



Economic Commission for Africa
Regional Coordination Mechanism for Africa
Eighteenth Session
First Joint Meeting of the Regional Commission for Africa
and the United Nations Development Group
Dakar, 25 and 26 March 2017

African Union

Draft aide-memoire

I. Background

1. In its resolution 1998/46, the Economic and Social Council of the United Nations mandated regular meetings of agencies and organizations of the United Nations system in all five regions with a view to promoting synergy and coherence for a coordinated response by the United Nations system in dealing with the priority needs of each region. The first set of meetings was held in 1999 under the chairmanship of the Deputy Secretary-General. Since 2000, the meetings have been convened by the respective executive secretaries of the five regional commissions, which are designated as strategic coordinators of the regional coordination mechanisms.

2. The regional coordination mechanisms were created as a milieu for consultations among agencies, programmes, organizations, funds and offices of the United Nations system working at the regional level. In 2002, the Regional Coordination Mechanism for Africa (RCM-Africa) evolved from serving as a consultative mechanism into holding formal, annual sessions. At these sessions, organizations and agencies of the United Nations system operating in Africa share information on their respective activities and agree to coordinate their strategies for programme delivery in support of the African Union programmes.

3. Furthermore, in its resolution 57/7, the General Assembly called upon the United Nations system in Africa to coordinate its activities, through RCM-Africa, in support of the New Partnership for Africa's Development (NEPAD). Similarly, the Heads of State and Government, through their decision Assembly/AU/Dec.587 (XXV) of 2015, indicated that United Nations-African Union cooperation should be based on the Framework for a Renewed United Nations-African Union Partnership on Africa's Integration and Development Agenda for 2017–2027 (PAIDA). As the successor programme to the 2006 ten-year capacity-building programme for the African Union, PAIDA will therefore serve as the overall platform for United Nations-African Union cooperation anchored on Agenda 2063. Accordingly, RCM-Africa provides a vehicle for the United Nations system to use PAIDA as a framework for “delivering as one”, and also to enhance coordination and coherence of its support for the African Union, its organs and organizations.

4. The annual RCM-Africa sessions review the progress made in improving cooperation, collaboration and coordination between the United Nations and the African Union and its organs, with the aim of enhancing the effectiveness of United Nations support to Africa's development. The sessions also serve as a forum for deliberations on topical and emerging issues of importance to Africa's development agenda, and for making sound policy prescriptions. In a bid to support the development agenda of the African Union and in alignment with the theme of the African Union for 2017, the United Nations system organizations working in Africa have chosen as the theme for the eighteenth session of RCM-Africa: "United Nations system support for harnessing the demographic dividend through investments in youth".

5. Member States, in paragraphs 145 and 146 of resolution 67/226 of 21 December 2012, on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, encouraged the United Nations system to strengthen collaboration with regional and subregional intergovernmental organizations and regional banks, as appropriate and consistent with their respective mandates. They also called upon the regional commissions and the funds, programmes, specialized agencies and other entities of the United Nations development system at the regional level further to strengthen cooperation and coordination among themselves and with their respective headquarters, in close consultation with the Governments of the countries concerned as strategies to enhance the functioning of the United Nations system. In their statement of collaboration, entitled "Supporting Member States in implementation of the 2030 Agenda for Sustainable Development", signed by the Chair of the United Nations Development Group (UNDG) and the Coordinator of the United Nations Regional Commissions,¹ it was agreed that the regional commissions and UNDG teams would enhance cooperation in the different regions between the respective regional coordination mechanism convened by the regional commission and the relevant regional UNDG team, to enhance the impact of United Nations development activities in response to regional and subregional priorities of Member States.

6. The statement of collaboration calls upon the regional commissions and the United Nations development system to support the follow-up and review by Member States of the 2030 Agenda for Sustainable Development at the national, regional and global levels – including through the regional forums on sustainable development. This is to ensure a system-wide, timely and coherent nexus and interaction among the three levels, including, when appropriate, in collaborating on regional inter-agency reports. The statement of collaboration also calls upon the regional commissions and the United Nations development system to undertake any additional needed collaborative actions in support of member States' sustainable development plans.

7. In line with the spirit of the 2016 quadrennial comprehensive policy review, the aforementioned statement of collaboration, previous sessions of RCM-Africa and meetings of the regional UNDG teams for Eastern and Southern Africa and for Western and Central Africa, for the first time, the initial part of the eighteenth session will be held jointly. To this end, RCM-Africa and the regional UNDG teams will jointly plan and host a high-level policy debate in support of the theme, "United Nations system support for harnessing the demographic dividend through investments in youth" on 25 March 2017 in Dakar, Senegal.

¹ Available from <https://undg.org/wp-content/uploads/2016/05/Statement-of-Collaboration-RECs-UNDG-Reg-UNDGs-on-SDGs-1-Jan-2016.pdf>.

III. Investing in the youth of Africa

A. Harnessing the demographic dividend

8. Young Africans represent a significant asset for sustainable growth, if properly harnessed. Declines in infant mortality and longer life expectancy are contributing to an increase both in the overall population and, more importantly, in the share of the population that is of working age. Studies indicate that the continent will account for 3.2 billion of the projected increase of 4 billion in the global population by 2100.² The same studies also point to Africa's working-age population, in particular of its young people, rising by 2.1 billion over the period, compared to a net global increase of 2 billion. Furthermore, with mortality and fertility rates tumbling, the share of the working-age population is expected to increase from about 54 per cent in 2010 to peak at about 64 per cent in 2090.

9. These trends suggest that Africa stands to benefit because, if properly harnessed, the rising share of its working-age population could spur future economic growth at a time when most of the advanced economies face an ageing population. The demographic transition will be significant for Africa as its share of the global working-age population is expected to rise from 12.6 per cent in 2010 to over 41 per cent by 2100, and will therefore support the structural transformation upon which African economies have embarked.

10. Theoretically, a demographic transition characterized by an increase in the working-age population is expected to lead to potential economic and social benefits. This is because, if the demographic transition is appropriately harnessed it can generate the so-called "demographic dividend" from higher growth.³ The much-celebrated "Asian miracle", for instance, is attributed in part to the demographic dividend in several countries in Asia. Hence, Africa's demographic transition can contribute to shared prosperity – boosting future economic growth and making Africa a global player. Africa needs to capitalize on its working-age population, which is rising when much of the rest of the world's workforce is on the decline. To reap the demographic dividend, African countries will need sound economic policies to support the accompanying demographic transition and create productive jobs for these new workers, thereby supporting higher growth rates and rising per capita incomes.

11. The demographic dividend may potentially accrue to all Africans through four additional channels, which should inform regional and national policies.⁴ First, the decline in fertility rates will enable more women to participate in the labour force – expanding the size of the labour force. Second, the overall savings would increase as working-age adults tend to save more than other groups – encouraging more investment financing and giving a subsequent boost to growth. Third, with fewer children being born because of declining fertility rates and rising life expectancy, investments in health care and education would have to increase – contributing to a healthier, more educated, and hence more productive labour force. Fourth, domestic demand for goods and services would also increase as a result of rising population – boosting economic growth.

12. Harnessing the demographic dividend requires prioritizing human capital development, including expanding quality health and education systems, and

² Paulo Drummond, Vimal Thakoor and Shu Yu, "Africa Rising: harnessing the demographic dividend", IMF Working Paper 14/143 (Washington, D.C., International Monetary Fund, 2014).

³ Ibid.

⁴ Oded Galor and David N. Weil, "Population, technology and growth: from Malthusian stagnation to the demographic transition and beyond", *American Economic Review*, vol. 90, No. 4 (2000), pp. 806–828. See also David E. Bloom and others, "Fertility, female labour force participation, and the demographic dividend", *Journal of Economic Growth*, vol. 14, No. 2 (2009), pp. 79-101.

empowering women and girls to be able to exercise their reproductive rights. This will give young people the chance to pursue an education, enter the workforce, start new businesses, and contribute to a sustainable future.

13. Capitalizing on the demographic dividend requires understanding population dynamics nationally and subnationally. The process of quality data gathering, analysis, and evidence-based policy design and implementation is essential, including knowledge management to allow countries to reduce the learning curve, using one another's experiences and best practices.

14. Harnessing the demographic dividend will depend on the ability of economies to absorb the new entrants into the labour force, the measure of support provided by policies in the demographic context, and the success of policies aimed at reducing fertility rates.⁵ If it is assumed that not all labour force entrants find a job and the share of employed people remains the same as in 2010, then studies show that Africa's per capita GDP in 2050 would more than triple to nearly \$2,000 (in real terms) relative to the median 2010 per capita GDP of \$600.⁶ If, however, all new entrants were absorbed into the labour market, GDP per capita is estimated to increase a further 25 per cent by 2050 and 54 per cent by 2100. The studies also suggest that, in a best-case scenario, where job creation is complemented by better policies and lower fertility, the dividend is estimated at nearly 50 per cent by 2050 and 120 per cent by 2100.

15. African countries will need to direct their macroeconomic policies to the creation of decent and high-quality jobs, in order to absorb new workforce entrants and to increase overall productivity. This will require full participation of the private sector, removing impediments in the labour market, in particular for women and young people, and making African products more competitive in the global arena. To reap the full benefits of the demographic dividend, African countries will need to adopt an integrated development pathway, which requires critical simultaneous investments in social and economic policies and programmes. Such investments should be designed to create the requisite social opportunities, and engage in medium-term and long-term planning that applies a life-course approach to improving human capital, promoting life-long learning and good health, and providing fresh opportunities for public participation, and citizenship at all ages, under a framework of human rights.

16. African countries also need to scale up their investments in human capital formation, including targeted investments in education and health. These investments are needed to speed up the demographic transition and improve the productivity of the workforce. Improvements in agricultural policies and urban planning are essential to complement these investments. African countries may need to embark on financial sector development, which aims at effectively channelling savings into investment to support an increase in employment and growth. Furthermore, viable pension schemes are needed for the 500 million pensioners expected in the future.

B. Need for immediate action

17. Africa does not have to wait for the demographic transition to act. Youth unemployment on the continent remains worrisome. Youth account for 60 per cent of all African unemployed, according to the World Bank. Young African women are worse off in the labour market as it is easier for men to get jobs than it is for women, even if they have equivalent skills and experience. Over the long term, there are opportunities for African countries to institute policies to

⁵ Vimal Thakoor and John Wakeman-Linn, *Surf the Demographic Wave*, Finance and Development (Washington, D.C., International Monetary Fund, 2016).

⁶ Paulo Drummond and others, "Africa Rising: harnessing the demographic dividend".

tackle some of the more critical constraints to employment, including basic education.⁷

18. First, Governments should invest more in education, in particular progression to secondary and tertiary education, to support innovations needed in the workforce. The low level of education among African youth is an important factor in youth underemployment, as specific technical skills are needed in the fast-changing work environment. Many African countries have successfully increased access to basic education, but not enough attention has been paid to quality education. Basic education provides the general cognitive and other skills that are needed for further learning. Education and training policy needs to consider how best to strengthen the quality of education, reduce dropouts and repetition, and translate class attendance into valuable learning, while taking action on critical policy gaps that limit progression and retention beyond primary education.

19. Second, African countries would have to enhance the comprehensive nature of current youth programmes so as to be more effective in tackling the constraints on youth employment and empowerment, capitalizing on best practices around the world. This would require the introduction of new programmes or the reform of current youth programmes by including measures to deal with the multiple constraints that young people face, such as access to credit, better information and networks, and specific barriers in the path of female workers. According to international best practice, the factors responsible for successful youth employment programmes are related to: integrated approaches to respond to different types of constraints; demand-driven design of skills training; inclusion of soft-skills training modules; on-the-job training; private sector involvement in both programme design and implementation; and post-programme support.

20. Lastly, African countries need to institute gender-sensitive and youth-targeted interventions in the context of broader policies. More extensive government policies are needed to support the creation of businesses and employment. Young people, however, face higher constraints (and women higher than men) relative to adult workers when seeking these jobs – including self-employment opportunities. Gender-sensitive policies aimed at improving female participation in the labour force should be included in the design of youth employment and empowerment programmes.

21. Young people in Africa need more productive and better-quality job opportunities. Their relatively poorer outcomes are related to the many constraints that they face, including the lack of access to credit, insufficient skills (such as entrepreneurial skills) and the lack of experience of how to find a job or start a business. African governments have a major role to play in the design of appropriate and effective programmes that will meet the challenges faced by young people, including young women.

22. Since 2012 – from the Conference of Ministers of Economics and Finance in 2012 in Abidjan, to the launch of the African Union road map on the demographic dividend in 2017, countries in Africa have steadily increased their willingness to harness the demographic dividend. At the African Regional Conference on Population and Development, on the theme: “Harnessing the demographic dividend: the future we want for Africa”, African countries adopted the Addis Ababa Declaration on Population and Development in Africa

⁷ Maddalena Honorati and Sara Johansson de Silva, “Harnessing youth potential in Ghana: a policy note” (Washington, D.C., World Bank Working Paper, 2016).

beyond 2014. Since then, at least one third of the countries in Africa have carried out studies on their demographic dividend.⁸

IV. Objectives of the eighteenth session of RCM-Africa

23. The sessions of RCM-Africa present an opportunity for the United Nations and the African Union to discuss ways of advancing Africa's development agenda. Accordingly, RCM-Africa has taken as the theme for its eighteenth session "United Nations system support for harnessing the demographic dividend through investments in youth", in line with the theme of the African Union summit. Participants will be able to explore evidence-based and inclusive policies for Africa to create a window of opportunity and to reap the demographic dividend, including through education and empowerment, and also through employment opportunities, including decent work for skilled and healthy young people.

24. In the light of the foregoing, a policy debate, jointly organized with the regional UNDG teams and RCM-Africa, will be held during the eighteenth session. The deliberations arising out of the policy debate scheduled for 25 March 2017 will help sharpen the focus on strategies to speed up the demographic transition, and create conditions conducive to a demographic dividend, including frameworks for the active and productive participation of young people in economic activities.

25. In addition to their reflections on the theme, participants at the eighteenth session will also deliberate on the mechanism for strengthening collaboration between all the partners involved in RCM-Africa, while exploring areas for specific joint action with the regional UNDG teams. The outcomes of the policy debate will inform discussions at the 2017 regional UNDG meeting, at which the regional UNDG teams set their priorities for the year.

26. In its resolution 71/25 adopted on 23 December 2016, the General Assembly called upon the Secretary-General to "provide, as appropriate, predictable support for full, effective, and efficient implementation of the Framework". In accordance with this resolution, participants at the eighteenth session will discuss ways and means of mobilizing support for the effective implementation of the PAIDA framework.

27. Furthermore, participants will consider the work programme of RCM-Africa for 2017 and 2018, ensuring that the new clusters are appropriately aligned to Agenda 2063 and the 2030 Agenda for Sustainable Development. They will also consider other matters aimed at strengthening RCM-Africa.

V. Expected outcomes

28. The session is expected to result in the following outcomes:

- (a) Consensus on coordinated United Nations support for the African Union and its member States in harnessing the demographic dividend;
- (b) Consensus on a framework of collaboration between all partners in RCM-Africa, including the regional UNDG teams;
- (c) Consensus on a mechanism for implementing the framework on PAIDA;

⁸ National Council for Population and Development, United Nations Population Fund (Kenya Country Office), and the African Institute for Development Policy, *Demographic Dividend Knowledge Sharing Symposium in East and Southern Africa* (Kenya, 2015). Available from <http://esaro.unfpa.org/sites/default/files/pub-pdf/ESARO%20DD%20Regional%20Knowledge%20Sharing%20Symposium%20Summary-Final.pdf>.

(d) Consensus on the biennial work programme of RCM-Africa and its new clusters for 2017 and 2018.

VI. Outputs

29. The session's outputs will comprise an outcome document; the report on the work of the session; press releases; and web-based publications.

VII. Format

30. The first day of the eighteenth session of RCM-Africa will be focused on in-depth discussions on the theme of the session. The second day will be devoted to matters of importance to the strengthening of RCM-Africa. A pre-session meeting for coordinators of RCM-Africa is scheduled to be held in February 2017.

31. The eighteenth session of RCM-Africa will be chaired jointly by the Deputy Secretary-General, the chair of the regional UNDG teams, and the Deputy Chairperson of the African Union Commission.

VIII. Provisional agenda

1. Opening of the session
2. Discussion on the theme of the session: "United Nations system support for harnessing the demographic dividend through investments in youth"
3. Discussion on strengthening of collaboration between all partners of RCM-Africa, including the regional UNDG teams
4. Discussion on the implementation of PAIDA
5. Review of the progress report of RCM-Africa and the subregional coordination mechanisms
6. Review of the biennial work programme of RCM-Africa
7. Other matters
8. Summary of conclusions and the way forward
9. Closing remarks

IX. Session documentation

32. The session documents will include the following:

- (a) Aide-memoire;
- (b) Framework for a renewed United Nations-African Union partnership on Africa's integration and development agenda for 2017-2027 (PAIDA);
- (c) Draft proposed biennial work programme of RCM-Africa;
- (d) Consolidated draft progress report on the activities of RCM-Africa;
- (e) Brochure on the achievements of RCM-Africa;
- (f) Outcome of the pre-session meeting of the coordinators of RCM-Africa;
- (g) Promotional materials on United Nations system-wide support for the African Union.

X. Participants

33. Participants at the session are expected to include representatives of the following bodies: African Union Commission; African Development Bank; NEPAD Planning and Coordinating Agency; secretariat of the African Peer Review Mechanism; Economic Community of West African States; Economic Community of Central African States; East African Community; Common Market for Eastern and Southern Africa; Southern African Development Community; Community of Sahel-Saharan States; Intergovernmental Authority on Development; Arab Maghreb Union; all agencies and organizations of the United Nations system working in support of Africa, including the World Bank and the International Monetary Fund; and also members of the regional UNDG teams for Eastern and Southern Africa and for West and Central Africa and partners and friends of RCM-Africa, including bilateral organizations.

XI. Dates and venue

34. The eighteenth session of RCM-Africa will be held on 25 and 26 March 2017 in Dakar, with the first day dedicated to the joint RCM-Africa and regional UNDG policy debate. It will be preceded by a meeting of the coordinators of RCM-Africa, which is scheduled to be held in February 2017.

XII. Contact names and addresses

35. For further information about the session, please contact:

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XIII. Administrative arrangements

36. An information note providing details of administrative arrangements and logistics related to the session will be distributed shortly.