

## Capitalizing on untapped potential: finding jobs for youth in Africa's agricultural transformation

Africa is facing high levels of unemployment among youth, a growing youth bulge, a rapid trend of urbanization and an unsustainable agricultural food system. Young people in Africa are a world of challenges and opportunities and should be seen key actors in the necessary agricultural transformation. But who are we talking about when discussing 'young people'? And how can we reinforce their role in agricultural transformation?

## **Employment for whom?**

With as many as 226 million people between 15 and 24 years old, of which a staggering 60% are currently unemployed<sup>1</sup>, Africa's rising youth bulge can be considered a demographic dividend – an untapped potential. Currently, agriculture provides approximately 60% of total Sub-Saharan African employment<sup>-2</sup> Yet, the continent also remains a major importer of food and related products. This can mainly be explained by the productivity of Africa's agricultural sector, which is improving, but still lagging behind other continents.<sup>3</sup> Hence, Africa has a threefold challenge that needs to be addressed in an integrated manner: increasing employment opportunities for youth, improving food security and transforming its agricultural sector.



Figure 1. Heterogeneity of African youth (in % of youth)

Source: By approximation, based on estimation in AFD, 2017

Africa's youth are a highly heterogeneous group, in terms of location, type and level of education, type

of employment, gender (in)equality, embeddedness in community and other socio-demographic factors. When using the most relevant characteristics to describe Africa's youth bulge, we find that most youth are low-skilled, live in rural areas and find jobs on small farms or in survival enterprises (see figure 1).

## **High potential interventions**

Many reports have further outlined the specific constraints that youth face when seeking employment in agriculture. The table below provides a categorization of the main constraints and related interventions.<sup>4</sup> Most constraints apply to job creation in agriculture in general, not specifically to youth. There is evidence (although not strong) for only one youth-specific constraint: through better education and connectivity, rural youth's aspirations rise, which makes them seek jobs elsewhere.<sup>5</sup> Besides the opportunities that exist in applying youth-specific or general agricultural transformation interventions, mainstreaming a youth focus in existing and new interventions is key.

The research is ambiguous about the impact of improving access to education and ICTs, as improvements may increase the employability of youth, but also drive them away from agriculture. The exact potential of interventions in these areas depends on the extent to which the supply and demandside of the job market are addressed. Whereas most research focuses on labour supply<sup>6</sup>, a demandfocus is equally important.

One of the main reasons for the current lack of Africa's agricultural success is the fact that the two most important conditions – an enabling policy environment and agricultural research to provide productive and sustainable technology – never coincided.<sup>7</sup> A systematic review<sup>8</sup> of labour market interventions for

<sup>&</sup>lt;sup>1</sup> INCLUDE (2017). Boosting youth employment in Africa: what works and why?

<sup>&</sup>lt;sup>2</sup> Fox et al. (2013). Africa's got work to do: employment prospects in the new century.

<sup>&</sup>lt;sup>3</sup> See, for example: AGRA (2017). <u>Africa's agriculture status report</u>.

<sup>&</sup>lt;sup>4</sup> Table based on: FAO, CTA & IFAD (2014). <u>Youth and agriculture</u>; AGRA (2017). <u>Africa's agriculture status report</u>; IDS (2017). <u>Young people and agriculture in Africa</u>; and other sources from the Food & Business Platform <u>knowledge portal</u>.

<sup>&</sup>lt;sup>5</sup> IDS (2017). Young people and agriculture in Africa.

<sup>&</sup>lt;sup>6</sup> IDS (2016). Failing young people? Addressing the supply-side bias and individualization in youth employment programming.

<sup>&</sup>lt;sup>7</sup> Haggblade, Hazell and Kisamba-Mugerwa (2010). <u>Transforming the rural nonfarm economy</u>.

<sup>&</sup>lt;sup>8</sup> Kluve et al. (2016). Interventions to improve the labour market outcomes of youth.



youth concludes that the most successful programmes combine interventions such as business skills training *and* increasing access to capital. This confirms the need for comprehensive policies.

The Alliance for a Green Revolution in Africa (AGRA), on the other hand, found that many agricultural strategies have failed because they focus on too many economic, social, health, nutrition, resilience and environmental targets at the same time.<sup>9</sup> This may also hinder another important challenge: to increase the commitment of policymakers to the implementation of interventions. A fair balance between comprehensiveness and realism is, thus, needed to be successful.

Improving aspirations of youth to work in agriculture <sup>10</sup>
Improving access to knowledge, information and education
<ul> <li>Improving the quality and adequacy of primary, secondary and tertiary education</li> <li>Improving the access to education for vulnerable groups, particularly young women</li> <li>Improving access to knowledge and information (including ICT) for entrepreneurs</li> <li>Adapting agricultural training and education to the needs of rural labour markets</li> <li>Strengthening supply chains for improved seeds and fertilizer</li> <li>Improving access to land</li> </ul>
<ul> <li>Advocacy and diplomacy to improve inheritance laws on land</li> <li>Increasing access to loans to assist youth in acquiring land</li> <li>Increasing leasing arrangements for youth to acquire land</li> <li>Improving access to financial services</li> </ul>
<ul> <li>Improving collateral and the financial literacy of youth</li> <li>Promoting financial products for youth, mentoring programmes and start-up funding opportunities</li> <li>Organizing youth into (informal) savings clubs to improve credibility</li> <li>Establishing social protection schemes (such as agricultural insurances) to incentivize investments</li> <li>Establishing consistent and clear standards and guidelines for digital finance</li> <li>Developing information systems for the provision of financial services</li> </ul>
Improving access to green jobs
<ul> <li>Improving access to education and training on green jobs in agriculture</li> <li>Helping build resilient value chains within the context of climate change</li> </ul>
Improving access to markets
<ul> <li>Improving access to market information, particularly for young women</li> <li>Increasing involvement in producers' groups to access technologies and markets, particularly for young women</li> <li>Incentivizing large agribusinesses to partner with smallholders and small and medium enterprises (SMEs)</li> <li>Freeing up regional trade to stabilize commodity prices</li> </ul>
Improving access to policy dialogues
<ul> <li>Accounting for the heterogeneity of youth in designing agricultural policies</li> <li>Improving skills and capacities for collective action by youth</li> <li>Actively engaging youth in the policymaking process</li> </ul>

Actively engaging youth in the policymaking process

Addressing the threefold challenge in integration can increase efficiency and effectiveness, but also outlines the need for prioritization, as illustrated by the discussion on 'agripreneurship'. In general, entrepreneurship promotion gives the highest outcomes in terms of jobs, increased income and business indicators.<sup>8</sup> And, there is a large potential for agripreneurship: apart from the still increasing the number of small farms, agro-processing, packaging, technology and other food-related industries are on the rise. Yet, entrepreneurship should go hand-in-hand with considering the sustainability of agrofood systems<sup>9</sup>.

Moreover, entrepreneurship in agriculture may not be an option for many low-skilled, rural youth who lack access to knowledge, land, credit and markets. An inclusive approach (i.e. decent jobs for all youth) focuses on additional constraints faced by marginalized youth. For these youth, comprehensive programmes that combine skills training with additional education, mentoring and asset transfers are more likely to alleviate their specific constraints. This enables us to move beyond harvesting low-hanging fruit to reap the rewards of the full range of options that agricultural transformation has to offer Africa's youth.

<sup>&</sup>lt;sup>9</sup> AGRA (2017). Africa agriculture status report 2017.

<sup>&</sup>lt;sup>10</sup> There is no strong evidence on the effectiveness of any of the interventions, such as the use of role models, to improve aspirations.