

Building Employment Opportunities for Rural Youth Through Applied Agricultural Research

TECHNICAL AND ENTREPRENEURIAL SKILLS TO EMPOWER YOUTH



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ACRONYMS

ABAUD	Afe Babalola University
AR4D	Agricultural Research for Development
CBN	Central Bank of Nigeria
EDC	Enterprise Development Center
ICT	Information and Communications Technology
IFAD	International Fund for Agricultural Development
IITA	International Institute of Tropical Agriculture
RIA	Research and Impact Assessment Division
UAC	University of Abomey-Calavi
VCDP	IFAD Value Chain Development Program
YEASA	Youth Employment in Agri-business and Sustainable Agriculture

INTRODUCTION

Africa is experiencing rapid social and economic growth with many economies growing by more than 6% a year. Despite the expansion of educational services, the quality of education provided often fails to align with the skills required from graduates for existing employment opportunities. It is estimated that the formal sectors are incapable of absorbing approximately 10 to 12 million graduates, leaving many educated rural youth unemployed. Consequently, many youths migrate to urban centres in search of employment, yet find themselves working in the informal sector. This project sought to address these circumstances by piloting an initiative that effectively facilitates the transition of selected youths from school to decent jobs. By integrating entrepreneurial education and technical training, the project aimed to equip the youths with the necessary skills to enhance their employment opportunities.

Background of the YEASA project

The Youth Employment in Agri-business and Sustainable Agriculture (YEASA) was a three-year pilot project implemented by Afe Babalola University (ABUAD) and its partners, International Institute of Tropical Agriculture (IITA) and AfricaRice worth \$2m plus co-financing in-kind of \$28,486 and in-cash of \$96,444 made available by ABUAD. The project goal and objectives are to improve rural livelihoods of youths through agriculture and agriculture-based enterprises and to train youths for enhanced technical, business entrepreneurial, financial and life skills for increased incomes and creation of employment opportunities respectively. The project was executed in Oyo and Ekiti States in Nigeria by Afe Babalola University (ABUAD), IITA and AfricaRice and in Cotonou and Parakou regions in Togo by the University of Abomey-Calavi (UAC).



Between 2019 and 2021, the project trained 2,092 youths in total, of which 1,000 youths trained in-person (650 in Nigeria and 350 in Benin) and 1,092 youths trained online (649 in Nigeria and 443 in Republic of Benin). Participants were trained in modern agricultural production and value addition through processing and soft skills. YEASA has also provided a \$500 grant to 894 of the participants for either start-up or expansion of their enterprise. The project participants were in 41.5% female 58.5% male.

CONTEXT AND CHALLENGES

The endline survey of the project uncovered several challenges that trained youth face in their businesses such as additional finance, technical input, low patronage and high-cost of input materials.

The YEASA project provided technical, entrepreneurial and soft skills to the youth through online and physical hands-on trainings. The youth praised the trainings, giving them the overall rating of outstanding with excellent class participation and interactions, as well as adequate and comfortable training rooms and facilities. Notably, the data from the survey shows that in Benin Republic a mere 10% of youth indicated their need for more technical support in their agribusinesses. Similarly, in Nigeria, 33% of youth expressed the same need for such assistance (Figure 1).

On the other hand, the majority of youth in both countries encountered difficulties with additional finances. The survey reported that 90% of youth in Benin Republic expressed the need for additional finances, and, in Nigeria, 58% of youth require both more finance and technical support to their enterprises.

Furthermore, the endline survey shed light on the type of risks youth are facing in their enterprises, namely survival, financial, and liability risks, low patronage and high cost of input materials. While in Benin Republic, the sole risk among youth enterprises is financial, in Nigeria 62% of risk is financial, 21% is survival, and 17% is liability.

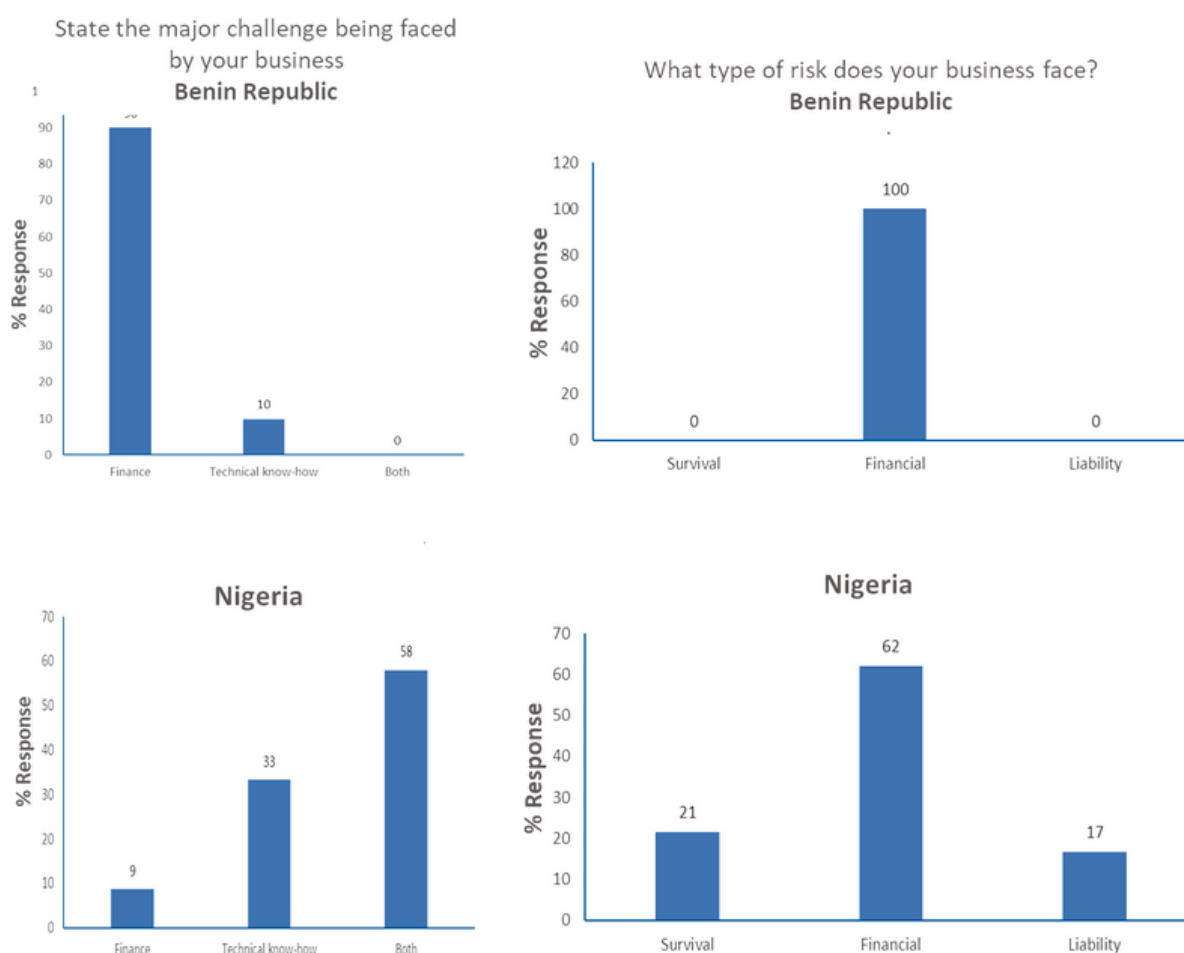


Figure 1 **Feedback on best practices, main challenges, weaknesses, and risks of future dropout**

KEY RESULTS

To tackle the challenges and risks of future dropout faced by the rural youth, the training facilitated by the YEASA project has helped improve the livelihood of all the trained youth in Nigeria and Benin Republic.

Youth enterprises have experienced significant capital growth since the start of their agribusinesses. On average, in Benin Republic, 50% of the enterprises have a capital growth of 1,100-1,700 US\$, 41% have 1,700-2,400 US\$, and 9% have above 2,400 US\$ (Figure 2). An analogous trend was experienced in Nigeria with 64% of the enterprises having a capital growth of 1,100-1,700 US\$, 34% with 1,700-2,400 US\$, and 8% having above 2,400US\$ in capital growth.

In line with the success of the youth enterprises' capital growth, the average monthly income has increased since the start of the agribusinesses. In Benin Republic, the endline survey revealed that 30% of youth enterprise owners receive 110-175 US\$, 38% receive 175-240 US\$, and 32% receive 240 US\$ or more (Figure 2). Similarly, in Nigeria, 36% of the enterprise owner receive 110-175 US\$ monthly average, 45% receive 175-240 US\$, and 19% receive 240 US\$ or more (Figure 2). In both countries, 34% receive 110-175 US\$, 42% get 175-240 US\$ while 24 % receive 240 US\$ and above.

The overall feedback received from trained youth includes improved livelihood and a willingness to participate in future YEASA trainings to receive equipment and cash grants to establish their own agribusiness enterprise.

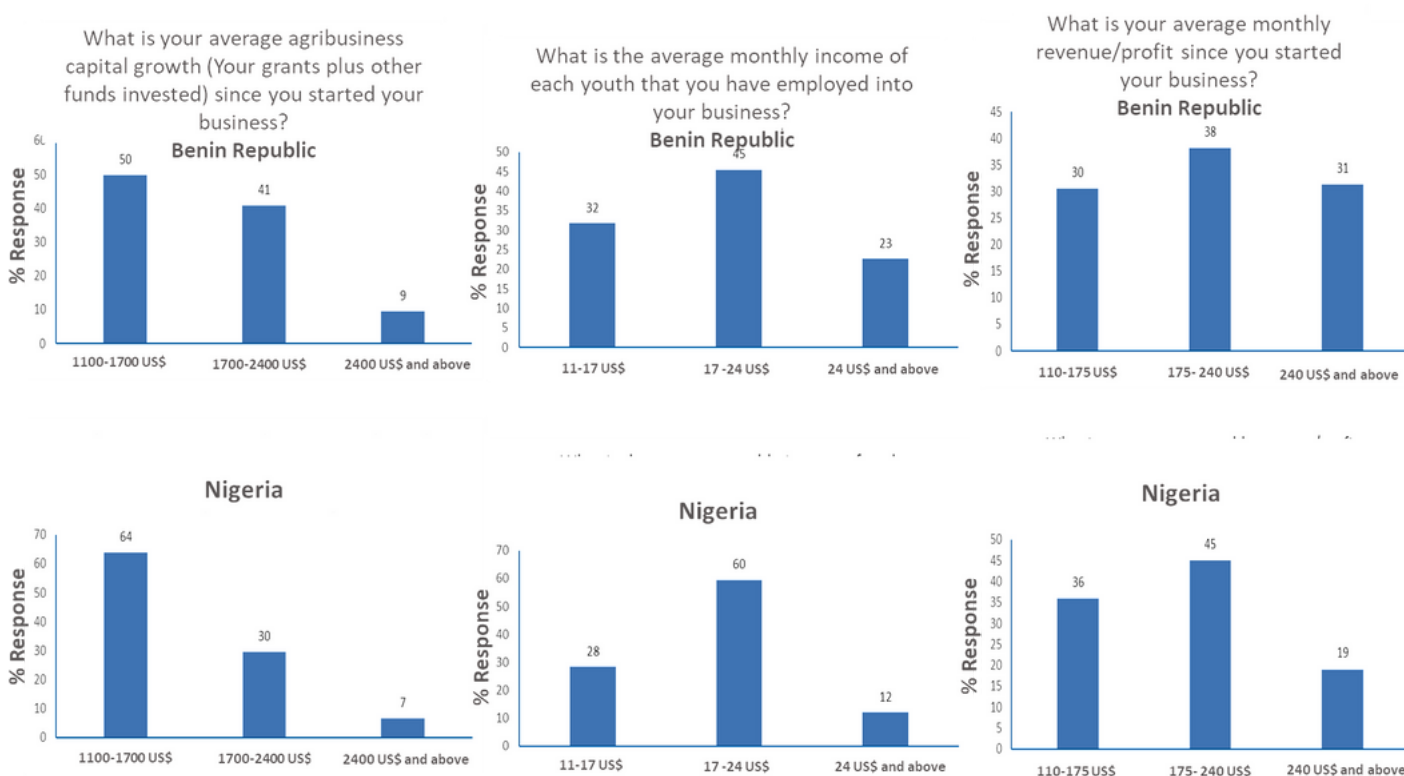


Figure 2 **Growth, revenues, and profits of all the agribusinesses established so far including employed youth income**

FINDINGS, LESSONS LEARNED & RECOMMENDATIONS

The YEASA project saw considerable successes. In the process, there were significant key lessons learned and recommendations that would be applicable to similar current and future projects*.

Findings and Lessons Learned

- The recruitment and training can be more inclusive of urban or peri-urban youth
- The recruitment lacked a selection criteria based upon the motivation of participants to pursue agribusiness practices
- The amount grant of \$500 given to participants was considered small and inadequate
- The project lacked a detailed M&E plan with indicator definitions and reporting timelines
- The agri-based business model lacks an access to market component
- The project lacked a business development office
- Lack of formal partnership with the government both at the state and local levels

Key Recommendations

- The recruitment age should be pushed from 18 to 40 years instead of 18 to 35
- The recruitment criteria should be more stringent to include those participants that show a strong motivation in pursuing a career in agribusiness
- The grant should be increased, possibly to \$1,000 with strict supervision
- The project should include a more detailed M&E plan with indicator definitions and reporting timelines
- The training curriculum is weak in marketing despite its strong in-classroom and field work.
- The partnership structure should be expanded to include the government at the state level.
- Although fish production is the most preferred enterprise among the beneficiaries, it is one of the areas which requires great improvement.



*For more detailed information on the key lessons learned and recommendations, please see Annex 1



OUTSCALING THROUGH POLICY ADVOCACY

The Youth in Agribusiness Office of IITA has established units that will continue to provide support to the trained youth beyond the project lifecycle. These units include capacity development, business development, communication, production, and M&E. In addition, the Youth in Agribusiness Office of IITA has been confirmed as an Enterprise Development Center (EDC) by the Central Bank of Nigeria (CBN). This implies that youth trained in the project will have easier access to start-up capital, especially funds from banks and allied financial institutions. AfricaRice has trained and certified youths in rice value chain in agri-business and they have been confirmed by IFAD Value Chain Development Program (VCDP). Other youth activities in agribusiness have been supported by Ekiti State Government in two areas of business enterprises: rice seed production and value addition. The project has linked up with ongoing Oyo State youth development initiatives to assess land for crop production enterprises for the youths trained.






Furthermore, YEASA outcomes have been incorporated in the policies of youth and women in agribusiness and rural development in Benin Republic. YEASA-trained youths now participate in government agribusiness programs as facilitators and trainers. The local authorities support youth in agribusiness through the Ministry of Agriculture and Rural Development (by facilitating youths access to land and production inputs, and partner to train rural youths in agribusiness skills), Ministry of Commerce and Bank of Agriculture (by facilitating youth access to business enterprise registration, free trade zones, agribusiness loans, and market linkages within and outside Benin Republic), and through facilitating youths access to joint partnership with different NGOs to deliver agribusiness trainings to youths in rural communities in Benin Republic.

CONCLUSIONS

For many young people in Nigeria and Benin Republic, YEASA has offered a pathway to building the future they had always envisioned. By starting businesses that produce high-value products, rural youth can earn as much as their urban counterparts and many even employ other rural youth as their business grows. Mentoring and entrepreneur networks help them get support and expertise and pass on what they know to others. YEASA-trained youth are being hired in government agri-business programmes, where they are integrating the project's successes into local policies. Overall, the YEASA project has proven to be remarkably successful at providing youth with funding, trainings, and access to markets. The YEASA project's legacy aspires to continue contributing to rural youth livelihoods.



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