Operational Priority: Jobs for Youth in Africa

Implementation & Milestones

Leveraging Partnerships for Impact
OUTLINE

Context

JfYA Strategy and milestones

JfYA Implementation Status

Partnerships
CONTEXT: NO RECOVERY YET FOR THE YOUTH EMPLOYMENT CRISIS

31% of African youth are unemployed or discouraged

Employment status in Africa, by age
% of age group, 2015

- Youth (age 15-35)
  - Unemployed or Discouraged: 31%
  - Economically Inactive: 19%
  - Vulnerable Employment: 35%
  - Wage Employment: 15%

- Adult (36-64)
  - Unemployed or Discouraged: 11%
  - Economically Inactive: 32%
  - Vulnerable Employment: 41%
  - Wage Employment: 17%

Of those who have jobs, >80% work in the informal sector

Distribution of employment in Sub-Saharan Africa
% of total labor force, 2010

- Employers
  - Wage Employment: 16%
  - Non-Wage Industry & Services: 22%
  - Agriculture: 62%

Exceptional gender gaps:
- More than half of the unemployed youth in Africa are women and gender gaps in employment opportunities are exceptionally high
- Eg. North Africa male youth unemployment is >3 times male adults; female youth rate >6 times that of adult men- a prevailing situation for most countries on the continent

60% of youth live in rural areas with limited opportunities;

Unemployment worsened for North Africa 26.1% (2010); 30.5% (2015);
Slight decline but not a breakthrough for sub Saharan 12.2(2010); 11.6% (2015) but with disparities

An acute twin jobs challenge...not just unemployment
Growth in youth populations in Asia and Latin America since 1950 led to subsequent decades of economic growth due to increased productivity, savings, and investment.

Africa is currently experiencing this demographic shift.

Share of youth population (ages 15-35) by region
% of total population, 1950-2100

Data beyond 2015 are projected

Working-age population of 793 million people in 2030—a 70 percent rise from the current 466 million.

Without systemic change, 50% of African youth will be unemployed, inactive, or discouraged in 2025. Fragility- This can lead to increased unrest, as 40% of those joining rebel movements being motivated by lack of jobs, and outward migration, which poses a significant cost to Africa and Europe.
A VARIETY OF CHALLENGES PREVENT YOUTH FROM ACCESSING JOB OPPORTUNITIES

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<tr>
<th>Challenge</th>
<th>Description</th>
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<td><strong>DEMAND</strong></td>
<td>There are not enough jobs for Africa’s working-age population</td>
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<td>• In Africa, the gap between wage jobs and labor market participants widens by ~8 million each year(^1)</td>
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<td>• Policy challenges such as lack of access to credit and inflexible labor markets impede job creation and hiring of young workers</td>
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<td><strong>LINKAGES</strong></td>
<td>It is difficult to connect skilled youth to employers</td>
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<td>• Employers cite costs and challenges of identifying talent as a key bottleneck to growth</td>
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<td>• There is a mismatch between skills supplied and abilities demanded by employers</td>
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<td>• Youth have low awareness of opportunities and few networks to access them</td>
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<td><strong>SUPPLY</strong></td>
<td>Many youth do not have skills demanded by employers</td>
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<td>• Two-thirds of African youth do not have any secondary education, and those who do are often unprepared for the workforce due to a lack of practical training; 61.4% youth in Sub Saharan Africa lack the level of education expected to make them productive on the job</td>
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<td>• Education policies do not incentivize demand-driven curricula or support internship and apprenticeship opportunities</td>
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fundamental measures are necessary for breakthrough
The AfDB **incorporates a youth employment focus** in its projects, investments, and work with Regional Member Countries.

The AfDB **works with external private and public partners** to incubate, implement, assess, and scale promising ideas for creating youth employment.

The AfDB **catalyzes private sector capital** to stimulate the youth employment and entrepreneurship ecosystem.

**Special emphasis; gender & fragility** refer to JfYA strategy logframe for more information.
STRENGTHENING ENTREPRENEURSHIP ECOSYSTEM IN AFRICA - JFYA INNOVATION LAB

**Strengthen Capacity**
- Cultivate entrepreneurial skills development in youth.
- Provide access to entrepreneurship training, workshops, and conferences

**Knowledge Sharing**
- Facilitate access to: peer to peer learning, mentorships, best practice sharing workshops and conferences
- Research work

**Innovation & Incubation**
- Incubate innovative businesses and accelerate their growth
- Host Private Sector Challenge
- Provide Innovation grants

**Linkage Creation**
Create connection across stakeholders. These includes: first time fund managers, accelerators, incubators and innovative SME’s

**Leverage Partnerships**
Build partnerships with global and local organizations, youth groups, Angel networks, etc. to support entrepreneurship ecosystem
FLAGSHIP PROGRAMMES - BUILDING ON WHAT WORKS

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<th>Flagship programs</th>
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<td><strong>Agriculture</strong></td>
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<tr>
<td>Rural Microenterprise</td>
<td>provide youth with capital, skills training and mentorship to launch agriculture-based micro enterprises</td>
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<td>ENABLE Youth</td>
<td>help young African men and women incubate new larger scale agri-businesses and support them in accessing financing for growth of these businesses.</td>
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<td>Agro-industrialization Pipeline</td>
<td>develop a pipeline of skilled labor for agro-industrial companies.</td>
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<td><strong>Industrialization</strong></td>
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<td>Skills Enhancement Zones</td>
<td>develop a skilled workforce aligned to employer needs by creating demand-led training and job placement programs within industrial clusters.</td>
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<td><strong>ICT</strong></td>
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<td>Computational Thinking</td>
<td>introduce digital literacy, logical thinking, and complex problem-solving curricula in secondary schools</td>
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<td>Coding Institutes</td>
<td>develop premier coding academies and match graduates directly with ICT employers.</td>
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2016 INDICATIVE ACHIEVEMENTS

Flagship Programmes- started for 4 out of 6
- Rural micro enterprise: UA 7.2 million (Malawi; 2016); UA 30 million (Burkina Faso; 2017)
- ENABLE Youth: UA 467.4 million (8 countries; 2016); 7 countries (2017)
- Coding for Employment (ICT): Four countries in 2017- Ethiopia, Rwanda, Cape Verde and Senegal
- Skills Enhancement Zone: East Africa Region; Cote D’Ivoire (UA 30 million) - 2017

BOOST Africa programme (200 M Euros capitalization) to support equity investments in start-ups: approved in 2016

Youth Apprenticeship Programme (YAP) integration in all bank financed projects. Started in 10 countries

Enable Youth Employment (EYE) Index concept developed and first index report will to be launched in 2017.

Knowledge and innovation Lab concept developed and will to be launched in 2017.

- Methodology on jobs measurement developed and piloted in East Africa to be scaled to all regions.
- Institutionalization of job creation lenses in Bank monitoring and review systems
2016 INDICATIVE ACHIEVEMENTS

- 14,810 SMEs created
- 86,560 Youth reached with skills
- 632,509 Jobs created

2016 - Jan.-Dec

1990-2010
200,000 jobs

51 projects

71 projects

1990-2010

51 projects

86,560 Youth reached with skills
JfYA- EARLY PARTNERS

**Advanced partnerships**

- AfDB, EIB; EC - Boost Africa Fund: approved by banks and launched
- Rockefeller - ICT flagship programmes
- AIESEC: Entrepreneurship and soft skills training
- Denmark - enabling youth led start ups better access to loans
- ILO; ITC/ILO: Staff and RMC capacity building

**Other Partnerships being development**

- MasterCard
- JICA
- ACP
- AFD
- UNFPA
- Microsoft
- Google
- Intel
- Facebook
- Andela
- Techwomen
- SIEMENS
- Norway
- Entreprendre à zero franc
- Africa 2.0
- EC
- Norway
CONSIDERATION FOR PARTNERSHIP FOR JfYA: FOUR MAIN AREAS

✓ Education transformation and skill development programmes

✓ Entrepreneurship ecosystem building (knowledge and information Lab)

✓ Expanding financial inclusion for Youth led start ups and MSMEs

✓ Flagships; ICT; Agriculture; industrialization

✓ Enabling Policy and Regulatory Framework
LEVERAGING PARTNERSHIPS – A KEY IMPLEMENTATION FACTOR FOR SUCCESS

Implementation partners

Programmatic Design and Implementation with Governments: Partners can support implementation of programs in various countries and help refine design of future programs.

Knowledge partners

Knowledge Generation and Dissemination: The Innovation and Information Lab will work with partners to collect, analyze, and disseminate data – building a strong evidence base on best practices to address youth unemployment.

Co-funders

Financing: The Bank will pool resources with other public, private, and philanthropic institutions to support projects that drive youth employment and information collection and dissemination.
Thank You

feedback?