SET ENTERPRISE FREE, UNLOCK JOB CREATION IN AFRICA

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Frederick Muia – Senior Adviser
# DEMAND SIDE POLICIES

*The private sector is the creator of jobs*

It requires:

<table>
<thead>
<tr>
<th>Conducive environment for enterprise creation and development</th>
<th>Political stability</th>
<th>Policy coherence in economy, finance, trade &amp; investment</th>
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<tbody>
<tr>
<td>Stable macro-economic conditions that facilitate access to finance and that guarantee fair competition</td>
<td>Economic predictability</td>
<td>Incentives for domestic and foreign direct investment</td>
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<td>Infrastructure (road, rail, water &amp; sanitation, airports, seaports, ICT)</td>
<td>Attracting investments to job rich sectors such as agriculture</td>
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<td>Reducing red tape and bureaucratic obstacles</td>
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DEMAND SIDE POLICIES

✓ Position the country in the global economy based on national context & competitive advantages (natural resources, geography, traditions, historical links) to obtain the market opportunities of globalisation and global supply chains

✓ Identify job-rich sectors - food processing, retail, hospitality and tourism, textile & clothing, construction, transport, telecommunications and ICT can be enabling sectors
DEMAND SIDE POLICIES

✓ Build a strong and competitive private sector through entrepreneurship and SME development; productivity and innovation is critical

✓ Implement a programme to promote the transition from informal to formal economies

✓ Useful monitoring tools for the business environment:
  – Ibrahim Index of African Governance
  – ILO’s Enabling Environment for Sustainable Enterprises (EESE toolkit)
  – World Bank Doing Business Report
SUPPLY SIDE POLICIES

African countries

• Need *better preparation* of labour within the education and training system

• There is a *mismatch* between education & training and the needs of enterprises

• Must expand *access to education*, average years of schooling should be increased and quality of education curricula particularly in STEM subjects (science, technology, engineering, mathematics) must be improved
SUPPLY SIDE POLICIES

• Investment in *education infrastructure* and teacher training to adapt learning processes into modern life and economy

• Emphasis on development of *entrepreneurial culture*

• Listen to the *needs of business* in increasing human capital, monitoring skills gaps and anticipating future shortages

• Further investment in life skills and *21st century skills* which include soft skills in curricula (problem solving, creative/critical thinking, communication, collaboration), ICT literacy & foreign languages
Technical and vocation education and training (TVET)

• **More investment** in TVET
• **Make TVET more attractive** to prospective students by facilitating transfers between general and vocational courses
• **Change the mind-set** that you can only succeed through university education and that TVET is a ticket to failure in your professional career
• **Adopt TVET** to modern industries and design new programmes
• Adult (continuous) training
SUPPLY SIDE POLICIES

• On the job/in-company training and active labour market programmes

• For example: the IOE supported the **Global Apprenticeships Network (GAN)** which is looking to launch national networks in Malawi, Tanzania, Nigeria and Namibia and support work based training for youth

• We need to give young people that **first job opportunity**

• Disadvantaged groups in Africa could be targeted for skills development such as women, youth, disabled, ethnic minorities
LABOUR MATCHING AND PLACEMENT SERVICES

- Improved public employment services
- Profiling registered job seekers
- Transparency in recruitment processes
- Open/competitive recruitment mechanisms
- Efficient information on job seekers, vacancies, skills and jobs which should be publicly available and accessible
- Promoting work based learning
- Improving career guidance and counselling
Frederick Muia
IOE Senior Adviser
muia@ioe-emp.org

www.ioe-emp.org