



ICE Central Africa

11 - 12 Nov. 2020

36th session of the Intergovernmental Committee of
Senior Officials and Experts of Central Africa

Theme:

Building skills for economic diversification in Central Africa

CONCEPT NOTE

Date: 11 and 12 November 2020
By videoconference

I. BACKGROUND AND RATIONALE

The Intergovernmental Committee of Senior Officials and Experts of Central Africa (ICE) is the first statutory body of the United Nations Economic Commission for Africa Sub-Regional Office for Central Africa (ECA/SRO-CA). It is a strategic platform for dialogue and close collaboration between high-level experts in the sub-region, with the common goal of promoting inclusive and sustainable economic growth. The ICE meets every year to discuss challenges for the economic and social transformation of the sub-region and to propose holistic solutions to face such challenges. The Committee is also a platform to discuss the status of regional integration and coherent strategies to accelerate its pace, particularly in the context of the African Continental Free Trade Area (AfCFTA).

It is in this context that the ECA/SRO-CA is organizing the thirty-sixth (36th) session of the Intergovernmental Committee of Senior Officials and Experts of Central Africa (ICE) on 11 and 12 November 2020. This year's discussions will be **online**, on the theme "***Building skills for economic diversification in Central Africa***". The meeting will focus discussions on the challenges, opportunities and innovative strategies for the development of skills necessary for economic diversification and inclusive structural transformation in the sub-region.

Skills development has been identified as one of the major constraints to economic diversification not only by the countries of Central Africa, but also by Regional Economic Communities (RECs) and other development stakeholders in the sub-region. This ICE session will contribute to the operationalization of the Douala Consensus adopted at the 33rd ICE session held in Cameroon in September 2017, and the 35th ICE session held in Malabo in September 2019, focusing on the digital economy in Central Africa.

Promoting sustainable, resilient and inclusive economic growth in Central Africa calls for strengthening economic diversification through natural resource-driven industrialization. This new agenda will have to build on a skills development system that is efficient, inclusive and in line with the needs of the industry.

1. Volatile and non-inclusive growth: a call for the structural transformation of Central African economies

Central Africa recorded remarkable economic growth rates in the past decades. While the sources of African growth are gradually diversifying, the sub-region continues to rely heavily on commodity exports, particularly oil. The sub-region contributes little to global manufacturing value added (MVA) given the low technological intensity of its manufacturing activities linked either to natural resources or to traditional "low-tech" activities, characterized by limited productivity levels.

As a result, Central African economies remain undiversified and are still vulnerable to exogenous shocks linked to fluctuations in commodity prices, for a sub-region steeped in a high level of poverty and inequalities.

Various experts have established the need for the sub-region to change tack and strengthen structural transformation if it is to generate decent jobs for its young and fast growing population,¹ increase the income level and add value to its exports.

The Douala Consensus reaffirmed economic diversification and industrialization as the primary strategy to achieve this, as a path to follow for Central Africa to move away from volatile, unsustainable growth with little job creation and low impact on poverty. Achievement of the African Union's Agenda 2063 and of the Sustainable Development Goals (SDGs) calls for a review of growth strategies, in the same direction.

2. *Improving workforce quality: key to economic diversification*

The success of the economic diversification ambitions requires the availability of an appropriate qualitative and quantitative workforce. There is need to reform the educational system and, in particular, to strengthen technical education and vocational training for better productivity and improved competitiveness of the industry. The promotion of inclusive and technology-intensive industrialization cannot be achieved with unskilled labour. The new development agenda requires that the educational system be technically aligned with the needs of the industry.

Modern economic growth can be summed up in a continuous process of technological innovation and, for low-income countries, structural transformation symbolizes the transition of factors (labour, capital, knowledge) from low-productivity sectors and activities to those with high productivity.

Given that these sectoral changes are not the result of a mechanical process, their speed and magnitude reflect the willingness and ability of labour and capital factors to migrate to the most productive sectors. They are influenced by the country's economic policy and institutional environment. Human capital is at the centre of this process.

¹Those under 15 account for 45% of the population of Central Africa. It is estimated that the number of young people will double by 2045. Young people account for 60% of all unemployed Africans and are the segment most affected by the socio-economic divide. Central African countries face the challenge of creating enough jobs to keep pace with economic growth and absorb the working-age population, especially the growing number of young people.

3. Need for a holistic and “balanced” talent development: the challenges of Central Africa

More than ever, the holistic mobilization of talent resources and the building of the capacities of individuals to acquire, develop and deploy skills throughout their professional lives are becoming imperative for the industrialization of economies. An efficient and inclusive educational system remains a constraint for the participation of Central African economies in the fourth industrial revolution.

Unfortunately, the development of technical and professional skills is tottering and the gap between the training offer and the labour market is not narrowing in the sub-region. The local industry increasingly identifies low-skilled labour force as one of the major constraints to business development.

Industrial development driven by a skilled workforce requires investments for better access to quality basic education, but also and even more a strengthening of more advanced skills in applied sciences, engineering and technology. The relevance of a “*balanced and transversal*” investment in the educational system for skills development in support of structural transformation is confirmed by development practitioners who encourage basic education that is efficient in supplying cognitive and physical skills: secondary, post-secondary, vocational and workplace learning ensuring access to skills relevant to employment, while high-level technical and vocational skills, innovation and entrepreneurship are provided by tertiary education institutions.

Although Central Africa has made significant progress in universal primary education, despite quality pitfalls, the challenges of post-primary education are now acute. The development of secondary education confirms the urgent need for brainstorming on the relevance, extension, inclusiveness and diversification of courses. Post-primary education requires strengthening delivery methods, adapting curricula, controlling costs and mobilizing resources, while higher education is barely recovering from decades of “*marginalization*” by development agencies and calls for diversification of sectors for better coverage and attractiveness of technical and engineering training.

The mismatch between the number of trained human resources in search of employment and the availability of qualified formal jobs testifies to educational systems disconnected from the skills required by the labour market, while rapid technological development only exacerbates this gap. Educational systems are increasingly outdated and modernization efforts, where they exist, are generally not tailored to the demands of the economy and society in general.

While it is now established that the company is a centre for continuing training, the workforce of Central Africa is mainly concentrated and underemployed in the informal sector and driven by an assortment of small businesses whose meagre resources limit investment in skills development. It is still confined to indecent, vulnerable and low-productivity jobs within the informal sector and subsistence agriculture.

The sub-region's educational systems are characterized by a lack of ecosystems for continuous training throughout the professional life cycle. Central Africa is thus losing the opportunities offered by continuing vocational training in terms of offsetting the absence or shortcomings of the initial vocational training system.

4. A learning society based on training of the future

In support of its economic diversification ambition, the sub-region will have to build the pipeline of skills of the future and promote a learning society, thus strengthening its productive capacity. Curricula of the future should encourage critical thinking, creativity and emotional intelligence, while accelerating the acquisition of digital technology and knowledge in science, technology, engineering and mathematics (STEM) and thus hope to make the best of the fourth industrial revolution and the opportunities offered by increasingly large markets.

Bringing together the training sector and the employment sector, in particular industry, is the way out to increase the employability of young people and therefore consolidate the contribution of a predominantly young population to economic diversification, inclusive industrialization and growth.

States must open up to new training avenues, in particular strengthening the available offers in terms of technical and vocational courses, improving access to technical education and promoting the expansion of continuing training opportunities on the job and outside by mobilizing new communication technologies for mass coverage. Technical and vocational education systems are called upon to strengthen their "quality assurance" and introduce effective approaches to the evaluation and certification of training.

The continuing vocational training framework encompasses a wide variety of actors with complementary responsibilities. Improving its quality requires innovative partnerships between all stakeholders (State, local authorities, professional associations, trade unions, donors, companies, etc.) based on a demand-driven approach allowing the private sector to participate in defining and providing training as well as accreditation and evaluation of related programmes.

The establishment of an accreditation system and the mutual recognition of professional qualifications as well as their certification at sub-regional level could promote mobility of the labour factor in a sub-region which needs to better integrate. Improving the attractiveness and efficiency of the technical and vocational training system in order to facilitate access to all active players, both employees and job seekers, remains a priority, while the strong dependence on external financing remains a constraint to the sustainability of national skills development strategies and programmes.

5. Towards inclusive innovative partnerships for science, technology and innovation (STI)

Joining an economic process of profitability and relying on endogenous players such as professional associations would clearly ensure efficiency. Identifying business needs and developing partnerships with institutions working in science, technology and innovation (STI) are necessary for enhanced economic diversification. Despite the role of “science, technology and innovation (STI)” in countries’ development strategies, weak human and institutional capacities prevent the mobilization of STI in skills development in the sub-region.

There are also opportunities for expanding knowledge and skills through greater participation in global value chains. The sub-region needs to draw inspiration from existing “success stories” in other countries (Singapore, Morocco, Ethiopia, South Korea, South Africa, Japan, China, India, etc.) which combined substantial investments in the quality of basic education with targeted vocational training, strengthening of higher education, science, technology and innovation in the definition, implementation and evaluation of skills development strategies in support of industrialization.

Current educational systems focused on the development of cognitive capacities should integrate behavioural skills that build the capacity of workers to collaborate, innovate, engage in self-direction and solve concrete problems. The gap between formal education and the labour market must be reduced through innovative learning practices, research and development, knowledge sharing, training and reformation, learning and innovation which must be transversal and simultaneous throughout the life cycle of the worker.

6. Clear and inclusive strategies based on a true marketing approach

While the Poverty Reduction Strategy Papers or the Private Sector Development Strategies have only very recently started to address the subject of skills and knowledge development, CEMAC-ECCAS countries will need to have clearly defined, operational and quantifiable public strategies with sufficient resources to strengthen human resources employability with a view to inclusive economic diversification.

The establishment of technical and vocational education structures in the countries is not based on an in-depth analysis of local needs, the socio-economic characteristics and industrial potential of the area. Some technical and vocational schools are deserted; young people's rush towards the long cycle and the university testifies to a lack of attractiveness of technical and professional careers.

Horizontal segregation is very present between men and women in the professional and especially industrial environment. "*Affirmative and targeted*" continuing training must be a lever to improve women's access to certain technical positions and offset the inequalities in access to initial training faced by women.

The low availability of qualified labour is therefore a constraint in the face of the accelerated industrialization ambitions in Central Africa and prevents companies from asserting themselves in more advanced segments of the value chains and thus adopting more complex production systems. This situation requires proactive responses from States, RECs, the private sector and other development partners for successful economic diversification as well as the achievement of sustainable development goals. It is in this context that the ECA/SRO-CA is organizing the 36th annual meeting of the Intergovernmental Committee of Experts (ICE) under the theme "***Building skills for economic diversification in Central Africa***".

II. OBJECTIVES OF THE MEETING

The main objective of the thirty-sixth ICE session is to take stock of skills in support of economic diversification in Central Africa, identify the challenges, constraints and opportunities relating thereto, before proposing recommendations on the development strategy and mobilization of skills necessary for the structural transformation of economies.

Specifically, the meeting will aim to:

- Analyse national and sub-regional trends in terms of skills development in support of diversification and economic development, identify challenges and opportunities and share good practices and lessons;
- Identify strategic and political thrusts for the development and mobilization of technical and professional skills in Central Africa;
- Propose innovative partnerships, including the public-private coalition, to improve the level of qualification and employability of human resources and better coordination between the various partners involved in skills development and economic diversification in the sub-region.

Participants in the ICE session will also have the opportunity to discuss statutory issues relating to the functioning of the SRO-CA: (i) activity report of the ECA/SRO-CA for 2019 and 2020; (ii) progress report on regional and international programmes and other special initiatives in the sub-region; as well as (iii) report on the implementation of sub-regional initiatives in Central Africa.

III. ORGANIZATION OF THE MEETING

The ICE session will be **online** and will include working sessions around the general theme "*Building skills for economic diversification in Central Africa*". A summary of the various components of the meeting is presented in the Work Programme attached to the present aide-memoire.

IV. PARTICIPANTS

Participants of the session will comprise a wide range of high-level stakeholders, including government officials and representatives of the main regional organizations (AUC, CEMAC, ECCAS), the private sector, bilateral and multilateral development organizations (AfDB, World Bank, etc.), United Nations system entities, civil society and academia.

V. DATE, VENUE AND WORKING LANGUAGE OF MEETING

The thirty-sixth session of the ICE will be held **online** on **11 and 12 November 2020**, given the constraints posed by the COVID19 pandemic. The session will be held in English, French, Spanish and Portuguese, with interpretation.

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