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# Empowering youth to engage in responsible investment in agriculture and food systems

Yannick Fiedler

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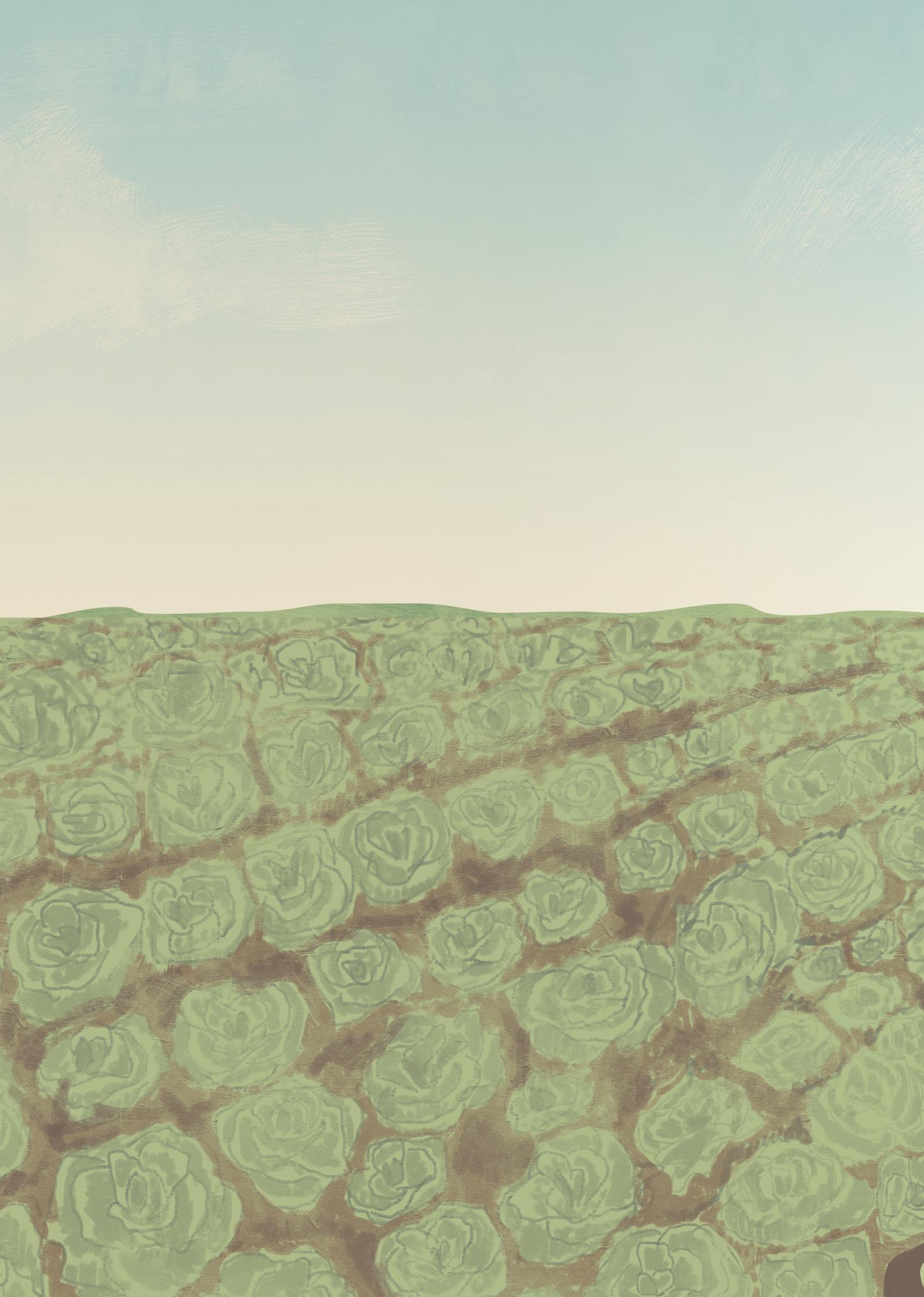
Food and Agriculture  
Organization of the  
United Nations

# EMPOWERING YOUTH TO ENGAGE IN RESPONSIBLE INVESTMENT IN AGRICULTURE AND FOOD SYSTEMS:

challenges, opportunities and lessons  
learned from six African countries

(Côte d'Ivoire, Malawi, Mozambique, Namibia, South Africa and Uganda)





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## EXECUTIVE SUMMARY

Engaging young women and men in an agricultural sector characterized by an ageing labour force is crucial to ensure sustainable food security, reduce youth unemployment and combat unplanned migration. By harnessing their innovative potential, utilizing new technologies and techniques and taking advantage of new opportunities in emerging value chains, young agri-entrepreneurs could create thriving businesses and tackle the challenge of feeding a growing population. However, youth are often unable to carry out the investments needed to ensure that their own farming or processing activities can be successfully launched or expanded. Conversely, neither may they be able to benefit from opportunities in agricultural supply chains provided by larger-scale investors.

This report aims to enhance understanding on the main challenges and opportunities to empower youth to carry out and benefit from responsible agricultural investment by giving voice to those most concerned – young farmers, agri-entrepreneurs and workers, and those who support them. It summarizes the main findings from a series of multi-stakeholder capacity assessment workshops with participants from six countries – Côte d'Ivoire, Malawi, Mozambique, Namibia, South Africa and Uganda.

Promoting investment in the agricultural sector by and with youth in these countries could have positive socio-economic impacts because of several inter-related factors:

- the low contribution of agriculture to the GDP compared to its share in total employment, which indicates that additional investments could yield significant benefits in terms of productivity increases;
- the high population growth rates in most participating countries, which indicate increasing labour supply; and
- the low share of the agricultural sector in total investments in most participating countries.

Many actions have already been undertaken in these six countries to enhance agricultural investments and empower youth. During the capacity assessments, participants discussed what additional capacities and improvements would be needed to further strengthen capacities of young

women and men to carry out and benefit from responsible agricultural investments.

Enhancing the inclusiveness and efficiency of policy processes was one of the main priorities identified at the different workshops. In particular, participants highlighted the need to encourage and strengthen the participation of youth in coordination mechanisms. This requires capacity development support, including on the capacity of key actors to coordinate and collaborate.

Furthermore, the policy, legal and regulatory frameworks need to be enhanced to empower the youth. While participants in all countries agreed that existing policies and laws for agricultural investments already cover a comprehensive range of areas, there may be a need for financial, fiscal and service-related incentives that empower young entrepreneurs operating along agricultural supply chains. At another level, where existing policies and laws are in place to support the youth, these may not always be fully implemented. Challenges in this field could be addressed by improving the efficiency and transparency of processes; adequate budget allocation and staffing; and awareness-raising on policies, laws and incentives.

At another level, participants stressed that there are many youth-led or youth-inclusive organizations that already provide a broad range of services. This includes representation and advocacy activities, as well as the provision of access to credit, land and markets, extension services, incubation centres and training. Yet more needs to be done to strengthen access to some of these services and products. In particular, access to financial products could be strengthened. Furthermore, more start-up support services, such as incubation centres, marketing and transformation support and information related services (i.e. on commodity prices and weather forecast) are needed.

Similarly, participants have highlighted, on the one hand, the wealth of available education programmes and opportunities that strengthen agribusiness skills of youth. On the other hand, they have identified a series of challenges that mainly relate to the access to such opportunities.

# I. RATIONALE, SCOPE AND METHODOLOGY OF THIS REPORT

## 1 Introduction - Empowering youth to carry out and benefit from responsible agricultural investment is key to ensure sustainable food security

The global population is expected to increase to 9.8 billion by 2050<sup>1</sup>, of which 68% will live in urban areas<sup>2</sup>. At the same time, global GDP growth is expected to continue, albeit at lower rates<sup>3</sup>. GDP growth, especially in developing economies, in turn favours an unprecedented growth of the global middle class, which is expected to reach 5.5 billion persons by 2030<sup>4</sup>. These different trends will **drive an increase in demand for food**, and in particular for higher-quality processed food commodities. FAO estimates that **global food production would have to increase by 60 per cent by 2050** to satisfy additional demand generated by population and income growth<sup>5</sup>.

Addressing the challenge of feeding a growing population in an increasingly globalized economy and responding to shifting market demands will require **engaging youth in an agricultural sector marked by an ageing labour force** and closing the generation gap. According to a recent FAO study, the ageing of the agricultural sector is not a phenomenon limited to developed countries. In Africa, the average age of farmers is about 60, although 60 per cent of Africa's population is under 24 years of age<sup>6</sup>. Conversely, attracting and retaining youth in agriculture is key to reduce unemployment and distress migration<sup>7</sup>. Since the urban sector has only limited capacities to absorb burgeoning youth populations in many of today's developing countries and regions<sup>8</sup>, agriculture remains the principal livelihood opportunity for many youth.

By harnessing their innovative potential<sup>9</sup>, utilizing new technologies and techniques and taking advantage of new opportunities in emerging value chains, **young agri-entrepreneurs could create thriving businesses and tackle the challenge of feeding a growing population**. However, **youth are often unable to carry out the investments needed** to ensure that their own farming or processing activities can be successfully launched or expanded. Conversely, neither may they be able to benefit from opportunities in agricultural supply chains provided by larger-scale investors. This constraint is due to a number of challenges<sup>10</sup> which include an unfavourable policy, legal and regulatory

framework, limited access to land, markets and financial services, the absence of youth-led or youth-sensitive organizations, and limited individual capacities.

Against this backdrop, the importance of engaging youth in agriculture has been increasingly recognized at national, regional and global levels, and policy makers have taken action to empower youth to carry out and benefit from agricultural investments. At the global level, governments have committed to “substantially reduce the proportion of youth not in employment, education or training” by 2020 under the **Sustainable Development Goal 8** (“Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”). The 4<sup>th</sup> **Principle for Responsible Investment in Agriculture and Food Systems** calls to “engage and empower youth”. At the regional level, the 2014 African Union **Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods**, commits member states to create job opportunities for at least 30% of youth in agricultural value chains. The European Union supports young farmers through increased direct payments under the **Common Agricultural Policy**<sup>11</sup>, hence strengthening their capacity to invest.

Translating these global and regional commitments into action at the national level requires a more thorough understanding of the challenges to be addressed, *as well as* the opportunities to be seized. This includes an initial analysis of current demographic and socio-economic trends, such as youth unemployment, or the contribution of the agricultural sector to employment and economic growth. At another level, and probably even more importantly, this also includes an initial overview of common issues in regard to country-level existing and needed capacities to empower youth to carry out and benefit from responsible agricultural investments. This report aims to contribute to the understanding of these issues.



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## 2 Methodology

This report draws on the knowledge generated through a project supported by the Swiss Federal Office for Agriculture (FOAG).

This project included the development of a “**Rapid Capacity Assessment Tool: Empowering youth to engage in responsible investment in agriculture and food systems**”.

This tool aims to help practitioners (such as government agencies, youth organizations, or development partners) to carry out a multi-stakeholder assessment.

FAO carried out a **series of multi-stakeholder capacity assessment workshops** to apply and refine the tool, as well as to gather relevant information on the challenge of youth in agriculture. In particular, FAO organized two national multi-stakeholder capacity identification workshops in Uganda (November 2017) and Côte d’Ivoire (April 2018), as well as a sub-regional workshop (March 2018) with four countries from the SADC region (Malawi, Mozambique, Namibia and South Africa) in partnership with the Information Training and Outreach Centre for Africa (ITOCA). These workshops brought together representatives of youth and their organizations, government, finance institutions, the private sector, civil society and other non-governmental organizations. Background papers with information on demographic, socio-economic and investment trends, as well as an overview of relevant institutions, policies, laws, incentives and organizations were prepared for each participating country by independent experts.

This report draws on the background papers as well as on the outcomes of the multi-stakeholder workshops. **Findings have been divided into the two following main chapters:**

- An analysis of the **challenges and opportunities of current demographic and economic trends (chapter II)**. This section is the result of a desk study, based on data provided by the authors of the country background papers as well as data retrieved by the author of this report.

- An analysis of the **main outcomes of the multi-stakeholder capacity assessments (chapter III)**. In this section, **voice is given to those who are most concerned** by the issue - young farmers, agri-entrepreneurs and workers, and those who support them, including governments, finance institutions, the private sector and civil society.

Chapter III contains four sections, which correspond to the structure of the tool. These sections have been organized according to the three systemic dimensions of capacity development<sup>12</sup>.

### FAO'S CAPACITY DEVELOPMENT APPROACH:



### SECTIONS OF CHAPTER III:

1<sup>st</sup> part:

The institutional set-up for agricultural investment related policy processes

2<sup>st</sup> part:

Policies, laws and incentives of relevance to agricultural investments

3<sup>st</sup> part:

Organizations and services that empower youth operating along agricultural supply chains

4<sup>st</sup> part:

Individual capacities to empower youth in agriculture

This report was prepared by Yannick Fiedler under the supervision of Michael Riggs, with support from Justin Chisenga and the overall guidance of Andrew Nadeau. The authors of the background papers are Kama Berté (Côte d'Ivoire), Kumbukani Ng'ambi (Malawi), Joao Mutondo (Mozambique), Elina Amadhila (Namibia), Cyriaque Hakizimana (South Africa) and Stephen Lwasa (Uganda).

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## II. CHALLENGES AND OPPORTUNITIES OF CURRENT DEMOGRAPHIC AND ECONOMIC TRENDS FOR YOUTH ENGAGEMENT IN AGRICULTURE

This section summarizes the main challenges and opportunities of current demographic, social and economic trends in the participating countries. The analysis highlights that investment in the agricultural sector by and with youth could have positive socio-economic impacts and tap into current and emerging business opportunities because of several inter-related factors:

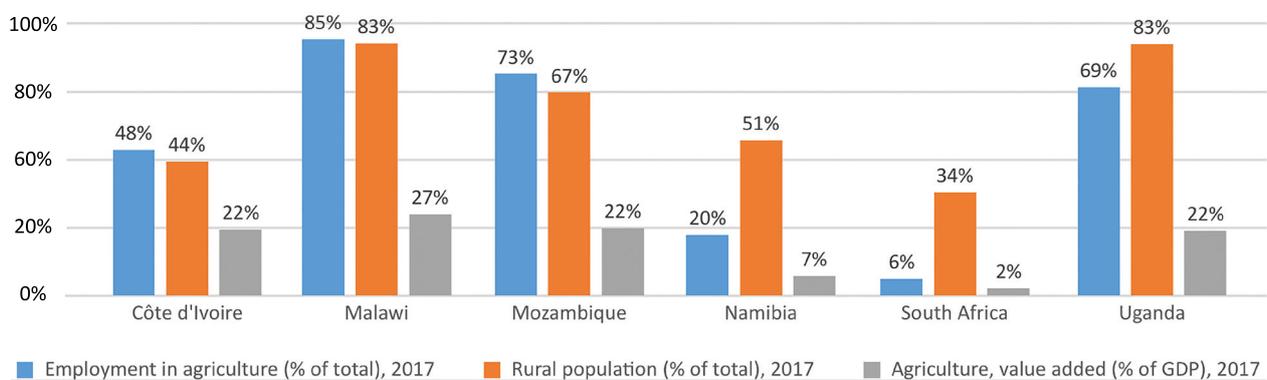
- the contribution of agriculture to the GDP is very low compared to its share in total employment, which indicates that additional investments could yield significant benefits in terms of productivity increases;
- the share of the youth in the total population is growing at a high rate in all countries except South Africa, while youth unemployment rates stay high, indicating increasing labour supply in the coming years; and
- the share of investments that is allocated to the agricultural sector is very low, except in Malawi.

### 1 A significant scope for additional investments in all project countries despite discrepancies in socio-economic trends

Malawi, Mozambique and Uganda are predominantly rural countries, in which the share of the rural population ranges from 67% (Mozambique) to 83% (Malawi, Uganda). In these countries, the agricultural sector is the main provider of employment (83%, 73% and 69% respectively, see figure 1). In Côte d'Ivoire and Namibia, the share of the rural population is close to 50%; agriculture is still an important provider of employment in Côte d'Ivoire (48%) and, to a lesser extent, in Namibia (20%). Conversely, South Africa has the typical characteristics of an upper middle income country, since the share of the rural population accounts for only 34% of the total population and the country has transited towards an economy in which

the services sector has become the main employer (71%, compared to only 6% in agriculture). In all project countries the contribution of agriculture to the GDP is much lower than its contribution to employment, indicating significant scope for additional investments to boost productivity and stimulate growth.

*Figure 1: The contribution of agriculture to employment and the economy compared to the share of the rural population*



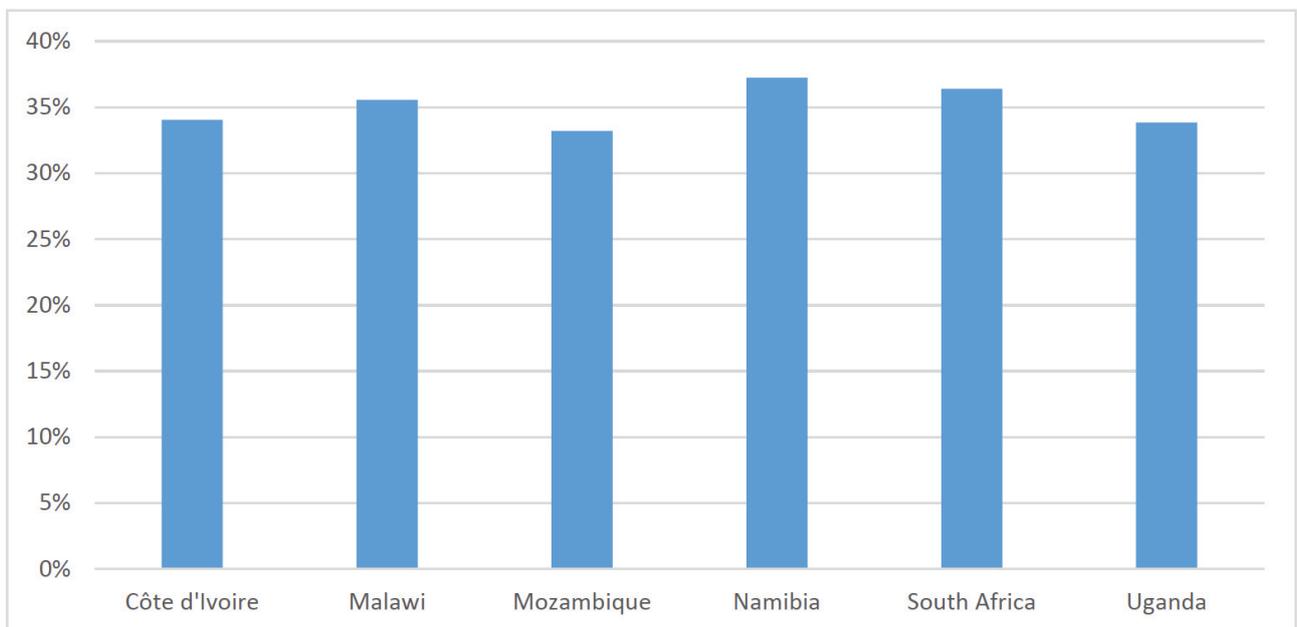
Source: Modelled by author based on data from ILOSTAT, 2018; WDI, 2018



## 2 The share of the youth in the total population is growing, while youth unemployment rates remain high

At another level, youth<sup>13</sup> represent an important share of the total population in all project countries (between 33% and 37%, see figure 2). This share is expected to increase significantly in Malawi, Mozambique and Uganda, where population growth rates are close to 3% and to a lesser extent in Côte d'Ivoire and Namibia (see figure 3).

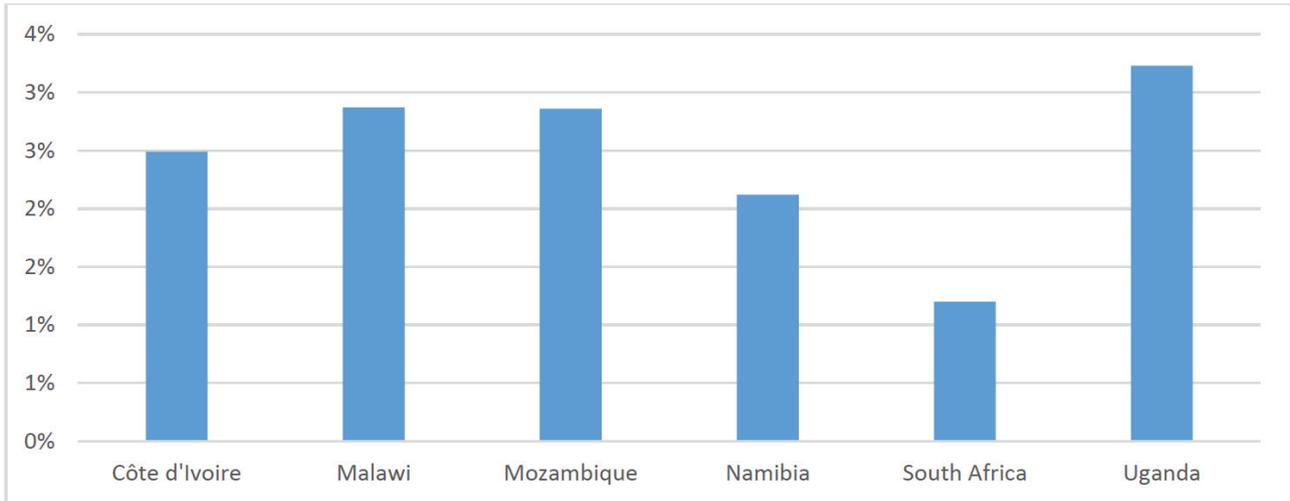
Figure 2: Youth (percentage of total population, 2015)



Source: UN Department of Economic and Social Affairs, 2017

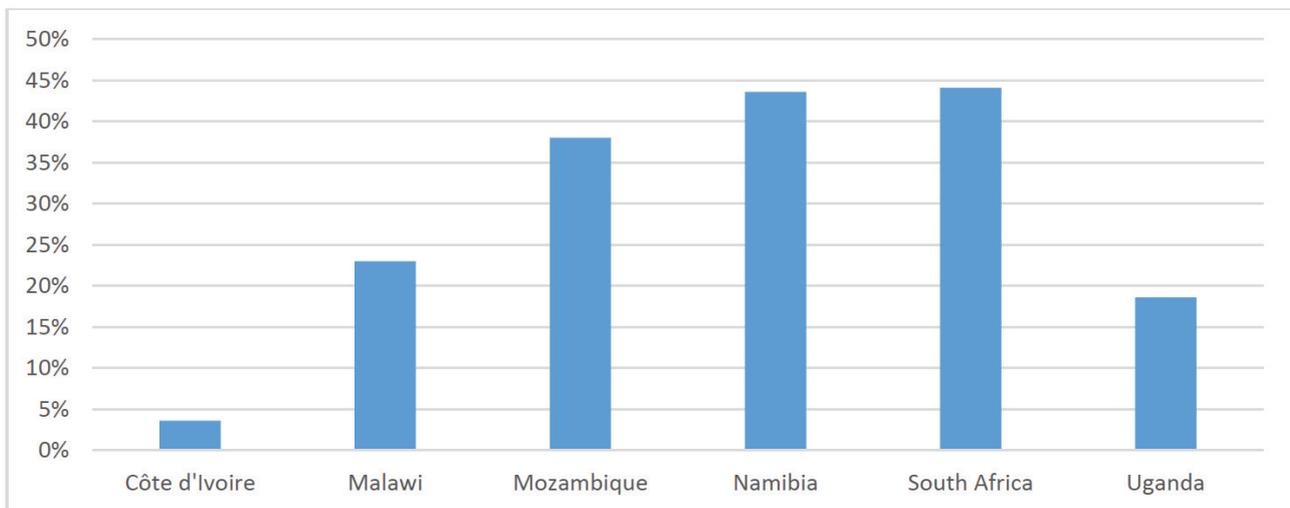
At the same time, many youth in the six project countries are unemployed (see figure 4<sup>14</sup>), with unemployment rates reaching up to 44% (South Africa). Youth are also more often likely to be unemployed than older members of the workforce. One example is Namibia, in which the total unemployment rate is 23%, while the youth unemployment rate reaches 43.5%. Against this backdrop, it would be particularly crucial to encourage investments that increase decent employment opportunities for young women and men.

Figure 3: Population growth rate (per annum), 2015-2020



Source: UN Department of Economic and Social Affairs, 2017

Figure 4: Youth unemployment rate (latest available data)



Sources: Agence Emploi Jeunes Côte d'Ivoire, 2016; Malawi National Statistical Office, 2013; UBoS, 2016 (relaxed definition); ILOSTAT, 2018; Namibia Statistics Agency, 2016; DTCIDC, 2017

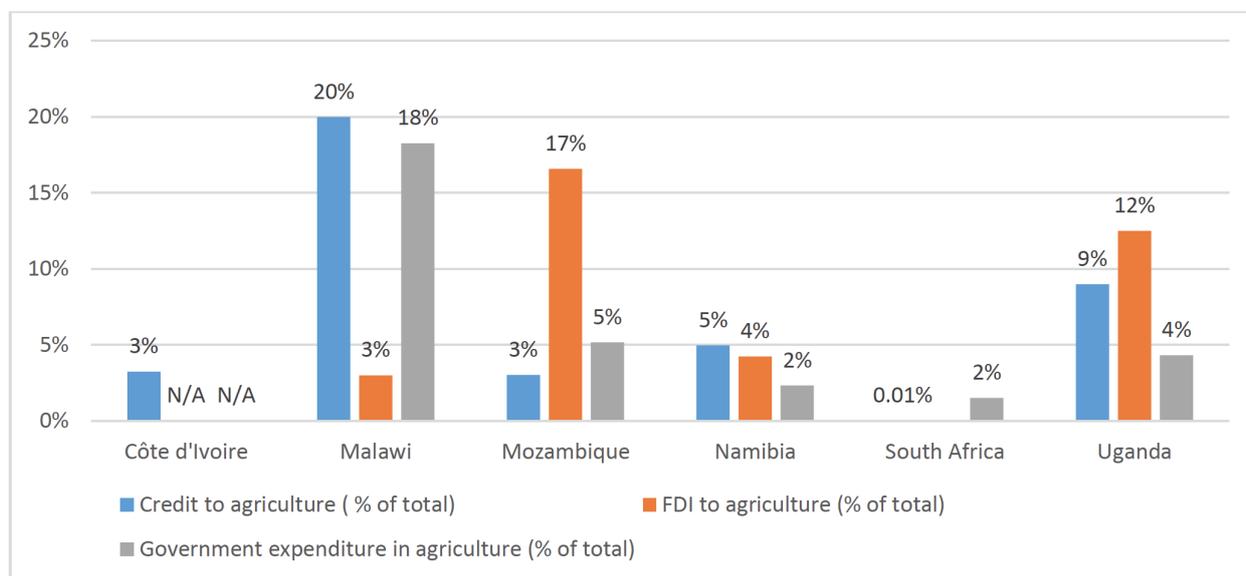
### 3 Underinvestment in the agricultural sector

Despite the potential benefits of investing in agriculture for both investors and local communities, investment flows are low in absolute and relative terms in Côte d'Ivoire, Mozambique, Namibia, South Africa and, to a lesser extent, Uganda (see figure 5). Malawi is a notable exception, since the share of the agricultural sector in total credit and government expenditure is close to 20%. While investments do not automatically benefit young women and men, they are a necessary precondition to improve the productivity of farms and businesses, create jobs and foster thriving rural livelihoods.

The share of agriculture in total credits is particularly low in all countries except Malawi, with rates ranging from 0.01% (South Africa), 3% (Côte d'Ivoire, Mozambique), to 5% (Namibia) and 9% (Uganda). These shares are significantly lower than the contribution of agriculture to the GDP, with ratios between both shares – as measured in the Agriculture Orientation Index – being as low as 0.15 in Mozambique<sup>15</sup>. This may indicate, on the one hand, little interest or capacity of commercial banks to finance the sector. On the other hand, it may indicate that smallholders and producers which are predominant in the country face challenges to access credits due to the absence of collaterals to secure formal financial sector loans. In this context, youth are likely to face particular challenges since their projects may be those which are least bankable, due to absence of collaterals and savings, as well as less experience.

At another level, the share of agriculture in government expenditure is significantly below the 10% spending target of the 2014 Malabo Declaration, ranging between 2% and 5% in all countries except Malawi (18%). In the case of FDI, the picture is more complex. On the one hand, the share of agriculture in total FDI is low in Malawi (3%) and Namibia (4%), but more commensurate with the economic importance of the sector in Mozambique (17%) and, to a lesser extent, Uganda (12%).

Figure 5: Investments in agriculture (share of total investments, 3 year average)



2013-2015 3 year averages for credit to agriculture and government expenditure, or most recent time series (2012-2014 for Malawi on credit, and 2012-2014 for Mozambique on government expenditure); 2012-2014 3 year averages for FDI. Sources: FAOSTAT 2018; Cyriaque Hakizimana; CPI (2018), Mozambique; Amadhila (collected data); [www.comesaria.org/site/en/fdi-inflows.79.html](http://www.comesaria.org/site/en/fdi-inflows.79.html), Uganda Investment Authority 2016



# III. EMPOWERING YOUTH TO CARRY OUT AND BENEFIT FROM RESPONSIBLE AGRICULTURAL INVESTMENT: LESSONS LEARNED FROM SIX AFRICAN COUNTRIES

This chapter summarizes the main findings of the multi-stakeholder capacity assessment workshops with participants from Côte d'Ivoire, Malawi, Mozambique, Namibia and South Africa. It follows the structure of the Rapid Capacity Assessment Tool, which was developed by FAO. Each section contains a brief rationale explaining the relevance of the issue before providing an analytical overview of the participants' responses.

## 1 Inclusiveness of policy processes related to investment in agriculture and food systems

### a. *Multi-stakeholder participation in agricultural investment related policy processes*

Given the broad range of stakeholders who decide upon, carry out or may be impacted by agricultural investments, inclusive and efficient policy making processes are key to ensure that policy, legal and regulatory frameworks enhance those investments which are most likely to benefit society. This is recognized in the CFS Principles for Responsible Investment in Agriculture and Food Systems, which state that “promoting the meaningful participation of relevant stakeholders in agricultural and food system investment policies and/or policy-making, including by establishing inclusive and equitable multi-stakeholder and multi-sectoral platforms” helps ensure policy coherence<sup>16</sup>.

Participants in all countries argued that policy processes could be more inclusive, in particular in regard to key non-state actors, including both the private sector, civil society and, in several cases, producer organizations and academia. With the exception of Namibia, participants also highlighted that some relevant state agencies, including Ministries, are currently not participating, but should be involved in investment related policy making. In Côte d'Ivoire, participants specifically mentioned that sub-national

organizations such as the *Association of Regions and Districts* as well as the *Union of Cities and Communes*<sup>17</sup> were currently not participating in policy making processes related to agricultural investments.

A common challenge highlighted in Mozambique, Namibia, South Africa and Uganda is the capacity of key Ministries and other actors to coordinate and collaborate with other actors, including youth. This is reflected in the challenges of coordination mechanisms further discussed below. Participants from several countries (Côte d'Ivoire, Mozambique, South Africa, Uganda) also indicated that consultation processes need to be more inclusive and fully engage non-state actors, and in particular the youth. Conversely, limited awareness as an impediment to participation has been highlighted by participants from Malawi, Mozambique, and Uganda. This includes both non-participation from state actors who do not perceive the issue of youth

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or investment as a priority issue or a domain within their mandate, as well as from non-state actors, including youth, who may not be aware of the consultations or the potential benefits of participating in them.

*Table 1: Five key suggestions to improve the inclusiveness of policy processes (as identified by the workshops' participants)*

	Côte d'Ivoire	Malawi	Mozambique	Namibia	South Africa	Uganda
Strengthen the presence of key state actors in policy-making processes	X	X	X		X	X
Strengthen the presence of key non-state actors in policy-making processes	X	X	X	X	X	X
Strengthen the presence of non-state actors (general) in coordination mechanisms	X		X			X
Strengthen the presence of specific population groups (youth, women, indigenous peoples, workers) in coordination mechanisms	X	X	X	X	X	X
Enhance the participation of youth organizations in coordination mechanisms	X	X	X	X	X	X

**b.** *Coordination mechanisms could be a potential space for youth empowerment – if their participation was strengthened*

Coordination mechanisms, which can be led by government agencies or non-state entities, are key for the formulation, negotiation, development and implementation of policies and policy coherence. As such, they play an indispensable role in the public policy process. All countries identified some coordination mechanisms, which have roles ranging from policy formulation, to monitoring of implementation and budget allocation. One example of a coordination mechanism is the Agriculture Sector Working Group of Uganda, which is led by the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) and includes other Ministries, donors and civil society organizations. Its objective is to be a multi-stakeholder platform for planning, coordinating, monitoring and reviewing the performance of the MAAIF<sup>18</sup>.

Given their nature, such coordination mechanisms could be a powerful vehicle for youth empowerment. As a first step, this would require ensuring that these mechanisms are inclusive of all relevant stakeholders (see table 1). In some cases, there seems to be significant space to open such mechanisms beyond the key ministries to those directly concerned by the issue. In other cases, more could be done to specifically ensure that these mechanisms are more inclusive of minority groups and vulnerable populations (indigenous peoples, youth, women and workers).

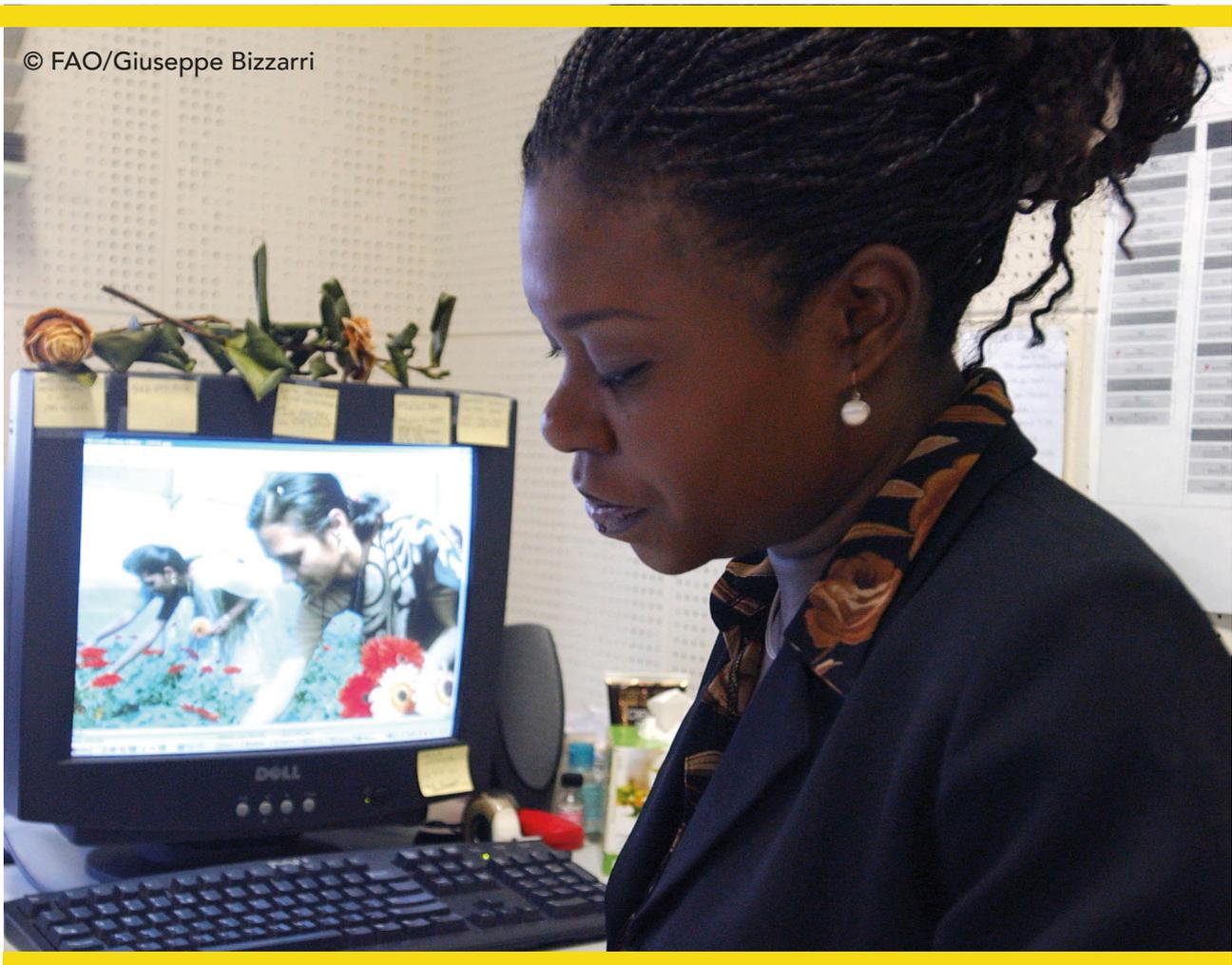
*Participants from all countries agreed that more efforts should be undertaken to encourage participation of youth.* Participants argued that even in those rather rare cases in which youth were included in coordination mechanisms, participation was low. Exceptions included the Constituency Development Committees (Namibia), the Annual Youth Conference (Mozambique), the Ministerial Clusters (South Africa), the National Youth Council of Namibia, and the Uganda National Farmers Federation. These findings confirm the results of research carried out in several studies<sup>19</sup> and hence indicate a clear need for action for increased youth engagement in policy dialogue.

**c.** *Potential action to strengthen youth participation in coordination mechanisms*

Participants stressed that awareness-raising and advocacy was necessary to strengthen youth participation. This includes both communication and

sensitization of youth (Côte d'Ivoire, Mozambique, Namibia), as well as advocacy on youth related issues among coordination mechanism members (Malawi, Namibia, Uganda). In Côte d'Ivoire, participants also highlighted the importance of strengthening capacities of youth to participate in coordination mechanisms.

Furthermore, participants indicated that policy coordination on agricultural investment and youth related issues could be improved in terms of substance. Participants from all countries stressed the need for the set-up of a new coordination mechanism on youth and agriculture. Existing coordination mechanisms could also be strengthened. In particular, participants from Mozambique and Namibia argued that existing coordination mechanisms could enhance their information sharing and outreach activities.



*Table 2: Five main challenges to be addressed to strengthen policy making processes and coordination mechanisms (as identified by the workshops' participants)*

	Côte d'Ivoire	Malawi	Mozambique	Namibia	South Africa	Uganda
Limited capacity to coordinate and collaborate of key actors			X	X	X	X
Limited awareness among youth of benefits of participation in policy making and coordination mechanisms		X	X	X		X
Limited awareness among some coordination mechanism members and policy makers about the importance of youth inclusion	X	X	X			X
Youth / investments not considered a priority by key actors		X			X	X
Limited information-sharing and outreach			X	X		

## 2 Key areas to strengthen the policy, legal and regulatory framework

A well-defined **policy, legal and regulatory framework** which establishes incentives and safeguards conducive to responsible agricultural investments

is one of the *principal determinants* of the volume and quality of investments<sup>20</sup>. This is particularly true for investments by young agri-entrepreneurs, who may face legal and administrative barriers in various domains such as in the case of financial services<sup>21</sup>. One key component of the assessments undertaken as part of the project thus sought to identify challenges and opportunities of current programmes, strategies, policies, laws and incentives for an increase in responsible agricultural investments by and with youth.

**a.** *A specific need to develop and adapt incentives schemes*

Participants in all countries agreed that the current policy, legal and regulatory framework for agricultural investments already covers a broad range of areas, ranging from youth, women and workers' empowerment to access to land, finance, markets and education.

One exception in this regard is the **need for financial, fiscal and service-related incentives** that empower young farmers and agri-entrepreneurs operating along agricultural supply chains. This need was identified by participants from all countries. In particular, participants highlighted the need for programmes setting up incubation centres, fiscal incentives that are accessible by young agri-entrepreneurs and – in the case of Côte d'Ivoire – specific social protection schemes. At another level, there appear to be few incentives for companies to hire young people in new agri-business investments. One example of how companies can be incentivized to hire and retain young people was provided by Côte d'Ivoire (see text box 1).

**Text box 1: Incentivizing companies to train and hire youth in Côte d'Ivoire**

Côte d'Ivoire has set up a specific tax credit scheme for companies that create intern- and apprenticeship positions, which can reach up to FCFA 500,000 per person trained in a year. If the company hires the trained youth, it may benefit from further advantages that aim to stimulate job creation, hence promoting sustainable employment opportunities for youth.

*See: Côte d'Ivoire. 2015. Annexe fiscale à la loi no. 205-840 du 18 décembre 2015 portant Budget de l'État pour l'année 2016.*

With the exception of incentives, the priority does however not seem to be the development of new policies and laws, but rather the strengthening, revision and correct implementation and application of existing ones.

**b.** *Implementing existing policies, laws and incentives*

One common challenge is the **full implementation of existing policies, laws and incentives**. The causes of partial implementation vary from country to country, but some common patterns seem to exist (see table 3 below). There seem to be four major cross-cutting challenges at the national level, which relate to the following issue areas: efficiency of processes; budget allocation / financial management; awareness of policies, laws and incentives; human resources; and transparency.

*“Our country has many good policies, strategies and programmes. The main challenge lies in implementing, and monitoring implementation of these existing instruments”*

Workshop participant

**Improving the efficiency** of processes was identified as an important area of intervention in five countries. For example, participants in Côte d’Ivoire argued that obtaining a tenure certificate as per the 1998 land law implied a lengthy and expensive process. Participants from South Africa mentioned the need for monitoring and evaluation, in particular in the context of the National Youth Policy 2015-2020. “Bureaucratic” processes were highlighted in various cases in different countries. Participants from Malawi and Mozambique stressed the need for increased coordination. In Mozambique strengthened capacities to coordinate between different sectors and agencies would be key to implement the National Youth Policy.

In all participating countries, **budget allocation and financial management gaps** were highlighted as additional constraints to the full implementation of existing policies, laws and incentives. The identification of possible root causes, such as limited capacity in regard to budget processes<sup>22</sup>, would require additional assessments.

Similarly, low **human resource capacities** were mentioned as major constraints for the implementation of policies, laws and incentives in Côte d'Ivoire, Mozambique and Uganda. For example, participants from Uganda argued that the National Strategy for Youth Employment and the National Youth Policy are instruments that could contribute to empower youth in agriculture if they were fully implemented. This, in turn, depends at least partially upon concerted efforts to overcome human resource constraints (both in terms of quantity and quality).

Another key issue seems to be **limited awareness** of existing policies, laws and incentives. For example, participants from Malawi argued that low awareness of fiscal incentives granted by the Malawi Investment and Trade Centre (MITC) prevents youth from benefitting from these incentives.

Finally, **strengthening transparency** of processes related to the application of laws was identified as a key factor in Malawi, Mozambique and Namibia. In Namibia, participants argued that more transparent processes were needed in terms of tenure rights transfers under the Land Policy. Conversely, participants from Mozambique argued that fostering transparency itself under the new Right to Information Law would require a change in individual attitudes and practices as well as an increase in institutional capacities to share information.



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*Table 3: Key interventions that could promote full implementation and application of existing programmes, policies, laws and incentives*

	Côte d'Ivoire	Malawi	Mozambique	Namibia	South Africa	Uganda
Improving efficiency of processes	X	X	X		X	X
Budget allocation/ financial management	X	X	X	X	X	X
Awareness-raising on policies, laws and incentives among youth	X	X			X	X
Human resources capacity development	X		X			X
Enhancing transparency		X	X	X		

**C.** *Empowering youth through a revision of existing policies, laws and incentives*

In some cases, revising existing policies, laws and incentives could contribute to empowering youth to carry out and benefit from responsible agricultural investments. In particular, the following policy areas seem to warrant particular attention: financial services; youth; land; agriculture; and agricultural marketing / export and trade (see also figure 6).

**Financial services** were identified as a key area in which policies, laws and incentives should be revised in five countries, in line with earlier research that suggests that youth often face particular legal barriers to accessing financial services – such as age restrictions<sup>23</sup> or collateral requirements. In Uganda, participants argued that the 2016 Tier 4 Microfinance Institutions and Money Lenders Act should be revised by setting interest rates for money lenders. In South Africa, participants suggested the New Growth Path should be revised to allow youth to directly access financial products and provide innovative financial mechanisms, participants said.

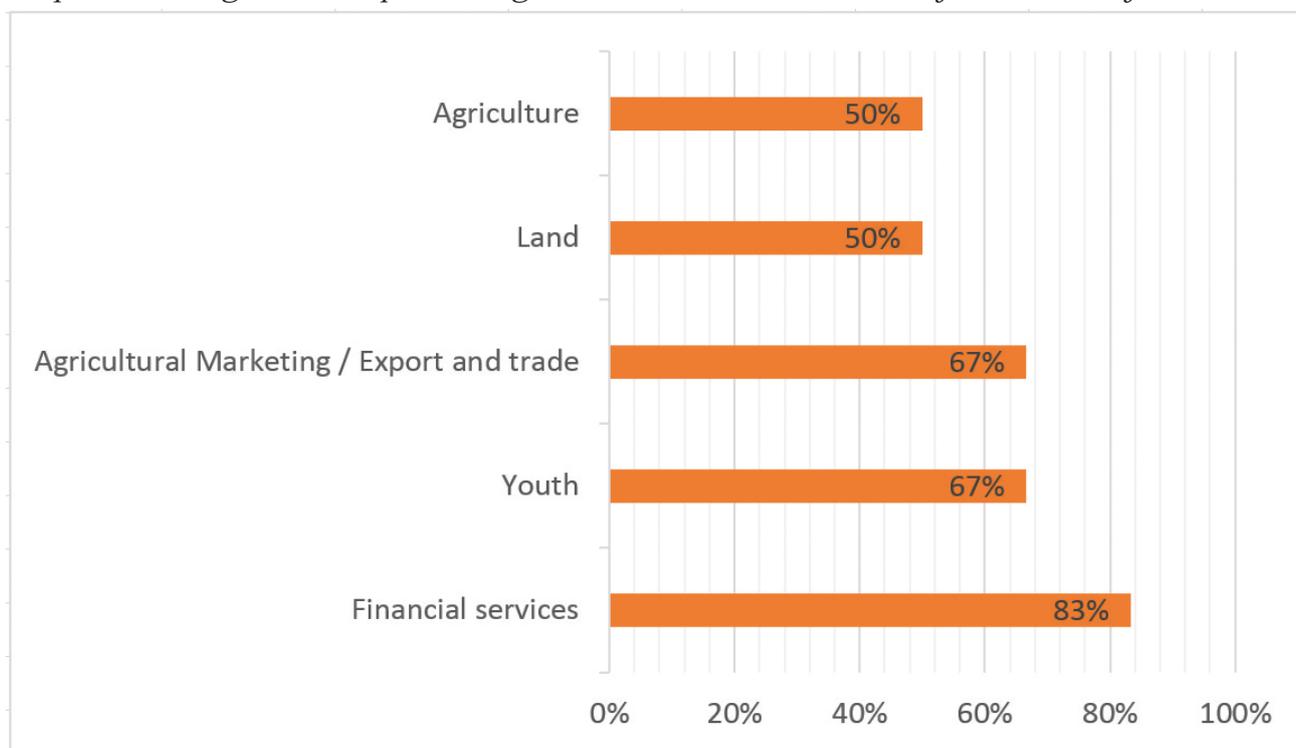
**Youth specific programmes and policies** were also among the most frequently discussed examples of instruments requiring revision. On the one hand, this is justified by the fact that such instruments do often not focus on agriculture. On the other hand, these policies may not cover the whole socio-economic spectrum of youth engaged in agriculture and food systems, such as those engaged in commercial agriculture and processing as compared to those living off small-scale subsistence farming.

**Land** related policies and laws have been identified as requiring some form of revision to empower youth in three countries (Côte d'Ivoire, Malawi, Uganda). In Côte d'Ivoire, participants argued, for example, that the 1998 Rural Land Law could be revised to strengthen the access of women and youth to land, in particular through clear contractual arrangements.

Furthermore, participants from Côte d'Ivoire, Malawi and South Africa argued that **agriculture specific policies** should be revised to ensure that these engage and empower youth. In South Africa, this could for example include a review of the Agricultural Policy Action Plan (APAP), which would aim to include affirmative action clauses that would ensure that support under the Plan 'disproportionately' targets youth.

Finally, **agricultural marketing, export and trade policies** were identified as needing some form of revision in Malawi, Namibia, South Africa and Uganda. Participants from Malawi for example argued that the National Export Strategy, which specifically aims to economically empower youth<sup>24</sup>, could further strengthen youth by supporting the organization of youth into groups to facilitate access to logistics and strengthen their capacities to export their produce.

Figure 6: Main policy areas in which existing policies, laws and incentives require changes to empower agricultural investments by and with youth (as



### 3 Organizations and services that empower youth

- a. *A broad range of services is already being provided – but access to financial products could be strengthened*

The workshops revealed the existence of a **broad range of entities** – public, private, non-governmental and development organizations, cooperatives, youth organizations and financial institutions – which **provide various services** needed to carry out or benefit from agricultural investments. These include credit and saving schemes, capacity development to strengthen business and skills, knowledge and information sharing, extension services, value addition and marketing, incubation services, and advocacy among government and other decision makers.

One area in which participants constantly highlighted the need to increase the availability and accessibility of services were **financial products**. This

includes insurance schemes, which are currently hardly available and/or accessible for youth in Côte d'Ivoire, Malawi, Mozambique, South Africa and Uganda. At another level, participants from Côte d'Ivoire and Malawi indicated a need to increase access to credit, while Namibia and Uganda stressed the need for saving schemes.

Participants highlighted several other services which would be needed to ensure that young women and men can create and expand thriving businesses. These include **provision of information** – such as on weather forecast and commodity price trends (South Africa), or on business and investment opportunities (Mozambique). Furthermore, they include start-up support services, such as **incubation centres** (Malawi and Namibia). Finally, the need for **marketing and transformation** related services was highlighted by participants from Côte d'Ivoire and Malawi.

**b.** *A broad spectrum of existing youth-owned and youth-inclusive organizations*

In general, participants highlighted the broad spectrum of youth-owned and youth-inclusive organizations in their country. Given this context, participants identified only a limited amount of new organizations that would be needed. A recurrent suggestion was the need for a youth bank, which would provide financial services to the youth (Côte d'Ivoire, Uganda).

Existing organizations can be divided into three sub-groups:

- a** Advocacy-oriented youth organizations, which represent the voice of the youth in policy making, implementation and monitoring processes;
- b** Entrepreneur-oriented youth organizations, which provide services to young agri-entrepreneurs, training, knowledge exchange, coaching and mentorship, access to credit, land and markets, extension services, business incubation and ICTs; and
- c** Youth-inclusive producer organizations and cooperatives.

A good example of an advocacy-oriented youth organization is the South African Youth Council (SAYC), which was formed in 1997 as an autonomous, non-partisan umbrella association for youth organizations to defend the

interests and aspirations of young people in South Africa. SAYC represents the voice of the youth in policy making, implementation and monitoring processes. Another example is the Mozambican Youth Parliament, which engages in knowledge exchange activities as well as awareness-raising on policy processes and represent the interests of young workers.

Entrepreneur-oriented youth organizations include the Malawian Youth Action in Agriculture Development (YAAD), which aims to inspire and enhance youth skills in value addition in different disciplines in agriculture. Another example is the Fédération nationale des organisations professionnelles de jeunesse rurale de Côte d'Ivoire (FENOPJERCI), which provides a broad range of services, including financial products.

Youth-inclusive producer organizations and cooperatives provide a wide range of services, including financial products. One example is the Uganda Central Co-operative Financial Services, which provides access to financial products, including saving schemes.

### **C.** *Including youth sub-groups in existing organizations*

While these organizations are generally inclusive of youth in general, there are significant differences in terms of inclusion and participation of sub-groups. For example, the workshop results showed constantly weaker presence and lower participation from younger youth (15-17 years old) in all countries except Mozambique. At another level, participation of other groups could also be strengthened. There is some evidence of lower participation of young farmers from urban areas in Malawi and Namibia, young women in Côte d'Ivoire, Malawi and Uganda, and young agri-entrepreneurs from rural areas engaged in activities other than farming in Malawi, Mozambique and South Africa.

## **4** Education opportunities

Youth's access to knowledge, information and education has been identified as one of the principal challenges for the empowerment of youth in agriculture in a series of case studies<sup>25</sup>. Young people who wish to invest or seize opportunities arising from larger-scale investments indeed have to

develop a range of skills and knowledge because of “greater competition and more demanding quality standards at the market side”<sup>26</sup> and increasingly complex markets.

In this context, participants have highlighted, on the one hand, the wealth of available education programmes and opportunities that strengthen agribusiness skills of youth. On the other hand, they have identified a series of challenges which mainly relate to the access to such opportunities. Firstly, participants from Côte d’Ivoire and Malawi highlighted that many young people would like to take advantage from existing education opportunities, but face financial barriers (high tuition fees), which prevent them from benefitting from these programmes. Secondly, participants from Côte d’Ivoire and South Africa stressed that many education opportunities are only available in urban areas, while it would be important to also strengthen access to education in rural areas.



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## IV. CONCLUSIONS

The project has revealed some common challenges that should be addressed in order to empower youth to carry out and benefit from responsible agricultural investment.

Potential priority interventions include:

- Strengthening the participation of youth in policy dialogue, and in particular in existing coordination mechanisms;
- Strengthening the capacity of key stakeholders to coordinate and collaborate to ensure inclusive policy making processes and policy coherence, including through the organization of multi-stakeholder dialogue events;
- Supporting the implementation of key existing strategies, policies and laws through targeted capacity development support;
- Supporting the development and / or revision of incentive schemes to ensure that these engage and empower youth;
- Strengthening access to financial products through a) a revision of unfavourable laws and regulations, b) dialogue with financial institutions, c) support to youth organizations in setting up their own saving schemes;
- Ensuring that vulnerable or minority sub-groups, such as younger youth between 15 and 17, are not left out and enhancing their active engagement in existing youth organizations.



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# NOTES

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<sup>9</sup>Ibid.

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<sup>12</sup>[www.fao.org/capacity-development/en/](http://www.fao.org/capacity-development/en/)

<sup>13</sup>The project countries have different national definitions of youth. For comparative purposes, the African Union definition, according to which youth are all young individuals aged 15 to 35, is applied. The AU definition is closer to the national definitions than that of the United Nations (15 to 24).

<sup>14</sup>Due to constraints in data availability, different years and definitions apply in this case. Age groups include 15-35 (Malawi, Namibia, South Africa), 16-35 (Côte d'Ivoire), 18-30 (Uganda) and 15-24 (Mozambique). Years of reference are 2013 (Malawi), 2015 (South Africa), 2016 (Côte d'Ivoire, Mozambique, Namibia, Uganda).

<sup>15</sup>See <http://www.fao.org/economic/ess/investment/credit/en/>

<sup>16</sup>Committee on World Food Security. 2014. Principles for Responsible Investment in Agriculture and Food Systems, section “Roles and Responsibilities”, para. 36, ii.

<sup>17</sup>Association des régions et districts de Côte d’Ivoire (ARDCI) and Union des villes et communes de Côte d’Ivoire (UVICOCI)

<sup>18</sup><http://npa.ug/wp-content/uploads/2016/08/ASSP-Final-Draft.pdf>

<sup>19</sup>See for example: FAO, CTA & IFAD. 2014. Youth and agriculture: Key challenges and concrete solutions. Rome, FAO.

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<sup>22</sup>See: Andy Norton & Diane Elson. 2002. What’s behind the budget? Politics, rights and accountability in the budget process. Overseas Development Institute, pp. 13-14. <https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/2422.pdf>

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