

POLICY BRIEF

Boosting inclusive youth agripreneurship in Africa: six key recommendations







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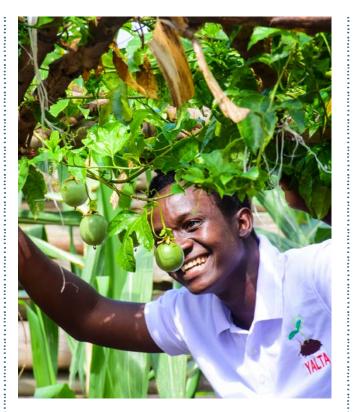
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The relevance of youth agripreneurship for Dutch Development policy

Stimulating decent youth employment has become a priority among current inclusive development strategies of national and international development cooperation partners. In line with this development, the new policy document of the recently elected Minister for Foreign Trade and Development Cooperation of the Netherlands states **"an extra commitment to youth employment in Africa"** (MoFA, 2022: 32). Among the numerous interventions to boost youth employment, increasing attention is paid to stimulating youth agripreneurship.

Promoting entrepreneurship among youth in agriculture is recognised as an innovative, crosscutting way to harness opportunities present in the African agricultural sector, such as its capacity to absorb a large number of young job entrants. Programmes and policies focused on stimulating youth agripreneurship identify opportunities for decent job creation for youth in agribusinesses and build the agripreneurial capacity of African youth. Beyond this, the approach is hailed as a way to tackle a multiplex of challenges that further include climate change and food insecurity.

The current hype around agripreneurship arises from the assumption that successful agripreneurs do not only generate profits for themselves. **They are supposed to generate jobs and tax revenues, develop the wider business ecosystem resulting**



in knock-on effects along the value chain, thereby contributing to rural poverty reduction and positive social change, such as gender and youth empowerment.

The aim of this policy brief is to provide concrete and actionable policy recommendations for policymakers looking to invest into boosting decent jobs for African youth through more effective and inclusive youth agripreneurship initiatives. The recommendations to stimulate youth agripreneurship programming emerge from the research

Box 1. Introducing the project, Inclusive Youth Agripreneurship in Africa

The research project, <u>Inclusive Youth Agripreneur-ship in Africa</u>, constitutes a collaborative effort between <u>The Broker</u> and the Dutch knowledge platforms, <u>INCLUDE</u> and the <u>Netherlands Food</u> <u>Partnership (NFP)</u>. The project aims to strengthen the evidence base on good practices for youth agripreneurship programming and policymaking – spurring action in policymaking and youth circles alike.

To explore the state of youth agripreneurship programming, the project makes available the latest insights from the literature, combined with key insights from expert interviews. To triangulate the collected data, additionally 26 case studies of promising youth agripreneurship programmes were analysed. The generated insights have also been validated by a reference group of African-based youth agripreneurship networks and Dutch policymakers.

conducted by The Broker, which included a literature review, expert interviews and the strategic guidance of a reference group consisting of Dutch policymakers and representatives of African youthled agripreneurship networks. This note presents six key contextualized recommendations, for the full report please visit the report page.

1. Utilise different approaches for different target groups of youth

Different groups of young people will express diverse needs and require alternative kinds of **support.** In the hope of creating trickle-down effects through job creation, youth agripreneurship programmes predominantly focus on engaging a selective number of well-educated and skilled youth to develop innovative agribusinesses along the value chain, or to scale up their existing agribusinesses. However, the underlying assumption that these start-up agribusinesses will create efficient employment opportunities for other youth is yet to be confirmed by literature. Moreover, targeting more experienced and skilled youth, who are in that sense 'marketready', often comes at the expense of inclusivity. If marginalised youth—who often lack in skills, experience, assets, and/or connections—are not explicitly targeted and appropriately supported, there might be a risk of perpetuating subsistence, or survival, entrepreneurship and indecent employment conditions. Therefore, policymakers need to pay attention to the needs of three distinct target categories - hard-to-serve youth, youth requiring special support and marketready youth.

How to address the distinct needs of youth?

→ Make a choice between supporting decent employment for marginalised youth [long-term, pro-poor approach that also tackles systematic marketandsocialbarriers]orinvestingindeveloping agribusinesses by targeting market-ready youth [short-term scaling of existing agribusinesses with selective targeting of talented and motivated entrepreneurs, large financial investment].

- → Divide youth in sub-groups based on the social and labour market barriers they face. Then, zoom in further and investigate the specific barriers each sub-group faces, assess their needs, and design policy interventions accordingly. In the report we divide youth into three distinct groups that need to be targeted in different ways. The division is based on the work of Namita Datta and colleagues who created guidance on design and implementation of youth employment programmes for the World Bank in 2018. The groups are:
 - **Hard-to-serve youth.** These youth face high labour market and high social barriers, for example, extremely poor unemployed rural women with low education.
 - **Youth requiring special support.** They are technically market-ready, but social barriers, such as discrimination, limit their employability and their capacity to start an agribusiness. This sub-group includes educated, skilled, non-poor young women or youth with disabilities.
 - **Market-ready youth**. This group already possesses relevant skills and specialisation but might need help to improve their productivity or transition to higher-productivity, formal jobs.

→ Make strategic choices in the design and implementation of youth agripreneurship interventions, given the **1**) country context;

2) budget; and 3) time frame of the programme.

- Within that context, there are four factors to consider, which may present potential trade-offs and synergies: 1) scalability;
 2) marginality of participants; 3) intensity and depth of engaging the participants; and
 4) the youth's agribusiness sustainability.
- As such, it may be difficult for a single intervention, within a given time frame, to aim both at scaling up and including the most marginal youth groups. On the contrary, opting for an intensive programme that engages participants in great depth would function well together with highly marginalised programme participants.

2. Invest in the creation of an enabling environment to support programmatic activities

Most youth seem to prefer to start a business venture that promises fast returns on initial investments. **Making the agricultural sector a more profitable option** for youth may be more impactful for programmes looking to interest youth in agribusiness than rectifying youth's negative perceptions of agriculture, e.g. through mindset reorientation activities. Yet, the overwhelming majority of interventions currently focuses on improving the employability of individuals, instead of **tackling social and labour market barriers that inhibit their employability or creating more decent employment opportunities.** For example, young women from rural areas with low levels of education would have to overcome often repressive gender norms (social barrier) and a lack of connectivity to markets in urban centres (labour market barrier), on top of their skills deficit. An enabling environment is characterised by well-functioning infrastructure and markets as well as reliable regulatory, policy and legal systems that particularly ease the access to land and finance for women, youth and smallholders.

How to create an enabling environment?

- → Strengthen functioning and sustainable markets to make agripreneurship a profitable option for youth by working on the following elements: (i) steady demand and market prices for agricultural products, particularly by large buyers; (ii) a reliable supply of produce and raw materials; and (iii) immediate and efficient market linkages.
 - Create value chain linkages between targeted agribusiness and the wider ecosystem in the economy or within a specific sector.
- → Expand national accreditation and certification systems to the (rural) agricultural sector.
- → Ease access to finance & land for SMEs and make it integral to programmatic design.
 - Strengthen legislation, local institutions and legal services for youth to recognise their rights to land.
 - Encourage particularly young women in agricultural production through advocacy and awareness-raising activities on access to land, while also providing support in

negotiating contractual clauses.

• Promote de-risking of loans to SMEs, for instance through programmes that support participants to build up credit scores or other track records of business activities.

3. Invest in an integrated policy and programmatic approach

Commonly, youth agripreneurship programmes adopt supply-side interventions, focused on the individual entrepreneur, their skillset, capacity and mindset. This includes activities, such as vocational, technical and entrepreneurial skills training, financial capacity building, mindset re-orientation, mentoring and coaching. These activities are relatively easy to implement, cost-effective and can improve young people's entrepreneurial and agribusiness skills, when they are designed based on market demand. Recent findings, however, suggest that supply-side activities-especially in situations where there is not enough job creation for trained youthdo not necessarily bear an impact on young people's welfare or lead to improved agribusiness performance.

This is because supply-side activities, by design, can neither address market and institutional failures nor safeguard young people from being incorporated in the labour market on disadvantageous and/or exploitative terms. **As such, there is a need to complement supplyside interventions with both demand-side and system-level measures.**

- → Set up policy interventions and fund youth agripreneurship programmes that combine activities focused on (i) the individual (aspiring) agripreneur, their skillset, capacity and mindset with measures that address (ii) system-level factors to create an enabling environment conducive to youth agripreneurship (e.g. market linkages, access to finance, physical inputs, technology and services, and human capital).
- → Integrated approaches to youth agripreneurship can help safeguard youth from exploitation or bad employment conditions in the labour market. Effective combinations of programmatic activities include:
 - Mentoring and finance should be accompanied by capacity building and financial literacy activities, in order to make sure that the youth can take advantage of their access to networks and finance.
 - Besides access to finance, social networks can help young, often inexperienced agripreneurs with decision-making and provide the necessary encouragement and support to help youth overcome challenges.

4. Meaningfully engage youth in all stages of programme design and implementation

Targeting approaches and programmatic activities that account for youth diversity are not sufficient in ensuring that youth agripreneurship programmes are responsive to the needs of youth. As such **meaningful youth engagement is** increasingly seen as an avenue through which to align what programmes supply with what youth actually need. It dictates that youth should be involved and participate—at the appropriate programme/policy level—in design, implementation, monitoring, and/or evaluation. Practicing meaningful youth engagement can ensure that programmes are relevant and responsive to youth's needs, and potentially strengthen the impact of youth agripreneurship programmes.

- → Include the voice of youth in order to account for the diversity among youth and tailor programmes to youth-specific needs in the context of particular programmes.
 - **Start with a mapping of what is already there** in consultation with local youth-led networks and initiatives in order to analyse the capacities of existing youth structures and identify bottlenecks.
 - Based on this mapping, set up youth advisory groups at the beginning of a project.
 - Incorporate **peer-to-peer learning and mentoring** through-out the programme to enhance its impact.
- → Good practices for more effective youth engagement include:
 - Clarify why/to what end young people are being engaged;
 - Identify and engage the most marginalised young people through appropriate support structures;

- Monitor and evaluate agripreneurship programmes' youth engagement approach;
- Consider factors that affect the implementation of youth participation mechanisms;
- Use digital tools, such as online platforms and Facebook/WhatsApp groups to reach out, share information and create social networks.

5. Support multi-stakeholder collaboration & partnerships

Experience from practice has shown that collaborations with multiple stakeholders, such as national governments, education and training institutions, banks, private business and youth agripreneurship associations is beneficial in designing appropriate support structures in and around programmes. Multistakeholder partnerships are particularly relevant for implementing integrated programmes because these interventions involve multiple avenues of supporting activities, which require collaborating partners. These collaborations can result in efficient market linkages, the development of the wider agribusiness ecosystem and lasting partnerships.

How to create inclusive multi-stakeholder partnerships?

→ Organize multi-stakeholder dialogues that consult relevant stakeholders in the agribusiness ecosystem, such as local youth networks, farmer organisations and existing youth employment initiatives and established agribusinesses, early on to identify bottlenecks in the ecosystem.

→ In these collaborations, try to come to a division of work where different stakeholders take up different responsibilities. To make this concrete, clearly define the roles and responsibilities of different stakeholders involved in order to set the right expectations and establish accountability with regards to delivering on agreements. This can improve the sustainability and effectiveness of programmes and the retention of participants.

Some suggestions on what each stakeholder can do address one identified key challenge – **to find and target the "right youth" that have aspirations to become successful agripreneurs** – based on the input provided by participants in our learning session:

- **Banks:** facilitate programmes with easier access to small loans;
- **Governments:** create databases/registers to provide information (public good); facilitate national accreditation systems for agricultural labourers;
- NGOs: support young entrepreneur mapping exercises; acknowledge and find a way to avoid political interference related to targeting; add mentorship/peer-to-peer components to programmes;
- **Donors:** allow projects with a longer timeframe and higher budget that allow for more thorough

targeting and involvement of 'more-risky' youth groups;

• **Civil society organisations:** create mobile apps (or WhatsApp groups) that provide an exchange forum for the agripreneurs (formal/informal); reach out to informal agripreneurs to show theimportance of integration into the (formal) value chain.



6. Invest in more monitoring, evaluation and learning processes (MEL)

Programmes often intend to generate knockon effects, however, a lack of evidence on their effectiveness on selected outcomes hamper the potential impact of youth agripreneurship interventions. In addition, many choices with regards to selecting a particular programmatic approach, or combining different activities, currently rest on insufficiently tested assumptions. Due to the weak evidence base and the trade-offs involved in choosing a particular programmatic approach and appropriate activities, it is imperative to invest in research and monitoring of current programmes.

- → Evaluations and MEL processes, during and after programme completion, should focus on the following four areas, where a documented lack of evidence exists:
 - Youth engagement mechanisms, their effectiveness and impact; and which youth engagement mechanisms lead to better outcomes.
 - **Programme integration and effective combinations of activities**, that are cost-effective and complimentary.
 - **Targeting and including marginalised youth** with inclusion mechanisms that lead to more effective participation of marginalised

youth, and its impact on the creation of decent employment opportunities.

- **The opportunities in digital solutions**, the extent to which they actually improve the reach of and participation in youth agripreneurship programmes; and if their incorporation might result in different effects on different youth groups.
- → Undertake periodic follow-ups with programme graduates to assess how they and their agribusinesses are performing after programme completion. In practice:
 - **Policymakers&funders**cancreateinstruments and incentives for more follow-on research on the effectiveness and impacts of youth agripreneurship programmes.
 - **Embassies** can work together with local higher education institutes to monitor effects in the long term.
 - **Practitioners** can establish partnerships with local higher education institutes for ME&L and create conditions that allows access to project outcome data, to make it available for impact analysis and evidence synthesis.

This policy brief benefited from inputs by a reference group of policymakers. **Authors** Martha Kapazoglou, Joscha Betke, Rojan Bolling **Design** Majorie Kool, koola.nl **Image Copyrights** ©NFP/ Flickr: YALTA Initiative/ https://www.flickr.com/photos/194529060@N05/ © **2023** CC BY–NC–SA 4.0