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PAPA
Pan-African Productivity Association

Productivity Improvement in Africa: The Role of Pan African Productivity Association [PAPA] - 2018

1. INTRODUCTION AND BACKGROUND

Dating back in history, African Heads of State undertook and adopted various initiatives towards growth and sustainable development in the African continent, including amongst others, the Lagos Plan of Action (1980), Africa's Priority Programme for Economic Recovery (1986-1990), the African Alternative Framework to Structural Adjustment Programme (1989), the African (Arusha) Charter for Popular Participation and Development (1990), the Abuja Treaty (1991), the Cairo Agenda (1994), the New Partnership for Africa's Development (OAU 2001 and ratified by the AU in 2002), and recently in 2015 the African Union Agenda 2063

Further initiatives aimed at inclusive growth and sustainable development in the African Continent resulted in the formation of the **Pan African Productivity Association** (PAPA) in November 1990, through a declaration made by delegations representing six African countries (Botswana, Ethiopia, Ghana, Ivory Coast, Nigeria and South Africa) at the 7th World Productivity Congress in Malaysia.

The PAPA declaration recognised the close relationship between productivity enhancement and sustained economic development. This initiative had the full support of the World Productivity Confederation of Productivity Science (WCPS).

The Objectives of PAPA

- To provide a forum for promoting and sharing ideas and experiences on strategies, techniques and practices for productivity enhancement, accelerated economic growth and social development in Africa.
- To encourage the development of a productivity culture in African economies in order to ensure better living standards on the African continent.
- To foster co-operation and collaboration between national productivity organisations and other related bodies in Africa as well as those

outside Africa with a view to promoting sustainable growth in productivity in the economies of Africa.

- To facilitate the establishment and development of national productivity organisations, centres or institutions in all African countries.

It was envisaged that funding for PAPA activities would come from Member Countries' subscriptions, donations, grants from Governments, individuals and other organisations, proceeds from sale of publications, etc.

In 1996 PAPA was granted observer status at the 19th Ordinary session of the Labour and Social Affairs Commission of the OAU and the Council of Ministers.

In August 1999 the Heads of State and Government of the Southern Africa Development Community (SADC), meeting in Mbabane, Swaziland adopted a Declaration calling for the establishment and development of national productivity organisations within member states.

To date over 10 African countries are participating in PAPA activities and over 17 African countries are benefitting from the programmes (KAIZEN and 5S) implemented by the JPC and the APO in Africa.

Adoption in 2002 of the **New Partnership for Africa's Development** (NEPAD), which merged two plans for the economic regeneration of Africa: The Millennium Partnership for the African Recovery Programme (MAP) and The OMEGA Plan for Africa; the integration of NEPAD into AU structures and processes; and subsequent establishment of the NEPAD Agency in 2010, which is the planning and coordinating technical body of the AU bears testimony to the commitment by African Heads of State to transform the Continent's socio-economic landscape towards growth and sustainable development.

NEPAD long-term objective - to address Africa's development problems, with the objectives to eradicate poverty, promote sustainable growth and development, integrate Africa in the world economy and halt its marginalisation, and accelerate the empowerment of women.

These are based on underlying principles of a commitment to good governance, democracy, human rights and conflict resolution; and the recognition that maintenance of these standards is fundamental to the creation of an environment conducive to investment and long-term economic growth.

Its programme covered interventions in six thematic areas, including: a) Agriculture & food security; b) Climate change & natural resource management; c) Regional integration & infrastructure; d) Human Development; e) Economic & corporate governance; f) Cross-cutting issues, including Gender, Capacity Development and ICT.

Adoption in 2015 of the **African Union Agenda 2063 – The Africa We Want**”, which is rooted in Pan Africanism and African Renaissance, provides a robust and shared strategic framework for the socio-economic transformation of the African Continent over the next 50 years and the realisation of the 21st Century as the African Century.

The Agenda 2063 sets a strategic framework for inclusive growth and sustainable development that builds upon Africa’s recent positive performance in the economic, social and political fields to put the continent on a new positive trajectory of growth, peace and prosperity.

This new and noble initiative is a pledge by the peoples of Africa to build a “different and better Africa”, inspired by the confidence that, she has the capability to build a prosperous Africa based on inclusive growth and sustainable development.

Driven by the desire for change and participation in the global economy, the peoples of Africa aspire that by 2063, she will be a prosperous continent, with the means and resources to drive its own development, with sustainable and long-term stewardship of its resources and where, amongst others (*reflection on aspiration 1*):

- Africa’s Economies are structurally transformed to create shared growth (where its collective GDP is proportionate to her share of the

world's population and natural resource endowments) through entrepreneurship and decent jobs for all;

- Africa will have well educated citizens underpinned by a skills revolution deliberately focusing on science, technology and innovation for a knowledge society;
- Africa's agriculture is modernized and productive, using science, technology, innovation and indigenous knowledge for scaled-up production, improved productivity and value addition through commodity transformation and services, contributes to farmer and national prosperity and food and nutrition security;
- Africa's cities, peri-urban and rural communities are equipped with modern communication, sanitation, education and health facilities and are vibrant, dynamic market economies, people have access to affordable and decent housing including, housing finance together with all the basic necessities of life, and social capital is valued and preserved;
- African countries will be amongst the best performers in global quality of life measures, whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children;
- Africa as a strong, united and influential global player and partner with modernized infrastructure, its people have access to affordable and decent housing including housing finance together with all the basic necessities of life such as, water, sanitation, energy, public transport and ICT;
- Africa as a continent where the institutions are at the service of its people, and citizens actively participating in its social, economic and political development and management; and
- Africa shall have equitable and sustainable use and management of water resources for socio-economic development, regional cooperation and the environment.

It can be concluded, as articulated by Africans in Aspiration # 1: *A Prosperous Africa based on Inclusive Growth and Sustainable Development* that, Agenda 2063 is a shared strategic framework for inclusive growth and sustainable development for Africa's transformation, therefore a continuation of the Pan African drive, for self-determination, freedom, progress and collective prosperity.

The Agenda is supported by an implementation mechanism underpinned by amongst others, a strong knowledge management system to enhance the quality of delivery through cutting edge research, innovation, promote sharing of African best practices and learning

It can be concluded that, one of the important objectives of Agenda 2063, is to transform, grow and industrialize economies through beneficiation and value addition of national resources.

the Agenda for change and socio-economic transformation of the African continent and her economies by the AU and its leadership, is therefore, its strategic response to the reality of the changing global context driven by globalisation; the modern information and communication technology revolution; changes in production, trade, knowledge and labour markets; the opportunities presented by global demographic trends, the growing global middle and working classes in the South; and advancing global trends towards regional blocks,.

The focused response to the reality of the changing global context remains a reminder to us that integration and unity is the only way for Africa to leverage its competitive advantage.

The above will not be realised without a concerted effort to grow and industrialize economies through beneficiation and value addition of national resources.

It is for these reasons that in its endeavors to shape its destiny, the AU Agenda 2063 calls for *“enhancing the Productivity Agenda for Africa, as an essential engine for industrialization, progressively enhancing competitiveness of the continent in the global economy”*.

In April 2005, the former Japanese Prime Minister Junichiro Koizumi announced at the Asian-African Summit held in Indonesia that Japan will provide assistance to Africa by applying the knowledge garnered through Asia's movement towards higher productivity.

In view of this pronouncement, a Round Table Conference for the Promotion of the Productivity Movement in Africa was held in South Africa in August 2006, with the financial support from the Government of Japan.

One of the outcomes of the conference was the bilateral Technical Cooperation Agreement between the Japan Productivity Centre (JPC) and individual PAPA Member Countries, including Productivity South Africa.

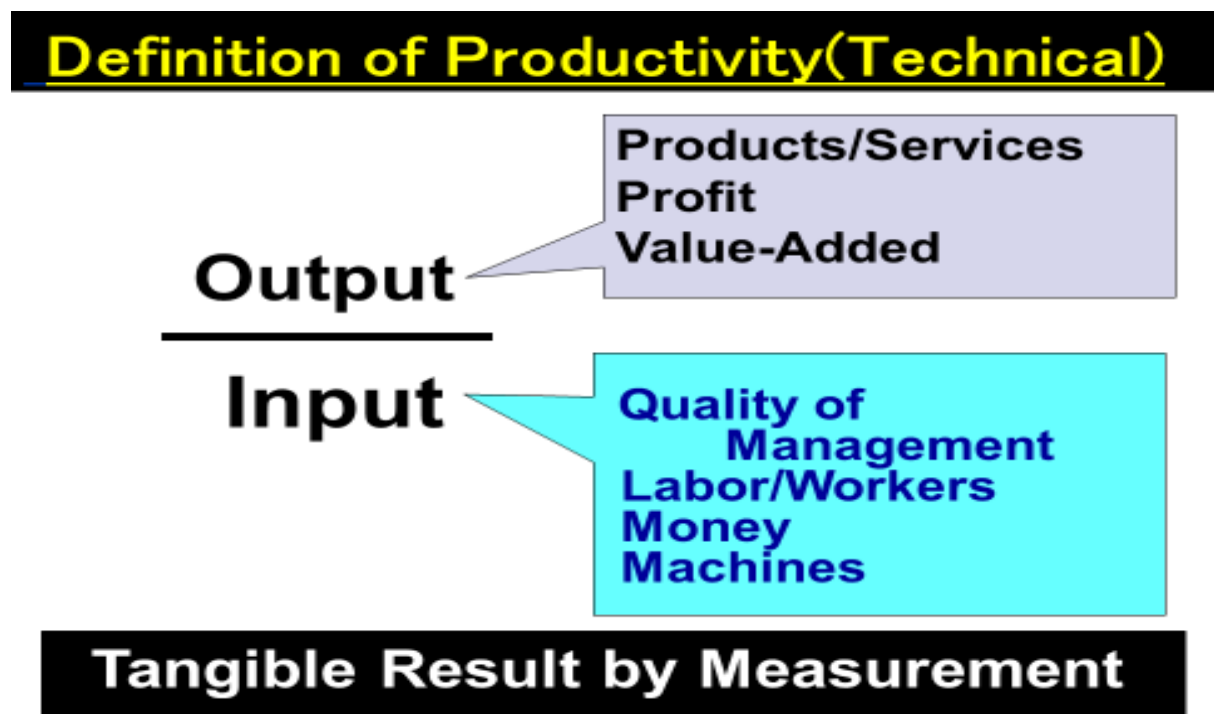
It is noticeable and appreciated that the Japanese Government, through the Japan Productivity Centre (JPC) and Japan International Cooperation Agency (JICA), as well as the Asian Productivity Organisation (JPO) plays a major role in supporting the implementation of Productivity Improvement Initiatives in the continent and African Productivity Centres, in particular PAPA Member Countries.

The success of Agenda 2063, regarded as one of the Continent's most strategic initiatives, will ultimately depend on all the stakeholders involved and whether they are prepared to make compromises to make it work. In particular, the Productivity Agenda for Africa cannot be achieved and delivered by the AU alone, but requires a joint collaborative approach by PAPA and its strategic partners, including the Asian Productivity Association, the Japan Productivity Centre; other economic sectors together with citizen participation and involvement in development programmes; and the JICA/NEPAD as outlined in the Tokyo International Conference on African Development VI (TICAD VI) Nairobi Declaration - Advancing Africa's sustainable development agenda TICAD partnership for prosperity, (with a focus on Pillar # 1: Promoting structural economic transformation through economic diversification and industrialization; including Quality infrastructure; Private sector development; and Human resource development)

However, more can be done if these interventions and programmes are implemented and supported by and under the ambit of the AU, covering all 55 Member Countries within the TICAD Agreement, noting that PAPA does not have the infrastructure, human and financial resources to popularise the productivity movement in the continent.

2. The benefits of Productivity improvement to economic performance and business efficiency.

Productivity by definition is the value of output produced by factors of production (inputs).



Productivity in its broadest sense is concerned with the more efficient utilization of economic resources (labour, capital, land, energy, information, materials etc.) in the production of goods and services at lowest possible cost.

Higher productivity means accomplishing more with the same amount of resources, or producing the same output at constant or improved quality and fewer inputs.

Productivity is **NOT** just a narrow technical concept. It is also a wide social concept.

Definition of Productivity (Social)

Productivity as a Wide Social Concept

Productivity is NOT just a narrow technical concept. It is also a wide social concept as follows;

Productivity is above all, an attitude of mind. It seeks to continually improve what already exists. It is based on the belief that one can do better today than yesterday and even better tomorrow.

(1958, European Productivity Agency Organization)

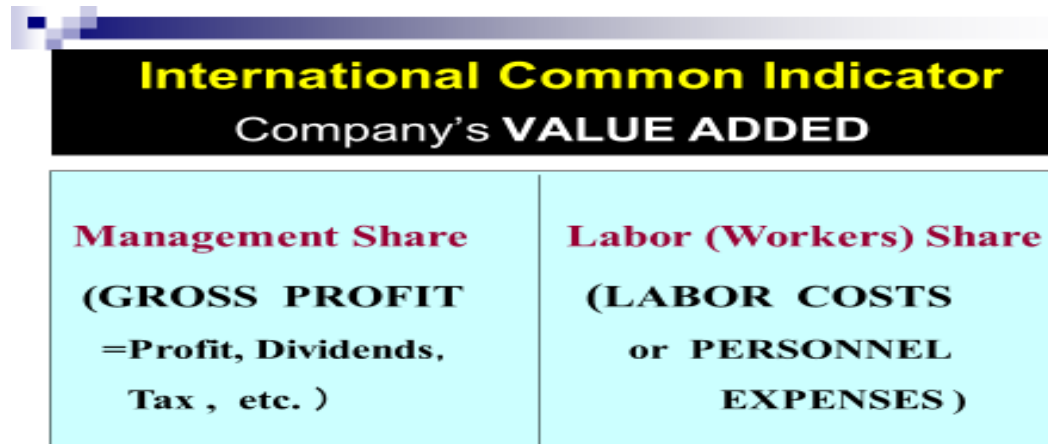
Human Oriented / centered & Betterment of QWL / QL

Productivity has always been recognised and accepted as the underlying factor for competitiveness and the driver of growth.

Many factors contribute to this but ultimately it is people, knowledge and skills, and attitude that will make the difference.

It is also common knowledge that good business thrives on higher productivity.

That workers become more productive when they are highly motivated, and that high motivation derives from good working conditions and healthy, safe working environment.



Improving productivity is the most important requirement for long-term business success.

It is the art of doing more with less, of minimizing costs and maximizing value.

Productivity provides a simple but powerful indicator of the ability of a country to optimally use its resources to drive economic growth.

(International Common Indicator)

Productivity Indicator(National Level) = **GDP**
GDP = Indicator of National Wealth

Bigger GDP = Competitive Country
= Higher Productivity
Then, Wealthy Nation

Other critical issues relating to productivity and competitiveness include:

(a) Productivity and poverty alleviation

High productivity packaged with sound distributional and development policies is the best available means for poverty alleviation.

(b) Productivity and promotion of employment

The more productive an enterprise becomes, the more income it can generate and save for new investments and the creation of new jobs.

(c) Productivity and labour standards

This has more potential in promoting decent working conditions and quality of life than legislative mechanisms alone.

(d) Productivity and sustainable development

Sustainability means the utilisation of a unit of raw materials and energy in an economy in such a way that the consequent output with minimum waste materials.

3. Productivity and competitiveness issues within the African Continent.

The Agenda 2063 seeks to optimise the use of Africa's resources for the benefit of the Continent's people in order to achieve inclusive growth and sustainable development.

For the majority of African economies, GDP per capita, which is viewed as a rough indicator of Labour Productivity at national level, remains a fraction of the figures in developed and many other developing countries.

Sub-Saharan Africa has the lowest level of productivity of any global region- just around 8% of the US level. As a result of its low productivity level, the region has strong potential for rapid catching up growth.

We all as Africans have the responsibility and obligation, to be interested in and to assist in the achievement of Africa's development objectives.

One of the most intractable problems we face in Africa is poverty, leading to social exclusion.

In many parts of the African Continent, the poor are (in fact employed, but) employed in such poorly paid conditions that they and their families live on less than US\$1 a day per person.

According to the ILO and the UN Sustainable growth goals, it is not simply the lack of employment that leads to poverty but rather the lack of decent and productive employment. The first step out of poverty and social exclusion is some form of income-generating activity, described in general as employment.

Africa needs more jobs, but more productive jobs that allow workers to lift themselves and their families out of the vicious cycle of poverty.

It is a well-known fact that it is the private sector that creates jobs, while the government articulates the correct development policies and creates an enabling environment for business to thrive. Furthermore, it is in our interest, as PAPA, to support and enhance the coverage and effectiveness of social protection for all.

It cannot be denied that, rapid and sustained productivity growth has lifted advanced industrialized nations to their present-day standards of living and, by any historical standards, has allowed them to eradicate mass poverty through creating high levels of employment.

Greater competition is crucial for creating better jobs. According to the World Bank Group estimates, the global economy must create 600 million new jobs by the year 2027 – with 90 percent of those jobs being created in the private sector – just to hold employment rates constant, given current demographic trends. Moreover, making markets more open to

foreign competition drives labor to sectors with higher productivity – or, at least, with higher productivity growth. Making jobs more productive, in turn, generally increases the wages they command.

Thus there's compelling evidence that competition (over the long term) has the potential to create both more jobs and better jobs.

For e.g. the World Bank Group (2012), advance a case study of the advice provided to the government of Rwanda on the design of a competitive bidding process for green-leaf tea by two state-owned tea factories. Given that the tea sector is the third-largest employer in Rwanda, such reforms can be expected to have a strong impact on jobs.

As a result of this initiative, the country's 60,000 tea farmers saw their incomes increase by an average of 35 percent.

In Kenya, there were similar results in the tea sector in 2013 after the Competition Authority facilitated the licensing of a specialty tea factory whose entry had previously been blocked by incumbents. This entry allowed smallholder farmers (who the Bank Group considers as job-holders) who switched to the specialty tea to realize a 230 percent increase in the price paid per kilo for their product.

It is important that both enterprises and workers benefit from improved productivity. Improved productivity can enable enterprises to make new investments and fuel the innovations, diversifications and expansions into new markets that are needed for future growth. Improved productivity can result in higher earnings for workers, better working conditions, improved benefits and reduced working hours; these in turn can improve workers' job satisfaction and motivation.

However, an argument still has to be advanced of the benefits of productivity gains being shared between employers and workers, instead, we still see a trend towards job shedding when the times are tough.

4. WHY AFRICA NEEDS TO EMBRACE THE PRODUCTIVITY MOVEMENT

4.1 Productivity and Competitiveness as a means to Wealth Creation

- An Indicator of a Country's Productivity /Wealth is its Gross Domestic Product (GDP).
- The GDP = Sum of All Companies' Value-added (Profit) in a Nation,

Company Productivity contributes to National Economy

*** Company Productivity is to maximize Profit
(= Value Added Amount)**

*** Value Added Amount of All Companies in a Nation = GDP
(= Indicator of National Wealth)**

4.2 The Productivity Movement in Africa.

The role of the Productivity Movement is to galvanise the continent towards achieving greater productivity strides, as well as envisioning a giant leap for Africa into a league of world competitive continents. The thrust of the productivity movement is in creating widespread awareness of productivity among people and society.

Some of the key outcomes of a successfully implemented productivity movement include, inter alia:

- Creating awareness of the role of productivity in driving economic growth and creating jobs;
- Cultivating a culture of productivity; and
- Empowering stakeholders and ordinary citizens with the skills to drive productivity.

Three (3) Guiding Principles for Japanese Companies to Increase Productivity

in 1955 when JAPAN STARTED PRODUCTIVITY MOVEMENT

**(1) We Should Not Layoff Workers
(Job Security First)**

**(2) Productivity Increase through Teamwork
& Cooperation Between Workers – Mgt.**

(3) Fair Distribution of Productivity Increase

Changing mind-sets is what the productivity movement is all about. As Africa, we need to dedicate ourselves to building among our people a culture of hard work, discipline, and a work ethic that would boost higher productivity.

The fact that Asia has achieved the highest economic growth rates in the world in the last half-century is not unrelated to the existence of many vibrant National Productivity Organizations (NPOs) in the Asia-Pacific region and the activities of the APOs, which is the only intergovernmental regional organization that is actively promoting the cause of productivity.

Governments are crucial in the promotion of a lively productivity movement in Africa. They have a critical role to play in raising awareness about productivity among its people and industry and nurturing their positive attitude toward productivity improvement. The effectiveness and sustainability of a productivity movement also depends on the extent to which governments commit themselves to the movement, in particular by availing funding on a regular and sustained basis, especially during early days of the productivity movement such as ours (Africa).

NPOs are expected to play an important role in leading the productivity movement in their respective countries. In reality, however, their capacity building is far from satisfactory in Africa.

Strengthening and upgrading the staff capacity of NPOs is called for as an urgent agenda. It is desirable for African countries to be exposed to best practices and model projects available in the world e.g. Asia.

Social dialogue and consensus are key elements to stakeholder collaboration and the cornerstone upon which partnerships are to be built for the productivity movement.

To reinforce tripartism create a sense of belonging and ownership of responsibilities among collaborating stakeholders, a tripartite approach to the management of the productivity movement should be pursued.

5. CHALLENGES FACING THE PRODUCTIVITY MOVEMENT IN AFRICA

5.1 Low Influence in the formulation of Policies and Strategies

The ability of governments to develop effective policies depends on information pertaining to their economic, social, cultural and political environments. Government's around the world to a large extent depend on productivity organisations to provide them with the much needed information relating to policy formulation.

The ability of National Productivity Organisations to produce the much need information for decision making depends on their capacity and finances. From own experience, we can confirm that there are some key limitations in this areas. NPOs capacities and finances are restrictive and barely meet operating expenses, hence the lack of technical dialogue and research & development.

On this level, there is for instance a critical need to integrate the formal and non-formal sectors.

5.2 Structural mechanisms to share and disseminate information

The world is rapidly moving towards knowledge-based economic structures and information societies which comprise networks of individuals, organisations, and countries linked electronically in an interdependent and interactive relationship. Information technology also has the potential to facilitate research and the exchange of ideas. National Productivity Organisations in Africa's inability to share knowledge and experiences impacts on their competitiveness and progress.

5.3 Capacity and funding constraints leading to short-term focus

Productivity statistics allows governments to prioritize between short-term and long-term economic challenges and opportunities.

NPOs' current capacity and funding constraints impacts on their ability to provide their respective Government's with relevant information pertaining to economic priorities and long-term strategies.

5.4 New Development Scenarios

Change is occurring in nearly every area of human existence. There is an emergence of a new global information economy that is underpinned by revolutionary changes in science and technology. Technological innovations in such diverse domains as ITC, material science and biotechnology are fundamentally re-wiring the global economy.

In this new global economic environment, information and the knowledge it provides has become a key factor in economic competitiveness.

5.5 Lack of new models to address the specific needs of Developing countries

It is clear that there is no “one-size-fits-all” solution to the problems facing African countries. Given that the majority of people in African countries live in rural areas, any attempt to meet the challenges of Globalization and the information age must include rural development strategies. The promotion of science and technology is a cornerstone of the kind of economic progress that Africa needs if it is to compete.

6. FACTORS CONTRIBUTING TO DECLINING PRODUCTIVITY

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

- Poor performance of the Public Sector as well as the Parasternal 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
- Quality of the education and training system,
- Ineffectiveness of the labour market information systems,
- The corporate human resource management systems,
- Quality of Social Dialogue and
- The state of infrastructure (electricity, transport, telecommunications etc.) and services (health, central and local bureaucracies etc.).

7. THE ROLE PLAYED BY THE PAN AFRICAN PRODUCTIVITY ASSOCIATION (PAPA) IN THE CONTINENT

7.1 The History of PAPA

PAPA was founded the **Pan African Productivity Association** (PAPA) in November 1990, through a declaration made by delegations representing six African countries (Botswana, Ethiopia, Ghana, Ivory Coast, Nigeria and South Africa) at the 7th World Productivity Congress in Malaysia.

The declaration recognised the close relationship between productivity enhancement and sustained economic development. This initiative had the full support of the World Productivity Confederation of Productivity Science (WCPS).

After a slow start, the Association was revived at Member Countries' first General Assembly in Pretoria, South Africa in November 1992. A new Executive Council was elected, the Constitution was revised and a new executive secretary was elected.

In 1996 PAPA was granted observer status at the 19th Ordinary session of the Labour and Social Affairs Commission of the OAU and the Council of Ministers.

In August 1999 the Heads of State and Government of the Southern Africa Development Community (SADC), meeting in Mbabane, Swaziland adopted a Declaration calling for the establishment and development of national productivity organisations within member states.

It was envisaged that funding for PAPA activities would come from Member Countries' subscriptions, donations, grants from Governments, individuals and other organisations, proceeds from sale of publications, etc.

Funding and coordination of PAPA activities is still a challenge to date, despite the JPC and JICA, as well as the APOs playing a major role in supporting the implementation of Productivity Improvement Initiatives in the continent and African Productivity Centres, in particular PAPA Member Countries.

7.2 The Objectives of PAPA

- To provide a forum for promoting and sharing ideas and experiences on strategies, techniques and practices for productivity enhancement, accelerated economic growth and social development in Africa.
- To encourage the development of a productivity culture in African economies in order to ensure better living standards on the African continent.
- To foster co-operation and collaboration between national productivity organisations and other related bodies in Africa as well as those outside Africa with a view to promoting sustainable growth in productivity in the economies of Africa.
- To facilitate the establishment and development of national productivity organisations, centres or institutions in all African countries.

7.3 Governance Structure of PAPA

In terms of its Constitution, the PAPA management structure is made up of the General Assembly (Governing Body), the Board which implements decisions of the General Assembly, and the Secretariat which is headed by the Secretary General and responsible for the administration and coordination of the Association's activities and programmes. The Secretariat has been located in South Africa under Productivity SA since inception to date.

7.4 The Role and Responsibilities of National Productivity Organizations affiliated to PAPA

The main responsibilities of NPOs can be categorised as follows:

- To set productivity improvement agenda for the country
- To promote productivity improvement and productivity culture
- To assist enterprises in productivity improvement through building their own capacities
- To acquire and disseminate productivity related information

Some of the member states of the AU have been engaged in various efforts at promoting productivity at the national level with some countries establishing National Productivity Organizations (NPOs) as apex bodies

for spearheading and coordinating productivity activities in their respective countries.

At the continental level, however the institutional framework and infrastructure to promote the productivity movement is still at the emerging stage.

It is in recognition of the important role productivity can play in accelerating economic growth and social development in Africa that some existing NPOs in African countries came together to establish the Pan-African Productivity Association (PAPA) with the main objective of strengthening the productivity movement regionally as well as continent-wide.

Currently PAPA has membership in only 12 countries:

- SADC - Botswana, Namibia, Mauritius, Malawi, South Africa, Zambia and Zimbabwe
- EAC – Kenya, Tanzania
- ECOWAS - Burkina Faso, Ghana and Nigeria

PAPA provides an opportunity for Africa to highlight the critical challenges that the continent faces and the role that productivity can play in addressing these challenges.

7.5 Common needs for PAPA member countries

- All participating countries emphasized the need to strengthen capacity building of NPOs through the training of trainers and consultants in the broad area of productivity and quality management.
- There are felt-needs among less advanced NPOs to intensify the efforts toward productivity awareness and promotion and that productivity awareness should be undertaken with “passion”, and translated into action at the workplace and in the SMEs through participatory and productivity improvement oriented programs.

- Support by respective governments by providing necessary funds from the stage of awareness creation to the stage of action programs for productivity promotion on a sustained basis.
- Relevancy of NPO programs to the national development policies and directions, strengthening of the network of information exchange and sharing both locally and internationally, selection of and concentration on a few thrust areas to establish NPO's core competencies, and hence leadership in those areas.
- Learning from the best practices and model projects in Asia, such as the one-village one-product movement, as well as productivity promotions efforts of successful APO member countries.

7.6 PAPA Strategic Partnerships

Despite it being in existence since 1992 and its recognition by the African Union as one of its specialized agencies, PAPA is still weak with just only 10 active members as mentioned above.

However, the Association has made strident efforts in promoting productivity in Africa by engaging in strategic partnership with international organizations such as the International Labour Organisation (ILO), Asian Productivity Organization (APO) and the Japan Productivity Center (JPC) among others.

Through the special grant from the government of Japan, the APO and JPC have implemented technical cooperation projects for PAPA member countries since 2006 in an effort to strengthen their capacity and promote productivity in Africa through sharing of Asian productivity experiences. Efforts to boost productivity require the availability of a critical mass of trained productivity practitioners and the APO has trained over 200 productivity practitioners in Africa thus far.

This pool of competent productivity practitioners is an important initiative in the development of a productivity culture, but still not sufficient to produce the critical mass of activists required to lead the productivity movement throughout the African continent. Therefore, continuous efforts and exposure to productivity skills and knowledge are imperative. PAPA is still dependent on such strategic partnerships to continue productivity training for larger groups of practitioners across the continent in order to move it to the next stage of economic development by relying on its own human resources and institutions.

The technical cooperation with the JPC has seen more than 90 African participants undertaking study visits to Japan to learn about the historical development of the Japanese productivity movement as well as methods and tools to improve productivity in Japanese companies. The JPC also sent productivity experts to African countries to implement productivity-improvement methods such as 5S and Kaizen at enterprise/factory level in the individual PAPA member countries.

The TICAD VI conference (Tokyo International Conference on African Development) in Kenya, August 2016 looked into key policies and institutional arrangements required for industrialization in Africa, focusing also on the potential contribution of the KAIZEN approach.

KAIZEN a Japanese term meaning 'Improvement' refers to a process of innovation in firms involving the entire workforce, and can be applied to areas of customer service and product provision, quality control, new product development, automation and cooperative employer- employee relationships among others.

The Government of Japan and the African Union have entered into an agreement whereby the Japanese Government will provide technical support, in particular on issues of productivity and competitiveness (KAIZEN) to Africa through the Japan International Cooperative Agency (JICA) under the auspices of The New Partnership for Africa's Development (NEPAD).

In view of the unfolding TICAD VI and the AU agreement, PAPA sees a great opportunity of climbing the productivity ladder by supporting and establishing effective NPOs in the continent, which will be able to provide well-designed training programs like KAIZEN in all AU member states. With its good track record of productivity development activities, it is incumbent upon PAPA to urge member economies to drive the productivity movement in their respective economies.

7.6.1 Africa Kaizen Initiative” (AKI)

African Union Development Agency-NEPAD and JICA signed a Memorandum of Cooperation on “Africa Kaizen Initiative” (AKI) in April 2017 with the following 4 key strategies:

- a. Advocating at the Policy Level
- b. Creating and Strengthening the Function of Centers of Excellence
- c. Standardization of *Kaizen activities* in Africa, and
- d. Networking with *Kaizen* Promoting Institutions around the World.

Core activities of AKI:

- The Africa *Kaizen* Annual Conference (AKAC), which serves as a platform for stakeholders to expand their networks, share knowledge, and deepen their understanding of *Kaizen* activities.
 - 2018: AKAC- South Africa
 - 2019: AKAC – Tunisia
 - 2020: AKAC Virtually
 - 2021: AKAC August, Tanzania/virtually
- Africa Kaizen Awards (AKA), introduced in 2019, designed to incentivize improvement activities in enterprises which awards the Kaizen good practices in African continent
- Production of the KAIZEN Handbook was compiled in 2018 shared amongst participating countries.

Participating countries

Cameroon, Egypt, Ethiopia, Ghana, Kenya, South Africa, Tanzania, Tunisia, Zambia, Botswana, Burkina Faso, Mauritius, Namibia, Nigeria, Zimbabwe

Africa Kaizen Initiative Action Plan (AKIAP) 2021-2025

The actions plan was derived from recommendations made in all conferences including AKAC 2020 have been reviewed and those found important, relevant and timely shall be included in this action plan. Action plan was based on the 4 strategies of AKI.

5 Working Groups were developed:

1. WG I Standardization of KPIs including Methodology of Monitoring and Evaluation
2. WG II Standardization of Kaizen/QPI training curriculum and consultancy services
3. WG III Certification system for Kaizen/QPI consultants
4. WG IV Institutionalization of AKACs and AKAs, establishing 'Africa Quality Award'
5. WG V Establishing and strengthening of 'Centre of Excellence/s on Kaizen/QPI

7.7 Challenges for PAPA

- Building PAPA's institutional infrastructure and strengthening of the Secretariat.
- The membership drive is still a major challenge and we need a collective effort to ensure that we increase our members significantly in all AU member states.
- Lobbying key stakeholders (government, employers and labour leaders) for support and partnership through the African Union platforms.
- Actively lead local and regional productivity movement to grow the economy and improve the quality of lives of Africans.
- Inconsistencies in payment of and outstanding membership fees.

8 THE AU “PRODUCTIVITY AGENDA FOR AFRICA (PAFA) 2010-2016”

8.1 Background

The 7th Session of the Labour and Social Affairs Commission adopted a “Productivity Agenda for Africa (PAFA) 2010-2016”, in pursuit of the goal of improving the quality of life of the African people through productivity improvement. PAPA was given the responsibility of being the implementing organ of this Agenda.

The PAFA is based on three objectives:

- (i) Increase value added, productivity and competitiveness of the African Economies;
- (ii) Facilitate the improvement of productivity culture of people in Africa; and
- (iii) Mobilize all relevant stakeholders at national, regional and continental levels for socio-economic development.

To ensure the attainment of the intended objectives, Strategies were devised such as:

- a) Promote Labour management relations within the enterprises/organizations;
- b) Promote productivity in key sectors of the economy, in particular the informal economy, SMEs, public/parastatal sector, industry and communities;
- c) Promote the use of productivity approaches, techniques, tools, and processes by all stakeholders;
- d) Encourage and support the setting up of NPOs and strengthening of existing ones in member states;
- e) Establish continental and regional infrastructures to drive and coordinate the productivity movement in Africa; and
- f) Establish and maintain strategic partnership with international and regional institutions.

8.2 PAPA/AU Success Stories/Projects

The AUC and PAPA started the implementation of the “Productivity Agenda for Africa” in 2011, through the First Training of Trainers’ Session which sensitized on productivity improvement techniques that are relevant for the MSMEs.

Pursuant to the Seventh Joint Annual Meetings of the Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development and African Union Conference of Ministers of Economy and Finance, the AU leaders committed to “**UNDERTAKES** to join efforts with the ministries of labour, industry, economic development and finance and with other relevant bodies in the public and private sector in promoting social dialogue and productivity in support of the implementation of industrial policies at all levels, with particular focus on the SMMEs and agribusiness” . Assembly/AU/Dec. (XXIII)¹

The second project was implemented in Tanzania in 2015 with the objective to improve the situation of African economies in global competitiveness which was described as “AU-PAPA-ILO MSMEs Productivity Capacity Building Initiative”.

The Initiative had the following components:

At a micro level (enterprises):

- a. Productivity pre assessment in pilot enterprises selected to be Model Companies using agreed tool.
- b. Training of the selected Model Enterprises the AU-PAPA-ILO Productivity Package constituted of selected productivity techniques/tools.

¹ DECISION ON PRODUCTIVITY, COMPETITIVENESS AND INDUSTRIALIZATION, AU Assembly, Malabo, June 2014

- c. In-Plant implementation of the productivity techniques/tools by the Model Companies' experts and the national productivity organization/or MSMEs promoting Agency

At a macro level:

- a. Building capacity of national productivity organization and/or national MSMEs promoting Agencies with two activities: assessment and institutional development plan drafting
- b. Training of leaders of associations of MSMEs in productivity awareness, advocacy, communication and lobbying.

8.3 PAPA/AU Program of Action

The changing global context, driven by the modern information revolution; globalization; changes in technology, production, trade, knowledge and labour markets; the opportunities presented by global demographic trends, urbanization and the growing global middle and working classes in the South; the move towards multi-polarity with strong elements of uni-polarism remaining, global security and the impact of climate change are the main drivers for change and transformation in the world and Africa is no exception.

The Agenda 2063 seeks to optimise the use of Africa's resources for the benefit of the Continent's people in order to achieve inclusive growth and sustainable development.

One of the important objectives of Agenda 2063, is to transform, grow and industrialize economies through beneficiation and value addition of national resources. In rolling out this objective, Agenda 2063 calls for *“enhancing the Productivity Agenda for Africa, as an essential engine for industrialization, progressively enhancing competitiveness of the continent in the global economy”*. *The success of Agenda 2063, regarded as one of the Continent's most strategic initiatives, will ultimately depend on all the stakeholders involved and whether they are prepared to make compromises to make it work. In particular, the Productivity Agenda for Africa cannot be achieved and delivered by the AU alone, but requires a*

joint collaborative approach by PAPA stakeholders and other economic sectors together with citizen participation and involvement.

The Agenda for change and transformation of African economies by the AU are its response to the reality of the advancing global trends towards regional blocks, which remind us that integration and unity is the only way for Africa to leverage its competitive advantage.

In response to the above, PAPA adopted a Plan of Action with the following objectives:

**a) To support the activities of NPOs of PAPA member countries
/Redefine the roles of PAPA**

There will be a sub-regional perspective in at least three Regional Economic Communities: ECOWAS, SADC and EAC. These three RECs are the most advanced among the eight RECs in the field of productivity improvement, including with regional productivity policies supported by the commitment for the creation of regional productivity organization.

**b) To increase the member countries of PAPA/ PAPA membership
based on Member States as opposed to NPOs**

The project should be linked to the request for establishment of a continental productivity body by the Heads of States and Government. PAPA should be strengthened towards this objective of establishing a continental organization.

**c) Development of Productivity and Competitiveness measurement
tool**

PAPA and AU are part of the Technical Working Group that is in the process of developing a sound statistics system, the challenges and make recommendations to the next meeting of the Committee of Directors General of National Statistical Offices. One of the expected outcomes is to adopt the Methodology on Productivity and Competitiveness Index.

- d) Accelerate the implementation of PAFA (implementation, monitoring and Evaluation)
- e) Formalise the setting up an African Productivity Council (APCO) as the Continental Productivity Organisation to spearhead the productivity movement in Africa

9 FIRST FIVE YEAR PRIORITY PROGRAMME ON EMPLOYMENT, POVERTY ERADICATION AND INCLUSIVE DEVELOPMENT (5YPP) (2015-2019)

The AU Plan of Action on Employment, Poverty Eradication and Inclusive Development (2015-2019) dedicates one of its six Key Priority Areas to address the need to improve and promote productivity in Africa.

This Programme is a strategic framework which feeds into the aspirations, goals and priority areas of the African Union’s first ten-year implementation plan of the Agenda 2063 as well as the Agenda 2030: UN Sustainable Development Goals.

KPA outcome 2: Productivity increased and competitiveness improved in African economies	
Output 2.1: Strengthening and development of inclusive platforms and processes at multi-levels (continental, RECS, MS) and with Pan-African Productivity Association, UN and international organisations (e.g. UNIDO, Asian Productivity Organisation) for promoting competitiveness and productivity, and plans for African	Indicator 2.1.1: (Virtual) platform and knowledge sharing processes in place among AU and RECs actively promoting competitiveness and productivity

Productivity Council underway and communications strategy developed	
Output 2.2: Productivity capacity building programmes for MSMEs, agricultural and public sectors (including through value chain development) developed and implemented at level of RECs, with targeted outreach to Women and Youth	Indicator 2.2.1: Programmes on productivity capacity building for MSMEs operational in AU and minimum of 3 RECs, inclusive of strategies to support and empower women and youth
Output 2.3: Productivity and Competitiveness Index for Africa developed and in place	Indicator 2.3.1: Commitments made by AU and RECs for Productivity and Competitiveness Index, and Index developed, tested and operational

The projects aim at fulfilling specific objectives of the AU Productivity Agenda for Africa (2010), the Agenda 2063, the AU Assembly Decision on Productivity and Competitiveness for Accelerated Industrialization, the First Five Year Priority Programme on Employment, Poverty Eradication and Inclusive Development (2015-2019), the MSMEs Productivity Capacity Building Programme, the AU Charter on Public Service.

It also significantly contributes to the effective implementation of the objectives of the TICAD V supporting Africa's effort on productivity improvement. More specifically, TICAD V pursues among other productivity relevant goals, the following objectives:

- i. Support capacity building of 30,000 people for business and industry through KAIZEN;

- ii. Networking of the institutions for promotion of productivity in African countries;
- iii. Facilitate Green Economy Development

10 CONCLUSION AND WAY FORWARD

As per the PAPA Three Year Business Plan (2017/18 – 2019/20) PAPA will put concerted efforts on promoting the aspirations of Agenda 2063, and has adopted the following strategic intent: **“To develop and expand an Africa-wide productivity movement to grow the economy and contribute to an improved quality of lives of Africans”**.

This it aims to achieve through the objectives and outcomes that are aligned within the context of TICAD IV Declaration and Agenda 2063.

During a Planning meeting held in Mauritius on the 08 February 2017, the 10 PAPA Member countries present agreed to focus on the following Key Performance Areas for the next three years in an effort to build a viable Productivity Movement for Africa:

KPA		Objectives
1.	Institutional Strengthening Of PAPA Secretariat	Establish a permanent PAPA secretariat
		Develop Excellence Productivity Awards Framework for Africa
2.	Membership Campaign	Increase membership and participation of African countries in PAPA activities
		Develop stronger advocacy drive and introduce incentives strategies to paid up members
3.	Strategic Partnership	Establish and consolidate effective partnership with continental and international economic and social development organizations.
		Ensure a developed and sustained African Productivity Movement by AUC in partnership with PAPA.
		Promote the mainstreaming of productivity in all economic sectors and developmental agenda of member states of the AU.

4.	Capacity Building Of National Productivity Organizations	Strengthening and developing/upgrading the staff capacity of NPOs.
		Capacity building of young people and women in the continent of Africa - Accredited development program for Africa and develop a certification system for productivity practitioners/assessors.
		Provide technical assistance and share information on productivity promotion and interventions to existing national productivity organizations and those that want to start the productivity organizations in Africa.
		Develop a 5S Audit of the 5s / Quality Environmental Systems for Africa.
5.	Information Dissemination and Sharing	Promote the sharing of ideas, experience and best practices on productivity enhancement in Africa.
6.	Funding	Sustainable funding for the organisation.

11 RECOMMENDATIONS

PAPA is of the believe that if Africa is to enhance its competitiveness in the future and inculcate a mind-set for productivity and innovation in all its member states, by way of benefitting from coordinated productivity driven initiatives, it is incumbent on the African Union to consider the following proposals:

- 1) The AU should place Productivity Issues at the centre of work done in pursuit of the African Agenda 2063.

The Business Plan has been developed by the PAPA Member Countries in this regard, to address key issues in promoting Productivity as a National Movement.

- 2) The above will also include promoting productivity as a means to supporting and enabling Regional and Inter-Regional Economic Integration, and sourcing funding from the AU Programmes, including

leveraging the TICAD VI (AU/JAPAN) Agreement and projects to support Productivity Improvement Interventions and Programmes in the African Continent.

This will require the Regional Economic Community to be empowered with appropriate structure to support the PAPA Programmes and projects under the AU auspices.

- 3) Although PAPA has been designated as the official structure to implement the “Productivity Agenda for Africa”, the AU should take the responsibility and play a leading role in promoting the Productivity Agenda in Africa.

Currently the responsibility for coordinating PAPA activities is solely left to Productivity SA, which is putting a strain on its limited resources and ineffective functioning of the Association.

It is therefore proposed that the AU should establish a fully functional Secretariat which will coordinate the Productivity Movement in Africa, supported by PAPA if need be and / or support of the operations of PAPA, in particular the strengthening of the Secretariat both financially and in the coordination of its activities.

12. CONTACT DETAILS

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