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Speaker:
Ethiopia on behalf of the African Group

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**AFRICAN GROUP
GENEVA**

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**STATEMENT BY ETHIOPIA, COORDINATOR OF THE AFRICAN GROUP
ON BEHALF OF THE AFRICA GROUP
AT THE 58TH SESSION OF THE TRADE AND DEVELOPMENT BOARD
GENEVA, 12 TO 13 DECEMBER 2013**

Mr. President,
Mr. Mukhisa Kituyi, Secretary-General of UNCTAD,
Excellencies,
Distinguished delegates,

I have the honor to make this statement on behalf of the African Group.

The African Group aligns itself with the statement made on behalf of the Group of 77 and China.

We would like to thank the Secretary General for his introductory statement and the Secretariat of UNCTAD for the background documents made available for this meeting.

The African Group congratulates the UNCTAD Secretariat for preparing the 2013 LDCs Report entitled “Growth with Employment for Inclusive and Sustainable Development.” The gist of the Report i.e. creating job opportunities through inclusive growth has been one of the priority agendas of the African continent. The Report is timely and could contribute for our policy making endeavors at national, regional and continental levels. The African Group believes that the Report and its follow-up deliberations would compliment to enhance better policy understanding and implementation of the current national and continental initiatives.

Mr. President,

The LDCs 2013 Report indicates that despite the high GDP growth registered in LDCs, they have not been able to generate enough and decent jobs with appropriate wage level. The global financial and economic crisis and its uncertain aftermath have affected

the economic growth rates of LDCs. According to the Report, during the period 2000 - 2012, the job creation rate of LDCs was 2.9 % per year and this is well below the average economic growth.

The average 7 % rate of growth registered from 2002 -2008 could not be sustained as the world economy continues to show slow recovery. The Report states that the average economic growths were only 4.5 % and 5.3 % in 2011 and 2012 respectively. The current growth rate of LDCs is below the 7% target put at the Istanbul Program of Action. In addition to the slow economic growth, the LDCs continue to face challenges related to high population growth and high rate of urbanization. The Report recognizes that LDCs were able to reduce poverty: however their performance of generating quality and sufficient number of jobs was “far from impressive.” Therefore, with the demographic challenge particularly the growing rate of the youth population, employment generation with higher wage and better working conditions is one of the major development challenges policy makers face in LDCs.

The Report argues that growth, though necessary, is not enough to generate job opportunities. It emphasizes that economic growth should be centered at productive capacity to be able to create jobs for the population particularly the youth. The Report, therefore, proposes a policy framework focusing on the interrelationship of growth, job and productive capacity. Policy for employment rich-growth should be pursued by a developmental state that “not only provides public investment that spurs economic growth but also help to create a vibrant and strong private sector.” The Report proposes practical policy tools by focusing on macro economic measures, enterprise and industrial development and public investment in sectors that could generate quality and sufficient jobs for the millions of the youth that enter the labor market every year. Indeed, this is a daunting policy challenge only for the LDCs but also for the whole global community.

Mr. President,

Africa is a continent of young people. By 2025, it is estimated that the African youth will make up one-quarter of the world’s population. By 2040, half of the world’s youth population will be African. This means that in the next fifty years, approximately 1.1 billion of the global labor force will be African. This means Africa needs to invest more on agriculture, industry and enterprise development to be able to meet the legitimate demand of its young population for decent jobs.

The African leaders have demonstrated their firm commitment to create more jobs both in quality and quantity. Due to Africa’s determination for inclusive development, Africa has showed resilience to internal and external shocks and is expected to grow by 4.8 per cent in 2013 and 5.3 per cent in 2014. Now Africa is well recognized as one of the global growth poles. Jobs have been created and poverty has been decreasing. This is an impressive development performance that should be amplified as a cause of optimism and a sense of the beginning of an African renaissance. We also note that this is not a time of complacency but a historical period to redouble our efforts to bring about decent

job for every working person in Africa to fully realize the potential of our young and dynamic population.

The African leaders have held an extraordinary summit in 2004 on “Employment and Poverty Alleviation in Africa” to address the challenges posed by poverty and unemployment. In the Declaration of the Summit, the African leaders recognized “the need to address social development, poverty alleviation and employment creation in a coherent and integrated manner.” They decided to develop integrated economic and social policies and undertake “reforms at national, regional and continental levels to address structural constraints to investment and entrepreneurship, promote private -public partnerships, and create an enabling environment for increased production and decent employment opportunities to achieve socio-economic development.”

Following this, the African Union has developed a Plan of Action for Promotion of Employment and Poverty Reduction. The Plan of Action serves as a vehicle for implementing various declarations and commitments made by Heads of States and Governments. It provides guidelines and key objectives for governments to formulate their own mechanisms based on their national needs. It also aims to build an international cooperation, fair and equitable globalization, and partnerships for an enhanced international support to Africa’s efforts towards achieving sustainable development, putting emphasis on the employment agenda.

The African leaders hold another summit dedicated to the theme of “Accelerating Youth Empowerment” in 2011. This is a testimony to the commitment of African leaders that the issue of creating jobs for the youth is their number one development priority. They decided that all African governments should advance the youth agenda and adopt policies and mechanisms towards the creation of safe, decent and competitive employment opportunities by accelerating the implementation of the Youth Decade Plan of Action (2009-2018).

As a result, there are various national, regional and continental initiatives that are under implementation to create jobs for African population particularly the youth. It is also important recognize other initiatives in the area of agriculture and industrialization which are crucial sectors in generating employment opportunities in Africa. Just to mention of the one of the on going initiatives in the area of job creation, I should cite the Joint Initiative on Youth Employment. The African Union, UN Economic Commission for Africa and the International Labour Organization are implementing the Joint Initiative in Africa. The initiative aims to provide financial support and technical expertise to promote youth employment at national, regional and continental levels. SME development is one of the focuses of the Initiative.

Mr. President,

Creating a decent job with better conditions and high wage is a daunting task for Africa. That is why we would like to request the support of our development partners,

regional and international organizations like UNCTAD and ILO, just to mention two. We all have to make sure that the new post 2015 development agenda includes the creation of quality jobs as one of its overriding objectives. The UN bodies such as UNCTAD could also continue to support the implementation of national, regional and continental initiatives to create jobs through inclusive and sustainable growth cantered at building productive capacity led by a developmental state and a vibrant private sector.