

DECENT WORK



INTRODUCTION

In the region which Swedfund focuses on, Sub-Saharan Africa, most people still live in rural areas and farm the land, even though the trend is moving rapidly towards urbanisation.

Over the next few decades, the population of Africa is expected to double. All these young people eventually need to find work, and, at present, nine out of ten of them find it in the informal sector. This is particularly the case with women. It leaves them with an uncertain income and without social security.

The strong growth we are currently seeing in Africa is often taking place without new jobs. This is due to the fact that the economies are based on raw materials which are not processed within the country. So other types of jobs must be created.

This is something we want to alter. We will ensure that people come onto the labour market. But not into just any work, but to decent work through sustainable investment, and in sustainable production. In sustainable, innovative companies which produce goods and services that can be purchased locally by consumers, or processed and exported to generate export income and the inflow of foreign currency, and to strengthen the country's competitiveness. That is why we invest in selected companies with selected partners in the

world's poorest countries. There we contribute to sustainable industrialisation and sustainable production of goods and services, and companies providing decent work.

Lake Turkana Wind Power Project in Kenya.



DATA

"Youth unemployment is a time bomb."

PATRICE TALON
President, Benin



4 OUT OF 5 WORKERS IN DEVELOPING COUNTRIES ARE IN VULNERABLE FORMS OF EMPLOYMENT²

IN SUB-SAHARAN AFRICA, THE LACK OF PRODUCTIVE OPPORTUNITIES FOR BOTH YOUNG PEOPLE AND ADULTS MEANS THAT

247 MILLION PEOPLE

WERE IN

VULNERABLE EMPLOYMENT

IN 2016

VULNERABLE EMPLOYMENT IS CONSISTENTLY HIGHER FOR WOMEN IN AFRICA, THE ASIA-PACIFIC REGION AND THE ARAB COUNTRIES³

WHAT SWEDFUND DOES

THROUGH INVESTMENT:

▼ Through investment in the private sector, directly or through financing banks and funds who finance SMEs – where the majority of all jobs in our markets are generated – we help create more jobs.

▼ During our Due Diligence, we look at whether the company complies with the ILO's core conventions and the ILO's basic terms and conditions of employment. If deficiencies are identified, these are addressed through an ESGAP (Environmental Social Governance Action Plan), with a set date for rectifying the situation. ESGAP forms a part of the legal agreement with the portfolio companies.

▼ By developing financially sustainable businesses, we create the conditions for continued and additional employment in companies that survive and progress.

WE MEASURE RESULTS:

▼ We measure the number of jobs in our portfolio companies, and one of our objectives is that they must increase over time.

▼ We measure and set requirements for the portfolio companies' compliance with the ILO's Core conventions and the ILO's fundamental working conditions.

THE SUSTAINABLE DEVELOPMENT GOALS IN FOCUS THROUGH OUR WORK:

▼ SDG 8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, partly through focusing on high-value added and labour-intensive sectors.

▼ SDG 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

▼ SDG 8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers. End child labour in all its forms by 2025.

▼ SDG 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

GOVERNING POLICY & RESPONSIBILITY:

▼ Sustainability policy

▼ The Directors of Investment Operations

¹ Source: <https://www.bloomberg.com/news/articles/2015-09-10/benin-president-says-creating-jobs-will-end-islamist-militancy>

² Source: IFC Jobs Study, 2015. ³ Source: ILO, World Employment and Social Outlook: Trends 2017. PHOTO Nordfund