New Africa-wide initiative will create jobs

Ibrahim Mayaki is the chief executive officer of the New Partnership for Africa's Development Agency (NEPAD), an implementation organ of the African Union that mobilises resources and coordinates the development of projects on the continent. In the margins of the 72nd United Nations General Assembly, Dr Mayaki, a former prime minister of Niger, sat down for an interview with *Africa Renewal's* **Kingsley Ighobor** on the latest socioeconomic developments on the continent. These are excerpts.

© Hayati Kayhan via 123RF

AFRICA RENEWAL: NEPAD recently released a skills and employment strategy. What are the aims of that strategy?

IBRAHIM MAYAKI: The main purpose of the skills strategy is to allow a sound interaction between technical and vocational training centres and the private sector. In the past, governments invested in technical and vocational training centres without interacting with the private sector. And people coming out of these centres could not find jobs. The new model will ensure that this mismatch is tackled. This will mean mapping out these vocational centres, which have been neglected in the past 20 years, analysing their capacities, their limits, their adaptation to employment markets, and identifying sectors where people leaving the centres could be employed. Thereafter, platforms of private sectors will allow for interactions and better planning of needs and an employment strategy. We have started this in some countries, including Cameroon, Kenya, Nigeria, South Africa and Tunisia.

AR: Is this an Africa-wide initiative?

IM: Absolutely! We have the support of the African Union (AU). The idea is to allow the sharing of best practices and to have a policy framework that can be disseminated all over.

AR: What is the endgame?

IM: The outcome is employment. This programme will not guarantee massive employment, but at least it will present a mechanism and an instrument that can give governments a system through which to tackle massive unemployment. The ambition is to demonstrate that there is a functioning mechanism.

AR: How can employment address inequality on the continent?

IM: That's a good question. Inequality equation is very simple: if you have 75% of the population under 25 years, and you have an unemployment rate that is more than 25%, *de facto* you have inequality because a massive proportion of the population doesn't have a means to survive. The worst thing about Africa is that there is inequality, and the bulk of the population is young. The young people are not waiting for inequality to be solved in the medium or long term; they want inequality solved now. This puts pressure on public policy makers. And if we are not careful it can be a source of conflict and governance instability. We have seen it in Tunisia, Egypt, indirectly in Mali and Burkina Faso.

AR: How does your initiative benefit women?

IM: When we say youth it includes young women. When we speak about rural transformation and diversification of rural economies, we realise that most small-scale farmers in Africa are rural women. So if we want micro, small and medium enterprises to be the engine of rural economic diversification, we need to empower women as private sector operators.

AR: What's the status of the hundreds of projects in the Programme for Infrastructure Development in Africa (PIDA)?

IM: I will explain. Before PIDA became the continental framework six years ago, we had RECs (Regional Economic Communities) defining their master plans, but these master plans did not connect at the continental level. So what the AU and the African Development Bank did was to bring coherence into all these REC master plans and come up with a continental plan—PIDA. This continental plan is like a basket where we pool these 250 projects. These then need to be segmented into projects that are in the stage of idea, prefeasibility and projects that have gone through feasibility studies and are bankable.

AR: Are you implementing all 250 projects?

IM: We did a prioritisation of the 250 projects, and we came up with a priority action plan of PIDA that consisted of 50 projects. Out of these we liaised with the private sector to see the potentially most feasible projects, and we identified 16 of them. Now we have a basket of about 20. These are regional projects, such as the Lagos-Abidjan transport corridor, the Zambia-Tanzania-Kenya power transmission line, the Lagos-Algiers highway, the Brazzaville-Kinshasa bridge, etc. Now we have the issue of getting these projects to bankability, to a financial close. We cannot do that without the private sector. We created the Continental Business Network two years ago as a platform for private-sector operators to engage with heads of state and discuss their involvement and whatever issues affect their operations in terms of regulatory frameworks.

> “
>
> ***I never believed in [Africa is] “hopeless” nor in [Africa is] “rising”. Even when we had a high growth rate, the growth rate did not create jobs. So today I will say that Africa is “learning”.***
>
> ”

AR: What's the status of the Lagos-Algiers Trans-Sahara highway?

IM: It is done. You can consider it done because we have only less than 30km left.

AR: You have said before that financing is not Africa's problem. Really?

IM: Yes. To develop a quality project and have it be bankable, you need capacity such as financial engineers, sector engineers, transport, energy and others. The reality is that our RECs do not have these capacities. Second, if you want to bring investors to cross-boundary projects, you need to solve the issue of regulatory harmonisation. For example, if in Togo there is a rule and in neighbouring Benin there is a different rule, investors will not be interested. In this regard, the Economic Commission for Africa is supporting us and has gone very far

in formulating a model law based on harmonisation of regulatory frameworks that will help attract private investors to cross-boundary projects. It's a house we are constructing.

AR: How far have you gone toward strengthening the capacities of RECs?

IM: Their capacities differ. The East African Community has a strong capacity; the Economic Community of West African States and the Southern African Development Community too. The Economic Community of Central African States has a weaker capacity. But wherever RECs are strong it means the leaders of the region want their region to be strong and they believe in regional integration.

AR: Is there a correlation between the extent of regional integration and the level of regional development?

IM: Absolutely, because the main objective of a REC is a strong regional market, which translates to good infrastructure and increased levels of movement of goods.

NEPAD launches 5% Agenda campaign for infrastructure financing
19 Sep 2017

AR: Why do you think investors mostly target Africa's extractive industry?

IM: I will answer you indirectly. [Former South African] President Thabo Mbeki's report on Illicit Financial Flows (IFFs) states that up to $50 billion could be getting out of Africa annually and 75% of that is from internationals not paying their taxes. Who are these internationals? They are the ones in the mining sector. So you have the answer to the question.

AR: Have you figured out the solution to IFFs?

IM: The solution is to strengthen our governance and taxation systems.

AR: Africans also collude with internationals.

IM: You need to be two to be corrupt. But fundamentally, corruption exists but is largely inferior to fiscal evasion.

AR: How do you foresee Africa's development in the next 10 years?

IM: Africa is progressing, but not everywhere, and not everybody is progressing. The best way to solve inequality is to create jobs; the best way to create jobs is to establish labour-intensive industries, and agricultural transformation is fundamental.

AR: Is Africa a hopeless or a rising continent?

IM: I never believed in "hopeless" nor in "rising". The phrase "Africa is rising" was mostly promoted by big consultancy firms that wanted to attract clients to the continent. Even when we had a high growth rate, the growth rate did not create jobs. So today I will say that Africa is "learning".

Source: Africa Renewal.