Chapter 5

Improve the quality of life for the people of Africa

The ultimate objective of all of our development assistance is to improve the quality of life for Africans. Quality of life has many components, and each of our High 5s contributes in different ways – whether through improvements in incomes and livelihoods; through quality public services such as health, education, water and sanitation; or by promoting environmental sustainability.

This chapter reviews Africa’s overall progress in reducing poverty, creating jobs, increasing incomes and enhancing access to essential services, drawing on data from Level 1 of our Results Measurement Framework. It also assesses how far our programmes have improved the lives of targeted groups and highlights lessons to improve future operations as we scale up our support to the High 5s. We set out our plans for accelerating job creation, especially for young people, and delivering improved access to services over the next decade.

Delivering jobs and essential services

Just over 40% of Africa’s population lives below the poverty line. Although Africa has experienced unprecedented economic growth since 2000, rapid population growth across the continent means that per capita incomes are barely increasing. Income inequality is high and tending to increase, with the Gini coefficient at 42 (on a scale of 0 to 100). Thus there is an urgent need to increase incomes, job opportunities and access to services, to help families escape poverty and obtain a higher quality of life.

Africa and jobs

An estimated 200 million Africans are aged between 15 and 29 years, and the number continues to grow (see Figure 13). Harnessing the labour, energy and enterprise of young women and men is critical to driving economic growth and reducing poverty.

There is an urgent need to increase incomes, job opportunities and access to services

Africa’s overall unemployment rate is 8%, whilst the youth unemployment rate is 13%; 60% of unemployed people are young women and men. Of those young people who are employed, many are trapped in low-productivity work in the informal sector. Providing young people with the education, skills and capacities for gainful employment is an urgent priority. Yet enrolment in primary, secondary and tertiary education stands at just 61% and has been declining, while enrolment in technical and vocational training is still low at 11%.

African governments are adopting some innovative approaches to reducing unemployment. In Zambia, technical and vocational training schools for employment have been established, along with measures...
to promote better jobs. Unemployed graduates in Tunisia are finding jobs through the country’s Green Jobs Platform, while Benin is constructing its first digital city with a view to creating 50,000 jobs.

In Ghana, an initiative with Microsoft and the International Institute of Communications and Development is equipping school leavers and graduates with the right skills for jobs in different sectors of the economy. In fact, cities all over the continent are becoming hubs, hosting start-ups (see Box 11).

Box 11  Tech hubs are blooming in Africa, fostering the growth of start-ups

The continent is home to over 300 active incubators to accelerate the growth of start-ups, innovation spaces and co-working spaces—half of them in Nigeria, South Africa, Kenya, Egypt and Morocco. The agri-tech sector saw the biggest growth in investment in 2016, and the health sector is also picking up.

In Tanzania, the start-up company Jamii launched a micro-health insurance product using a mobile health policy management platform that acts as an insurer. It allows for premium collection and a cashless facility from over 400 hospitals. Two years into its piloting, the company received $750,000 of seed money. As it rolls out its presence in Uganda, Ghana, Nigeria, Kenya and South Africa, the company aims to affect the lives of 720,000 people.

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Harnessing the labour, energy and enterprise of young women and men is critical to driving economic growth and reducing poverty

However, the youth employment challenge in Africa remains daunting. For the 10 million young people entering the labour market each year, small, medium and large agriculture-based industries must be a key part of the solution, to enable them to contribute to the economy and to achieve an improved quality of life.
Africa and essential services

Access to services is essential to improving quality of life. Better health, education, water, and sanitation services are the key to creating a healthy and 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 71% of the population having access to safely-managed drinking water services and 39% having access to safely-managed sanitation facilities.

Providing young people with education, skills and capacities for gainful employment is an urgent priority

Improved nutrition is also key to human development. Chapter 1 on Feed Africa highlighted Africa’s continuing levels of hunger and poor nourishment. Each year, malnutrition claims the lives of hundreds of thousands of children under age five. In Sub-Saharan Africa, nearly 3 million children die each year before age five, and over 40% of these deaths are attributable to malnutrition; many could be prevented through improved nutrition. Undernourishment also causes stunting, holding back children’s physical and cognitive development and limiting their quality of life and their ability to participate in economic development.

Access to services is essential to improving quality of life

The Bank’s impact on the lives of people

To equip people with the right skills for business and employment, we have boosted our support for science, technology and innovation training by investing in centres of excellence, working in collaboration with the private sector. We support a network of African institutions of science and technology, such as the International Institute for Water and Environmental Engineering in Burkina Faso, to ensure that training and research meet the needs of the job market, and to promote networking amongst science institutions.

Our development projects contributed to GDP growth

In Rwanda, we have supported a wide range of technical and vocational curricula areas and provided access to finance to almost 20,000 enterprises, focusing on young people and women. In Côte d’Ivoire, we worked closely with the private sector and microfinance institutions to provide training and bring together employers and young people, facilitating job creation in a number of sectors (see Box 12).

Box 12  Helping women entrepreneurs grow their businesses in Côte d’Ivoire

After the war in 2010, Bodjra Akou sought to establish her own hardware store. Unfortunately, capital was scarce and she could not meet the requirements for loans from private banks, which expect borrowers to provide a guarantee for the amount they borrow.

On a friend’s advice, Bodjra Akou contacted Microcred, a micro-credit company in Abidjan supported by the AfDB, and took a first loan for $500 that she paid back in just a few months. The process proved easy and allowed for flexibility. With this first loan, Bodjra was able to open her store. Later, to expand it, she took another loan for $1500.

These loans were instrumental in getting her business started. She is now able to save money. As she says, “Now, I can work with my husband. We have created a family business and customers are happy with our products. As a woman, it helped me get a better footing in life and I see how I can grow.”

We have provided grants to small- and medium-sized agricultural enterprises in rural Malawi, and promoted an improved business environment. Our support focuses on economically active people in rural settings, who have the potential to embark on business ventures and create value added. We have supported the development of cooperatives and business groups to boost agribusiness, creating 948 skilled and 2110 unskilled jobs; and increasing businesses’ turnover by 10%.

We created 1.6 million direct jobs in 2016

With other partners, we have fostered job creation and entrepreneurship in Tunisia with our Souk At-tanmia initiative, building capacity in finance and business management. The initiative has supported 161 businesses, creating over 1300 jobs, and a second-phase project is now under way. Our projects in Côte d’Ivoire, Tanzania and Uganda have also provided access to finance and business advice, and have resulted in more successful businesses with increased employment. Overall, we created 1.6 million direct jobs in 2016, of which 800,000 were jobs for women. Many more jobs have been created indirectly, through the wider economic impact of our investments.

Sustainable water and sanitation services are critical to quality of life

Our assistance to the health, education, and water and sanitation sectors continues to make a significant contribution to quality of life. In Liberia, following 14 years of conflict, we rehabilitated rural infrastructure that enabled service delivery and economic activity.
What has worked well

**Ensuring effective project management**
Our support to Malawi’s Health Sector Programme benefitted from an effective project management team on the Government side throughout the project. A thorough project launch mission involving all major stakeholders, including in the areas of procurement and financial management, ensured that the team fully understood the project concept and implementation mechanisms.

**Continuity in project management**
Continuity is another success factor. Our water and sanitation programme in Rwanda has retained the same management team across both its phases, enabling them to learn from experience. This absence of turnover has supported effective engagement with the private sector actors that are taking over the running of water facilities, which the project management team then passed on to private entities who brought capital for stable returns and de-risked assets.

What has not worked so well

**Getting approval from Parliament**
One disbursement condition for our skills, employability and entrepreneurship programme in Rwanda required approval from Parliament. This crucial part of the authorising environment is in line with standard practice in many countries where legislators are powerful partners in implementing development programs. This ratification took longer than expected to obtain, delaying implementation. The Bank now aims at initiating early sensitisation of parliamentarians with its projects.

**Gender targets not achieved**
In Uganda, a savings and credit programme to enhance rural income and employment failed to engage the targeted number of women. The design did not incorporate a strategy for achieving this, and the Bank neglected to train male cooperative members on the importance of gender equity. We will soon introduce a Gender Marker System that will help by systematically rating project designs according to the extent to which they integrate the gender dimension.

Box 13 Lessons from our programmes to support quality-of-life improvements

Box 14 Putting nutritious food first

In sub-Saharan Africa, the number of stunted children—12.5 million—is one-third higher than in 1990. Stunting leaves children highly vulnerable to infectious diseases and hampers capital formation during their growth.

Recognising that economic progress in Africa is being undermined by malnutrition, the Bank has launched an ambitious programme—the Feed Africa Initiative—to increase food production to make nutritious food available to vulnerable and undernourished communities in Africa, and especially to children and women. The focus will be on strengthening governance and leadership, capacity building for nutrition, mainstreaming nutrition interventions in all sectors and large-scale food fortification through public-private partnerships.

The Bank has set up African Leaders for Nutrition, an African-led forum that aims to encourage countries’ progress on nutrition through dedicated programs. The initiative will use an accountability scorecard to assess progress towards policy change, increases in financial support and the impact of investments in nutrition. The Bank is ramping up work in this area with partners and foundations to finance this work.

We are also scaling up our current work. For example, our delivery of emergency assistance to Madagascar contributed to the purchase of 1134 tons of foods for assistance, nutritional supplements and school feeding. We also helped 11 500 people suffering from severe acute malnutrition in Nigeria’s Borno State.

Sustainable water and sanitation services are critical to quality of life, improving health outcomes, facilitating business activities and providing more time for women and children to work and attend school. Our projects delivered new or improved access to water and sanitation to 3.7 million people, of whom 1.9 million were women.

In Ethiopia, we provided seven water distribution points in the Oromia district, transforming the area and benefiting 300 households. Previously, women had to travel two to four hours to collect water from rivers—time now saved for children’s education and productive work. This micro-level result is part of the support we provided to the rural water supply and sanitation programme in Ethiopia, which provided safe water to 2.4 million people.

Sustainable water supplies are also critical for agribusinesses and industries. Our support to the Southern African Development Community involved 23 community water-basin management projects, to support irrigation. We have opened up new irrigation areas in both Zimbabwe and Tanzania, benefitting over 700 farmers.

We continually learn from our projects, and use the lessons to improve future programming (see Box 13).

**Bringing jobs to youth**
In 2016, the Bank launched the Jobs for Youth in Africa Strategy (2016–25), to increase employment opportunities and ensure that young people are equipped with the right skills and entrepreneurial spirit to take advantage of them. In line with this strategy, the Bank is integrating a youth employment component into the design of every operation it undertakes. We are assisting regional member countries to develop national youth employment policies, supporting innovative work on best practices to help young people become entrepreneurs, and making investments that catalyse the private sector to increase employment opportunities.
Investing in farming and nutrition for job creation

Many young people work for little pay in agricultural work, often because they lack other options. As Africa gains higher returns along the agricultural supply chain, young people will be attracted to working in agriculture, bringing their innovative ideas and energy. Raising the quality of jobs in agriculture could reduce the numbers of skilled young people who wish to leave sub-Saharan Africa and seek work in other countries.

The Bank is integrating a youth employment component into the design of every operation it undertakes

The scaling up of our agricultural investments under the Feed Africa High 5 priority is closely linked to our expanding support for nutrition programmes (Box 14). A dynamic agriculture sector means higher productivity and increased food production, which will help address hunger and undernourishment, including in pregnant mothers and young children.

New programmes to address the quality of life for African people

In 2016, the Bank approved new job creation and skills training projects, in line with our Jobs for Youth in Africa Strategy. On average, projects approved in 2016 created 9000 jobs each—a substantial increase in our level of ambition. In the agriculture sector, our focus is on Empowering Novel Agri-Business-Led Employment (ENABLE) youth programs, developing small and medium enterprises and creating jobs in agriculture.

We are supporting the Pan Africa University into a second phase. Highly skilled scientists and researchers are being trained to enhance industrial innovation, competitiveness and sustainable development across the continent.

With other donors, we are co-financing a multipurpose water supply project in Senegal along the Louga-Thies road to improve quality of life through access to drinking water for 3 million people and water supplies for agricultural production and agribusinesses. With an education programme and support for marketing, storage and production, this project will boost economic activity for over 20 000 farmers, market gardeners, fruit and vegetable growers and other agribusinesses.

We will continue to support countries to create not only more, but better, jobs, and to support youth and women in becoming agripreneurs, with more opportunities, while promoting access to essential services. We are refocusing our assistance to improve the quality of life for the people of Africa and intend to play a key role in this area along with our partners.