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## PRESS RELEASE

### **Jobs for youth key to Africa's continued economic growth and social cohesion**

**Arusha, 28 May 2012** – With the number of youths in Africa set to double by 2045, countries across the continent should boost job creation and help young people acquire new skills, according to the *African Economic Outlook 2012*.

*“Creating productive employment for Africa’s rapidly growing young population is an immense challenge but also the key to future prosperity”,* say the authors in the foreword.

Co-written by the African Development Bank, the OECD Development Centre, the United Nations Economic Commission for Africa (UNECA) and the UN Development Programme (UNDP), the report says youth are an opportunity for future economic growth.

Between 2000 and 2008, despite world-topping economic growth rates, and a better educated youth, Africa created only 16 million jobs for young people aged between 15 and 24.

Today, youth represent 60 percent of the continent’s unemployed, and of these 40 million youths, 22 million have given up on finding a job, many of them women.

*“The continent is experiencing jobless growth”,* said Mthuli Ncube, Chief Economist and Vice-President of the African Development Bank (AfDB). *“That is an unacceptable reality on a continent with such an impressive pool of youth, talent and creativity”.*

The report argues youth unemployment figures will increase unless Africa moves swiftly to make youth employment a priority, turning its human capital into economic opportunity. On the other hand, youths can present a significant threat to social cohesion and political stability if they do not secure decent living conditions.

High growth alone is not sufficient to guarantee productive employment. Youth employment is largely a problem of quality in low-income countries and one of quantity in middle-income countries, the report says.

*“In low-income countries, most young people work but are poor nevertheless. In African middle-income countries, on the other hand, such as South Africa or the Northern African countries, despite better education, more youth are inactive than working”,* said Mario Pezzini, Director at the OECD Development Centre.

The report recommends that African countries design better coordinated strategies to effectively tackle youth employment, focusing on job creation in the private sector while providing the right conditions for businesses of all sizes to grow and expand their work force.

In addition, given the small size of the formal sector in many African countries, the report finds that a government focus on the informal sector and rural areas, which contain immense entrepreneurial talent, can serve as engines for inclusive growth since they can absorb higher numbers of unemployed youths.

It also advocates for policies focused on creating the skills that are necessary for youths to compete in the job market, for instance by improving the quality of education in agriculture and new technologies.

Increased policy focus on youth employment must be coupled with measures to boost investments in social and economic infrastructure and diversify the continent's economy.

*“Export diversification beyond raw material and private sector development are important to mitigate the continent’s susceptibility to external shocks, but that takes time”*, said Emmanuel Nnadozie, Director of Economic Development at UNECA.

With the right policies in place, the continent could capitalize on its recent economic growth to achieve a development breakthrough.

*“Youth employment is an investment in the future. It contributes to reducing poverty, wealth creation, well-being and social cohesion,”* said Pedro Conceição, Chief Economist at UNDP’s Regional Bureau for Africa.

The African Economic Outlook presents a comprehensive analysis of the economic, social and political developments in the region. The report includes in-depth country notes on 53 of the continent’s 54 economies, a macroeconomic overview.

The document also offers a chapter on human development which focuses this year on the importance of reversing capital flight to achieve sustainable human development.

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Information about the report: *The annual 2012 African Economic Outlook* covers economic, social and political development in 53 of the continent’s 54 countries. It is published with financial support from the European Union and the Committee of African, Caribbean and Pacific Group of States (ACP).

For the whole report, including statistics and specific country performance, please visit <http://www.africaneconomicoutlook.org>

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