged approach of service delivery (for short-term needs), and lobbying government and the private sector for an enabling economic environment (i.e. for medium- and long-term needs) is being proposed. To achieve this, effective structures for employment promotion within the labour movement have to be put in place, which includes efforts to organise the informal economy. Given the complex nature of the informal economy, both service delivery and socio-political representation have to be planned for highly target-group specific, i.e. with regard to the needs of and the accessibility towards micro-entrepreneurs and their workers.

It is also important to mention that the labour movement should not give up to look for viable alternatives to the trends of a neo-liberal economy, i.e. by fostering worker-friendly approaches like the revival of the co-operative movement (eventually in new grass-root oriented forms), Credit and Savings Associations or social welfare funds. Apart from ideological reasons, the often desperate situation in the informal economy calls for innovative, bottom-up initiatives.

While employment promotion by Trade Unions focuses on self-employment, other avenues like public works programmes or improved services to find alternative formal employment should also be dealt with, although more on a lobbying than on an implementing level.

Result 1. Lobbying for an Enabling Environment for Employment Promotion: policy framework and Corporate Social Responsibility (CSR)

Approach: the Trade Unions will focus together with other Civil Society stakeholders on reminding Government and the private sector about their responsibilities of Good Governance and Corporate Social Responsibility, respectively. They will also actively participate in the drawing of policies and programmes that are meant to create employment and improve the working and living conditions especially in the informal economy.

Activity 1.1. Encourage Government to take a pro-active role towards employment promotion activities in its policies and development programmes.

Approach: Employment promotion cannot be seen as a primary goal of the labour movement. It is Government's responsibility to establish framework conditions for economic growth and job creation, accompanied by direct interventions for vulnerable groups. The Trade Unions can only supplement these efforts in particular areas, and use their engagement to remind Government constantly about its own responsibility, i.e. to apply principles of Good Governance in its Labour Market Policy. This effort will also include the close collaboration with other Civil Society groups in order to maintain pressure on Government to develop an effective policy framework on employment promotion.

Activity 1.2. Build up a sense of Corporate Social Responsibility towards employment promotion by the public and private sector employers.

Approach: Like for Government, the Trade Unions' main task is to take the Private Sector into account for the consequences of their activities. Especially the larger firms of the formal economy (like the mining companies) have responsibilities towards the communities within which they operate. It will be a task for the Trade Unions to push for the inclusion of aspects of employment promotion (especially pre-retrenchment efforts) into Collective Bargaining Agreements and to refer regularly to international conventions and national legislation regulating these aspects.

Result 2. Establishing an effective institutional set-up for employment promotion

Approach: the Trade Unions need to change the attitude and strengthen the structure and performance of their organisations with regard to service delivery and organising the informal economy, especially in terms of clear responsibilities and internal networking. Only then the labour movement can become an important player in employment creation through reaching out to its target groups, starting initiatives and networking with internal and external stakeholders.

Activity 2.1. Organise the Informal Economy by the Labour Movement for mutual benefit

Approach: the Informal Economy is not easy to reach for employment promotion activities due to its complex nature, e.g. its scattered and unregistered enterprises. However, organising these many individual micro-entrepreneurs into groups is not only a precondition to reach them for employment promotion measures, but will also potentially broaden the membership base of the Trade Unions. However, the organising effort cannot cover the whole informal economy at once.

In order to achieve an effective and efficient collaboration, it will be necessary to start training and organising efforts with ISOs, who are near to the Labour Movement (e.g. members and ex-members), or those who can be more easily be approached, e.g. women's groups or clusters of traders and craftsmen in particular locations.

Eventually, ISAs associated with the Trade Unions would hopefully play a similar role as ZCSMBA does for the Small and Medium Enterprises now.

Activity 2.2. Use and initiate networks and platforms for employment promotion activities

Approach: the Trade Unions as a major player in the Civil Society have an important task, when it comes to the co-ordination of efforts related to job creation. Apart from strengthening tripartite structures on national level, development institutions in the provinces and districts or in sectoral development programmes need the involvement of the Trade Unions to ensure a broad level of participation in both planning and implementation. This networking includes continued efforts towards the institutional sustainability of CISEP by participating in the newly established Association of CISEP Users (ACU).

The Trade Unions can play a crucial role with regard to information exchange and co-ordination of employment promotion efforts by different stakeholders targeting a diversity of target groups, e.g. women, youth, farmers etc.

Activity 2.3. Set up appropriate structures for employment promotion in Trade Unions and like-minded organisations

Approach: employment promotion efforts by Trade Unions are a recent development in Zambia. Therefore, structures within the organisations still have to be created or adjusted. Apart from the necessary modifications on the side of each individual institution, commitment (also financially), clear responsibilities and the will to network internally are a precondition for a cross-cutting programmes like employment promotion to succeed, i.e. similar to measures concerning gender or HIV/AIDS.

Result 3. Developing a comprehensive service delivery approach, with employment promotion as a starting point

Approach: CISEP and other possible concepts of service delivery have to be implemented in an increasingly competitive environment. Therefore, demand-driven quality service delivery is of utmost importance to gain new clients and ensure the sustainability of services offered by the trade unions. Equally important is the continuous further development of services, because only innovative approaches will contribute to ease the job market in Zambia. Finally, instruments of employment promotion should use traditions of the labour movement like Workers' Education in order to stress certain aspects of solidarity, participation in decision-making processes or improved general knowledge, in order to avoid a one-sided "business development" approach.

Activity 3.1. Strengthen effectiveness and productivity of the CISEP Centres

Approach: CISEP (Concept for Informal Sector Employment Promotion), established since 1998 by ZCTU and MUZ, is a fully operational service provider for the informal economy, offering demand-driven training and business counselling. These achievements should be made known to other Trade Unions and like-minded organisations, where the concept is to be adjusted and applied for the use by a larger number of member and ex-members as it is currently the case. While quality delivery is already an outstanding feature of the CISEP centres, more emphasis should be put on working with micro-entrepreneurs towards innovative development and marketing of their products.

Activity 3.2. Promote economic participation of retrenched and retirees

Approach: Employees in the formal economy should already be sensitised about the necessity to acquire entrepreneurial skills, while they are still in regular employment. Potential retrenched and retirees need to be trained in time in close collaboration of CISEP, the affected Trade Union branches and the employers. This is especially important for the issue of the prudent use of terminal benefits. After receiving retrenchment and retirement preparation training, the participants have to be closely followed-up to boost their economic performance, using a target group specific approach.

Activity 3.3. Work out a capturing mechanism of ideas and initiatives in the informal economy, eventually formalising the informal economy as an engine for development

Approach: encouraging entrepreneurs to "join hands", e.g. in a business association or co-operatives, which can help them to eventually to upgrade into more productive and innovative enterprises. Using the economies of scale also contributes to national development through a broadened tax-base and employment opportunities.

Activity 3.4. Propose employment promotion initiatives for joint implementation by internal and external stakeholders

Approach: Public-Private-Partnerships should be initiated by the Trade Unions, e.g. with regard to the setting up of Entrepreneurial Centres, public infrastructure development or environment protection. It should be made clear, however, that the role of the Trade Union is mainly one of initiating, monitoring or co-ordinating rather than implementing, although this depends on the resources being available. In these initiatives, platforms and networks for employment promotion (see activity 2.2.) should be used.

3. Lobbying for an enabling environment: policy framework and corporate social responsibility (*Area of Intervention 1*)

Introduction

Government and the private sector as the major actors in employment creation have different, but complimentary roles to play. It is up to the Government to initiate and implement the appropriate labour market laws, policies and action programmes, guided by international agreements and conventions like the ILO-Conventions, the HIPC-Initiative or the OECD Guidelines on multinationals. As in other policy areas, Government should be guided in its labour market efforts by the principles of Good Governance, i.e. putting in place participatory, transparent, effective and efficient norms and institutions.

Currently the Zambian labour laws are being revised with collaboration from the Trade Unions and other stakeholders. Especially the regulations concerning casual, contractual and domestic working relationships need to be seriously overhauled as they disadvantage informal economy workers, giving them little or no protection.

Regarding the proposed labour market policy, which was formulated with labour movement participation, some encouraging trends can be observed. Government intends to upgrade the informal economy gradually into the formal economy by infrastructure provision and easier access to credit by ISOs. Retrenched and retirees are explicitly mentioned as a "vulnerable group" on the labour market. They should receive land, training and counselling. Moreover, in view of insufficient social security, ISOs are requested to form mutual aid societies to improve on their welfare. It is also planned to improve the existing labour market information system, especially the collection, analysis and distribution of relevant data by the Labour Office. Government, however, has not yet elaborated, how it is going to implement such steps towards a pro-active labour market policy.

Apart from direct interventions on the labour market, Trade Unions have urged Government also to promote "labour absorbing growth" and "labour market reforms aimed at balancing the requirement of flexibility and the need for job security." (ZCTU 2002 (c): p.31). This aims at developing Zambia into a social market economy instead of copying a neo-liberal free market concept, which is not compatible with a society that stresses social responsibility rather than individual gain.

Apart from the policy framework, important impacts for the strained labour market should also be expected from certain economic development programmes that are mainly donor-funded with some Government contribution. Here mainly the Poverty Reduction Strategy Paper has to be mentioned, which is currently in its first implementation phase. After an eventual completion by Zambia of the HIPC completion point, financial means of up to 3 Billion US-Dollars will be available for poverty reduction programmes. Employment promotion has been mentioned in PRSP's first phase as an indicator for the success of particular development efforts in different sectors like tourism or small-scale mining, i.e. specifying the number of jobs being created. There is also money foreseen in the current phase for skills training of Micro-, Small and Medium Enterprises (MSMEs) to the tune of 5 Million US-Dollars.

All current and future PRSP-activities need close monitoring by the civil society, including the labour movement. On top of their watchdog function, Trade Unions should also use this chance of getting access to these funds for their own employment promotion efforts like CISEP. In a similar way, Trade Unions are also required to continue and to increase their participation in the National Economic Diversification Taskforce (NEDT), especially as soon as a clear timeframe and funding modalities for the proposed activities will be available.

Government should also be actively involved in the implementation of conventions of the International Labour Organisation. Despite the fact that Zambia has signed the ILO Core Conventions, a lot still has to be done, e.g. when it comes to the elimination of the worst forms of child labour. There are also other international agreements like the OECD Guidelines to Multinational Enterprises. These guidelines oblige a company registered in an OECD country, among others, to inform and prepare employees earmarked for retrenchment well ahead before the pruning exercise. A government in the firm's area of operation (e.g. Zambia) could get in touch with the relevant OECD bodies in order to lobby for eventually necessary adjustment of the company's behaviour towards its workforce or social environment.

The Zambian Government has also put in place its own Codes of Conduct for the private sector, e.g. the Investment Code. All these binding or voluntary regulations are meant to instil a sense of Corporate Social Responsibility (CSR) in private or public enterprises, and its implementation needs to be regularly cross-checked by Trade Unions, while at the same time raising public awareness about CSR. The concept of CSR has mainly focused on multi-nationals and other large-scale enterprises. Minimum working standards based on national legislation, international conventions and sector-specific Codes of Conduct should, however, increasingly apply to the MSMEs in general and to the informal economy in particular (see also Ch. 4 on organising the informal economy).

Mode of Intervention

Result 1. Lobbying for an enabling environment: policy framework and Corporate Social Responsibility

Approach:

- Lobby Government to apply principles of Good Governance to its efforts regulating and supporting the labour market
- Lobby the private and public sector employers to develop a sense of Corporate Social Responsibility (CSR)

Activity 1.1. Encourage Government to take a pro-active role in employment promotion activities in its policies and development programmes

1.1.1. Lobby for increased consultations of labour market issues between

Government, private sector, Trade Unions and civil society

- 1.1.2.** Trade Unions to get actively involved in the planning, implementation and monitoring of development programmes on international, national and local/sectoral level (e.g. NEPAD, PRSP, NEDT, District Development Committees)
- 1.1.3.** Encourage Government to implement actively international conventions on labour-related issues

Activity 1.2. Building up a sense of Corporate Social Responsibility towards employment promotion by the public and private sector employers

- 1.2.1.** Raise public awareness on CSR, especially about the OECD Guidelines to Multinational Enterprises
- 1.2.2.** Remind the public and private sector employers continuously about their Corporate Social Responsibility
- 1.2.3.** Build a sense of business ethics and minimum working standards within the MSMEs, especially among those associated to the Trade Unions
- 1.2.4.** Integrate aspects of CSR, especially retrenchment preparation, into Collective Bargaining Agreements, to make them more binding and sustainable

4. Institutional set-up for employment promotion by Trade Unions (*Area of Intervention 2*)

Introduction

Collaboration of the Trade Unions with its traditional partners, i.e. Government and the formal economy enterprises, will continue in future, when it comes to the challenge of employment promotion. On the other hand, micro-entrepreneurs and workers of the informal economy have to be involved beyond their participation in training courses and counselling, so that employment promotion efforts are going to be effective and sustainable. The labour movement in Zambia has already reacted on a policy level to this necessity by vowing to organise and support the informal economy (ZCTU Quadrennial Congress Report 2002: p.50;58). On the short run, entrepreneurs will be able to improve their working and living conditions. On the long run, the labour movement will also profit from this new and practical approach by reaching out to an hitherto untapped membership (organising the informal economy for mutual benefit).

There is need to clearly define Trade Union structures and responsibilities, which are geared towards employment promotion, and to make them fully operational, including those of like-minded organisations. Moreover, close networking with other institutions involved in this field will also be of great importance in order to pool the scarce resources and to avoid duplicating activities.

Within some Trade Unions, certain departments have already been charged to oversee employment promotion measures, e.g. ZCTU: Department of Education or MUZ: Department of Education and Organisation. MUZ also established a committee to co-ordinate CISEP (Concept for Informal Sector Employment Promotion) and gave responsibility to the Chingola-Nchanga branch secretary to supervise the activities of the CISEP Business Councillor located at the office. Other Trade Unions need to be sensitised and counselled on how best they can adopt CISEP and other service approaches. The creation of a department for service delivery should be taken into consideration, in order to maintain and further develop services for the benefits of their (potential) members.

With regard to workers' education, there is collaboration between ZCTU and WEAZ (Workers Education Association of Zambia), which needs further strengthening in order to allow a holistic workers education approach, i.e. to integrate entrepreneurial training, civic education, leadership formation, general knowledge and life skills. Such an integrated approach is also recommended by the International Labour Organisation: "Implement comprehensive education programmes with the objective of developing real leadership potential among informal sector workers. A holistic education approach, which simultaneously expands normal union issues like collective bargaining to the informal sector and in addition addresses the special needs of informal sector workers, seems to work best." (ILO 1999: p.4). Among former miners in Luanshya, "lack of exposure", i.e. general knowledge, has been stated as one of the major obstacles to start a business (ASA 2003: 10).

Concerning the co-operation between different departments within one Trade Union and between the unions, it is important to see employment promotion as a cross-cutting issue like gender or HIV/AIDS. Apart from information exchange, there is also a potential for joint programmes with specific responsibilities, e.g. to follow-up women after their business training with the goal to associate them to the labour movement: this would need intense co-operation between departments like women or organisation. The research departments also have to be involved actively in order to utilise their experience with regard to proper planning, impact monitoring and evaluation.

With regard to Trade Union efforts to organise the informal economy, ZCTU has opened up its constitution to allow ISAs to become associated members to congress. AZIEA (Alliance of Zambian Informal Economy Associations), which was set up with support from ZCTU, is expected to join congress soon. MUZ is in the process of reviewing its constitution in order to open up to the informal economy. Other Trade Unions might consider to follow so that they can broaden their membership base and serve the interests of those, who are now suffering from a lack of social and political representation. Especially retrenched and retirees should be encouraged to form or join associations right after retrenchment or retirement. This would enable them to keep up links to the labour movement to the mutual benefit of the ex-members and the unions.

The unions have to be aware, however, that they will not be in a position to organise the huge informal economy alone. This effort will need close co-operation with other ISAs outside the labour movement like the Micro-Business Association Network (MIBAN, initiated by the CISEP National Co-ordination Office) or the Association for the Welfare of Former Miners in Zambia (AWFMZ), with an eventual possibility to attract them to the unions as well.

There are already established links between ZCTU/MUZ and other development oriented institutions like OXFAM or ZNCB. These working relationships need to be put on a regular basis, which can take the form of information exchange platforms or, where possible, of joint projects in order to make the best out of each organisation's responsibility like training, counselling, loan provision or lobbying (see Ch. 5). The same approach of networking, creating information exchange platforms and eventual joint implementation of projects applies to the relationships with Government institutions like SEDB, Labour Office or District Development Committees.

Mode of Intervention

Result 2: Establishing an effective institutional set-up for employment promotion within the labour movement

Approach:

- Trade Unions and like-minded organisations to get committed to quality service delivery, making structures and funds available
- Consistent and continuous effort to organise the informal economy as a precondition for effective service delivery and broadened membership base
- Labour movement to actively network for information exchange and co-ordinated responsibilities related to employment promotion

Activity 2.1. Organise the informal economy by the labour movement for mutual benefit

- 2.1.1.** Support formation of ISAs with a goal of associating them to the labour movement, starting with those that have links to the Trade Unions (ex-members) or that have some form of self-organisation (women's groups, traders, craftsmen)
- 2.1.2.** Sensitise the MSMEs about business ethics and minimum working standards, leading to Codes of Conduct guiding associated ISAs
- 2.1.3.** Link target-group specific employment promotion programmes with efforts organising that group into the labour movement (e.g. women, ex-members, sectoral groups like traders or craftsmen)
- 2.1.4.** Lobby government for clear and practical laws regulating ISAs with regard to their different business, welfare or lobbying activities
- 2.1.5.** Design employment promotion activities in a flexible and decentralised way (e.g. on branch level) in order to react effectively to the complex nature of the informal economy
- 2.1.6.** Work towards close co-operation between Trade Union-associated ISAs and other representations of informal sector operators to ensure maximum lobbying capacity for those working in the informal economy
- 2.1.7.** Encourage collaboration of Informal Sector Associations with representatives of the Small- and Medium Enterprises, e.g. ZCSMBA, for information exchange and joint lobbying
- 2.1.8.** Encourage notified retrenchees and retirees to form or to join Informal Sector Associations before or right after leaving formal employment in order to keep vital links to the labour movement (entrepreneurial support, representation)

Activity 2.2. Utilise and initiate networking and information exchange platforms

- 2.2.1.** Participate in existing development-oriented bodies (e.g. District Development Committees), aiming to improve access to resources like project funds, land, market stalls etc. by Informal Sector Operators
- 2.2.2.** Initiate formal and informal information exchange platforms (e.g. by creating "Entrepreneurial Learning Regions" on provincial level in conjunction with other stakeholders like trade schools)
- 2.2.3.** Foster sustainability and further development of CISEP through continued participation in ACU (Association of CISEP Users)
- 2.2.4.** Lobby for appropriate labour market data management by Labour Office and the employers in order to plan systematically for employment promotion measures

Activity 2.3. Set up effective structures for employment promotion within the labour movement and like-minded organisations

- 2.3.1.** Allocate sufficient human and financial resources towards the implementation of the "Strategic paper on employment promotion"
- 2.3.2.** Define clear responsibilities of employment promotion efforts within Trade Union departments and other relevant Trade Union structures (executive, committees, branches)
- 2.3.3.** Make employment promotion and organising the informal economy a cross-cutting issue like gender or HIV/AIDS with joint programmes by different departments
- 2.3.4.** Enable Trade Unions and affiliated ISAs to use the CISEP approach in a way appropriate to their needs and capabilities
- 2.3.5.** Set up a monitoring and evaluation system for employment promotion activities to ensure effective and efficient service delivery

5. Service delivery by Trade Unions (*Area of Intervention 3*)

Introduction

The CISEP-Centres in Kitwe and Chingola offer technical and business management short courses to Trade Union members and the interested public. These are backed up by individual follow-ups of the economic performance of course participants and by the promotion of business associations. So far, thousands of employees and former employees, but also Informal Sector Operators without previous formal job experience have been trained and counselled, thereby enhancing their business and technical skills. An important part of CISEP's business awareness programmes for retrenchees and retirees is the sensitisation about the proper use of terminal benefits. This used to be a big problem in the past, when the affected people spent a lot of that money on non-productive goods (ASA 2004: p.9).

Given the pressure that arises from massive retrenchment exercises following rationalisation and privatisation, however, there is need for CISEP to concentrate even more on retrenchees and potential retrenchees. In view of the weak social security system in Zambia, retirees have also to be taken into consideration for employment promotion activities. From a Trade Unions' point of view, the CISEP centres form a core element of the vital efforts to keep in touch with their former members, in order to deliver services to them and to extend their membership base effectively into the informal economy.

There is a potential of integrating CISEP into a wider approach towards services that could be offered by Trade Unions in order to turn them into demand-oriented organisations that are geared towards the different and changing needs of their affiliated and associated members. This is especially important given the fact that Trade Union membership in Zambia has ceased to be obligatory for each employee. Trade Unions and associated Informal Sector Associations have therefore to offer direct benefits to potential members in order to attract them into the organisation. Apart from entrepreneurial skills training and business counselling, other services might include:

- the formation of Credit and Savings Societies
- the legal support for business associations and bottom-up co-operatives
- the establishing of funeral assistance schemes

The service delivery approach is not a totally new concept to the labour movement in this country, although outside the collective bargaining process. Trade Unions were actively involved in Workers' Education (as it is still the case today), but also in the promotion of the Co-operative Movement (which needs overhauling, but also exploring its potential) or certain welfare services (e.g. funeral assistance). These traditions need to be revived and developed further according to the needs of the working people in the formal and informal economy. As Zambia is striving towards a competitive market economy, these services should also be delivered in a productive and effective way. On the other hand, the active involvement of the Trade Unions in

the labour market will ensure that aspects of solidarity and alternatives to neo-liberal policies are not forgotten in the discussion about Zambia's future socio-economic development.

The labour movement alone is not in a position to create jobs and fight poverty. Collaboration with other stakeholders is essential. This is true not only for information exchange (see Ch. 4), but also for joint initiatives and projects, with the Trade Unions as an important player. Existing and future ideas or initiatives relevant for employment promotion should be bundled, pooling the scarce resources of the relevant institutions like Labour Office, Local Government, SEDB or NGOs (e.g. OXFAM or PRIDE ZAMBIA). It is envisaged that the CISEP Centres will specifically cater for the self-employed, while the Labour Office and private agencies should provide services for those looking for formal employment ("Job Centres").

The private sector should particularly be convinced to participate. CISEP-based preparation for retrenchment and retirement should be made an integral part of any Trade Union negotiations with employers, when it comes to the relevant terminal benefit packages.

Public works programmes should be used on a larger scale for job creation, especially for vulnerable groups like retrenched, women or youths. The rehabilitation of public infrastructure (railways, roads), town parks or polluted mining areas is long overdue. Moreover, creative proposals like the setting up of a Mining Museum as a starting point of tourism in the Copperbelt have been brought forward (Tacken 2002: 21). Funding for these programmes might come from PRSP. Nevertheless, close collaboration between all stakeholders will also be necessary in this case.

Mode of Intervention

Result 3 Developing a comprehensive service delivery approach by Trade Unions

Approach:

- Demand-driven activities according to specific target groups' needs
- Openness for innovations and close networking
- Quality-oriented services and application of business principles in all service delivery activities to ensure their sustainability

Activity 3.1. Strengthen effectiveness and innovation capacity of the CISEP approach

3.1.1. Ensure continuity of technical and business short courses

3.1.2. Increase business counselling and follow-up activities

- 3.1.3.** Intensify promotion of associations
- 3.1.4.** Improve access to information on business ideas and business opportunities (e.g. public tenders) systematically
- 3.1.5.** Strengthen marketing support for informal economy products
- 3.1.6.** Design target-group specific programmes based on aspects like gender, specialisation, qualification, business potential, geographical concentration (clusters of ISOs on markets, farming retrenched etc.)
- 3.1.7.** Collaborate with TEVETA and ACU towards standardisation and further development of technical short courses
- 3.1.8.** Establish a data bank of promoted and potential entrepreneurs for a systematic and pro-active follow-up of CISEP activities and for improved access by the public to specific services by these ISOs
- 3.1.9.** Collaborate closely with relevant Trade Union departments for joint programmes like assisting and organising the informal economy
- 3.1.10.** Intensify profit-oriented activities with the private sector and fundraising with donor-driven programmes to decrease the level of financial input by the parent organisations
- 3.1.11.** Integrate CISEP activities into a holistic Workers' Education approach that enhances entrepreneurial skills, civic education, leadership training and general knowledge (exposure)

Activity 3.2. Promote economic participation of retrenched and retirees

- 3.2.1.** Sensitise formal economy employees about entrepreneurial skills acquisition while they are still in regular employment
- 3.2.2.** Design support programmes for notified retrenched and retirees according to their qualifications and economic potential
- 3.2.3.** Prepare notified retrenched and retirees for self-employment at an early stage in collaboration with the private and public sector employers
- 3.2.4.** Ensure close follow-up of trained retrenched and retirees after leaving formal employment
- 3.2.5.** Cooperate with retrenched and retirees' self-help organisations in order to raise their capabilities and use of economies of scale
- 3.2.6.** Initiate a specific Credit and Savings Fund for retrenched and retirees, based on their terminal benefits

- 3.2.7. Liaise with relevant authorities to make land for settlement legally available for retrenchees and retirees
 - 3.2.8. Include preparation for retrenchment and retirement into the negotiations with employers about retrenchment/retirement packages
- Activity 3.3.** Work out a capturing mechanism by the Trade Unions for ideas and initiatives in the informal economy, eventually formalising the informal economy as an engine for development
- 3.3.1. Use CISEP for the development and distribution of measures leading to innovation and increased productivity in the informal economy
 - 3.3.2. Promote Credit and Savings Schemes among Trade Unions and associated ISAs to raise capital necessary for business investments
 - 3.3.3. Support initiatives by ISOs to "join hands" in order to increase productivity and profits, e.g. through business associations or bottom-up co-operatives
 - 3.3.4. Promote welfare efforts of ISAs, e.g. funeral schemes, in order to reduce the risks related to the productive activities of their members
- Activity 3.4.** Propose employment promotion initiatives for joint implementation of internal and external stakeholders
- 3.4.1. Encourage the co-operation between Trade Unions, associated ISAs and like-minded organisations (like WEAZ) to run joint projects, e.g. new CISEP-centres
 - 3.4.2. Examine possibilities of reviving the co-operatives movement according to the needs of the informal economy in conjunction with the Ministry of Agriculture and Cooperatives and other stakeholders
 - 3.4.3. Approach provincial ministries, urban authorities and large companies to start "Projects of Hope" for former miners and other retrenchees, e.g. by rehabilitating public infrastructure, town parks, polluted mining areas or by setting up a Mining Museum as a focus point for tourism on the Copperbelt
 - 3.4.4. Encourage the Labour Office and private agencies to improve services for job-seekers (Vacancies information system) and for companies looking for personnel (CV information system) ("Job Centres")
 - 3.4.7. Work out proposals with local government and informal sector associations on the best use of public facilities like markets, open space, buildings etc. for temporary or permanent utilisation by ISOs.

6. Conclusion: the way forward

The labour movement in Zambia has recognised the need to intervene actively in the labour market in order to fight unemployment and poverty, especially in the informal economy. Concrete steps have been undertaken in the form of CISEP Centres, and further possible fields of actions are outlined in this strategy paper. The task, however, is too big to be shouldered by the Trade Unions alone. Government, private sector and civil society have their specific roles to play, with Trade Unions as an initiating, co-ordinating, implementing and monitoring partner.

Still, because of limited resources, the activities proposed in this paper might not be carried out all at once with the same intensity. There is a need to tackle issues on the long-, medium- and short run. Some efforts like to ensure the continuity of the existing CISEP Centres managed by Trade Unions need *immediate attention*.

Other *short-term activities* include the designing of programmes for joint implementation by both internal and external stakeholders in order to pool the available scarce resources. On the *medium-term*, the CISEP approach should be made known to other Trade Unions, and efforts to organise the informal economy have to be intensified.

Long-term goals are the successful lobbying of Government for Good Governance on the labour market and increased Corporate Social Responsibility by the private sector. Last but not least, the unions should try to develop other services for their members to consolidate and expand the positive results yielded by CISEP since 1998. To some extent, all these activities have to be undertaken parallel from now onwards, but with different time horizons for their completion.

The unions have adopted this strategy paper out of their responsibility to make progress in three areas, which are fundamental for the majority of Zambians:

- a) to constantly remind Government and the private sector that economic development should lead to the creation of decent employment
- b) to respond actively to the pressing need of the workers and the self-employed in the informal economy for better working and living conditions
- c) to promote alternatives to neo-liberal policies that are oriented towards the needs of the population

The strategy paper is a working document, i.e. it is part of an ongoing process for improved service delivery by the Trade Unions in Zambia. Comments or suggestions related to the recommendations or experiences with its implementation are therefore highly welcome and should be addressed to:

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ABBREVIATIONS

ACU	Association of CISEP Users
AWFMZ	Association for the Welfare of Former Miners in Zambia
AZIEA	Alliance of Zambian Informal Economy Associations
CISEP	Concept for Informal Sector Employment Promotion
CSR	Corporate Social Responsibility
DED	German Development Service
FES	Friedrich-Ebert-Foundation
GTZ	German Technical Co-operation
HIPC	Highly Indebted Poor Countries
ILO	International Labour Organisation
ISA	Informal Sector Association
ISO	Informal Sector Operator
MIBAN	Micro-Business Association Network
MSME	Micro-, Small and Medium Enterprises
MUZ	Mineworkers Union of Zambia
NEDT	National Economic Diversification Taskforce
OECD	Organisation for Economic Co-operation and Development
PRSP	Poverty Reduction Strategy Paper
PSRP	Private Sector Reform Programme
SEDB	Small Enterprises Development Board
SME	Small and Medium Enterprises
SWOT	Strength, Weaknesses, Opportunities and Threats (Analysis)
TEVETA	Technical Education, Vocational and Entrepreneurship Training Authority
UCZ	United Church of Zambia
WEAZ	Workers Education Association of Zambia
ZCSMBA	Zambian Chamber of Small and Medium Business Associations
ZCTU	Zambia Congress of Trade Unions
ZK	Zambian Kwacha (February 2004: 1 US-Dollar = 4800 ZK)
ZCSB	Zambia Credit and Savings Bank

Overview of objectives, results and major activities

Employment Promotion by Trade Unions in Zambia: a strategic approach

Vision:

"Retrenchees, retirees and other persons in need of employment have found decent (self-) employment opportunities within the formal or informal economy"

Strategic objective:

"Trade Unions enable their members, ex-members and potential members to find decent (self-) employment opportunities within the formal or informal economy"

Result 1 Lobbying for an enabling environment for employment promotion: policy framework and Corporate Social Responsibility (CSR)

- **Activity 1.1.** Encourage Government to take a pro-active role towards employment promotion activities in its policies and development programmes
- **Activity 1.2.** Build up a sense of Corporate Social Responsibility towards employment promotion by the public and private sector employers

Result 2 Establishing an effective institutional set-up for employment promotion

- **Activity 2.1.** Organise the Informal Economy by the Labour Movement for mutual benefit
- **Activity 2.2.** Use and initiate networks and platforms for employment promotion activities
- **Activity 2.3.** Set up appropriate structures for employment promotion in Trade Unions and like-minded organisations

Result 3 Developing a comprehensive service delivery approach, with employment promotion as a starting point

- **Activity 3.1.** Strengthen effectiveness and innovation capacity of CISEP Centres
- **Activity 3.2.** Promote economic participation of retrenchees and retirees
- **Activity 3.3.** Work out a capturing mechanism of ideas and initiatives in the informal economy, eventually formalising the informal economy as an engine for development
- **Activity 3.4.** Propose employment promotion initiatives for joint implementation by internal and external stakeholders