



## Minutes of the 40<sup>th</sup> DCED Annual Meeting

### Hosted by the MasterCard Foundation in Toronto, 5-8 June 2018

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13<sup>th</sup> July 2018

*These Minutes record discussions at the Thematic Day (7 June) and Business Day (8 June) of the DCED's 2018 Annual Meeting. The four [Working Group discussions](#) (5-6 June) are Minuted separately. Presentations and other materials are posted on the [Annual Meeting web page](#). The working sessions were attended by 45 participants from 24 agencies, including 3 potential members; a list of registered participants is included as an Annex.*

### Thematic day on "Youth Employment in a Changing World - Implications for Private Sector Development", Thursday 7<sup>th</sup> June

The Thematic Day was hosted and organised by the MasterCard Foundation (MCF); the agenda is posted [here](#).

**Peter Materu** (Chief Programme Officer of MCF) opened the day with a strategic overview of the youth employment landscape in sub-Saharan Africa. He set the tone for the day by detailing some of the key challenges that will face young people entering the job market in the next decade. 100 million young Africans will enter the workplace in the next decade, and Africa continues to get younger. He also gave an overview of how MasterCard Foundation's programmes seek to meet these challenges, including its work on encouraging skills training and leadership in teaching roles.

**Johan Veul** (Co-Chair of DCED and Head of PSD, Ministry of Foreign Affairs, the Netherlands) explained that the event was part of the DCED's 40<sup>th</sup> Annual Meeting. He thanked MasterCard Foundation for hosting the Annual Meeting, and explained the DCED's role in disseminating knowledge and evidence around PSD.

#### Key Note<sup>1</sup>

The number of young people in Africa today constitutes one of the world's biggest challenges - and also one of its biggest opportunities, according to **Brahima Coulibaly**, (Senior Fellow and Director of the Africa Growth Initiative at the Brookings Institution). He related this to his personal experience of growing up in the north of Cote d'Ivoire. He identified his determination and explained that it was a source of hope for him that he saw this determination in so many of the young people that he meets across Africa.

Brahima asked participants to look for solutions in unfamiliar places. He explained why he believes that the future of Africa's economic development will not resemble previous industrialisation-led growth. Manufacturing is becoming less labour-intensive, due primarily to automation. Service exports from Africa grew six times faster in the past 20 years than

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<sup>1</sup> A full transcript of the Keynote Address can be found [here](#).

did industrial goods exports. This requires a reappraisal of programming to support this new form of structural transformation.

**Esther Kimani** (an MCF Scholar at the University of Toronto) interviewed Brahim. He recommended developing local understanding, prioritising education, and utilising PSD and entrepreneurship as the most direct routes to employment creation. Leveraging technologies and fostering broader connectivity will also play a role in meeting the youth employment challenge. Finally, he advised empowering young people in decision-making; he tells young Africans, “if you are not invited to the meeting, bring your own chair”

#### Plenary Discussion: Skills, Young People and the Future of Work

The plenary discussion focussed on the models that link young people with employers, with representatives from donors, civil society and the private sector. **Jamie McAuliffe** moderated the discussion, explaining his work with the Aspen Institute Forum for Community Solutions in this area.

**Brownwen McConeky-Nwandu** (African Management Initiative) explained that the critical gap for companies in Africa is scale. Skills for management would help to solve this. Non-cognitive skills (e.g. problem solving) are the key current skills deficit. **Peter Beez** (Swiss Development Cooperation) gave an overview of the emerging trends in TVET. He explained that increasingly TVET programmes are shifting from measuring outputs to measuring impact, and that this is encouraging the use of results-based management and financing.

**Steve Cumming** (MCF) explained the ways in which the Foundation looked at the full diversity of skills and obstacles across the value chains. He explained that MCF had uncovered that a key barrier for youth employment in Rwanda was the high cost of obtaining a notarised CV. The government and private sector in the country had not previously noted this constraint. **Adam Grunewald** spoke about [LYNK](#), a platform that he co-founded (and is CEO of) that aims to provide technology-based solutions for Kenya’s informal labour markets.

#### Debate: "It is impossible to comprehensively apply the market systems approach to the challenge of youth employment"

The debate was facilitated by **Samir Khan** (MCF); the debate participants were **Silvia Heer** (BMZ), **Steve Mason** (Aga Khan Foundation), **Georgina Duffin** (Gatsby Africa), and **Steve Hartrich** (ILO). The debate was held under the Chatham House rule, to ensure a frank and open exchange.

#### Breakout #1: The rise of super-platforms

**Olga Morawczynski** (MCF) moderated the first breakout session, which looked at super-platforms and the implications of these for the future of work and youth employment. Super-platforms are electronic marketplaces that derive their value from orchestrating exchanges. **David Porteous** (BFA/DFI) argued that the effect of super-platforms on financial inclusion is likely to be very positive. **Matthias Oschinski** spoke about his work with MaRS Discovery District, an innovation hub. **Devin Cook** (IIC/MIT) spoke about the Inclusive Innovation Challenge, which she runs at MIT.

## Breakout #2: Development capital – different instruments for PSE

**Ann Miles** (MCF) moderated the second breakout session. The panelists discussed the latest trends in Development Capital, covering different instruments or forms of development finance, impact investment and blended finance; the wider rationale for providing subsidised capital, and organisational implications. **Gizelle Leung** (GIIN) set the scene with an overview of the scale of impact investment (\$ 35 billion in 2017). **Dean Segell** (Convergence) broke the concept of blended finance down into different categories. **Tilman Ehrbeck** (Omidyar Network) discussed the latest trends, and the necessary role of subsidised capital in creating essential infrastructure, demonstration effects and other public goods. **Etienne Grall** (FinDev Canada) spoke about Canada's new DFI, and its strategy for finding a niche that will add value to the sector.

## Closing Remarks

Lindsay Wallace (MCF) thanked the organising team and highlighting three imperatives that had been discussed throughout the day:

- Listening to young people;
- Understanding technology and its implications; and
- Taking a holistic perspective on youth employment, covering both supply and demand.

## **Business Day, Friday 8<sup>th</sup> June**

The Business Day (Members' General Assembly) is important to the functioning of the DCED as it is the governing body, according to the DCED's Charter. The agenda for the Business Day is posted [here](#). The first session included updates by member agencies on their latest developments in PSD; available presentations are posted on the [DCED webpage for the Annual Meeting](#) (not all members made a presentation).

## Progress report and work plan

In the second session, Jim Tanburn summarised progress in 2017-18, and plans for 2018-19, for the Working Groups and Secretariat. It was the first year to include six Working Groups, and there were more than 30 separate work items proposed by the Working Groups. The 2017-18 Progress Report and Financial Statement, and the 2018-19 Work Plan and Budget, were then adopted by acclamation; Gun Eriksson Skoog of Sida noted that the adjustments in direction discussed at the [2017 Annual Meeting](#), and emerging from the subsequent Member Survey, had indeed been taken on board by the Secretariat, and this was much appreciated.

## ExCo elections

Markus Pilgrim of ILO and Steve Cumming of MCF stood down from the ExCo after, respectively, a seven-year term (with six years as Co-Chair) and a four-year term. Both were warmly thanked for their valuable contributions and service by the Committee. Johan Veul, ExCo Co-Chair, stood for re-election as Co-Chair; Liliana de Sá Kirchknopf, Head of Division for PSD at SECO, presented herself for election as co-Chair of the DCED ExCo (being already a member of ExCo). Merten Sievers, Global Coordinator, Value Chains and Entrepreneurship at the ILO (who could not be physically present) and Meredith Lee, Deputy Director Youth

Livelihoods at MCF, stood for election; there being no voting needed, all of those standing were elected by acclamation.

#### Application for membership

The Committee accepted the Belgian Ministry of Foreign Affairs as a full member of DCED by acclamation. Johan Veul welcomed the Ministry on behalf of the Committee. A brief discussion followed on whether members would like to see the DCED expand its membership base. It was agreed that approaches could be made to individual potential members, as appropriate, but that there was not a pressing need to expand the group.

#### Next Annual Meeting

A proposal by UNIDO and ADA to jointly host the 2019 DCED Annual Meeting in Vienna was unanimously accepted by the Committee. DCED members agreed to submit their proposals to UNIDO and ADA (or the DCED Secretariat) for themes for the 2019 Thematic Day. These suggestions will be considered by the two hosts, and ExCo, as they decide the theme.

#### Any Other Business

Henrik Vistisen of the Danish MoFA noted a special seminar will be held in Copenhagen (currently planned for 4-5 December) on the theme of Youth in Development (the BEWG may meet around then too). Members are welcome.

Johan Veul closed the meeting by thanking the MasterCard Foundation again very warmly for the kind and impressive hospitality in hosting the 2018 Annual Meeting.

### **Annex - List of Participants**

*Some of those listed did not stay for all four days. The list omits MasterCard Foundation participants who were present for part of the time, other than the DCED MasterCard focal points.*

#### **Member agency staff**

ADA	Gunter	Schall
ADA	Susanne	Thiard-Laforet
Australia DFAT	Julie	Delforce
Australia DFAT	Jim	Downey
Belgium Ministry of Foreign Affairs *	Jean-Jacques	Bastien
BMZ	Silvia	Heer
BMZ	Christian	Hagemann
Denmark Ministry of Foreign Affairs	Henrik	Vistisen
DFID	Michelle	McKenna
DFID	Joanna	Buckley
FAO	Siobhan	Kelly
GIZ	Stefanie	Springorum
Global Affairs Canada	Marc	Blanchette
IDRC	Lisa	Burley
IDRC	David	Schwartz
IDRC	Arjan	de Haan

IFC	Alexis	Geaneotes
IFC	Alan	Lukoma
IFC	Andreja	Marusic
ILO	Steve	Hartrich
ILO	Dragan	Radic
ITC	Anders	Aeroe
ITC	Iris	Hauswirth
JICA	Saki	Ito
JICA	Toru	Homma
JICA	Ichiro	Fukuhara
MasterCard Foundation	Lindsay	Wallace
MasterCard Foundation	Meredith	Lee
MasterCard Foundation	Steve	Cumming
MasterCard Foundation	Nafis	Muntasir
MasterCard Foundation	Sumaiya	Sajjad
Netherlands Ministry of Foreign Affairs	Johan	Veul
SDC	Peter	Beez
SDC	Andrea	Inglin
SDC	Lars	Stein
SECO	Liliana	de Sa Kirchknopf
Sida	Gun	Eriksson Skoog
Sida	John	Viner
UNIDO	Juergen	Reinhardt
World Bank	Catherine	Masinde

*\* Belgium Ministry of Foreign Affairs became a member during the 2018 Annual Meeting*

#### **Potential members – observers**

Gatsby Africa	Georgina	Duffin
MCC	Jacob	Grover
USAID	Katie	Garcia
USAID	Kristin	O'Planick
USAID	Anastasia	De Santos

#### **Others (present in person)**

DCED Secretariat	Jim	Tanburn
DCED Secretariat/BEAM	Mike	Albu
DCED Secretariat	Donna	Loveridge
DCED Secretariat	Nick	Wilson
BEWG Consultant	Simon	White
BEWG/JICA Consultant	Yuzuru	Ozeki
RMWG guest	Karim	Harji
PSE WG Consultant	Cecilia	Brady