

PRESS RELEASE

North Africa : finding jobs for the 9.8 million young people entering the labour market between now and 2020 will require a new approach to economic growth

Tunis, 16 July 2012 – Growth in the last 10 years preceding the Arab Spring did not made it possible for North African countries to create enough jobs for the young. The regional unemployment rate among the 15 to 24 year-old age group is on average 23%, which is three to four times higher than that of adults. But the rate is 41% if the discouraged are included: that is, those young inactive people in a position to work but not looking for employment and so are not included in the official statistics.

Over the last decade Morocco and Algeria have achieved a rate of job creation higher than the rate of growth of the active population, but the young have benefited least. In other countries in the region economic growth has not been sufficient to create jobs at a rate matching population growth.

The arrival of young people on the labour market represents an opportunity but it could also be a factor of instability if their aspirations are not taken into account. *“Taking into account present trends,”* according to Mthuli Ncube, Chief Economist at the African Development Bank, *“the education of young people in terms of numbers of years of school and college is progressing faster than population growth in North Africa. “This represents a unique opportunity for the economic and social development of the region, on condition that advantage is taken of this talent, this reservoir of human capital in full growth, and it is directed towards the productive sectors of the economy.”*

The fact is that though the supply of graduates has increased rapidly, economies remain focussed on sectors of activity that are incapable of providing jobs that correspond to their level of studies, such as clothing and textiles or the mechanical industry. Furthermore, unless strategies are adopted for an inclusive growth which creates greater numbers of jobs for the well qualified, these countries run the risk of seeing their stability threatened by those who have been left behind or rejected, as was the case last year in several North African countries.

Tomorrow’s jobs must be mainly provided not in the public sector, which is often already saturated, but in the private sector and in particular in small and medium-sized enterprises (SMEs). Under these circumstances the reduction of obstacles to the growth of SMEs and job creation is one of the five key areas of action to promote youth employment in North Africa under discussion today at the OECD/AfDB conference in Tunis. Among the chief obstacles to be overcome are corruption and access to financing. But public policies also have a crucial role to play in stimulating the diversification of the economy and enhancing its competitiveness.

Accordingly, *“North Africa must equip itself with economic structures that provide the young with more job prospects. This entails steps to encourage diversification of existing sectors and the creation of more value added within countries to sustain the creation of good-quality jobs on a large scale,”* says Mario Pezzini, Director of the OECD Development Centre.

The OECD/AfDB conference: Promoting youth employment in North Africa.

The conference, to be held in Tunis on 16 July 2012, brings together North African finance and employment ministers, political decision makers, OECD and AfDB experts, and representatives of the private sector, universities and civil society to discuss challenges arising from youth employment in the countries of North Africa and the relevant policies to be implemented. A full programme can be found by clicking [here](#) .

African Economic Outlook:

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