



Concept Note

Webinar

The challenges and impact of climate change on employment in North Africa

Background

North Africa faces the twin challenges of climate change and job creation for its rapidly growing population. On the employment side, the subregion suffers from a weak elasticity of employment relative to GDP growth, creating a deficit of jobs needed to satisfy a growing and young population. Whereas, developing countries have generally a problem of poverty among those who work, rather than an unemployment problem, North African countries face both issues, with a high share of informal jobs and unemployment for some categories of the population, mostly educated youth and women. The labor market participation rates are too low, at 23,4% for women (45% for middle income countries) and 19,4% for the youth (38,2% for middle income countries) in 2022. Moreover, informal employment is widespread (In 2019, it was 67% in Egypt, 37% in Tunisia and 89% in Mauritania), keeping a large share of the population in a vulnerable economic and social position. These characteristics of the labour market are not favorable in the context of rapidly changing climate¹. Climate change is already affecting the subregion, with events such as Libya's 2023 floods, rising temperatures, and worsening water scarcity, disrupting key sectors like agriculture and tourism. These sectors, which employ a large share of the workforce and contribute significantly to GDP², are highly vulnerable to climate extremes, making the region's development model increasingly unsustainable. Moreover, climate change will have direct impact on labor productivity, with an estimated impact of a reduction by 1.37% of the total equivalent working hours by 2030³ in North Africa.

Adaptation efforts, such as investments in renewable energy and sustainable agriculture, are promising but remain limited. High transition costs, access to green finance in North Africa, and slow economic growth have hindered these initiatives, contributing to a limited job creation, especially for young people and women.

¹ ECA (2019) and ECA

² On average agriculture represents 11% of GDP in North Africa (World bank data). For employment it is heterogenous, the lowest (in 2022) is Algeria, with 10%, and the highest is Sudan (40%), followed by Mauritania with 33%, and Morocco with 31%, according to ILO stat. For tourism, there are not systematic data for all countries. For Morocco, tourism accounted for 5% of employment and 7.1% of GDP according to OCED. In Tunisia, in 2029, tourism share in total employment was 11.1% according to world tourism and travel council.

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https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@dgreports/@dcomm/@publ/documents/publication/wcms_711919.pdf



Innovation and Technological advances, while crucial for development, are making industries more capital-intensive, reducing opportunities for labor-intensive job growth⁴. This poses a significant employment challenge, particularly as North Africa's population is expected to grow by 50% by 2050⁵. Although green growth is being pursued, the employment potential of sectors like renewable energy raises concerns. While projects in solar and wind energy, particularly in Morocco (25,000 net jobs per year between 2020 and 2050⁶) and Egypt (67,000 per year between 2020 and 2050)⁷, could create thousands of jobs, the overall job losses caused by climate change in agriculture, tourism and other sectors may offset these gains. In the case of Morocco for example, there is strong concern about the risk of loss of 32% of jobs in the tourism sector by 2035 due to climate change⁸. In Tunisia, the absence of ambitious adaptation policies in the face of climate change could have significant impacts on employment, particularly a loss of 216,000 agricultural jobs by 2050 due to the contraction of agricultural activity.⁹

North Africa's historically low job creation relative to growth means that governments must implement transformative policies to make their economies climate-resilient while fostering employment opportunities. Understanding the complex relationship between climate change, economic growth, and employment is essential to guiding investments, conducive policies and legal frameworks that can generate sustainable jobs. The transition to a sustainable economy will require systemic changes, rethinking development strategies to prioritize both environmental sustainability and job creation. To accelerate this shift, governments must address the significant trade-offs between short-term economic needs and long-term environmental goals, recognizing that past development models, such as export-led growth, will be insufficient to generate the necessary economic growth and employment impacts. The employment challenge in North Africa cannot be solved without integrating climate-proof job creation into the broader economic transformation necessary for sustainable development.

Objectives and outcome

This webinar aims to identify key challenges that North African countries regarding climate change in terms of employment and policy recommendations. The specific objectives of the webinar are:

- Raise awareness and understanding of the interconnected challenges of climate change and employment in North Africa

⁴ See for example chapter 6 of the following report by IM on Morocco:

<https://www.imf.org/en/Publications/Books/Issues/2023/09/22/Moroccos-Quest-for-Stronger-and-Inclusive-Growth-525734>

⁵ World Bank Data: <https://databank.worldbank.org/Population/id/622a9444#> accesses October 15, 2024

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<https://documents1.worldbank.org/curated/en/099012324071522189/pdf/P1705461161e5d8813e9114dbf1b92a137252142a242.pdf>.

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<https://documents1.worldbank.org/curated/en/099040012072216853/pdf/P17054604e29d008a0b91e056926cbfc7ab.pdf>

⁸ <https://www.atalayar.com/en/articulo/economy-and-business/the-climate-crisis-reaches-morocco-1-in-3-jobs-are-at-risk/20241002061000205803.html#:~:text=This%20was%20communicated%20by%20the,the%20impacts%20of%20climate%20change.>

⁹ <http://www.itceq.tn/files/etudes/modele-Gemmes-Tunisie.pdf>



- Share key figures and projections regarding climate change's effects on labor productivity, job losses in key sectors like agriculture and tourism, and on the potential impact of climate change on employment
- Discuss the opportunities, potential and risks linked to sustainability transition in terms of employment creation and analyze how transitioning to a sustainable economy can address the region's unemployment.
- Identify policy pathways that governments can adopt to support climate-resilient jobs.

The expected outcomes from the webinar are:

- Increased understanding of the employment impacts of climate change, including the challenges of creating climate-resilient jobs and industries.
- Identification of priority sectors for investment and policy reforms, particularly renewable energy, sustainable agriculture, and other climate-proof industries.
- Clear recommendations for policy reforms to foster sustainable job creation, such as enhancing labor market resilience, promoting green skills development, and implementing just transition strategies.

Participants: The webinar is opened to all participants interested in the issue of climate change, public policy makers, private sector representatives, civil society, international organizations etc.

Event format: Webinar Link:

Date & Time: The webinar will take place on November 25, 2024, from 10h to 12.30 am. Rabat time (GMT+1)

Languages: The meeting language is English and French

Contact: Mr. Zoubir Benhamouche, Economist, UNECA Office for North Africa.

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Agenda

| Monday, December 25 2024 | |
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| Moderator: Zoubir Benhamouche, Economist, UNECA office for North Africa | |
| 10h00 - 10h10 | Opening Remarks <ul style="list-style-type: none">• Mr. Adam El Hiraika, Director of UNECA Office for North Africa |
| 10h10 - 11h30 | <ul style="list-style-type: none">• Mr. Zoubir Benhamouche, Economist, UNECA – SRO-North Africa• Mr. Adel Ben Youssef, Expert in environment, employment and sustainability transition, Tunisia• Mr. Ali Harbi, Environnemental expert, Algeria (TBC)• Ms Meriem Houzir, expert in sustainable development, founder of climateinitiatives.org, Morocco |
| 11h30 - 12h15 | Discussions with panelists and the general audience |