Chapter 5

Improve the quality of life for the people of Africa

The Bank’s High 5 priority improve the quality of life for African people is at the core of our work. The Bank believes that people across the continent should have opportunities to work and earn an income. They should be able to develop the skills they need for employment and enterprise. They should also be able to access quality social services, from health and education to water and sanitation, and to live in safe and sustainable environments.

This chapter shows that Africa’s economic growth has not yet translated into progress on poverty reduction: 41% of Africans still live below the poverty line, and inequality is worsening. “Skilling up” young Africans will be key for industrial development. Enrolment in education has steadily increased, but vocational training opportunities remain limited and youth unemployment is high. Therefore, the Bank is investing to create more jobs, especially for young people and women. The Bank is also working with national governments to overcome capacity shortages in science and technology; in 2017 we provided 395,000 people with vocational training.

Equipping Africa’s youth with the right skills

Africa’s economic growth rates between 2000 and 2012 outperformed those of the rest of the world and have remained robust at 3.3% over the last 5 years, despite weak commodity prices. Yet millions of Africans remain in dire poverty: 41% of Africa’s population lives below the poverty line, suffering from hunger and malnutrition and facing barriers that prevent them from participating fully in economic, social and political life. Income inequality also remains high, with the Gini coefficient at 42 (on a scale of 0 to 100). The reasons for Africa’s income inequality are complex; according to the United Nations Development Programme’s Income Inequality Trends in Sub-Saharan Africa, they stem from a highly dualistic economic structure, in which high-income earners (the minority) work in multinational companies and the extractive sector, while the majority of workers get low-paid jobs in the informal or subsistence sector. Other factors that contribute to persistent income inequality are a high concentration of physical capital, human capital, and land, especially in Eastern and Southern Africa, and the limited distributive capacity of the State.

As Africa’s population grows, the youth unemployment rate is 13%—almost twice that of the general population. In addition, many young people are underemployed or in insecure or casual work.

Figure 16 Improving youth employment in the countries closest to full employment: a mixed picture

<table>
<thead>
<tr>
<th>Country</th>
<th>Progress from 2008 to 2016</th>
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<tbody>
<tr>
<td>Rwanda</td>
<td>Increase</td>
</tr>
<tr>
<td>Uganda</td>
<td>Increase</td>
</tr>
<tr>
<td>Madagascar</td>
<td>Increase</td>
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<tr>
<td>Liberia</td>
<td>Increase</td>
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<tr>
<td>Côte d’Ivoire</td>
<td>Increase</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Increase</td>
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<tr>
<td>Ghana</td>
<td>Increase</td>
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<tr>
<td>Benin</td>
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<td>Burkina Faso</td>
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<tr>
<td>Cameroon</td>
<td>Increase</td>
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<tr>
<td>Sierra Leone</td>
<td>Increase</td>
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<tr>
<td>Zimbabwe</td>
<td>Increase</td>
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<tr>
<td>Nigeria</td>
<td>Increase</td>
</tr>
</tbody>
</table>

Source: ILO
Uganda and Rwanda made great strides, others, like Zimbabwe and Nigeria, face considerable deterioration in youth employment.

As Africa’s population grows, the youth unemployment rate is 13%.

Each year, 10–12 million school leavers now join the labour market. With the right policies and investment, they can be a major resource for foreign and domestic investors and for Africa’s economic development. Education, training and access to capital can provide productive opportunities in employment and entrepreneurship.

However, to achieve this, many more young people must gain the technical and vocational skills needed in the labour market. Overall, 63% of children (and 61% of girls) are currently enrolled in education. Only 11% of young people are enrolled in technical/vocational training, and only 9% of young women. Angola has the highest proportion of young people in technical and vocational training, whilst Lesotho has made the most progress in increasing enrolment for this training and Sierra Leone has achieved the most progress in enrolling young women.

Education, training and access to capital can provide productive opportunities in employment and entrepreneurship.

Looking ahead, skills in science, technology, engineering and mathematics will be increasingly important to ensure that Africa takes a leading role in the fourth industrial revolution. Young people need to become innovators and gain skills in the new digital and advanced technologies that are critical for industrial development.
Currently, under one-third of university students study science and technology subjects, and the numbers of women scientists are low.

Since 2000, Africa has seen a shift away from low-productivity agricultural work towards jobs in the service sectors. This reflects the growth of services associated with Africa’s rapid urbanisation. There has also been an increase in manufacturing jobs, but it will be necessary to scale up industrialisation to create jobs at a much greater rate.

Access to services is key to improving quality of life. For women, it is also necessary to free up their time from household chores such as collecting water or fuel, and caring duties. Better health, education, and water and sanitation services are essential to creating a healthy, well-nourished and well-educated population that is equipped to take advantage of work and business opportunities. There is still a long way to go to achieve this ideal, with only 72% of the population having access to safely managed drinking water services and 40% having access to safely managed sanitation facilities.

Migration
The flow of refugees and irregular emigrants from various parts of Africa has led to a humanitarian crisis in the Mediterranean. However, most migration takes place within the continent, particularly to neighbouring African countries, or within the

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Figure 17  Where the people of Africa migrate to

This chart demonstrates the relative size of estimated flows between African regions and from Africa to the rest of the world in 2017. The circle's segments represent the origins of migrants and their destinations using an arrow shape. The size of estimated flow is indicated by the width of the link per region and can be read using the tick marks (in millions) on the outside of the circle.

Inflows:
Eastern Africa received close to 2.5 million migrants from other African regions.

Cheap labour:
The need for low-skill jobs can cause migrations from the poorest countries.

International migrants:
The region provides the largest contingent of migrants outside of Africa.

Two tales:
The large middle class migrates to rich countries, and poorer people migrate to the region for low-wage jobs.

Regional flow:
Most of the intra-Africa migration takes place within the region for Western African people.

Return flow:
A minority of migrants choose to move back to Africa.

Source: UN
sub-region (see Figure 17). Where migrants can find work, they contribute to the economy. For example, more than 2 million immigrants in Côte d’Ivoire, a lower-middle-income country, make up 9.6% of the population and contribute 19% of the country’s economic growth.

Whilst escaping from conflict is a major cause of migration, many young people migrate to search for work to support themselves and their families, often through remittances. Facilitating the creation of jobs and enterprises is critical to help people earn an income and provide for their families within their countries.

A key solution to irregular emigration is to create work opportunities for safe and regular intra-Africa migration. Large cities across the continent already attract young people in search of opportunities. Job creation in these cities and greater focus on skills development for employment and entrepreneurship offer the best long-term strategy for addressing irregular migration.

**The Bank’s contribution to changing people’s lives**

The Bank’s portfolio of projects helps African economies promote economic and social development. Many of our projects create new employment opportunities. In 2017, we exceeded our targets, creating 1.5 million direct jobs, of which 0.7 million were for...
women. We are revising our measurement approach to better assess our contribution to supporting jobs.

To assess our wider development impact, we are piloting a Development Impact Approach on our East Africa portfolio

New jobs are also created indirectly or induced from our operations. To assess our wider development impact, we are piloting a Development Impact Approach on our East Africa portfolio (Figure 18). Early results show that our projects deliver wider economic benefits through indirect mechanisms such as creating and strengthening supply chains and boosting demand. The pilot showed that 39 of our investments in East Africa contributed to the creation of 383,000 jobs and added $1.2 billion to East African economies.

In 2017, our projects resulted in half a million people benefitting from better access to education, of which 300,000 were women. We also provided support to technical and vocational training across Africa: 395,000 people were trained through Bank operations. These figures were below our targets and, in line with our strategy, we are scaling up our efforts to equip young people for work and enterprise.

In Lesotho, to enhance the quality of education and training, we trained secondary teachers and technical and vocational training instructors. Trainees in entrepreneurial and technical training acted as role models in the community and inspired more young people to join the training programme. In Rwanda, we helped entrepreneurs create businesses (Box 15).

In Nigeria, we supported skills training and vocational education. We improved the curricula, provided training to trainers in different trades and upgraded the training centres in the cities of Uyo, Ikare and Yaba, among others. In Zimbabwe, our project included a focus on building young people’s capacity in 42 vocational training centres: thousands of young people improved their technical and entrepreneurial skills.

We addressed the limited science and technology capacity in higher education in sub-Saharan Africa by funding the Network of African Institutions of Science and Technology. Our support focused on the Economic Community of West African States region and helped improve research and the quality of science and technology education and training.

Box 15 Equipping young people for work and enterprise in Rwanda

The Bank provided support to many young people in Rwanda, training and preparing them for work, including providing training on how to start up their own business. Phase III of the Skills, Employability and Entrepreneurship Programme helped implement the Government’s policy to train young people and create jobs for them, to promote economic growth and reduce poverty. The programme focused actively on training and work placements for young women, recognising that in Africa women are twice as likely to start a business as they are elsewhere.

A public awareness campaign about the importance of technical and vocational education and training attracted many young people who were interested in starting businesses. The percentage of secondary school leavers who enrolled for training rose from 42% to 56% in 2017, with the share of young women increasing from 42% to 46%. The number of graduates was 116,000, exceeding the target by over one-fifth.

Key to this success were workplace learning policies that encouraged industry to take on trainees, which resulted in 13,600 enterprises hosting trainees and 17,200 business start-ups. Besides receiving training for such low-skill sectors as retail, hotels, and restaurants, young people were linked to higher-productivity sectors, such as manufacturing, tradable services and agribusiness.

Box 16 Better sanitation and flood protection for the urban poor in Yaoundé

The Bank’s support to the water and sanitation sector contributed to improving Cameroon’s basic social indicators. A flagship programme, the Bank’s Yaoundé Sanitation Project, has improved the quality of life of people living near a watercourse by reducing the number of floods in Yaoundé from 15 in 2006 to 3 in 2011. This halved the prevalence of water-borne diseases, malaria and typhoid fever. This project also helped to build the resilience of beneficiaries, including within women’s groups. A second phase is under way, constructing an additional 17.5 km of drainage channels to make sustainable sanitation improvements in the capital city.

“When it rained and our children were at school, we were afraid that the rising water level would prevent them from returning home. Now, our neighbourhood is secure. Rainwater passes but is drained into the canal and not into our streets. We can even move around during the rain, whereas before we were blocked.” Mrs. Nathalie Kenmogne, President of the Association of African Women for Research and Development
Box 17 Lessons learned from projects that improve the quality of life for the people of Africa

What has worked well

Using a sectorwide approach to deliver projects
Sectorwide approaches (SWAs) in the water and sanitation sector lead to timely delivery of activities and outputs and achieve development impact. In Tanzania, a SWA resulted in finance for the sector from Government and international development partners, and it reduced the parallel costs of project design and monitoring. The Bank is considering using SWAs in future water and sanitation programmes.

Aligning the project to country priorities
A project that is aligned to the government’s plan delivers results. In Lesotho, the Bank’s support for the strategic priorities to improve access to good-quality and relevant education and training at all levels (including technical and vocational education and training) led to effective project implementation. The Bank should seek to align its support to the client’s priorities.

We also have a portfolio of projects designed to improve access to services. We financed water and sanitation schemes in both rural and urban centres. Overall, because we completed a large number of well-performing operations in this sector in 2017, we exceeded our targets, providing 8.3 million people with new or improved access to water and sanitation.

In Burkina Faso, we provided four rural regions with access to drinking water supplies and sanitation services. In rural Mozambique, we delivered 646 new water points and 99 206 latrines. In Senegal, we built or rehabilitated 93 water holes, providing for the water and sanitation needs of about 800 000 people, and in Tanzania, we supplied 7.1 million beneficiaries with access to water.

We ensure that awareness-raising on hygiene is factored into our projects. In Kenya, we increased water supply and sanitation services to small towns, reducing the incidence of water-borne diseases by 50% and the maternal mortality rate by 47%. In Mozambique, we provided water supply and sanitation services to provincial towns, including schools and health centres.

We also supported a health project in Benin to strengthen the country’s health systems and promote mother and child services. This involved insurance schemes covering 44 000 people, a comprehensive training programme on maternal and child health, the provision of insecticide-treated bed nets and training on good hygiene and sanitation practices. Our projects in cities have a transformational effect, as in Yaoundé (Box 16).

Boosting entrepreneurship and employment with new initiatives

Recent initiatives and projects to support Jobs for Youth in Africa
Under the Bank’s Jobs for Youth in Africa strategy, we have ambitious plans to scale up job creation and enterprise. Besides funding major new programmes to implement the strategy, we are also targeting job creation throughout our portfolio.

We are targeting job creation throughout our portfolio

Last year, we approved the Youth Entrepreneurship and Innovation Multi-Donor Trust Fund to catalyse funds for our Jobs for Youth in Africa strategy. The Fund will support a Youth Innovation Lab, promote business development and promote a culture of entrepreneurship across the continent. We also approved a skills and business development programme in Rwanda and a technical and technological skills-building project in Tunisia.

Working with the Rockefeller Foundation, Microsoft and Facebook, we are promoting technology and innovation through the launch of 20 Digital Innovation Centres of Excellence in Nigeria, Rwanda, Kenya, Côte d’Ivoire and Senegal. The aim is to establish 120 centres of innovation by 2025 for the next generation of tech-enabled youth.

In addition, the Bank organised and commissioned papers for the Third Africa Science, Technology and Innovation Forum, which focused on private sector competitiveness and economic transformation in Africa. We will release a publication on Youth Employment for Industrialisation, prepared jointly with the United Nations.

Social sector initiatives and projects
We continue to support initiatives and projects to achieve better nutrition and improve the quality of social services. On nutrition, we seek to build resilience related to food and nutrition security in the Sahel, using innovative approaches to nutrition interventions such as mother-to-mother groups and home gardens. We also published

What has not worked so well

Achieving impact by working with municipalities
Negligible support from municipalities has delayed decisions and thus reduced project impact. In the Republic of Congo, the beneficiary city councils would have found more timely solutions to problems—for example, the need to develop access roads to sludge treatment plants—and helped project implementation. The Bank should ensure that project implementation units work directly with city councils in such projects.

Providing sustained support to small businesses
New small businesses need sustained technical support if they are to survive and grow. Under the Rwanda Skills, Employability and Entrepreneurship Programme to support small businesses, providing start-up capital and tools was not enough. The Bank should ensure continued technical back-up to small businesses under this programme and monitor their survival and growth, including the number of jobs created.
the Synthesis of Evidence of Multi-Sectoral Approaches for Improved Nutrition, to highlight the interventions that researchers and practitioners agree are most effective in reducing malnutrition.

In regard to health services, we worked with others to publish a Framework for Action for Advancing Universal Health Care in Africa, and we also undertook health care needs assessments. Drawing together findings on how climate change affects health and what the implications are for sub-Saharan African policies and regulations, we also prepared separate analysis based on case studies in Djibouti, Malawi, Nigeria and Rwanda.

We conducted a feasibility study for a new African Education Fund to raise the quality of education and the ability to innovate across the continent. The Bank approved a project to improve the quality of education and training in Namibia, and another one to strengthen the teaching of science and technology in Tunisia.

In the water and sanitation sector, we approved projects to invest in the Bamako sanitation sector in Mali, the development of the Abu Rawash wastewater treatment plant in Egypt and a sanitation and livelihoods improvement project in Greater Accra.

We are scaling up our support to equip young Africans for the job market and create opportunities for jobs and enterprise. Our Jobs for Youth in Africa strategy is our framework for helping African countries provide practical, high-impact solutions through education and training and job creation. Enabling millions of young people to find jobs will fuel the economic transformation Africa needs, promoting sustained economic growth and reducing poverty.