

AFRICAN UNION

الاتحاد الأفريقي



UNION AFRICAINE

UNIÃO AFRICANA

Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone +251115- 517700 Fax : +251115- 517844
Website : www.africa-union.org

A Shared Value towards Middle Income Status Countries:

"Productive and Sharing Africa: Strive together for More Productivity, Increased Growth, more and better

*Employment in Africa"*¹

~ The second pillar of the African Union Strategic Plan, 2009-2012

DRAFT PRODUCTIVITY AGENDA FOR AFRICA 2010-2016

¹Ref AYC 2009-2012 Strategic Plan

INTRODUCTION

1. The role of Productivity in increasing national welfare is universally recognized. Countries with high productivity like Japan and regions as South East Asia and parts of Europe enjoy high standard of living, low rate of unemployment and social progress. Productivity can be defined as the efficiency and effectiveness with which labour, capital, materials, energy and other resources are combined and utilized in an environmentally and socially sustainable manner to produce quality goods and services for the satisfaction of human needs and leading to better living for the nation.

2. Africa is endowed with abundant resources, but the relative inefficiency and ineffectiveness of the use of its resources is hampering its competitiveness and affecting adversely the capacity of the African Nations to deliver in social and human development in the framework of the Ouagadougou 2004 Declaration and Plan of Action on employment Promotion and Poverty Alleviation, as well of the NEPAD objectives and the MDGs.

3. Since, there is a high correlation between national productivity and the level of employment, productivity improvement will break the vicious circle of poverty. Low productivity leads to low wage, resulting in unemployment and hence poverty. There is an agreed consensus that productivity is pivotal to taking up opportunities presented by globalization and increased international competition. In summary, productivity confers benefits to employers and managers, employees, Consumers, Public and communities, Government, Nations, Societies and institutions.

I. Background and Challenges

4. Since 1988, the African Union has committed to productivity promotion in the African continent. In 1988 the General Secretariat of the Organization of African Unity (OAU) organized the first Pan-African Tripartite Seminar on the Productivity of African Workers the results of which were condensed in Document LC/3 (XII), calling particularly for the establishment of regional productivity organizations as clusters for the creation of a pan-African productivity organization.

5. Recently, the African Union again committed itself at the 6th LSAC, 2008 (LSC-EXP8 (VI)), by recommending the implementation of the strategies contained in a Briefing Note on Productivity in Africa, i.e. :

- the brainstorming to continue on this issue;
- need to implement the strategies of the Note, collaborating with social partners, MS, RECs, PAPA, international partners (ILO, etc);
- the Commission to help in the establishment and/or strengthening of national and regional structures involved in the promotion of productivity;
- the Commission's support to PAPA by sensitizing Member States to join the organization.

6. The current productivity reality in the continent will not improve significantly without a kind of a comprehensive Productivity Agenda, as the challenges are many and daunting. According to the ILO, the largest gap of productivity is encountered in Africa (ILO 2007) with a value added per worker 12 times less in Sub-Saharan Africa than that of a worker in the industrialized world and 4 times lower in Africa's North, 80% of workers in the Informal Economy, the Rural Economy (R.E) and the SMEs while they contribute for about 60% of GDP and these sectors are dampened by very low productivity scores. The specific role that productivity plays in poverty reduction needs reiteration. This is particularly the case with

the knock-on effects of productivity increases on agriculture and rural economic activities. With about two-thirds of its population living in the rural sector, Africa would witness transformational development if productivity increased significantly in that sector.

7. Many factors contribute to the declining productivity in Africa, amongst are:

- Poor performance of the Public Sector as well as the Parastatal Sector
- Lack of a comprehensive productivity movement agenda
- Lack of competitiveness among local enterprises
- Low skilled workforce specially in the informal SMMEs and agriculture
- Weak tripartism and weak political commitment to productivity
- the quality of the education and training system,
- the ineffectiveness of the labour market information systems,
- the corporate human resource management systems,
- the quality of Social Dialogue and
- the state of infrastructure (electricity, transport, telecommunications etc) and services (health, central and local bureaucracies etc.).
- The institutional African infrastructure to promote productivity movement is still at the nascent stage. Despite the fact that there are 15 NPOs at the continental level, only six NPOs are members of the PAPA.

Current efforts in productivity improvement in the Continent

8. In 2006, PAPA had established partnership with the APO to organize the “Roundtable Conference for the Promotion of the Productivity Movement in Africa” in South Africa that was attended by 30 high-ranking government officials, labor union officers, and NPO staff from Botswana, Kenya, Mauritius, Nigeria, South Africa, Tanzania, and Zambia.

9. The PAPA and APO have organized two four-week Basic Training Course for Productivity Practitioners (BCPP) and one three-week Advanced Training Course for Productivity Practitioners (ACPP) since 2007, training more than 90 trainers of other productivity practitioners from the 6 member countries of PAPA.

10. The president of PAPA as part of the APO contingent had participated in the Summit Meeting of the Tokyo International Conference on African Development (TICAD-IV) in Yokohama, Japan, in May 2008, hosted by the Government of Japan. This is where the APO, PAPA and national productivity organizations in both Asia and Africa were recognized to the avenue for transferring of the Asian Productivity experience to Africa by the Japanese Government.

- recognition of PAPA
- PAPA engaged in several productivity promotion efforts through partnership with other international partners, particularly the APO

11. The goal of the PAPA is to improve the quality of life the African people through productivity improvement.

II. Objectives

- (i) Increase value added, productivity and competitiveness of the African Economies
- (ii) Facilitate the improvement of productivity culture of people in Africa;

- (iii) Mobilize all relevant stakeholders at national, regional and continental levels for addressing productivity more actively for socio-economic development of the African Continent.

III. Strategies

12. The following strategies will ensure the attainment of the intended objectives.
- A. Promote Labour management relations within the enterprises/organizations
 - B. Promote the use of productivity approaches, techniques, tools, and processes by all stakeholders
 - C. Encourage and support the setting up of NPOs and strengthening of existing ones in member states
 - D. Establish continental and regional infrastructures to drive and coordinate the productivity movement in Africa
 - E. Promote productivity in key sectors of the economy, in particular the informal economy, SMEs, public/parastatal sector, industry and communities
 - F. Establish and maintain strategic partnership with international and regional institutions.

IV. Activity streams for implementing Strategies

A. To Promote Labour management relations within the enterprises/organizations

Activities:

- (i) Organize joint fora such as seminars, workshops and meetings with tripartite partners.
- (ii) Establish a knowledge and information sharing platform at continental, regional and national levels
- (iii) Identify focal NPO in each region as facilitator to regional productivity
- (iv) Continue PAPA-APO partnership to conduct BCPP and ACPP training

B. To promote the use of productivity tools, techniques and processes by all stakeholders

Activities:

- (i) Training workshop for productivity practitioners
- (ii) Development of manuals/modules
- (iii) Organization of study visits and tours
- (iv) Dissemination of productivity information and best practices
- (v) Productivity Campaigns
- (vi) Developing and implementing an education program on productivity in schools

C. To Encourage and support the setting up of NPO and strengthening of existing ones in Africa

Activities:

- (i) Adoption of the PAPA by the AU competent organizations.
- (ii) Strengthen and upgrade PAPA as the continental productivity organization with a tripartite governing body including Executive Board of PAPA.
- (iii) Support the institutional development of national organizations of productivity, quality and social dialogue promotion in Member States participating in the Programme
- (iv) Produce guidelines for setting up of NPO
- (v) Developing pools of Productivity Practitioners – through the conduct of Basic Course for Productivity Practitioners (BCPP) and Advanced Course for Productivity Practitioners (ACPP) by PAPA in collaboration with the APO.

D. To establish the continental and regional infrastructures to drive and coordinate the productivity movement in Africa;

- (i) Establish and enhance AUC capacity in Social Dialogue and Productivity Policy, Advocacy, Coordination, M&E
- (ii) Enhance the capacity of RECs in productivity promotion /establishment of regional productivity organizations (RECs Secretariat and Regional NPO Reference/Regional Productivity Committee for regional leadership, maybe merge regional productivity and social dialogue issues and institutions)
- (iii) Establish a Continental Biennial Forum on Productivity and Competitiveness
- (iv) Establish continental three Prizes for the stimulation and expansion of the productivity movement in Africa by targeting SMEs, Large Enterprises and the Micro Enterprises;
- (v) To support the infrastructure development of PAPA and NPOs

E. To promote productivity in key sectors of the economy, in particular the informal economy, SMMEs, public/parastatal sector, industry and communities;

Activities:

- (i) Strengthening cooperation between Training Institutions on productivity of European and Asian counterparts
- (ii) Organize training on productivity for the level of administration, particularly those dealing with the private sector, using productivity improvement tools such as 5S, quality circles, suggestion schemes, goal alignment
- (iii) Organize , regional tripartite forums for the promotion of productivity in the Administration of Justice, Commerce, Taxation, Customs, Land, Labour and Higher education;
- (iv) Support the partnership between universities and enterprise for innovation, creativity and R&D
- (v) Organize training seminars on Productivity Management in National Public Administration Schools
- (vi) Launch 2 "5S" Pilot Projects at the level of the AUC
- (vii) Put in place enabling environment through legislations, institutions and initiatives to mobilize and attract highly skilled African migrants and African Diaspora for the development of productivity;
- (viii) Implement AU policies on migration and development in a such away that it enhances productivity in Africa through circular migration, use of remittances for productivity, return of highly skilled African migrants etc.

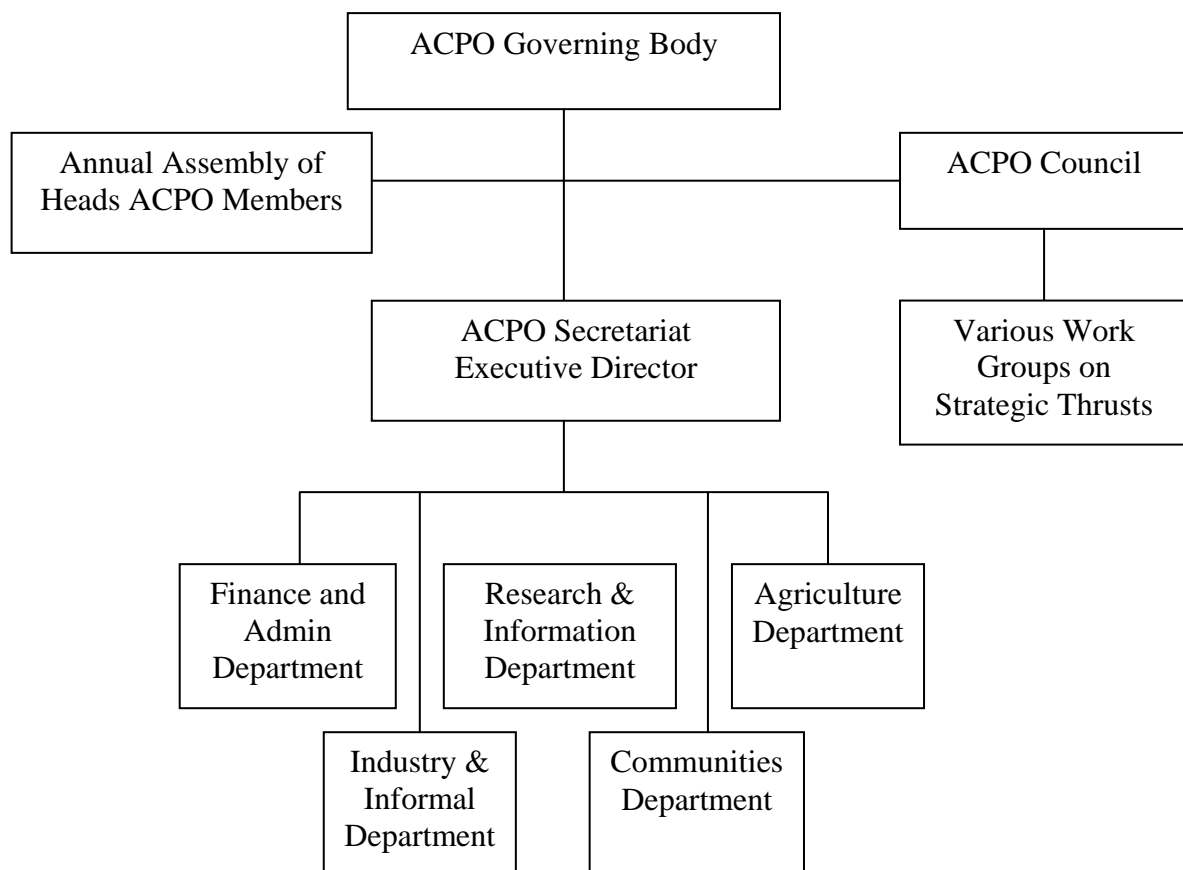
F. To establish and maintain strategic partnership with international and regional institutions.

Activities:

- (i) Organize workshops, twinning projects and other experience exchange activities between Africa, Europe and Asia on public-private partnerships for productivity, growth and the creation of decent jobs;

Governance Structure and Institutional Arrangement for Enhancing Productivity Movement in Africa.

13. The proposed institutional building proposed to implement the Productivity Agenda of Africa includes the setting up of an African Continental Productivity Organization (ACPO) to spearhead the enhancement of the productivity movement in Africa. A proposed structure of the ACPO is set below:



ACPO Governing Body

14. The governing Body shall be responsible for the performance of the Organization and shall see to that interest of all stakeholders in productivity is being addressed. Members will comprise of:

- Chairperson from AU (Minister)
- Members from AU
- Representatives from continental labour union
- Representatives from continental employer's federation
- Representative from regional labour union and employers federation
- ACPO Council Members
- Observers from International Partners like ILO, COMSEC, APO, etc.

ACPO Council and Work Groups

- Council members including President, Vice President and others will be selected for each term of service which shall be for three years.
- Work Groups led by council members could be established from time to time with representatives from various sectors to address areas of specific interest like measurement of productivity in Africa, Agriculture, Community Health, etc. They will be supported by the ACPO Secretariat.

15. The AU or ACPO can only play a facilitation role and providing the necessary resources to promote productivity and institutional building of NPOs of member economies. The other import success factor lies with the effort of individual NPOs or member economies to drive the productivity movement in their respective economies. As such, the role of the ACPO in support and coordinating improvements efforts among NPOs of member economies is crucial for the success of the productivity movement in Africa.

16. PAPA that has been established since 1992 and currently having 6 member NPOs had already started activities in enhancing the productivity movement of its member countries. PAPA has already established a good track record of productivity development activities like training of 90 African Productivity Practitioners and had organized various seminars and study trips to Asia through the assistance and support of the Asian Productivity Organization with special funding from the Japanese Government. In-addition, the current network of APO, PAPA and NPOs of both Asia and Africa had been recognized by the Japanese Government as the avenue for transfer of the Asian Productivity Experience to Africa and documented in the TICAD IV summit in 2008. As such, selection of PAPA to function of the ACPO could help accelerate the enhancement process of the productivity movement in Africa. Once decided PAPA may have to undergo an institutional streamlining of its current organization and also strengthening of the permanent secretariat function.

Financial arrangements

17. The effective implementation of the project should be pursued through the following financial arrangements.

18. The international donors should consider integrating support to the African Agenda on Productivity, to endure the success of their interventions. This approach can be applied both for donors' projects intervention in support to private sector development and to public sector performance management systems.

Strategic Objectives	Strategies	Activities streams	Timeframe	Actors	Budget in US\$
1.Increase value added, productivity and competitiveness of the African Economies	<p>1.promote the use of productivity tools, techniques and processes by all stakeholders</p> <p>3.promote productivity in key sectors of the economy, in particular the informal economy, SMEs, public/parastatal sector, industry and communities</p>	<p>Training workshop of productivity practitioners</p> <p>Development of manuals/modules</p> <p>Study visits and tours</p> <p>Dissemination of productivity information and best practices</p> <p>Productivity Campaigns</p> <p>Develop and implement an education program on productivity in schools</p> <p>Training workshops and implementation of productivity programs in public and parastatal sectors</p>			

	2.Encourage and support the setting up of NPO and strengthening of existing ones	<p>Develop management systems productivity (PMS and 5S) in the 16 Administrations Models</p> <p>Study visits and tours</p> <p>Dissemination of productivity information and best practices</p> <p>Productivity campaigns</p>			
2.Improve productivity culture of people in Africa;	1.Promote Labour management relations within the enterprises/organizations	<p>Political buy-in thru African Union and RECs productivity declaration</p> <p>Strengthen and upgrade papa as the continental productivity organization with a tripartite governing body including Executive Body of PAPA.</p>			

	<p>2. Promote productivity awareness at all levels</p>	<p>Institutional development of PAPA Members</p> <p>Produce guidelines for setting up of NPO Developing pools of Productivity Practitioners – Basic and Advanced</p> <p>Develop Productivity and competitiveness indicators</p> <p>Develop at regional level Community of Practices in labour intensive sectors</p>			
<p>3. Mobilize all relevant</p>	<p>establish the continental and regional infrastructures to</p>				

stakeholders at national, regionally and continental levels for socio economic development	drive and coordinate the productivity movement in Africa 2.establish and maintain strategic partnership with international and regional institutions				

Strategic Objective	Strategies	Activités clés	Actors	Budget	Calendrier							
					2010	2011	2012	2013	2014	2015	2013	
promote the use of productivity tools, techniques and processes by all stakeholders												