
**Economic Commission for Africa
Subregional Office for West Africa
Intergovernmental Committee of Senior Officials
and Experts for West Africa**

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Item 5 of the provisional agenda*

**Recent economic and social conditions in West Africa:
review of the subregional profile**

**Socioeconomic profile of West Africa, 2026:
unlocking the potential of young people in Africa: pathways to
employment, economic transformation and resilience**

* ECA/SRO-WA/ICSOE/29/1



I. Introduction

1. West Africa is at a decisive point in its development. About 61.1 per cent¹ of its population is aged under 25 years, creating an opportunity for accelerated economic transformation, resilience and inclusive development. Yet any demographic dividend arising from the growth of that population can be harnessed only if the growth is converted into productivity gains through sustained investment in human capital, structural transformation and productive employment.

2. Despite sustained growth, labour market outcomes remain weak. Across Africa, nearly 10 million young people enter the labour force annually, but only about 3 million formal jobs are created, fuelling informality, underemployment and vulnerability.² Informal employment represented an estimated 91.6 per cent of total employment in West Africa in 2025, above the African and global averages of 85.2 per cent and 57.7 per cent, respectively. Employment growth has therefore delivered limited gains in productivity, income security and social protection, in particular for young people.³

3. Gender disparities also constrain inclusive development. Young women constitute about 61 per cent of African young people not in employment, education or training, reflecting unequal access to opportunities and resources. Climate change, insecurity and displacement exacerbate these constraints, in particular in the Sahel.⁴

4. The present report analyses the global and subregional socioeconomic landscape and key structural challenges and then examines demographic trends, human capital, youth labour markets and pathways to productive employment. It concludes with key findings and policy recommendations for inclusive growth and resilience.

II. Economic situation and prospects in West Africa

5. Global growth is forecast at 3.1 per cent in 2026 and 3.2 per cent in 2027, down from 3.4 per cent in 2024–2025. Africa remains relatively resilient, with growth of 4.5 per cent in 2025 and forecasts of 4.2 and 4.4 per cent for 2026 and 2027, respectively.⁵

6. Spillover effects from the Middle East crisis include rising hydrocarbon and agricultural input prices, as illustrated by increases in oil and fertilizer prices of 36 per cent and 52 per cent, respectively, between January and May 2026. West Africa has remained resilient despite geopolitical tensions, supply chain disruptions and commodity price volatility. Growth in the Economic Community of West African States (ECOWAS) increased from 4.6 per cent in 2024 to 4.7 per cent in 2025 and is projected to reach 4.5 per cent in 2026, above the projected growth rate for Africa of 4.2 per cent (see figure I). Growth prospects vary across countries amid higher transport and energy costs and tighter external financing conditions caused by the Middle East

¹ Economic Commission for Africa, based on United Nations, “Special aggregates: select age groups”, World Population Prospects 2024 database. Available at <https://population.un.org/wpp/downloads?folder=Special%20Aggregates&group=Economic%20and%20trading%20groups>.

² Mastercard Foundation, *Africa Youth Employment Outlook 2026*. Available at <https://mastercardfdn.org/en/our-research/africa-youth-employment-outlook-2026/>.

³ International Labour Organization, “Informal employment rate by sex — ILO modelled estimates, November 2024 (%) — annual”, ILOSTAT database. Available at <https://rshiny.ilo.org/dataexplorer16/?lang=en>.

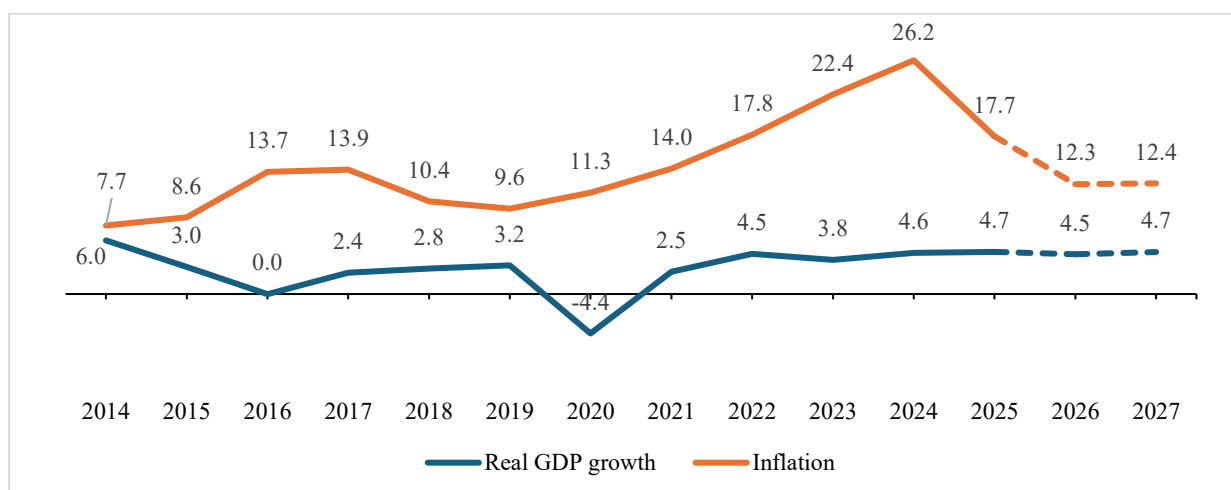
⁴ Mastercard Foundation, *Africa Youth Employment Outlook 2026*. Available at <https://mastercardfdn.org/en/our-research/africa-youth-employment-outlook-2026/>; ECA, based on International Monetary Fund (IMF) database (accessed on 22 July 2026).

⁵ ECA, based on IMF database (accessed on 22 July 2026).

crisis.^{6,7} According to a study conducted in April 2026,⁸ the West African countries most exposed to these effects are Benin, Cabo Verde, Côte d'Ivoire, the Gambia, Ghana, Guinea, Guinea-Bissau, Liberia and Senegal, with estimated gross domestic product (GDP) losses ranging from 0.6 to 1.8 per cent over the short, medium and long terms.

Figure I

Gross domestic product growth and inflation in the Economic Community of West African States, 2014–2027
(Percentage)



Source: International Monetary Fund, *Africa Regional Economic Outlook*, April 2026. Available at <https://www.imf.org/-/media/files/publications/reo/afr/2026/april/english/text.pdf> (accessed on 10 July 2026).

Note: Figures for 2026 and 2027 are projections.

7. Inflation is easing as the effects of the various shocks that occurred between 2019 and 2022 subside. Most West African countries recorded lower inflation rates in 2025, with Burkina Faso (-0.5 per cent) and Niger (-4.6 per cent) experiencing deflation. Average ECOWAS inflation declined from 26.2 per cent in 2024 to 17.7 per cent in 2025 and is projected to fall further in 2026 (12.3 per cent). Nevertheless, inflation remained elevated in Nigeria (23 per cent) and Ghana (14.2 per cent), eroding purchasing power, especially among vulnerable households and informal workers.^{9,10}

8. The performance of external accounts has improved. The ECOWAS current account is projected to improve from a deficit of 1.7 per cent of GDP in 2023 to a surplus of 3.5 per cent in 2026. Foreign direct investment increased from \$12.2 billion in 2024 to nearly \$19 billion in 2025, driven largely by mining and energy. Stronger links between extractive industries and

⁶ IMF, *Africa Regional Economic Outlook*, April 2026. Available at <https://www.imf.org/-/media/files/publications/reo/afr/2026/april/english/text.pdf> (accessed on 13 July 2026); United Nations, Department of Economic and Social Affairs, *World Economic Situation and Prospects as of mid-2026*, April 2026.

⁷ United Nations, Department of Economic and Social Affairs, *World Economic Situation and Prospects as of mid-2026*, April 2026.

⁸ ECA and United Nations Development Programme, *The Potential Impacts of Iran war/Middle East war in West Africa and the Sahel region*, April 2026.

⁹ IMF, *Africa Regional Economic Outlook*, April 2026. Available at <https://www.imf.org/-/media/files/publications/reo/afr/2026/april/english/text.pdf> (accessed on 13 July 2026).

¹⁰ Ibid.

job-rich productive sectors are needed to ensure that investment contributes effectively to employment creation.^{11,12.}

9. The average fiscal deficit declined from 5.3 per cent of GDP in 2022 to 2.6 per cent in 2025. The average debt-to-GDP ratio of ECOWAS countries has declined since 2024, although it remains 6 percentage points above the 2022 level. In 2025, Cabo Verde (101.0), the Gambia (73.9), Guinea-Bissau (75.3) and Senegal (130.2) did not meet the ECOWAS target of a debt-to-GDP ratio of 70 per cent or less.¹³ The lowest ratios were in Nigeria (35.5), Mali (41.9), Sierra Leone (45.2) and Niger (45.4).

Governance, security and humanitarian challenges

10. Insecurity, displacement and political instability continue to undermine economic performance and development and underscore the importance of the peace-security-development nexus.¹⁴

11. West Africa hosted more than one million refugees in 2025, while Burkina Faso, Mali, Niger and Nigeria recorded particularly high internal displacement. These movements disrupt education and livelihoods and strain host communities and public services.¹⁵

12. Between 2014 and 2024, military spending increased from 1.3 to 4.7 per cent of GDP in Burkina Faso, 1.5 to 4.2 per cent in Mali and 1.3 to 2.2 per cent in Niger. Although this spending is intended to strengthen security, it constrains fiscal space for education, health and employment programmes.¹⁶

13. The withdrawal of Burkina Faso, Mali and Niger from ECOWAS in January 2025 has introduced fresh uncertainty around cooperation, labour mobility and integration, although transitional arrangements have limited disruptions to the lives of citizens and businesses.¹⁷

14. Youth employment strategies should therefore integrate peace, security and development. Political stability, effective institutions, social cohesion and human security are critical enabling conditions for investment, private sector development and productive employment.

¹¹ Ibid.

¹² United Nations Trade and Development, “Hormuz shipping disruptions raise risks for energy, fertilizers and vulnerable economies”, 10 March 2026.

¹³ IMF, *Africa Regional Economic Outlook*, April 2026. Available at <https://www.imf.org/-/media/files/publications/reo/afr/2026/april/english/text.pdf> (accessed on 13 July 2026).

¹⁴ Economic Community of West African States Commission, “Press statement on the withdrawal of Burkina Faso, Mali and Niger from ECOWAS”, 29 January 2025. Available at <https://www.ecowas.int/press-statement-2/>.

¹⁵ Office of the United Nations High Commissioner for Refugees, *Sahel+: Global Appeal 2026 Situation Overview*. Available at <https://www.unhcr.org/sites/default/files/2025-12/Sahel%20Situation%20overview%20-%20Global%20Appeal%202026.pdf> (accessed on 23 July 2026).

¹⁶ World Bank, “Military expenditure (% of GDP)”. Available at <https://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS> (accessed on 23 July 2026).

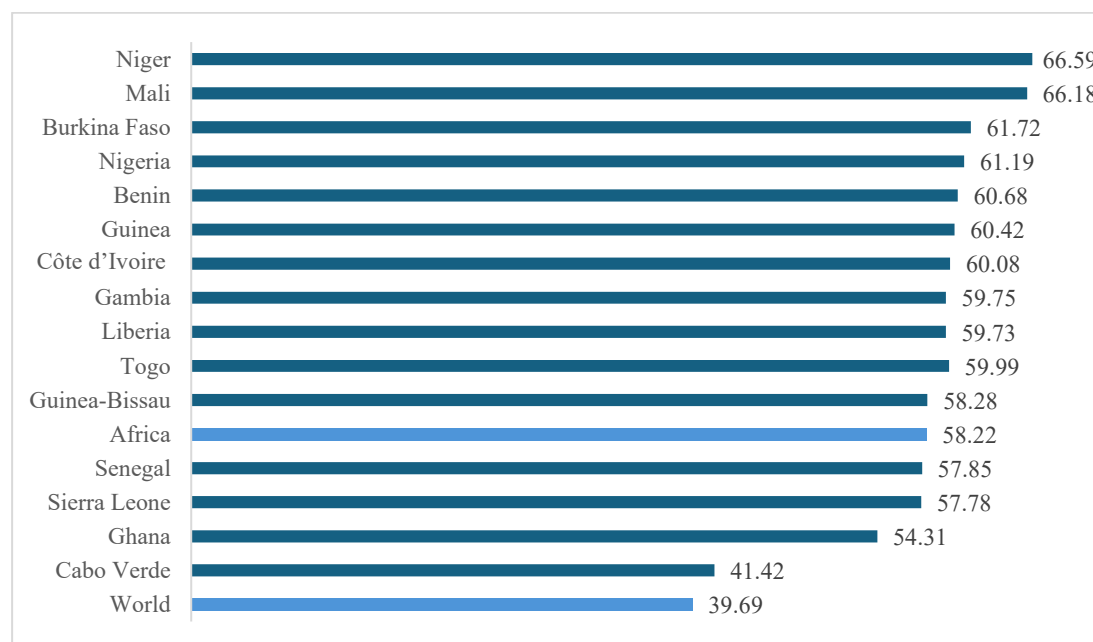
¹⁷ Economic Community of West African States Commission, “Press statement on the withdrawal of Burkina Faso, Mali and Niger from ECOWAS”, 29 January 2025. Available at <https://www.ecowas.int/press-statement-2/>.

III. Demographic trends: harnessing the youth potential of West Africa

15. West Africa has one of the youngest populations in the world, with an estimated 60.9 per cent of its population below the age of 25 years in 2026, compared with less than 40 per cent globally. The proportion varies from 41.4 per cent in Cabo Verde to 66.6 per cent in Niger. The young population of West Africa could help to accelerate growth and innovation if economies productively absorb future labour market entrants.^{18,19}

Figure II

Projected proportion of population aged 0 to 24 years in West Africa, 2026



Source: United Nations, “Standard projections: most-used”, World Population Prospects 2024 database. Available at <https://population.un.org/wpp/Download/Standard/MostUsed/> (accessed on 15 June 2026).

16. Population growth in West Africa remains rapid, reflecting high fertility rates that, although declining, exceed the African average of 3.89 and global average of 2.23 births per woman in most countries, notably Niger (5.64) and Mali (5.33). This population growth is leading to increased demand for education, health, skills and jobs, requiring sustained investment in capabilities and productive opportunities.^{20,21}

17. As fertility declines, so does the proportion of children in the population, while the working-age population expands. This creates an opportunity to capture a demographic dividend through higher productivity, savings and investment as dependency pressures ease.

¹⁸ Economic Community of West African States Commission, *Final communiqué of the sixty-ninth ordinary session of the Authority of Heads of State and Government*, Lungi, Sierra Leone, 19 July 2026. Available at https://www.ecowas.int/wp-content/uploads/2026/07/Final-Communique_-ENG.pdf

¹⁹ United Nations, “Standard projections: most-used”, World Population Prospects 2024 database. Available at <https://population.un.org/wpp/Download/Standard/MostUsed/> (accessed on 15 June 2026).

²⁰ Ibid.

²¹ Ibid.

18. The demographic dividend, however, is not automatic. Without adequate investment in human capital, productive and decent jobs and economic transformation, rapid population growth may exacerbate informality, poverty and vulnerability. With appropriate policies in place, a youthful population can become a powerful driver of productivity, entrepreneurship and inclusive development.

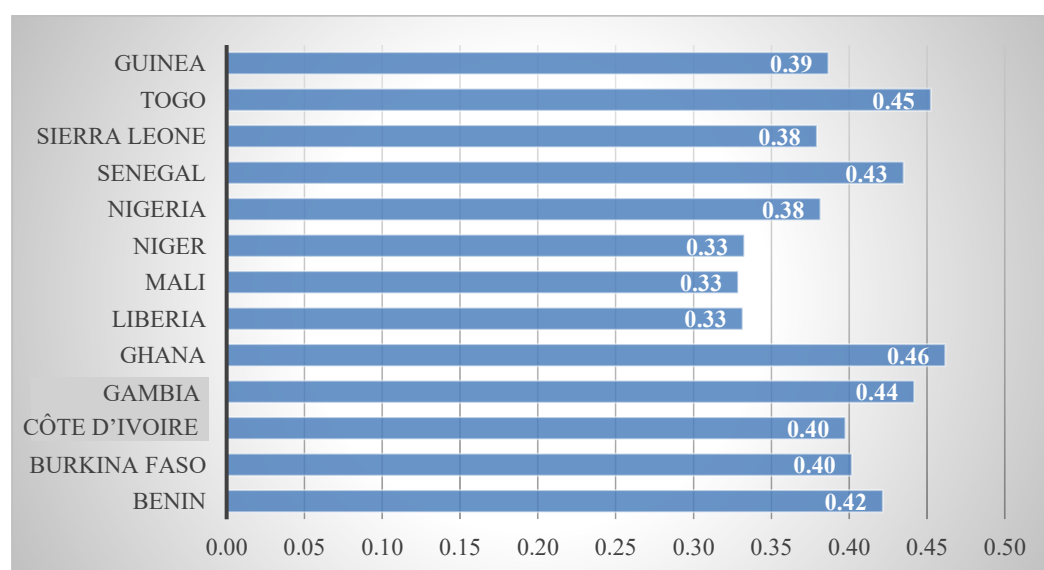
III. Human capital development: building the foundations for productive employment

19. The ability of West Africa to harness the demographic dividend depends critically on the quality of its human capital. Despite progress in expanding education and training, gaps persist in learning, technical and digital skills and labour market readiness. Education and training systems must help to improve quality and relevance of the skills acquired by young people, equipping them with the competencies required by productive sectors.

20. Human Capital Index values range from about 0.33 in Liberia, Mali and Niger to 0.46 in Ghana, with a subregional average below 0.40. These levels suggest that, under current education and health conditions, children born today may achieve less than half their potential productivity. Sustained investment in human capital is essential to strengthen employability, support economic diversification and enhance competitiveness.²²

Figure III

Human Capital Index in West Africa, 2020



Source: World Bank, Human Capital Index database. Available at <https://datacatalog.worldbank.org/search/dataset/0038030/human-capital-index> (accessed 10 August 2026).

21. Technical and vocational education and training are central to employability. In 2022, vocational and technical enrolment in West Africa as a percentage of total secondary enrolment stood at 8 per cent, compared with 11 per cent globally.²³ In Ghana, the number of institutions

²² World Bank, Human Capital Index database. Available at <https://datacatalog.worldbank.org/search/dataset/0038030/human-capital-index>.

²³ World Bank, “Vocational and technical enrolment (% of total secondary enrolment)”. Available at https://data360.worldbank.org/en/indicator/WB_GS_SE_SEC_ENRL_VO_ZS?view=datatable&average=AFW%2CWLD (accessed on 12 August 2026).

increased from 62 in 2018 to 253 in 2023, while enrolment rose from about 32 000 to 50 000 over the same period. Financing, equipment, instructors and employer links remain weak, however. Women represent only about one quarter of enrolment. Expansion should therefore be accompanied by improvements in quality and stronger alignment with industry needs.²⁴

22. Enrolment in higher education increased in some countries between 2015 and 2024. Gross enrolment in tertiary education rose from approximately 5 to 10 per cent in Burkina Faso, 8.5 to 11 per cent in Côte d'Ivoire, 15.5 to 21 per cent in Ghana and 11 to 15 per cent in Senegal. Ghana recorded the highest levels, while Burkina Faso experienced the largest proportional increase.²⁵ Nevertheless, participation remains low compared with global averages, and graduate unemployment remains a concern because of weak links between higher education and the labour market.

23. A skills mismatch persists, with young people facing unemployment or underemployment while firms report shortages of technical, digital and socio-emotional skills. Slow structural transformation further limits high-productivity jobs, leaving many educated young people in informal work. The expansion of productive firms and sectors should therefore be accompanied by reforms to education and skills development.²⁶

24. Digital transformation creates new opportunities while raising demand for relevant skills. In the Cotonou Declaration²⁷ adopted following the regional forum on digital transformation in West and Central Africa held in Cotonou on 18 November 2025, the ministers responsible for the digital economy of West and Central African countries undertook to train 20 million people in digital skills. Without broader access to connectivity, devices, skills and finance, digital transformation risks widening inequalities.²⁸

25. Health is critical to human capital, as good health is essential for learning, productivity and income. In 2026, the mortality rate among people aged 15 to 60 years in most West African countries was above the African average of 233 deaths per 1 000 people, while all countries except Cabo Verde exceeded the world average (131).²⁹ The highest rates were in Nigeria (344), Côte d'Ivoire (287) and Benin (261). Among young people aged 15 to 24 years, mortality rates

²⁴ African Center for Economic Transformation, *Building Technical and Vocational Education and Training Systems for Economic Transformation in Africa: Synthesis Report* (Accra, 2025). Available at <https://acetforafrica.org/research-and-analysis/reports-studies/reports/building-technical-and-vocational-education-and-training-tvet-systems-for-economic-transformation-in-africa/>.

²⁵ UNESCO Institute for Statistics, "Gross enrolment ratio for tertiary education by sex (Sustainable Development Goal indicator 4.3.2)", UIS Data Browser. Available at <https://databrowser.uis.unesco.org/> (accessed on 28 July 2026).

²⁶ ECA, *Human Capital and Productive Employment Creation: Addressing Africa's Skills Gap* (Addis Ababa, 2023). Available at <https://knowledgehub-sro-na.uneca.org/wp-content/uploads/2023/04/Human-Capital-and-Productive-Employment-Creation-Addressing-Africas-Skills-Gap-2023.pdf>.

²⁷ World Bank, Regional Summit on Digital Transformation in Western and Central Africa – Cotonou Declaration, statement, 18 November 2025. Available at <https://www.worldbank.org/en/news/statement/2025/11/18/regional-summit-on-digital-transformation-in-western-and-central-africa-cotonou-declaration>.

²⁸ International Telecommunication Union, *State of Digital Development and Trends in the Africa Region: Challenges and Opportunities* (Geneva, 2025). Available at https://www.itu.int/dms_pub/itu-d/opb/ind/D-IND-SDDT_AFR-2025-PDF-E.pdf.

²⁹ United Nations, "Standard projections: most-used", World Population Prospects 2024 database. Available at <https://population.un.org/wpp/Download/Standard/MostUsed/> (accessed on 15 June 2026).

were lower in 2025, but disparities persisted, ranging from 4.8 in Cabo Verde to 31.4 in Sierra Leone, compared with an average of 18.7 in Africa excluding North Africa and 10.4 globally.³⁰

26. The three leading causes of death in 2021 in Africa were lower respiratory infections, malaria and stroke. In West Africa, lower respiratory diseases ranked among the leading causes of death in 12 countries, stroke in 10 and malaria in 8. Other major causes include diarrhoeal diseases and ischaemic heart diseases. HIV was the leading cause of death in the Gambia, while tuberculosis ranked first in Guinea-Bissau and Liberia. The prevalence of preventable or treatable diseases underscores the need to strengthen timely access to primary healthcare, disease prevention and effective treatment.³¹

27. Turning the demographic dividend of West Africa into an opportunity requires stronger human capital. This requires moving beyond access to education to better learning outcomes, market-relevant technical and digital skills, stronger links between training systems and employers and improved disease prevention and access to healthcare.

IV. Youth labour market outcomes

28. Youth employment remains a major challenge, as declining unemployment has largely reflected an expansion of informal, low-productivity activities rather than an increase in decent work. Policies should therefore be focused not only on creating jobs, but also on expanding productive, adequately paid and socially protected employment.

29. An estimated 42.8 per cent of people aged 15 to 24 years were employed in 2025, but more than 84 per cent of youth employment was informal, rising to 88.6 per cent among young women. Most remain in low-productivity self-employment in agriculture, limiting incomes and structural transformation.³²

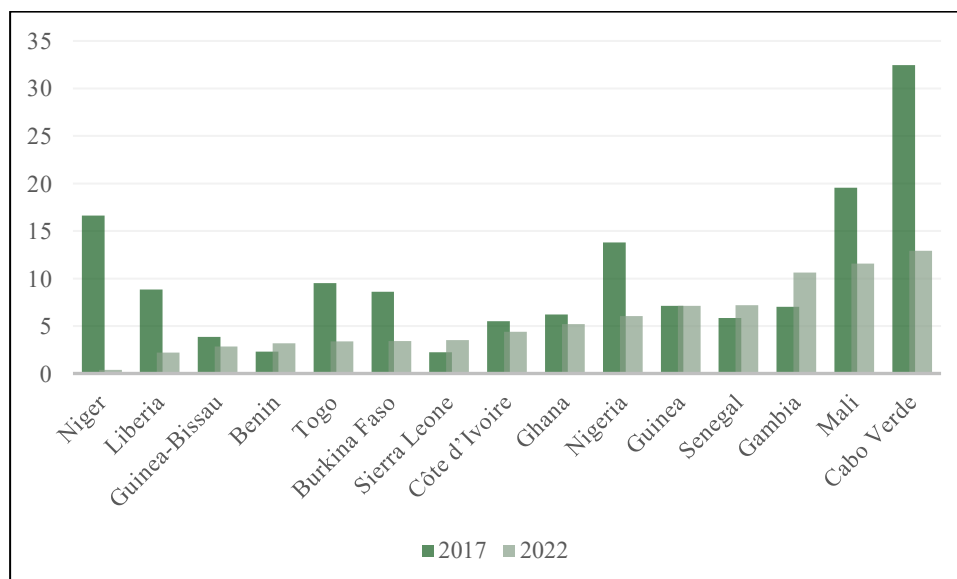
30. Youth unemployment declined from about 10 per cent in 2017 to 5.6 per cent in 2022, but remained high in Cabo Verde, Mali and the Gambia. As much of this decline reflects increased informal employment, unemployment should be assessed alongside productivity, earnings and job quality (see figure IV).

³⁰ United Nations Children's Fund, "Child and youth mortality data: ages 5–24". Available at <https://data.unicef.org/topic/child-survival/child-and-youth-mortality-age-5-24/> (accessed on 12 August 2026).

³¹ World Health Organization, "Cause-specific mortality, 2000–2021". Available at <https://www.who.int/data/gho/data/themes/mortality-and-global-health-estimates/ghe-leading-causes-of-death> (accessed on 12 August 2026).

³² International Labour Organization, ILOSTAT database. Available at https://ilostat ilo.org/data/?cat_mode=subject.

Figure IV
Youth unemployment (national estimate)
 (Percentage of total labour force aged 15 to 24 years)



Source: Economic Commission for Africa, based on International Labour Organization, ILOSTAT database (accessed on 27 July 2026).

31. Unemployment among young women exceeds that among young men in 8 of 15 countries.³³ Unpaid care, early marriage, childbearing and unequal access to resources reinforce barriers to women's participation in the labour market, constraining their contribution to productivity and economic growth.³⁴

32. Youth employment in the informal sector exceeded 90 per cent in most countries in 2022 and approached 100 per cent in Benin, Burkina Faso, Mali, Niger, Nigeria and Senegal. Young people in rural areas have limited access to infrastructure, finance and formal employment opportunities. Although informal work provides livelihoods, it is often characterized by low wages, limited social protection and greater vulnerability to shocks.³⁵

33. More than one quarter of young workers live below the international poverty line; in Burkina Faso, Guinea-Bissau, Liberia, Mali, Niger and Sierra Leone, more than 30 per cent of young people live in extreme poverty. Employment creation should therefore be accompanied by improvements in productivity, earnings and job quality in order to reduce working poverty.³⁶

³³ ECA, based on International Labour Organization, "Unemployment rate by sex and age — ILO modelled estimates, November 2025 (%) — annual", ILOSTAT database. Available at https://rshiny.ilo.org/dataexplorer/52/?lang=en&segment=indicator&id=UNE_2EAP_SEX_AGE_RT_A&channel=ilostat (accessed on 17 July 2026).

³⁴ World Bank, "Gender and youth employment in sub-Saharan Africa", Policy Research Working Paper, No. 8245 (Washington, D.C., 2017). Available at <https://documents1.worldbank.org/curated/en/725431511188618886/pdf/WPS8245.pdf> (accessed on 12 August 2025).

³⁵ ECA, based on International Labour Organization, ILOSTAT database (accessed on 27 July 2026).

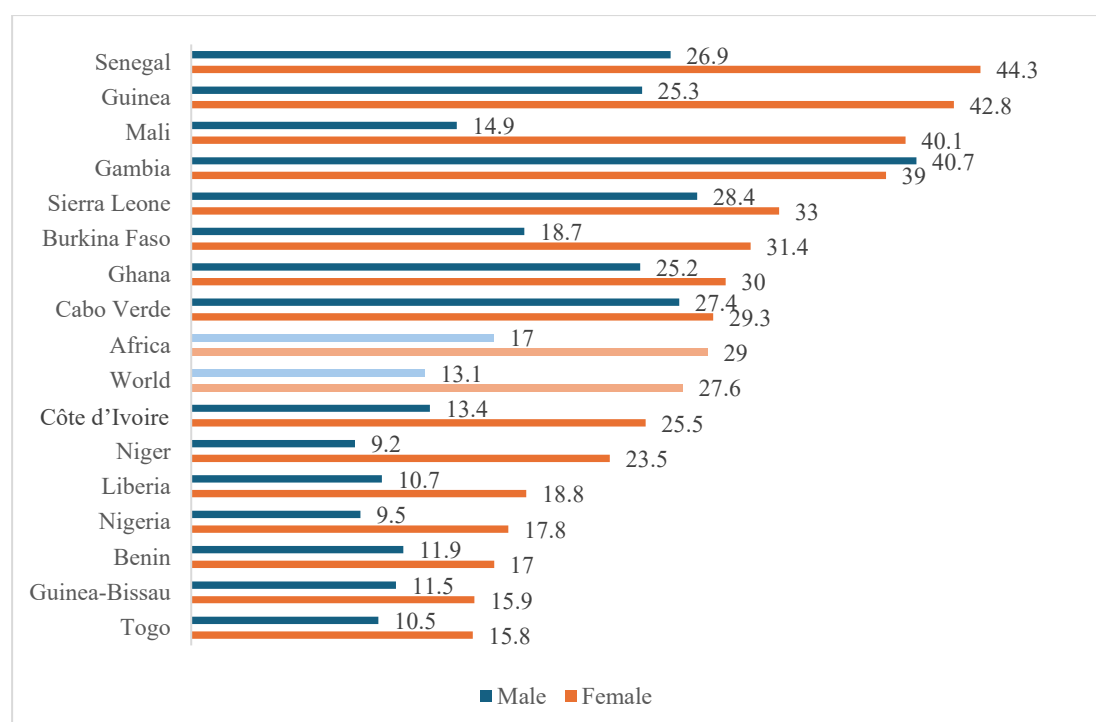
³⁶ International Labour Organization. Available at https://www.ilo.org/sites/default/files/2025-09/EN-Draft%20ConceptNote_2025YouthForum.pdf.

34. The rate of young women not in employment, education or training rate exceeds that of young men in 14 of 15 countries and surpasses 40 per cent in Guinea, Mali and Senegal. Unequal access to education and resources and disproportionate unpaid care explain much of the gap. Removing these barriers would strengthen the contribution of women (see figure V).³⁷

35. Young people not in employment, education or training represent lost human capital and productive potential, weakening the demographic dividend. Prolonged exclusion can increase poverty, migration, social exclusion and instability. Addressing this issue is a social and economic priority.

Figure V

Young people not in employment, education or training, by sex, 2026



Source: Economic Commission for Africa, based on International Labour Organization, “NEET rate: share of youth not in employment, education or training by sex — ILO modelled estimates, November 2025”, ILOSTAT database. Available at https://rshiny.ilo.org/dataexplorer22/?lang=en&segment=indicator&id=EIP_2EET_SEX_RT_A&channel=ilostat (accessed on 17 July 2026).

36. Young people in rural areas are more likely not to be in employment, education or training because of their limited access to infrastructure and employment opportunities, while rapid urbanization can exacerbate unemployment, informality and underemployment among them in cities.³⁸

³⁷ ECA, based on International Labour Organization, “NEET rate: share of youth not in employment, education or training by sex — ILO modelled estimates, November 2025”, ILOSTAT database. Available at https://rshiny.ilo.org/dataexplorer22/?lang=en&segment=indicator&id=EIP_2EET_SEX_RT_A&channel=ilostat (accessed on 17 July 2026).

³⁸ ECA, based on International Labour Organization, “NEET share: share of youth not in employment, education or training by sex and rural/urban areas (%)”, ILOSTAT database. Available at <https://rshiny.ilo.org/>

37. Addressing youth exclusion requires integrated action to strengthen education and skills development, improve school-to-work transitions and expand productive employment opportunities, in particular for young women and young people in rural areas, while facilitating the movement of labour towards higher-productivity sectors and value chains.

V. Pathways to productive employment creation

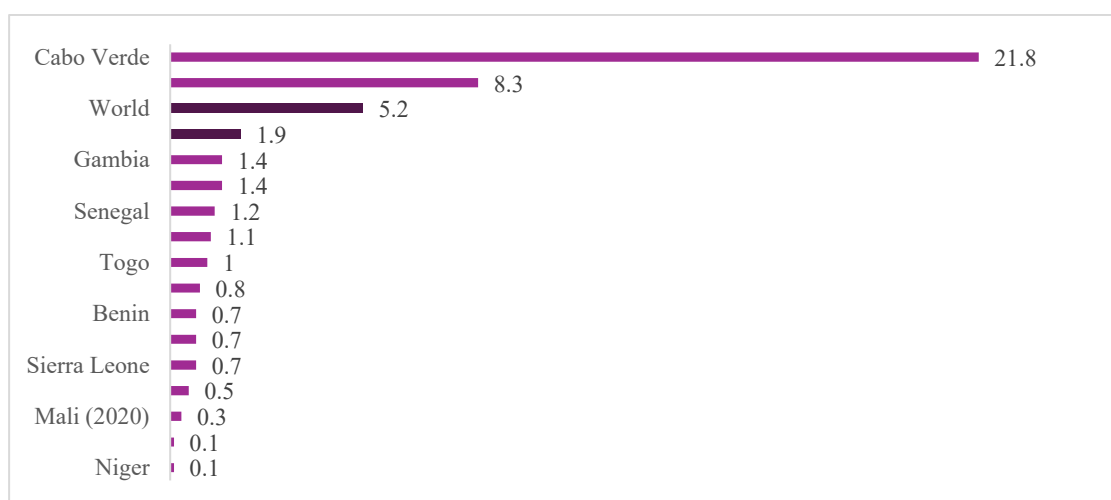
38. The youth employment challenge in West Africa reflects the subregion's low productivity and limited structural transformation. Most young workers remain in vulnerable activities that constrain value addition, fiscal capacity and competitiveness. Sustainable employment requires investment in productive sectors, value chains, enterprise growth and resilience.

39. New business density ranges from 21.8 registrations per 1 000 working-age people in Cabo Verde to 0.1 in Niger, reflecting uneven and low levels of formal business creation in West Africa. Most countries remain below African and global averages because of constraints relating to finance, infrastructure, innovation, regulation and the business environment. Firms need enabling conditions that support survival, scale-up, productivity and employment.³⁹

Figure VI

New business density, 2024

(New registrations per 1 000 people aged 15 to 64 years)



Source: World Bank, Entrepreneurship Database. Available at <https://data.worldbank.org/indicator/IC.BUS.NDNS.ZS> (accessed on 20 July 2026).

40. Structural transformation remains essential. Labour has shifted from agriculture mainly into low-productivity informal services rather than manufacturing, modern agriculture or other high-value activities.

dataexplorer57/?lang=en&segment=indicator&id=EIP_NEET_SEX_GEO_RT_A&channel=ilostat (accessed on 20 July 2026).

³⁹ ECA, based on World Bank, Entrepreneurship Database. Available at <https://data.worldbank.org/indicator/IC.BUS.NDNS.ZS> (accessed on 20 July 2026).

41. In 2025, services accounted for 44.2 per cent of employment in West Africa, followed by agriculture (39.8 per cent) and industry (16 per cent).⁴⁰ Services also accounted for a larger share of GDP than agriculture in most countries, except Guinea-Bissau and Niger.⁴¹ Structural transformation has remained limited, however: as agricultural employment declined in Benin, Burkina Faso and Côte d'Ivoire, manufacturing remained stagnant, constraining productivity and economic diversification.⁴² Labour productivity ranged from \$1.5 per hour in Liberia to \$11.9 in Ghana, compared with \$8 for Africa and \$23.7 globally.⁴³ The productivity gap underscores the need to accelerate the shift towards higher-productivity sectors and productive employment.

42. Industrialization can expand manufacturing, agro-processing and domestic value addition. Manufacturing accounted for 1 per cent of GDP in the Gambia in 2024, compared with 13 per cent in Guinea in 2022 and Senegal in 2025.⁴⁴ Productive industry can create jobs through supplier linkages, technology transfer and skills development. For example, the integrated industrial park in Diamniadio, Senegal, attracted approximately \$48 million in investments and initially created more than 600 jobs.^{45,46} Realizing broader gains will require stronger local linkages, relevant skills, reliable infrastructure, affordable energy, improved access to finance and a predictable regulatory environment.

A. Agribusiness and agricultural value addition

43. Agriculture, which remains a major source of youth employment, accounted for more than 40 per cent of overall youth employment in 7 of 14 countries, including Niger (84 per cent in 2022), Guinea-Bissau (79.6 per cent in 2022), Sierra Leone (64.1 per cent in 2018) and Mali (60.4 per cent in 2024).⁴⁷ Productivity and value addition remain limited. Improvements to aggregation, storage, logistics and processing can help to raise income and employment levels.⁴⁸

⁴⁰ ECA, calculations based on International Labour Organization, “*Employment by economic activity: ILO modelled estimates*, November 2025”, ILOSTAT database. Available at <https://ilostat.ilo.org/data/> (accessed on 10 August 2026).

⁴¹ ECA, calculations based on World Bank, “Services, value added (% of GDP)” and “Agriculture, forestry and fishing, value added (% of GDP)”. Available at <https://data.worldbank.org/indicator/NV.SRV.TOTL.ZS> and <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS> (accessed on 10 August 2026).

⁴² F. Haile, “*Structural change in West Africa: a tale of gain and loss*”, Policy Research Working Paper, No. 8336 (Washington, D.C., World Bank, 2018). Available at <https://documents1.worldbank.org/curated/en/968921518461271453/pdf/WPS8336.pdf>.

⁴³ ECA, calculations based on International Labour Organization, “*Output per hour worked, GDP constant 2021 international dollars at purchasing power parity: ILO modelled estimates*, November 2025”, ILOSTAT database. Available at <https://ilostat.ilo.org/topics/labour-productivity/> (accessed on 10 August 2026).

⁴⁴ ECA, calculations based on World Bank, “Manufacturing, value added (% of GDP)”. Available at <https://data.worldbank.org/indicator/NV.IND.MANF.ZS> (accessed on 10 August 2026).

⁴⁵ World Bank Group, *Creating Markets in Senegal: Sustaining Growth in an Uncertain Environment*, Country Private Sector Diagnostic (Washington, D.C., April 2020). Available at <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/837491614582641223>.

⁴⁶ World Bank, *Senegal Country Economic Memorandum: Pathways to Sustainable Growth and Job Creation* (Washington, D.C., 2021).

⁴⁷ ECA, based on International Labour Organization, “Employment by sex, age and economic activity (thousand)”, ILOSTAT database. Available at https://rshiny.ilo.org/dataexplorer81/?lang=en&segment=indicator&id=EMP_TEMP_SEX_AGE_ECO_NB_A&channel=ilostat (accessed on 11 August 2026).

⁴⁸ African Development Bank, *Special Agro-Industrial Processing Zones: Strategy and Operational Framework* (Abidjan, 2021).

44. Special agro-industrial processing zones in Nigeria illustrate how linking production areas with processing hubs and infrastructure can create jobs.⁴⁹ The Côte d'Ivoire–Ghana initiative on cross-border cocoa and rice value chains and an agro-industrial park project show the potential benefits of regional integration.⁵⁰

B. Digital transformation and innovation

45. Digital transformation creates opportunities for employment, entrepreneurship and productivity growth through e-commerce, digital finance and online services. In 2025, 43.1 per cent of West Africans used the Internet.⁵¹ Access nevertheless varied considerably across countries and by income, location and gender.⁵² By 2030, an estimated 57 million jobs across five African countries will require digital skills, including 5 million in Côte d'Ivoire and 28.4 million in Nigeria.⁵³ In the Cotonou Declaration adopted following the regional forum on digital transformation in West and Central Africa held in Cotonou on 18 November 2025, the ministers responsible for the digital economy of West and Central African countries undertook to train 20 million people in digital skills and to enable 2 million young people, persons with disabilities, and women to benefit from digital jobs or digital entrepreneurship opportunities. Realizing these opportunities requires affordable connectivity, appropriate infrastructure and devices, market-relevant skills, accessible finance and inclusive innovation ecosystems. Digital skills programmes should also be closely linked to labour market demand, enterprise development and technology adoption.

C. Entrepreneurship, gender inclusion and the care economy

46. Entrepreneurship is a key pathway to employment in West Africa, where micro-, small and medium-sized enterprises dominate economic activity. However, limited access to finance, technology, business support and markets constrains enterprise survival, productivity and scaling. In the West African Economic and Monetary Union, such enterprises received 52 per cent of bank credit extended to legal entities in 2024, up from 49 per cent in 2023. Nevertheless, 75 per cent of new credit was short-term and the average lending rate was higher than that for large firms (7.07 per cent compared with 6.06 per cent). Support should therefore be focused not only on enterprise creation, but also on survival, productivity and scaling up.⁵⁴

47. The proportion of enterprises owned by women exceeds the global average of 15.7 per cent in 12 West African countries, reaching 30.1 per cent in Benin, 35 per cent in Ghana and 48.4 per cent in Cabo Verde, but limited access to finance, assets and networks and unpaid care responsibilities remain major constraints. Gender-responsive financing, business development services and care services could help to advance women's economic inclusion.

48. An analysis conducted by the Economic Commission for Africa (ECA) using the Women, Business and the Law 2026 data of the World Bank shows that Benin, Côte d'Ivoire,

⁴⁹ Ibid.

⁵⁰ ECA, *Cross-Border Value Chains and Common Agro-Industrial Park Initiative between Côte d'Ivoire and Ghana* (Addis Ababa, 2025).

⁵¹ United Nations, *Global Sustainable Development Goal Indicators Database*. Available at <https://unstats.un.org/sdgs/dataportal> (accessed on 17 August 2026).

⁵² International Telecommunication Union, *State of Digital Development and Trends in the Africa Region: Challenges and Opportunities* (Geneva, 2025). Available at https://www.itu.int/dms_pub/itu-d/opb/ind/D-IND-SDDT_AFR-2025-PDF-E.pdf.

⁵³ International Finance Corporation and World Bank, *Digital Skills in Sub-Saharan Africa: Spotlight on Côte d'Ivoire, Kenya, Mozambique, Nigeria and Rwanda* (Washington, D.C., 2021).

Ghana, Guinea and Togo lead the subregion on legal frameworks, scoring 75 out of 100. Scores for supportive frameworks (45.3) and enforcement perceptions (40.5) are lower, however, highlighting an implementation gap and the need for stronger enforcement and better access to finance, assets and care services.⁵⁵

49. The care economy supports well-being but unpaid care limits employment and career progression among women. In Africa, 67 per cent of women who remain outside the labour force owing to care responsibilities have only basic or less than basic education.⁵⁶

50. In all 10 countries for which data are available, women are more likely than men to be engaged exclusively in care, in particular in rural areas. The shares among women range from 59.5 per cent in Niger (2022) to 1.7 per cent in Mali (2024), compared with 10.3 per cent among men in Senegal (2023) and 0.3 per cent in Côte d'Ivoire (2022). This disproportionate engagement in care constrains women's employment and entrepreneurship.⁵⁷

D. Green jobs and regional integration

51. Climate action can help to build resilience and create jobs in renewable energy, climate-smart agriculture, waste management, ecosystem restoration and the circular economy. The Great Green Wall for the Sahara and the Sahel Initiative aims to restore 100 million hectares of land and create 10 million green jobs by 2030. By 2020, approximately 17.8 million hectares had been restored and 335 000 jobs had been created across Africa, although only 4 million hectares were within designated intervention areas.⁵⁸ It is estimated that accelerating the energy transition in line with global climate targets could create more than 2 million additional energy-sector jobs in West Africa by 2030.⁵⁹

52. The Agreement Establishing the African Continental Free Trade Area can help to expand markets for green enterprises and support regional value chains in renewable energy and the circular economy through harmonized standards, regional procurement and the reduction of cross-border barriers.⁶⁰ More broadly, full implementation of the Agreement, together with trade facilitation measures and reductions in non-tariff barriers, could increase trade by more than 30 per cent in Benin, Guinea and Togo and lift up to 12 million people in West Africa out of poverty.⁶¹

⁵⁵ World Bank, *Women, Business and the Law 2026: Benchmarking Laws for Jobs and Inclusive Growth* (Washington, D.C., 2026). Available at <https://wbl.worldbank.org/en/publications/flagship-report>.

⁵⁶ International Labour Organization, *The Impact of Care Responsibilities on Women's Labour Force Participation*, Statistical Brief (October 2024). Available at https://www.ilo.org/sites/default/files/2024-10/GEDI-STAT%20brief_formatted_28.10.24_final.pdf.

⁵⁷ ECA, based on International Labour Organization, "Share of persons outside the labour force due to care responsibilities by sex and rural (%)", ILOSTAT database. Available at https://rshiny.ilo.org/dataexplorer11/?lang=en&segment=indicator&id=EIP_RCAR_SEX_GEO_RT_A&channel=ilostat (accessed on 20 July 2026).

⁵⁸ United Nations Convention to Combat Desertification, *The Great Green Wall: Implementation Status and Way Ahead to 2030* (Bonn, 2020). Available at <https://www.unccd.int/resources/publications/great-green-wall-implementation-status-and-way-ahead-2030> (accessed on 18 August 2026).

⁵⁹ Ibid.

⁶⁰ ECA, *Economic Report on Africa 2023: Building Africa's Resilience to Global Economic Shocks*, chap. 9, "Delivering Africa's Great Green Transformation" (Addis Ababa, 2023). Available at <https://unece.org/sites/default/files/ACPC/2023/Chapter-9-Delivering-Africas-great-green-transformation.pdf> (accessed on 18 August 2026).

⁶¹ World Bank, *Benin Country Economic Memorandum 2.0: Increasing Diversification and Integration for Economic Transformation*, chap. IV (Washington, D.C., 2021). Available at <https://documents1.worldbank.org>.

VI. Conclusions and policy recommendations

A. Conclusions

53. With about 60.9 per cent of its population aged under 25 years, West Africa has substantial potential for economic transformation and higher productivity. Realizing this demographic dividend will require the creation of productive employment for its expanding labour force.

54. Despite global headwinds, growth in the ECOWAS region is projected at 4.5 per cent in 2026, above the 4.2 per cent projected for Africa as a whole. This growth has not translated proportionately into improved job quality, however: informality and working poverty remain widespread, and many young people are not in employment, education or training.

55. The central challenge is productivity and structural transformation. Human capital deficits, skills mismatches, weak productive capacity and limited industrialization constrain productive jobs, while informality reached 91.6 per cent in 2025. Gender inequality, unpaid care, insecurity, displacement and climate vulnerability further restrict opportunities.

56. Unlocking youth potential requires an integrated transformation agenda linking human capital to productive sectors, enterprise growth, infrastructure, finance and regional markets, with productive employment at its centre.

B. Policy recommendations

1. Accelerate productivity-enhancing structural transformation

57. Governments should place productivity and diversification at the centre of employment policy, shifting resources towards manufacturing, agro-processing, services, logistics and renewable energy. Sectoral policies should be adopted to attract investment, build capabilities, link suppliers, promote technology and increase value addition.

2. Strengthen human capital, skills development and labour market systems

58. Governments should invest in education, health and skills aligned with labour demand. Modernized technical, vocational and digital education and training, workplace learning and employer engagement are critical for employability and productivity.

59. Policies should be adopted to provide youth-led micro-, small and medium-sized enterprises with access to finance, business services, technology, innovation and markets, helping them to enter regional value chains. Programmes should be evaluated in terms of productivity, employment and scale-up.

3. Accelerate formalization and improve job quality

60. Formalization should be pursued to raise productivity, job quality and social protection. Streamlined procedures, targeted tax measures, tailored financing instruments, digital solutions

and broader social protection coverage can create stronger incentives for firms and workers to formalize.

4. Unlock women's economic potential through care systems and equal access to productive assets

60. Closing gender gaps is a growth and productivity priority. Policies should be adopted to expand women's access to education, employment, entrepreneurship, finance, productive assets and leadership, supported by affordable care services.

5. Develop green and digital employment ecosystems

61. Green and digital transitions are reshaping productivity, competitiveness and employment. Investment in renewable energy, digital infrastructure, climate-smart agriculture and relevant skills can create new employment opportunities, raise productivity and accelerate sectoral transformation.

6. Strengthen governance, resilience and the peace-development nexus

62. Conflict, displacement and institutional fragility undermine employment, investment and economic transformation. Governments should strengthen governance, labour market information and youth participation while investing in peacebuilding, social cohesion and regional cooperation.

7. Leverage regional integration and the African Continental Free Trade Area

63. The Agreement Establishing the African Continental Free Trade Area can help to expand markets, regional value chains and labour mobility. Governments should accelerate trade facilitation, harmonize standards and strengthen transport and digital infrastructure to maximize employment gains.
