

AFRICAN DEVELOPMENT BANK GROUP

Jobs for Youth in Africa Launch Event

Coding for Employment Flagship Program & Innovation Lab

"Developing Africa's next generation of digitally-enabled youth"

Theme:

Africa's Digital Revolution: The Future is Now

Venue: Kigali International Convention Center Date: June 6, 2018 16:30 -18:30

Documents

Document 1 - Concept paper

Document 2 - Coding for Employment

Document 3 - JInformation and Innovation Lab







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CONCEPT NOTE

I. <u>CONTEXT</u>

Africa has the world's youngest population. Over 62 percent of Africans (that is, more than 600 million people) are below the age of 25 years. These young Africans are energetic, creative and talented. Despite the high aspirations of African youth, they still account for 60% of Africa's unemployed and 75% live with less than \$2 a day, just under the globally accepted standard of poverty, due to under-employment¹. The current rate of formal job creation is by far insufficient to absorb the young and growing working age population. By 2040, Africa will house the world's largest workforce, surpassing India and China. African labor markets create an average of 3 million wage-earning jobs annually, a number that falls significantly short of the 10 to 12 million young Africans entering the labor force each year².

¹ World Bank Group (2008). Youth and employment in Africa: the potential, the problem, the promise. Africa development indicators. Washington, DC.

http://documents.worldbank.org/curated/en/953751468009960130/Youth-and-employment-in-Africathe-potential-the-problem-the-promise

² African Development Bank Group (2016). *Jobs for Youth in Africa Strategy* <u>https://www.afdb.org/fileadmin/uploads/afdb/Documents/Boards-</u> <u>Documents/Bank Group Strategy for Jobs for Youth in Africa 2016-2025 Rev 2.pdf</u>

The lack of an enabling entrepreneurship ecosystem and environment in much of Africa, and the consequential high youth unemployment, are the result of various interlinked causes. On the demand side, insufficient infrastructure, lack of supportive policies and of entrepreneurship support impede the creation of greater economic opportunities, including new enterprises and jobs. On the supply side, there is a mismatch between the skills of youth and those sought by employers; despite increased access to education, youth are not being equipped with relevant private sector nor entrepreneurial skills.

At the same time, the world is experiencing the fourth industrial revolution and at the brick of the 5th industrial revolution. The demand for digitization across all sectors has never been greater. According to the World Economic Forum, more than one third of all jobs in all industries are expected to require complex problem-solving as a core skill by 2020³. Global trends such as artificial intelligence, internet of things (IoT) technology, big data analytics and machine learning are also on the rise. Additionally, digital connectivity represents an unprecedented opportunity to engage in the global economy in new ways. For instance, the "gig economy" powered by digital platforms will represent 40% of the workforce in the global economy by 2020⁴, redefining the very notion of work.

In the last few decades, Africa has had made major strides in ICT advancement and development of disruptive/innovative youth-led enterprises. Africa is the fastest growing mobile phone market with 68% mobile penetration in countries like Kenya and 47% penetration in the West Africa region, with the latter expected to grow to 54% by 2025 contributing \$50 billion to the region's economy annually by 2022⁵. Africa is also currently leading in the areas of Mobile Money with disruptors such as M-PESA, which transacted almost half of Kenya's entire GDP in 2016⁶. Similarly, the start-up ecosystem in East Africa dubbed the 'silicon savannah' has created hundreds of jobs for the youth and spread innovations across the world. However, internet penetration remains low in Africa in comparison to other parts of the globe and the continent still faces major limitations such as lack of infrastructure, wide ICT skills gap, and weak institutional capacity to support innovative techenabled businesses.

It is against this backdrop that the Bank is launching the Coding for Employment flagship program and its Innovation Lab initiative with the aim of "Developing Africa's next generation of digitallyenabled youth" and "strengthening the capacities of the various stakeholders in innovation and entrepreneurship ecosystem".

³ World Economic Forum (2016). *The Future of Jobs Report*. <u>http://reports.weforum.org/future-of-jobs-</u>2016/skills-stability/

⁴ Ernst & Young. *Is the gig economy a fleeting fad, or an enduring legacy?* <u>http://www.ey.com/gl/en/services/people-advisory-services/the-gig-economy-transforming-the-workforce_old</u>

⁵GSMA Intelligence (2018). *The Mobile Economy: West Africa.*

https://www.gsma.com/mobileeconomy/west-africa/

⁶ World Bank Group (2016). *World Development Report 2016: Digital Dividends*. http://documents.worldbank.org/curated/en/896971468194972881/pdf/102725-PUB-Replacement-

II. PURPOSE OF EVENT

In order for Africa to reap the benefits of its demographic dividend, it is critical that African youth, 375 million of whom will be in the labor force by 2030⁷, not only have relevant digital literacy skills, but also have the enabling environment to become major contributors in the entrepreneurship and innovation spheres.

Hence, the African Development Bank, in partnership with the Rockefeller Foundation, Microsoft Philanthropy and Facebook, is organizing a launch event for two flagship initiatives of its Jobs for Youth in Africa Strategy: *The Coding for Employment Initiative and The Innovation Lab.* The purpose of this event is to raise the visibility on the activities that the Bank together with its partners are undertaking to strengthen the ICT and innovation ecosystem. More importantly, the event aims to galvanize further support from potential partners including: the private sector, governments, international organizations and enterprise support organizations to scale these initiatives and reach the maximum number of African youth to create a highly qualified African workforce.

While there are obvious challenges with the digital landscapes in Africa, there are corresponding actions by stakeholders to respond to these challenges. However due to a lack of coordination of stakeholder activities, these initiatives usually lack scale, in most cases are duplicative efforts, with hard to measure socio-economic impact and poor coordination mechanism.

Given this challenge, the pertinent question is – how can different partners leverage each other's strength to create a common platform for harmonized action and hence catalyze an African led digital revolution preparing our youth -now- for future jobs?

The focus of the event will be:

- i. Advocating for a coordinated approach among various stakeholders underpinned by three actions "leverage", "scale" and "focus on results"- to respond to the digital skills gap and youth unemployment.
- ii. Showcasing innovative models that have proven effective in addressing the skills gap as well as creating an enabling environment for youth entrepreneurship and engaging in debates and discussion on how to scale them up.

III. <u>PARTICIPANTS</u>

In order to ensure rich participation and fruitful discussions, the event will be attended by stakeholders from various parts of the ICT, innovation and entrepreneurship ecosystem, including:

- Policy leaders from governments and the public sector responsible for youth, ICT, education and workforce development
- Leading ICT private sector firms

⁷ International Labour Organization (2017). *Creating decent jobs for a rapidly expanding young African labour force*. <u>http://www.ilo.org/global/about-the-ilo/newsroom/features/WCMS_570043/lang--en/index.htm</u>

- Young entrepreneurs
- Development Partners and international organizations
- Investors
- Enterprise Support Organizations such as incubators and accelerators
- Innovative Small and Medium Enterprises
- Civil Society

IV. AGENDA

	Activity	Lead
5 min	Welcome participants	Moderator
10 min	My Story – (TED style talk by young entrepreneur)	
10 min	Welcome Remarks and introduction to the Coding for Employment Initiative and the Innovation Lab	Director, AfDB
5 min	Video	AHHD
30 min	Roundtable (with CfE partners and youth)	Moderator
30 min	Q& A	Moderator
10 min	Tech demonstration	AHHD
5 min	Wrap up and closing thoughts	Moderator
20 min	Photographs and press interviews	
Closing Cocktail		

V. EXPECTED OUTCOMES

The expected outcome of the event include the following:

- i. Sensitization of the public, on ongoing intervention by AfDB and partners in the digital and innovation ecosystem
- Initiate concrete conversations to show the evidence for private/public sector investment and partnership in building the digital and innovation ecosystem. These investments can be financial and/or in the form of technical assistance
- iii. Initial identification of the gaps in the ICT and Innovation ecosystem and development of a coalition of stakeholders with the goal to map and bridge these gaps based on stakeholders' strategic focus



Coding for Employment



Developing Africa's next generation of digitally-enabled workforce

CONTEXT

Youth are Africa's greatest asset, but this asset remains untapped due to high unemployment. Africa's youth population is rapidly growing and expected to double to over 830 million by 2050. The potential benefits of Africa's youth population are unrealized as two-thirds of non-student youth are unemployed, discouraged, or only vulnerably employed – Despite gains in education access over the past several decades.

With the world at the brink of a fourth industrial revolution, the demand for digitization across all sectors has never been greater. Digital innovation across sectors, is generating large pool of job opportunities in the ICT value chain – increasingly shaping the jobs of the future. Yet, more than 70% of Africans still lack access to internet and digital infrastructures.

Africa's youth holds great potential to lead this digital revolution. The youth population comes with high energy, creativity and talents, which are also the key to future prosperity. However, they lack the skills, and experiences needed to access the full range of available employment and entrepreneurship opportunities in this sector.

120 ICT Centers

"For the ICT sector dynamics to be considered in terms of an opportunity in Africa, there is an urgent need for education and research systems strengthening"

CODING FOR EMPLOYEMENT FLAGSHIP

The Jobs for Youth Africa (JfYA), has an ICT flagships aim is to develop and launch Africa's next generation of digitally enabled youthful workforce. Through demand-driven training, the programs will equip youth across the continent with the skills needed to secure ICT, ICT-enabled, and ICT services employment.

The program focuses on both technical, and "soft" entrepreneurship skills that are transferable across sectors and are inclusive of vulnerable and disadvantaged and strategically position youth to compete for the jobs of the future.

THE FLAGSHIP OUTCOME

During a period of 10 years, the program is expected to create over 9 million jobs, train 234,000 youths and establish 120 ICT centers for excellence in Africa.

A key outcome of the program is the young people being able to build their own enterprises that they will then create a "ripple effect" where their innovation will not only create employment for other young people but also enable them access the same skills through mentorship and peer- to – peer learning.

9 Million Jobs

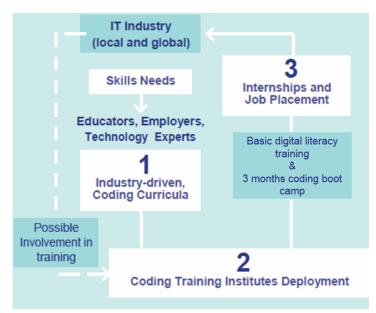
234,000 Trained

The flagships aims to create 9 million jobs

At least 234,500 will be trained in the areas of Digital literacy

The flagship will establish 120 coding centers across Africa

2017 • AFDB 1



PROGRAM IMPLEMENTATION

1. A study will be conducted across Africa, to identify skills needs in the sector and develop a practical, demand-driven training.

2. The program will provide appropriate facilities and infrastructure (ICT Centers of Excellence) which will house the training program.

3. Specifically, the trainings will be delivered in two trenches:

(2-5 Days) Basic digital literacy and soft skill training 3 months advance Coding Bootcamp

(Target Beneficiaries include highly disadvantaged youth between the ages of 15-35 years old, living in Urban or Rural. The program will explore the option of all-female cohort to mainstream gender.

4. Emphasis will be placed on technical skills (e.g., programming languages), soft skills relevant and entrepreneurship skills.

5. Upon training completion, beneficiaries will be awarded certificates. After which, the program will work with stakeholders to assist beneficiaries in obtaining internships or full-time roles.

BANK IN ACTION

Investments in Senegal, Angola, Ethiopia, Nigeria, Cap Vert, Rwanda:

In Senegal and Cap Vert, the Bank has already invested a total of Euros 80 Million to develop technology parks equipped with demand driven training and data centers, and innovation hubs. Other technology parks in development include Ethiopia, Angola, and Nigeria.

In Rwanda, the Bank invested \$13m in the development of the Carnegie Mellon University Information and Communication Technology (ICT) Center of Excellence.

PARTNERSHIP

A multi-stakeholder approach is being adopted in the program implementation to ensure coordinated impact and scale. For instance:

The program is working closely with the Rockefeller Foundation Digital Jobs Africa; to scale inclusive employment selected pilot countries in Africa between 2017-2018.

In addition, partnership is being developed with key private sectors to leverage existing/ similar initiatives, a provide coordination, technical assistance and an opportunity to scale the quality and quantity of youth reached.

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African Development Bank Jobs for Youth in Africa (JfYA) Strategy

Information and Innovation Lab

Curbing the African Migration Crisis through Job Creation

CONTEXT

The rate of formal job creation is by far insufficient to absorb the young and growing working age population. By 2040, Africa will house the world's largest workforce, surpassing India and China. African labor markets create an average of 3 million wage-earning jobs annually, a number that falls significantly short of the 10 to 12 million youth entering the labor force each year.

With few jobs and dim prospects for Africa's youth, thousands risk migrating across the Mediterranean daily in search of better lives. In 2015, Sub-Saharan Africa accounted for about 58% of total Mediterranean refugees to Italy alone. Nigeria, Mali, Somalia, Senegal, The Gambia, Sudan, and Eritrea account for the majority of refugees in Europe.

Migration to Europe comes at a huge cost to the African Continent, the host countries and the migrants themselves. While Africa loses valuable youth – an important asset for its future prosperity and economic transformation. The migrants have spent up to an estimated Euros 16 billion to reach Europe over the past decades, in hope for better future- an investment that can be channeled into building sustainable enterprises in their home c o u n t r i e s.

Hence, it is imperative to adopt a range of measures within Africa that will create productive employment and support entrepreneurship as a means to mitigate the "willingness" to migrate outside the continent.

CHALLENGE

The lack of an enabling entrepreneurship ecosystem and environment in much of Africa, and the consequential high youth unemployment, are the result of various interlinked causes. On the demand side, an insufficient infrastructure, lack of supportive policies and lack of entrepreneurship support impede the creation of new enterprises and jobs. On the supply side, youth often do not have the skills sought by employers, despite increased access to education.

OPPORTUNITIES

Economic migrants can be an important asset to their home countries. They are often missed entrepreneurs, who have made veritable investment decision (by borrowing and/or using some seed capital) to embark into often perilous journey while expecting a high return. Offering opportunities targeted at this demography, will cultivate their entrepreneurship potentials and help them make better investment decisions in their own country.

Also, channeling diaspora investments to support entrepreneurship, is another area of opportunity. Once settled, migrants often look at their home countries as potential investment destination. However, they often lack the appropriate conduit to invest in their countries. Hence providing targeted support and necessary guidance to these group, can enable them contribute positively to their country's entrepreneurship ecosystem. This presents an effective strategy in the current context.

OUR PROPOSAL - INNOVATION LAB

"The Entrepreneurship and Innovation Lab will directly address youth unemployment and support entrepreneurship to tackle one of the root causes of migration"







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

 Facilitate access to: peer to peer learning, mentorships, best practice sharing workshops and conferences

Knowledge

Sharing

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

LAB OBJECTIVES

The objective of the Lab is to support the youth employment and entrepreneurship ecosystems by incubating and piloting promising new entrepreneurship models and supporting entrepreneurs as well as their local entrepreneurship ecosystems. The Lab will also provide knowledge resources to enhance the skills of youth, address mismatches between employees and employers, and provide resources to employers that should allow them to grow their businesses.

Specifically, the Lab looks to:

1. Enhance the knowledge base on effective youth employment and entrepreneurship interventions across the continent.

 Incubate new interventions and provide financial and technical assistance to emerging innovations that expand youth employment and entrepreneurship.

3. Support innovative enterprises through business development services, and facilitate access to networks, linkages and partners that will enhance their success and allow them to grow their businesses in their home markets and/or in other African & European markets.

4. Strengthen the entrepreneurship ecosystem that is a prerequisite for the success of entrepreneur.

5. Facilitate and support local tools and mechanisms that address employer-employee skill mismatches (e.g. supporting student traineeship mechanisms, supporting entrepreneurship education in vocational training schools, etc.)

LAB APPROACH

Using an approach called "SKILL", the lab will deliver strategic interventions, as follows:

- Strengthen Capacity: The Lab will strengthen entrepreneurship capacity and promote innovation across youth, Angel investors, incubators and accelerators. Map and strengthen local entrepreneurship ecosystems and networks.

- Knowledge Sharing: The Lab will facilitate peer to peer learning, and best practices sharing on entrepreneurship and skills development. It will host and share focused training materials and best practices including: policy a p p r o a c h e s .
- Incubate Innovative Business Ideas: The Lab will identify, support and accelerate market-based solutions related to employment and entrepreneurship, such as mentorship and traineeship approaches

- Linkage Creation and Leveraging Partnerships: The Lab will leverage both internal and external partnerships to deliver programmatic interventions that will connect SME's to technical and financial assistance. Specifically, it will link innovative/ high potential SMEs with institutions that can support their growth.

"Across all these dimensions, the lab would attempt at engaging as much as possible the African diaspora as part of the solution, ranging from the promotion of linkages with diaspora organizations, knowledge sharing and facilitate investment and return of African diaspora to be an active player of the future of the continent"

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