

# African Economic Outlook 2012

SPECIAL THEME:  
**Promoting  
Youth Employment**

## Presentation in Lisbon

# Promoting Youth Employment

IMVF  
December 13, 2012

Algeria  
Angola  
Benin  
Botswana  
Burkina Faso  
Burundi  
Cameroon  
Cape Verde  
Central African Rep.  
Chad  
Comoros  
Congo, Dem. Rep.  
Congo, Rep.  
Côte d'Ivoire  
Djibouti  
Egypt  
Equatorial Guinea  
Eritrea  
Ethiopia  
Gabon  
Gambia  
Ghana  
Guinea  
Guinea-Bissau  
Kenya  
Lesotho  
Liberia  
Libya  
Madagascar  
Malawi  
Mali  
Mauritania  
Mauritius  
Morocco  
Mozambique  
Namibia  
Niger  
Nigeria  
Rwanda  
São Tomé and Príncipe  
Senegal  
Seychelles  
Sierra Leone  
South Africa  
South Sudan  
Sudan  
Swaziland  
Tanzania  
Togo  
Tunisia  
Uganda  
Zambia  
Zimbabwe



Economic  
Commission  
for Africa



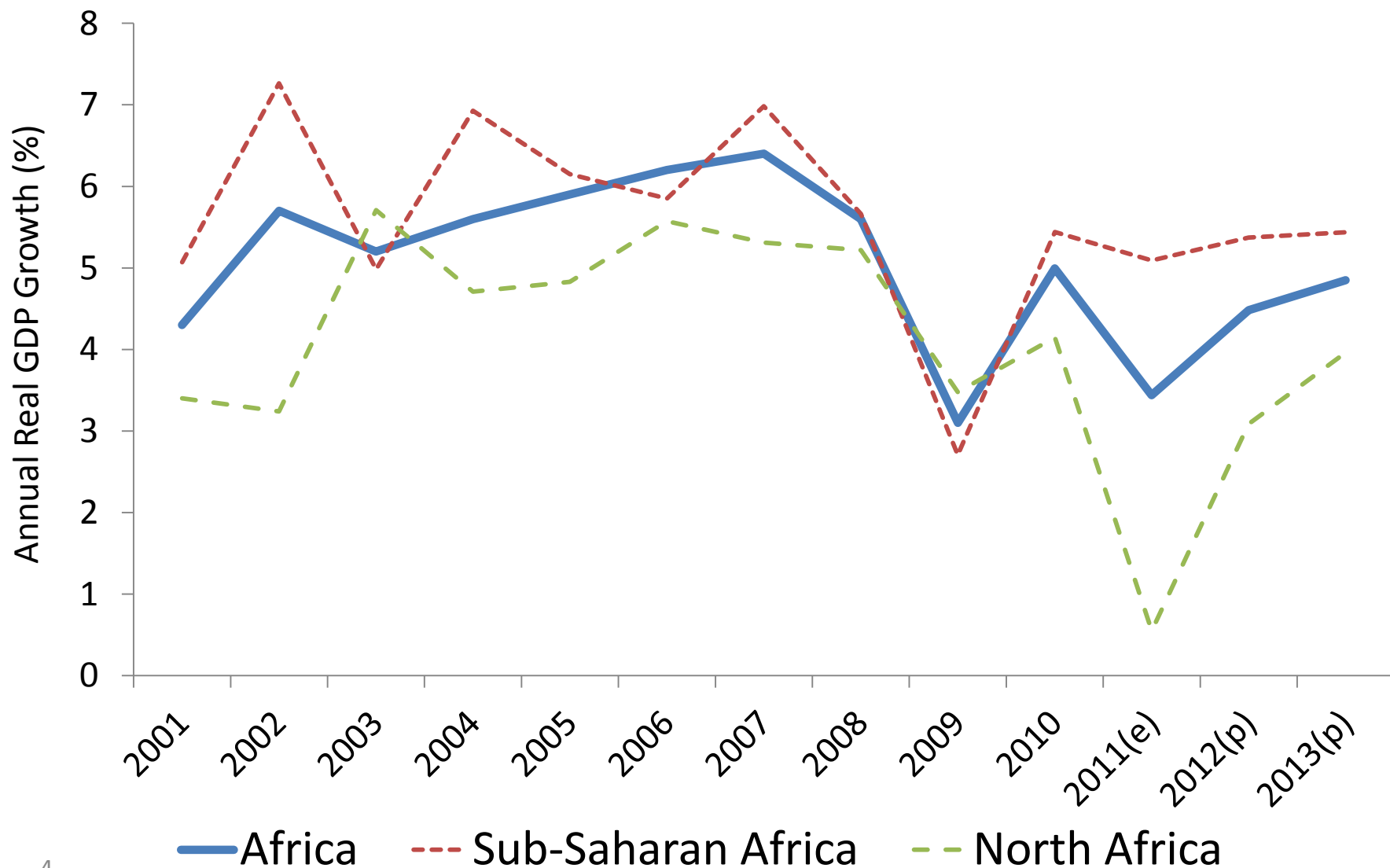
Empowered lives.  
Resilient nations.

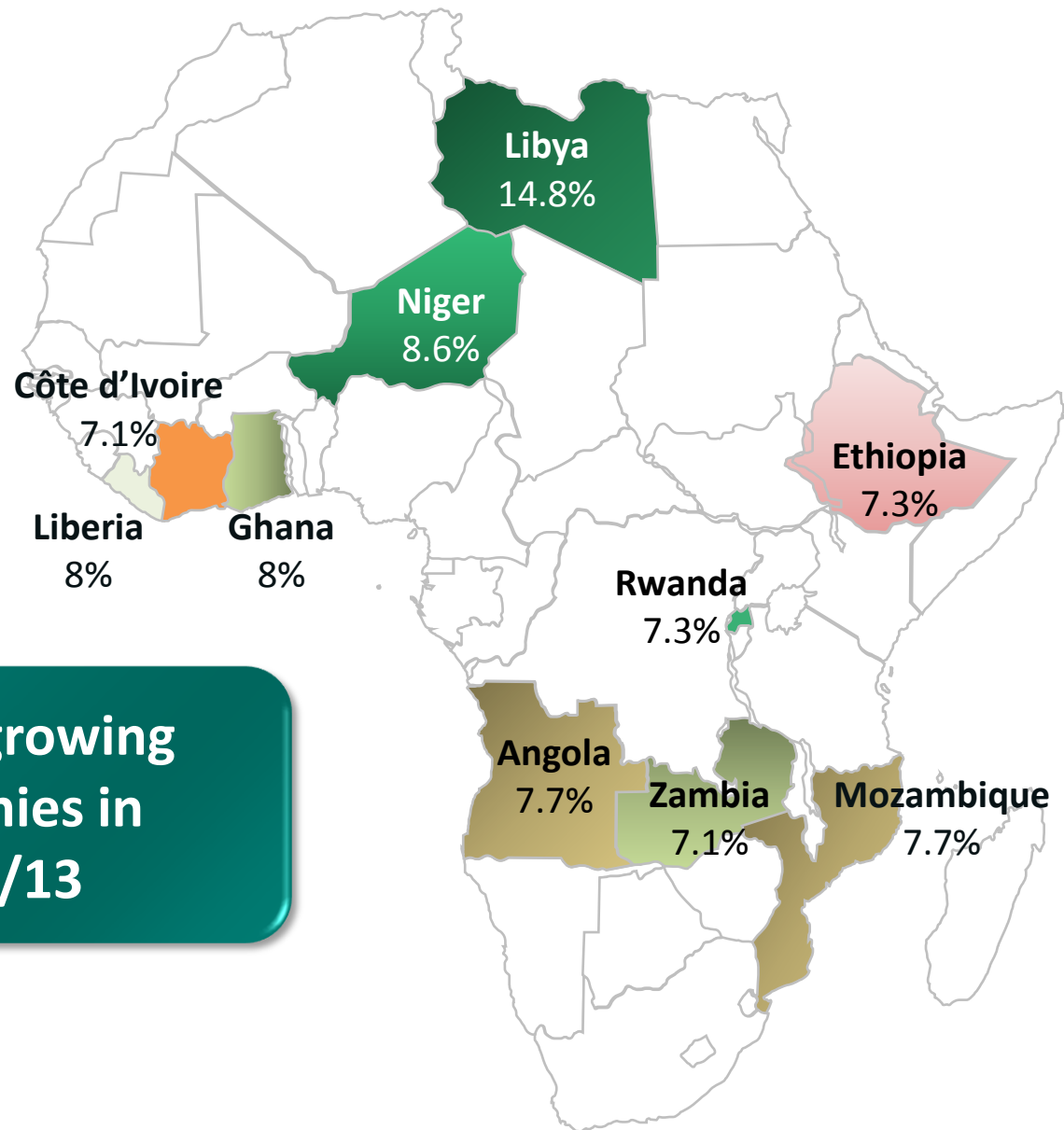
# Outline

- I. Context: Africa's Economic Outlook
- II. Stylized facts: What is the employment situation of young Africans?
- III. Looking forward: What can be done to promote youth employment?

# I. Africa's Economic Outlook

# Africa's Growth performance 2001-2013





**10 Fast-growing  
economies in  
2012/13**

# Drivers of Growth

## Internal



**Domestic consumer demand**

**Macroeconomic policies and management**

**Growth sectors:** Mining, agriculture, services, construction and manufacturing

## External

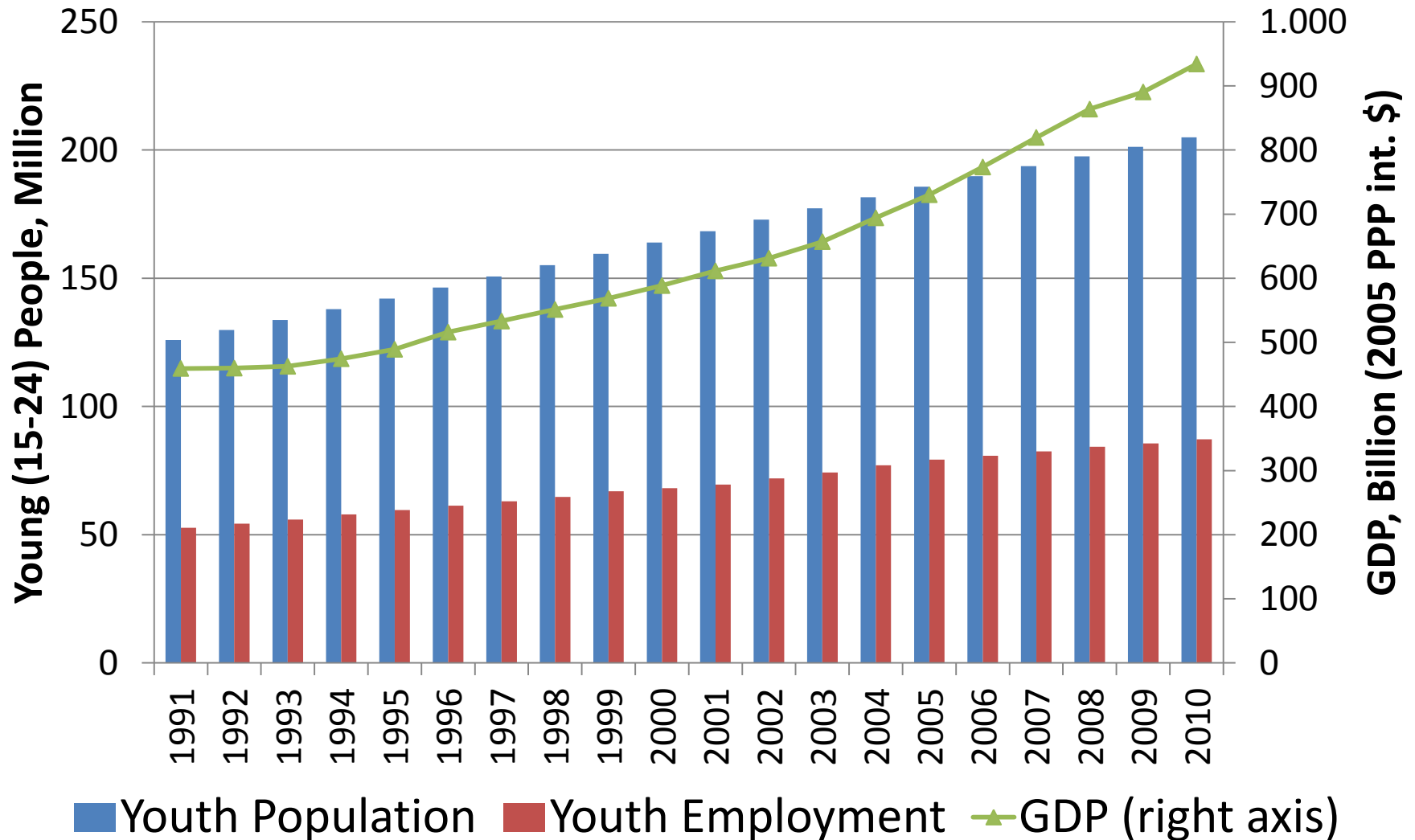


**Commodity prices, export volumes**

**Prices of agricultural export**

**External financial flows (ODA, FDI, Remittances)**

# Africa's young population is growing and jobs are not keeping up

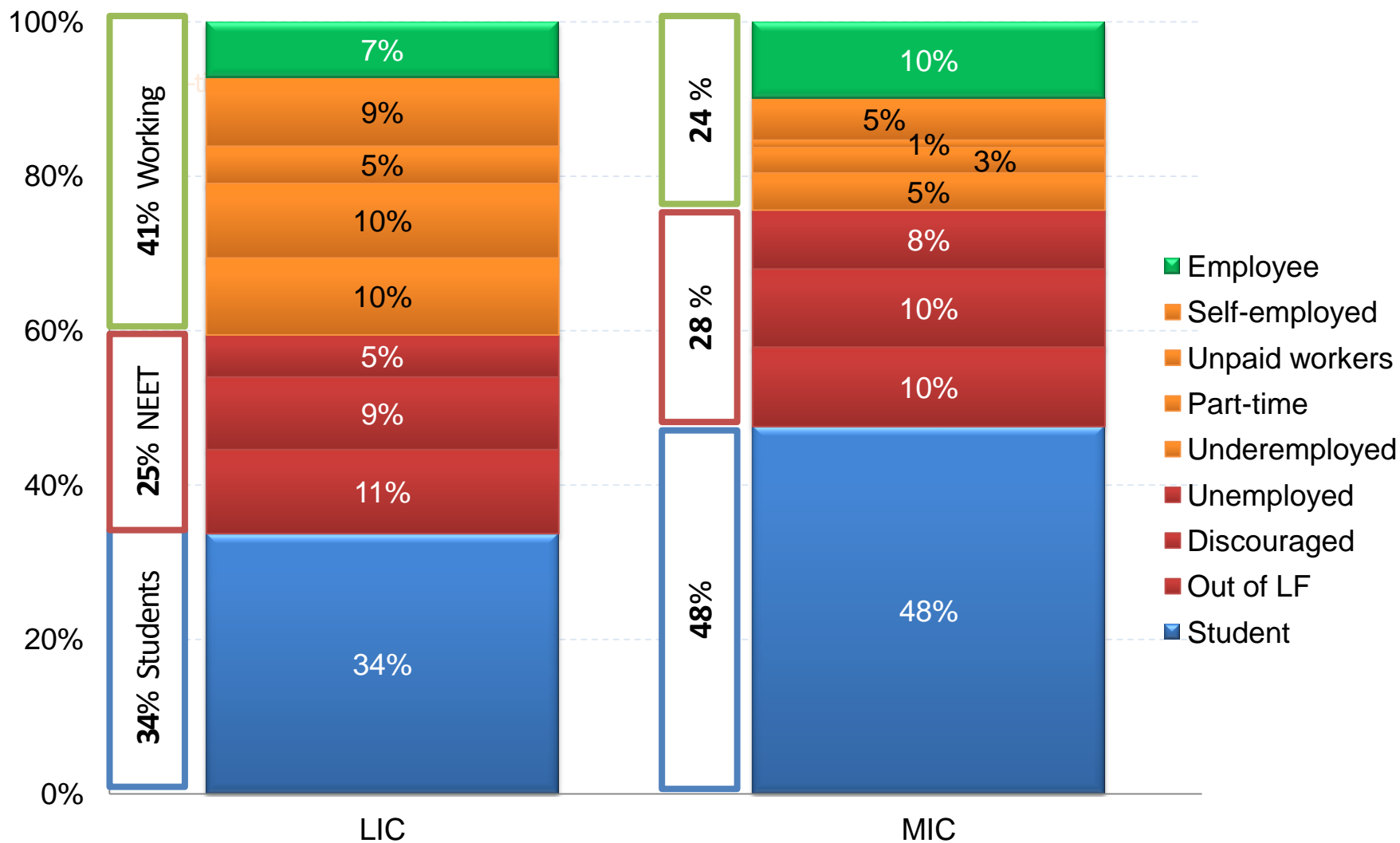


## II. The employment situation of young Africans



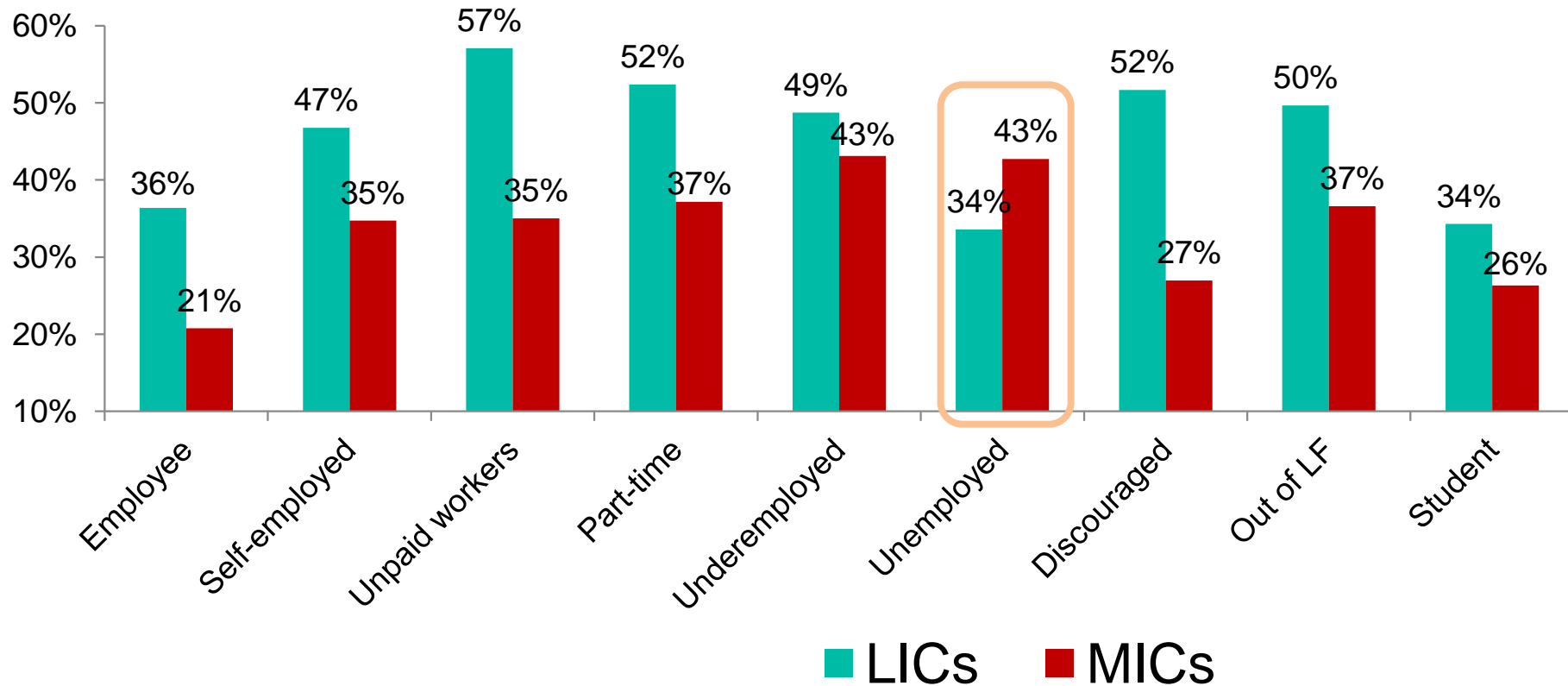
# Unemployment is only one of many bad labour market situations for young people

Youth time use by Country Income Group (2010)



# Many youth in work are poor

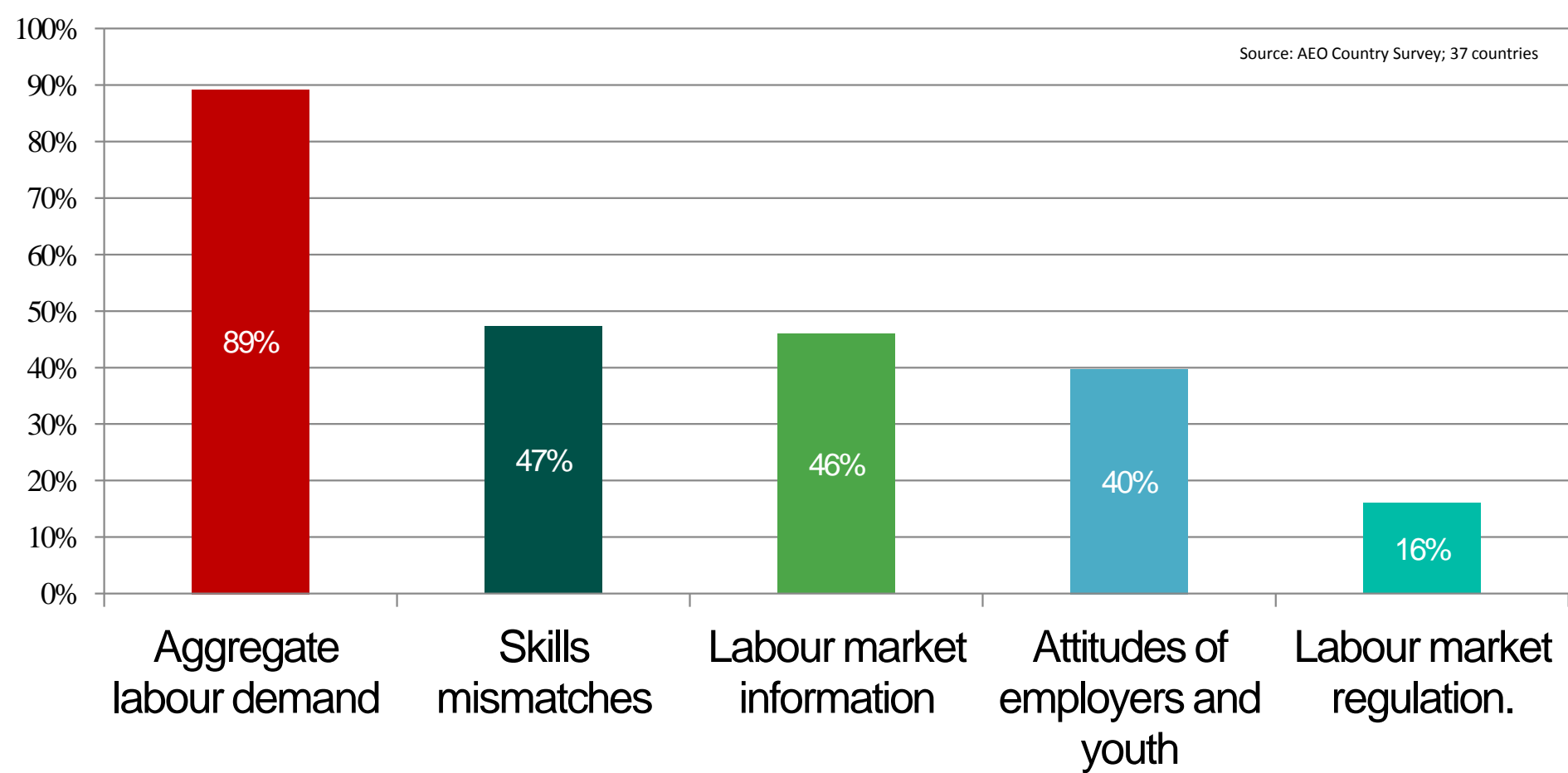
## Food insecurity by employment status



Source: Authors' calculations based on Gallup World Poll (2010)

### III. What can be done to promote youth employment?

# Demand for labour is the biggest challenge



# Recommendations for Job Creation

- Improve access to finance
  - Invest in good screening and targeting
  - Combine funding with training and mentoring
- Infrastructure
- Social Protection
  - For informal entrepreneurs and workers
  - Take the burden of severance pay
- Provide incentives to hire and train young people. But be careful to avoid displacement

# Recommendations for Education

- Link education systems to employment needs
- A stronger focus on relevant skills is of particular importance for education and training in rural areas.
- Provide opportunities to young people that have obtained skills in informal training to certify them.

# The way forward

The youth employment challenge in Africa is primarily one of insufficient demand for labour.

1. Demand for labour is the biggest problem → promote job creation in the private sector: help firms grow and connect to markets
2. Make education more comprehensive and link it better to the need for skills in the market
3. The rural and informal sectors are opportunities. Build on them!