



AFRICAN DEVELOPMENT BANK GROUP

**DR AKINWUMI AYODEJI ADESINA
PRESIDENT OF THE AFRICAN DEVELOPMENT BANK GROUP**

OPENING REMARKS

“JOBS FOR YOUTH IN AFRICA”

WEST AFRICAN MINISTERIAL CONFERENCE

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ABIDJAN, CÔTE D’IVOIRE**

Good morning everyone.

I welcome you all very warmly to this West Africa Regional Ministerial Conference. We are here to discuss the future of Africa's youth and how we will create jobs for them. The attendance of so many Ministers is a clear indication that your Governments pay great attention to youth unemployment. I am delighted we have so many young people in this auditorium. We are here for you: you are the future.

So, let's talk about Africa's future. The future of Africa has always been on my mind. I am convinced that future must be built today and it must start by unleashing the talents of youth across our continent.

We are witnessing today a paradox of history. Shortly before I took over as President of the African Development Bank, I visited Gorée Island in Senegal. Gorée is the secluded island where slaves were gathered, herded like cows, hurled into boats and sent to America – sold off.

Africa's youths, strong and dynamic, were decimated. Their future ruptured.

As I stood at the famous door – the door of no return – where the slaves passed through to be dumped into their boats, never to return – I thought about how Africa lost so many of its youth. They were put on boats and many died on the seas, against their wishes.

Yet, today, we see a disturbing trend. Africa's youth, on their own will, jump into rickety boats, fleeing to Europe – by all means possible. What began like a trickle is fast becoming a torrent. They have lost hope, triggering a migration crisis. The migration crisis to Europe is an embarrassment for Africa.

And the reason this is happening is obvious: Out of the 13 million youths that enter the labour market each year, only 3 million get jobs. Just about 33% of the youth are in wage employment, while the rest are underemployed or in vulnerable employment. To be plain: Africa has a job crisis.

Africa's rapidly rising population, which will reach 2 billion by 2050, is a huge potential asset. It is expected that the population of the youth will double from the current 480 million to reach 840 million by 2050. That means Africa will be the youngest continent in the world.

Unless we create employment opportunities for them, Africa's rapidly growing population of youths can give rise to serious social, economic, political and security challenges.

Unemployed youths will not be able to pay taxes. There will be high level of dependency on the state. And when the state is unable to meet their needs, social tensions will build, fragility will deepen, social unrest will increase and political instability will arise. That is not the Africa we need. We need an Africa that is able to create jobs for its youth.

The saying goes "an idle hand is the devil's workshop". Today, across Africa, unemployed youths are turning into gangs, getting into kidnappings for a living, getting recruited to join terrorist groups. And those are the wrong kind of jobs.

Yet, as many parts of the world witness a rapidly aging population, Africa could become the newest centre for youth entrepreneurship globally. We have to unlock the potential of Africa's youth. We must aggressively create jobs for them or support them to create jobs for themselves; hence the critical importance of entrepreneurship.

Young entrepreneurs are emerging in many parts of Africa. They are determined to succeed, to take on the world, to use their own talents to create economic opportunities. Two young entrepreneurs – a Nigerian and an American, joined forces to set up Andela. Andela recruits young computer talents in Africa and places them with some of the world's leading companies such as Microsoft and IBM, where they are groomed to become business developers. So powerful is their business model, that the big guys have noticed, including Mark Zuckerberg and Google.

Such is the case of Kelvin Doe, a 19-year-old entrepreneur in Sierra Leone, who built his own generator, produces his own batteries from trash, and established his own radio station from metal scraps. Kelvin could easily have fled from the challenges in Sierra Leone, but he did not. Today he is listed as one of Africa's emerging business entrepreneurs. He has shown us that fragility cannot stop creativity.

The future belongs to those that prepare for it today. Africa needs to position its youth to take advantage of the jobs of the future.

The fourth industrial revolution will shape the economies and jobs of tomorrow. With the fourth industrial revolution, focus has shifted towards digitization, material sciences, biotechnology, artificial intelligence, the Internet and robotics. It is more

likely that the future industries will link people and machines, not people and people. The impacts could be very disruptive. New skills will be needed, especially in sciences, engineering, mathematics and computer sciences.

Today, African universities are not producing enough people in these fields. About 70% of enrollments are in social science fields, with less than 2% being in engineering. We are essentially training our youths for the jobs of yesterday, not the jobs of the future.

More incentives will be needed to shift this concentration, to produce more graduates with such skills, which will be needed to turn them into entrepreneurs for the fourth industrial revolution.

That is why the African Development Bank has provided \$40 million to support the ICT Center of Excellence in Kigali – a joint initiative between the Kigali Institute of Science and Technology and the Carnegie Mellon University – to produce the next generation of computer experts for Africa. Our support to Rwanda’s Skills Employability and Entrepreneurship Program has facilitated the training of youths in entrepreneurship skills. Some 7,500 start-ups were trained and over 6,300 start-up small and medium scale businesses were provided with finance.

The Bank has also supported the establishment of digital technology parks in Senegal and Cape Verde. Young entrepreneurs are being supported through business incubators to help them grow their businesses.

Just three months ago, the Bank launched the “Jobs for Youths in Africa” Initiative, our flagship program to address youth unemployment in Africa. The goal is to help stimulate the creation of 25 million jobs within the next ten years. Through this initiative, we will help to mobilize \$3 billion in support of young entrepreneurs in Africa, with a focus on business incubation. It will facilitate the establishment of skills enhancement zones to foster better linkages between skills and industrial development.

The Bank, in partnership with the European Investment Bank, will soon launch the Boost Africa Initiative. The Bank will provide a total of 80 million Euros towards this initiative. Over 2,000 young entrepreneurs will receive support, which will allow them to create 75,000 direct jobs and 500,000 indirect jobs. The youths will become job creators, not job hunters.

Agriculture sector offers an excellent opportunity for the youths, both graduates and high school leavers, in urban and rural areas. We must make agriculture exciting for the youth. That is why agriculture should be treated as a business, not a way of life.

The Bank has launched a special program to build entrepreneurship in the agriculture sector, called the “Empowering Novel Agri-Business Led Initiative (ENABLE) Youth” initiative. The goal is to support the creation of profitable and vibrant agribusinesses by young graduates between the ages of 18 and 35 years. These agribusinesses are expected to create at least 1.5 million jobs. The initiative has generated huge interest across Africa. The Bank has received requests for support from 30 countries under the initiative.

With the food and agribusiness industry in Africa projected to be worth \$1 trillion by 2030, there is no doubt that young agribusiness entrepreneurs will feed Africa. They will also form the new generation of young commercial farmers that will make Africa’s agriculture more productive, efficient and competitive.

I believe that the future millionaires of Africa will come from agriculture, not from the oil and gas industry. Agriculture will become Africa’s new oil.

The African Development Bank stands fully ready to work with you in all these areas. To succeed, national governments must create conducive environments for the businesses of young people to thrive. We must ensure they get access to affordable finance. We cannot ask a young person who is 20 years old to bring tax receipts for the past 20 years in order to access finance. Let’s remove obstacles in the paths of our youths, let us cut the red tape for the youths!

Time is not on our side. African youths’ call for action is best captured by John Legend’s powerful lyrics from the song “If you are out there”:

“If you hear this message
Wherever you stand
I’m calling every woman
Calling every man
We’re the generation
We can’t afford to wait
The future started yesterday
And we’re already late!”

How powerful. How relevant. How true. So, let us create a better and more exciting future for Africa's youth.

Let us unleash their potential as entrepreneurs.

As we do, we will support Africa to reap a huge economic dividend from its rapidly rising population of youths.

Then their future will be bright – and that is exactly how it should be!

Thank you very much.