

11th ILO African Regional Meeting

Statement by Mr. Abdoulie Janneh, UN Under-Secretary-General and Executive Secretary of ECA

Addis Ababa, Ethiopia
24 April 2007

Mr. Chairman,

Your Excellencies, Heads of State and Government,

Mr. Juan Somavia, Director-General, ILO,

Honourable Ministers of Labour,

Representatives of Employers and Workers Organizations,

Distinguished Ladies and Gentlemen

I am delighted to welcome this very distinguished gathering to the United Nations Conference Centre and to have this opportunity to share a few thoughts with you at this Eleventh African Regional Conference of the International Labour Organization. Its theme – *The Decent Work Agenda in Africa 2007-2015* – is a compelling and important one in the context of Africa's development aspirations.

To begin with, I wish to thank the Director-General of the ILO and the rest of his staff for providing us with the occasion to exchange views on the theme of this Conference, which is relevant and timely. In this regard, I wish to make particular mention of Mrs. Regina Amadi-Njoku, ILO Regional Director for Africa whose commitment and enthusiasm for African development we admire and whose collaboration we appreciate and cherish.

Barely two weeks ago, African Ministers of Finance, Planning and Economic Development, meeting here in Addis Ababa deliberated on – *Accelerating Africa's Growth and Development to Meet the Millennium Development Goals* . A key point that emerged on that occasion was the central role of employment in the fight against poverty and the effort to achieve the MDGs. These views were, of course, only building on previous pronouncements by African leaders on the decent work agenda especially in the context of homegrown development initiatives like the New Partnership for Africa's Development (NEPAD).

The Declaration on Employment and Poverty Alleviation adopted by the Third Extraordinary Session of the African Union Heads of State and Government, which met in Ouagadougou in 2004 is a case in point. The ECA Conference of Ministers addressed a related theme at last year's meeting, which took place in Ouagadougou. The holding of those two meetings in Ouagadougou says a lot and I salute President Campaore whose presence here today underscores his commitment to the decent work agenda. I similarly salute President Kikwete for his personal commitment to promoting African development and for maintaining Tanzania's strong tradition of leadership in international development matters. Prime Minister Meles Zenawi made an inspirational statement to the meeting of African Ministers of Finance, Planning and Economic Development for which I thank him. His message of ownership and self-belief on that occasion continues to resonate and will, no doubt, also inspire deliberations at this meeting.

The decent work agenda, which was also reflected in the Outcome of the 2005 World Summit, enables a close partnership between relevant stakeholders, especially the social partners in addressing issues of critical importance to Africa. For instance, placing the whole issue of decent work on the agenda enables social partners at the domestic and international levels to focus on the concerns of millions of ordinary Africans. These people are confronted daily with problems of finding and keeping productive work, receiving fair incomes as well as an entire gamut of challenges related to equality of opportunity, social protection and social exclusion. Those of us who occupy privileged positions have a duty and obligation to address and help overcome these challenges.

Implementing the decent work agenda is a good starting point as it has helped to shift the development debate from narrow goals dealing with macroeconomic stabilization and an exclusive focus on markets to a broader set of goals that emphasize growth, poverty reduction, and the creation of decent employment. The whole issue of decent work also reminds us that Africa's development challenges need to be addressed in the entire context of globalization. In other words, as the world proceeds apace with trade and financial liberalization, we are minded to remember that Africa is still grappling with issues of structural transformation. The predominance of traditional agriculture and the informal sector in many African countries has

implications for the continent's ability to compete for job-creating investments.

Increasing economic growth in Africa is closely related to implementing the decent work agenda. In order to meet the goal of halving poverty by the target date of 2015, economic growth would need to be accelerated in Africa. While diverse and varied across countries and regions, economic growth in Africa has been on the rise in the recent past, however, it is still less than the 7% per annum required to halve poverty in seven years. It is therefore imperative to scale-up interventions and efforts to achieve the MDGs. It is particularly important to scale-up for investments in infrastructure, agriculture, health, education, science and technology and gender equality. There is also need to redouble efforts amongst all concerned to give the required urgency to meeting the MDGs by the target date and to consider quick impact initiatives to control malaria and improve access to water supplies.

Your Excellencies,

Employment creation for the larger part of the population is a very important element in the context of growth. It is therefore of serious concern that economic growth in Africa is not yet job-rich. It is unequally distributed and benefits a small segment of the population leaving out the poor majority, especially women and youth. Equally worrying is the content of existing jobs where the wages paid cannot in themselves lift large numbers of people out of poverty. This means that we should pay attention to the informal sector which accounts for the majority of jobs in most African countries and where wages are estimated to be about 44% less than in the formal sector. Herculean efforts will be needed to reverse the growing numbers of the working poor by giving them decent work opportunities. Moreover, better access to decent work will also enable greater use of the workplace to combat HIV/AIDS.

Equally important in achieving the decent work agenda is the structural transformation and diversification of African economies into high growth and employment intensive sectors. Diversification is needed to deepen production structures and transform African economies so that they can create opportunities for decent work. Diversification would also need to be matched by equitable access to education and health care to promote the acquisition of the skills required to work in new and dynamic economic sectors and to better manage modern enterprises. The brain drain of skilled workers from Africa may undercut efforts at skills development but countries could derive compensating benefits from the potential contribution of international remittances, inward investment and transfer of technology by Africans in Diaspora.

Needless to say, stronger institutional capacities will enable better governance, which in turn will help reduce the conflicts and disputes that often arise from perceived unfairness and imbalances in access to opportunities and national resources. Similarly, international labour standards especially those that promote social dialogue can contribute to bringing about better political and economic governance. The African Peer Review Mechanism (APRM), which has been established by African countries themselves, has a critical role to play in promoting good governance as well as in implementing international labour standards in Africa. It is therefore deserving of the support of ILO's tripartite partners.

In addition to the action required at national and regional levels to implement the decent work agenda, it is also important to address key concerns at the international level. As the Report of the World Commission on the Social Dimensions of Globalization reminds us, a fairer globalization is also necessary for the success of the decent work agenda. The Doha Round of international trade talks must be resumed in earnest so as to live up to its developmental promise, which is of critical importance for Africa. Similarly, the Aid for Trade initiative is welcomed for its promise of addressing issues of supply capacities and trade related infrastructure and adjustment costs.

In addition, it remains essential for the international community to meet its promises to double official development assistance to Africa and to make such aid effective and predictable in the context of both the Monterrey Consensus and the Paris Declaration on Aid Effectiveness. While several African countries have benefited from debt relief especially in the framework of the Highly Indebted Poor Countries initiatives it must also be acknowledged that aid to Africa actually fell in 2005, if debt relief is taken out of the equation. Improvements in trade, aid and financing for development will enhance the ability of African countries to better exploit the benefits of globalization while minimizing its risks.

All these issues make for a rich and compelling agenda and will no doubt be deliberated upon at this meeting. In my view, the time is right for social partners at this meeting to adopt clear, practical and actionable measures to ensure the success of the decent work agenda in Africa. In this regard, I wish to flag some issues for your consideration.

- Strenuous efforts should continue to be made to integrate employment-creating policies into national development programmes and poverty reduction strategies. This is essential in order to translate the decent work agenda into action to fight poverty and achieve the MDGs.
- The tripartite partners in the ILO should lend voice to the critical need to scale-up interventions and efforts in the provision of infrastructure and social services in African countries. Balancing these with concrete international action in aid, trade and finance will help to accelerate growth to achieve the MDGs by the target date.
- Special attention should be given to improving the business and investment environment in African countries in order

to increase inflows of foreign direct investment. A better business climate will also enable small and micro enterprises to thrive and create jobs. Since African economies are small and fragmented, promoting regional integration and intra-Africa trade remain key objectives.

- To be meaningful, improvements in infrastructure and the business climate must be matched by skills creation programmes so that the majority of the populace is employable. It would be difficult to exploit the opportunities of diversification and improved infrastructure and market access if a significant segment of the population lacks the skills required to work in new and dynamic sectors.
- The spectre of life-risking international migration by their youth continues to haunt many African countries. This heart-rending phenomenon is due to high rates of unemployment and urgent attention should be paid to creating decent work opportunities for young people. The Fifth African Development Forum, which took place here in Addis Ababa last November, stressed the need for rapid action to tackle youth unemployment.
- Finally, there is need to promote the decent work agenda in post-conflict African countries. Several African countries have overcome lingering conflicts but require the support of all concerned to ensure that they do not backslide. It is especially important to give strong support to the reconstruction and rehabilitation efforts in these countries.

ECA remains ready to support the achievement of the decent work agenda in Africa through the regional employment forum established at its 2006 Conference of Ministers. The purpose of the forum is to “ *assist member States to develop capacity and facilitate learning and sharing of country-specific experiences* ”. We are working closely with the African Union and ILO on ways and means of operationalizing the regional employment forum and I am confident that we will receive the support of ILO's tripartite partners in establishing this knowledge-enhancing forum.

In closing, I want to refer to a part of the Ministerial Statement adopted by the recently concluded Conference of African Ministers of Finance, Planning and Economic Development on “Ownership and self-belief” which was inspired by Prime Minister Meles Zenawi. I quote:

“ We are determined to ensure that comprehensive national development strategies are country owned with a strong sense of belief in ourselves that the task can be achieved. In particular, we require sufficient policy space to design strategies adapted to the specific needs of our countries with a view to ending aid dependency over time and to use that space effectively. We commit to redouble our efforts to share experiences among member States to promote peer learning and to building strong African leadership to guide the process ”

May your deliberations be equally inspired by these noble ideals. Thank you for your kind attention.