The green transition has strong job-creating potential. To realize this potential, however, will require the adoption and implementation of effective policies and strong partnerships; with the private sector, the skills development and education sector, and the policy and regulatory bodies at national and international level that set enabling conditions for green development.

Skills for green jobs can offer pathways for women’s economic empowerment, decent work, and long-term employment opportunities, especially for youth. Nonetheless, not all regions and societal sectors will benefit equally from those opportunities. Strengthening social support functions will play an important role in achieving desirable social and economic outcomes at national level.

The AU-EU Summit of February 2022 has recognised the importance of skills development in the context of green economic transition. From scientific cooperation and knowledge sharing, through supporting university partnerships and mobility of young citizens and students, to promoting opportunity oriented technical and professional Vocational Education and Training. The Summit commitments and accompanying Global Gateway Africa-Europe Investment Package have made skills development a critical factor for the green transition agenda. Implementing these commitments is key.

There is a compelling case for a real Africa-Europe partnership approach to investing in skills development that will enable, and benefit from a green transition:

- Regional collaboration between the EU and the AU can standardise skills frameworks, enhance labour mobility, and promote technology transfer, addressing skills gaps and fostering mutual learning thus strengthening global value chains in emerging green industries;

- Developing a comprehensive and compatible policy framework between Africa and Europe in the area of equitable access to quality education and training, especially for marginalised groups and underserved regions, can bridge the skills gap and promote inclusive development, ensuring the benefits and economic opportunities of green transitions are equitable.

- Strong trade relations and closer scientific cooperation between Africa and Europe can strengthen the evidence base and showcase the potential of greening the economy for future jobs and new development pathways that are less reliant on carbon heavy industries.

**Figure 1: Labour underutilization (LU3) of young people (aged 15-24 years), by gender and region (per cent), 2020**

![Figure 1](image)

Source: ILO modelled estimates, November 2019
The current state of play regarding skills in the EU and Africa reveals significant challenges and opportunities. In the EU, over three-quarters of companies struggle to find workers with the right skill set, while one-quarter of SMEs face the main challenge of finding skilled staff and experienced managers\(^1\). This mismatch between worker skills and market demand is evident as 3% of available jobs remain unfilled\(^1\).

Meanwhile, Africa is experiencing a significant increase in its working-age population, with an estimated 450 million more people expected to enter the workforce between 2015 and 2035\(^2\). However, the creation of formal jobs is not keeping pace, resulting in a widening job deficit each year\(^2\). Educational mismatches are prevalent, with a considerable percentage of employed youth being either overskilled, underskilled, overeducated, or undereducated\(^3\).

In terms of demand for skills, Africa showcases a diverse range of needs across countries and sectors. There is a growing demand for skills in areas such as information and communication technology (ICT), agriculture, healthcare, renewable energy, and entrepreneurship. Additionally, with the increasing focus on sustainable development and the green transition, skills related to environmental conservation, climate change mitigation, and renewable energy technologies are in high demand\(^4\).

Similarly, Europe is also witnessing an evolution in the demand for skills due to technological advancements and the transition to a greener economy\(^5\). Digital skills, including data analysis, artificial intelligence, cybersecurity, and software development, are increasingly sought after. Furthermore, as Europe strives to achieve its climate goals, there is a rising demand for skills related to renewable energy, energy efficiency, and sustainable construction. Soft skills such as creativity, critical thinking, and adaptability are also gaining importance in response to the changing job market.

### Demand for technological, social, and emotional skills is expected to grow in Europe.

<table>
<thead>
<tr>
<th>Skills</th>
<th>Hours in 2018 (in billion)</th>
<th>Change in numbers of hours 2018-30 (%)</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical and manual skills</td>
<td>159</td>
<td>-18</td>
<td>Craft and technician skills</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Fine motor skills</td>
</tr>
<tr>
<td>Basic cognitive skills</td>
<td>76</td>
<td>-28</td>
<td>Basic literacy and numeracy</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Basic data input/processing</td>
</tr>
<tr>
<td>Higher cognitive skills</td>
<td>106</td>
<td>4</td>
<td>Quantitative and statistical skills</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Project management</td>
</tr>
<tr>
<td>Social and emotional skills</td>
<td>93</td>
<td>30</td>
<td>Interpersonal skills and empathy</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Teaching and training others</td>
</tr>
<tr>
<td>Technological skills</td>
<td>54</td>
<td>39</td>
<td>Advanced IT skills/programming</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Scientific R&amp;D</td>
</tr>
</tbody>
</table>

In Africa, with the appropriate policy basket, a systematic shift away from fossil fuels towards a renewable energy system could lead to 6.4% higher GDP and 3.5% more economy-wide jobs throughout the outlook period of 2020 to 2050. Jobs created will outweigh those lost, including in many fossil fuel producing countries. Sub-Saharan African women are uniquely positioned to benefit from new green jobs under a just transition through new occupations not yet assigned by gender. Green economic instruments such as carbon credits and payments for environmental services schemes can assign value to women’s unpaid work, with a multiplier effect in coming generations.

Meanwhile, Europe’s efforts to become the first climate-neutral continent by 2050 is set to trigger significant change in labour markets. While aggregate employment impacts may remain contained, shifts are likely to occur between sectors, firms, occupations, and regions. As the skill composition of workers in brown sectors is relatively similar to those in the wider economy, there is scope to reintegrate workers in the labour market. Conditional on effective policy action, the negative impacts for specific groups and regions can be kept at bay.

There is a scope for the African Union (AU) and the European Union (EU) to address more directly issues relating to the transfer of green skills in fossil fuel dependent African economies. Existing partnerships focus on equipping young Africans in particular with skills in fields that promote a green economy. These efforts tend to be more successful in non-fossil fuel dependent countries where entrepreneurship is entrenched. The AU-EU partnership should adapt initiatives to fossil fuel-dependent economies where there’s resistance due to perceptions of lost employment opportunities.

What is a ‘green job’?
As proposed by the Green Job Initiative, it is a “position in agriculture, manufacturing, R&D, administrative and service activities aimed at alleviating the myriad environmental threats faced by humanity”. This may include jobs that “help to protect and restore ecosystems and biodiversity, reduce energy consumption, decarbonizes the economy, and minimize or altogether avoid the generation of all forms of waste and pollution”.

**Opportunities and Risks from Green Transformation**

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**Regional jobs as a percentage of total global jobs**

- **North America**: 7.1%
- **Latin America and the Caribbean**: 7.7%
- **European Union**: 6.4%
- **Middle East and North Africa**: 4.9%
- **Sub-Saharan Africa**: 4.8%
- **Rest of Europe**: 4.1%
- **Southeast Asia**: 16%
- **Rest of Asia**: 12.3%
- **Rest of Asia**: 35.8%
- **Oceania**: 0.7%

Based on IRENA analysis

**Renewable energy jobs**

The renewable energy sector could add 42 million jobs through 2050 under IRENA’s Transforming Energy Scenario.

- **Bioenergy**
- **Wind**
- **Solar**
- **Geothermal**
- **Hydro**
- **Ocean**

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In the realm of skills development strategies and policies, both the European Union (EU) and the African Union (AU) have been fostering initiatives to enhance education, training, and employment prospects within their respective regions. These endeavours have sparked collaborative efforts that underline the mutual commitment of the EU and Africa to address skills gaps, promote sustainable growth, and support the digital and green transitions.

The EU has several strategies and policies in place dedicated to skills development. A noteworthy initiative in this regard is the European Skills Agenda, launched in 2020, aimed at cultivating aptitudes conducive to the digital and green transformations as well as the evolving landscape of work. The cornerstone of this agenda is a focus on upskilling and reskilling, refining the quality and applicability of education and training, and nurturing a culture of lifelong learning. The EU has further materialized its commitment through initiatives like Erasmus+ and the European Social Fund, which provide vital support for skills cultivation and mobility.

Similarly, the AU has identified the imperative of skills development in advancing the socio-economic progression of the continent. Embodied in Agenda 2063, a strategic framework for development, is a pronounced emphasis on investing in education and skills enhancement. To this end, the AU has introduced initiatives such as the Continental Education Strategy for Africa (CESA) and the Science, Technology, and Innovation Strategy for Africa (STISA), targeting diverse sectors for skills augmentation. Collaborative alliances with international entities and nations have also been forged to bolster these efforts.

The new Global Future Council on the Future of Job Creation lays out four key pathways for investments in job creation: investing in strategic industries with the highest potential for job creation, investing in research and development, investing in small- and medium-sized enterprises (SMEs), and investing in trade growth.

Renewable energy projects can offset job losses from a decline in fossil fuel-based energy technologies and create a net employment gain. Concerns over the quality of jobs to be generated and the pace of project initiation can be mitigated through interventions such as unemployment benefits, relocation grants and employment search support, which are envisioned in the EU strategy for Europe’s affected workers. Largely, governments in sub-Saharan Africa do not as yet have in place adequate social systems or protective labour market policies through which these can be implemented.

Net job growth in the green economy may arise in different sectors and locations, which has implications for skills to equip the labour force of tomorrow. Significant investment is required in both advanced and emerging economies to build competitiveness and prepare workers. Africa's vocational and technical training systems, in particular, are well-placed to address changes in demands from industries. Private sector training can also be a key avenue for the development of relevant skills.

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Cyril Ramaphosa, President of South Africa

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Skills will evolve over the next five years, with AI and machine learning specialists, sustainability specialists, business intelligence analysts and information security specialists expected to be the fastest growing jobs. Growth is expected in jobs in education, agriculture and digital commerce while clerical or secretarial roles are expected to decline. Trends highlight the importance of enabling the workforce to adapt to changing demands.

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In this critical domain of cooperation, both the AU and EU share a common goal of harnessing the immense potential of Africa's youth for the continent's advancement. The AU is directing its attention towards addressing challenges within its educational systems, with a special focus on Technical, Professional, Entrepreneurial Training (TVET) institutions. This strategy aligns with the pursuit of skills promotion and entrepreneurship, pivotal in combating Africa's youth unemployment dilemma.

Concurrently, the EU has earmarked substantial resources, for example EUR 500 million to bolster Vocational Education and Training (VET) and skills development in more than 40 Sub-Saharan African nations. This collaborative drive, designed to usher in resource-efficient and circular economies, centres on a skills enhancement approach aligned with emerging requirements.

An integral aspect of this partnership involves the revitalization of African TVET systems, necessitating efficacy in skills application and training as well as heightened ICT adoption.

These synchronized endeavours lay the foundation for an engaged partnership between the EU and Africa, focusing on equipping individuals with competencies aligned with the demands of an evolving global landscape, including opening opportunities in the future green economies. Only through concerted policies, investments, and cross-continental collaborations, including with the private sector, a skilled workforce can emerge that can contribute to, and yield benefits from, economic growth and green transition.

“The priorities defined during the 2017 Abidjan Summit remain valid, in terms of ecological transition, digital transformation, sustainable growth and employment, peace and governance, and finally issues related to migration and mobility, which are the five key areas of our future cooperation with Africa as identified by the Commission.”

Jutta Urpilainen, European Commissioner for International Partnerships in the European Commission

PROGRESS HIGHLIGHTS

**New EU-Africa Innovation Agenda to enhance cooperation in science, technology and innovation**

In July 2023, the AU and EU adopted the new strategic partnership, which aims to transform and increase the innovative capacities and achievements of researchers and innovators on both continents into tangible outputs, such as products, services, businesses and jobs. Supported by the Global Gateway, it will represent the mainstay of the cooperation on Science, Technology and Innovation between Africa and Europe, for the next decade.

**The AU Agenda 2063 Flagship Pan-African Virtual and E-University (PAVEU)** aims to use ICT-based programs to increase access to tertiary and continuing education in Africa by developing relevant and high-quality Open, Distance, and eLearning (ODeL) resources to offer students guaranteed access to the University from anywhere in the world at any time. The project is an open, distance and e-learning arm of the Pan-African University (located in Yaoundé, Cameroon): 10 online courses, content and curricula have been developed. Online Information Technology equipment has been procured.

**The African Skills Initiative**
The African Union has established the African Skills Initiative, which seeks to develop skills and create linkages between employers and job seekers, as well as providing professional development for African youth. These initiatives aim to combat the risk of brain drain.

**Team Europe Initiative Investing in Young Businesses in Africa (TEI IYBA) in Sub-Saharan Africa**
The initiative to help young businesses and entrepreneurs in Africa, especially women, to launch, consolidate and grow sustainable businesses and create decent jobs has been launched at country level in Kenya, Nigeria, Senegal, Togo, Comoros and soon in Benin, South Africa and Cameroon. It encompasses 180 programmes amounting to €4.6 billion, including:
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→ EUR 22.65 million for the IYBA SEED programme which aims at supporting the entrepreneurship ecosystem in a holistic manner in selected African Countries;

→ EUR 25 million for the Women Entrepreneurship for Africa programme targeting also entrepreneurial skills and focusing on MSMEs and business support organizations; – EUR 40 million for the ‘Developing Employment in Senegal’ programme.

Finally, within the European Funds for Sustainable Development + (EFSD+) MSME window, a strong emphasis has been placed on aligning proposals with TEIs and specifically with the TEI IYBA.

The EU Flagship Youth Mobility for Africa > Link
Operating as an umbrella initiative, the flagship promotes learning mobility opportunities within Africa and between Africa and the EU, supports cooperation in higher education and skills development, and promotes Africa as a study destination. It will operate at the regional level building on ongoing programmes with a budget of EUR 970 million from the EU, and encompasses:

→ The ERASMUS+ programme, which will promote inclusive learning opportunities for young Africans through exchanges and targeted scholarships, and partnerships between higher education institutions. A total of EUR 570 million dedicated to Sub-Saharan Africa for the period 2021-2027, covers several actions such as International Credit Mobility, Capacity Building in Higher Education, Erasmus Mundus, Capacity Building in VET, and Virtual Exchanges in Higher Education and Youth among others. The programme in support of the African Continental Qualifications Framework (ACQF II) launched in July 2023, supports the enabling of comparability of qualifications across Africa so that young people can access work and study opportunities beyond their own borders. The Qualifications Framework enhances regional integration, complementing instruments such as the African Continental Free Trade Area (AfCFTA).

→ Other programmes covered by the flagship initiative are the Intra-Africa Academic Mobility Scheme; Harmonisation of African Higher Education Quality Assurance and Accreditation (HAQAA3); the Young African Leaders Programme; and the forthcoming Africa-Europe Youth Academy.

Team Europe Initiative (TEI) Opportunity Driven VET in Africa
The Team Europe Initiative (TEI) Opportunity Driven VET in Africa, which is expected to start in the first quarter of 2024 and run for five years, intends to complement Vocational Education and Training (VET) programmes financed by the European Commission or Member States at country level, helping to orient towards concrete employment opportunities created by (EU) investments, trade, (regional) value chain development and other market dynamics in partner countries, including those supported by the Global Gateway.

Teacher Flagship Programme for Africa
Launched in January 2023, the key Team Europe Initiative will invest EUR 100 million under the EU-Africa Global Gateway Investment Package to accelerate the training of new teachers for Sub-Saharan Africa and respond to its estimated need for 15 million new qualified teachers by 2030. It will focus on two areas: 1) governance, management, and attractiveness of the teacher profession; and 2) professional development of teachers, with a strong focus on digital and green skills. With the AU Commission as a strategic partner and in collaboration with UNESCO and the International Teacher Task Force, the programme will support partner countries in their efforts to achieve a more competent, motivated, and inclusive teacher workforce in order to improve learning outcomes and the socio-emotional development of children in basic education.

The Global Partnership for Education
The EU, together with Team Europe, will contribute EUR 700 million for Africa between 2021 and 2027 towards the multilateral global programme which seeks to help transform education systems and ensure high quality basic education.

Skills and Talent Package
Facilitating legal migration opportunities, including to the EU, is an integral part of comprehensive, mutually beneficial migration partnerships and a key component of the EU migration policy. In 2022, the European Commission launched the “Skills and Talent package”, which includes initiatives to reinforce both the EU legal framework and its operational actions and cooperation in this area. One of the key initiatives is a proposal to develop Talent Partnerships with selected partner countries. Talent Partnerships aim to ensure a quadruple-win for partner countries, EU Member States, migrants and private sector/employers on both sides. They should be beneficial to the economic development of communities of origin and bring benefits to key partner countries’ broader development goals and enhanced opportunities for their citizens, while encouraging a constructive broader engagement with the EU on migration management. In Africa, work has already started with Morocco, Tunisia and Egypt, and additional countries may be identified for Talent Partnerships at a later stage.

Both the EU and AU have recognized the importance of skills development and have implemented various initiatives to address this need. Both regions have emphasized the importance of digital skills and the green transition. However, challenges such as limited resources, infrastructure gaps, and the need for effective implementation and coordination remain.
Policy options and strategies for addressing skills shortages and mismatch in the context of emerging green industries. There are several potential strategies that could be further explored:

1. Tailored Education and Training: Developing education and training programs tailored to specific industry needs can help bridge skills gaps. Vocational and technical training should be aligned with emerging sectors such as renewable energy, innovation and technology, and sustainable agriculture. Recognizing the diversity within Africa and Europe and adapting skills development programs to specific country contexts and sectoral needs can lead to more effective outcomes.

2. Enabling policy and political support: Concerted political will and a stronger policy ecosystem is needed to stimulate green job sectors and green employment and to create realistic pathways to the green economic transition. Strengthening the evidence-base on green jobs and showing the potential of greening the economy for future employment (including for youth in Africa) is a critical first step.

3. Multistakeholder, Public-Private Partnerships: Collaborations between governments, private sector, and educational institutions can facilitate curriculum development, on-the-job training, and skills transfer, ensuring that education aligns with market demand.

4. Promotion of Entrepreneurship: Policies that support entrepreneurship and innovation can encourage the growth of startups and small businesses, driving job creation and skills development.

5. Social Safety Nets: To mitigate the impact of economic shifts caused by technology adoption, social safety nets, retraining programs, and policies for upskilling and reskilling are crucial.

6. Regional Collaboration in and between the EU and AU: Regional cooperation can help standardize skills frameworks, ease labour mobility, and enhance technology transfer across African countries. Enhancing cooperation and knowledge sharing between the two regions can help address skills gaps and promote mutual learning.

7. Enhancing access to quality education and training: Ensuring equitable access to education and training, particularly for marginalized groups, can help bridge the skills gap and promote inclusive development.
REFERENCES


DISCLAIMER
Information contained in this Infosheet Bulletin reflects our state of knowledge as of August 2023 and is based primarily on publicly available data published by regional institutions, mainstream media and think tanks operating across Africa and Europe.

The Africa-Europe Foundation invites the feedback and collaboration of all partners and stakeholders interested in AU-EU commitment tracking.

Please contact us at info@africaeuropefoundation.org.