

THE REGIONAL REPORT ON JOBS AND GROWTH IN NORTH AFRICA

“PRESENTATION OF KEY MACROECONOMIC
INDICATORS, LABOUR MARKET TRENDS AND
THE COVID-19 IMPACT”

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► Regional report on jobs and growth in North Africa





Economic growth and labour market outcomes in Sudan (2000–2018)



The pace and pattern of growth in Sudan (2000–18)



- During the period of exporting oil (1999-2011) the country became an oil-dependent economy.
- Oil has had a significant positive impact on GDP.
- Sudan moved from being a low-income economy to a lower-medium-income economy, according to World Bank classifications
- After the secession of South Sudan in 2011, Sudan's economy lost around 75 per cent of its oil revenues. This, in turn, had immediate negative effects on Sudan's fiscal planning and balance of payments.
- Significant fluctuation in Sudan's GDP annual growth rate during the 2000–17 period. For instance, although the GDP growth rate was increasing between 2000 and 2007

Figure 1. Annual percentage of GDP and GDP per capita growth, 2000–18

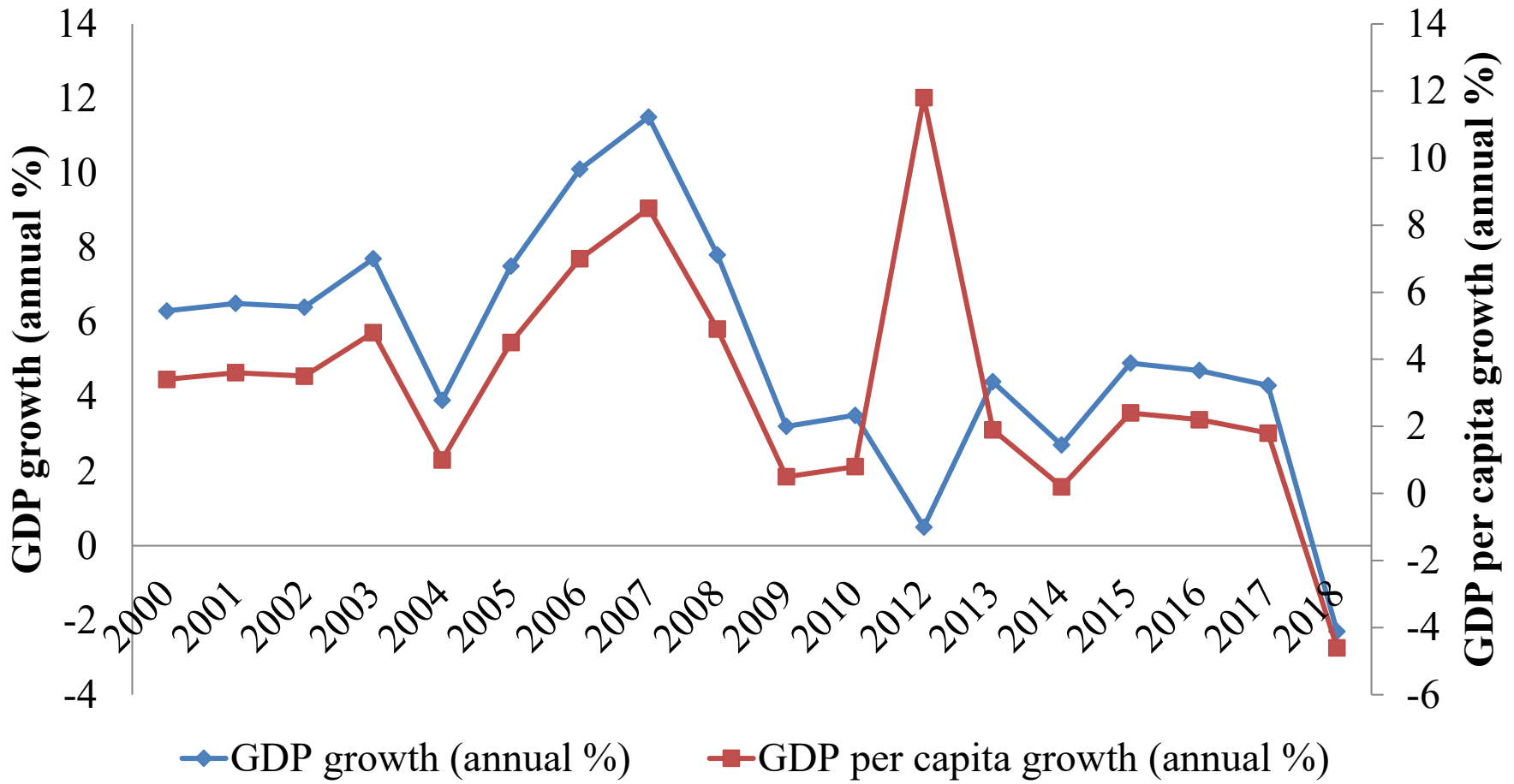
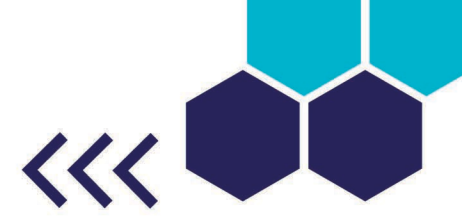


Figure 2. Distribution of value added by broad industry sector (percentage of contribution to GDP), 2009–2014/15

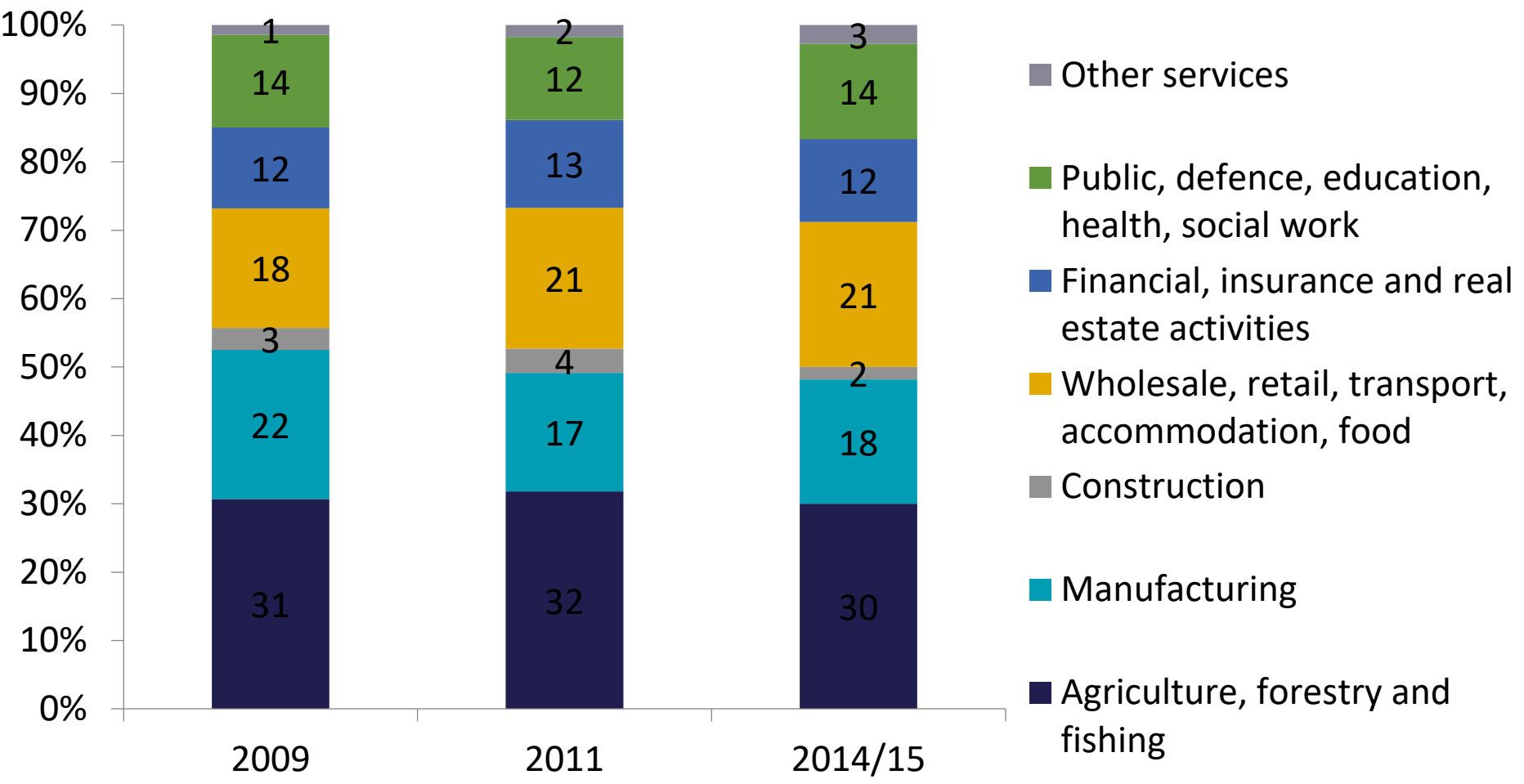
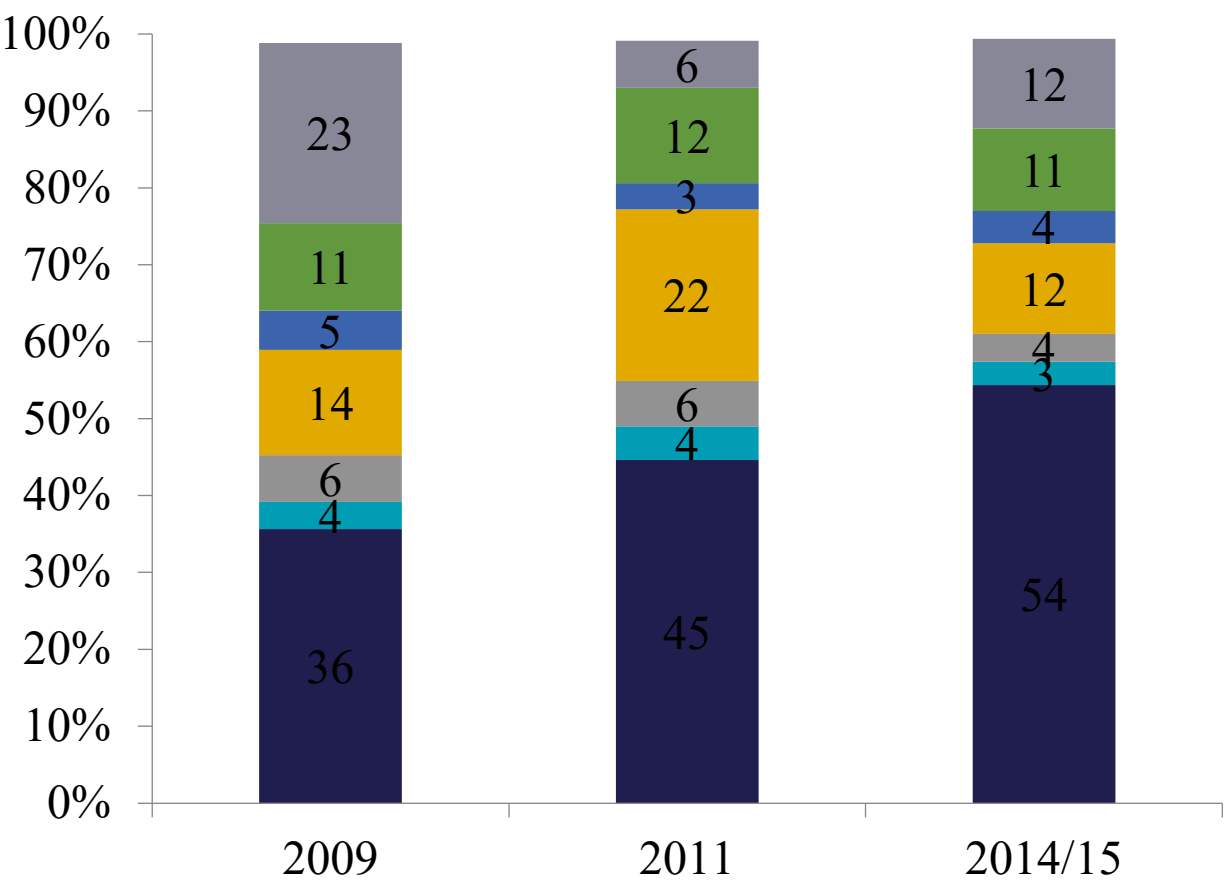


Figure 3. Distribution of employment by broad industry sector, percentage currently employed, ages 15–64



Total



- Other services
- Admin., def., edu., health, social
- Real estate, prof., sci&tech, etc.
- Wholesale, retail, transp., etc.
- Construction
- Manufacturing
- Agriculture, forestry and fishing

Figure 4. Labour productivity by broad industry sector (thousands, Sudanese pounds), 2009–14

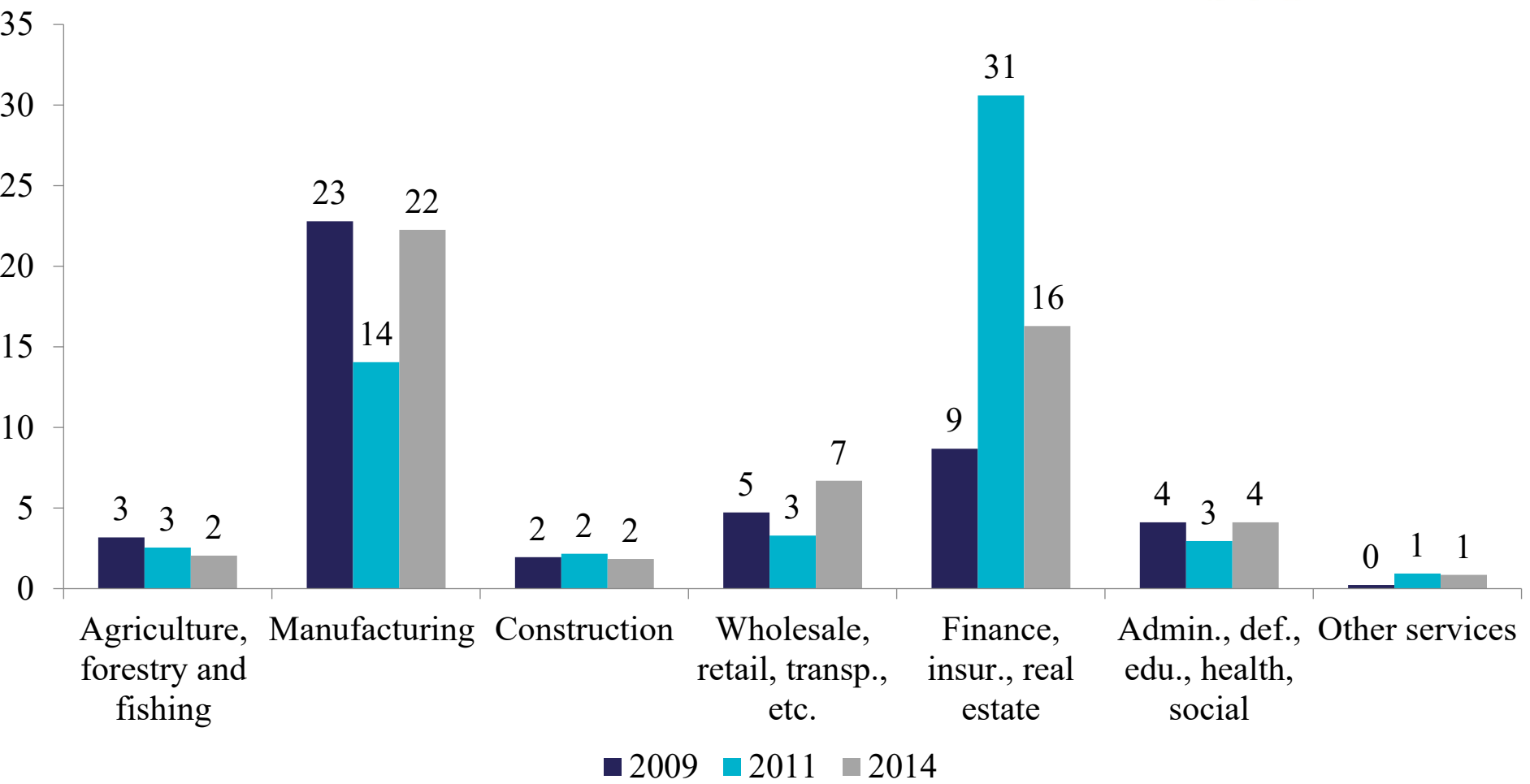
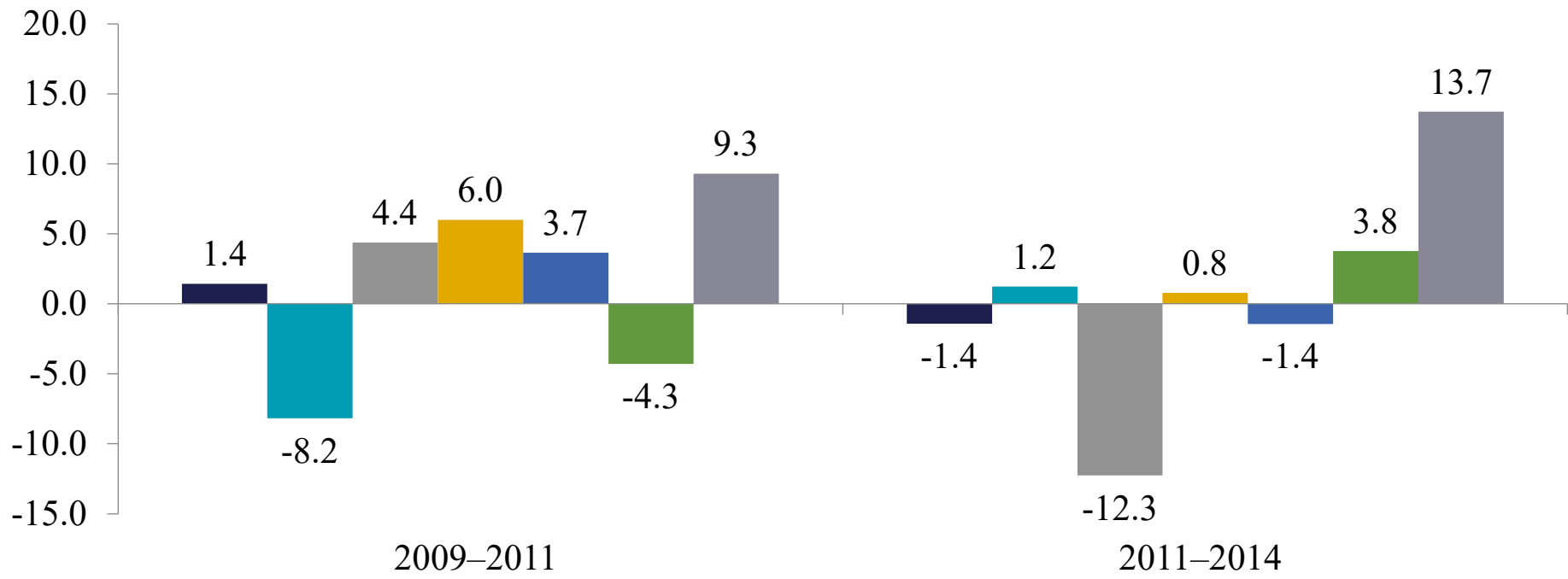
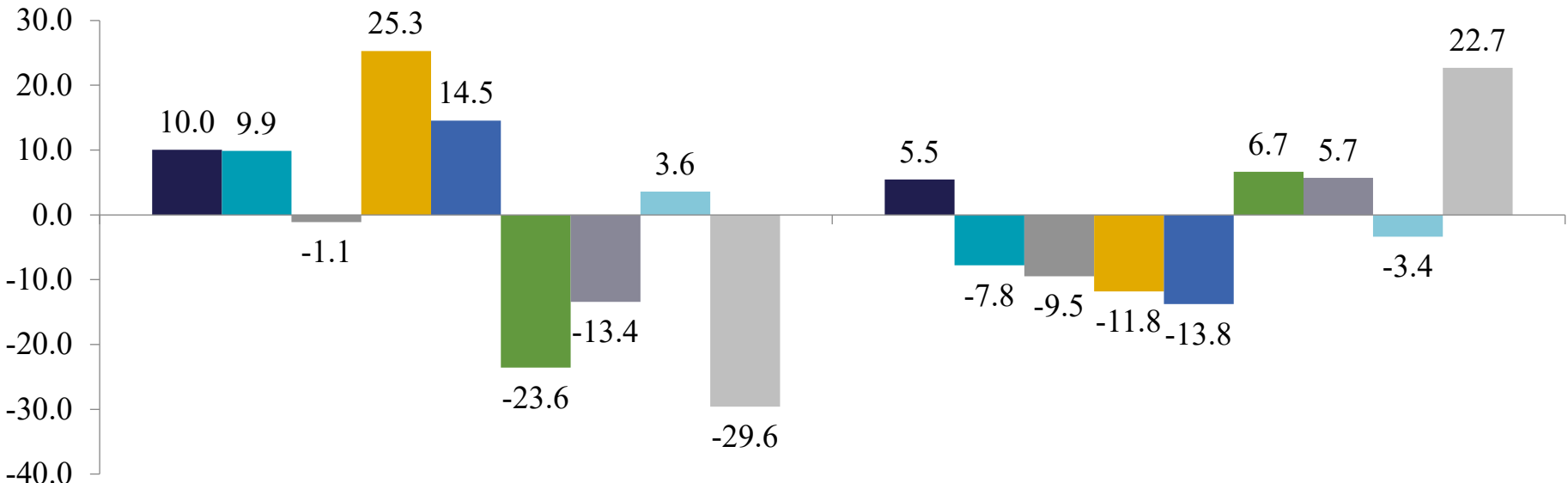


Figure 5. Percentage average annual growth of the value added by sector of economic activities (by broad sector, 2009–11)



- Agriculture, forestry and fishing
- Manufacturing
- Construction
- Wholesale, retail, transport, accommodation, food
- Financial, insurance and real estate activities
- Admin., def., edu., health, social
- Other services

Figure 6. Percentage average annual growth of the employment share by sector of economic activity by broad sector, 2009–14



- Agriculture, forestry and fishing
- Manufacturing
- Construction
- Wholesale, retail, transport, accommodation, food
- Information and communication
- Financial and insurance
- Real estate; profes; science; technology; adm, supp services
- Admin., def., edu., health, social
- Other services

Figure 10. Labour force participation rate, by sex, ages 15-64

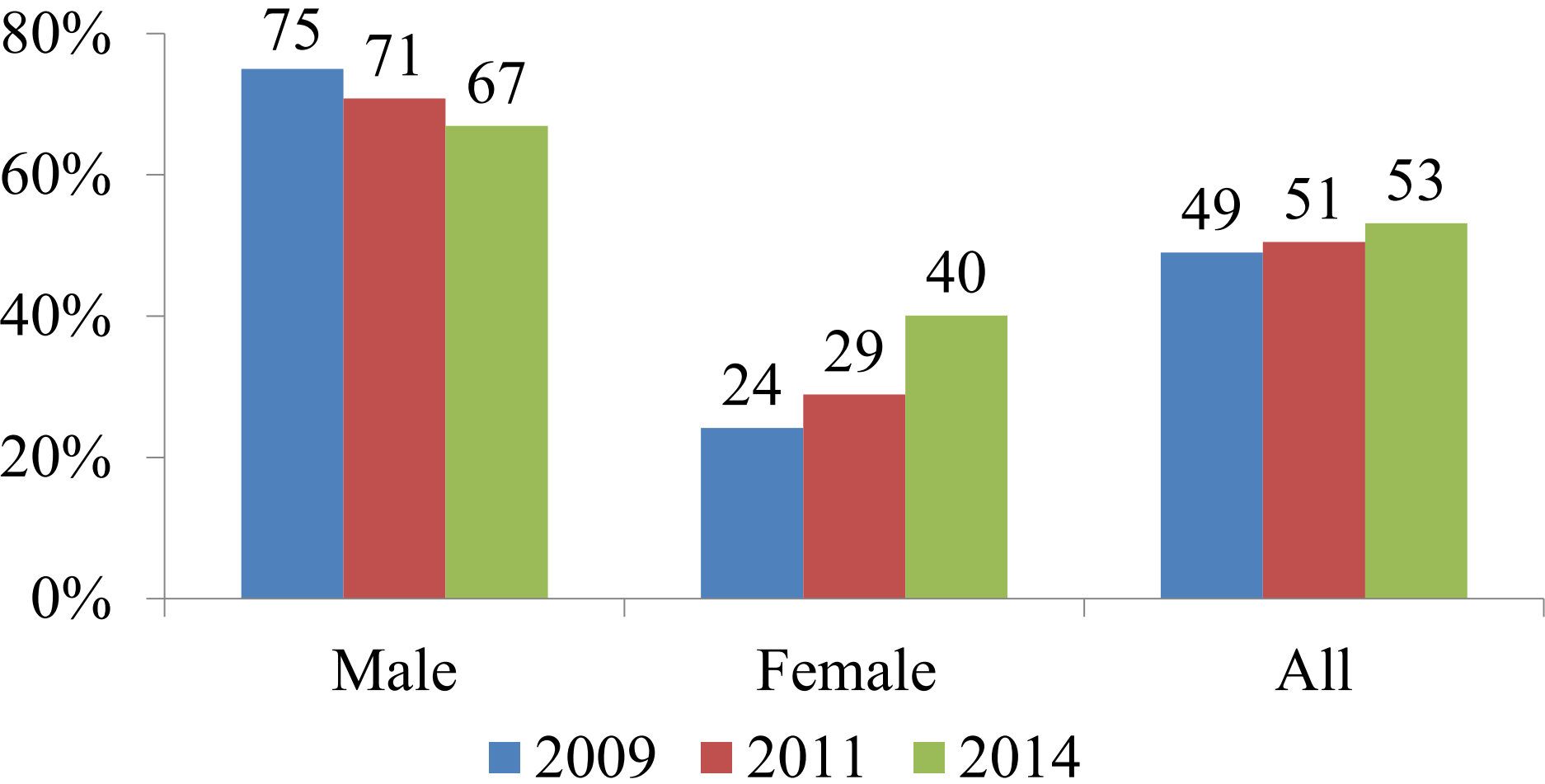


Figure 13. Unemployment rate, by sex, ages 15-64

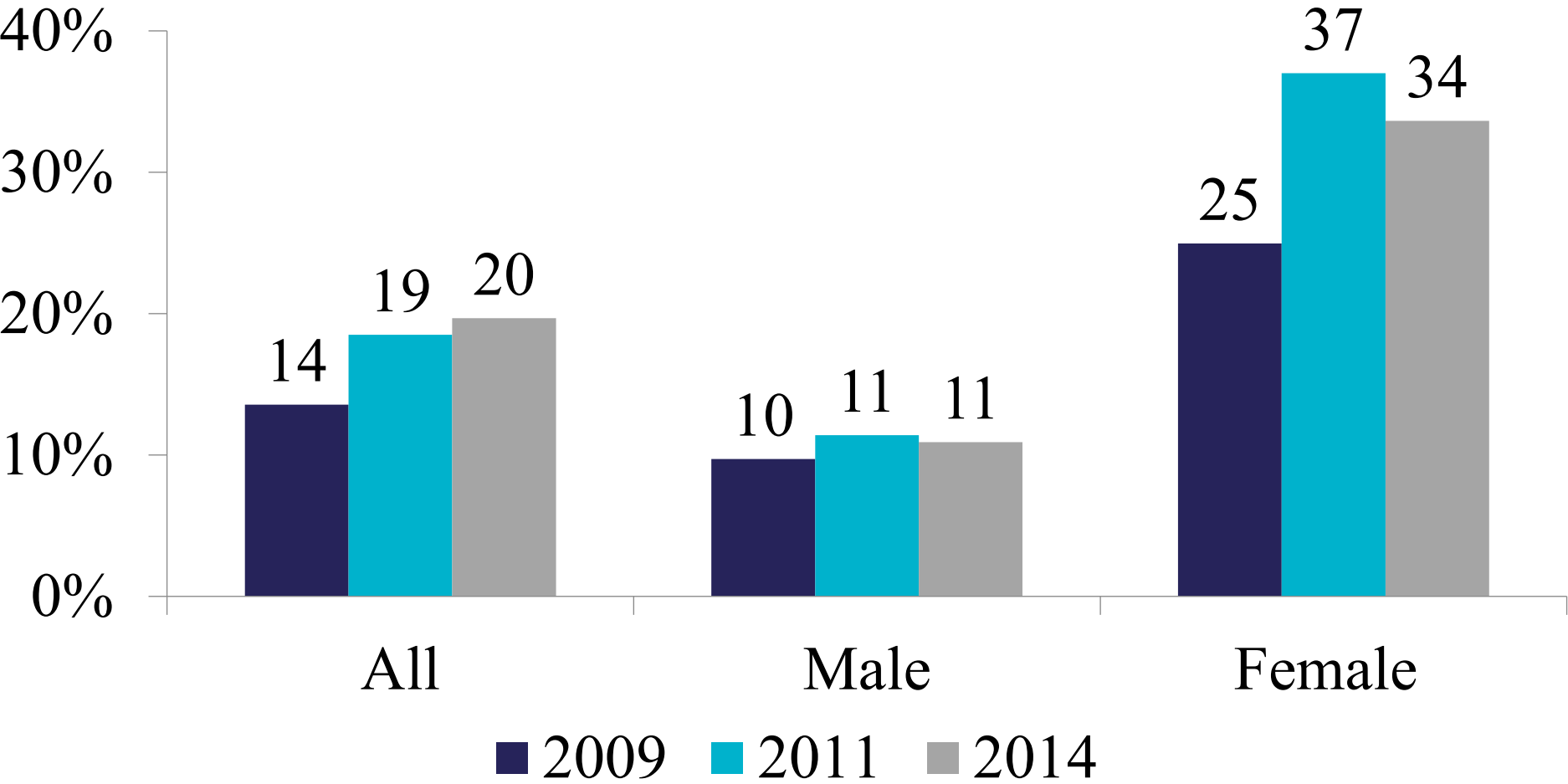


Figure 16. Distribution of employment by status, percentage currently employed, ages 15–64



All

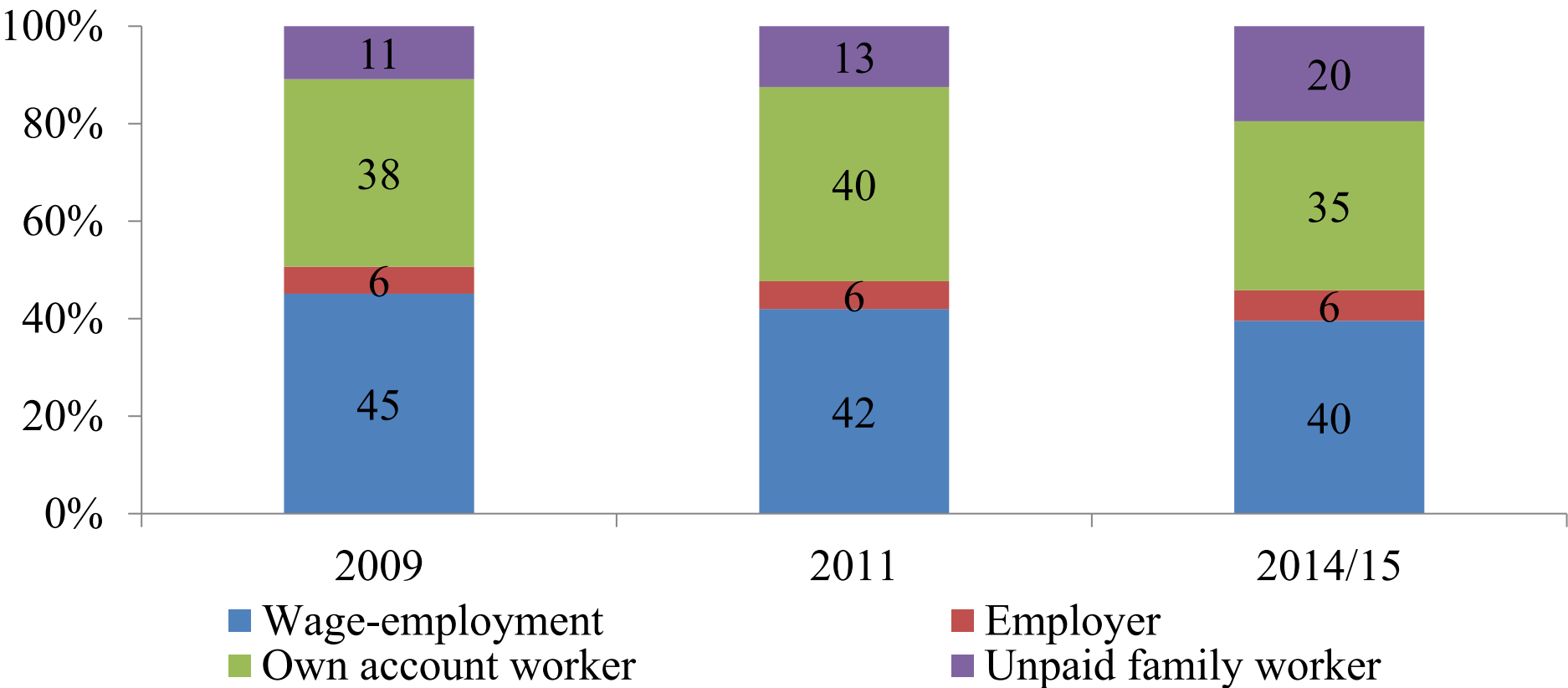


Figure 17. Percentage share of the working poor in total employment, 2009 and 2014 (total, male and female), ages 15–64

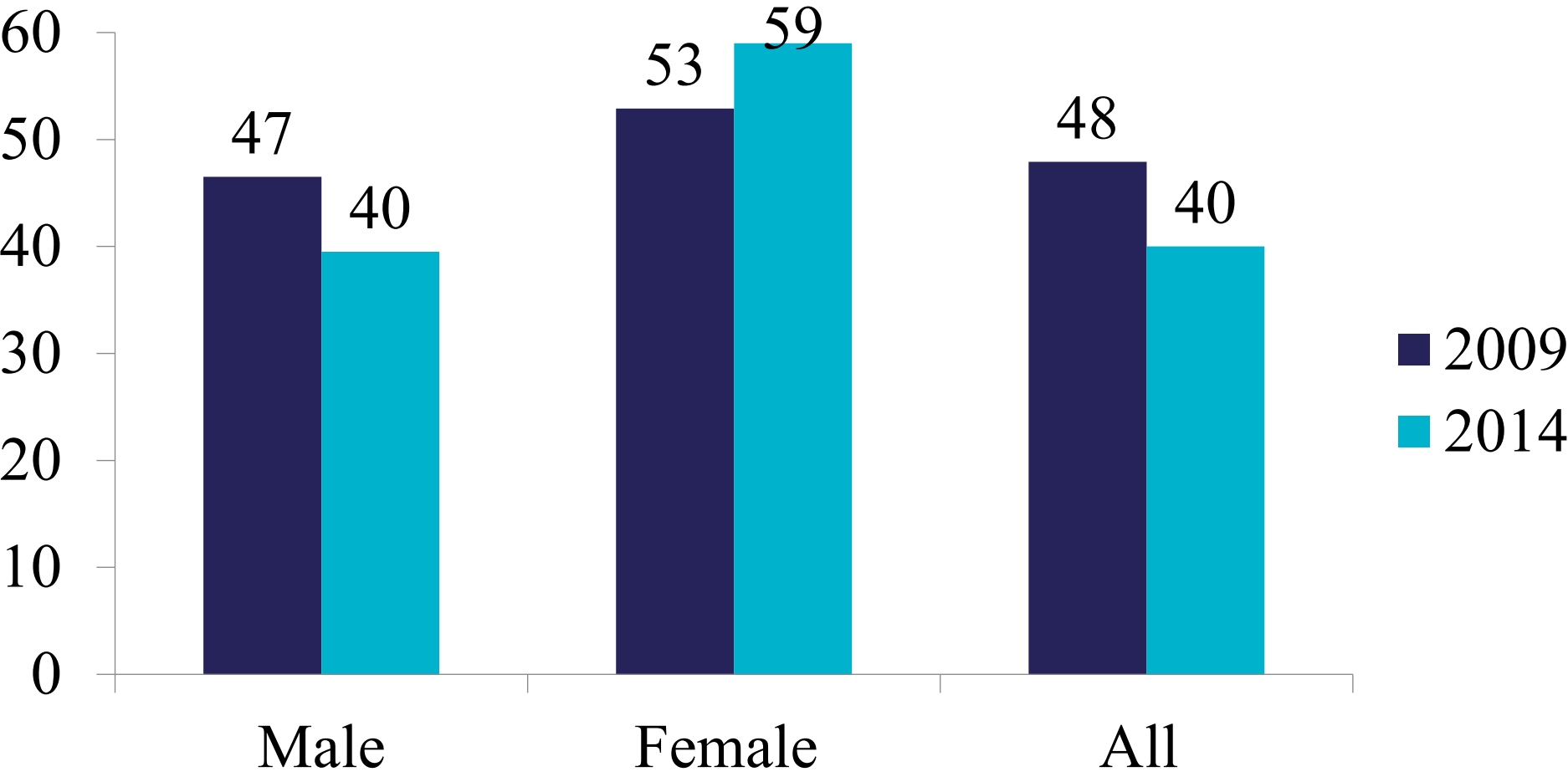


Figure 20. Share of working poor in employment, by industry and sex

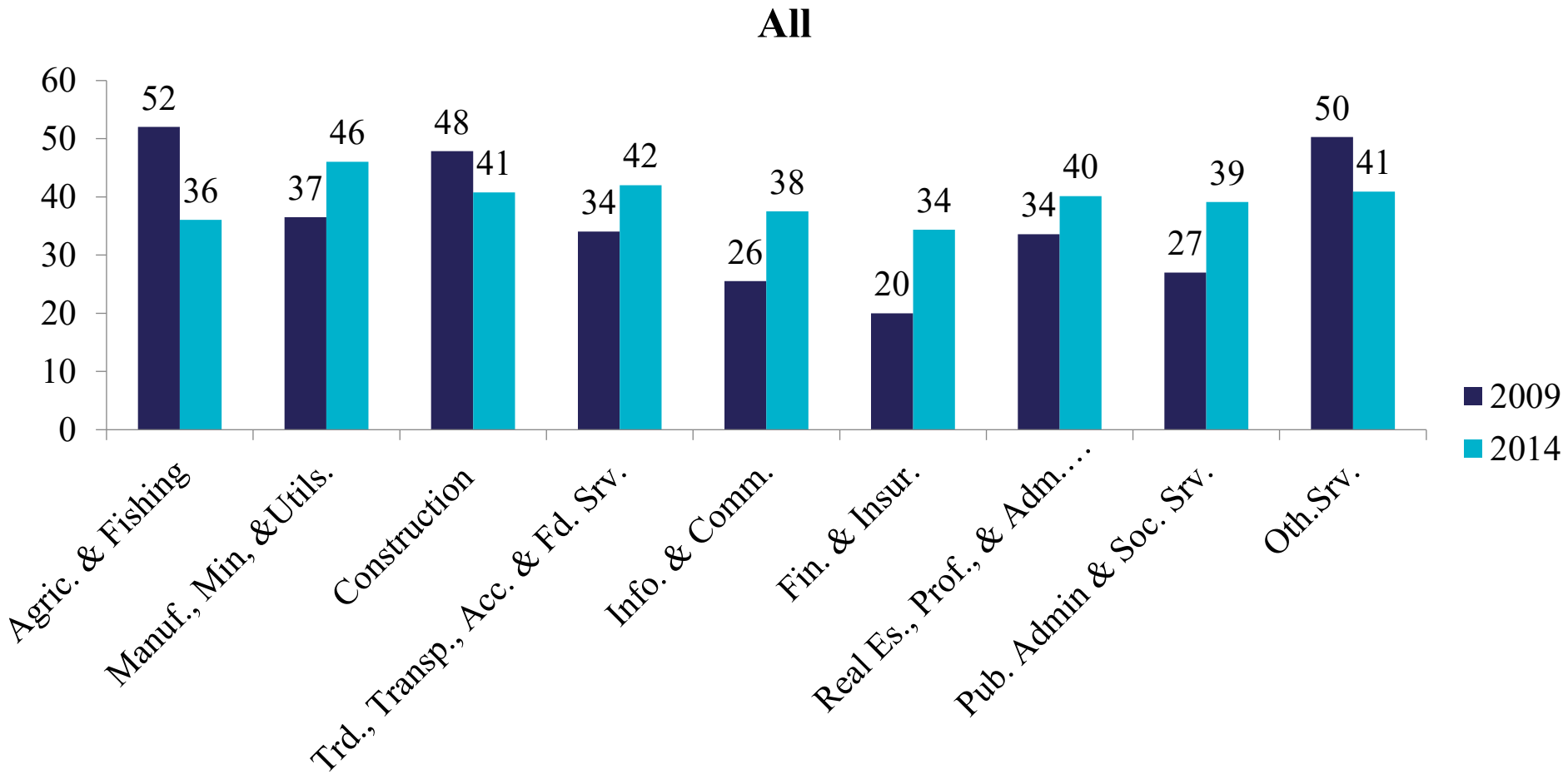


Figure 22. Proportion of youth (aged 15–24) not in education, employment or training (NEET)

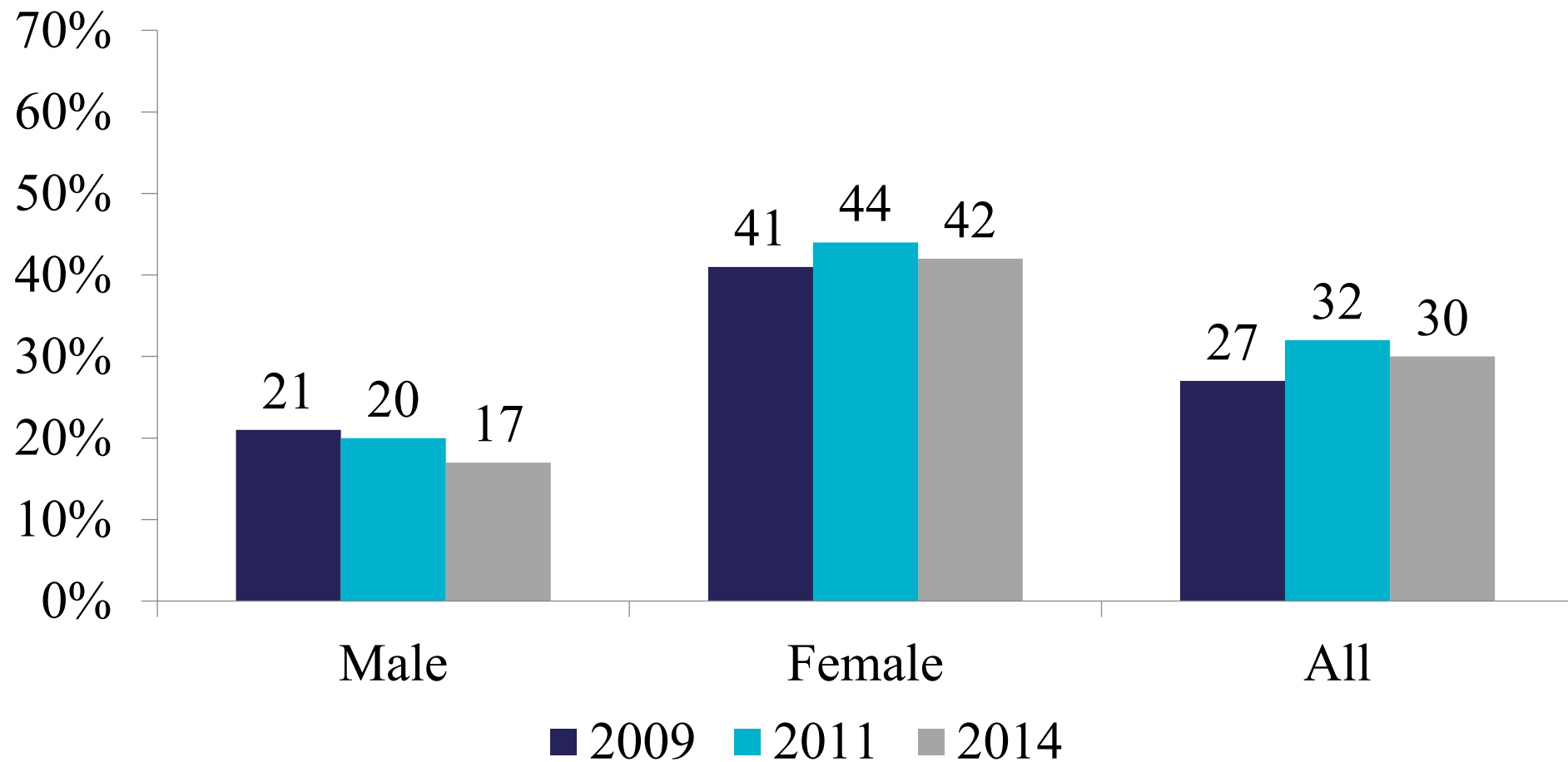


Figure 23. GDP growth and employment rate, 1996–2018

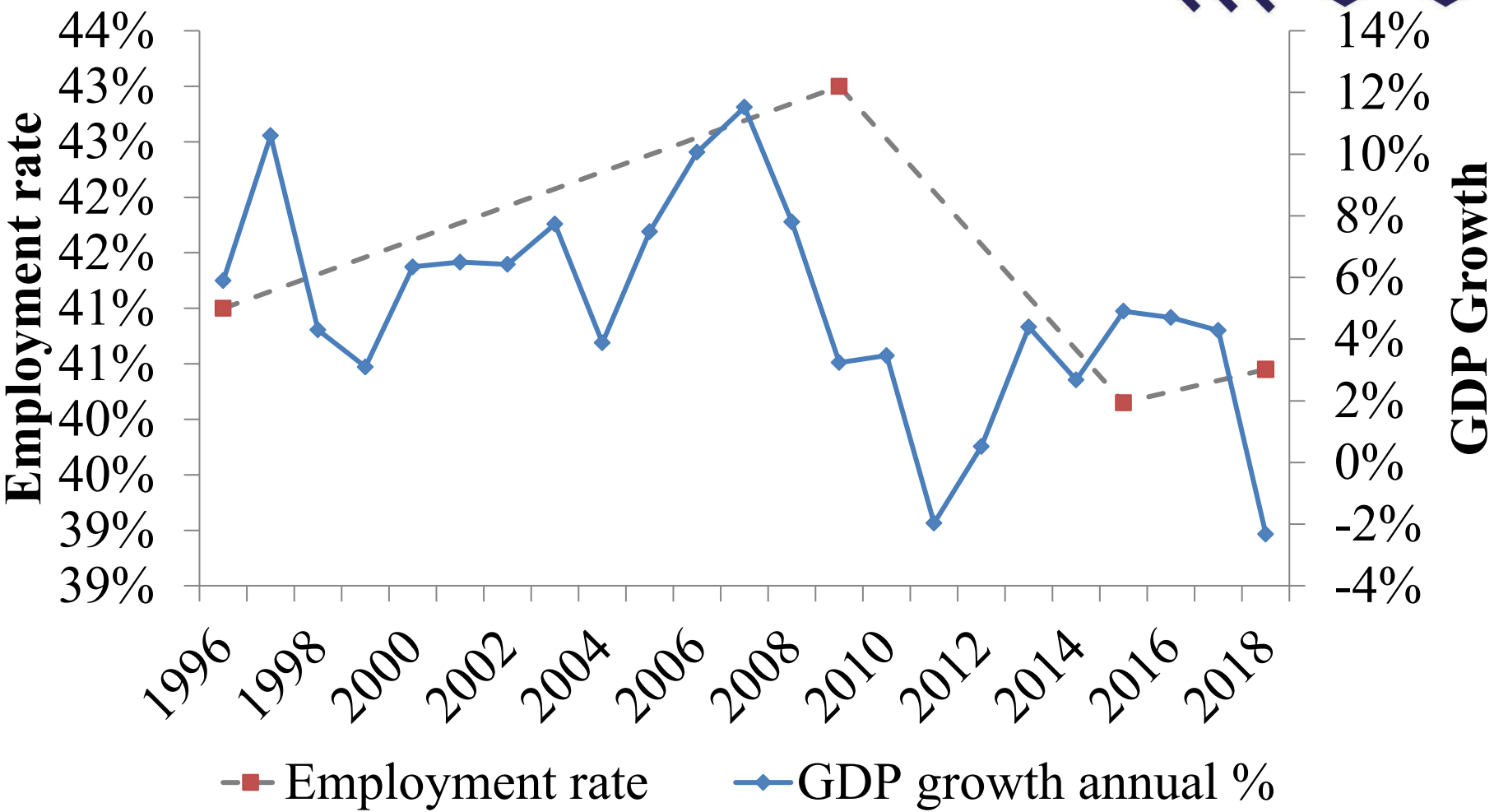


Figure 24. Aggregate labour productivity growth, 2009–11 & 2011–14

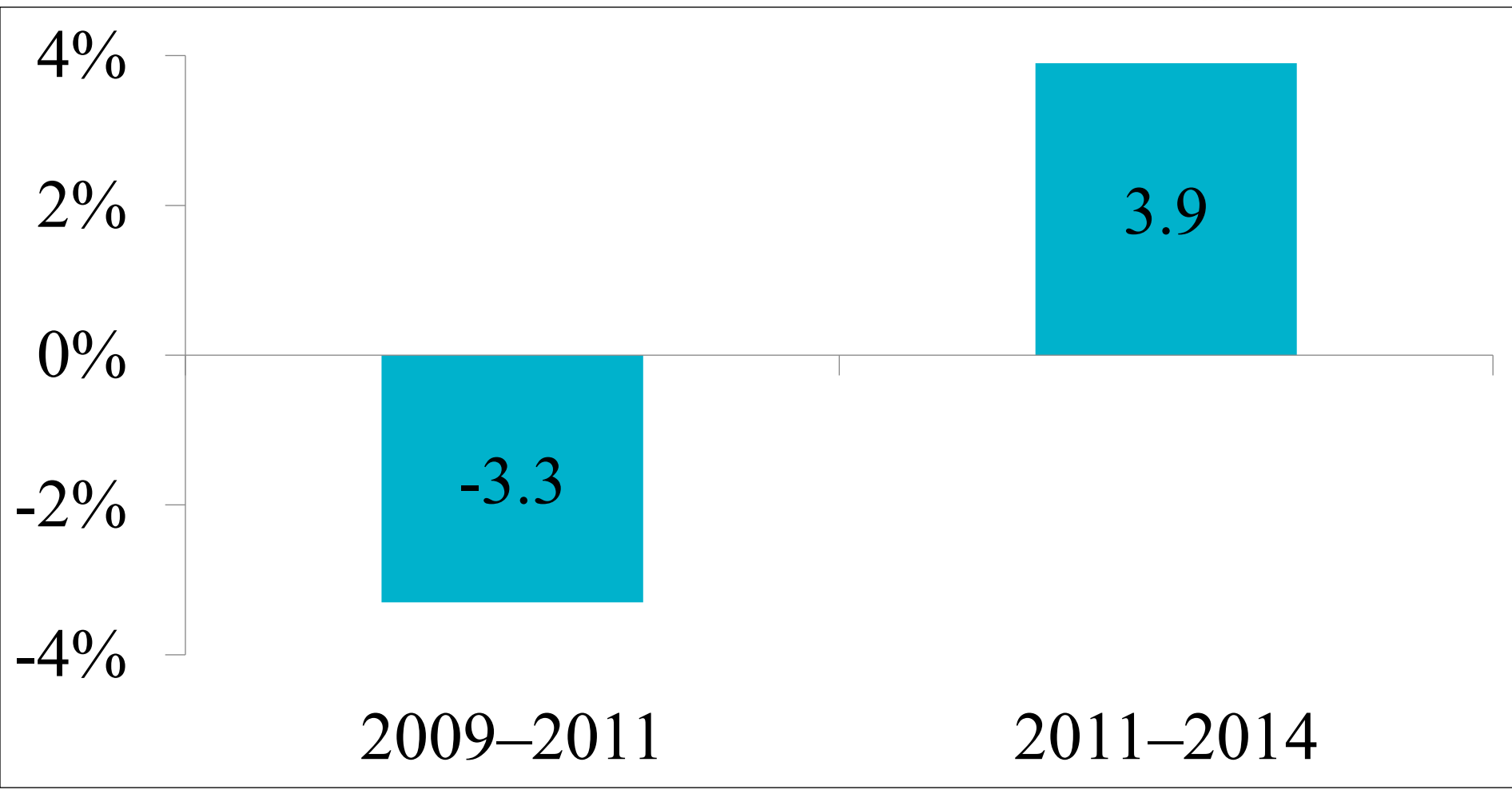
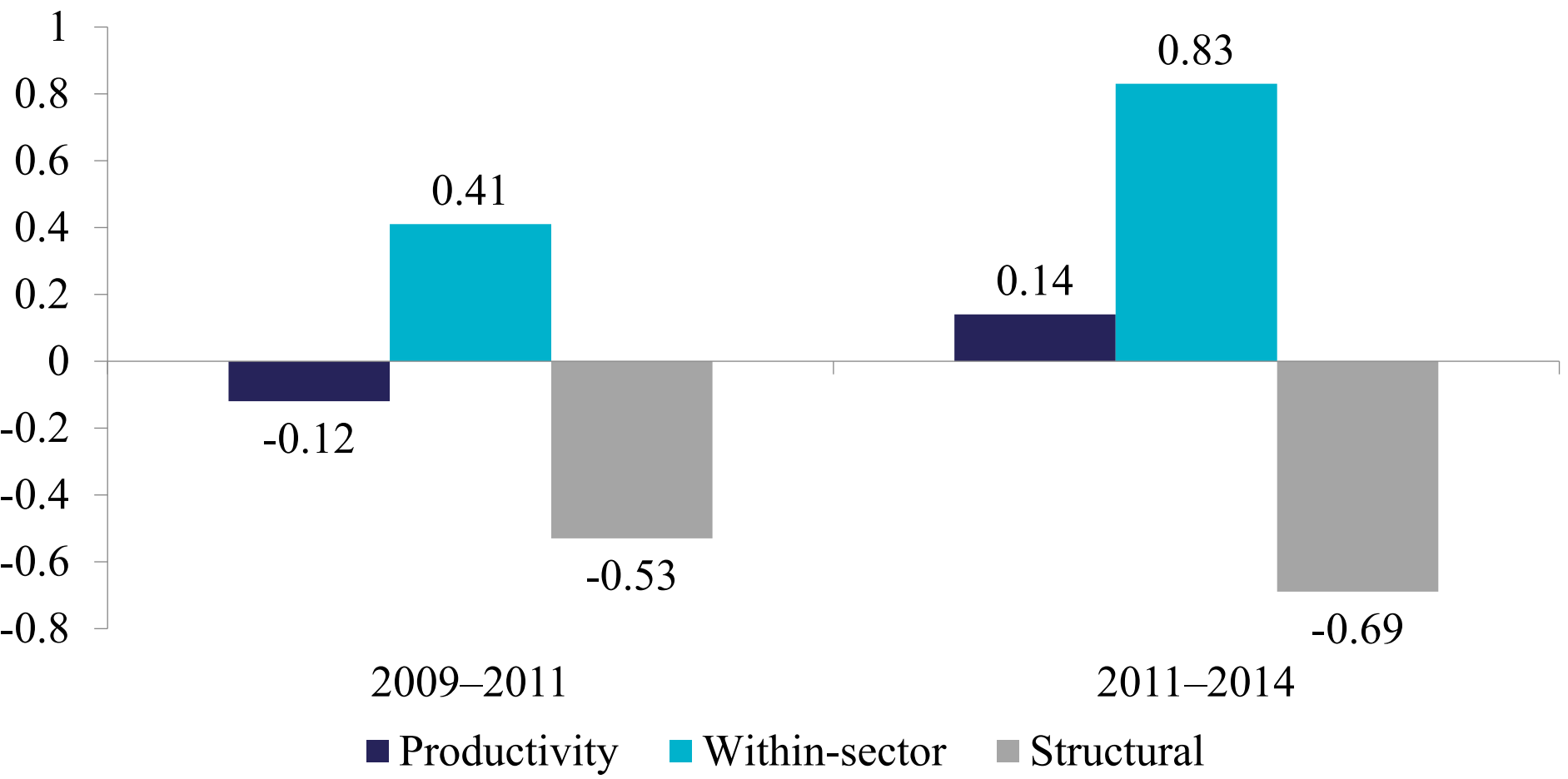


Figure 25. Within-sector and employment reallocation effects on aggregate labour productivity change, 2009–11& 2011–14/15



Results summary



- Sudan's oil boom brought positive and negative effects on employment and economic growth, which became particularly marked by the massive loss of oil revenues after the secession of South Sudan in 2011.
- There is an obvious link between growth performance and labour market outcomes in Sudan over the past two decades – with positive, stable growth and low unemployment before the secession, followed by negative growth and high unemployment.
- Labour productivity growth in Sudan is driven primarily by the services sector, while the contribution of the agricultural sector is negligible, despite its large contribution to employment.
- Productivity decomposition analysis indicates that within-sector has been the main driver of aggregate productivity growth over the last two decades, while the between-sectors component has a negative contribution to overall productivity.

Results summary



- Employment elasticities vary across sectors and over time, reflecting the unfavourable structural transformation of Sudan's economy over the past two decades.
- The contradiction between labour productivity and skills upgrading implies that there is no relationship between productivity and higher education at both overall and sectoral levels, raising concerns about the quality of education in Sudan.

Recommendations



- Measures that boost economic growth and improve macroeconomic performance, such as enhancing private and foreign investment, should be at the top of policy agendas.
- Moreover, a serious revision of the country's education policy is needed to offer the labour market high-skilled workers.
- Furthermore, diversifying economic activities should be prioritized to create more employment opportunities, particularly for youth.
- Given that the analysis in the current study has been constrained by the shortage of data, the research suggests that the labour market surveys should be given special attention

*Thank you for
your attention!*



Questions?!