

2017 PARTNERSHIPS CONFERENCE CONFERENCE DES PARTENARIATS 2017

Operational Priority: Jobs for Youth in Africa

Implementation & Milestones

Leveraging Partnerships for Impact



April 6-7 avril 2017

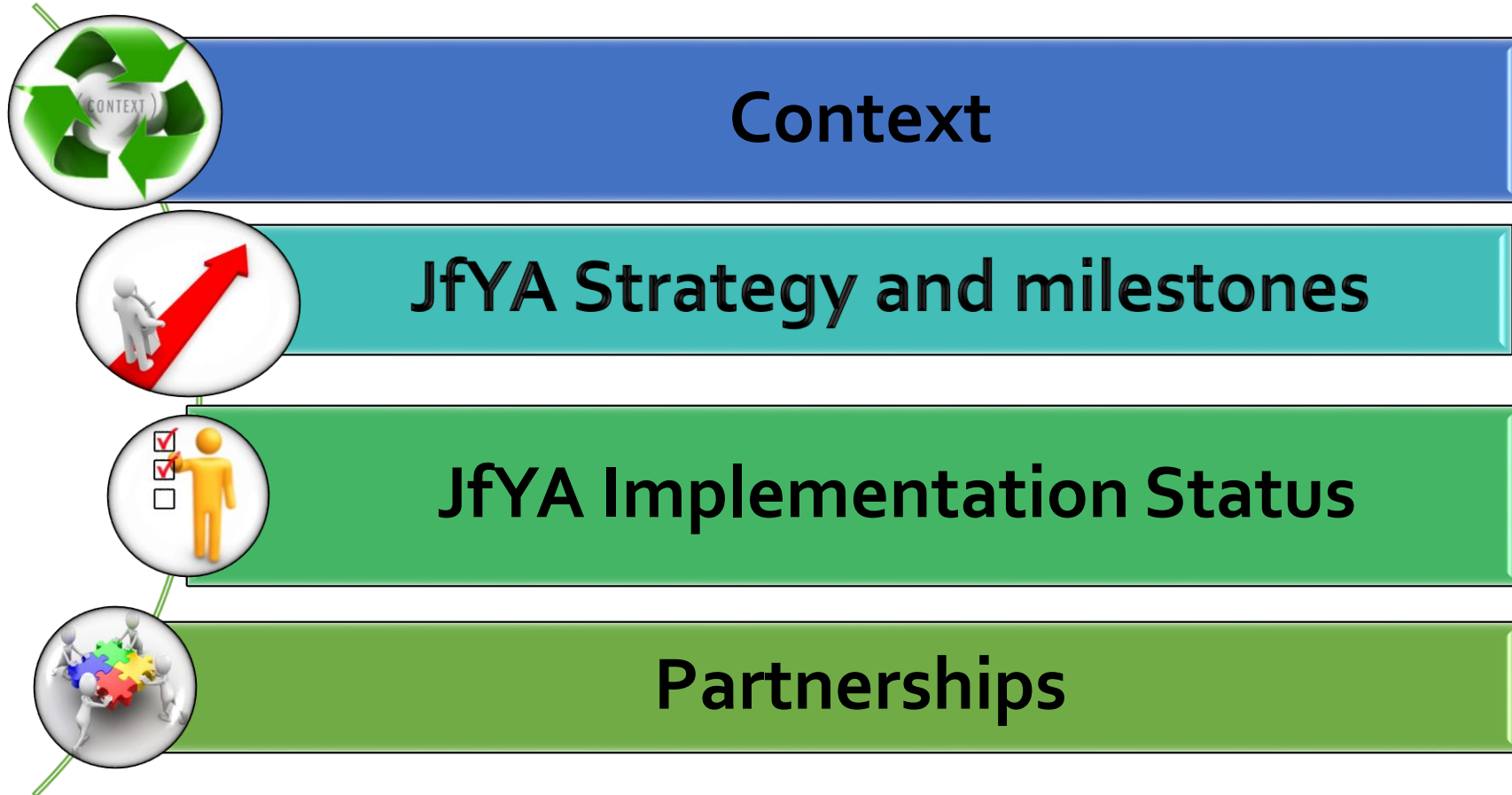
Abidjan, Côte d'Ivoire

CCIA Building / Immeuble CCIA



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DÉVELOPPEMENT

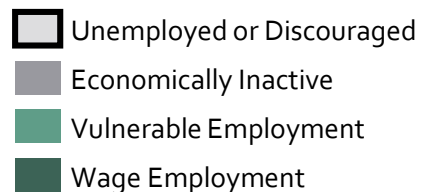
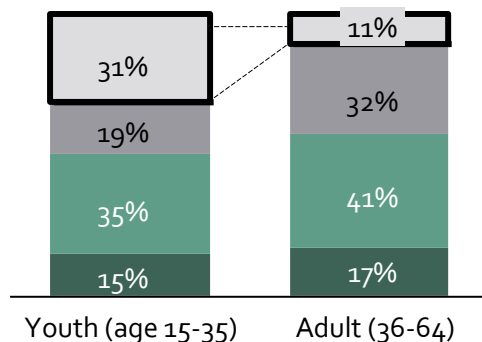
OUTLINE



CONTEXT: NO RECOVERY YET FOR THE YOUTH EMPLOYMENT CRISIS

31% of African youth are unemployed or discouraged

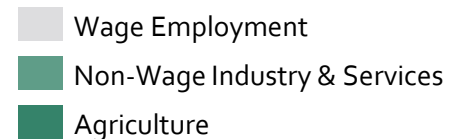
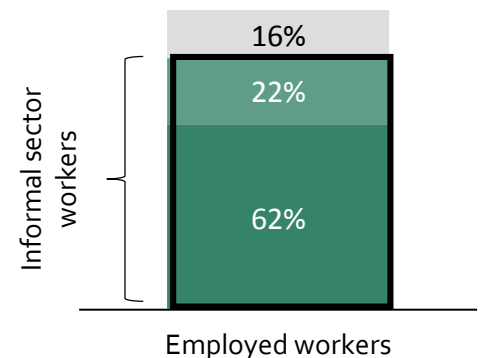
Employment status in Africa, by age
% of age group, 2015



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

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

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



Exceptional gender gaps:

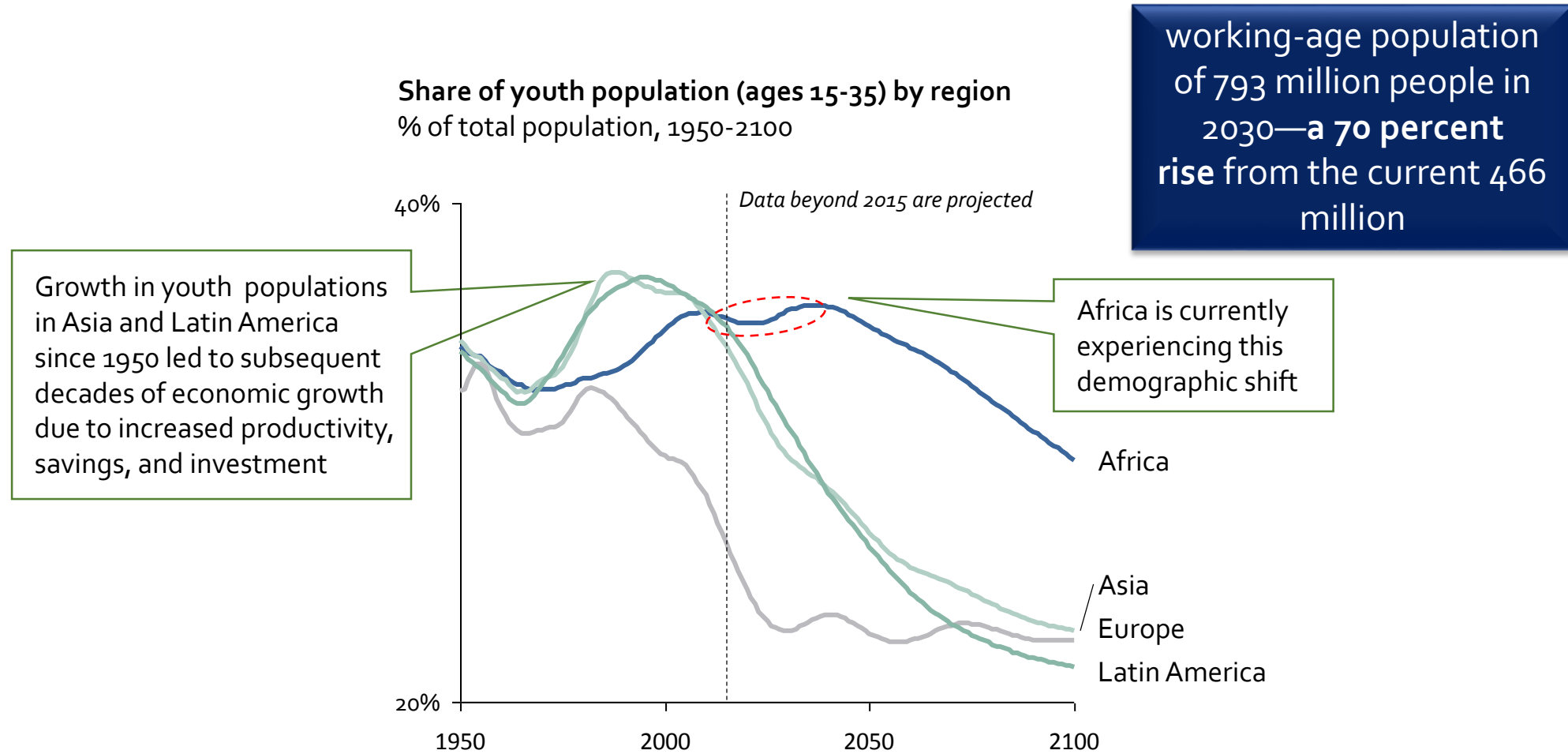
✓ More than half of the unemployed youth in Africa are women and gender gaps in employment opportunities are exceptionally high

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

- ✓ 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

HIGH STAKES FOR THE PENDING DEMOGRAPHIC DIVIDEND



✓ 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

Challenge

Description

DEMAND

There are not enough jobs for Africa's working-age population

- In Africa, the **gap between wage jobs and labor market participants widens by ~8 million each year¹**
- **Policy challenges** such as lack of access to credit and inflexible labor markets impede job creation and hiring of young workers

LINKAGES

It is difficult to connect skilled youth to employers

- Employers cite **costs and challenges of identifying talent** as a key bottleneck to growth
- There is a **mismatch between skills supplied and abilities demanded** by employers
- Youth have **low awareness of opportunities** and few networks to access them

SUPPLY

Many youth do not have skills demanded by employers

- **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**
- **Education policies do not incentivize demand-driven curricula** or support internship and apprenticeship opportunities

fundamental measures are necessary for breakthrough

REINFORCING OUR RESPONSE- JfYA STRATEGY AND MILESTONES

An ecosystem approach

Inclusive employment and entrepreneurship, Human capital development

Better labor market linkages

INTEGRATION



*The AfDB incorporates a **youth employment focus** in its projects, investments, and work with Regional Member Countries*

INNOVATION



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

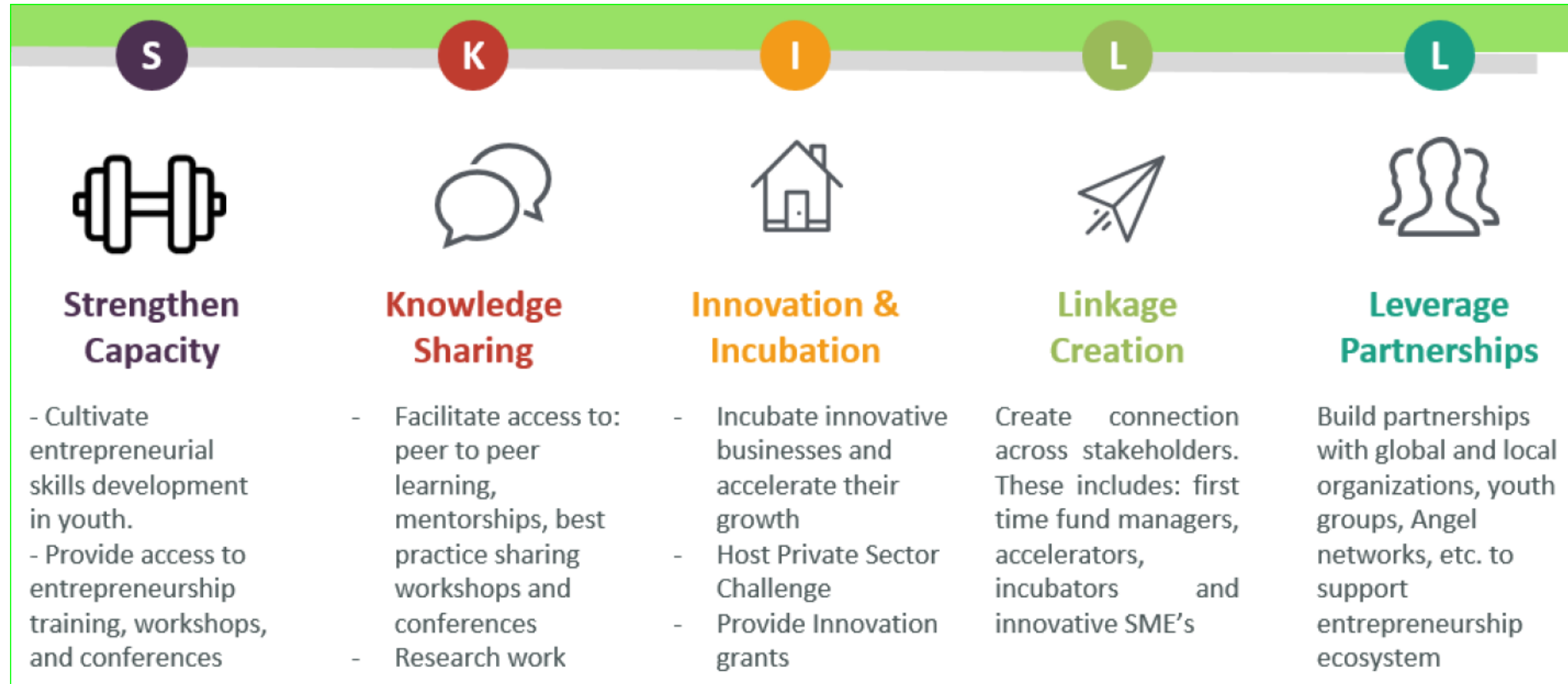
INVESTMENT



*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



FLAGSHIP PROGRAMMES- BUILDING ON WHAT WORKS

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

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 (8countries; 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

71 projects

**2016-
Jan.-Dec**

**✓ 14810 SMEs
created**

**✓ 86560 Youth
reached with
skills**

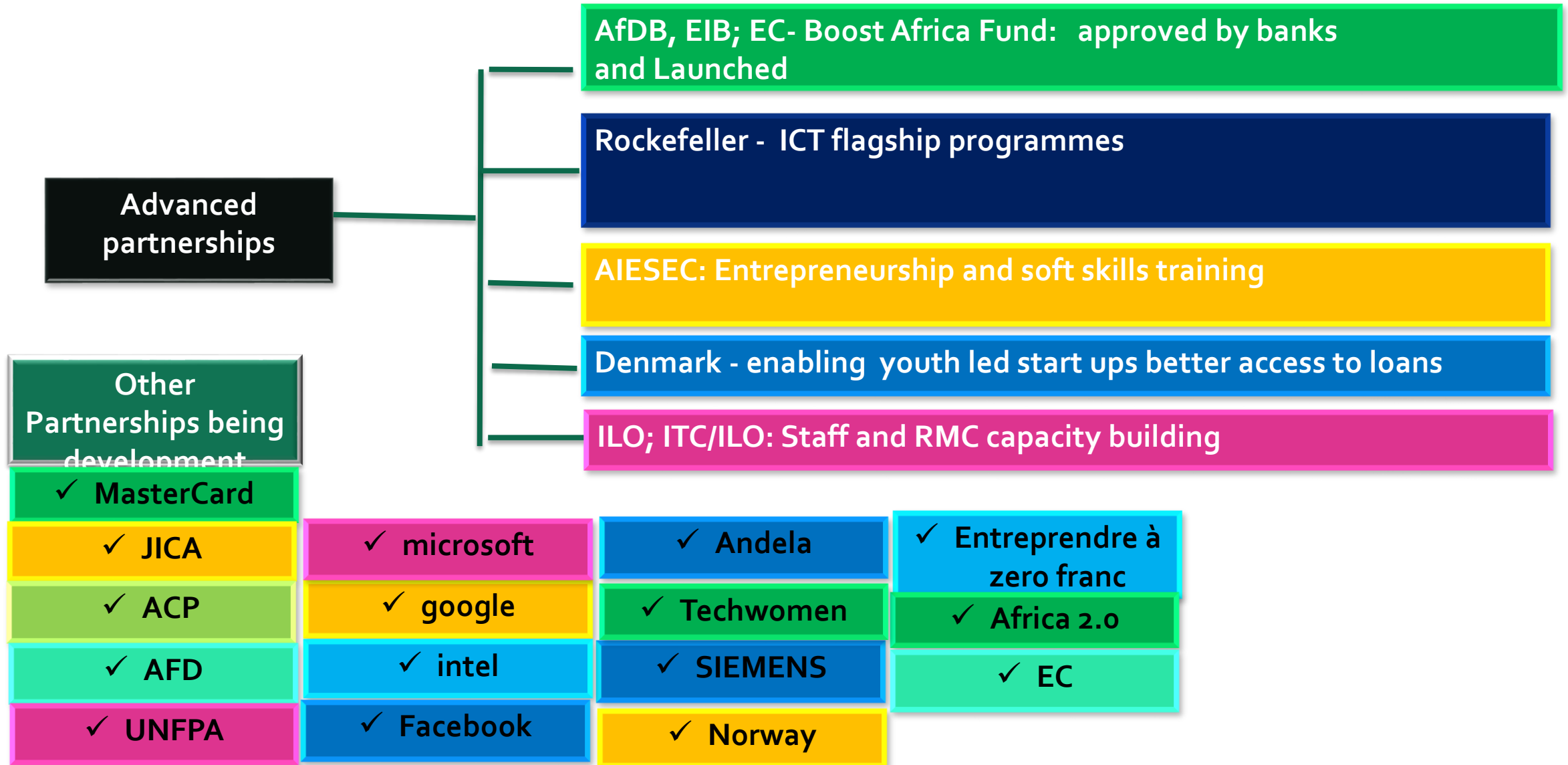
**✓ Jobs created
632,509**

**1990-2010
200,000 jobs**

51 projects



JfYA- EARLY PARTNERS



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?