THE HUMAN CAPITAL CHALLENGE IN AFRICA

SURVIVAL TO AGE 5
• 2.9M children under 5 die every year.
• Low coverage and quality of key interventions.

EDUCATION
• 50M children are out of school.
• Low completion rates and learning outcomes.

HEALTH, NUTRITION, POPULATION
• 32% of children under 5 are stunted.
• 200,000 maternal deaths annually.
• More than 700,000 deaths annually from TB and HIV/AIDS.
• Total fertility rate of 4.8 - twice the global average.

SOCIAL PROTECTION AND JOBS
• Of Africa’s nearly 420 million youth aged 15-35, one-third are unemployed.
• Only 20% of the lowest quintile in low income countries are covered by social protection.

The World Bank’s Human Capital Index (HCI) measures the human capital that a child born today can expect to achieve by age 18, in view of the risks of poor health and poor education currently prevailing in the country where that child lives.

NOTE: There are seven countries in Africa without complete data to calculate the HCI score: Cabo Verde, CAR, Equatorial Guinea, Eritrea, Guinea-Bissau, Sao Tomé and Principe, Somalia.
AFRICA IS THE REGION WITH THE LOWEST HUMAN CAPITAL INDEX SCORE

The three measures forming the Human Capital Index are aligned with key Sustainable Development Goals (SDGs):

- **Survival to age 5** aligns with SDG 3.2 - to reduce neonatal mortality to 12 per 1,000 live births or lower and under 5 mortality to 25 per 1,000 live births or lower.

- **Learning-Adjusted Years of School** aligns with SDG 4.1 - to ensure, among other things, the completion of equitable and good-quality primary and secondary education.

- **Health (Stunting and Adult Survival)**: aligns with SDGs 3.3, 3.4 and 3.6 on reducing mortality and SDG 2.2 on reducing malnutrition.

WITH AFRICA'S HCI SCORE AT 0.40, GDP PER WORKER COULD BE 2.5 HIGHER IF EVERYONE REACHED THE BENCHMARK OF COMPLETE EDUCATION AND FULL HEALTH – AN EXTRA 1.8% OF ANNUAL GROWTH OVER 50 YEARS

VIEW MORE: Explore HCI data online.
WOMEN AND GIRLS IN AFRICA FACE PROFOUND CHALLENGES

THE TOTAL FERTILITY RATE IN AFRICA IS THE HIGHEST IN THE WORLD AND IS DECREASING SLOWLY

THE ADOLESCENT FERTILITY RATE IN AFRICA IS HIGHER THAN ANY OTHER REGION

THE % OF ADOLESCENT GIRLS OUT OF SCHOOL IS HIGHER IN AFRICA THAN ANY OTHER REGION

THE MATERNAL MORTALITY RATIO IN AFRICA IS 2.5 TIMES THE AVERAGE OF THE WORLD

SOURCE: World Development Indicators

#InvestInPeople
Africa Human Capital Plan
DEMOGRAPHIC TRENDS AND THE HUMAN CAPITAL AGENDA

SPEEDING UP THE FERTILITY AND MORTALITY TRANSITION OPENS A DEMOGRAPHIC WINDOW OF OPPORTUNITY FOR AFRICA

FERTILITY IS CRITICAL TO THE HUMAN CAPITAL AGENDA

HIGH FERTILITY PUTS EFFORTS TO IMPROVE HUMAN CAPITAL AT RISK

- Despite a decrease in the poverty rate, the number of poor people is increasing by 5 people per minute.
- 14 million more stunted children in Africa since 1990, despite reductions in stunting rate.
- On current trends, 170 million additional children between now and 2030, putting increased strains on weak health and education systems.

FERTILITY IS A DRIVER OF HUMAN CAPITAL OUTCOMES

- Large number of children associated with less (public and household) investment in human capital.
- Very young mothers are more likely to die as a result of childbirth.
- Children born to young mothers are more likely to be stunted, suffer from ill health, and die before the age of 5.

FERTILITY IS A CONSEQUENCE OF LOW HUMAN CAPITAL

- High child mortality is a key determinant of high fertility.
- Low fertility countries invest significantly in people, especially girls and women.
- Educated women have fewer children.

DEMOGRAPHIC CHANGE IN AFRICA COULD EXPLAIN 11 TO 15% OF GDP GROWTH BY 2030 AND LEAD TO 40-60 MILLION FEWER PEOPLE IN POVERTY (AHMED ET AL, 2016)
FRAGILITY IS BOTH A CAUSE AND CONSEQUENCE OF POOR HUMAN CAPITAL OUTCOMES

- Human capital builds the resilience of citizens and the capacity of the state.
- Educated, employed engaged citizens are foundational to stable societies.
- Empowered women are often peace agents.
- Stability allows parents to invest in children’s nurturing care.

FRAGILITY WEAKENS HUMAN CAPITAL OUTCOMES

- Fragility, conflict and violence (FCV) increase fatalities and long-term health risks: physical, psychosocial, gender-based violence.
- FCV hinders the delivery of public services, weakens citizens’ trust to engage, damages infrastructure.
- Toxic stress disrupts young children’s brain, heart and immune system development.
- Security spending crowds out social spending.
- Displacement depletes human capital.

STRONG HUMAN CAPITAL INCREASES RESILIENCE

FRAGILITY AND EXTREME POVERTY CO-CONSPIRE TO DRIVE DOWN HUMAN CAPITAL - BY 2030, HALF OF THE WORLD’S EXTREME POOR WILL LIVE IN FCV COUNTRIES
HUMAN CAPITAL CHALLENGES ARE RELATED TO ACCESS TO ESSENTIAL SERVICES

PROGRESS MADE IN SERVICE COVERAGE IN SUB-SAHARAN AFRICA, BUT LARGE GAPS REMAIN

THE POOR ARE PARTICULARLY DISADVANTAGED

SOURCE: Data in chart on left from World Development Indicators (WDI). Data on inequalities in access to water is also from WDI. Data on skilled birth attendance from the Health Equity and Financial Protection database.

#InvestInPeople
Africa Human Capital Plan
BEYOND ACCESS, SERVICE QUALITY IS A CRITICAL CONSTRAINT

- Poor state of service delivery network. Infrastructure in disrepair, lack of water, electricity and sanitary facilities.
- Low availability of key inputs and resources that contribute to the functioning of schools and health facilities compared to other regions.
- Poor performance of teachers and health workers in some settings to deliver strong outcomes.
  - In Ghana, Mali and Niger, more than half of schooling time is not translated into learning.
- Weak systems and accountability for delivering essential services.

SOURCE: Data from World Development Indicators.
DRIVERS OF HUMAN CAPITAL OUTCOMES ARE COMPLEX

CHALLENGES ACROSS SECTORS IMPACT ON HUMAN CAPITAL IN DIFFERENT WAYS:
DIRECT IMPACTS, ENABLING SERVICE DELIVERY, PROMOTING INCLUSION AND EQUITY, AND PROVIDING FOUNDATIONS FOR PROGRESS

SECTORS

HEALTH AND EDUCATION SERVICES
Lack of access and poor quality of services directly impact on human capital outcomes.

TRANSPORT
Poor transport connectivity limits access to essential services and supply of essential inputs to schools and health facilities. Road accidents are a major cause of death and disability.

AGRICULTURE
Impacts on food availability, diversity and quality, which in turn impacts on households' incomes, food security and diet.

INFRASTRUCTURE AND CONNECTIVITY
Lack of adequate infrastructure limits access to services; lack of connectivity impedes technological solutions.

WATER AND SANITATION
Lack of access to clean water and improved sanitation has direct impacts on morbidity, nutritional outcomes and mortality. Water is also a key driver of agricultural productivity.

ENERGY
Lack of energy undermines service delivery in schools and health facilities, and limits access to water for irrigation and drinking.

SOCIAL PROTECTION
A lack of safety nets increases poverty and vulnerability, resulting in inequality in access and of outcomes, and increased risks that shocks will have long-lasting impacts.

FOUNDATIONS

GOVERNANCE
Governance arrangements are critical for resource mobilization, effective management of financial and human resources, accountability for performance, and policy coordination – hence, impacts on efficiency and effectiveness of public spending to improve human capital outcomes.

MACROECONOMIC CONTEXT
Macroeconomic conditions, instability and shocks undermine the economic security of households and government capacity to invest in human capital.

ENVIRONMENT AND CLIMATE
Air, water and soil pollution create health risks. Climate change likely to result in an increased risk of water and vector borne disease, and of disease outbreaks.

EXCLUSION, DISCRIMINATION AND DISPLACEMENT
These are major causes of deprivation and inequalities in service access and human capital outcomes.

GOVERNMENT SPENDING ON HEALTH AND EDUCATION IS LOW AND STAGNANT

GOVERNMENT SPENDING IN AFRICA (DOMESTICALLY FINANCED, % OF GDP)


#InvestInPeople
Africa Human Capital Plan
SOME BACKGROUND AND DETAILS ON THE AFRICA HUMAN CAPITAL PLAN
THE AFRICA HUMAN CAPITAL PLAN WAS LAUNCHED DURING 2019 SPRING MEETINGS

High-level event

Website, press release and glossy

Africa HC Plan

Deep Dives
In-depth material on sectoral and strategic issues

#InvestInPeople
Africa Human Capital Plan
WHY AN AFRICA HUMAN CAPITAL PLAN FOR THE WORLD BANK?

- GUIDE STEPPED-UP EFFORT
  - Based on clear priorities and game changers

- MOBILIZE AND ENGAGE
  - Galvanizing a whole-of-world bank approach and rallying partners

- AIM HIGH
  - Targeting ambitious goals

- TRACK PROGRESS
  - Incentivizing action and accountability

RESHAPE PORTFOLIO TO PRIORITIZE IMPACTFUL HUMAN CAPITAL PROJECTS

- HC Plan developed at the initiative of the Africa VPU
- In part inspired by region’s experience with Climate Business Plan
**PROCESS**

Preparing the plan
- A core team from Reginal FO + HD
- Extended team with GP Focal Points
- Meetings with PM

Quality review
- Concept and final plan presented to RLT co-chaired by AFR and HD VP

Launch
- High-level event reviewing SMs

Implementation
- Support to region and country teams

Monitoring and follow-up
- Results framework and check-in during AMs

**ACKNOWLEDGEMENTS**

Climate team represented by Ruxandra Floroiu & Phillippe Ambrosi – Thanks!

**DEEP DIVES**

For some of the content included in this Africa Human Capital Plan, additional “Deep dives” with other information, is soon to be released. These deep dives include the following topics:

- The State of Human Capital in Africa
- Financing the Human Capital Agenda
- Accelerating the Demographic Transition in Africa
- The Digital Transformation: Data, Technology and Innovation
- Health, Nutrition and Population
- Education
- Social Protection and Jobs
- Youth Skills and Employment
- Working all World Bank teams to support the HC agenda

All the deep dives can be found on the Africa Human Capital Plan website: www.worldbank.org/africa
WHAT DOES THE HUMAN CAPITAL PLAN SAY?

- THE STATE OF HUMAN CAPITAL IN AFRICA
- A HUMAN CAPITAL AGENDA FOR AFRICA
- HOW WILL THE WORLD BANK GROUP SUPPORT THE HUMAN CAPITAL AGENDA IN AFRICA?
  - SCALING UP BANK FINANCING
  - ADVOCACY AND KNOWLEDGE
  - TACKLING THE CRITICAL HUMAN CAPITAL CHALLENGES OF DEMOGRAPHICS AND FRAGILITY
  - LEVERAGING TECHNOLOGY AND INNOVATIONS
  - MAKING COUNTRY TEAMS STRONGER AND LEVERAGING PARTNERSHIPS
- TRACKING PROGRESS

Explanation of HCI & diagnostic of key HC challenges and drivers in Africa

Shows that progress is possible; highlights key drivers and the multisectoral nature of HC challenges in the region

Outlines key “game changers” – i.e. what will the WBG do differently to help countries accelerate improvements in HC

Results framework
The HC Plan highlights the link between environment and climate and the HC outcomes.
The Deep Dive includes a “theory of change” that shows the links between environment interventions and HC outcomes...

...and highlights and project with HC links

ENVIRONMENTAL MANAGEMENT, CLIMATE CHANGE AND HUMAN CAPITAL

INTERVENTIONS
BLUE ECONOMY INTERVENTIONS
- Marine, coastal, rivers, inland.
ENHANCED POLLUTION MANAGEMENT
- Solid and liquid waste, indoor air pollution.
SUPPORT FOR COMMUNITY-BASED ECOSYSTEM MANAGEMENT
- Rangelands, forests, cropland.
IMPROVING ENVIRONMENTAL RISK MANAGEMENT SYSTEMS
- Including OHS and community safety.

OUTPUTS
Stronger food safety systems.
New skills development.
Community participation for management of natural capital.
Strengthened national systems (occupational health and safety, tenure rights).
More sustainable institutional performance.

OUTCOMES
- Increased incomes for natural resource-based livelihoods (fisheries, forests, tourism).
- Improved community resilience against shocks (including climate change).
- Clean and safe environment (reduced exposure to pollutants leads to better health).

HUMAN CAPITAL OUTCOMES
- IMPROVED CHILD SURVIVAL
- IMPROVED SCHOOLING
- INCREASED HUMAN CAPITAL STOCK TO MAINTAIN OR IMPROVE ENVIRONMENTAL QUALITY

INTERVENTION ILLUSTRATION
NIGERIA: EROSION AND WATERSHED MANAGEMENT PROJECT
The Nigeria Erosion and Watershed Management Project (NEWMAP), a US$ 500 million investment, has introduced an integrated watershed management approach aiming at alleviating poverty, maintaining sustainable ecosystems and improving disaster risk management. The project aims at reducing vulnerability to soil erosion that threatens the lives and homes of thousands of Nigerians.
A RESULTS FRAMEWORK TO TRACK PROGRESS AND WORLD BANK PERFORMANCE BY 2023

LONG-TERM OUTCOMES

<table>
<thead>
<tr>
<th>OUTCOME INDICATORS (AVERAGE FOR SUB-SAHARAN AFRICA)</th>
<th>BASELINE (2018)</th>
<th>TARGET (2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduced child mortality (under 5 years; per 1,000 live births)</td>
<td>75 (2017)</td>
<td>45</td>
</tr>
<tr>
<td>Reduced stunting rate</td>
<td>32%</td>
<td>26%</td>
</tr>
<tr>
<td>Increased adult survival rate</td>
<td>0.73</td>
<td>0.81</td>
</tr>
<tr>
<td>Increased learning-adjusted years of school</td>
<td>4.94</td>
<td>5.88</td>
</tr>
<tr>
<td>Increased social protection coverage of the poorest quintile in Lower Income Countries</td>
<td>20%</td>
<td>30%</td>
</tr>
<tr>
<td>Reduced adolescent fertility (births per 1,000 women)</td>
<td>101</td>
<td>83</td>
</tr>
<tr>
<td>Reduced open defecation</td>
<td>22.9% (2015)</td>
<td>15%</td>
</tr>
<tr>
<td>Improved Human Capital Index score</td>
<td>0.40</td>
<td>0.45</td>
</tr>
</tbody>
</table>
## WHAT ARE BANK COMMITMENTS UNDER THE PLAN?

### INDICATORS FOR THE WORLD BANK AFRICA REGION

<table>
<thead>
<tr>
<th>SCALING UP BANK FINANCING FOR HUMAN CAPITAL RESULTS</th>
<th>BASELINE 2018</th>
<th>TARGET (2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume of IBRD/IDA commitments for human development sectors.</td>
<td>US$ 3.8 BILLION</td>
<td>US$ 15 BILLION IN FY2021-23</td>
</tr>
<tr>
<td>Share of operations under the WBG’s Global Practice Groups that include significant Human Capital sensitive components as per GP-defined criteria or filter.</td>
<td>TBD by Q1 FY20</td>
<td>TBD by Q1 FY20</td>
</tr>
<tr>
<td>Number of WBG Global Practices with targets on human capital in the region.</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Share of concessional core IDA commitments for HD in country portfolios.</td>
<td>28%</td>
<td>45%</td>
</tr>
<tr>
<td>Share of Development Policy Operations with a significant Human Capital focus.</td>
<td>61%</td>
<td>AT LEAST 70%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TACKLING CRITICAL HUMAN CAPITAL CHALLENGES: DEMOGRAPHIC CHANGE</th>
<th>BASELINE 2018</th>
<th>TARGET (2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of high-fertility countries (TFR&gt;4) countries with integrated or coordinated projects across sectors to support women empowerment and the demographic transition.</td>
<td>7</td>
<td>20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TACKLING CRITICAL HUMAN CAPITAL CHALLENGES: FRAGILITY</th>
<th>BASELINE 2018</th>
<th>TARGET (2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume of IBRD/IDA commitments for human development projects in FCV countries.</td>
<td>US$ 639 MILLION</td>
<td>US$ 831 MILLION</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LEVERAGING TECHNOLOGY AND INNOVATION IN SUPPORT OF HUMAN CAPITAL OUTCOMES</th>
<th>BASELINE 2018</th>
<th>TARGET (2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of operations with a Human Capital focus making use of technology to improve outcomes.</td>
<td>LESS THAN 15%</td>
<td>40%</td>
</tr>
</tbody>
</table>
## WHAT ARE BANK COMMITMENTS UNDER THE PLAN?

### CONTINUED

<table>
<thead>
<tr>
<th>Area</th>
<th>Baseline 2018</th>
<th>Target (2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of human capital project countries with prioritized human capital plans</strong></td>
<td>7</td>
<td>30</td>
</tr>
<tr>
<td><strong>Share of country work programs that include Advisory Services and Analytic tasks with a human capital focus.</strong></td>
<td></td>
<td>90%</td>
</tr>
<tr>
<td><strong>Number of partnerships or coalitions supported by the WB around the Human Capital agenda in Africa, including with development partners, CSOs, faith organizations, traditional leaders.</strong></td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td><strong>Number of African Human Capital Champions and influencers mobilized on the Human Capital agenda.</strong></td>
<td>5</td>
<td>15</td>
</tr>
<tr>
<td><strong>Level of online engagement (social media and web) on Africa Human Capital Plan communications products.</strong></td>
<td>TBD by Q1 FY20</td>
<td>TBD by Q1 FY20</td>
</tr>
<tr>
<td><strong>Near term: Number of countries in which the World Bank has undertaken a portfolio review to identify opportunities for increased coordination and convergence (e.g. geographic) to advance the Human Capital agenda longer term: indicator to be developed.</strong></td>
<td>0</td>
<td>20</td>
</tr>
</tbody>
</table>