

# Skills for Competitiveness: Africa's Challenge and Hope



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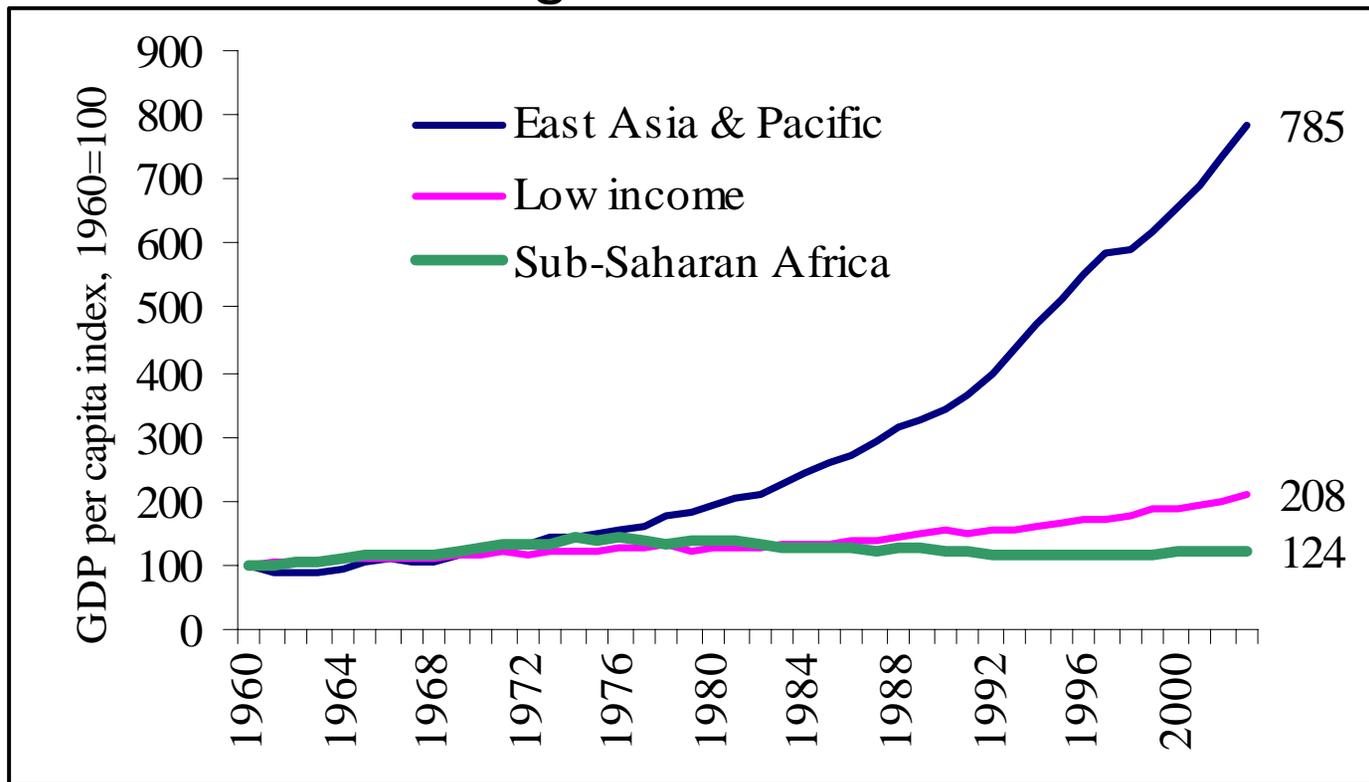
# Outline of Presentation

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- Skills for Africa's Development
- Constraints to Skills Development
- Challenges to Expand and Improve Higher-level Skills
- World Bank Support

# Growth in Africa

**GDP Per Capita in Sub-Saharan Africa and Other Regions 1960-2004**

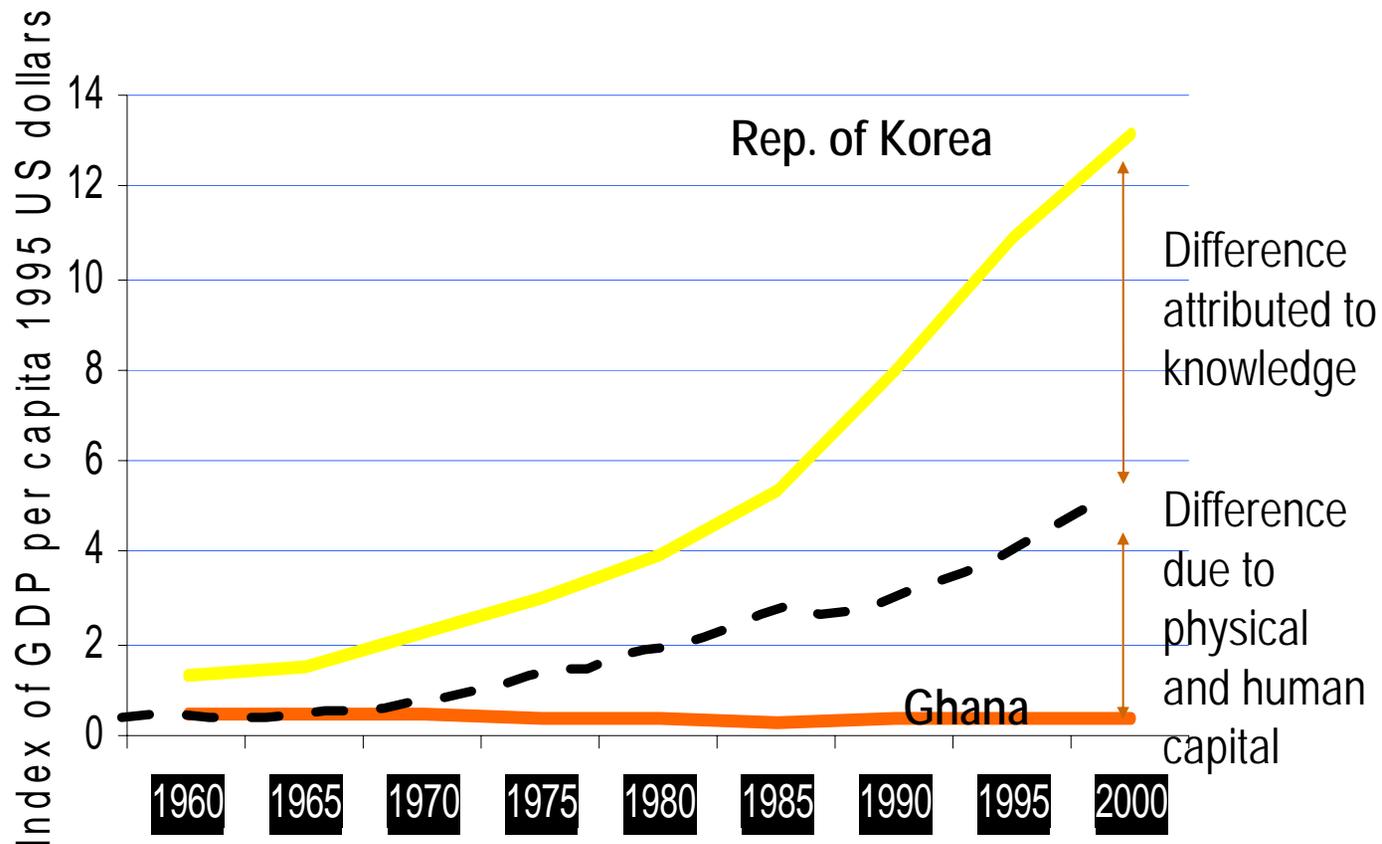


Source: Ndulu et al. 2007 (figure 2.4).

Data sources: The World Bank WDI database.

Note: GDP per capita index 1960=100

# The Importance of Knowledge and Skills



# Constraints to Skills Development

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- ❑ Enrollment constraints
- ❑ Poor learning outcomes
- ❑ Mismatch between supply of skills and demand by employers
- ❑ Failure to attract and retain highly skilled workers, including teachers
- ❑ Limited ICT access and literacy
- ❑ Emerging importance of higher level skills

# Enrollment Gaps in Africa

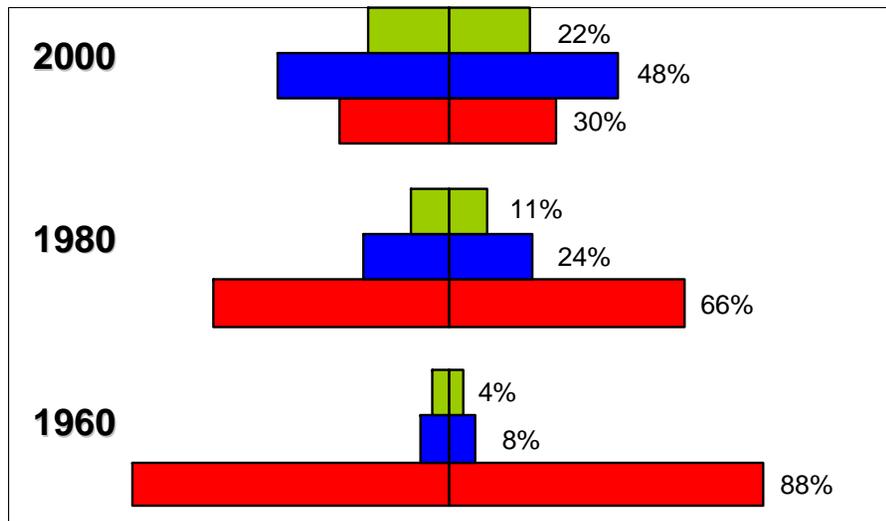
## Improvements in Major Education Indicators (%)

	1999	2004	East Asia Pacific, 2004
<b>Primary Gross Enrollment Ratio</b>	82	93	114
<b>Primary Completion Rate</b>	43	62	98
<b>Ratio of Girls to Boys in Primary &amp; Secondary Schools</b>	82	84	99
<b>Secondary Gross Enrollment Ratio</b>	25	35	70
<b>Tertiary Gross Enrollment Ratio</b>	4.2	5.6	20

# Finland and Korea: Balanced Expansion of Educational Attainment

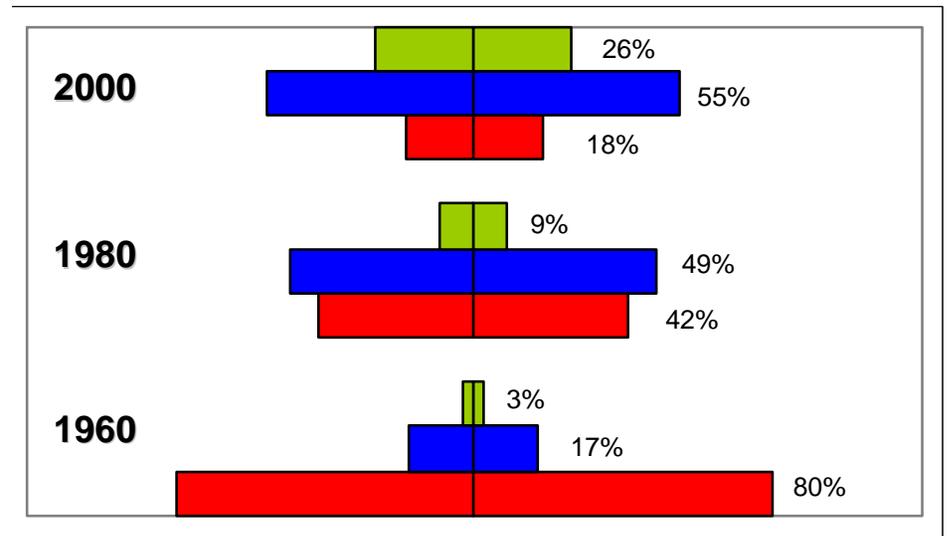
## FINLAND

*Population over 15*



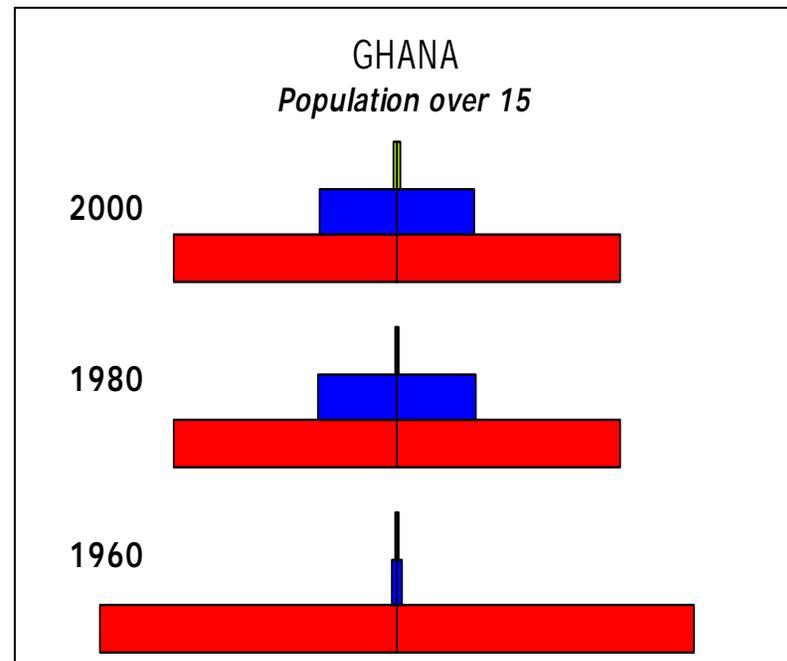
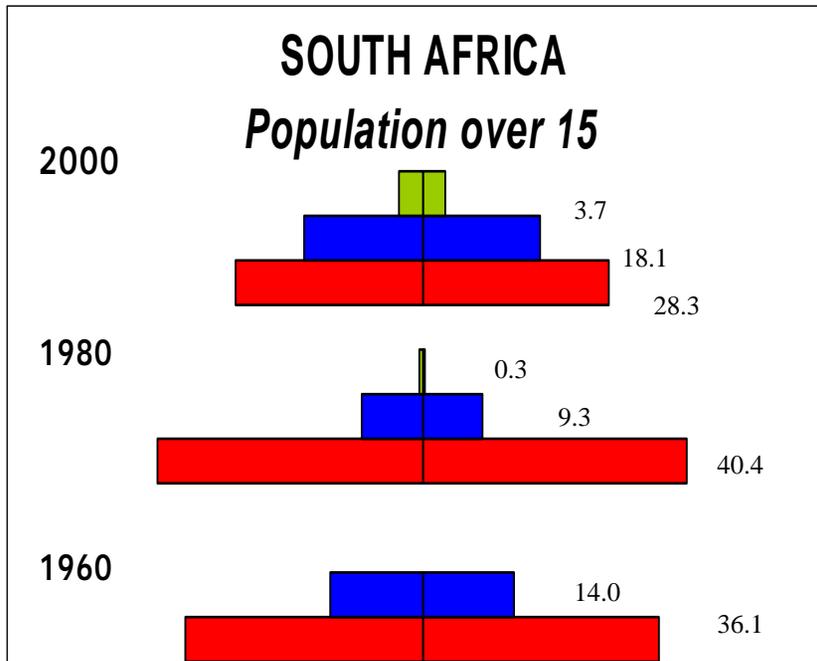
## KOREA

*Population over 15*



Top block: tertiary; Middle block: secondary; Bottom block: primary

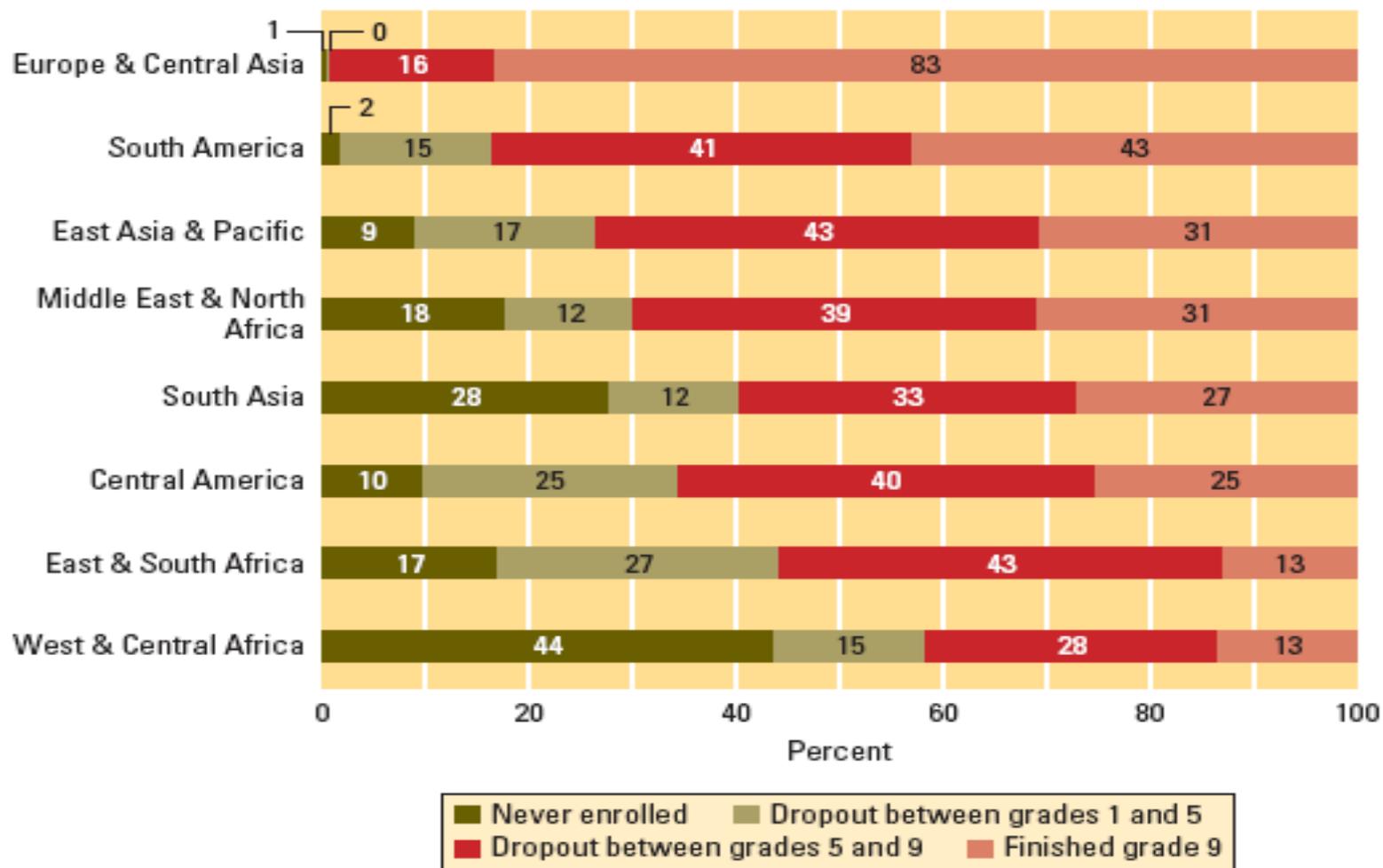
# Challenges in South Africa and Ghana



Top block: tertiary; Middle block: secondary; Bottom block: primary

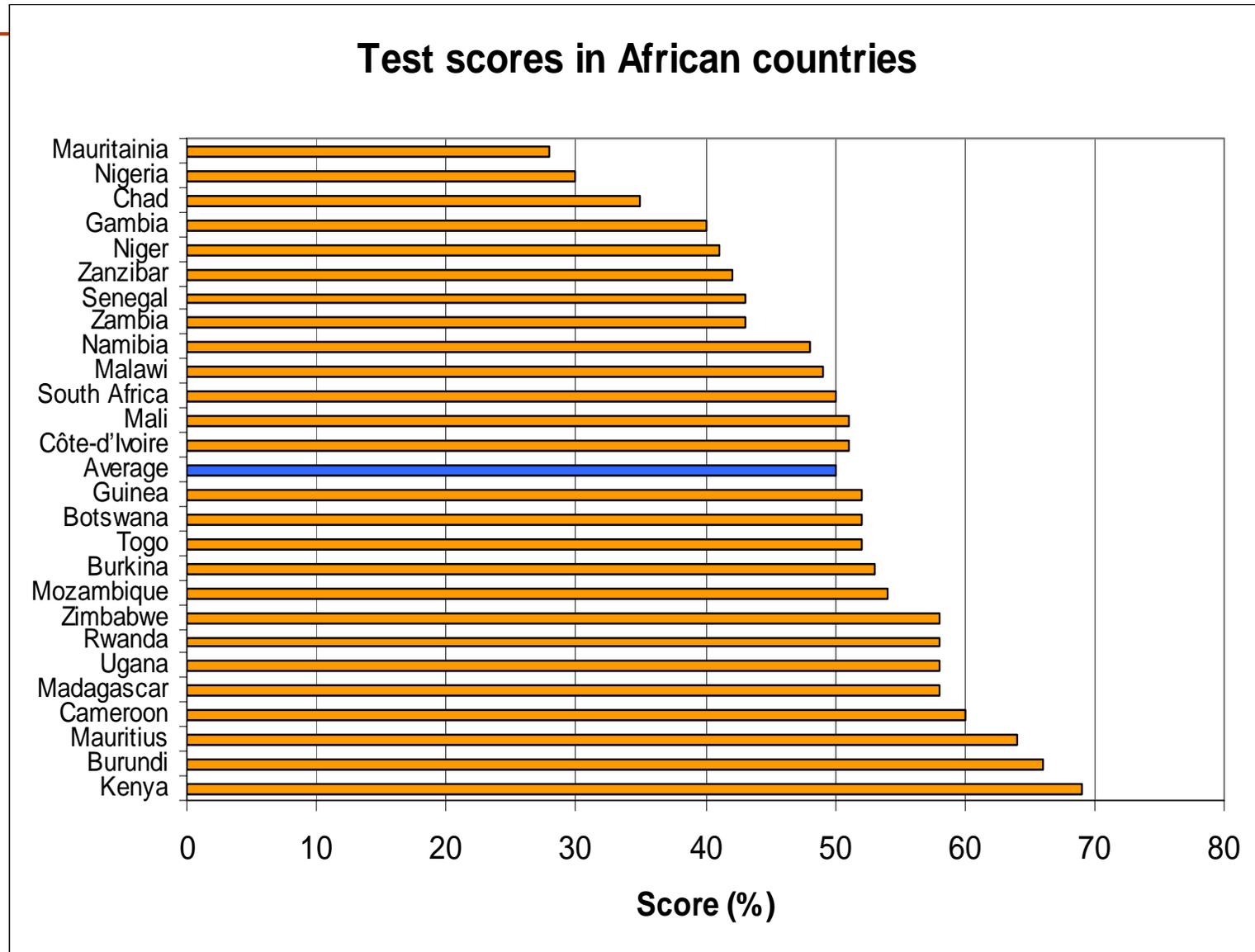
# Low Educational Attainment

Figure 7 Low educational attainment is clear in developing countries



Note: Based on Pritchett (2004).

# Poor Learning Outcomes



# ICT coverage in Africa and Other Regions (2000-2005)

	Personal computers (per 1,000 people)	Internet users (thousands)	Telephone lines (per 1,000 people)	Mobile phone subscribers (per 1,000 people)	Household with TV (%)
<b>World</b>	<b>130</b>	<b>781,755</b>	<b>180</b>	<b>342</b>	<b>79.2</b>
<b>High income</b>	<b>579</b>	<b>355,830</b>	<b>503</b>	<b>835</b>	<b>96.8</b>
<b>Low &amp; middle income</b>	<b>40</b>	<b>425,925</b>	<b>135</b>	<b>247</b>	<b>48.4</b>
<b>Sub-Saharan Africa</b>	<b>15</b>	<b>19,066</b>	<b>17</b>	<b>125</b>	<b>13.9</b>
<b>East Asia &amp; Pacific</b>	<b>38</b>	<b>156,422</b>	<b>214</b>	<b>282</b>	<b>36.4</b>
<b>Latin America &amp; Caribbean</b>	<b>88</b>	<b>85,317</b>	<b>177</b>	<b>439</b>	<b>87.0</b>

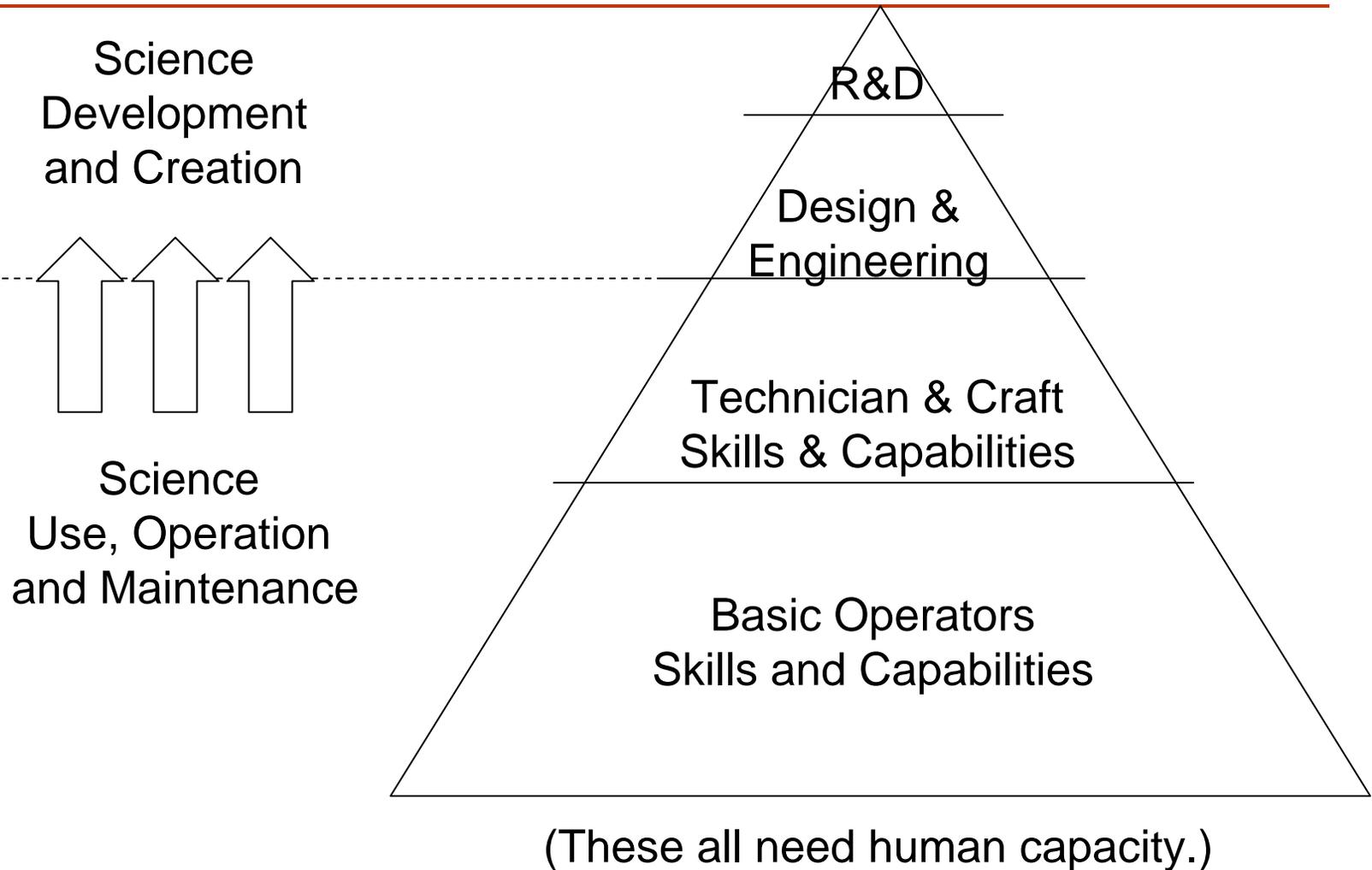
Source: World Development Indicators 2005

# Policy Challenges to Expand and Improve Higher Level Skills

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- ❑ Coherent **national policy for post-primary**
- ❑ Integrated with national development strategy, Gov't role for cross-sectoral coordination
- ❑ National **leadership** required to catalyze the synergies, identify promising areas for higher-level skills to expand exports and improve domestic industry and services
- ❑ **Capitalize on foreign investment** as a source of knowledge transfer and skills upgrading for current labor force
- ❑ Position education system to **address long-term national requirements**

# Framework for Linking Skills to Development Strategy

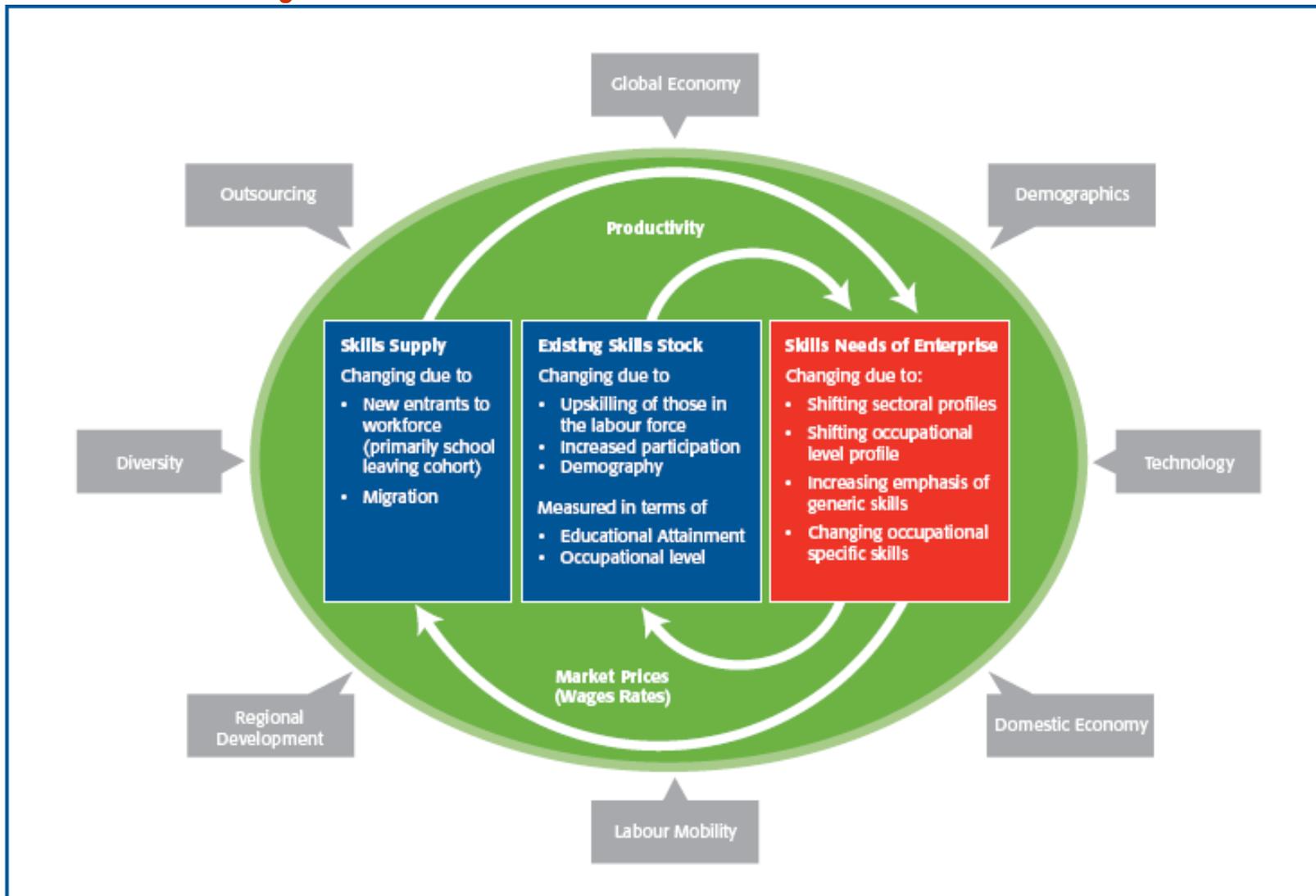


# Linkage, Leverage and Learning

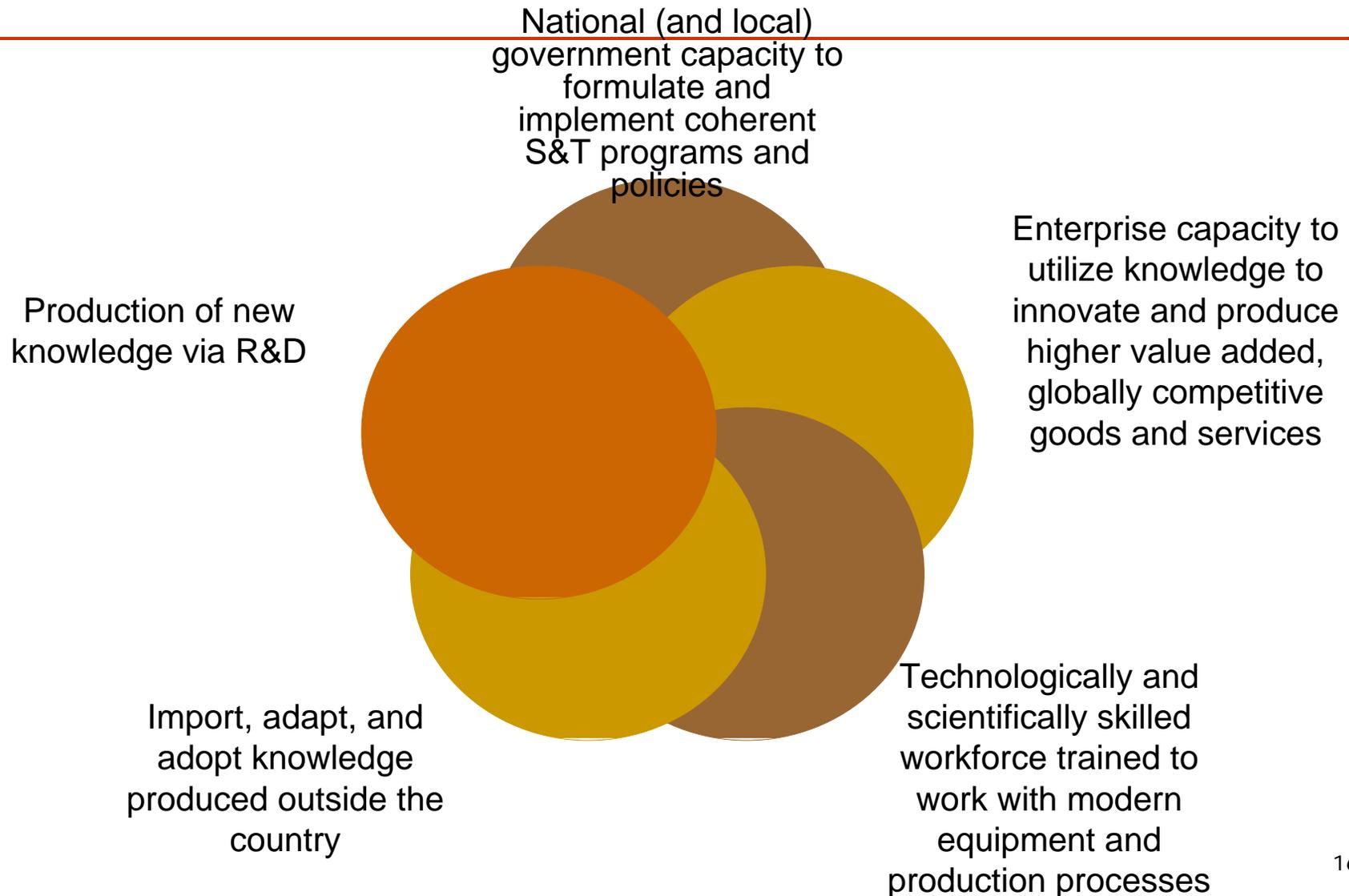
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- **Linkage**: Global value chains provide opportunities for latecomers to link as lower cost suppliers than incumbents – if they can produce quality goods and services on time using modern technology
- **Leverage**: Use linkage opportunities to acquire knowledge, technology and market access – not just from universities and research institutes but from suppliers, customers, etc.
- **Learning**: Repeat the process over and over again, until economy becomes more sophisticated and a technological leader itself. Start with simpler products and work your way up the value chain. But need to find an initial niche.
- **Key Requirements**: Institutions to capture useful technologies, develop capability to use them, and diffuse them to farms and enterprises

# Dynamic Skills Framework



# Five Dimensions of STI Capacity



# Financing

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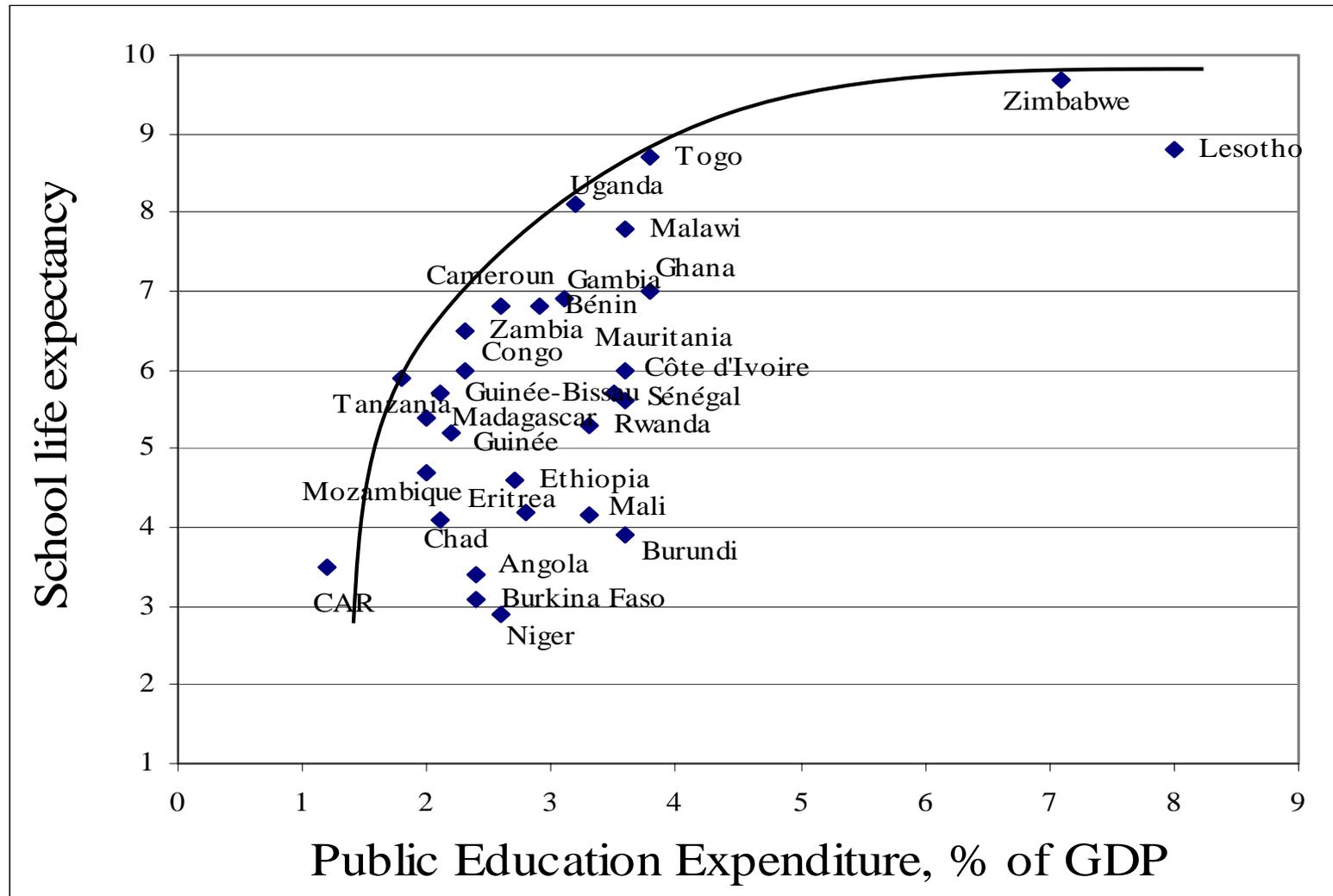
- ❑ **Sustainable financing** for education and training for quantitative expansion and qualitative improvements
- ❑ What do countries spend and what do they get?
- ❑ **Increasing Efficiencies**- double shifting, multi-subject, subject specialization
- ❑ **Incentives**- School Based Management, local recruitment, absenteeism
- ❑ **Public-Private partnerships** -mobilizing private financing

# Financing Scenarios

		Simulation Scenarios			
Assumptions		1	2	3	4
<b>Unit cost (% of per capita GDP)</b>					
	Primary	12	12	12	12
	Lower secondary	30	30	20	20
	Upper secondary	60	60	40	40
	Budget share of other spending incl. higher education (%)	20	20	15	15
<b>Enrollment targets (%)</b>					
	Primary	110	110	110	110
	Lower secondary	60	100	60	100
	Upper secondary	30	50	30	50
<b>Simulation results</b>					
	Public spending required (% of GDP) *	6.3	8.6	4.8	6.3
	Est. annual amount by 2015 (2002 US\$B)	13.6	18.5	10.3	13.6 <sub>18</sub>

Note: recurrent expenditure on education in African countries circa 2000 averaged 3.9 % of GDP or US\$ 6.4 billion; Source: Lewin 2006

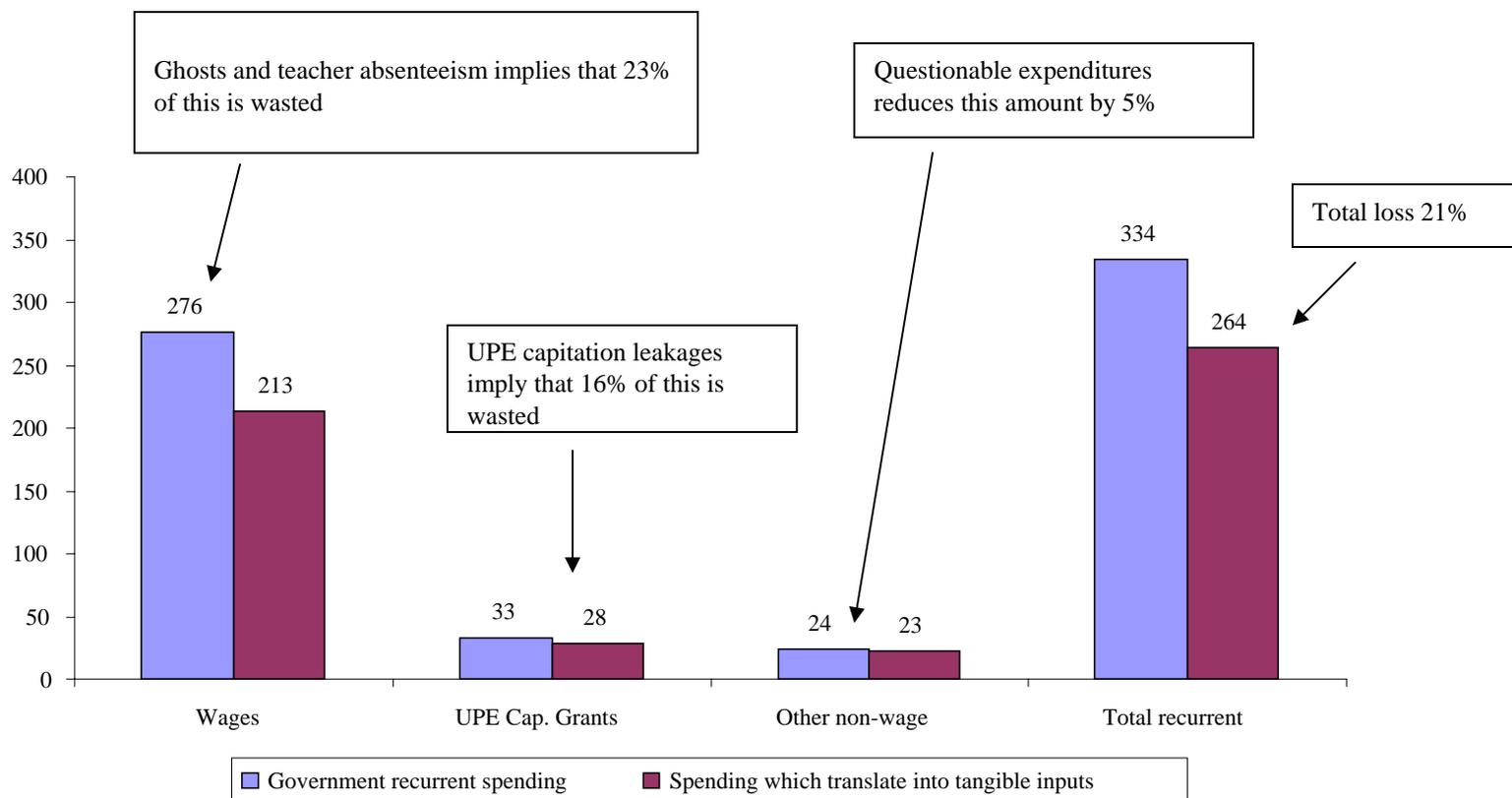
# Efficiency of public expenditure on education in Africa



(Burundi CSR, 2003)

# Improving management of public spending in education

More than 20% loss in public recurrent spending on primary education in Uganda



Source: World Bank 2007 Uganda Public Expenditure Review

# World Bank Support for Skills in Africa

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- **Analytical work:** Sector reports, Country Status Reports, regional studies and impact evaluations
- **Technical Assistance/Policy Dialogue:** Study tour to Singapore and Vietnam; regional conferences; grants for capacity building
- **Investments/Operations:** US\$1.3 billion committed and US\$802 million new lending this year

# Education Strategy Under the World Bank Africa Action Plan, FY06-08

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- **Pursue Millennium Development Goals (MDGs) - primary education coverage and learning outcomes**
  - Access (expand, include those excluded)
  - Quality (reduce dropout/increase completion rate; improve learning outcomes)
  
- **Develop skills base for growth and competitiveness – secondary, technical & vocational training, tertiary**
  - Expand access to post-basic education and technical, vocational training
  - Build leadership capacity to understand and use S&T
  - Provide relevant skills to labor market
  - Build capability to excel in research
  - Develop close linkages with productive sectors of the economy

# Continued Support for Basic Education

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- ❑ **IDA Primary education investments**
- ❑ **Analytical work, technical assistance, and policy dialogue**
  - ❑ Education country status reports
  - ❑ Technical assistance to prepare sector plans and costing in the context of METF.
  - ❑ Support for EFA FTI participation
- ❑ **Education for All Fast Track Initiative (EFA FTI)**

Leadership role in leveraging catalytic funding for scaling up education sector program investments. 18 African countries endorsed by EFA-FTI and catalytic funding allocated to 13 countries totaling US\$575 m.<sup>23</sup>

# Secondary Education in Africa

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- ❑ **Lending** for secondary education and training in Burkina Faso, The Gambia, Kenya, Mali, Mozambique, Namibia, Nigeria & Tanzania.
- ❑ **Analysis, technical assistance and capacity development** in DRC, Ghana, Madagascar, and Nigeria; sponsorship of country participation in World Bank Institute course on post-basic education.
- ❑ **Regional studies:** Study on Secondary Education in Africa (SEIA) completed in 2007, based on background studies prepared by national teams; new work underway to estimate the cost implications of alternative policy options for expanding secondary education.
- ❑ **Policy dialogue** examples: (a) April 2007 3rd SEIA Conference in Accra, Ghana which brought together Ministers of Education and their senior advisors, and stakeholders from some 38 African countries and representatives of development partners to respond to the challenges of the 21st century globalization and international competition; and (b) the ADEA 2008 Biennial on “Post-Basic Education” in Maputo, Mozambique which will gather African policy makers to discuss post-primary education including TVET, labor markets in rural and urban and articulation between upper secondary and higher education.

# Technical, Tertiary Education and Research

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- ❑ **Lending** in DRC, Kenya, Madagascar, Mali, Mozambique, Namibia, Nigeria, Tanzania, Uganda
- ❑ **Analysis, technical assistance and capacity development** in Burkina Faso, DRC, Cote D'Ivoire, Ghana, Malawi, Mali, Mauritania, Mozambique, Rwanda, Tanzania, Uganda, Zambia; participation in World Bank Institute course on post-basic education
- ❑ **Regional studies** include: "Cultivating Knowledge and Skills to Grow African Agriculture," "Expanding the Possible in Sub-Saharan Africa: How Tertiary Institutions Can Increase Growth and Competitiveness," "Trade in Higher Education," "ICTS in Education in Africa," and "Quality Assurance in Higher Education."
- ❑ **Policy dialogue** examples: (a) Workshop on "Leadership in Education and Training for Sustained Growth in Africa" co-sponsored by Singapore; (b) AAU Conference for Rectors, Vice Chancellors and Presidents (COREVIP) on "How to Leverage Talent Abroad to Benefit Home Countries;" and (c) a presentation of the Bank-sponsored study on agricultural education at the June 2007 meeting of the Forum for African Research in Agriculture (FARA).<sup>25</sup>

# Science and Technology in Africa

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- **Lending** in Nigeria, Rwanda, Tanzania, Uganda
- **Analysis and technical assistance** in Mozambique, Namibia, Nigeria, Rwanda, Tanzania and Uganda, focusing on evaluation of STI needs assessment.
- **Policy dialogue** examples include the Feb 2007 Global Forum on Building S&T and Innovation Capacity for Sustainable Growth and Poverty Reduction in Washington D.C.; the June 2007 Rwanda Science, Technology and Innovation Capacity Building Partners Meeting in Kigali, Rwanda
- **Capacity development** to enhance country capability to design and implement policies and programs in science and technology that strengthen and expand innovative capacities for economic competitiveness

Thank you!

