Employment is the main source of income for the working poor and their main route out of poverty. Jobs and income generating activities need to be productive, to generate increased income above the poverty level, and of quality to protect the rights, dignity and safe working conditions of the employed. To create more productive and decent employment for the working poor, including people in the informal economy and other vulnerable groups, is a fundamental requirement for inclusive economic development and poverty reduction and therefore a priority for Swedish development cooperation. Sida’s financial support to programmes where employment was the principal objective or a significant objective amounted to SEK 7.1 billion in 2022, constituting 30 percent of Sida’s total disbursements.

Hence, an important task for development cooperation to combat poverty is to support the mass creation of productive and decent jobs to the working poor. There is an urgent need for structural and economic transformation towards increased productivity and value addition.

Participatory dialogue with all stakeholders in society as well as investment in new skills and qualifications will be crucial to ensure a just transition where “no one is left behind” for more productive, greener and equal societies.

THE GLOBAL GOALS
The Global Goals for Sustainable Development include everyone – and we can all contribute. The goals are interdependent and therefore indivisible. Sida’s main contribution is to implement development cooperation, thereby reducing poverty and saving lives. Together we can build a better future where no one is left behind.

Results

**Systems Approach for Inclusive Market Development**
Sida encourages its partners to take a holistic and systems-oriented approach to address underlying causes to poor performance in the market systems and to transform markets to be inclusive and to reach many people living in poverty. Therefore, the Market Systems Development Approach is one of Sida’s prioritised approaches in employment and market development. Currently, Sida supports market systems programmes, in among others, Ethiopia, Liberia, Guatemala and Zambia in order to improve employment, incomes and markets among the rural and urban poor.

**SIDA’S SUPPORT**
Productive and decent employment provide the link between economic growth and poverty reduction and thus an important means for development.

Employment is thus an important objective in many of Sida’s contributions. Sida’s support to programmes where employment was the principal objective amounted to SEK 1.8 billion whereas employment as partial objective amounted to SEK 5.3 billion in 2022. In total, this constitute 30 percent of Sida’s total disbursements. Employment related goals such as job creation,labour rights or social dialogue were represented in 19 strategy goals in 45 of Sida’s bilateral, regional and global strategies.

Sida’s support to productive and decent employment focuses on the specific sectors, labour markets and geographical areas of relevance for many working poor, in particular women and youth in Sida’s partner countries. This includes the formally and the informally employed, such as smallholder farmers and micro entrepreneurs as well as migrant workers and displaced persons.

Sida addresses constraints both on the demand side (job creation), for example by stimulating markets, improving the business environment and value chain development, as well as the supply side (employability), such as access to labour markets, skills development, women economic empowerment and social protection.

Geographically, Africa constituted the largest recipient, followed by Asia and global level support. As Sida increasingly targets conflict and crisis-affected countries, including refugees and internally displaced persons, the humanitarian-development-peace nexus approach is highly relevant for Sida’s employment portfolio. Employment and income generation strategies can help the transition from crisis to recovery. In displacement situations, decent work opportunities are key to provide refugees and internally displaced persons as well as host communities, means for social cohesion, livelihood and self-sufficiency.

Multilateral organisations, such as the ILO and the World Bank, are the largest recipient of Sida funds followed by non-governmental organisations (NGO’s). Public sector and public-private partnerships are also important implementing partners for Sida but constitute a smaller share.

**Example of Sida contributions**
- Decent Work in the Supply Chains of the Garment Sector in Asia
- Livelihoods Improvement for Women and Youth programme in Ethiopia
- Increasing Income and Employment Opportunities in Agro-industry Value Chains in Liberia
- Indigenous Women and Youth’s Economic Empowerment in Guatemala
- WIEGO – Women in Informal Employment: Globalizing and Organizing

**FIGURE 1: GEOGRAPHICAL DISTRIBUTION FOR EMPLOYMENT AS PRINCIPAL OBJECTIVE 2022 (%)**

**FIGURE 2: TYPE OF IMPLEMENTING ORGANISATIONS FOR EMPLOYMENT AS PRINCIPAL OBJECTIVE 2022 (%)**