



**African
Economic
Platform**

MAURITIUS, 20-22 MARCH 2017

AEP BROCHURE

THEME 1: AFRICAN SKILLS REVOLUTION & REAPING THE DEMOGRAPHIC DIVIDEND

Lack of education and mismatched skills is the principal obstacle to labour markets, resulting in high unemployment across different age groups. The mismatch affects both university graduates and young people with secondary education. In this context, it becomes a critical issue to provide the required skills to Africa's youth along the value chain of our resources. The underlying issue to be resolved is the absence of linkages between education systems and employers.

A shortage of technical and mechanical employees coexists with a surplus of workers in audit, sales and communications. In manufacturing, many of the positions that go unfilled are at a level that does not require tertiary education and does not pay the salaries that university graduates expect. What is required, rather, are the technical skills necessary to maintain equipment and supervise unskilled workers.

Higher education systems in Africa need to become more diversified to meet the need for a variety of levels of skills and education. Furthermore, at tertiary level, young Africans are confronted with a university system which has traditionally been focused on educating for public sector employment, with little regard for the needs of the private sector. Often a degree from a tertiary institution is an entry requirement for government employment with little attention paid to a specific skill set.

At the same time tertiary education in technical fields tends to be significantly more expensive than in the social sciences, which makes expansion of such faculties more challenging for public education institutions. Private providers of education could fill this void, leaving the government with duties of quality control and oversight.

In addition, it appears that African universities do not educate for African needs. Unemployment rates vary by field of study such that graduates in technical fields have less problems finding employment than those from the social sciences or humanities, resulting in consequently higher unemployment numbers. It also appears that the most difficult sectors in which to find candidates with tertiary education are those that need specific technical qualifications, such as the extractive industries, logistics, chemical and pharmaceutical industries, manufacturing in general and agri-business.



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Given Africa's comparative advantage in agriculture and the great potential for international trade in processed agricultural products, the low number of graduates in the area of agriculture is striking. With 2% of students specialising in agriculture, the discipline occupies the same rank among graduates in Africa as it does in Europe, even though agriculture contributes 13% to Africa's GDP compared to 1.4% in Europe (both for 2010, World Bank, 2011c). Agri-business is one of the few sectors in which finding high level managerial candidates is almost impossible in Africa, according to a large recruitment firm active in many African countries. Given the important role extractive industries play in many African countries, the lack of graduates available to work in the sector is similarly striking.

One may note that the fields with the fewest problems in finding candidates are banking, education, commerce and IT and telecommunications. Banking, IT and telecommunications, in particular, are fast growing sectors, suggesting that the link between industry needs and tertiary education works well in these areas.

Options for consideration:

- Change education curricula;
- Education system adapted to African market requirements in technical fields and agriculture with a focus on improving quality;
- Expanding women participation in education system with a focus on quality and relevance;
- Technical and vocational skills development (TVSD) has the potential to provide young people with more applied skills and better chances in the labour market;
- Formalize traditional apprenticeship which predominates in the informal sector especially in rural areas.