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for every child

GENERATION 2030 AFRICA 2.0

Prioritizing investments in children
to reap the demographic dividend

EXECUTIVE SUMMARY

Executive Summary

Africa's children stand at a pivotal moment in their continent's demographic transition

Nowhere in the world are children more central to a continent's future than in Africa, where they account for almost half (47 per cent) of all inhabitants. The expansion occurring in recent decades has been extraordinary. In 1950, Africa's child population stood at 110 million and represented just above 10 per cent of the world's child population. It has grown more than fivefold since, and currently stands at an estimated 580 million: four times larger than Europe's child population, and accounting for about 25 per cent of the world's children. Between 2016 and 2030, Africa's child population is projected to expand by about 170 million, elevating the continent's total to 750 million. And by 2055 Africa will be home to 1 billion children, almost 40 per cent of the global total. By the end of the century, it is projected that Africa will be home to nearly half of the world's children.

The large increase in Africa's child population mirrors the rise in the continent's overall population, set to more than double between now and mid-century, adding a further 1.3 billion people and reaching 2.5 billion by 2050. These projections are based on median variants of fertility projected by the UN Population Division in its 2017 edition of *World Population Prospects*. They take into account the prospect of declining fertility rates in Africa in the coming years, as well as continuing fertility trends in other regions.

These data projections have limitations, and actual demographic trends may differ from projections, due to policy interventions and others changes in economic, social, political, or environmental factors. For example, policies

could alter fertility rates, mortality and migration patterns. Nevertheless, the key points highlighted in this report are considered to have implications for global, regional and national actions. The sheer number of Africa's children and its growing share of the world's child population means that dividends for the continent will be dividends for the world and for humanity, including the most disadvantaged and vulnerable.

Demographic transitions of this magnitude present both immense opportunities and immense challenges. The opportunity for Africa lies in the vast potential of its current and future generations of children and youth. Today, two thirds of African Union (AU) Member States are still in the pre-dividend phase of demographic transition, characterized by high fertility rates and high dependency ratios. It is imperative to recognize that today's rapidly increasing child and youth populations will soon constitute Africa's working age population. Investing in their health, protection and education holds the promise for reaping a demographic dividend in the 21st century that could lift hundreds of millions out of extreme poverty and contribute to enhanced prosperity, stability and peace on the continent.

However, failure to prioritize these investments will lead to a far bleaker scenario, because the opportunity to reap a demographic dividend is time-sensitive and influenced by policies. With more than half of African countries unlikely to reach their demographic window of opportunity – the period when a country's population structure is the most favourable for accelerated economic growth – until 2030 or beyond, it becomes all the more urgent to

adequately prepare so that when the window of opportunity opens, African nations can best harness and capitalize on the dividend.

Numerous studies have shown the transformative power of investment in essential services for children and youth, their societies and economies. The modelling exercise of Africa's demographic dividend potential presented in this report shows that the continent's per capita income could quadruple by 2050 if such investments in human capital were complemented by policies that foster job creation, empower and protect women and girls, and expand access to culturally sensitive reproductive health education and services.

The challenge lies in making these investments. Closing the gaps that presently exist between minimum international standards and actual health care and education services is a critical first step toward building the human capital required

for a demographic dividend. This must become a key priority, especially for those countries in Central, Eastern and Western Africa where the gaps are widest. Africa as a whole faces the challenge of employing an additional 5.6 million frontline health professionals – three times current numbers – to meet the minimum threshold set by the World Health Organization (WHO)⁶ by 2030. More than 5.8 million additional teachers are required to attain a pupil-teacher ratio in every country equivalent to the best-performing country in each of Africa's five sub-regions. Although Northern Africa and Southern Africa fare much better

in this respect, they still face challenges that other African sub-regions also share: reaching international standards, enhancing the quality of health care and education and ensuring that education is relevant to the 21st century labour market.

If these key investments are not made now, the continent will not be able to reap the benefits of the demographic dividend. Poor health and insufficient education will prevent children from developing to their full potential, and will sustain high poverty rates, elevated unemployment and underemployment, leading to stagnant economic growth and resulting in a missed opportunity for the continent.

The years between now and 2030 are critical for building Africa's human capital. Investing in youth, selected as the AU's main focus in 2017, is imperative and needs to be complemented by an equally strong emphasis on investing in children to establish the strongest foundation for Africa's future.

Policy actions for Generation 2030 Africa:

→ **Scale-up Africa's essential services and strengthen health, social welfare and protection systems** bringing them up to international standards, or beyond minimum standards for those countries already close to meeting them.

→ **Transform Africa's educational, skills and vocational learning systems through systems-strengthening, curriculum reform and access to technology**, to enhance learning outcomes and match the skills of Africa's children and youth to current and future labour market needs.

→ **Protect Africa's children and women from violence, exploitation and abuse, especially child marriage and harmful practices, and empower women and girls** to participate fully in community, workplace and political life, as well as enhancing their access to culturally sensitive reproductive health services.

Undertaking these policy actions will require scaling up investments in children and youth:

→ **Maximize the use of available resources (domestic and international) to increase investment in Africa's children and youth**, targeting the most effective programmes and population groups with the greatest need.


As 2017 begins to wind down, African Union Member States and other stakeholders are faced with the challenge of stepping up investments in children and youth to ensure that African countries are well positioned to reap the benefits of a demographic dividend. Although this report focuses on government

actions required to reap the demographic dividend, involvement by a wide range of stakeholders, including non-government organizations, religious groups, the private sector and children and youth themselves is also vital.


By strengthening future human capital through investment that benefits children and youth, Africa will be able to reap a faster, deeper and longer dividend. If Africa misses this opportunity, population growth could lead to rising poverty, marginalization and instability. Inaction will result in an unprecedented burden, as the continent will need to cope with the exponentially rising demand on natural resources while attempting to meet the needs of billions of inhabitants.

To reap a demographic dividend, Africa will need a blend of political will, sound strategies, enhanced implementation capacity and adequate financing. Employment opportunities will have to address the global rise of artificial intelligence and automation. Despite these challenges, attaining a demographic dividend is possible. A number of Asian countries have already benefited enormously, and their starting points were similar to those currently experienced by the majority of African countries. The challenges across Africa can and must be met to secure its future, and make the continent safe, secure, prosperous and equitable for its most precious asset: its children and youth. ■

Currently close to
50%
of Africa's population are children under 18




By 2030
Africa's under-18 population will increase by nearly
170 million



By 2050
40%
of the world's children under 18 will live in Africa

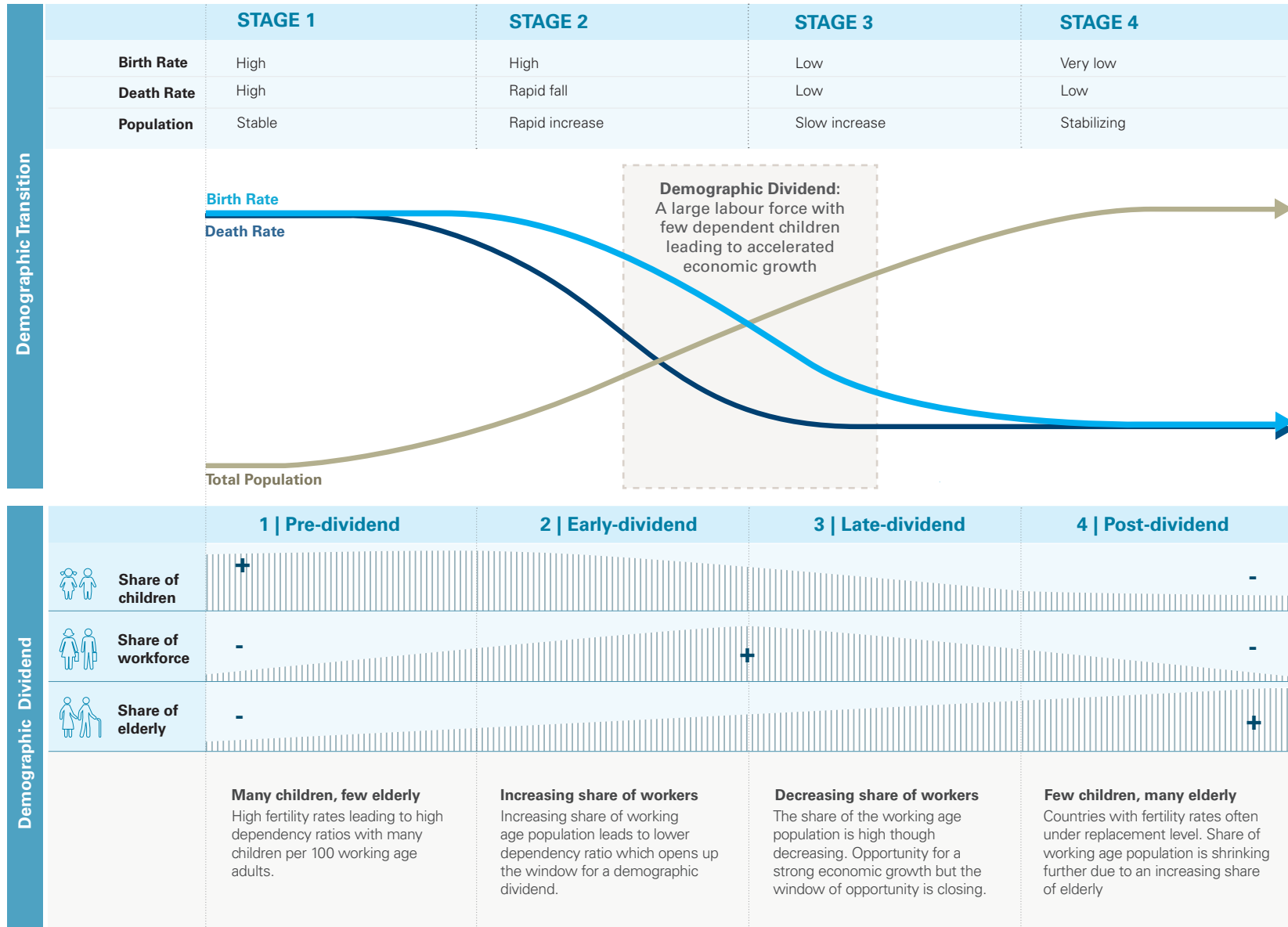
By 2100
50%
of the world's children under 18 will live in Africa



For a full list of references, please see the full report of *Generation 2030 Africa 2.0 | Prioritizing investments in children to reap the demographic dividend (2017)* available here: <[unicef.org/publications/index_101219.html](http://data.unicef.org/resources/generation-2030-africa-2-0)>
For the latest data, please visit <data.unicef.org/resources/generation-2030-africa-2-0>

THE DEMOGRAPHIC TRANSITION

Stages of the demographic transition and demographic dividend



THE DEMOGRAPHIC WINDOW OF OPPORTUNITY

The term ‘demographic dividend’ refers to the economic growth that can be achieved by having proportionally more working age people as a share of the population. It is driven by the demographic transition of a country’s population. As mortality and fertility decline, the population’s age structure changes. With fewer births each year, a country’s young, dependent population grows smaller in relation to the working age population. This is the period when the dividend can materialize: the increasing share of working age population compared to other age groups leaves each working age person with fewer dependents to support, and thus more disposable income that can spur greater consumption, production and investment and, in turn, accelerate growth.

The window of opportunity for a demographic dividend is closely linked with such demographic transitions. There are no distinct criteria that defines the beginning and end of the window, but it begins to open when the share of working age population is increasing and fertility reduction has progressed far enough to reduce the dependent child population. The window begins to close when the share of the working age population starts to shrink again due to continued low fertility and the increasing share of the elderly in the population.

This report uses a typology developed by the World Bank that classifies countries according to their potential for reaping a demographic dividend based on two demographic indicators: the share of the working age population and fertility levels.

Pre-dividend countries: Countries whose share of working age population will increase between 2015 and 2030 have an opportunity to reap a demographic dividend. Among them, those that had comparatively high total fertility (four or more births per woman) in 2015, are

classified as ‘pre-dividend’ countries, since the window of the opportunity for accelerated economic growth has not yet opened due to ongoing rapid population growth, resulting in a high child dependency ratio. Two thirds of countries in Africa (36 countries) are in this phase.

Early-dividend countries: Countries showing a relative increase in the working age population and a total fertility of less than four births per woman in 2015 are further along the path toward reduced fertility and thus experiencing lower child dependency ratios and a higher proportion of working age population. These countries are classified as ‘early-dividend’ countries, one fourth (14) of African countries fall into this category.

Late-dividend countries: Countries with a declining share of working age population between 2015 and 2030 face a closing window for their first demographic dividend. Countries that in 1985 – roughly one generation ago – had a total fertility rate above replacement level are classified as ‘late-dividend’ countries. Most late-dividend countries have a large share of working age population and are in a position to continue ‘harvesting’ the benefits of the first demographic dividend, but will face fundamental changes in coming years. Only four African countries – Mauritius, Morocco, Seychelles and Tunisia – are at this stage.

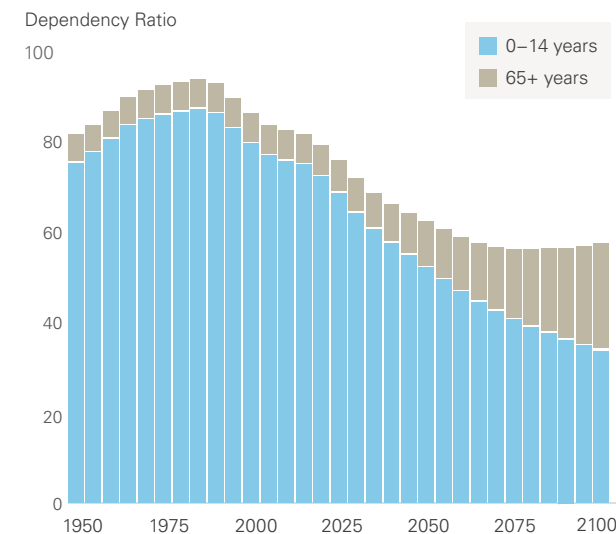
Post-dividend countries: ‘Post-dividend’ countries have experienced below-replacement level fertility since 1985, and will face a rapidly increasing elderly population, further decreasing the already diminishing share of working age population. No African countries have such characteristics, yet. In Asia, five countries or territories have already reached this stage: the Chinese Special Administrative Regions of Hong Kong and Macau, Japan, the Republic of Korea and Singapore.

Criteria for classification of demographic dividend type	
Share working-age population is projected to INCREASE from 2015 to 2030:	Share working-age population is projected to DECREASE or stay unchanged 2015 to 2030:
Total fertility rate 2015 >= 4: pre-dividend	Total fertility rate 1985 > 2.1: late-dividend
Total fertility rate 2015 < 4: early-dividend	Total fertility rate 1985 <= 2.1: post-dividend

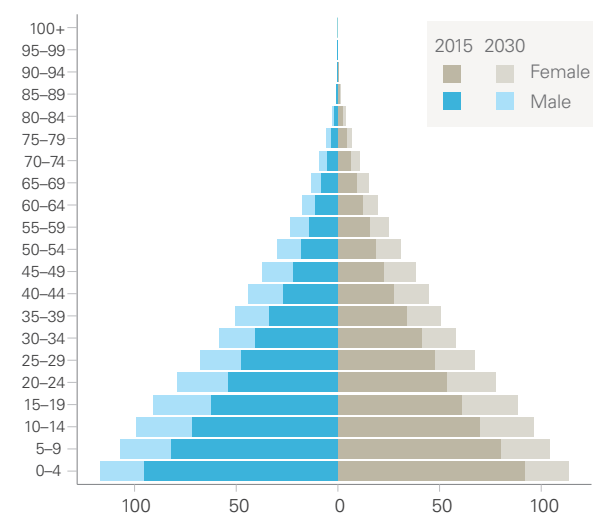
Source: UNICEF evaluation based on criteria for demographic typology as developed in World Bank Group, Global Monitoring Report 2015/2016: Development Goals in an Era of Demographic Change. World Bank, Washington, D.C., 2016, and population and fertility data from United Nations, Department of Economic and Social Affairs, Population Division, *World Population Prospects: The 2017 Revision*, United Nations, New York, 2017.

Africa's demographic transition is underway

Composition of total dependency ratio (child and old-age) in Africa, 1950–2100 (Number of persons aged 0–14 and 65 and over per 100 persons 15–64 years)

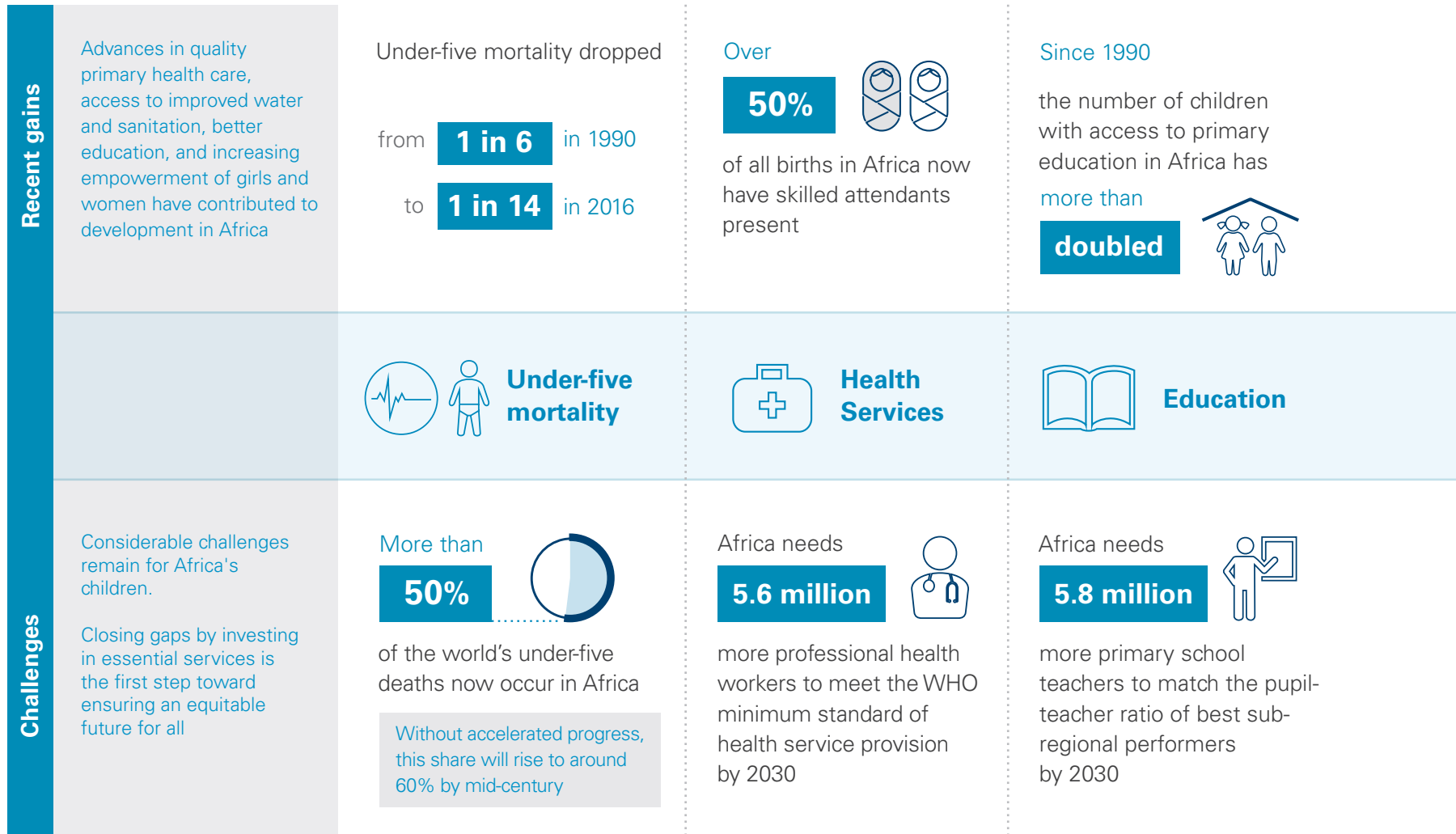


Population by age and sex in Africa, 2015 and 2030 (in millions)



Source: United Nations, Department of Economic and Social Affairs, Population Division, *World Population Prospects: The 2017 Revision* (UN WPP), United Nations, New York, 2017.

Considerable gains have been achieved for Africa's children in recent years but extensive challenges remain



From 2000 to 2015

the number of Africans with access to basic drinking water services increased



Water, sanitation and hygiene

Over

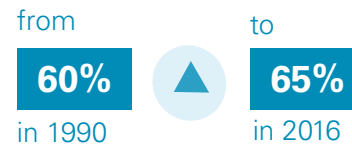
60%



of Africans do not have access to basic sanitation

with large gaps between rural and urban communities

The percentage of working women in sub-Saharan Africa has slowly risen



Women's empowerment

In 2016

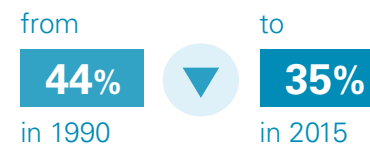
26%



of all women of childbearing age have an unmet need for family planning

This is 9 percentage points higher than the global average

Child marriages in Africa are decreasing



Child protection

In sub-Saharan Africa, birth registration rates are

below

50%



Among the poorest households it is less than 30 per cent

Recent gains

Challenges

KEY FINDINGS

Half of the world's children will be African by the end of the 21st century

- Africa's child population is set to expand steadily for the remainder of the century, in contrast to declines or stagnation in the child population of other continents. The demographic transition continues a trend that has seen Africa gaining an increasing share of the world's child population. In 1950, Africa had just above 10 per cent of the world's children. By 2100, if current trends persist, around 50 per cent of all the world's children will be African.
- By 2030, the end year for achieving the 2030 Agenda for Development, Africa's under-18 population is projected to increase by around 170 million, reaching a total of 750 million. By mid-century, around 42 per cent of the world's births, 41 per cent of all under-fives, 38 per cent of all under-18s, and 36 per cent of all adolescents will be African – all slightly higher than foreseen in the first edition of *Generation 2030 Africa* released in August 2014 (all population projections are based on *World Population Prospects*, by the United Nations Population Division, which is updated every two years).

Almost 1 billion children will live in Africa by mid-century

- Africa's child population will increase by two thirds between 2016 and 2050 and reach 1 billion by 2055, representing around 40 per cent of all children globally. By 2100, almost 1.2 billion children will live in Africa.

In one third of Africa's countries, children already represent more than half of the total population

- Globally, Africa is the continent richest in children: 47 per cent of Africans are currently under the age of 18. Children are the defining age group of the continent's population: among AU Member States, one third (17 countries) have populations in which children under 18 years of age comprise the majority of citizens.

One quarter of the world's population will be African by 2050

- The increase in Africa's child population, together with declining child mortality and increased longevity, will bring a marked increase in the continent's population this century, which is projected to double, from 1.2 billion in 2016 to

2.5 billion in 2050, and rise further to 4.5 billion by 2100, according to current projections by the UN Population Division.

- This expansion stands in sharp contrast to demographic trends elsewhere in the world, where populations are often shrinking and aging. Based on current trends, within approximately 35 years one of every four people in the world will be African; the figure will rise to 4 of every 10 by the end of the century.

Births will drive Africa's population expansion, with almost 2 billion babies projected to be born on the continent between 2016 and 2050

- Fertility rates in Africa remain far above the global average. In 2016, each African woman of reproductive age (15-49 years) had, on average, 4.5 children – compared to the global average of 2.5. Niger continues to have the highest total fertility rate of any country in the world, with a national average of 7.2 children per woman. And while fertility rates are falling across the continent – in some countries sharply – they are projected to remain much higher than the rest of the world in the coming decades.
- High fertility rates are one of the drivers of the large increase in the number of babies being born in Africa. Others include the rising number of women of reproductive age and improved child survival rates. Elevated fertility rates in Africa in recent decades have rapidly increased the number of women of reproductive age – from 54 million in 1950 to 290 million in 2016. This figure is projected to more than double, to 640 million, by 2050.

- In 2016 around 42 million babies were born in Africa, 31 million more than in 1950. The cumulative impact of high fertility rates and increased numbers of women of reproductive age will expand births sharply in coming decades, even as fertility rates decline. It is estimated that by mid-century 42 per cent of the world's births will take place in Africa. Between 2016 and 2050, 1.8 billion births are projected to take place on the continent.

Considerable progress has been made in child survival, but child mortality rates remain high

- Survival rates for children have improved dramatically in Africa: the continent has more than halved its under-five

mortality rate since 1990. Progress has been particularly rapid since 2000, although some countries made significant advances while others made less progress.

- In Africa, 1 in every 14 children still dies before the age of five. Progress on under-five mortality has been faster elsewhere, so the continent now accounts for more than 50 per cent of the world's annual under-five deaths. This share has risen steadily in recent years, and is projected to rise to around 60 per cent by the middle of the century if current trends continue.

Within a decade, Africa's newborns will have an average life expectancy of 65 years

- By 2026, Africa will have its first generation of newborns with an average life expectancy of the pensionable age of 65 years. This will represent a remarkable feat, given that in 1950 life expectancy at birth in Africa was below 40 years – about 30 years less than in the more developed regions of the world at that time.
- Today, average life expectancy at birth in Africa is 62 years, four years higher than that cited in the first *Generation 2030 Africa* report in 2014, but still 10 years below the global average.
- The implications of longer life expectancy are important. Given that people in Africa are living much longer than before, the continent will have to begin to find institutional mechanisms to look after its growing elderly population, at the same time as the numbers of its young dependents continues to expand. This dynamic reinforces the continental imperative to reap a dividend from its demographic transition.

Africa will become an urban continent within the next 20 years

- Africa is rapidly becoming an urban continent: 41 per cent of its population currently lives in cities, compared to just 14 per cent in 1950. By the late 2030s, the majority of Africa's population will live in urban areas and by 2050, almost 60 per cent of Africa's population will be urbanized.
- Africa will have a diverse range of urban dwellings, from small cities and settlements to vast megacities. The growth in the continent's megacities will rival that of Asia, with the largest

city in Africa, Al-Qahira (Cairo), seeing its population swell from 19 million in 2016 to 25 million by 2030. Lagos, currently the second largest city on the continent, will see its population rise 1.8 times by 2030, from 13 million in 2016 to 24 million.

- Urbanization in Africa poses opportunities as well as risks for children. Africa is urbanizing at an aggregate lower per capita income than China and India did, leaving its urban inhabitants with far lower purchasing power. There is also increasing evidence that Africa's urbanization is occurring in a more fragmented way. Spatial fragmentation often leads to higher living costs for workers and households, resulting in indirect costs and other constraints for employers. A 2017 study found that African cities are 20 per cent more fragmented than is the case in Asia and Latin America.

Conflict and fragility continue in almost half of Africa's nations

- Conflict and fragility continue to undermine human rights and social and economic progress in a number of African countries. Of the 36 countries classified in 2017 by the World Bank as affected by fragility, conflict and violence, 21 are African. These 21 countries are home to around 24 per cent of the continent's population.
- Almost 3 of every 10 African children live in these 21 countries, a total of 153 million children. These countries also account for one third of all under-five deaths in Africa.
- Africa represents 43 per cent of out-of-school children from primary and lower secondary education in countries affected by conflict.

Notable gains have been made in fighting poverty in Africa, but almost half of the continent's children still live in extreme poverty

- About 40 per cent of the African population survives on less than US\$ 1.90/day, the World Bank's threshold for extreme poverty.
- Fertility is highest among the poorest African communities. In the Democratic Republic of the Congo, for example, women in the lowest wealth quintile had an average of 7.6 children, 2.7 more than in the wealthiest quintile in 2014. Similar trends are prevalent in other African countries.

Special attention is required for Nigeria, given the projected increase in births and child population: by 2050, 1 in every 13 births globally will take place in Nigeria

- Nigeria currently accounts for nearly 20 per cent of all of Africa's births and 5 per cent of the global total. Between 2016 and 2030, 120 million births will take place in Nigeria alone – more than all the births in Europe – accounting for 6 per cent of the global total for that period. Based on current projections, by 2050, 1 of every 13 births globally will occur in Nigeria.

Smaller African nations with the highest fertility rates will also require particular attention and investment

- Niger has the world's highest fertility rate, at 7.2 children per woman, followed by Somalia, with 6.3 children per woman. Even after taking into account the expected decline in fertility rates, these two countries will have among the highest birth rates in Africa in 2050: 4.6 children per woman in Niger and 3.7 in Somalia.
- High fertility rates in Niger will result in the world's largest percentage increase in number of births. Niger currently has 1 million births per year, which is expected to more than double, to 2.4 million births, by 2050. As this report highlights in Chapter 2, the gaps in international benchmarks for maternal, newborn and child care need to be addressed in order to accommodate the projected increase in births and prevent African countries with high fertility rates from falling further below these benchmarks.
- Increased fertility rates and improved child survival rates in Niger and other African countries with high fertility rates will swell these countries' populations. Niger's population is projected to triple, from 21 million in 2016 to 68 million by mid-century and soar to 190 million people by 2100.

Continuing population growth will pose a challenge to Africa's health and educational infrastructure

- Today, Africa requires over 3 million additional professional health workers to meet the WHO minimum benchmark of 4.45 doctors, nurses and midwives per 1,000 population. Only five of Africa's countries currently meet this threshold. By 2030,

Africa will require around 5.6 million more health workers than it currently has to meet WHO standards. But if current trends in the numbers of skilled health personnel continue, the continent will add only 1.4 million health workers by 2030, leaving a gap of around 4.2 million.

- Similar trends are prevalent for other social welfare infrastructures, such as the number of hospital beds, social workers, community health workers and school teachers. The number of primary school teachers, for example, will need to more than double by 2030 just to maintain the current primary school enrolment rate. Attaining the pupil-teacher ratio of the best-performing country in each sub-region will require more than 5.8 million additional primary school teachers by 2030.

Opportunities exist for Africa to reap a demographic dividend: with appropriate investments in human capital and policies to stimulate job creation, per capita incomes in Africa could quadruple by mid-century

- The DemDiv model, a simulation tool devised for policy makers, was used to simulate the benefits of Africa's potential demographic dividend. It becomes clear that AU regions could expect to see per capita incomes increase by up to four-fold if they invest in human capital and social and economic infrastructure. This, in turn, could lift millions out of poverty and create the conditions for lasting prosperity and increased stability.
- Considerable work must be done to attain the dividend. Major investments in access to quality health care and education, culturally sensitive reproductive health services, technology, budget transparency and good governance are all urgently required to set the foundation for the demographic dividend and keep pace with the continent's demographic transition



1. Essential Services

Scale up Africa's essential services and strengthen health, social welfare and protection systems, bringing them up to international standards, or beyond for countries already close to meeting them.



2. Skills enhancement

Transform Africa's educational, skills and vocational learning systems through systems-strengthening, curriculum reform and access to technology, to enhance learning outcomes and connectivity and to match the skills of Africa's children and youth to current and future labour market needs.



3. Protection

Protect Africa's children and women from violence, exploitation and abuse, especially child marriage and harmful practices; empower children and women to participate fully in community, workplace and political life; and enhance access to culturally sensitive reproductive health services.



Upscaling investments in children and youth



4. Invest in children

Maximize the use of available resources (domestic and international) to increase investments in Africa's children and youth, targeting the most effective programmes and population groups with the greatest need.



Opportunities exist for Africa to reap a demographic dividend during the 21st century. Analysis shows that the continent as a whole could quadruple its per capita income by 2050

Investments

in children and youth



are imperative if Africa is to have the opportunity to reap the benefits of a demographic dividend

- Africa will need to massively and rapidly scale up its investment in children and youth if it is to have a chance to seize the demographic window of opportunity – and time is running out. By 2030 the demographic window will close for a number of African countries, and by 2050 only those countries which are in the pre- or early dividend stage will still have an opportunity to reap a demographic dividend.
- The first step to securing a demographic dividend is for countries to establish robust social systems to withstand shocks and stresses and which enable them to advance toward a demographic dividend. Africa faces the challenge of adding some 5.6 million health workers and 5.8 million teachers by 2030 to meet international targets in health care and education, laying the groundwork for a demographic dividend in the remainder of the century.
- The demographic dividend also relies heavily on the extent to which policies and relevant actions are geared toward strengthening the human capital base. If Africa continues past trends in investment in education and the economy, the DemDiv model projects that the continent as a whole will experience annual gross domestic product (GDP) growth of 1.9 per cent over the next 35 years. Africa can increase this rate to 2.4 per cent annually by strengthening educational policies and increasing school attendance and mean years of schooling. Furthermore, if Africa combines investment in education with economic policies related to labour market flexibility, information and communications technology, and financial and trade openness, average per capita growth rate could reach as high as 5.2 per cent for the entire region by 2050 (with variations between 4.5 to 5.8 per cent across sub-regions).

A crowd of youths in the village of Mathulini in the province of KwaZulu-Natal, South Africa
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Cover photo: Children from Jumbe village,
in Amudat district of Karamoja, Uganda
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