

Youth Employment in Sub-Saharan Africa

The World Bank

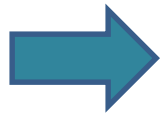
March 2014

[www.worldbank.org/
africa/youthemploymentreport](http://www.worldbank.org/africa/youthemploymentreport)

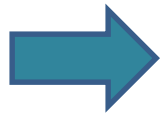


*Presented at PIM Seminar on Youth
Employment in Sub-Saharan Africa on
February 27, 2014, at IFPRI, Washington, DC*

Main Findings



Disenchanted urban youth who want to work in the wage sector are just the tip of the iceberg



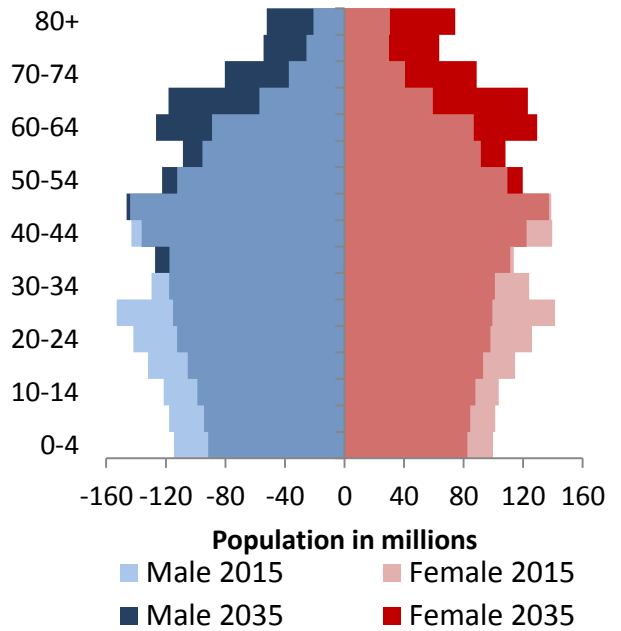
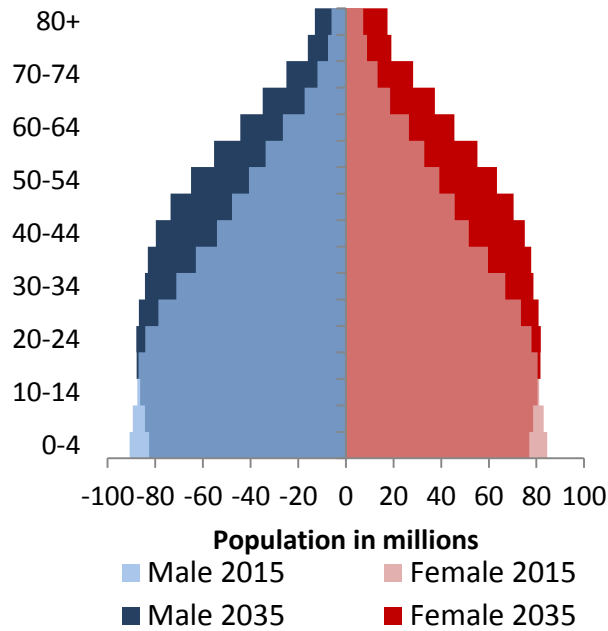
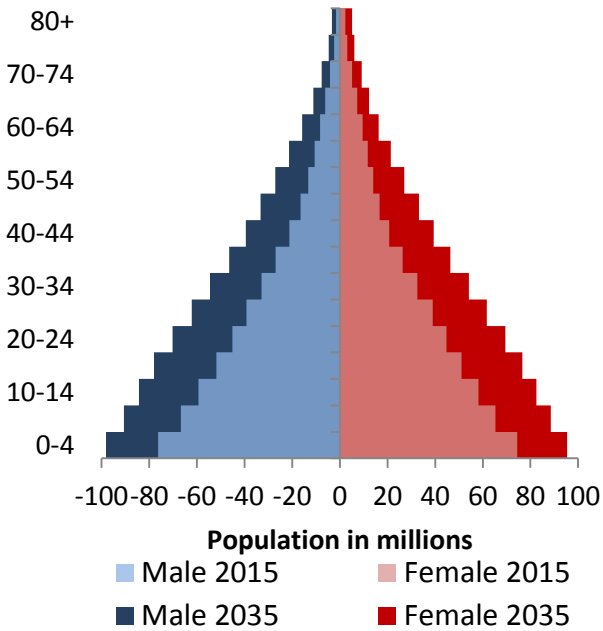
The youth employment problem is about pathways to adulthood and productive work in **agriculture, household enterprises**, as well as the **modern wage sector**—with priority actions on the **human capital** as well as the **business environment** side

The Challenge and Opportunity: Africa in a Young Continent

Sub-Saharan Africa

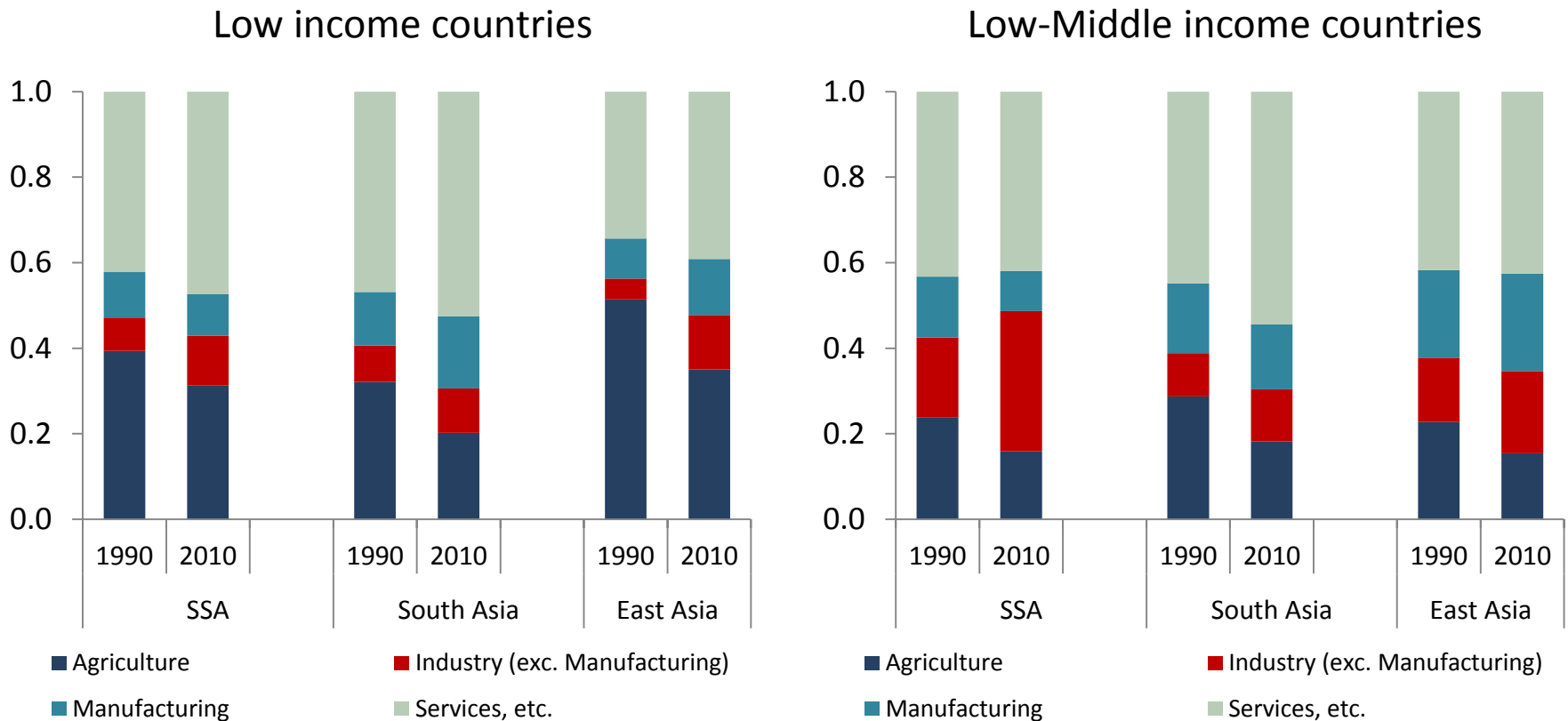
South Asia

East Asia and Pacific



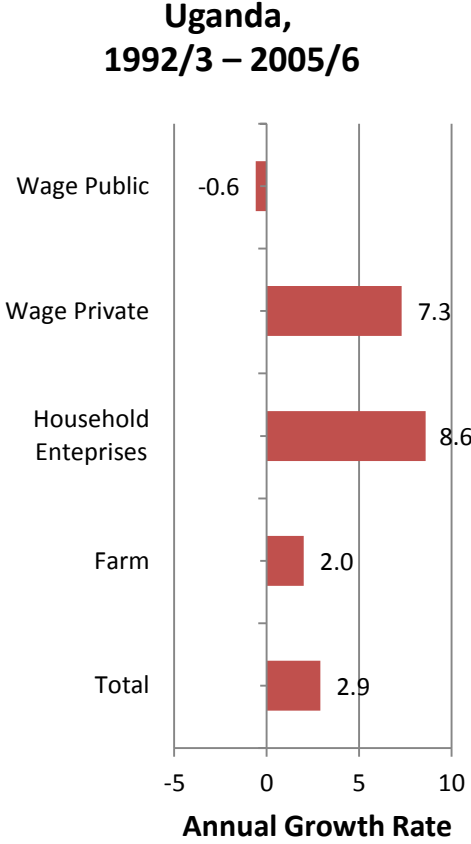
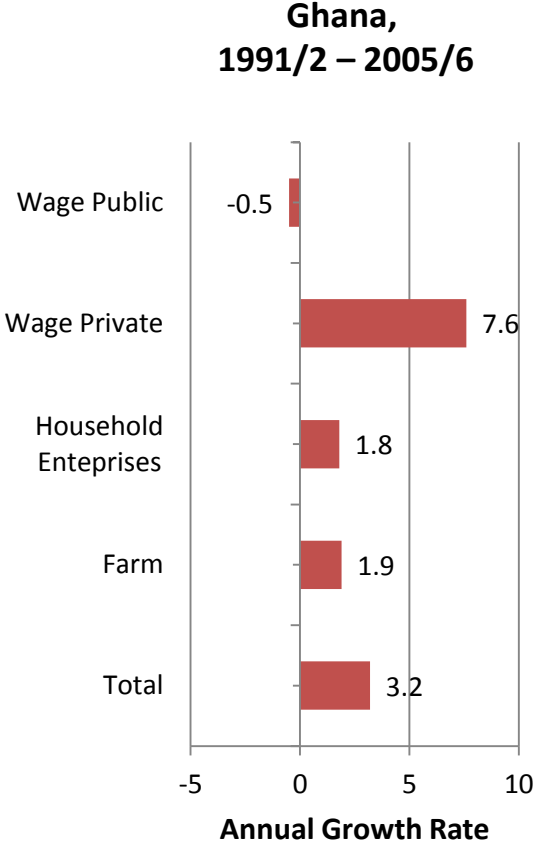
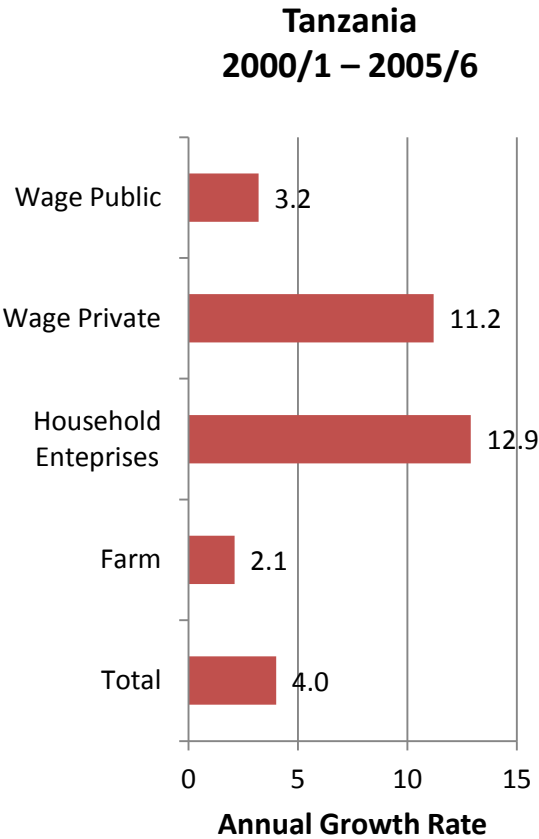
Africa's Youth Employment Challenge Starts with the Structure of Past Growth

Over the past two decades, agriculture's share in GDP contracted in Africa, but manufacturing did not replace it



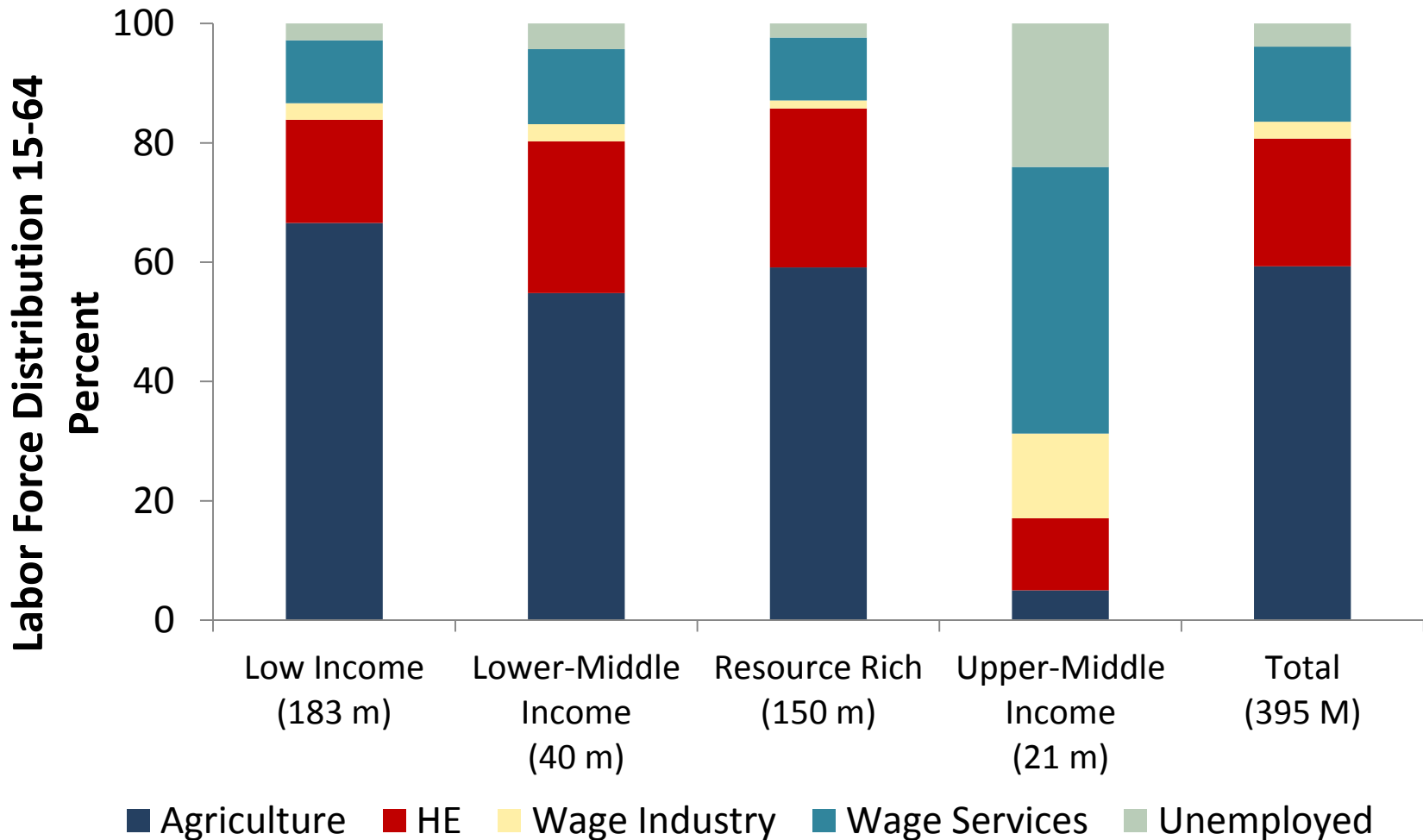
Growth has not been “Jobless”

Growth in Primary Employment, by type of job (%)

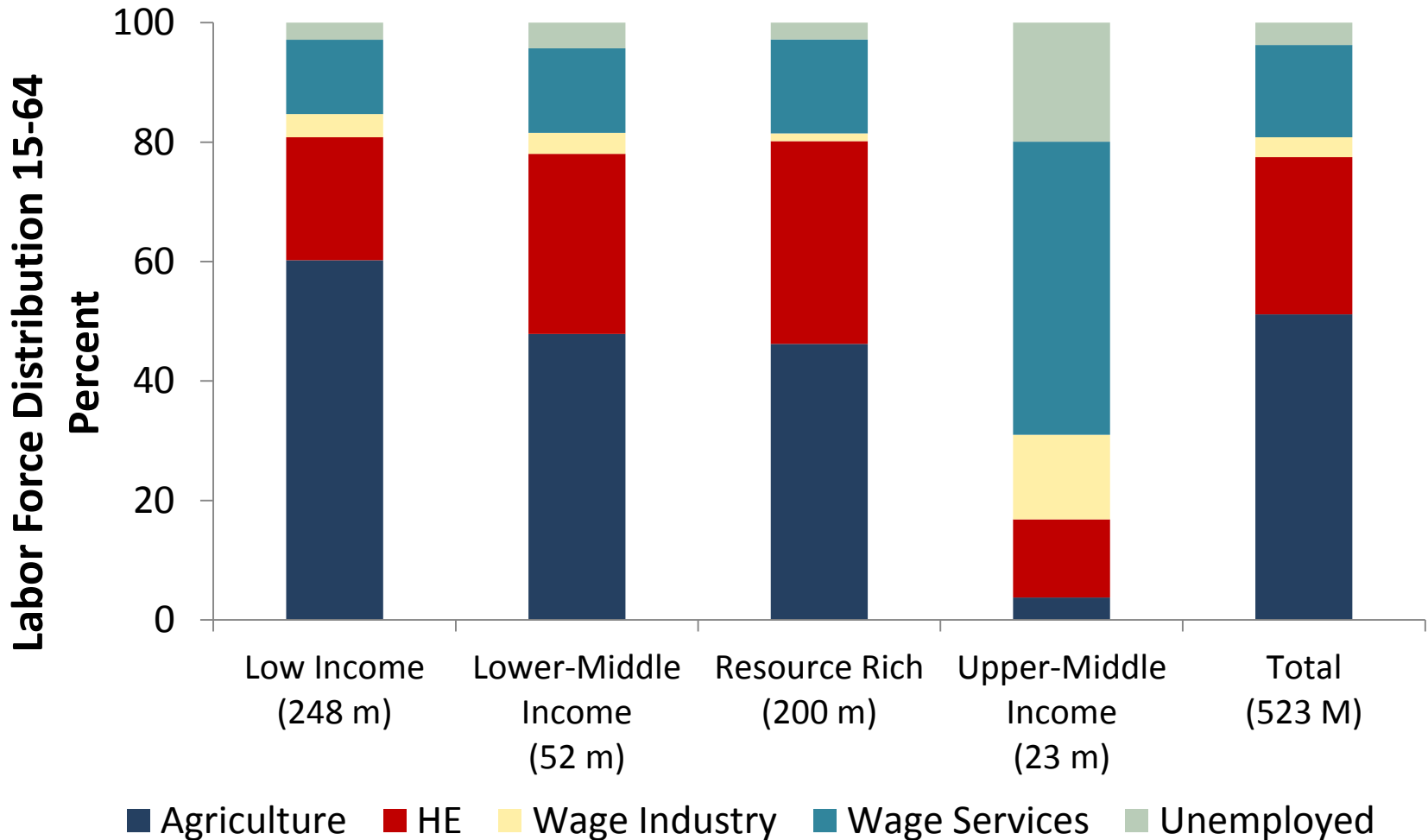


Note: Tanzania is mainland only

Even so, in 2010 most Africans worked in agriculture and household enterprises

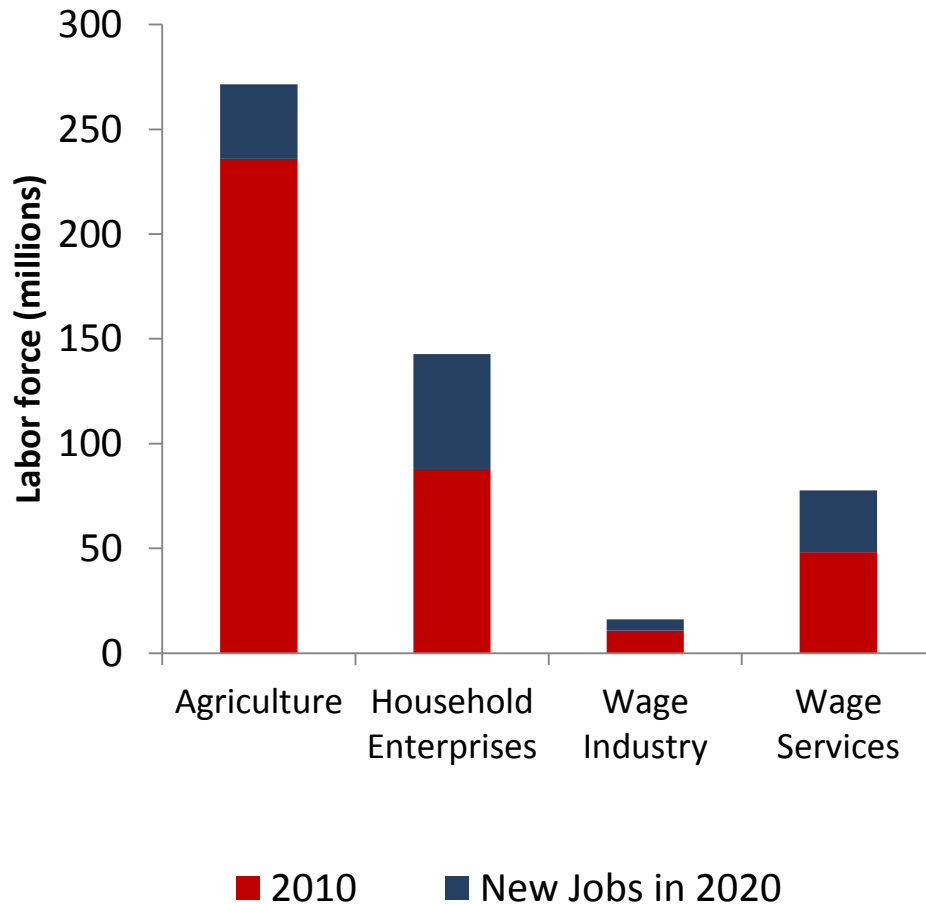


What will the structure of employment look like in 2020?

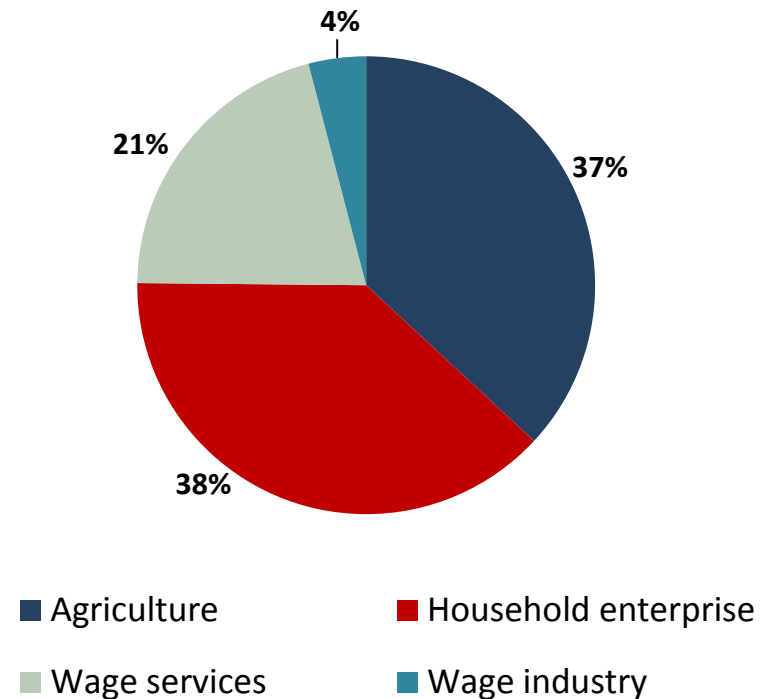


Where will the new jobs come from?

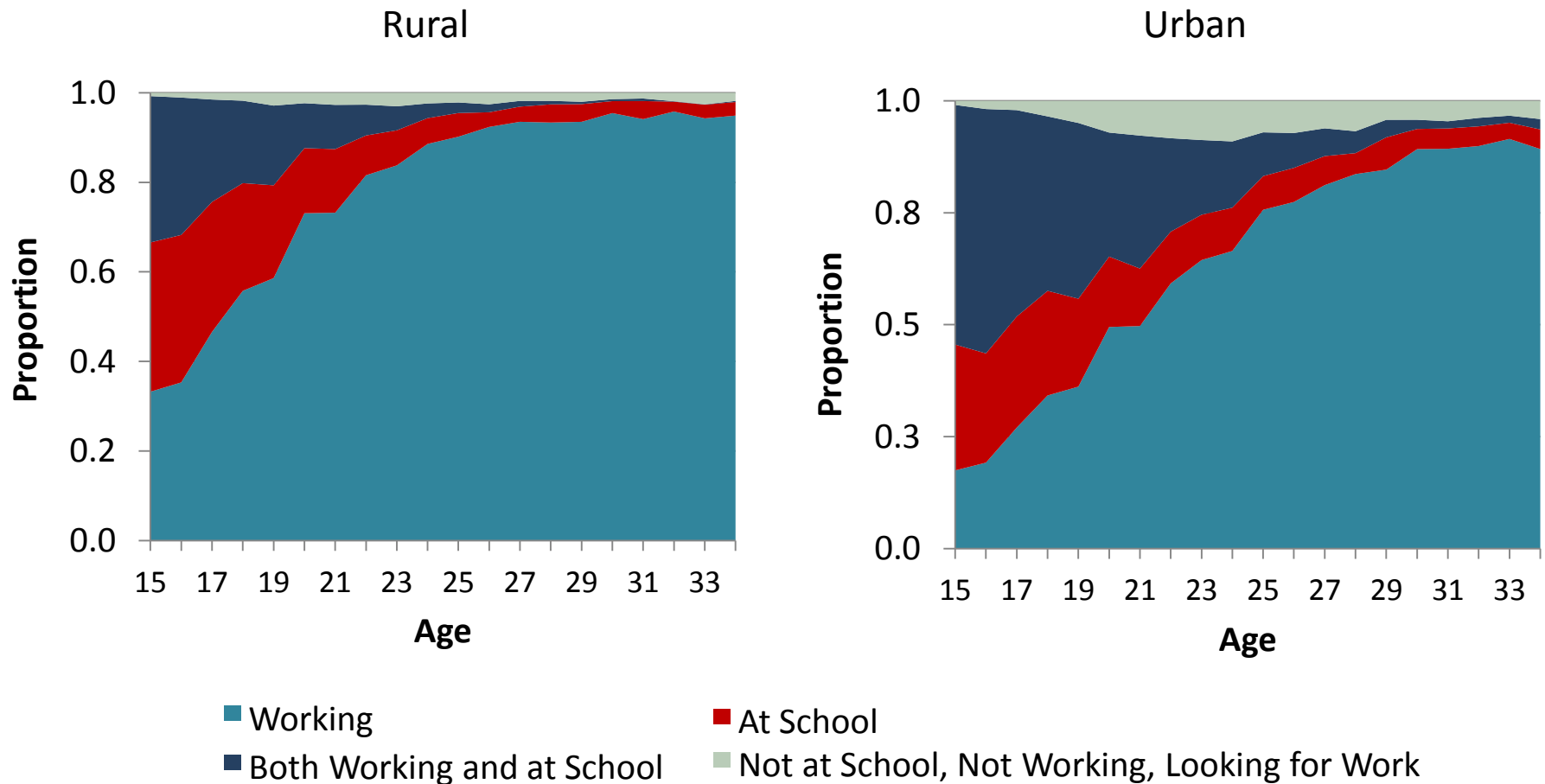
Projected net new jobs in 2020 compared to 2010



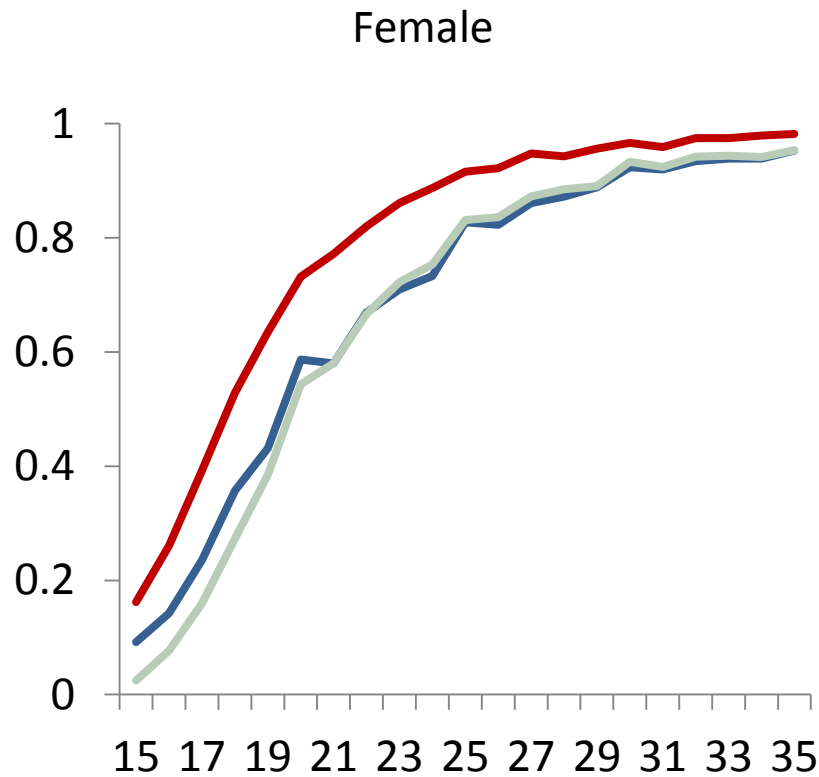
Gross job flows between 2010 and 2020 (percent of new entrant individuals)



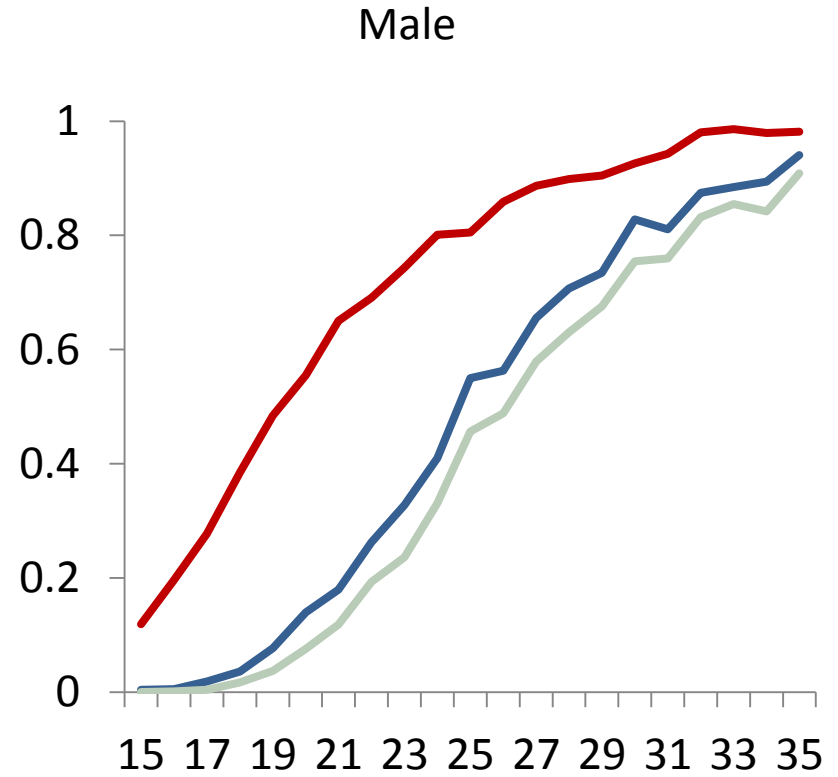
In this economic environment, the transition from school to work in Sub-Saharan Africa is slow



Young women face additional challenges— family formation starts earlier



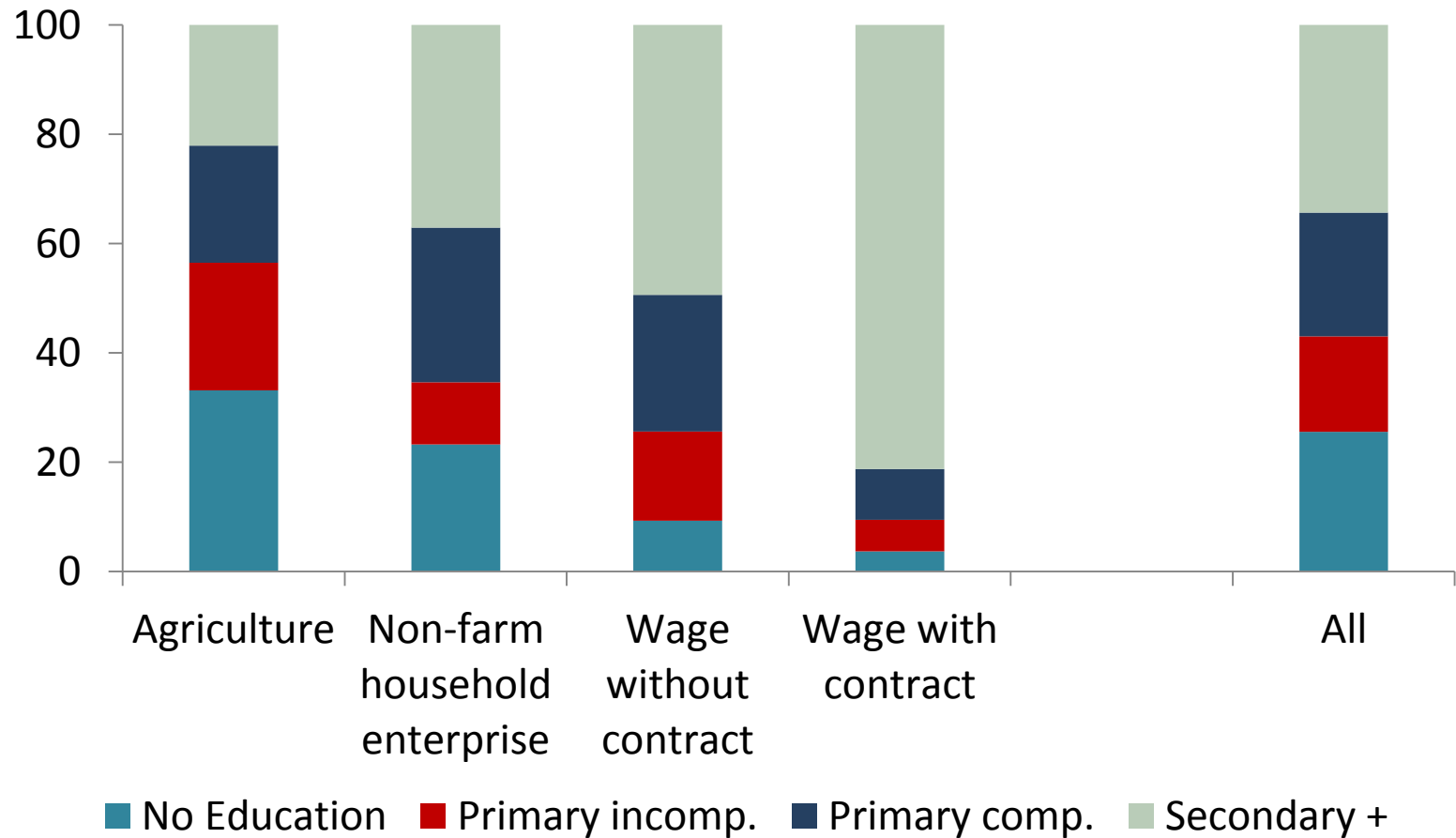
— Ever had sexual intercourse
— Ever married
— Ever had a child



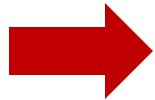
— Ever had sexual intercourse
— Ever married
— Ever had a child

The employment agenda starts with education as it shapes opportunities...

Education Profile of Workers ages 25-34 in each Sector



Priority Actions to Speed Youth's Transition

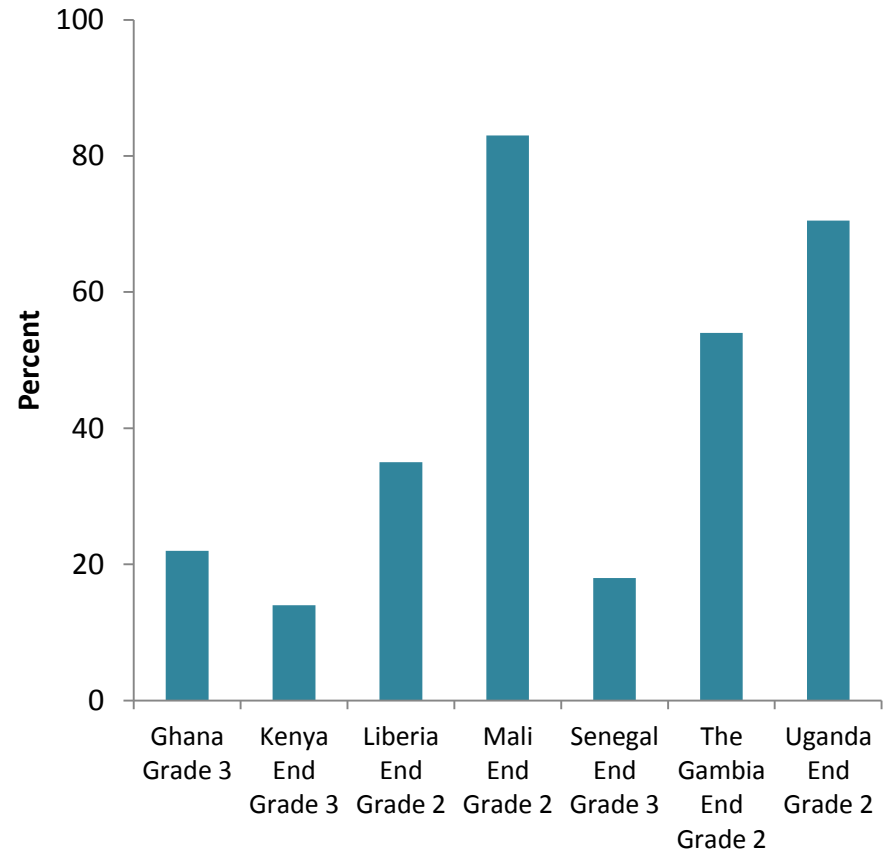
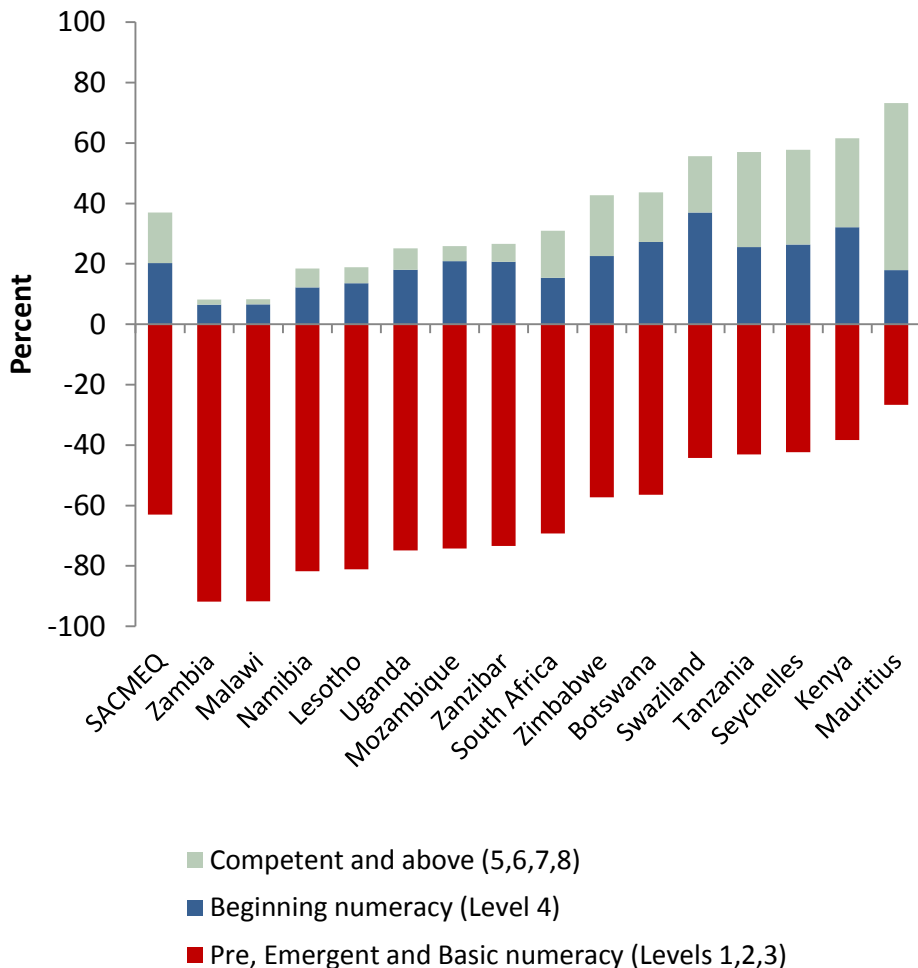


A cross-cutting agenda on education quality

Africa is becoming educated..... but too many primary school leavers do not have even basic skills

Percent of SACMEQ 6th grade Math test-takers who score at each performance level

Percentage of students who cannot read a single word of a simple paragraph, 2010



Severe Shortfalls in the Delivery of Education Services

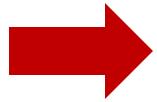
Service Delivery Indicators

	Kenya	Senegal	Tanzania	Uganda
	(Public schools only)			
Classroom teacher absence rate	47%	29%	53%	57%
Share of teachers with minimum knowledge:				
English/French	10%	29%	9%	4%
Mathematics	75%	75%	73%	36%
Classroom teaching time	2h 19m	3h 15m	2h 04m	2h 58m
(scheduled teaching time)	(5h 40m)	(4h 36m)	(5h 12m)	(7h 20m)

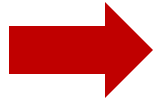
Priority Actions to build a strong human capital foundation

- Address the **lack of learning** in basic education by reforming accountability frameworks, ensuring teachers are prepared and supported, and leveraging private providers
- Promote **ECD and nutrition** to build a stronger foundation for skills development
- Build **socioemotional and behavioral skills** (consider reforms within the school system)

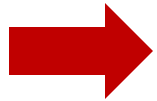
Priority actions now to speed youth's transition



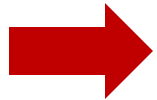
For agriculture



For household enterprises



For the modern wage sector



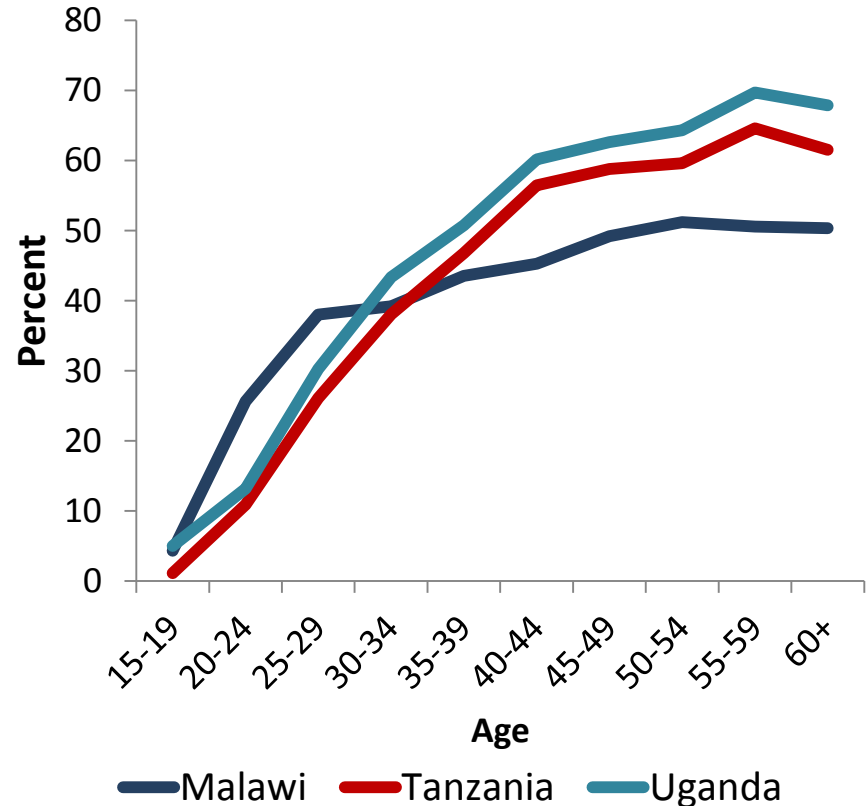
Cross-cutting

New opportunities exist in **agriculture**, but youth need land and support to make it productive

Opportunities and constraints

- Growing demand for food produced on Africa's farms – domestically and exports
- Youth can be early adopters of new technology if it is available
- ... but serious constraints in access to land and capital, technology and skills

Land ownership by age group



Priorities for higher youth productivity in **agriculture**

Do now, for now

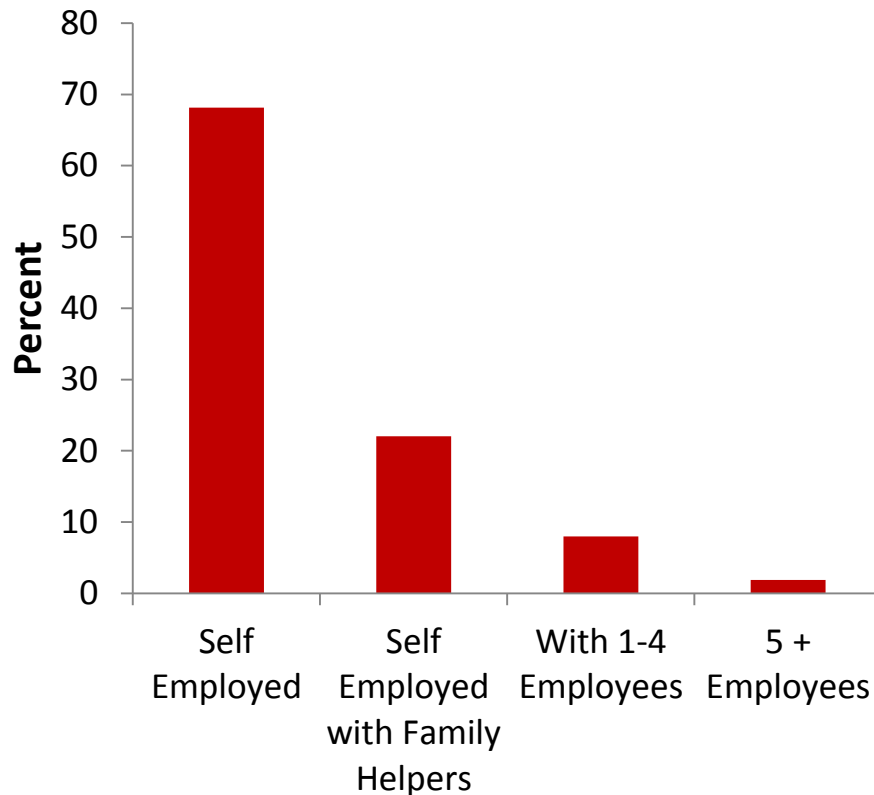
- Enable **rental markets** for land
- Support high-quality, **demand-driven extension** services (covering information as well as skills)
- Promote rural **village savings** and loan associations and self-help groups
- Link agricultural **credit to extension** services

Do now, for later

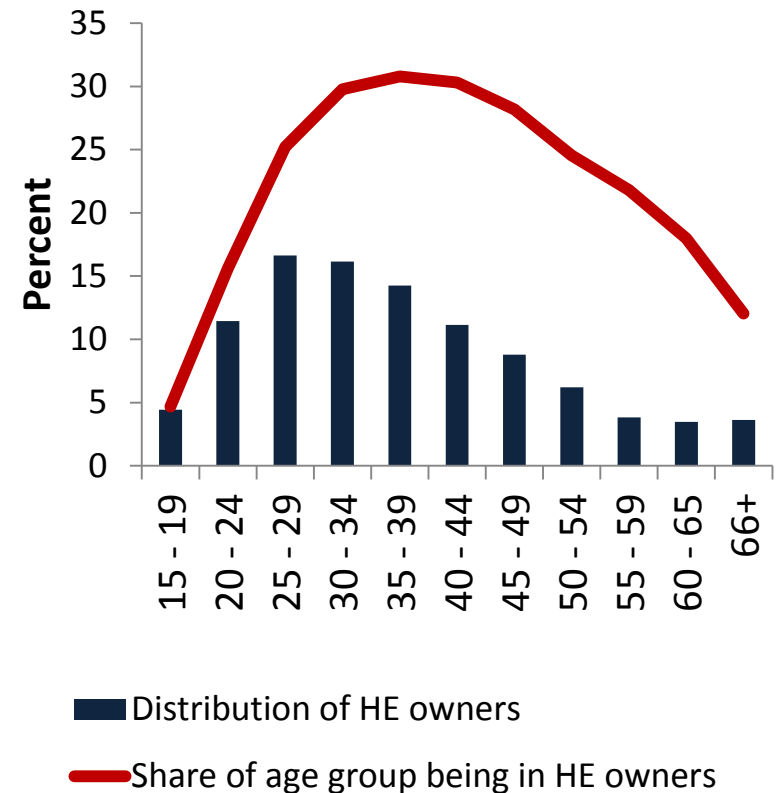
- Establish effective **land registration** and transaction systems
- Scale up **intergenerational** land transfer programs
- **Mainstream youth** into interventions (producer organizations, livestock development, irrigation, and others)
- Build skills through rapid improvements in **education systems in rural areas**

Household Enterprises are not SMEs – they need their own approach, and youth need support to seize opportunities

Most enterprises are family operations



Youth struggle to start a business



Priorities for productivity in **household enterprises**

Do now, for now

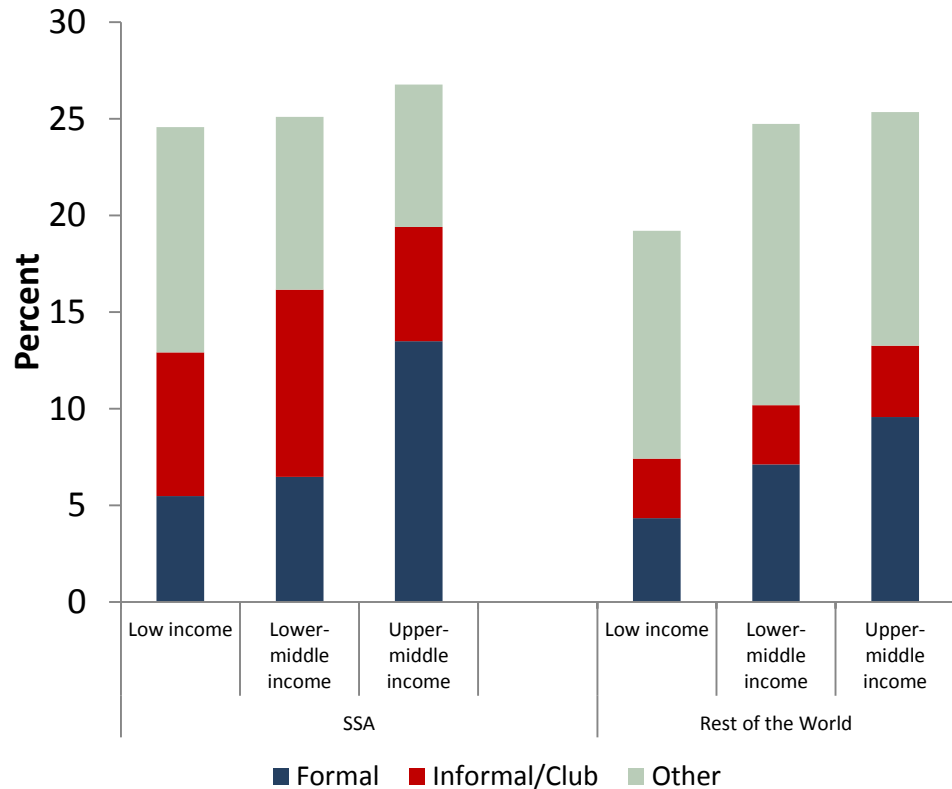
- Develop a **national strategy** that reflects the voice of youth and household enterprise owners
- Ensure access to workspace and infrastructure for household enterprises through improved **urban policy**
- Leverage NGOs to deliver programs for youth to address **multiple constraints** (building a range of skills together, building skills along with providing access to finance)

Do now, for later

- Build **foundational skills** through rapid improvements in education systems
- Address **infrastructure needs** of household enterprises in urban development planning

Financial inclusion for family farms and enterprises, as well as households

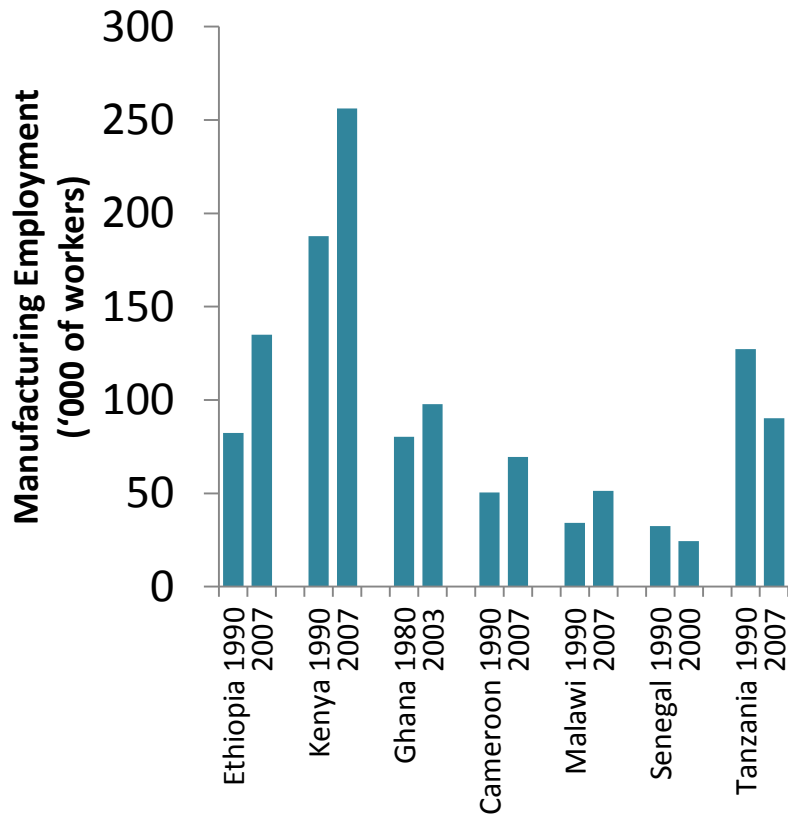
African youth save, but not in banks (Youth 15-24 who save)



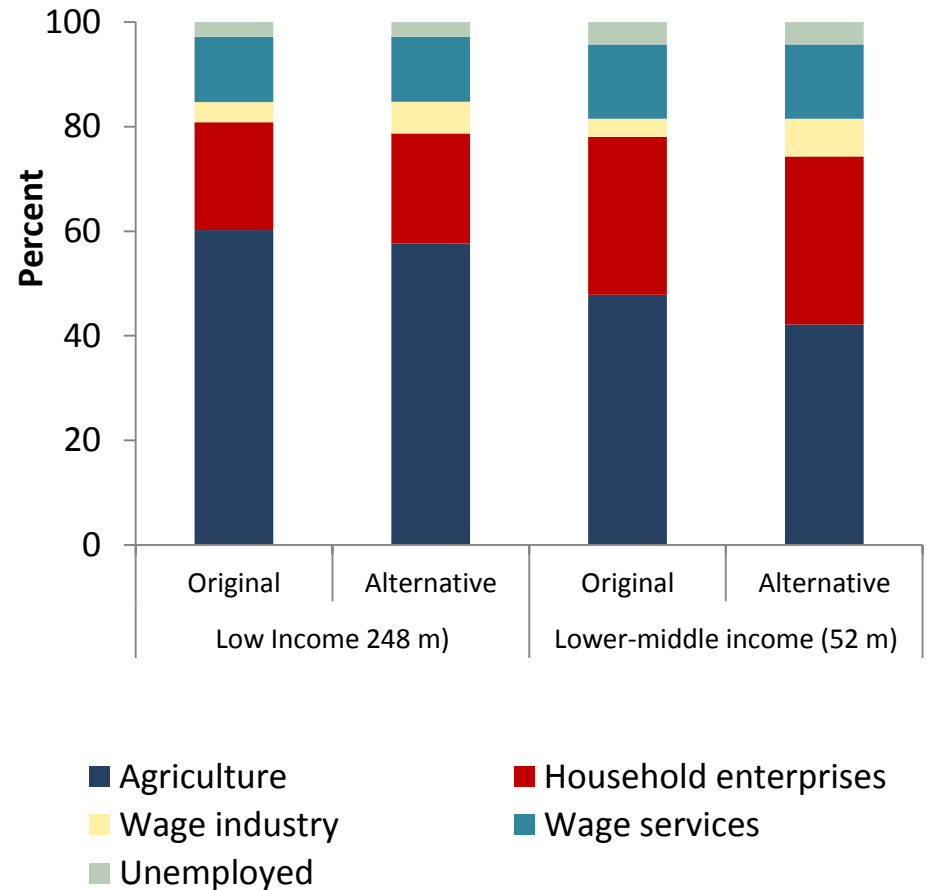
- Households, and farm or business finances comingled
- Households need place to save and to get credit
- Youth need savings to start a business or buy inputs for the farm, and a place to safeguard profits
- Mobile money shows promise but need better regulations
- Informal savings groups are filling the gap, especially in rural areas

A manufacturing strategy won't solve today's youth employment, but it will help the next generation

Manufacturing employment has grown slowly



“Game changer” scenario will take time to have an effect



Priorities for increasing **modern wage** sector jobs

Do now, for now

- Reduce the cost of infrastructure services by addressing **quality and efficiency**
- Address **logistics** bottlenecks
- Reduce **corruption** and the cost of business start-up
- Reform technical vocational education and training and pursue **public-private partnerships for delivering demand-driven training**

Do now, for later

- Increase the **quantity** of infrastructure services
- Expand **regional markets** for products
- Build **foundational skills** through rapid improvements in education systems
- Improve **access to credit** through financial sector reform

Cross-cutting priorities

Do now, for now

- Use **safety net programs** as a platform to deliver interventions to disadvantaged youth
- **Increase awareness** of opportunities and pathways to self-employment, especially for young women
- Consider **second-chance education** for basic skills

Do now, for later

- Reduce **fertility rates** to lower the size of future youth cohorts
- Build **better employment data** and a **stronger evidence base** to identify country constraints, priorities, and opportunities

Governments need to **own the “whole” problem**

**A wide ranging
agenda ...
with no silver
bullets**

YE is about building skills through improving the ***quality of education***, as well as behavioral and business skills

YE is about ***agriculture*** – where strategies exist but have not been implemented, and could benefit from a youth lens

YE is about ***household non-farm enterprises*** – where few strategies exist

YE is about creating more ***labor intensive enterprises*** as fast as possible to absorb the supply of new entrants with education who want wage jobs

YE is about female empowerment and focus on the poor

Thank you

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africa/youthemploymentreport](http://www.worldbank.org/africa/youthemploymentreport)

