

# EMPLOYMENT AND NEW TECHNOLOGIES

## OPPORTUNITIES FOR AFRICA'S YOUTH

Almost half of new labour market entrants since 2005 took jobs in the informal economy and one third in agriculture



Jobs often characterized by LOW



Technological change may be defined broadly "AS THE PROCESS BY WHICH ECONOMIES CHANGE OVER TIME IN RESPECT OF THE PRODUCTS THEY PRODUCE AND THE PROCESSES USED TO PRODUCE THEM".

Africa has made considerable progress in economic growth. However, in many cases, the pattern of growth has not been able to generate enough decent jobs to absorb the growing labour force.



### Challenges

#### Technological change in Africa

Generating rapid technological change and diversification in all sectors remains a challenge

Emerging production technologies may also have disruptive impact on global value chains

Insourcing will significantly limit opportunities of developing countries

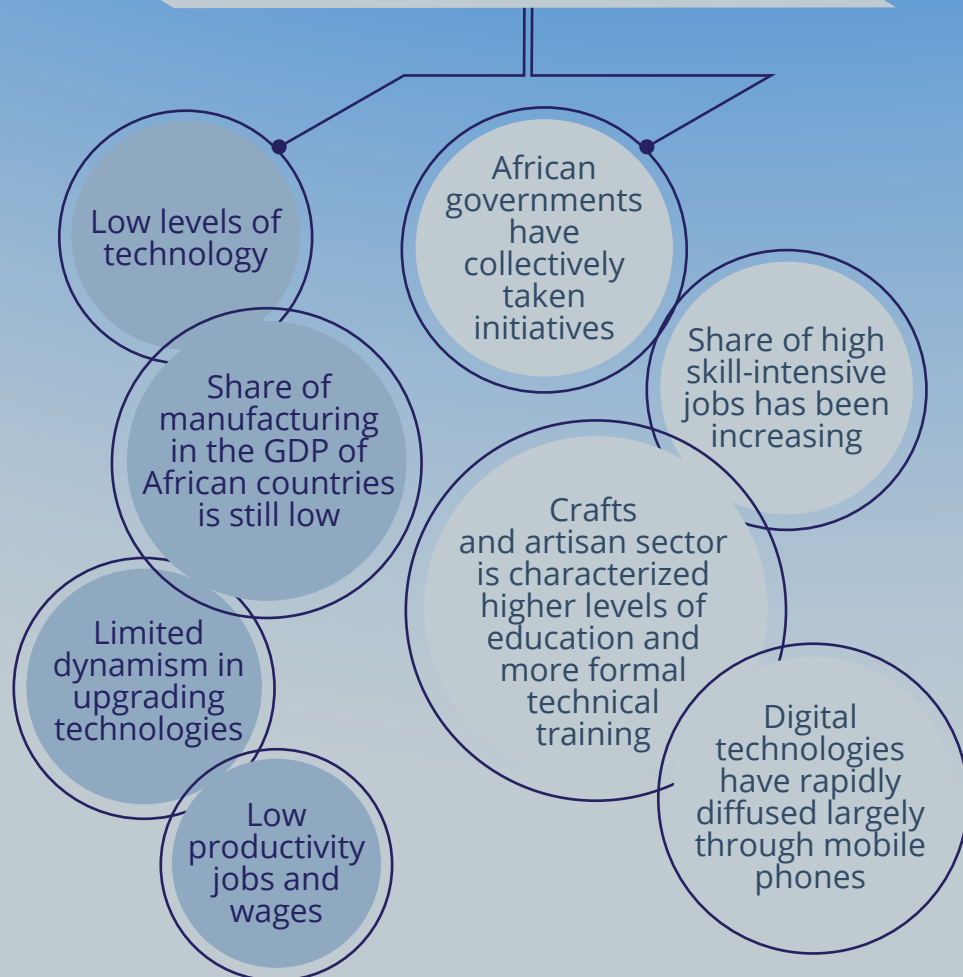
New technologies increasingly applied to technical professions will affect transform these jobs

Limited access to finance

Poor infrastructure, low quality of domestic inputs

Low supply of lower and upper secondary educated graduates

### Africa's Technology Landscape



### Opportunities

Digital information and communications technologies (ICTs) allow people to pursue new opportunities to generate income, reduce transaction costs and lower the costs of participating in markets

Diversify into higher value-added products



Shift from export to processing of natural resources



Explore newly emerging manufacturing technologies.



Cloud sourcing: a new business model



Develop regional value chains to generate jobs in textile and garments



Jump into the cutting edge technology and attract FDI



PROMOTE LABOUR MARKET INSTITUTIONS AND IMPLEMENT REGULATORY FRAMEWORKS

DEVELOP A DIVERSE AND SOPHISTICATED KNOWLEDGE BASE IN THE LABOUR FORCE

BUILD DOMESTIC CAPABILITIES THROUGH LEARNING

INVESTMENT IN INFRASTRUCTURE

UNDERSTAND THEIR COUNTRY-SPECIFIC CAPABILITIES

INVESTMENT IN PRODUCTIVE CAPACITIES

PROMOTE INTEGRATION OF DOMESTIC FIRMS INTO VALUE CHAINS

PROMOTE TRANSFER OF TECHNOLOGIES FROM LEADING FIRMS TO DOMESTIC SUBCONTRACTORS

### What can governments to encourage technological change