AFIDEP African Institute for Development Policy
Bridging Development Research, Policy & Practice

Enhancing the Demographic Dividend for Socio-economic Transformation in Africa

Key Lessons

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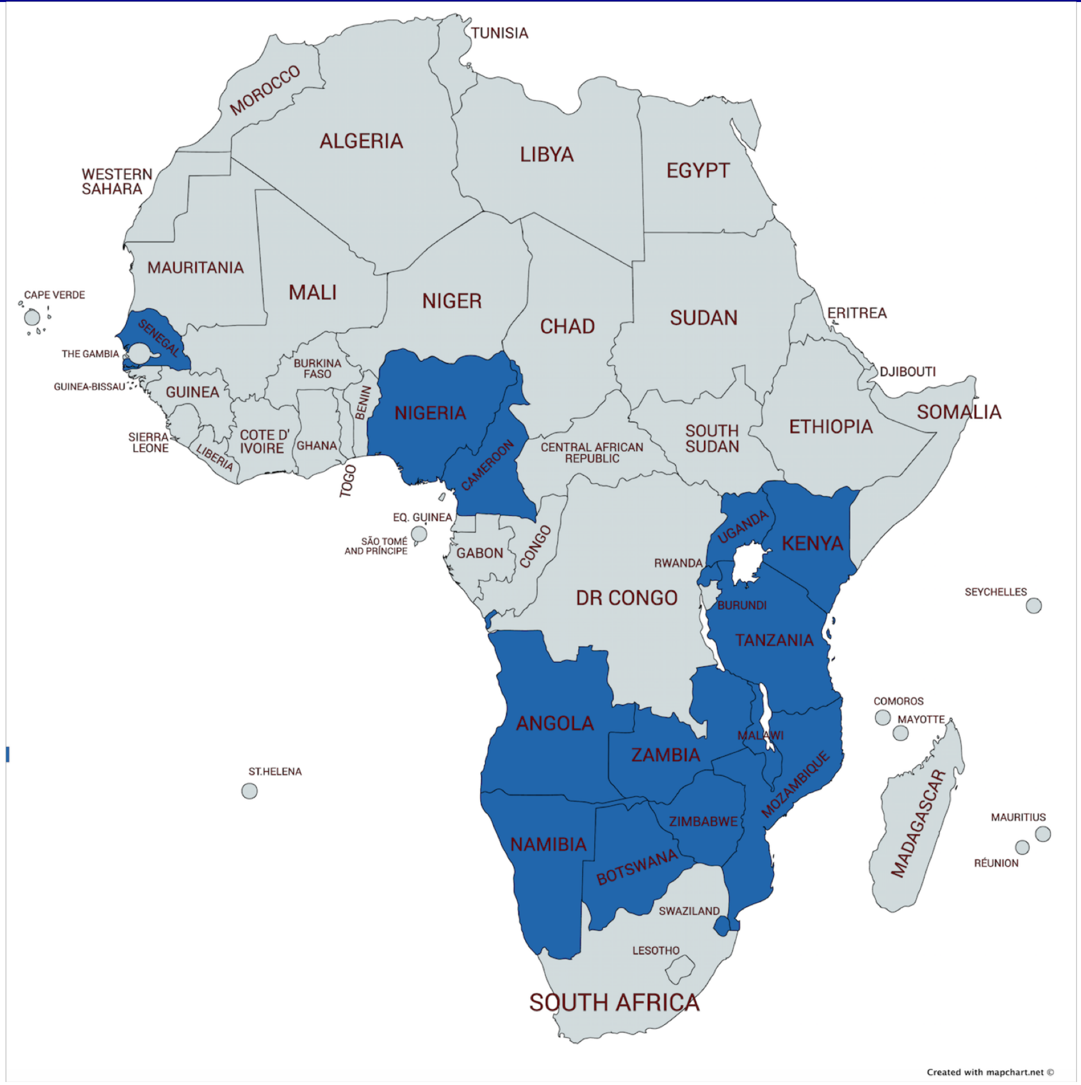
NEAPACOH Meeting 2018, October 30
Speke Resort Munyonyo, Kampala

AFIDEP DD Footprint in Africa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BURUNDI
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TANZANIA
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NAMIBIA
BOTSWANA
MADAGASCAR
MAURITIUS
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LESOTHO
SOUTH AFRICA
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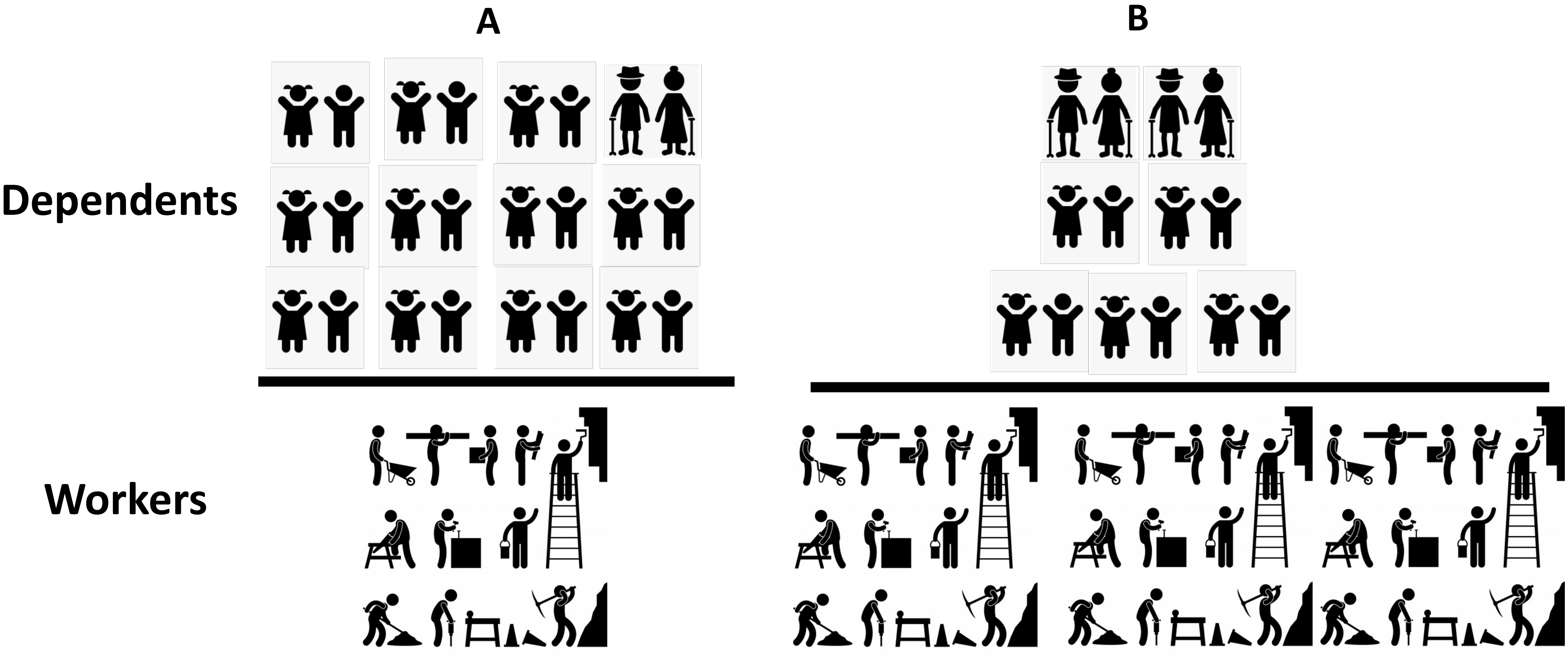
What is the Demographic Dividend (DD)?

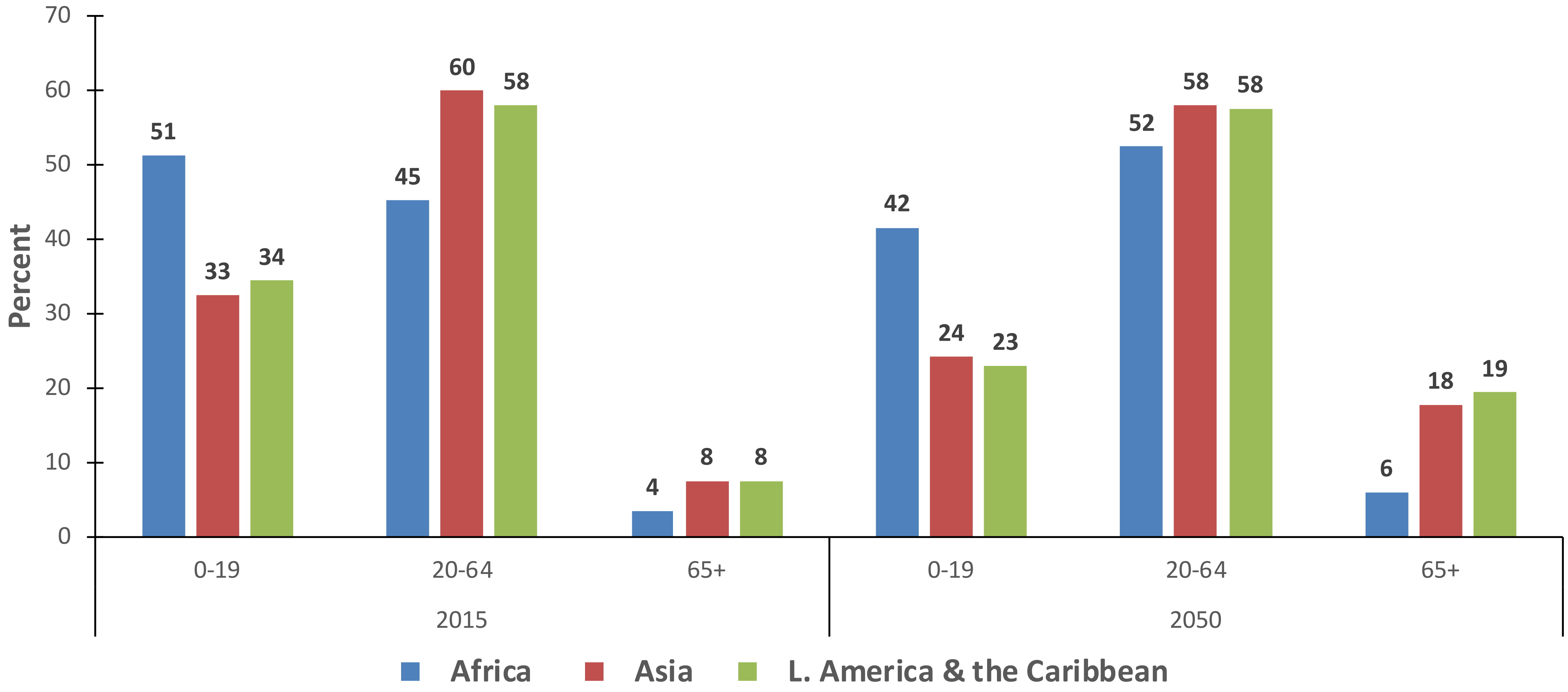

A
B
Dependents
Workers

What is the Demographic Dividend (DD)?

- ***First DD*** → The economic benefit that arises directly from the increase in the proportion of the working age population relative to dependent children as a result of fertility and mortality decline

- ***Second DD*** → Long-term economic benefits from increased investments in children; increased savings and investments by the working age population; and improved wellbeing and life expectancy (which enables people work longer) as the population becomes increasingly aged

Population by broad age groups - 2015 vs 2050



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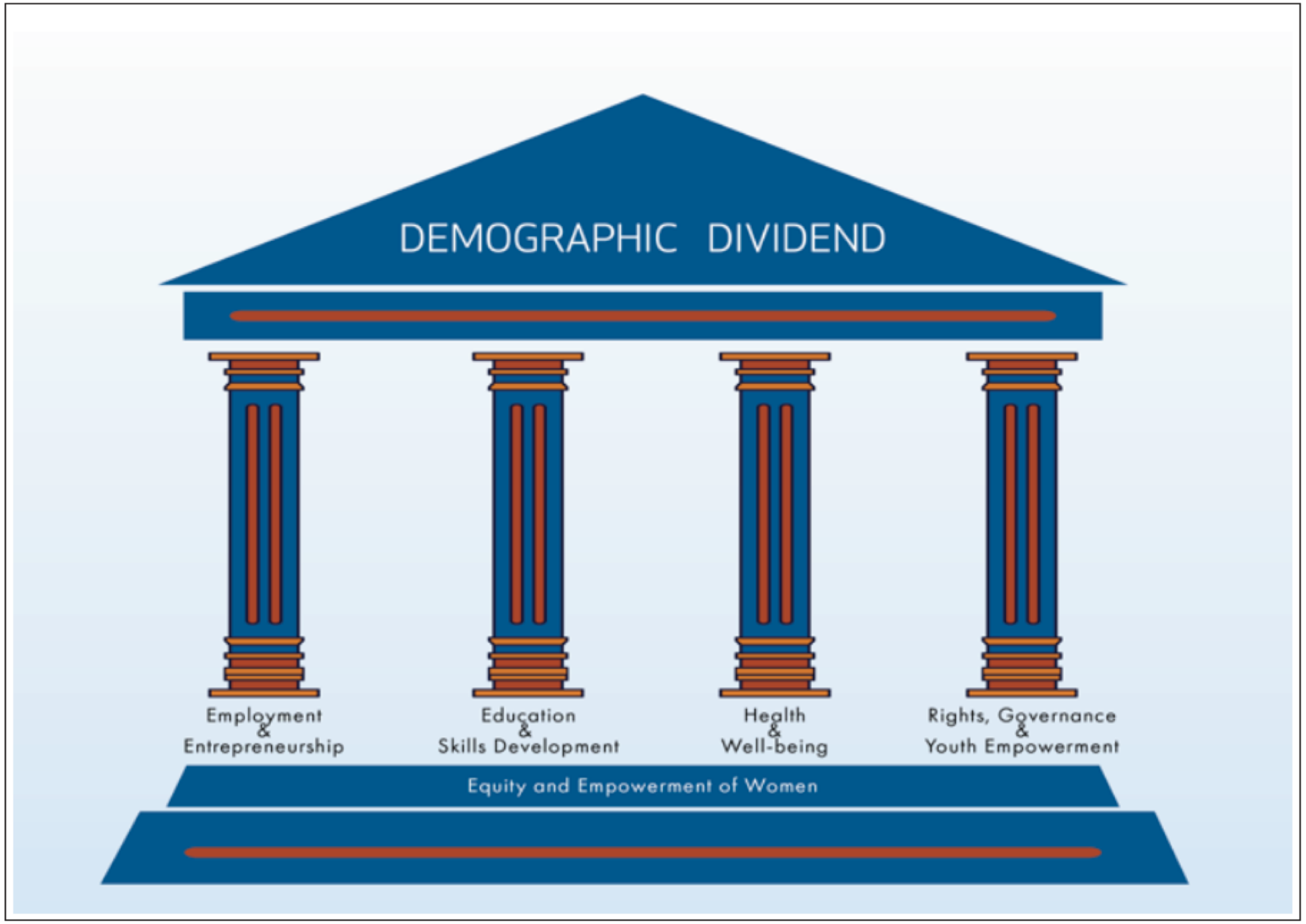
The African Union Demographic Dividend priority investment pillars


DEMOGRAPHIC DIVIDEND
Employment & Entrepreneurship
Education & Skills Development
Health & Well-being
Rights, Governance & Youth Empowerment
Equity and Empowerment of Women

Source: AFIDEP 2017

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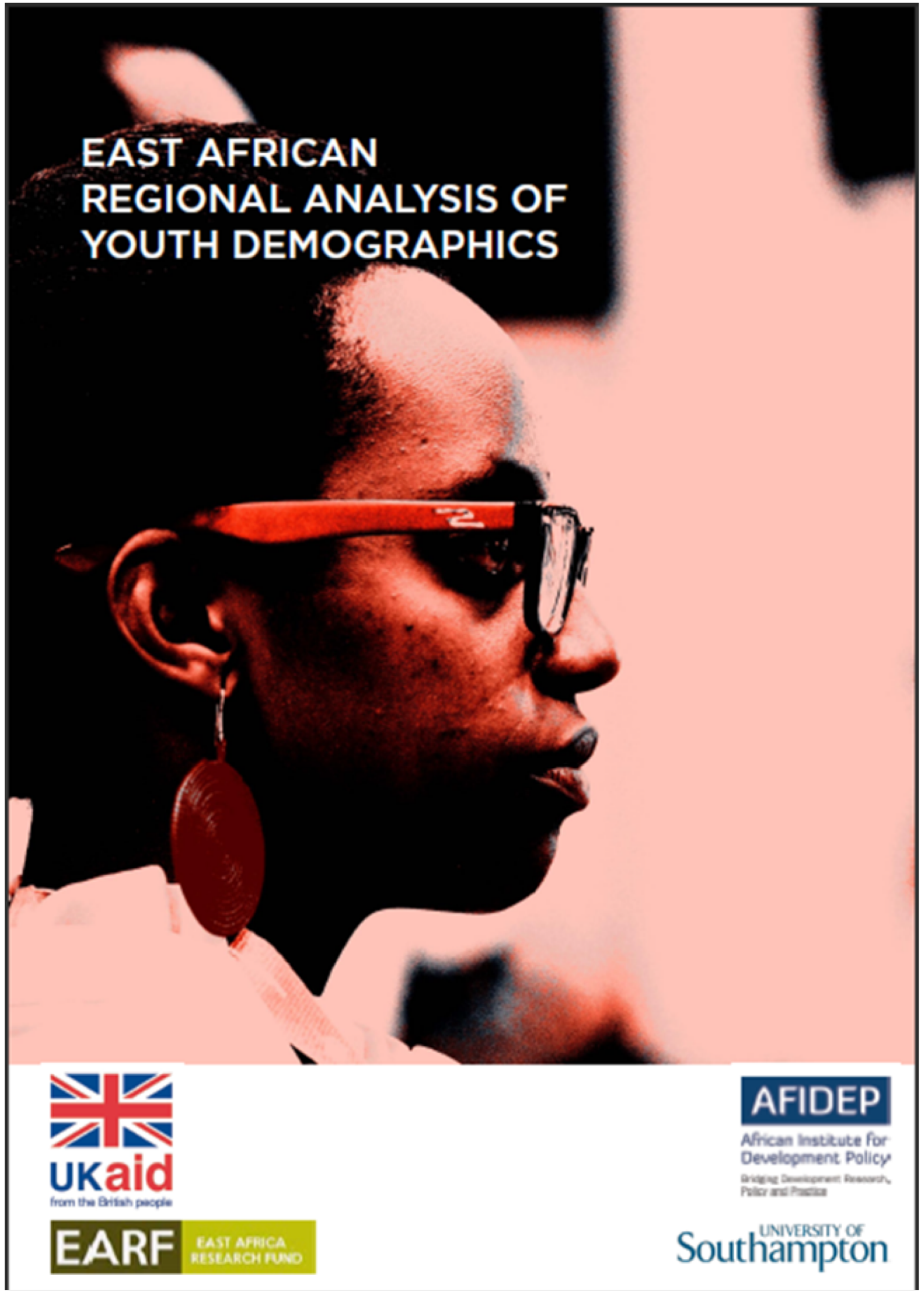
Are African countries ready to harness the demographic dividend?

With right investments, EAC countries can harness massive DD – DemDiv Results

Projected Per Capita GDP by Different DD Policy Scenarios (US$)

Countries	Current PC GDP	Business as Usual (a)	Economic Emphasis (b)	Combined Scenario (c)	Potential DD Earned (c-b)
Kenya	907	896	6,693	11,288	4,595
Tanzania	967	2,063	7,779	11,657	3,878
Uganda	506	927	6,084	9,567	3,483
Rwanda	735	2,764	9,098	12,555	3,457



EAST AFRICAN
REGIONAL ANALYSIS OF
YOUTH DEMOGRAPHICS

UKaid
from the British people

EARF EAST AFRICA RESEARCH FUND

AFIDEP
African Institute for
Development Policy

UNIVERSITY OF
Southampton

Study in four East African Community (EAC) countries - **Kenya, Uganda, Rwanda, Tanzania,**

Report and related briefing notes first launched in May, 2018

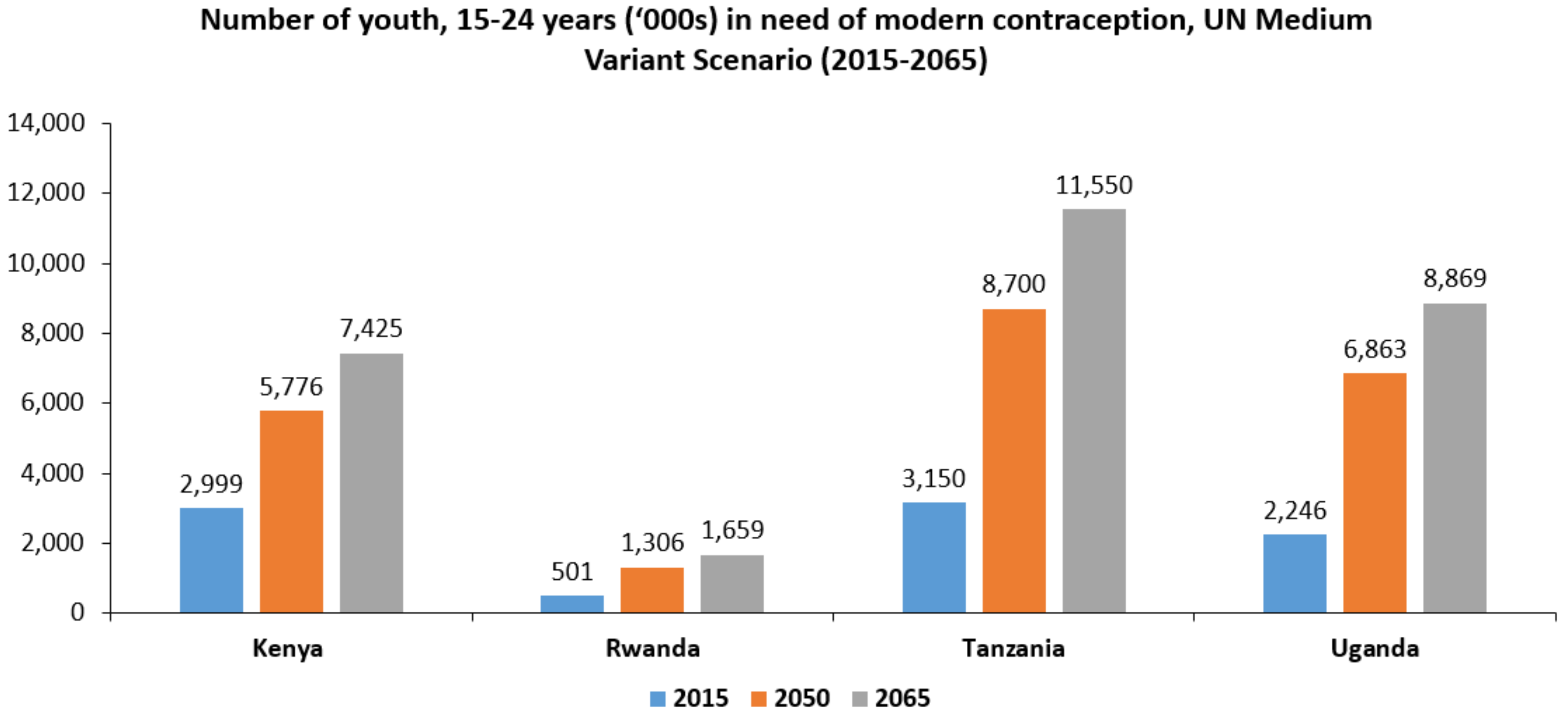
Available: https://www.afidep.org/download/research-reports/18.06.2018-ReAYD_Web.pdf

https://www.gov.uk/dfid-research-outputs/regional-analysis-of-youth-demographics

Total population in the EAC will more than double even with the projected fertility decline

Country	Scenario outputs	Baseline UN 2015	UN Medium Variant	Accelerated Model	UN Medium Variant	Accelerated Model
			2030	2030	2065	2065
Kenya	Population (Millions)	**47**	**67**	**66**	**115**	**103**
	TFR	**4.1**	**3.3**	**3.2**	**2.3**	**2.0**
Rwanda	Population (Millions)	**12**	**16**	**16**	**25**	**25**
	TFR	**4.2**	**3.2**	**3.2**	**2.0**	**2.0**
Tanzania	Population (Millions)	**54**	**84**	**81**	**187**	**151**
	TFR	**5.2**	**4.3**	**4.0**	**3.0**	**2.5**
Uganda	Population (Millions)	**40**	**64**	**63**	**141**	**131**
	TFR	**5.9**	**4.6**	**4.5**	**2.8**	**2.8**

Demand for modern contraceptives will increase 3-fold



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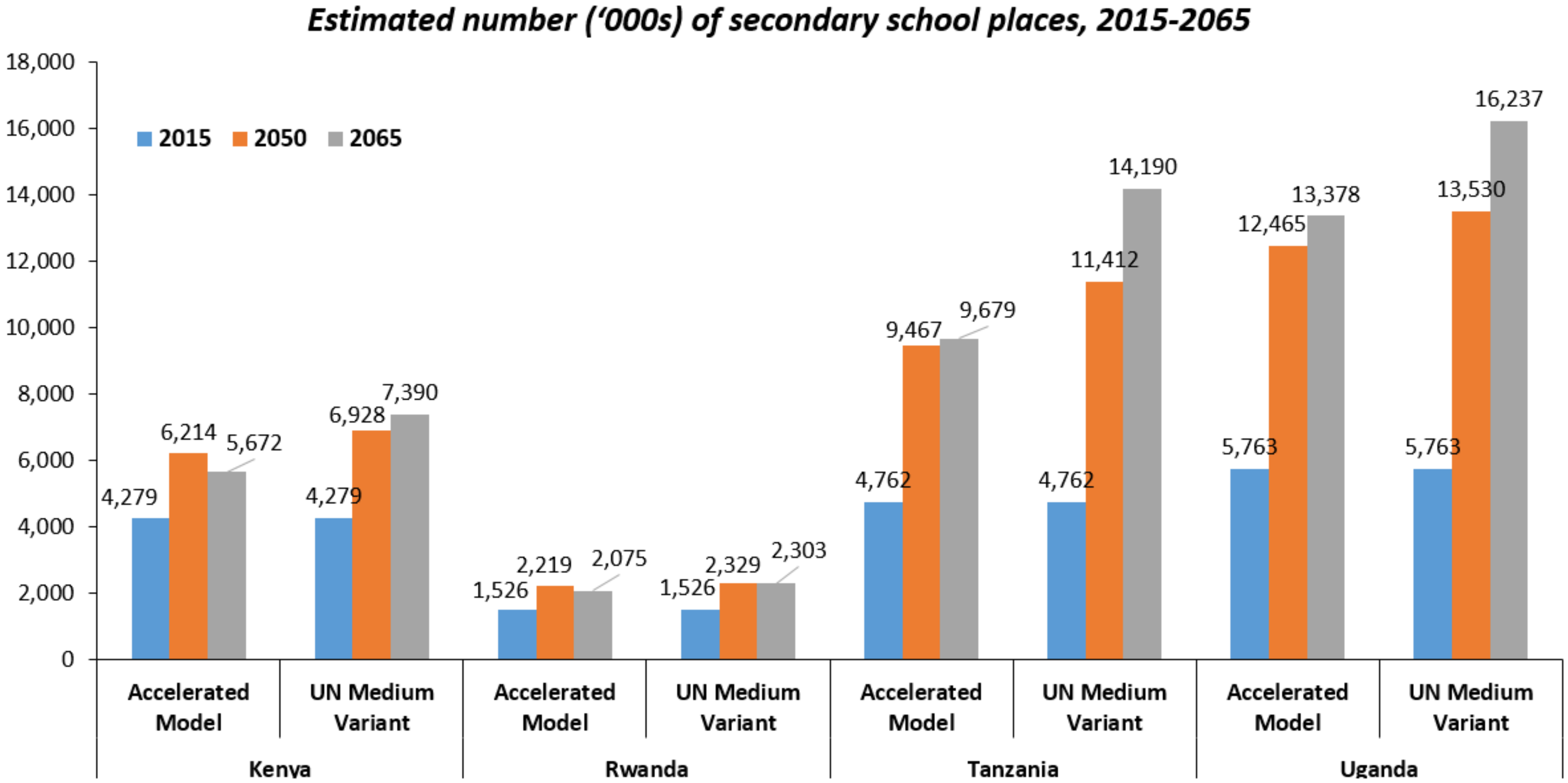
The school-age population will increase significantly



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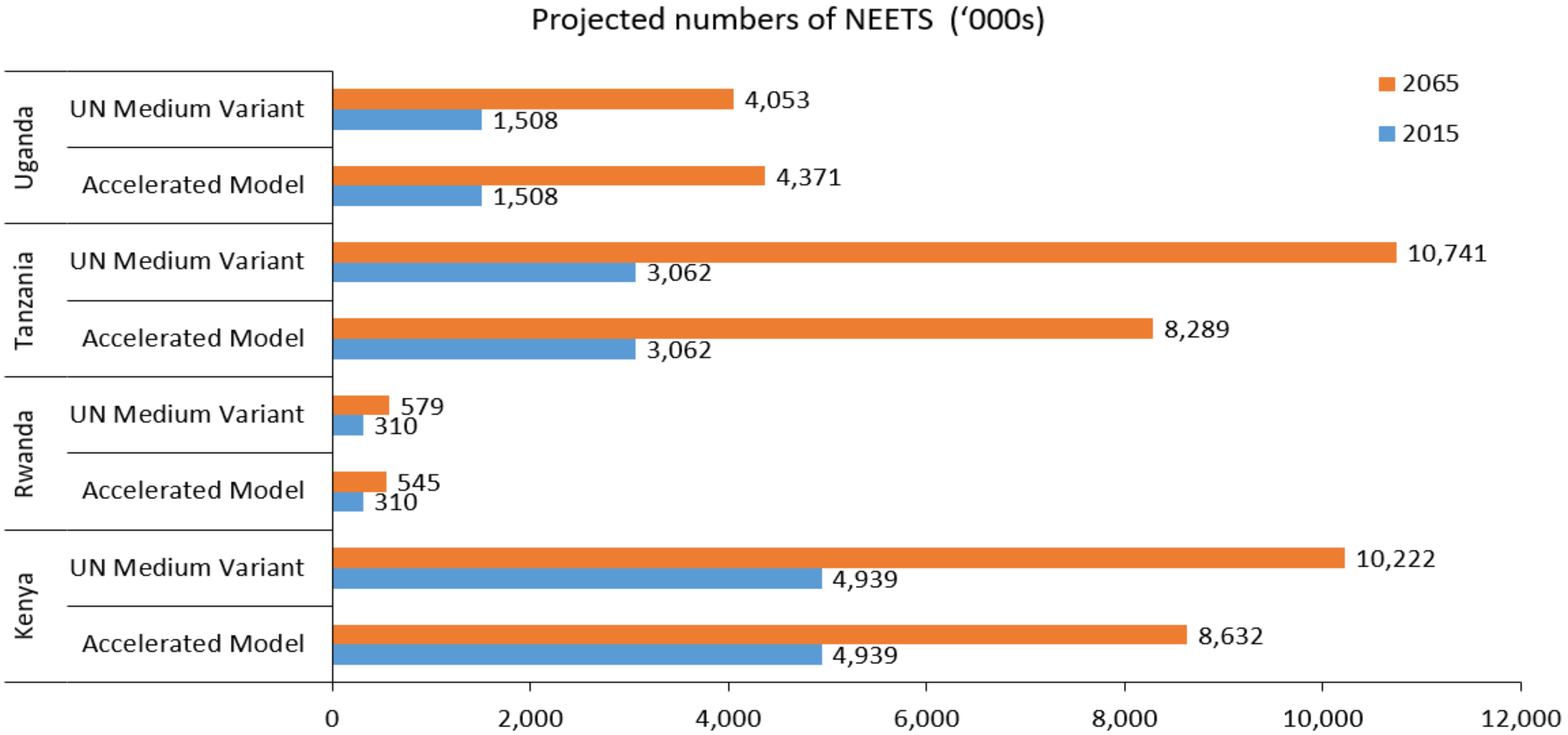
Number of youth who are Not in Education, Employment or Training (NEETs) will grow 3-fold under UN Medium Variant



Highlights from the Botswana Demographic Dividend Study

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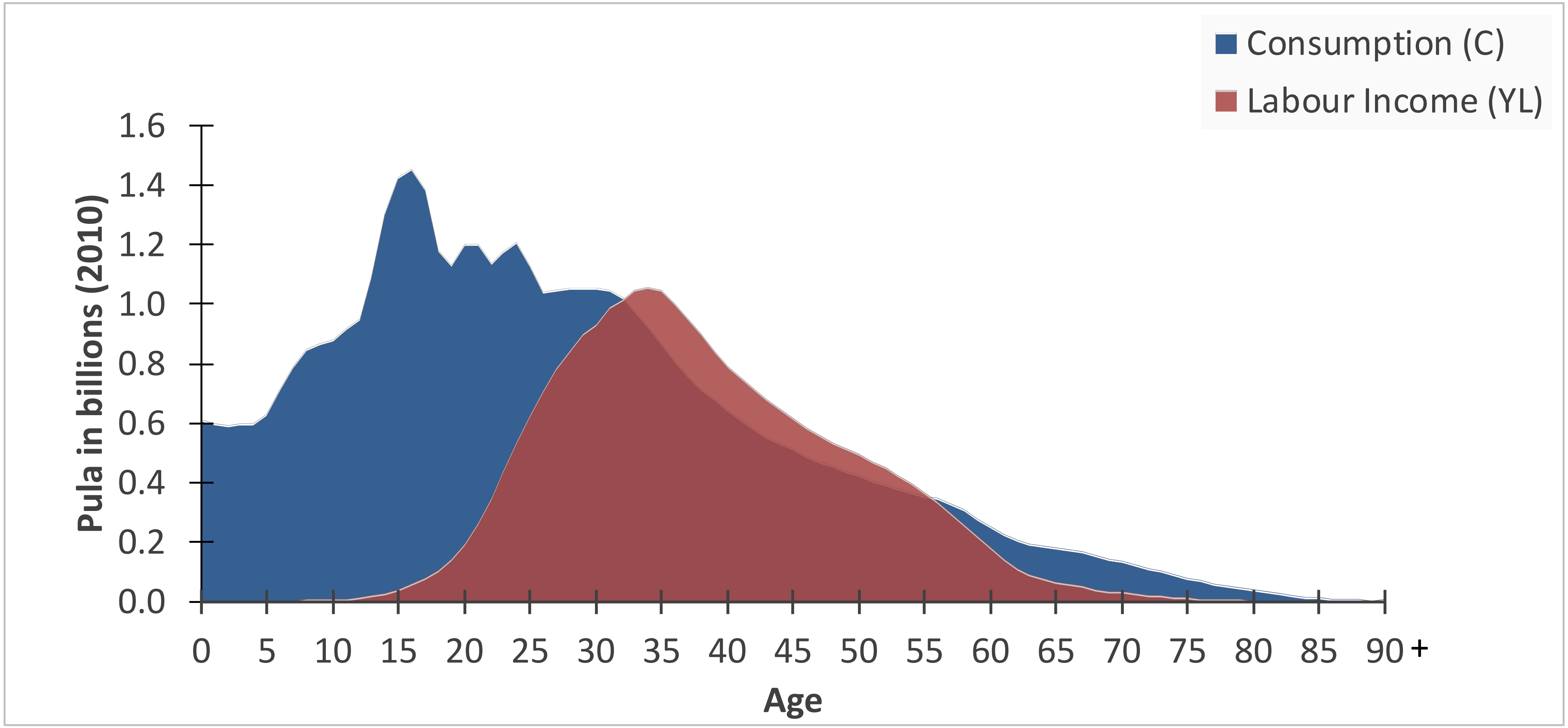
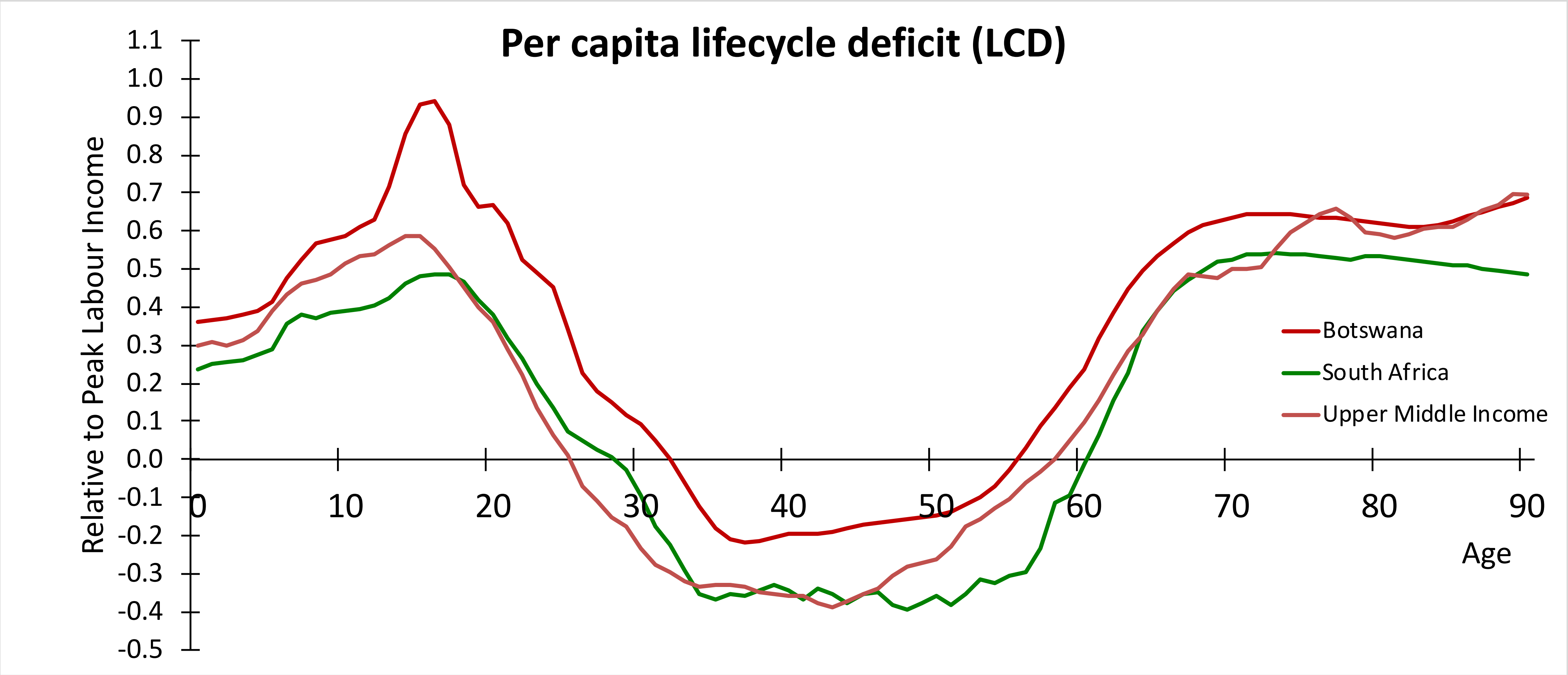
Aggregate Labour Income vs Consumption, Botswana 2010



Botswana's surplus is shorter and smaller …



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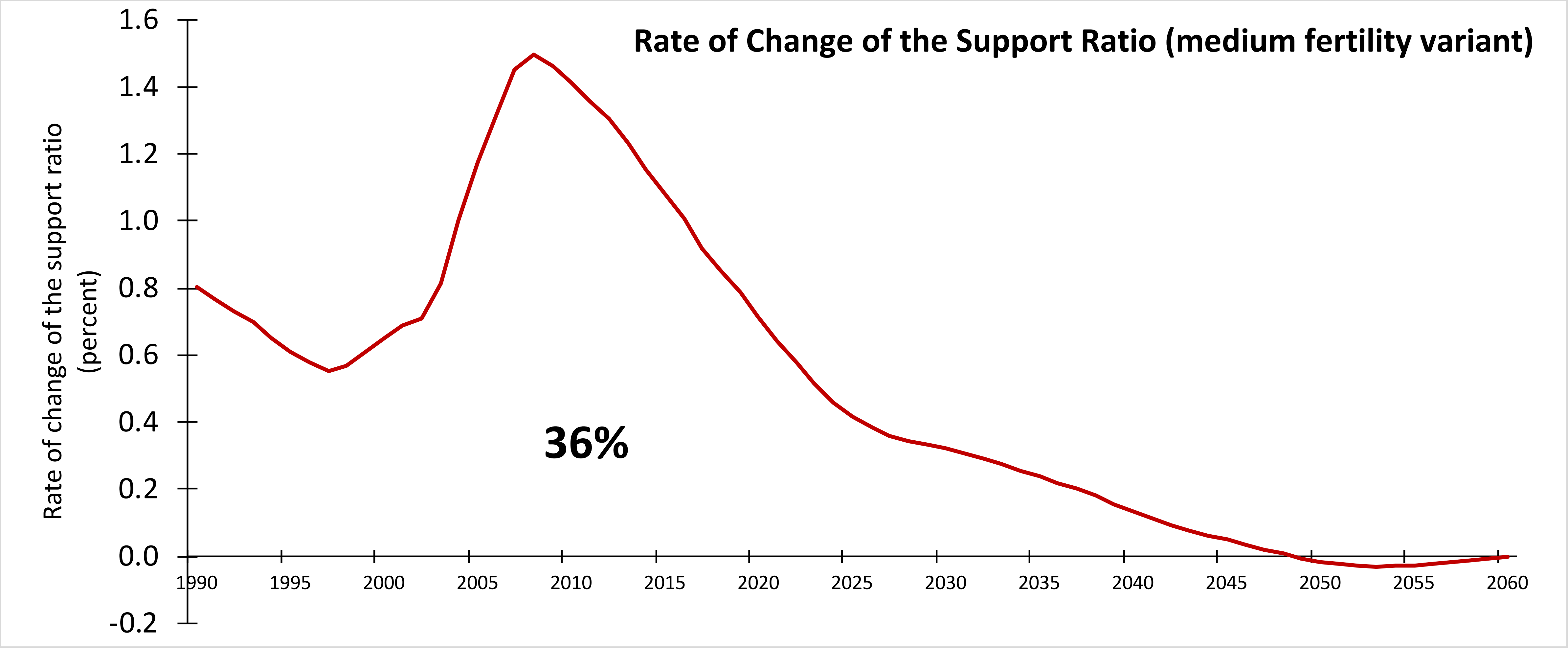
The demographic dividend could boost living standards by 36% in Botswana



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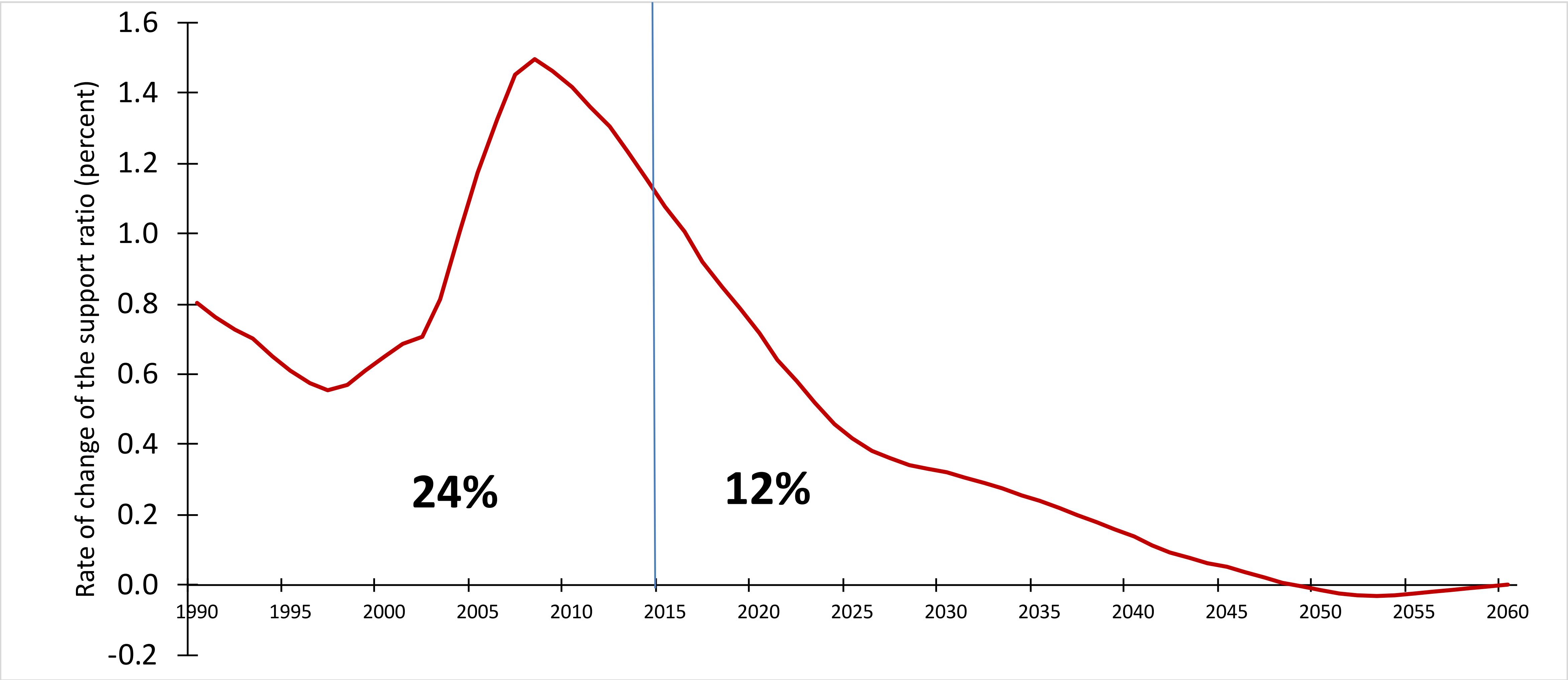
Botswana has harnessed a significant DD – the window of opportunity to maximize it is short



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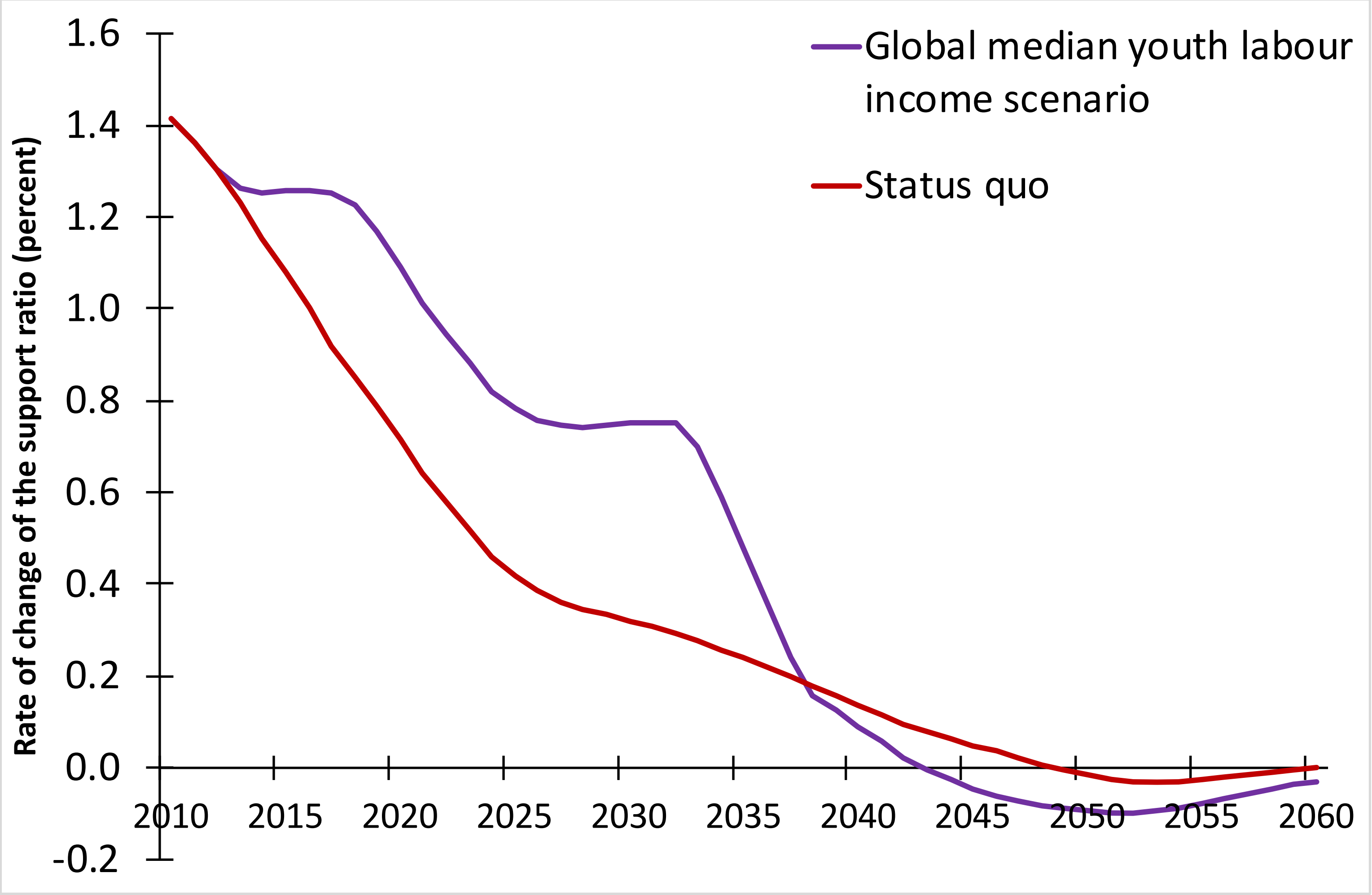
How much would Botswana benefit from shifting the earning profile of its youth to the global average?



Cumulative boost to living standards between 2015-2035 would be 21% with the shift versus 11.7% at status quo

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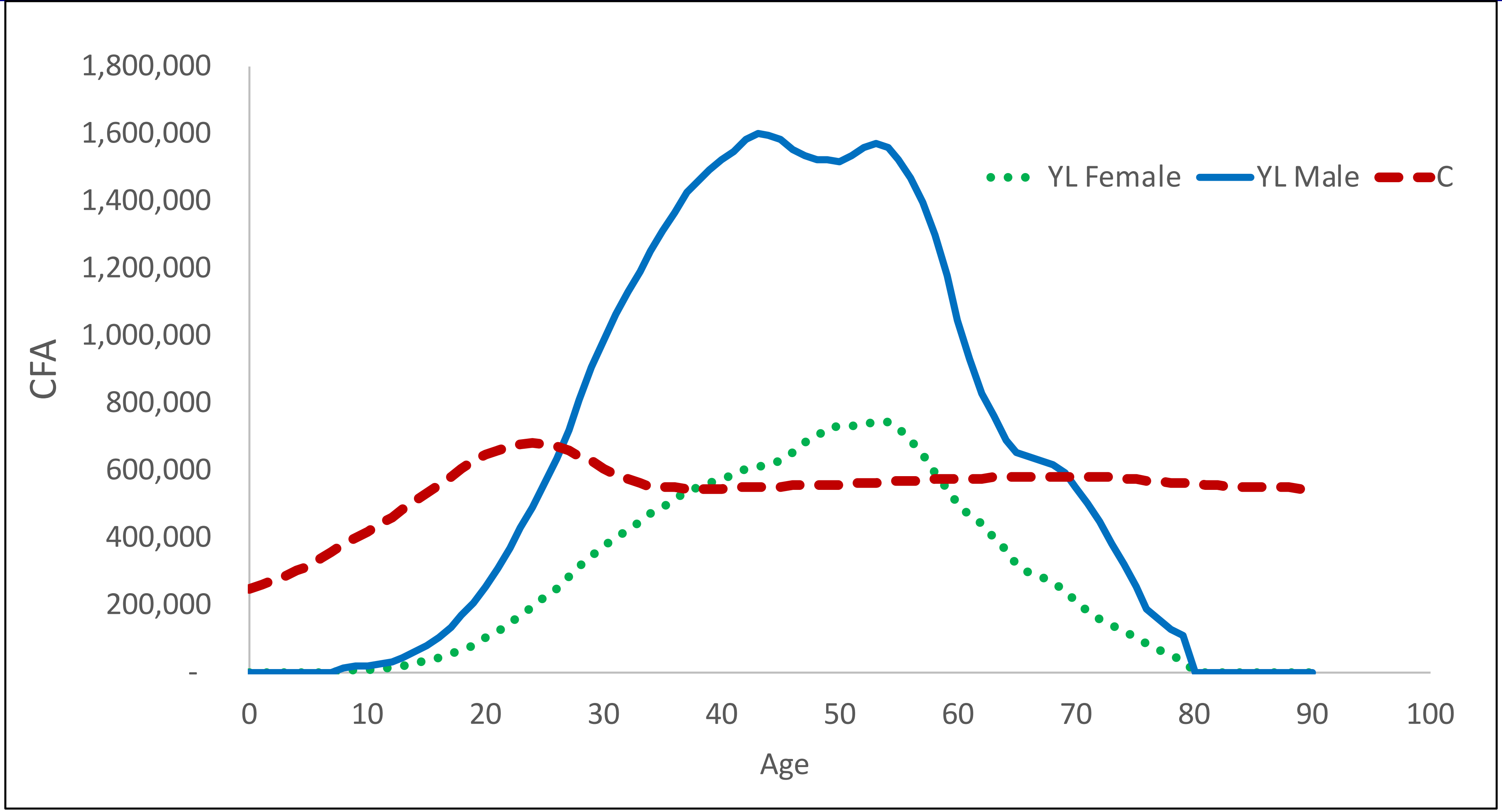
Shining a lens on inequality: Female-male differences in income and consumption in Senegal, 2011



Source: NTA Calculations, CREFAT 2016

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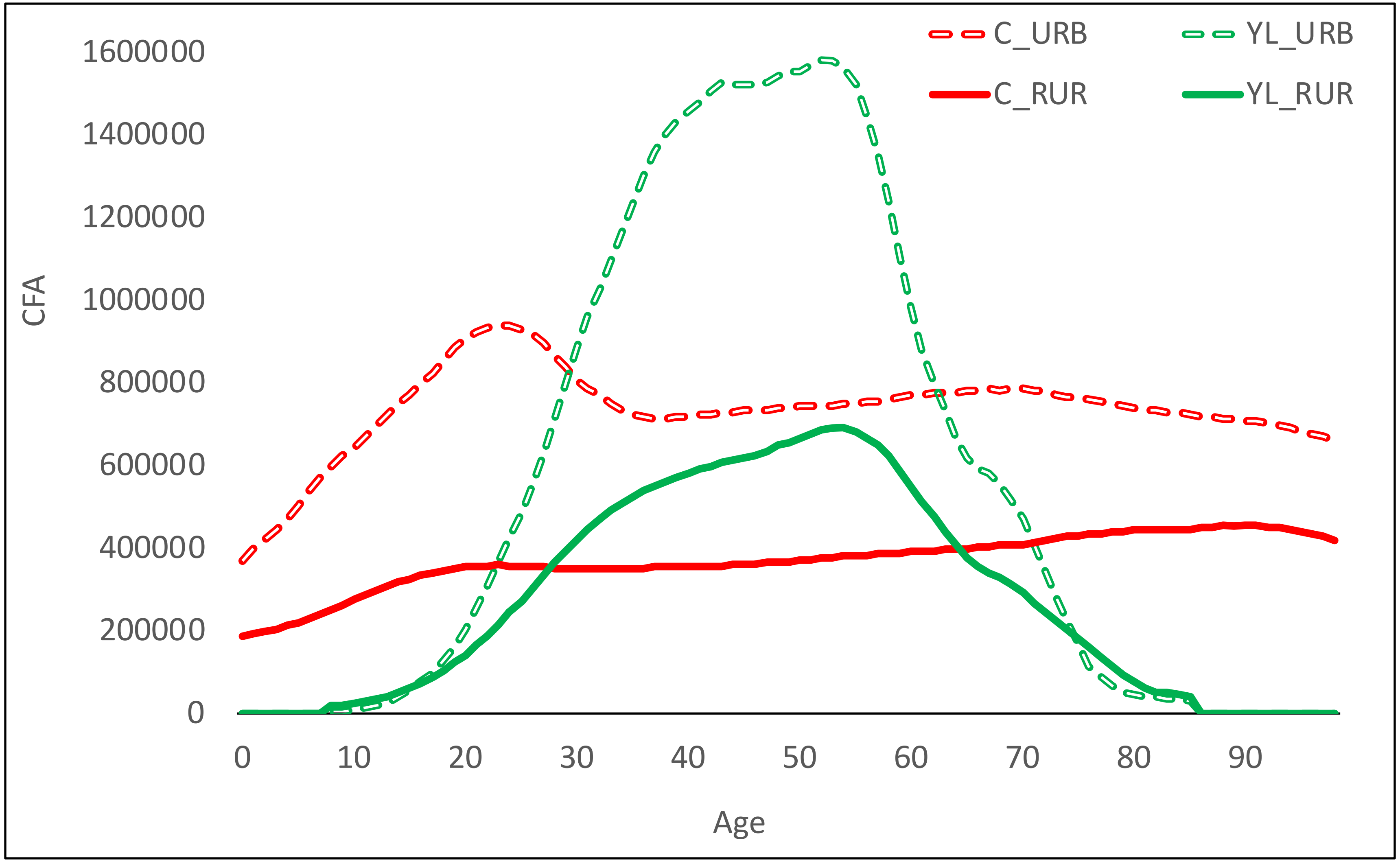
Shining a lens on inequality: Rural-urban differences in income and consumption in Senegal, 2011



Source: NTA Calculations, CREFAT 2016

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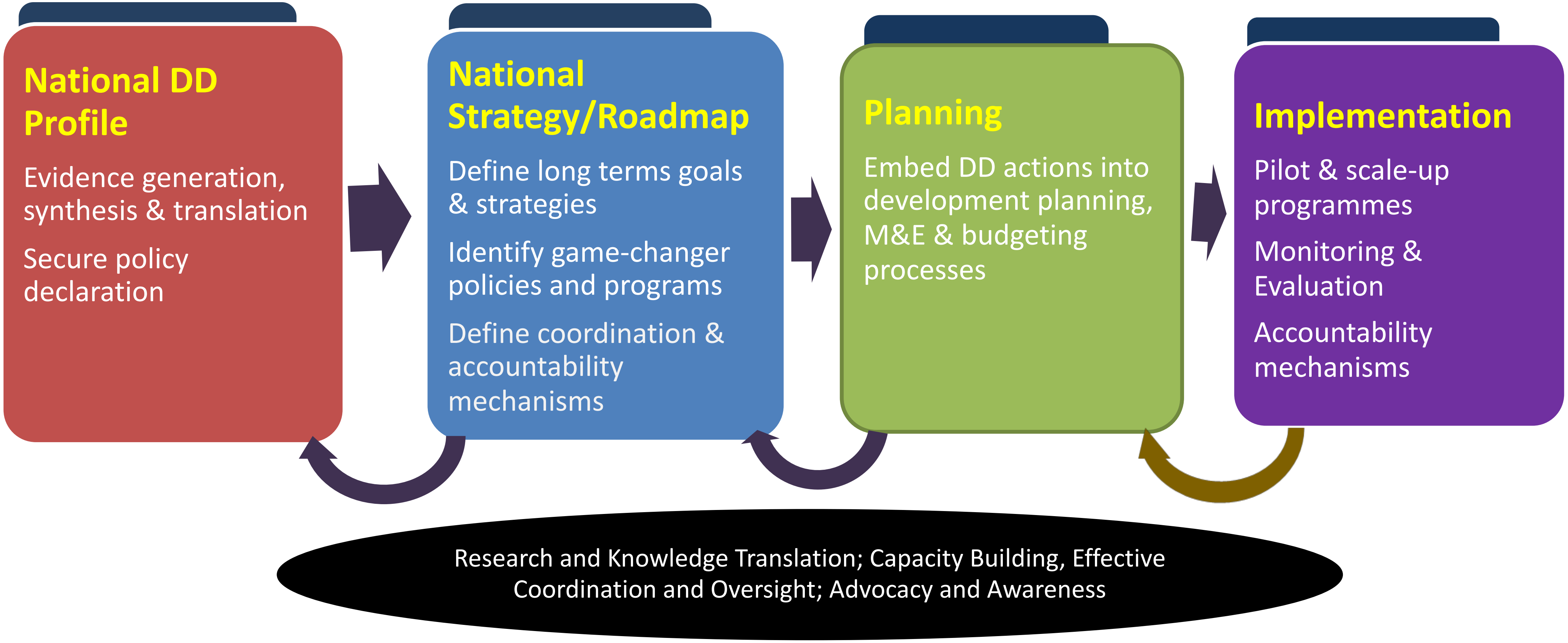
Operationalising the Demographic Dividend

Operationalising the Demographic Dividend at National Level



National DD Profile

Evidence generation, synthesis & translation

Secure policy declaration

National Strategy/Roadmap

Define long terms goals & strategies

Identify game-changer policies and programs

Define coordination & accountability mechanisms

Planning

Embed DD actions into development planning, M&E & budgeting processes

Implementation

Pilot & scale-up programmes

Monitoring & Evaluation

Accountability mechanisms

Research and Knowledge Translation; Capacity Building, Effective Coordination and Oversight; Advocacy and Awareness

Source: AFIDEP & UNFPA, 2017

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DD Milestones: Kenya, Malawi, Uganda & Zambia

Key Milestones	**Kenya**	**Malawi**	**Uganda**	**Zambia**
National DD Study	✓	✓	✓	✓
Strategy (Roadmap)	✓	x	✓	x
Planning (NDPs)	MTP	MGDSIII	NDPII	7NDP
Implementation				
Coordination mechanism	NCPD (MDP)	PDU (MFEPD)	NPA &NPC (MFPED)	SPD (MDP)
Structural changes				SAGs→CAGs
Budgeting process (Pilot)			ABB→OBB	ABB→OBB Citizens' Budget

Factors that propelled success so far

- **Generating and packaging evidence (National DD Studies)**
  - Demonstrated demographic trajectory and potential dividend
  - Ignited DD discussion
  - Advocacy to secure political buy-in

- **Use of strategic champions to secure political buy-in**
  - Government ownership of the DD agenda

- **Strategic partnerships**
  - Government, development partners, private sector & CSOs

Challenges to overcome

I. In-depth policy prioritisation and performance analysis

II. Systems thinking and integrated planning capacity

III. Sustainable funding for demographic dividend interventions

IV. Reinforce the role of the private sector and other stakeholders

QUALITY
$
COSTS
TIME

Thank you!