

Africa Talks Jobs

Concept Note

“Private Sector Roundtable” and “Dialogue on Youth Entrepreneurship Promotion”

African Union Commission Conference Center, Addis Ababa, 30/31 October 2018

1. Background

1.1. Africa Talks Jobs Dialogue Platform

The African Union Commission, the New Partnership for Africa’s Development (NEPAD), and Business Africa (BA) initiated the “**Africa Talks Jobs (ATJ)**” dialogue platform to develop a continental answer to youth employment and skills promotion. In October 2017 a first conference was organized in conjunction with the 5th AU-EU Heads of State Summit. Over 400 participants from 44 African and European countries took part in the conference representing a broad range of stakeholder groups from all levels: higher education, TVET schools and secondary schools, civil society and youth organisations, the business community, employment service providers and policy makers.

As result of the conference, policy recommendations were presented to the 5th AU-EU Heads of States summit. Youth representatives from the ATJ dialogue presented their views to the AU-EU summit. 120 business organizations committed themselves to invest in skills development for employment and to initiate partnerships with the education sector to improve respective skills.

Africa Talks Jobs is supported within the framework of the German Cooperation programme with the African Union. Eight cooperation programmes supported the preparation and execution of the conference as well as the follow-up process – the **Skills Initiative for Africa**, the **Programme supporting the Pan African University**, the **African German Youth Initiative**, the **CAADP and PIDA Cooperation programme**, the **African Governance Architecture programme**, the **Employment for Development E4D regional programme** as well as the global programme **YouMatch**.

1.2. Follow-up measures and Continuation of the Dialogue Platform

Reflecting on the results of the first ATJ conference in 2017, the partners AUC, NEPAD, Business Africa (BA) and GIZ (as implementing agency for the German government) agreed on a follow-up process. It is based on the results on the conference and will ensure continuation of the multi-stakeholder dialogue and implementation of skills development and job creation measures through the private sector and in partnerships. Existing obstacles for the creation of practise-orientated technical and vocational training and job creation will be identified and proposals developed to overcome these challenges. The ATJ dialogue platform is linked to the political agenda of the African Union in the field of youth employment promotion and skills development across the education levels. Strong emphasis is given on the active engagement of the private sector which defines the needs in skills development and for job creation, including entrepreneurship.

The number of committed African companies shall be increased and companies shall be supported in the implementation of their pledge. It was also decided to broaden the thematic scope and to align it with the “integrated model for employment promotion” that includes measures for strengthening the “supply side” through qualified human capital, strengthening the involvement of relevant business sector in curricula development, training on the job and additional training top-ups as well as for strengthening the “demand side” in terms of increased productivity of the business sector and growth of the sector through incentives for business to educate and train. Demand and supply will be linked through “matching mechanisms” e.g. employment services and labour market information system. These initiatives will be likely be supported by the **European Union**. In 2019, it is planned to go to the next level: **Africa Talks Jobs (ATJ) will transform into “Africa Creates Jobs”**. This October conference will lead the pathway and focus on the necessary steps and stakeholder engagement to drive the agenda forward.

Since the Africa Talks Jobs conference in 2017, the following has been achieved:

- Roadmap on “**Professional and technical training and education for employment and entrepreneurship**” was developed and launched by the AUC and discussed with private sector.
- Launch of the **African Skills Portal for Youth Employment and Entrepreneurship (ASPVEE)**, managed by the NEPAD Agency portal.
- **Mapping of African organised business institutions** and scoping of the available models/approaches. The SIFA Private Sector Framework will guide cooperation-collaboration modalities within national-regional youth skills development ecosystem networks, and help to facilitate dialogue, synergy-building and upscaling of public-private sector partnerships for improved youth employability outcomes. The Business Sector will be in the driving seat to ensure their needs and align the training environment to it.
- Scoping of models and approaches of the Business Community in skills development for employment (including the 120 companies who pledged at ATJ 2017) including an assessment of necessary framework conditions, obstacles or need for support is underway. The Skills Initiative for Africa is supporting the development of ecosystem networks, synergy-building and up-scaling of public-private partnerships with the goal of improved youth employability outcomes. The needs of the Business Sector, the strengthening of the business and training environment are at the core of measures to be developed and accompanied
- The concept for a **Pan African Entrepreneurship Hub** has been developed at the Pan African University and an overview of frameworks and trends as well as a dialogue of experts and practitioners on “youth entrepreneurship promotion” has been prepared.
- A study on the theme of **youth employment in AU strategies** and implementation experience at member state level is being commissioned to foster coherence and synergies of the approaches of the AU in different sector such as skills development and education, private sector promotion, entrepreneurship promotion or sector policies such as agriculture or energy and infrastructure. More coherence and focus shall ensure that goals regarding youth employment of the 10-year

implementation plan of the Agenda 2063 are met.

- Following-up on **skills development in non-formal education**, ideas on how youth exchange could be a bridge towards the job market through a more prominent involvement of the private sector were developed in a Youth Ideation event.
- **Community of Practices (CoPs) on employment services for youth** were established. The CoPs shall provide a vehicle to ensure a follow-up of ATJ's recommendations in the field of employment services.

2. Private Sector and Entrepreneurship Dialogue Events in October 2018

The 2018 ATJ Continental Dialogue will be held as a joint event to address Youth Entrepreneurship Promotion as well as next steps regarding Private Sector Engagement in Youth Employment-oriented skills development. Both events are held concurrently at the same time and venue and shed light from different perspectives: While one main objective of the 2018 ATJ Dialogue is built upon the commitments of the 2017 dialogue to foster the engagement of the private sector and move from talk to action, the Youth Entrepreneurship Promotion Dialogue will focus on the self-employment and business orientation of young Africans.

The European Union will play an active part. In his State of the Union 2018 address "Towards a new Africa - Europe Alliance" to deepen economic relations and boost investment and jobs, President Juncker announced additional support and resources for skills development in Africa.

2.1. Private Sector Roundtable

2.1.1 Background

The Skills Initiative for Africa (SIFA) aims to promote occupational prospects of young Africans through the support of innovative skills development programs and a close cooperation with the private sector as integral key stakeholder in the creation of jobs. The SIFA programme is engaging the private sector by way of providing technical assistance: It should enable the private sector to live up to these commitments made, to strengthen in company training, the linkages with the education sector and other skills development service providers for improved employability of youth. This will entail deployment of a team of SIFA Regional Coordinators to work with identified private sector bodies. Their role will be to provide process facilitation support along jointly developed national-regional plans, to harness best practices and strengthen public-private partnership and collaboration.

2.1.2 Purpose of the SIFA Private Sector Roundtable Meeting

The SIFA Private Sector Roundtable will bring together members of the Business Community, public and other key stakeholders encompassing continental, regional and national actors, with the aim to bring the engagement of the Business Community in skills development to the next level. The ATJ Private Sector Roundtable will help to deepen the exchange and work towards implementation and execution arrangements through development of individual national-regional action plans for the targeted regional anchor partner organisations.

The Roundtable will:

- i. Strengthen the collaboration between partners for employment-oriented skills development by way of building on expressed commitments of companies
- ii. Promote and engage additional companies from member countries
- iii. Disseminate best practises
- iv. Engage anchor partner and promote the role of the Regional Coordinators
- v. Agree on the 2018-2019 implementable action plan to support national action plans with concrete project ideas or business cases
- vi. Mapping of National Skills Development Ecosystem illustrated by the Harambee model.



Outputs of the Roundtable will lead to the Continental Africa Creates Jobs Dialogue Platform planned for November 2019.

Guiding Themes

The Private Sector Roundtable will agree on

- What initiatives are existing already in youth employment acceleration approaches, private sector involvement in determining labour market demandsⁱ; partnership for demand-oriented skills development, including obstacles, business cases and needs of the private sector?
- Where are opportunities for synergies, create upscaling and further generate best practise approaches?
- Which other key stakeholders or partners could be attracted to join-in?
- What should be the outreach and communication plan?
- What is needed in concrete politics and



action to create demand-orientated training and jobs

- How could existing national-regional multi-stakeholder platforms and mechanisms mutually support SIFA facilitated partnerships to advance a skills development ecosystem?

2.1.3 Proposed Programme Overview

Please see separate Programme for the Private Sector Roundtable.

2.1.4 Participants

Central to the success of the ATJ Private Sector Roundtable, will be the participation of the Business Community, accompanied by their respective key stakeholder constituent representatives. In this regard, the Business Africa national anchor partner organisations delegations (Tunisia, South Africa, Kenya, Cameroon, Nigeria, Ivory Coast) will consists of participants of youth organisations, the public sector, affiliate business organisations, civil society and practitioners. By doing so they will constitute a country working team on youth skills development initiatives. To encompass the regional level, two other national business Africa member organisations will be drawn from the same region as the target anchor partners. Regional and Continental private sector organisations, regional economic communities, civil society and development partners; as well as representatives from AUC, NEPAD Agency and GIZ programmes are expected to attend.

2.2. Dialogue on “Youth Entrepreneurship Promotion”

2.2.1. Background

The youth population`s current and projected tremendous growth in Africa leads to great potential that can be harnessed, yet the labour market access for youth is also one the main challenges the continent faces. In fact, Africa arises as the world`s youngest continent with 65% of its population being under the age of 35, of whom 70% are under the age of 15. The education system needs to face the accelerated demographic growth providing education and training to the growing number of youth and fostering skills development in line with the needs in the labour market. At the same time, the labour market is underdeveloped and has limited capacity for absorbing the stream of young people wanting to access it. Accordingly, many of them face unemployment or join the informal labour market

for self-subsistence. Additionally, a low quality of jobs available in the region for young workers is visible in the progressive expansion of involuntary temporary work or, even worse, the increased percentage of youth neither in traineeship nor in formal employment. Hence, a conducive environment for the expansion of the private sector, more productive enterprises and the development of new markets is pertinent to provide a perspective for the youth. And youth can be a driver for these developments.

Before this background, youth need to be educated and equipped with skills and competences for



starting their own sustainable business or strengthening existing ones, thus creating more productive jobs that will bring the economy forward and result in more decent jobs. To accomplish this goal, secondary schools, Technical and vocational Education and Training (TVET), higher education institutions and non-formal education providers will have to take on a new role, which is yet to be ingrained into their missions, organisational cultures and their capacity and profiles: the education and training of youth for developing entrepreneurship skills. To do so, education providers will need to develop new formats for teaching and for the cooperation with the private sector.

Yet, the promotion of youth entrepreneurship should not end with the graduation from school or university and the certificate of a skills training. Young people require support in their transition into the labour market, especially when it comes to self-employment and entrepreneurship. Promotion schemes across the different stages of the entrepreneurship and start-up process must be put in place. This includes mentoring and advisory offers, support with pre-incubation, incubation and acceleration, development of sustainable start-ups, as well as networking and partnerships. Governments need to provide conducive framework conditions for the entrepreneurial ecosystem and SME development and start-up credits and longer-term investments must be provided and facilitated.

All phases of youth entrepreneurship promotion require critical attention – the development of entrepreneurship skills and the promotion of start-ups through direct support and the provision of conducive context factors. Likewise, the strengthening of human capital investment and the improvement of the economic environment are relevant for this endeavour.

Relevant national and continental policies have been developed already by African Union member states to tackle the described need. The theme of entrepreneurship education is ingrained in the continental strategies for education (CESA) and TVET as well as in sector strategies as for example the PIDA or CAADP and the strategy for SME development and AIDA. At the same time, the Pan African University, an institution of the African Union, is setting up a Pan African Entrepreneurship Hub that shall cater to students from across the continent. However, initiatives are fragmented and are not addressing the continuum of skills development and youth entrepreneurship promotion and at times also not considering the specific situation of youth as innovators and founders of businesses.

Before this background the African Union Commission, NEPAD and Business Africa would like to take the initiative to organize an expert and practitioners dialogue to assess the need for youth entrepreneurship promotion and appropriate measures to involve member states and actors in education and economic sectors in concrete actions. The dialogue will also serve the purpose of an assessment whether the existing continental policy frameworks and strategies provide sufficient guidance for the needed action and support at the level of member states and regionally. The dialogue shall also inform the approach the Pan African University is taking in setting up a Pan African Entrepreneurship Hub. The dialogue will be organized as part of the Africa Talks Jobs Dialogue Platform – a stakeholder dialogue on the theme of youth employment and skills development on the African continent.

2.2.2. Goals and Guiding Questions for

the Expert and



Practitioners' Dialogue

The goal of the dialogue event is to collect expertise on the youth entrepreneurship promotion process from skills development to start-up promotion and to map out good practices and success factors. The overall entrepreneurship eco-system and conducive policy frameworks and financing opportunities which support youth owned start-ups to flourish shall be described and conducive policy.

Based on the findings, it shall be assessed, whether the current continental policies require further concretization and development regarding youth entrepreneurship. The expert dialogue shall be the starting point for the development of a study on the above questions. The study shall furthermore map the strategies of the AU across the sectors assessing their completeness, effectiveness and coherence on the theme of youth entrepreneurship. Within this context, also the dialogue event shall provide input for policy framework development at member state and continental level.

The main topics to structure the discussion at the dialogue event will be: a) Expansion of education and skills development for youth entrepreneurship, and b) Promotion of sustainable youth-lead start-ups. The following guiding questions were developed:

Expansion of skills development for youth entrepreneurship

1. How can education institutions (TVET schools and higher education institutions) and non-formal education providers support skills development for entrepreneurship? What are good practices, lessons learnt and success factors regarding approaches, formats, impact?
2. What are the main barriers to integrating entrepreneurship skills development in formal higher education and TVET? What are pre-conditions, needed resources and structures, knowledge and training for education actors to take this on?
3. How can broader access to entrepreneurship education, i.e. female participants, rural areas, be ensured?
4. How is the skills development for entrepreneurship embedded in the continuum of youth entrepreneurship promotion to successful and sustainable youth lead start-ups? Can education actors take on roles that go beyond skills development regarding the entrepreneurship ecosystem?
5. How can the private sector be actively involved in strengthening entrepreneurship skills? What are prerequisites for private sector involvement?
6. What approach should be chosen for the Entrepreneurship Hub of the Pan African University?

Continued Promotion of Sustainable Youth-Lead Start-Ups

1. How can young entrepreneurs be supported in the process of pre-incubation, incubation, start-up acceleration and financing? What good practices for promotion models can be found on the continent or internationally? What concrete support is needed and what actors can take on the support in a sustainable fashion?
2. How can a conducive entrepreneurial ecosystem be fostered? What information, knowledge, links and networks should be provided to youth?

3. What can we learn from seed-capital investment models for entrepreneurs? How can venture capital be linked with young entrepreneurs and their start-ups? What other financing mechanisms exist to ensure that start-ups can grow. What accountability mechanisms can be put in place?
4. What policies must be in place that are conducive for youth-lead start-ups? What support from the side of the government is necessary?
5. What legal frameworks and policies must be put in place by governments at the regional, national and local level?

2.2.3. Participants

The organizers will convene practitioners from the private sector, policy makers, entrepreneurship networks, investors, the education sector from higher education and TVET and civil society sector as well as experts on the theme of entrepreneurship promotion and private sector development. Furthermore, youth representatives will be engaged in the workshop, including also young entrepreneurs and entrepreneurship promoters.

2.2.4. Approach and Expected Output

Experts and practitioners are invited to report and assess successful approaches and to identify obstacles and necessary frameworks conditions and roles of the involved actors. The discussion will provide input for a comprehensive study that is conducted on the above listed questions. The dialogue

results and the study shall inform the AUC on the necessity of developing or complementing existing AU strategies as well as regarding necessary coordination with member states.

The dialogue shall be introduced by expert input, best practice cases and statements of the private sector and youth representatives. The participants will then actively debate and jointly work on models for the “Youth Entrepreneurship Promotion Process”. The dialogue shall result in policy recommendations and guidance to private sector, education, investors and all other actors involved in the entrepreneurship promotion process. Results of the expert and practitioners’ dialogue will be documented and provided to AUC, NEPAD and Business Africa.

The expert and practitioners’ dialogue is supported by German Cooperation, specifically the programme supporting the Pan African University. Contributions from the Skills Initiative for Africa and the Continental Africa Agriculture Programme (CAADP) are planned.

2.2.4. Draft Programme of the Entrepreneurship Dialogue

See separate Programme for Entrepreneurship Dialogue.

ⁱ Input from LMS e-Discussion; Experts knowledge product on labour markets; Draw on outcomes/themes from the Framework