



2SCALE

Attracting the youth to agribusiness

Photo: Joris Maatman | Young lady transporting soybean kebabs, Ghana

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KEY MESSAGE

A youth-oriented approach involves asking practical questions to develop tailored services for youth in the agribusiness sector. 2SCALE has been experimenting with various options to support young producers and entrepreneurs. Making agriculture interesting to youth requires making it attractive and remunerative by having access to land, finance and technologies in order to modernize. Besides production another alternative for youth inclusion was explored: specialized service delivery to value chain actors. This paper provides examples of how 2SCALE tackled youth inclusion in its partnerships.

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Why the focus on youth in the 2SCALE partnerships?

Gender mainstreaming is not a new item on the development agenda. It has been part of 2SCALE's strategy since the beginning of the program. However, the focus on youth in agribusiness came at a later stage. A youth oriented approach also involves asking more practical questions, such as who the youth are and how they are involved in agribusinesses and agricultural value chains. Once the answers to these questions are identified, the first challenge is to actually involve youth in agribusiness by making the sector attractive to young people; it is then necessary to ensure equity in the accessibility of opportunities and accompanying benefits compared to more seasoned actors in the value chain.

During the program implementation, 2SCALE learned that partnerships could be more inclusive towards youth if the existing approaches were adjusted. Attempts towards



Mahamane Toure | Youth in vegetable learning center, Nigeria

paying greater attention to the interests and capacities of youth in agricultural value chains were made during 2SCALE's partnerships in Benin, Ethiopia, Kenya, Mali and Nigeria. While these examples do not showcase perfect approaches to youth inclusion, they exemplify honest attempts to address the issue.

There are general constraints for farmers and entrepreneurs in agribusiness, which are well known and include, access to finance, land, markets and technologies, among others. While these constraints are commonly experienced by farmers in sub-Saharan Africa, they are often exacerbated for the youth, as the social context often makes it harder for young people to claim their space, overcoming challenges such as rigid hierarchy among other factors. Moreover, there is the issue of under-employment of youth in rural areas, since work in agriculture is mainly family-based with relatively few employment and income generating opportunities for young people.

It is important to realize that youth as a category are not homogenous. The African Youth Charter definition for youth is: individuals between 15 and 35 years of age*. Encompassing a 20 year age range, individuals considered youth are likely to have different needs, ambitions, resources and levels of education. A young man of 30 living in Nairobi's suburbs and a woman of 18 with 2 children, living in rural Mali are both categorized as youth, but will face significantly different challenges. It is impossible to take a blanket

approach to youth inclusion, so the experiences of 2SCALE provide interesting insights in dealing with the diversity of youth.

Where to start?

In order to address the inclusivity of 2SCALE partnerships in regards to youth participation, it was important to first understand the current involvement – or not – of youth in agricultural value chains, as well as the constraints and aspirations of young people working in the sector. When looking at the partnerships more closely, it was found that youth are, in fact, involved across value chains in different roles and functions, and to different extents.

One way ahead for agricultural development is the professionalization of agricultural activities. Making agriculture less of a 'hard work, low-paid job' and more of a 'profit-making business' is, of course, attractive to all, but particularly to youth. Better access to services and resources is necessary, but with this access youth are enabled to modernize agricultural activities and apply new technologies to increase efficiency.

New financial arrangements

Challenges in regards to access to land and finance not only prevent rural youth from starting their own farming business, but also make it harder to attract youth for whom agriculture is not the obvious option. This is of particular importance in a context of rural

* See <https://www.africa-youth.org/>

BOX 1 | GUARANTEE FUND EXCLUSIVELY FOR YOUTH AND WOMEN ACCESS TO CREDIT IN BENIN

With the support of the Dutch Embassy in Benin, the International Fertilizer Development Center (IFDC) was granted a guarantee fund to bolster farmers' access to finance for specific inputs. The fund, formerly used under the PINC project (Projet Intrans Non Coton), was transferred in 2013 to 2SCALE and ACMA (*Approche Communale pour le Marché Agricole*) projects. Building on that strategy, a partnership was initiated with ALIDé to significantly improve the outreach of microfinance in agriculture and promote inclusivity in agribusiness, in terms of the availability of financial services and products in both programmes. After three years of distributing this fund to all farmers, 2SCALE has decided to use this guarantee fund exclusively for youth and women to increase their access to credit.

migration to urban centers. However, access to finance is not a youth specific issue; collateral requirements (land, house) are a significant bottleneck to securing loans. Aside from this, many financial institutions tend to poorly understand the agricultural reality and charge very high interest rates. Some of the objectives pursued by the 2SCALE partnerships include improved access to finance for farmers' cooperatives and other rural enterprises.

In most of the countries where 2SCALE works, the financial institutions active in the partnerships' locations were profiled. Through discussions, the partnerships developed sustainable relationships with these banks. In Nigeria and Benin, for example, memorandums of understanding (MOUs) were signed with LAPO Microfinance Bank (MFB) and ALIDé (a microfinance institution in Benin), with a focus on gender inclusive value chain development (Box 1).

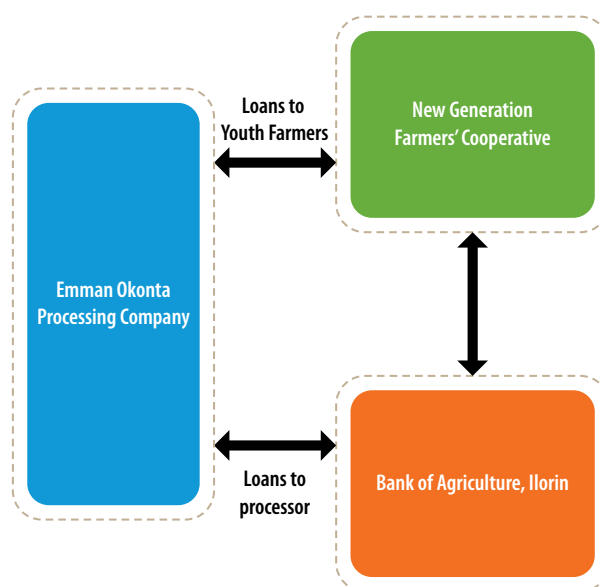
Tailor-made loans for women and youth were developed with LAPO MFB and ALIDé. The loans for youth do not require material collateral, but instead required the loan user to be part of a professional cooperative with good access to markets. Loans given to young producers, are overseen by the cooperative organization and are guaranteed by the buyer, through the purchase of the product. The loan is channeled through the buyer and to the cooperative who has an agreement with the financial institution. This tripartite financing model, where a firm acts as a catalyzer for finance, enables youth to access credit. The credit is paid back when the loan is paid back by the buyer, through the sales of the product sourced from the cooperative (Figure 1).

Securing access to land

Access to land is a major obstacle when it comes to making a living from agriculture in rural areas. Youth overwhelmingly face challenges in securing a parcel of land for their own use and from which they

can keep the proceeds for their own livelihoods. Land transfer often happens at a later age so young people have to wait many years, often until the death of their parents, before inheriting their share of the family land. In many countries, inheritance of land is highly gender sensitive, with women rarely accessing land through this mean. 2SCALE works on land issues in the same way that it works on rural finance; it brokers relations and strengthens capacities for collective action towards technological, organizational and institutional innovation, and, if relevant and feasible, innovations in land tenure issues. However, changing land tenure structures is a complex and long term process and 2SCALE does not always see opportunities to support the transformative capacity of groups in addressing land tenure issues. For this reason, 2SCALE decided to facilitate interactions between stakeholders on land issues in some of the locations where partnerships are active (Box 2).

Figure 1 | Tripartite Model of Finance to Youth. Funding arrangement of youth with Emman Okonta Processing Limited and the Bank of Agriculture in Ilorin, Nigeria



BOX 2 | ACCESSING LAND FOR VEGETABLE PRODUCTION

In Benin, the producers of the Sèmè-Kpodji agribusiness cluster (ABC), with the support of 2SCALE, were able to set up a system with the *'mairie'* (municipal authority) to allocate land for vegetable production for youth and women. Simple rules and procedures were set-up to ensure easy access to land.

As part of the soybean partnership in Nigeria, the New Face Fadama User Cooperative Group mobilized youth across 16 local government areas (LGAs) of Kwara State, Nigeria, to form a common front in asking the government to allocate the youth public land for cultivation. The group had to register with the government and changed their name to Kwara Youth Integrated Farmers Organization of Nigeria (KYIFON) in order to cover more LGAs, allowing the participation of more young farmers. With this change, an additional 24 cooperatives joined the organization. Together, their core objective was to secure and sign a lease for 422 ha of public land.

2SCALE provided support to develop the necessary capacities of KYIFON leaders to negotiate and manage this deal. This meant a strong focus on structuring the organization and developing its vision and mission, accompanied by clear decision and communication procedures. By-laws and a democratic leadership were established. A strategy was then developed to attract public sector actors to join the campaign and identify entry-points to influence the Kwara State Government Ministry of Agriculture to support the allocation of public land to the members of KYIFON. 2SCALE facilitated the organization of a discussion to present the strategy on March 27th 2017. 2SCALE, the N2Africa project of International Institute for Tropical Agriculture (IITA) and officers from a Department for International Development (DFID) project working on land management were invited as observers. During the forum, it was emphasized the challenges faced in regards to land acquisition for production and the need for public land as the only option for youth to continue with their production activities. The forum discussions resulted in securing 442 ha of land for 10 years, with youth as the prime users. The government also granted a lease of hold (LOH) for the young farmers through KYIFON, who will manage re-distribution of the land among their youth members, and in the future, clear for more land across the 16 participating LGAs.

Opportunities beyond farming

Service provision in the value chain

One important insight from the 2SCALE partnerships is that young people can play an important role in value chain activities beyond

production. Such opportunities often do not require a high level of education, yet provide a good income alternative to casual labor on someone else's farm. Opportunities to work further along agricultural value chains, include employment with large companies like Friesland Campina (FC) and Nigerian Breweries; or in some cases, young people may establish their own agribusinesses, which contributes to the transformation of value chain activities. Supporting the creation of these alternative opportunities for youth, not only improves value chain efficiency, but also tackles the issue of under-employment in rural areas.

As service providers, young people can establish a clientele to which they can offer specialized services for a fee, such as spraying pesticide, tractor rental, transport services and quality control management (Box 3).

Specialized service providers were set up to tackle weed infestation in farm production in Nigeria. Spray service providers (SSP) can be young people with limited education, who are trained on how to safely and accurately apply pesticide in farmers' fields. As a result, registered and certified SSPs handle pesticide application in farmers' fields reducing risks of contamination and misuse of the products. 2SCALE trained over 100 young people as spray service providers (SSPs). They were trained on the use of the knapsack sprayer, as well as on safe use and responsible handling of agro-input chemicals for cassava, maize and vegetables and the safe interaction of these chemical with people and the environment. It was a perfect opportunity to integrate youth into three different partnerships (2SCALE's cassava, maize and vegetable partnerships). The SSPs charge about 6,000 Naira per hectare for the work they accomplish. For example, five SSPs in northern Nigeria, who work in a team, provided services to 117 farmers in 2016.

In Ethiopia, 2SCALE also made use of this SSP model to develop employment opportunities for the youth in the Meki Batu Fruit and Vegetables Growers' Union partnership in the Rift Valley. There, vegetables are cultivated intensively throughout the year and face the challenge of the unsafe and ineffective use of pesticides. To mitigate these challenges 2SCALE Ethiopia partnered with CropLife Ethiopia to set-up the SSP model. The SSPs are trained youth whose families are members of the primary cooperatives involved in the partnership. The certified SSPs started providing services to 500 famers on 400 ha of land under vegetable production. This SSP model has also been replicated in Ghana and Mali.

Such income generating activities from service provision are only profitable during the busier farming season and, therefore, only partially address the issue of under-employment. During the off-season the young often migrate to urban centers to find jobs. This problem might be solved by the off-season activities of vegetable ABCs that requires SSPs; for instance, growing onions out of season.

BOX 3 | SOWING CANE SERVICES PROVIDED BY THE YOUTH

In various 2SCALE partnerships it was noticed that adopting new farming technology, particularly the use of sowing canes, is attractive to young people. During the theoretical and demonstration sessions of the use of the planting cane in the partnerships in Benin, Mali, Nigeria and Togo, the youth participants found it easier to adopt the technique required to use the new technology. As a result, these young people are now frequently solicited by artisan farmers to sow their fields and apply fertilizer in all four countries. They charge 30,000-32,000 FCFA (€50) per hectare for the combination of sowing maize seed and applying fertilizer in Mali and Togo. The enthusiasm of producers for their services creates a business opportunity for young people in these countries. The advantages of this work include cash payments and the short service delivery time, which allows young people to move on quickly to something else. The sowing cane requires a low investment cost and can be used over a relatively long period. Maintenance of the cane is simple and without any additional costs.

Other opportunities for off-farm and off-season activities for youth that 2SCALE has introduced are micro-franchise models for the last-mile distribution of products (more information in Shimeles, Ayano and Ahounou, 2017 or Macharia and Pipim, 2017). This attracts mainly young people, both men and women, eager to start as micro-entrepreneurs, in a promising value chain (e.g. the cases of GUTS Agro in Ethiopia (Shimeles, Ayano and Ahounou, 2017) and Promo Fruits in Benin (more information in Lakoussan, 2017).

In the FC partnership and the Nigerian Breweries partnership with Psaltry International Limited (PIL), youth were involved as transporters. They were trained and hired to deliver fresh milk and cassava tubers to milk collection centers (MCC) and the PIL factory respectively. In addition, they were trained to understand the quality parameters of both lead firms and became part of the supply chains' mechanism for monitoring the quality of the products. In both cases, delivery of the products needs to be scheduled shortly after collection and meet very specific criteria. Cassava tubers are delivered to the



Joris Maatman | Ladies peeling onions



2SCALE | Saheed Adams (middle) offers tractor services to his community in Epe on the outskirts of Lagos, Nigeria

PIL factory in under 24 hours, while milk must be supplied to the MCC between 7.00 and 9.00 in the morning. During the process of organizing these arrangements, the challenges identified were tackled with the training and capacity building of actors in order to improve the efficiency and quality of the services provided. FC employed Fulani youth for quality checks at the MCC level. This community integrated approach paid off as they became the interface between producers and the company, facilitating exchange and dialogue.

One of the key problems faced in some partnerships is the lack of on-farm mechanisation to improve productivity and reduce production costs. The Hello Tractor company, based in Abuja in Nigeria, targeted youth as service providers for tractor hire. 2SCALE introduced the idea to several partnerships, where youth are employed as agribusiness coaches, and pilots were initiated with the Epe chilli, Gboko soybean, Makurdi soybean and Ayetoro maize ABCs. A training program on 'Mechanisation in Agriculture' was set-up for 80 youth service providers in collaboration with 2SCALE, IITA and Hello Tractor. The training was focused on the business, technical and operational aspects of the tractor service. The tractors are available on a pay-for-service basis, in which they can be hired to carry out various farming operations from land preparation to harvesting. The service can be booked via SMS, so that farmers can easily connect to the service provider.

Gaining in efficiency and quality with information and communication technologies

SMS bookings are one way of improving services in agriculture. Other new information and communication technologies (ICTs), including

smartphone applications, are also slowly gaining ground. It would be a dangerous assumption to say that all youth are technology savvy. However, as a group they show interest in new technologies and the way that these tools can be used to support the professionalization and efficiency of the agricultural sector.

Applications like Farmforce, a cloud-based platform, allow for the remote management of out-grower farmers. Farmforce supports the handling of transactions (ordering, invoicing and payment), logistics (collection, storage and transport), quality assurance (safety and traceability), and process management (production oversight, input distribution, and extension); and facilitates data collection, for example information on farming plots, weeding, fertilizer application and harvesting.

The App also provides timely and precise information on production and sourcing (e.g. volumes available). According to Ife Gbamigboye, the extension manager of PIL and himself a young man with interest in ICTs, "You only need to visit the farmers' field based on producers' needs and not assumptions. You can act based on evidence rather than taking decisions blindly". Because of the net advantages Farmforce provided the company to manage its out-grower scheme, it was quickly adopted as a mainstream management tool. The extension manager believes that such tools make agriculture more appealing to youth because they improve farm-to-firm relationship management and deliver greater returns on investments.

It was noticed that in Nigeria 80 % of 2SCALE agribusiness coaches fit into the 'youth' category. To further capitalize on this opportunity for youth inclusion in the different partnerships, 2SCALE organized

a training module designed to encourage youth (including coaches) to build their capacity for using free web-based platforms, like Wordpress and Blogger. These platforms provide an opportunity to spread information on innovative activities in agribusiness that would be attractive to other young people who use the platforms to access information.

The training also aimed at showing participants how to access information using different ICT tools. This approach aims to increase knowledge of online tools to share and access information among the agricultural community, and make agriculture more attractive to young people, assuming youth have a certain interest in new technologies. Future opportunities for 2SCALE to explore could focus on the potential of online stores for consumers and the possibilities for linking farmers to agro-dealers through software applications, among other possibilities.

Lessons learned

The examples provided do not showcase systematic youth inclusion in the 2SCALE partnerships, but they are good starting points. They provide insights on how, within the mandate of the partnerships, it was possible to foster the inclusion of youth in agribusiness. Looking carefully at opportunities for young people not only within production, but also beyond this, such as in service delivery, is necessary for value chain development. By harnessing the potential of youth, a positive impact on the productivity, efficiency and quality of value chain operations can be achieved.

Young people are more open to change – to adopting better practices, using new ICTs, building new connections and adopting different financing models. They are often more flexible and committed than their seniors. Therefore, actively involving youth in 2SCALE partnerships also contributes to ensuring intended changes are achieved (more quickly).

Addressing the structural challenges for youth to get involved in the agricultural sector is an important starting point – facilitating and building their advocacy capacity to promote access to land and brokering arrangements to access finance are key in supporting young and willing farmers. ICTs can help in managing farms to run like agribusinesses, rather than only focusing on subsistence agriculture.

For young people for whom farming is not an option, specializing in service provision can be one way of making a living. Sprayers, transporters and quality controllers are good options for young people to earn a livelihood. They are simple options, which do not require many resources, but require a certain level of education; i.e. literacy to read labels and manuals. Specific training to perform

these activities can easily be provided and the necessary skills acquired. The partnership approaches to youth inclusion in these areas contributed to a reduction in transportation costs, the improved quality of products and the mitigation of conflicts with producers. Opening up such positions to youth is a viable option for improving services in agricultural value chains, which is key to developing the agricultural sector.

Linkages between agriculture and other sectors like engineering and computer science should not be overlooked. Closer relations between these sectors could result in the innovation of agricultural tools, and the development of software for agribusiness and improved service delivery. Overall, such links and innovations can make the agricultural sector more appealing to youth.

In the case of future partnerships, an assessment of the opportunities for youth prior to developing intervention strategies is required to understand the underlying dynamics and prospects for young people. As for gender, 2SCALE must also come up with an explicit gender-sensitive youth approach and tools to better integrate both young men and young women. Though there is still a need to address structural challenges, like access to land, to support agricultural development and the farmers of tomorrow, there is a real opportunity for skilled young people to make a living out of agribusiness activities.

This paper presents examples of youth employment in farming and related value addition at the local level. There are still few examples of young entrepreneurs, or inclusive businesses that offer new opportunities for young employees in food processing companies, agro-industries, marketing and the last-mile distribution of foods. However, it may well be that these are the most attractive segments of the value chain for youth, since they offer new and interesting prospects for modernizing the sector and generating greater profits. It remains to be further explored.

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Joris Maatman | Specialised young man providing spraying service for vegetable production

This paper is part of a series in which 2SCALE facilitators and coordinators share their experiences. Contributors: Abalo Adodo, Grégoire Oniankitan Agai, Mathias Ahounou, Geneviève Audet-Bélanger, Tekalgn Ayano, Judith Chabari, Assefa Degefu, François Dossouhoui, Peter Gildemacher, Olugbenga Stephen Idowu, Alhassan Issahaku, Peter Kiriimi, Eric Lakoussan, Arnoldus Maatman, Janet Macharia, Douglas Magaja, Jacqueline Ndambuki, David Njenga, Irene Njogu, Francis Nthuku, Thompson Ogunsanmi, Gabriel Olengo, Kwame Pipim, Hiwot Shimeles, Faoussa Tadjou, Addis Teshome, Baba Togola, Mahamane Toure, Youssef Traore, Niek van Dijk, Ajay Varadachary, Raphael Vogelsperger, Allan Wayira and Bertus Wennink.

2SCALE manages public-private partnerships (PPPs) for inclusive agri-business in Africa. Partnership agreements are developed with companies with inclusive business agendas. 2SCALE offers support services to companies, farmer groups and other relevant stakeholders – enabling them to produce, transform and supply quality food products to local, national and regional markets, including Base of the Pyramid consumers. 2SCALE strengthens the capacity of grassroots and value chain actors, supports innovation and coordinated action, and improves skills to assure effective participation in markets. The focus countries of the programme are Benin, Ethiopia, Ghana, Ivory Coast, Kenya, Mali, Mozambique, Nigeria and Uganda.

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