



YOUNG WOMEN IN AFRICA: AGENTS OF ECONOMIC GROWTH AND TRANSFORMATION BY 2030



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The "Young Women in Africa: Agents of Economic Growth and Transformation by 2030" report was commissioned by the Mastercard Foundation to gain insights into young women's growth and potential contribution to Africa's economy. The study, conducted by McKinsey and Company, assesses the economic impact of young women on Africa's GDP, identifies sectors that present opportunities for work and entrepreneurship for them, and highlights key constraints that need to be addressed to enable young women to significantly increase their productivity and contribution to Africa's GDP by 2030.

Young women in Africa can be powerful agents of the continent's economic growth and transformation. According to McKinsey (2024), their economic participation could add up to US\$287 billion to Africa's GDP, a 5% increase and create 23 million jobs (McKinsey 2024). This is further underscored by The World Bank's Pathways to Prosperity for Adolescent Girls in Africa (Nov 2024), which estimates that targeted investments in adolescent girls could yield returns of over US\$2.4 trillion by 2040. The Democratic Republic of Congo, Egypt, Ethiopia, Kenya, Mali, Nigeria, Rwanda, Senegal, Tanzania, and Uganda are expected to have the fastest growth if they follow Namibia's example to accelerate young women's contribution to GDP (Moodley, et al, 2019; McKinsey 2024).

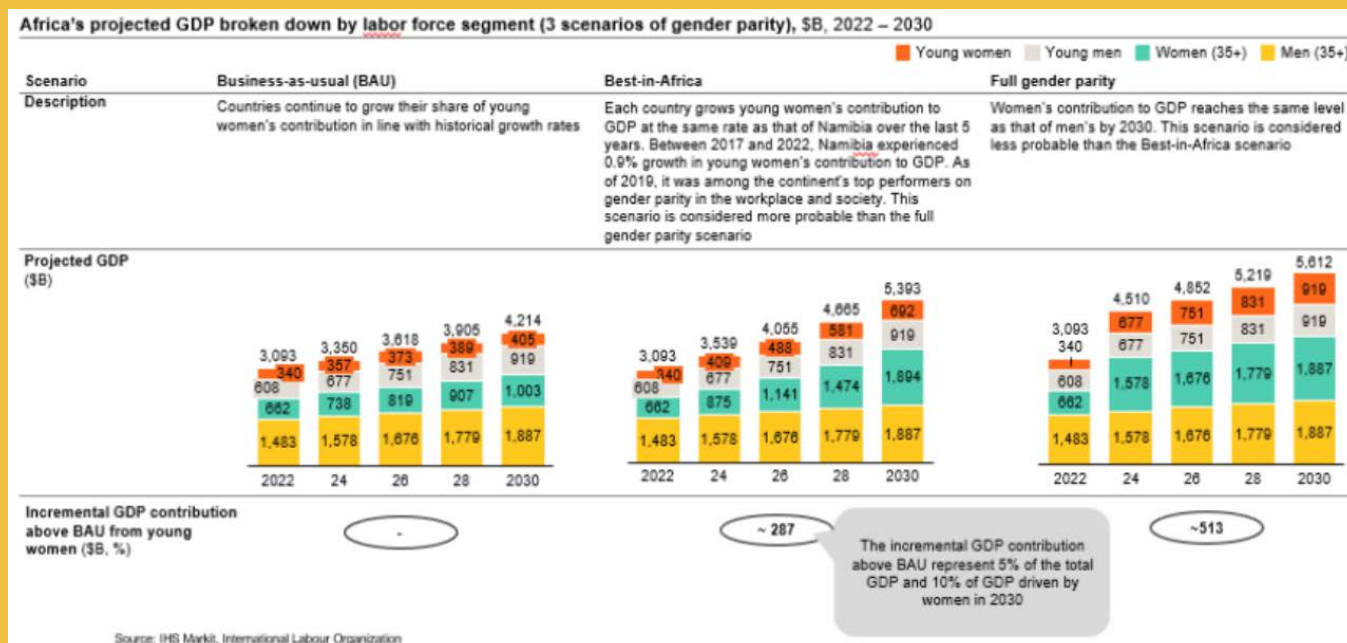


Figure 1 - Estimated Young Women's Contribution to Africa's GDP by 2030

[Source: McKinsey. 2024. Analysis and Modelling Based on 2019 used in the powering parity reports.]

What would it take to achieve this ?



1. Turning the tide.

According to McKinsey's analysis of young women's economic participation in Africa, the continent's collective GDP in 2022 was approximately **US\$3.1 trillion**, of which young women contributed about **US\$340 billion**, roughly **11%**. This marks a decline from around **18%** in 2000 to **11%** in 2022 (McKinsey, 2024). Unemployment remains higher among women than men, a gap further widened by the COVID-19 pandemic, and a greater proportion of young women than men are not in employment, education, or training (NEET).

¹Namibia is a trailblazer in gender parity. In just five years, it showed the fastest growth in young women's contribution to GDP – up from 40% in 2017 to 42% in 2022 – mainly by changing property and asset rights. Its National Gender Policy (NGP, 2010-2020) set a target in education and improved school completion rates for girls and women's access to vocational training, science and technology.



What would it take to achieve this ?

2. Ensuring that young women stay in school.

Young women are not completing the full education cycle. For Sub-Saharan Africa, only 30% of girls were projected to complete secondary school in 2023, and just about 8% are enrolled in tertiary education (UNESCO Institute for Statistics, 2024). Low school enrollment and completion significantly impact women's access to higher-paid work and thus their overall contribution to GDP (Wodon et al. 2018). It was estimated that if girls who got pregnant during COVID-19 school closures did not return to school, Africa could record a \$10 billion loss in GDP (World Vision International, 2020). Ensuring that young women can access education, especially in rural areas, requires developing innovative ways to keep girls in school. These should include:

- **Addressing girls' menstrual health and hygiene.** Adolescent girls and young women, especially in rural areas, have inadequate information about menstruation and puberty. Additional challenges revolve around the lack of social support from teachers and peers to manage menstruation in school and from families due to insufficient access to water, sanitation, hygiene materials, and disposal facilities (UNFPA, 2022).
- **Addressing child marriage.** Although there is a reduction in the global prevalence of child marriage, Africa still has the highest rate of this practice. The global rate is 19% while in Africa it is 31% (Child Marriage Data Portal, 2025).
- **Addressing adolescent pregnancy.** Sub-Saharan Africa has the highest estimated adolescent girls' pregnancy rate in the world. In 2018, West and Central Africa's estimated adolescent birth rate was 115 births per 1,000 girls aged 15 to 19, more than twice the global estimate of 44 births (UNICEF 2024).

Developing second-chance education programs to enable young women who dropped out of school to get the skills and diplomas needed will help increase their opportunities to access work. Additionally, Africa needs ~16.6 million educators by 2030 (McKinsey 2024). Creating work for young women in the sector, for instance, as educators and administrators, would go a long way towards filling this gap. It would also bring other benefits, particularly at the secondary and tertiary levels, by providing more role models and helping retain and advance young women through the system.

Private sector-led approaches could create around 3.2 million jobs by investing in after-school care led by young women, developing an e-platform for young women who would be paid for tutoring, mentoring, and counselling, and partnering with employers to bring in young women experts to offer refresher training for employees (McKinsey 2024).

² <https://www.weforum.org/agenda/2022/07/education-africa-girls-boys-gender-school/>

³ https://mastercardfdn.org/wp-content/uploads/2022/05/SEA-Report-Gender-Brief-Final_English-04.04.2022.pdf

⁴ <https://blogs.worldbank.org/en/education/globally-periods-are-causing-girls-be-absent-school#:~:text=A%20UNESCO%20report%20estimates%20that,altogether%20once%20they%20begin%20menstruating.>

⁵ <https://data.unicef.org/resources/towards-ending-child-marriage/>

⁶ <https://data.unicef.org/topic/child-health/adolescent-health/>



What would it take to achieve this ?

3. Freeing up women's time by addressing the burden of care.

It is estimated that addressing the burden of care could enable 11.4 million young women to engage in work activities by 2030 (McKinsey 2024)². There are several ways to approach this.

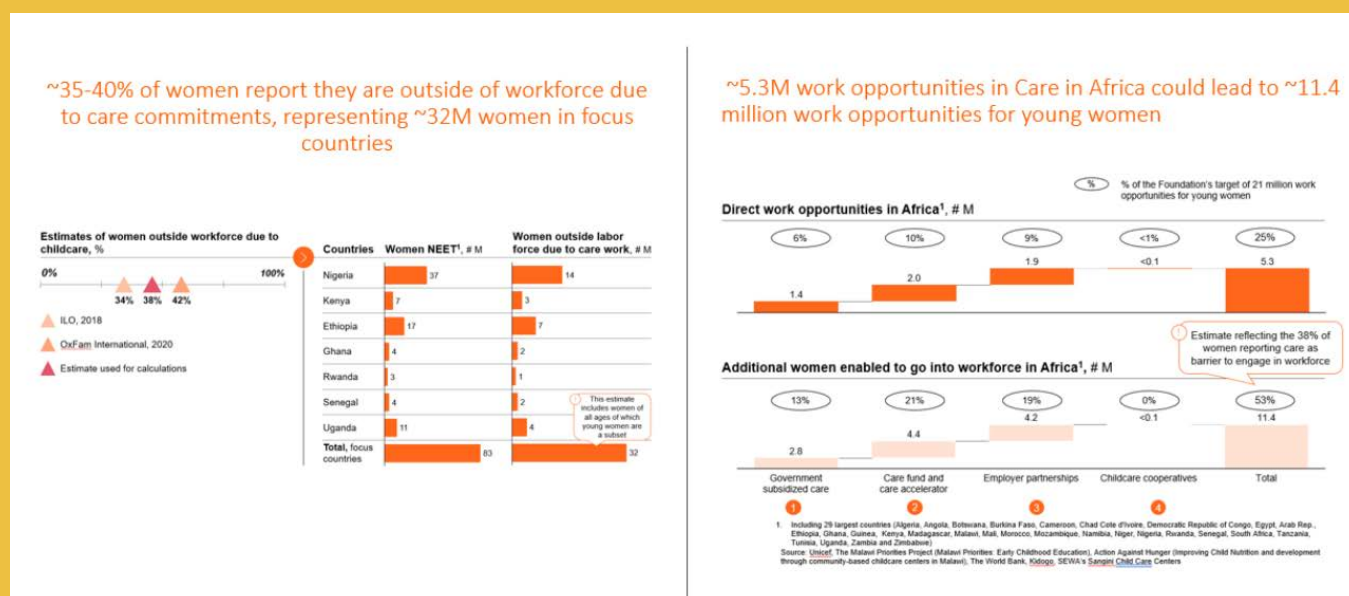


Figure 2 – Developing the Care Economy in Africa could lead to ~11.4 million work opportunities for young women

[Source: McKinsey. 2024. Analysis and Modelling Based on 2019 Datasets.]

Government-funded models have already proven successful. For example, the World Bank's global Invest in Childcare program helps countries improve childcare through a fund that matches country investment on a \$1:\$1 basis. In Nairobi's slums, vouchers for Early Childcare Centers have increased employment among mothers by 8.5 percentage points (Clark et al. 2019).

The private sector also has an important role to play. Companies can provide childcare for their employees, e.g., coffee plantation SOCFINAF in Kenya offers free childcare centers at an estimated monthly cost of US\$3 per child (UN Secretary-General's High-Level Panel on Women's Economic Empowerment 2016) and Kidogo centers, also in Kenya, care for children at a cost of less than US\$1 per child per day (Consultative Group on Early Childhood Care and Development 2016).

The private sector can help scale innovative care models by offering technical support, resources or low-interest loans. They can advocate better working conditions and safety by supporting networks and collaborating with existing groups such as the Izwi Domestic Worker Alliance in Johannesburg that offers women employment information and advice, training programs and events to ~1000 women, and engages in public and media advocacy (du Toit and Casanova 2025).

Of course, such initiatives are not without risks. Guidelines would be needed for recruitment (e.g., background checks, referral systems), training (childcare standards and regular training for all care workers), and daily operations (guidelines/policies for facilities, surveillance systems).

² McKinsey. 2024. Analysis and Modelling Based on 2019 Datasets



What would it take to achieve this ?

4. Accelerating access to financial services.

Women have much lower access to financial services (bank accounts, mobile wallets) and financial products (savings accounts, credit products, insurance, pensions) than men. As of 2020, a staggering 63% of African women across all age groups were unbanked compared with 52% of African men. The same goes for the underbanked population (people who have a bank account but lack access to a full range of financial services). As of 2021, 66% of women in Sub-Saharan Africa were underbanked compared with 54% of men, and 13% of women had access to formal credit compared with 16% of men. Just 10% of the women who own SMEs have adequate funding, and as a result, their monthly income is 34% lower than that of SMEs owned by men.³

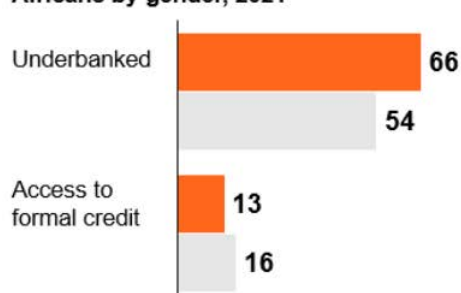
Where are women today

Women Men

Share of unbanked Africans by gender, 2020



Share of underbanked Sub-Saharan Africans by gender, 2021



- Although 13% of SSA women borrow formally, only **3.7%** of them borrow from formal financial Service Providers ²
- Only **10%** of women owned SMEs have adequate funding, resulting in a **34% lower** monthly income compared to men-owned businesses

1. Refers to individuals who have a bank account but lack access to a full range of financial services typically offered by traditional banks. They may rely on alternative financial services to meet their financial needs
2. Financial services providers

Source: World Bank, IMF, AFI, Press search

Figure 3 - Compared to men, women have lower access financial products like savings, credit, and payments
(Compiled by McKinsey from World Bank Findex and African Development Bank databases)

While young women may be entrepreneurial, they mainly operate in the informal sector and/or in small businesses (UN Women 2024). They face significant challenges in accessing financial services as they own or work in informal microenterprises, which means they are likely paid less and have less income stability. Young women fall behind their male counterparts in ownership of physical assets. For example, a study based on data from 28 sub-Saharan African countries reported that only 13% of women aged 20 to 49 were sole-owners of either land or a house. Meanwhile, the study reported 36% and 39% of men in the same age group sole-owning land and a house, respectively (Lahoti, Gaddis, and Li 2018). Also, financial products available on the market are not adapted to young women's needs and realities (Varangis et al. 2021). Additionally, many of the tools that are readily available to men, e.g., mobile money and mobile data, are less accessible to women (except in Kenya, where young women are on a par with men) (Varangis et al. 2021). Developing a more inclusive financial system with a credit ecosystem that meets young women where they are and addresses their short-term, medium-term, and long-term financing needs is critical.

³ McKinsey, 2024. Analysis and Modelling Based on 2019 Datasets.

In rural areas, young women need access to equipment to move from primary agriculture to agro-processing or to adopt climate-friendly agriculture practices (Van Nieuwkoop et al. 2022). Beyond village savings and loans, young women need access to diverse financial instruments that are adapted to their circumstances to be able to purchase farm inputs and machinery (Deshpande and Koning 2024; FAO 2019; Varangis et al. 2021). Microfinance loans usually require minimum savings, which they often do not have, and even if they do, interest rates are so high that they cannot afford them.

Traditional financial institutions, such as banks and MFIs, have limited presence and experience serving rural populations and do not understand the unique challenges and financial needs of rural women. They also operate within a highly regulated environment that can create barriers for rural women and young women to access financial services.

Many areas lack access to reliable internet connectivity, electricity or even mobile phones, making it difficult to use digital financial services for rural young women who may lack the skills to use these services (Maftel 2024).

Finally, young women with limited financial education are likely to underuse financial products or understand which ones best suit their needs (Maftel 2024). Undifferentiated products fail to address the unique challenges and needs of rural women. Young women need financial literacy training to learn how to use products and services and make informed financial decisions.

Financial programs and services need to account for demographics, socioeconomic status, financial behaviour, goals, aspirations, and constraints. Organizations should reimagine the way they approach partnerships, going beyond banks and MFIs to engage local rotational savings groups and connect with rural women. Programs should be flexible so that they can identify and leverage quick wins fast, and planning and implementing systems should be rooted in solid facts to improve program outcomes.





What would it take to achieve this ?

5. Enhancing young women's skills in sectors that accelerate their income and growth.

Young women have huge potential to contribute mainly through six sectors: skilled trade work, manufacturing, agriculture, trade and retail, essential business services, and financial services.

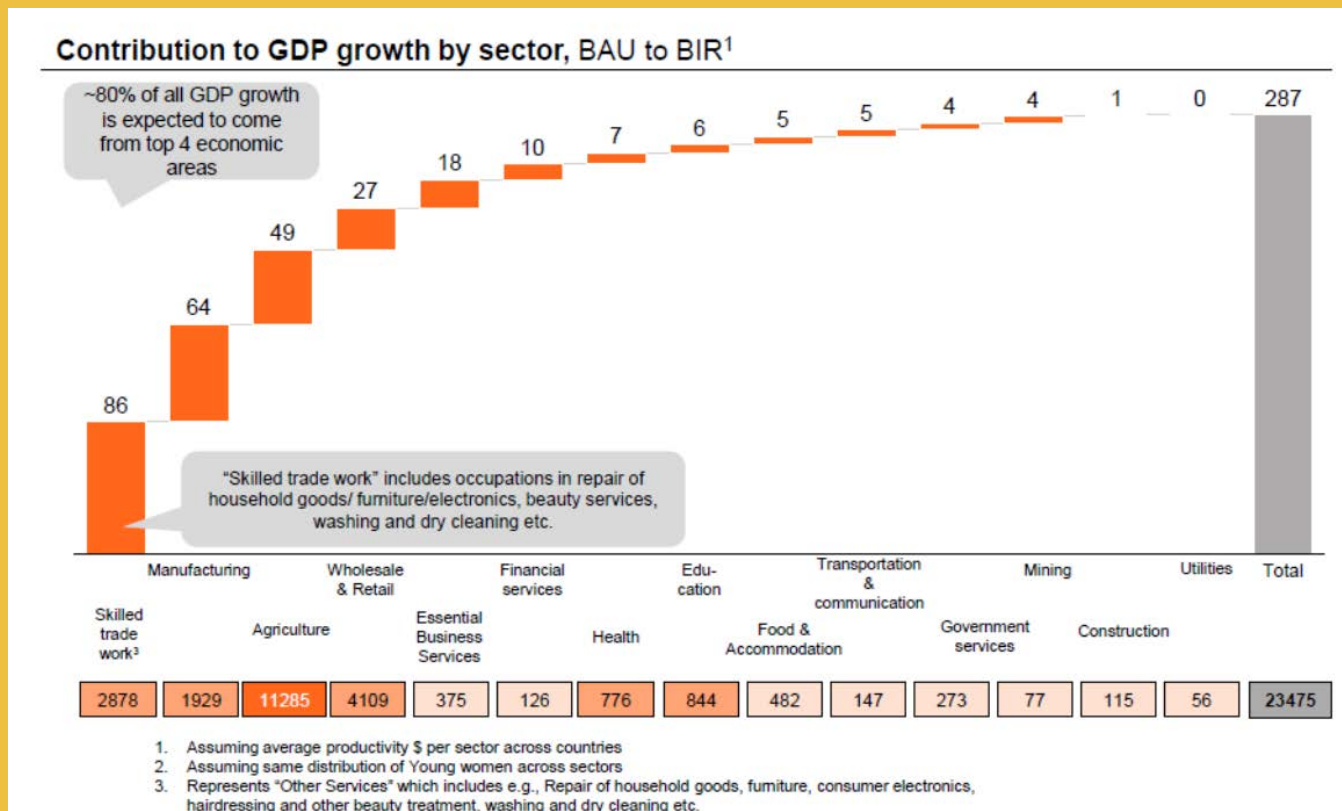


Figure 4 - A majority of the ~\$287B is estimated to come from skilled trade work, manufacturing, agriculture, and wholesale and retail.

[Source: McKinsey, 2024 based on multiple data sets]

These sectors are either already high employers of young women or can present significant growth opportunities for them. For example, in sectors like Agriculture and Wholesale and retail, which have a medium-to-high number of young women workers, accelerating opportunities for young women requires advancing young women's working conditions and pay and enabling young women entrepreneurs to significantly add value to their activities to further grow their enterprises and income.

The skilled trade and manufacturing also present great opportunities for young women. They are sectors with medium-high projected contribution to GDP and job creation potential and could benefit from higher representation of women. Attracting young women in these sectors requires engaging them through awareness raising on the breadth of work/ entrepreneurship opportunities, providing apprenticeship programs and skills bootcamps to enable them to access direct work opportunities or to start businesses in these sectors.



What would it take to achieve this ?

6. Enhancing young women's digital skills to increase their competitiveness.

Young African women remain underrepresented in STEM education and ICT employment. In their analysis of multiple datasets, McKinsey (2024) projected that in Ethiopia, Ghana, Kenya, Nigeria, Senegal, Rwanda, and Uganda combined, only **64,000 young women are employed** in the ICT sector, **with women earning more than men in three of these countries**. The ICT sector, especially through the digital economy, is the enabler that could significantly accelerate work opportunities and growth for young women. From accessing digital platforms to market their products and services, to accessing financing and working in the Tech industry, young women's income and contribution to the economy could grow significantly if they are given the knowledge and tools to increase their digital savviness.

Sector	Does the sector engage many women?		Can the sector create more work opportunities?		Does the sector provide reliable income?	
	# young women '22, thousands	% young women of workforce	GDP of Sectors '22 USD	GVA growth vs. market CAGR '18-'21	Monthly income of worker '19 (mean)	Young women/men income '19, %
Ghana	4	8%	\$3.1B	17%	\$180	144%
Kenya	8	12%	\$6.8B	7%	\$409	85%
Nigeria	41	13%	\$11.8B	9%	\$238	103%
Rwanda	2	14%	\$0.3B	N/A	\$267	84%
Senegal	3	16%	\$1.3B	6%	\$131	93%
Uganda	6	14%	\$1.4B	N/A	\$412	131%
Ethiopia	N/A	N/A	\$2.5B	N/A	\$120	78%
	64	13%	\$27.3Bn		\$251	103%

Source: World Bank, ILOstat, National Bureau of Statistics

Figure 5 – only 64,000 young women in some of the largest countries in Africa work in the ICT sector⁴

[Source: McKinsey's analysis of multiple datasets]

⁴ ILO Youth Country Briefs: Senegal, [2023 wcms_886414.pdf](#).
ILO Youth Country Briefs: Ghana, [2023 wcms_886402.pdf](#)



What would it take to achieve this ?

7. Creating and implementing inclusive policies that address young women's realities.

Policies are essential to accelerating young women's ability to contribute to Africa's economic growth. Policies that encourage young women's education, skills development and entrepreneurship will enable young women to fully participate in the economy, thus enabling them to increase their productivity and drive economic growth. Observations of the change in Namibia seem to strongly support this position. Its National Gender Policy changed property and asset rights in ways that were favourable to women and set a target in education. This may have contributed to the growth in young women's contribution to GDP from 40% in 2017 to 42% in 2022; improved school completion rates for girls, and women's access to vocational training, science, and technology (Republic of Namibia, 2010)



Conclusion and Call to Action

Women are not a homogeneous group. Accelerating young women's productivity in Africa is essential for driving greater economic growth and could generate US \$2.4 Trillion by 2040. However, reaching this opportunity requires an all-hands-on-deck approach by governments, the private sector, civil society, and young women as well. Young women need greater access to financial assets and resilience, training, networks, and digital skills. Gender norms need to be reshaped, and an enabling environment that addresses young women's needs to enhance their access should be created. Countries must create and implement laws that are more favourable to unleashing young women to grow as entrepreneurs, thus creating work for themselves as well as other young people.

Governments

- Prioritize/accelerate education for young women, ensuring they have access to quality schooling and higher education opportunities. Implement policies that encourage girls to stay in school and support programs that promote STEM education for young women in urban and rural areas. Promote and support second-chance education.
- Develop and implement policies that address the burden of care for young women.
- Accelerate access to financial services for young women by developing financial inclusion policies that account for demographics, socioeconomic status, financial behaviour, goals, aspirations, and constraints of young women. Incentivize financial institutions to create products that are affordable and tailored to different market segments and to their realities. Promote and facilitate the use of digital finance.

Private sector

- Promote recruitment strategies that target young women and create initiatives that address gender imbalances in specific roles or industries.
- Create mentorship programs and career advancement opportunities that link more experienced women with young women starting at the secondary school level.
- Collaborate with schools, colleges, technical vocational institutions, and universities to create pathways for young women to enter the workforce, whether through wage work or entrepreneurship.
- Encourage the inclusion of young women entrepreneurs in industry networks.
- Encourage young women-led entrepreneurship by supporting them from start-up to growth stage. Ensure that the upskilling and capacity development programs include soft skills development and industry-specific certifications, in addition to financial literacy and business management. Capacity development programs should, like financial institutions, consider young women in peri-urban and rural areas.
- Provide Flexible Work Arrangements: Offer flexible work options to support young women balancing work and family responsibilities. This will increase workforce participation and productivity.

⁴ ILO Youth Country Briefs: Nigeria, 2023 [wcms_886409.pdf](#)
 ILO Youth Country Briefs: Ethiopia, 2023 [wcms_886385.pdf](#)
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 ILO Youth Country Briefs: Kenya, 2023 [wcms_886406.pdf](#)
 ILO Youth Country Briefs: Uganda, 2023 [wcms_886465.pdf](#)

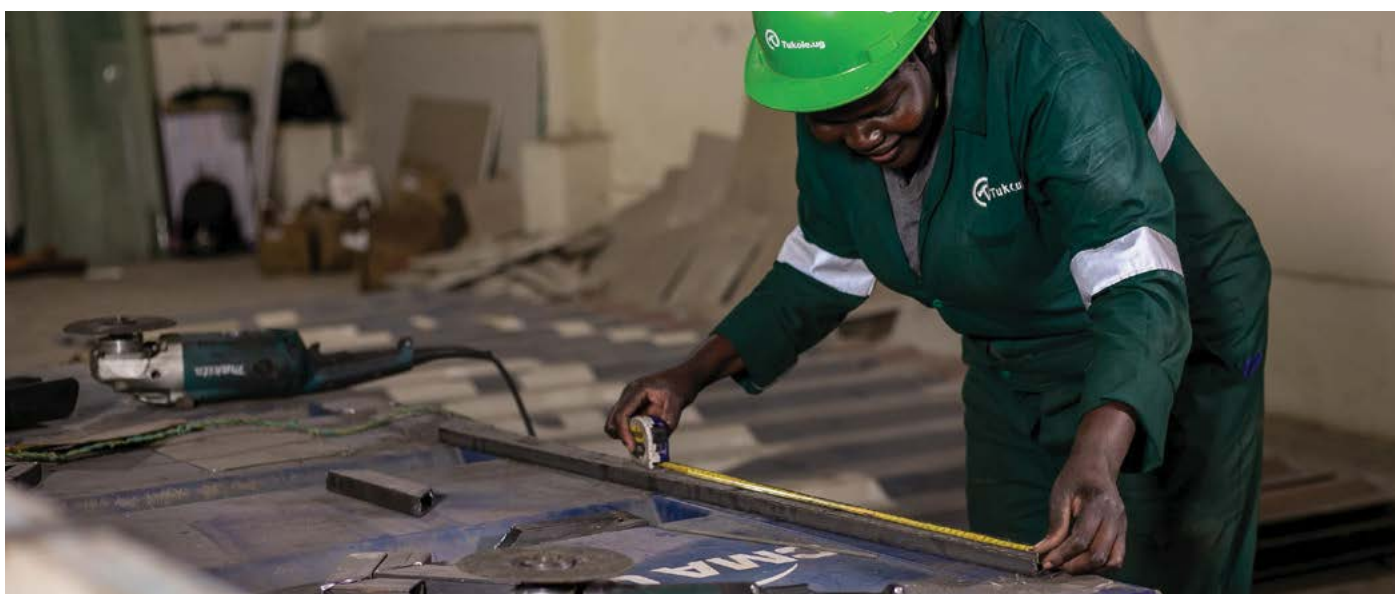
Communities and Civil Society

- Challenge cultural norms and stereotypes that limit young women's opportunities. Working with Youth-Led/ Young Women-Led Organizations, promote the inclusion of young women through community programs, workshops, and awareness campaigns.
- Support the inclusion of young women in women's networks and associations to provide support, mentorship, and resources for young women in business and leadership.

Young Women/Women

- Be role models, share stories of your success and lessons learned along the way. Use your voice to promote gender equality and challenge the status quo. Support women-led/young women-led businesses and initiatives by buying from them. Advocate for policies and practices that create opportunities for young women to thrive.

The "Africa we want" cannot happen without young women as active contributors to Africa's economy. The time to act is now—let's empower young women and unleash Africa's full potential.



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