Youth inclusiveness in agricultural transformation

The case of Kenya

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1. Kenya's agricultural sector

Kenya has a total area of 569,140 sq. km, a middle-sized country in East Africa. Around 48% of this land is used for agriculture, though only 12% of which is considered high potential for farming or intensive livestock production. A further 5.5% is classified as having medium potential, which mainly supports livestock, especially sheep and goats. The largest part of this high and medium potential land is devoted to crops (around 60%) and the rest is used for grazing and forestry. Throughout the country, there are large differences in climate and ecological zones with various altitude levels ranging from sea level to over 5000 meters in the highlands. Most of the high potential land is found within these highland areas. Research shows that the agricultural sector is increasingly vulnerable to extreme weather variability, where both extreme rainfall as well as severe droughts are seen.

1.1 Development of the agricultural sector

Kenya's economy is growing, while poverty rates are declining, while the gross domestic product (GDP) per capita has more than doubled since 2012. World Bank data suggests that the economic growth can be expected to continue at a rate of 6% in 2017. Additionally, agriculture, forestry and fishing are identified as very important for Kenya's economic growth, which is unsurprising as the agricultural sector contributes around 30% to the nation's GDP. Data do however point to a steady decline in agriculture's share in GDP: in the period 1964-1974, it contributed to 36.6% of GDP; between 1974-1979, around 33.2%; in 1980-1989, 29.8%; in 1990-1995, 26.5%; and finally 24.5% in 1996-2000. This decline could be explained by low investments in the sector, mismanagement, virtual collapse of agricultural institutions and more importantly, negligence of agricultural extension and research. Such trends can have far reaching effects in terms of employment as well as food security, which means that the Kenyan government is implementing targeted measures to reverse the decline.

The agricultural sector remains a principal source of employment. A recent World Bank report showed that Kenyan agriculture can account for around 75% of informal employment in the country's rural areas and a very large part of the population (over 80%). derive their livelihoods mainly from agricultural related activities (especially those living in rural areas). At the same time, poverty rates are still high and achieving the set poverty reduction targets, as well as achieving food security, will depend to a large extent on the future performance of Kenya's agriculture sector. The government of Kenya has continued to give agriculture high priority as it is regarded as an important tool for promoting national development. As shown in the latest Economic Outlook, the Kenyan government is also making efforts to diversify the economy in order to reduce reliance on traditional agriculture and manufacturing as main sources of economic growth.

Maize is Kenya's most important staple food and contributes significantly to food security. Due to poor rainfall, maize production slightly decreased in 2013. According to a review by the Kenya's Ministry of Agriculture, overall maize yields per hectare have remained fairly consistent since 2010 (2 million ha/year). The review also pointed to other important crops, including cereals (such as sorghum, and wheat), pulses (such as beans and cowpea) and roots (such as potato and cassava), as well as various livestock such as cattle for dairy and beef, sheep and goats, and camels. Finally, in terms of exports, tea, coffee, horticulture and fish are yielding most profits.

It is worthwhile to note that the government continues to support various interventions to ensure more land is put under cultivation. These interventions, as described in a report on Kenya's economic outlook, include: promotion of irrigation systems (in the 2016-2017 budget, KES 20.8 billion has been allocated for irrigation projects); better infrastructure to support more agricultural activities; as well as financial allocations to support agricultural development in general (KES 4.9 billion to subsidize fertilizer and seeds; KES 1.6 billion for Strategic Food Reserves).

1.2 Accessibility of land

For the development of the agricultural sector, access to land remains a key factor. This access is determined to a large extent by existing land tenure regulations, which can be divided into three categories: communal land; government trust land; and privately owned land. As described in a strategy report by the Ministry of Agriculture, communal land ownership is based on traditional customary rights, which implies that every member of the community that owns the land has a right to use it but not sell it. Government trust land owned by the state is used for public purposes such as government buildings, forests, research facilities and national parks. Finally, privately owned land is registered to a specific owner, which is often a company. For young people in Kenya, as in most developing countries, the most common system to obtain land is through traditional customary inheritance. Given that life expectancy is increasing however, rural youth may not be youth by the time they actually inherit the land. Moreover, due to explosive population growth, the number of young Kenyans among whom the land must be divided has expanded tremendously. Therefore, when the youth do inherit some of their family's land, they may end up with a very small stretch. As young people seldom have the financial means to buy land from private owners, gaining access to land that is not inherited is almost impossible for young aspiring farmers in Kenya.

1.3 Key challenges for the agricultural sector

Over the last five years, the performance of the agricultural sector has been encouraging in a number of important commodities and enterprises, most notably in horticulture, tea, dairy and maize. According to the Kenyan Ministry of Agriculture, the agricultural sector has been revived and is on a trajectory of further development. However, the ministry does identify some serious ongoing challenges for the production of some commodities – including coffee, sugar and pyrethrum – and for exploiting the potential in livestock and fisheries. To safeguard future food security and create more jobs in agriculture, it is vital that constraints are adequately identified and addressed. The most important challenges identified by the ministry include: productions risks such as low rainfall brought about by climate change; market challenges such as inefficient and price volatile markets; lack of farm inputs such as fertilizers; limited use of improved seed; and under-investments in rural infrastructure.

2. Youth (un)employment

2.1 Kenyan youth and unemployment

Kenya's National Constitution of 2010 defines youth as "all individuals in the republic who have attained the age of 18 years but have not attained the age of 35". Based on this definition, Kenya's youth constitutes 37% of the population and this percentage is likely to rise in the coming years. This large group of young people are currently facing a labor market that does not offer sufficient employment opportunities to accommodate them all. Approximately 800,000 young Kenyans enter the labor market every year and youth unemployment is estimated to be as high as 17.4% (ages 15-24) compared to the overall national unemployment rate of 10%. However, estimates vary greatly. This has created a rather paradoxical situation. Kenya is East Africa's biggest economy, but at the same time holds the region's highest youth unemployment rate. In addition to the lack of job openings, high youth unemployment in Kenya has been attributed to a number of other factors such as early child bearing, lack of appropriate labor market skills, information asymmetries in the labor market, and bad quality as well as low levels of education. According to Kenya's Country Report for the 2014 Ministerial Conference on Youth Employment, approximately 1.2 million youths possess no formal training or skills when they reach the age of 18. The Kenya Youth Survey Report of 2016 further shows that young women suffer from even higher unemployment rates than their male peers: 43% of women and 14% of men aged 15-49 are categorized as currently unemployed. Moreover, unemployment rates among youth with post-secondary education are higher than those youth whose highest level of education is primary school. Although they do have some form of employment, the youth with low levels of education are often engaged in vulnerable jobs in the informal sector.

The agricultural sector is often seen as a possible avenue for addressing Kenya's growing problem of youth employment. The rising demand for food due to population growth means that there is ample growth potential within the sector and, consequently, potential for job creation as well. At the same time, young people's involvement in agriculture is thought to be important for the development of the sector as well. The World Bank report on youth employment for instance explicitly stated that "if young people can gain access to available resources and use them in conjunction with strategies to make agriculture more productive, the results could be transformative for livelihoods and economic growth." However, as research findings suggest on youth engagement in Kenyan agriculture, for youth that work in agriculture, gaining access to these vital resources is a serious challenge. In comparison to adults, young Kenyan farmers use less improved input (such as improved seeds, fertilizers, agricultural chemicals and veterinary drugs) and have less land at their disposal as noted above. In addition, youth are less likely to access credit, extension services and social capital (e.g. farmer group membership). Due to these obstacles, productivity levels of young Kenyan farmers remains low and constrains youth to subsistence farming.

3. Government policy on youth

The Ministry of Youth, Sports and Gender is responsible for youth affairs in Kenya. However, there is always close coordination and partnership with the Ministry of Agriculture on how to better support youth engagement in agriculture as this is critical for both ministries. This cooperation has resulted in a number of programs and projects that address various issues that hinder youth unemployment; one of the key focus areas being youth engagement in agriculture. The government through the Ministry of Agriculture continues to be committed to supporting youth in agriculture through the introduction of various funding instruments, such as the current Youth Enterprise development Fund (YEDF) and the Women Enterprise Fund, as well as the recently introduced Uwezo Fund which describes itself as "a flagship program for vision 2030 aimed at enabling women, youth and persons with disability in gaining access to finances to promote businesses and enterprises at the constituency level". In addition, the government has introduced affordable state loans to subsidize fertilizer and farm equipment that can benefit youth. The remainder of this section describes one major government led intervention, the YEDF, in more detail. Before this program description however, it is important to draw attention to a publication by the Institute for Development Studies in Nairobi. This study indicated that although government efforts and promising components of initiated programs (including the YEDF) are present, factors such as corruption and lack of willingness to implement the available policies continue to diminish impact and hamper further progress.

3.1 Youth Enterprise Development Fund

The Youth Enterprise Development Fund (YEDF) is a state corporation under the Ministry of Public Service, Gender and Youth Affairs. Its primary goal is to create employment opportunities for young people through entrepreneurship and encourage them to be job creators and not job seekers. It does so by providing easy and affordable financial support services to youth who are keen on starting or expanding a business. This focus on financial support for enterprise development is based on the assumption that entrepreneurship will increase economic opportunities for youth and ensure that they contribute to Kenya's development.

A 2014 article on providing finance to attract youth to agriculture points out that many of the young people acquiring a loan through YEDF are spending it on agribusinesses. In addition, the fund – and through partnerships with other stakeholders like Amiran Ltd., a company that focuses on supplying agricultural inputs – supports young farmers in acquiring greenhouses and global compliant agricultural input. In this way, the YEDF helps youth shift from traditional to modernized farming methods. Testifying to the importance of youth involvement in agriculture, in 2015, the Kenyan President publicly announced government commitment of an additional KES 2 billion to be channeled through the YEDF to support youth in the agricultural sector.

In terms of financial input and scope of plans, the YEDF is perhaps the most important measure taken by the Kenyan government to create jobs for youth. In an online inventory of youth employment programs, the YEDF's own assessment of its results was very positive: over the period of 2007 to 2012, more than 157,000 enterprises received funding; 200,000 youth were trained; and over 300,000 jobs were created. Other parties are more critical however. The same website reported that both UNICEF and IEA Kenya found that "few young people have been able to access the fund and there is need for equity, access, capacity building and involvement of the youth in the social audits of the fund." This conclusion was also drawn in a research project that specifically focused on the effect of the YEDF on youth enterprises in Kenya. The study established that "YEDF officers had not provided [youth with] adequate guidance on YEDF activities, […] there was lack of follow-up on loan beneficiaries [and] generally, the YEDF had comparatively very little to impact on youth".

Box 1. Kenyan Youth Empowerment Program (KYEP)

The Kenyan government as supported by the World Bank initiated the Kenya Youth Empowerment Program (KYEP) in 2010. The program coordinated by the Ministry of Devolution and Planning addresses the lack of skills and work experience of youth in Kenya with an aim of improving their employability.

The KYEP focuses specifically on demand and supply obstacles for youth employment. On the demand side, it mobilizes private sector employers and creates internships in the formal and informal sectors. Kenya Private Sector Alliance is mandated to implement the Private Sector Internship and Training (PSIT) component of the project on behalf of the government. This cooperative arrangement recognizes the key role the private sector has to play – as leaders in preparing youth for the labor market, and as an entry point into the job market. In a review of private sector approaches towards skills and employment creation for youth, the KYEP-PSIT training program is described here in more detail:

> *"The KYEP-PSIT is aimed at enhancing youth employability through the provision of training and internship in the private sector. Each internship cycle consists of 3 months of training and 3 months of on-the-job training. All participants undergo Life Skills Training (LST), Core Business Skills Training (CBST) and Sector-specific Training (SST) courses. Youth in the Micro and Small Enterprise sector also undertake the Entrepreneur Skills Training (EST)"*

KEPSA noted that so far the KYEP-PSIT has had a significant impact: a total of 20,384 youth (47% female) received training; and 13,289 youth (49% female) were successfully placed in internships. Additionally, the project was successful in placing youth in paid jobs (75% of participating interns managed to secure employment). An impact evaluation revealed that 14 months after the internship completion, 80% of young male beneficiaries were in paid work (compared with 69% in the control group). Among young women, the increase in employment was slightly smaller (8.7% for those who completed the program compared to the control group), but still significant.

As the KYEP and the cooperation with KEPSA have yielded promising results, the lessons learned in the process were used to design a new government-led initiative, the Kenya Youth Employment and Opportunities Project which was launched in May 2016.

4. Private sector, NGOs and other stakeholders

In addition to the government's efforts towards supporting youth engagement in agriculture, there are countless other interventions initiated by various stakeholders. These include private sector partners, NGOs, academia, as well as international organizations. These actors play a significant role in ensuring the participation of youth in agriculture by addressing the various challenges that hinder youth engagement in agriculture. This section provides a few case studies that are representative of the programs that have been initiated by the various stakeholders. For some projects, the information is entirely based on conducted field interviews in which case references to sources have not been included.

4.1 Private sector and partnerships

According to Faith Ngige from Kenya Private Sector Alliance (KEPSA), the private sector plays a major role in a country's socio-economic development as an engine of investment, wealth creation, growth and innovation. The importance of private actors in agricultural development cannot be ignored either as their participation and partnership with other stakeholders is found to facilitate competition, enhance markets, raise efficiency in the usage of resources, and improve profitability. Thus the need to create more sustainable projects within the agriculture sector and move away from donor dependency is critical. One such example is of a sustainable project based on a tri-partite partnership between the World Bank, the Kenyan government and the Kenya Private Sector Alliance (KEPSA). The KEPSA was established in 2003 and is the private sector "umbrella body" that brings together Kenyan businesses into one single voice to engage and influence public policy for an enabling business environment. In partnership with this alliance, and with financial assistance of the World Bank, the Kenyan government has implemented the Kenya Youth Empowerment Project. It is one of the more promising examples of how public-private partnerships can contribute to sustainable youth inclusion in the agricultural sector.

4.2 NGOs

In Kenya as with most Sub-Saharan African countries, a great number of NGOs are actively working to promote youth employment; at times targeting the agricultural sector in particular. Most NGO programs – whether they are initiated by local, regional, national or even international organizations – focus on: capacity building by means of skills training (both soft and technical skills); provision of relevant (agricultural) information on topics like market prices and new technologies; and assistance to gaining access to markets and finance. Interviewees indicated however, that despite the various NGOs and their sincere efforts, the impact of their programs is often short-lived. This may be attributed to insufficient resources (which is especially true for the smaller organizations) and due to the fact that NGOs do not address the whole value chain from production to markets. Establishing partnerships with other organizations and private sector stakeholders seems a promising way forward as it would give NGOs more power in terms of finance, contacts, as well as information.

Given the vast amount of NGOs and the enormous variety of programs, it is impossible to name them all or draw definitive conclusions about their overall impact (or lack thereof). Therefore some telling examples have been included that will provide insight into the type of approaches NGOs in Kenya are adopting to promote youth employment in the agricultural sector.

4.2.1 CAP-Youth Empowerment Institute

The CAP-Youth Empowerment Institute (YEI) is a non-governmental organization committed specifically to skills training of youth. The organization employs the Basic Employability Skill Training (BEST) model, which combines a wide range of market relevant skills training with direct access to job opportunities. The CAP-YEI is supported by the MasterCard Foundation, which launched a second phase of the program in July 2016 because of its great success. The MasterCard Foundation attributes the significant impact of the BEST approach in large part to the engagement of the YEI with both private and public sectors. This collaboration already began at the very beginning stages of the program, and has continued throughout curriculum development, vocational and financial skills training, mentorships, job placements, monitoring, and post-training follow-up. This partnership ensures that the skills transferred to CAP-YEI trainees are market relevant and that internship positions are available for youth to practice the acquired skills in real-life situations. In its latest impact report, the CAP-YEI stated that by July 4, 2016, "a total of 8,911 youth had been enrolled into the program, 8,663 had completed training, 1,068 are in internships, 582 of them had started their own enterprises, and 5,748 or 76% who had completed training had been employed and were earning money". Now that the organization is entering its second phase, the MasterCard Foundation has announced to donate US$10.5 million to reach another 68,000 young Kenyans.

Among the various sectors that CAP-YEI works in, youth involvement in agribusiness is of high priority. Within this sector, CAP-YEI is specifically focusing on organic farming, animal rearing, and horticulture. To ensure that youth become better entrepreneurs in the sector, their training includes not only agricultural skill, but also covers financial literacy, business planning and sales skills. Additionally, successful entrepreneurs are engaged in the program to act as mentors and share their experience and knowledge of the agribusiness.

4.3 International organizations

The global community continues to play a critical role in supporting agricultural development in Kenya. Big international organizations such as the World Agro Forestry Research Centre (ICRAF), the UN, International Institute for Tropical Agriculture (IITA), the Food and Agriculture Organization (FAO), the African Development Bank (AfDB) and USAID constitute the most important sources of large scale programs and funding. A number of these large scale donors either work with local implementing NGOs through sub-granting, or have actual running projects that they implement themselves. However for the largest part, local partners act as implementers of the actual projects. In this section a few interesting examples are highlighted.

4.3.1 Young Professionals in Agricultural Research and Development

The Young Professionals for Agriculture Research Development (YPARD) is an international movement which serves as a global collective platform through which young professionals can realize their full potential and contribute proactively towards innovative agricultural development.
In 2015, a 12-month pilot mentoring program was launched in Kenya to support a new generation to proactively contribute to innovative and sustainable agricultural development. The program successfully paired 15 YPARD members – including farmers, students, entrepreneurs, young scientists and extension workers across Kenya – with mentors based in their sectors and skillsets. In connecting the young agriculturalists to mentors, the program aims to unlock their potential in this field. Through improved skills training and support from their mentors, the program helps youth to gain new (employment) opportunities as well as an improved understanding of agriculture.

4.3.2 United States International University-Africa

USIU's Africa Global Agribusiness Management and Entrepreneurship (GAME) Center received a grant in 2011 from the Bill and Melinda Gates Foundation to support development and delivery of training leading to a Certificate Program in Management and Innovation for Agribusiness Entrepreneurs (CMIAE). The center aims to improve management and leadership capacity of agribusiness entrepreneurs and leaders of producer organizations including farmers and farmer associations. The program has developed curricula, training materials for 14 modules, eight core modules and six agribusiness concentration modules. So far, over 200 agribusiness entrepreneurs from East Africa have successfully undergone the training.

The GAME centers' major project in agriculture is the Living Lab which focuses on supporting Kenyan youth to actively engage in profitable agribusinesses. The project uses various ways to encourage youth to venture into agriculture, and identifies and tests innovative business models for taking innovations to scale. The focus is on linking farmers to consumer demands and market needs and therefore value addition. The project is supported by the International Development Research Centre (IDRC) and the Australian International Food Security Research Centre (ACIAR).

4.3.3 Youth Evergreen Entrepreneurship Program

With increasing impacts of climate change on agriculture and vice-versa, there is need to increase the pace of adoption of sustainable agricultural practices in Africa, especially in taking advantage of the educated but unemployed youth dividend. A range of agro forestry techniques are promoted on farms and fields, but these techniques require scaling to impact by diversifying the products and services offered through the agro forestry value chain, including in:

- Seeds and seedlings of agro forestry tree species;
- Accompanying technical support that farmers require during planting, nurturing, and managing of trees to maturity; and
- Knowledge and technologies on how farmers can tap into the value chains for agro forestry products, bi-products and services.

ICRAF's Evergreen Agriculture Partnerships have identified entrepreneurial opportunities in the agro forestry value chain where a cadre of well-trained youth can offer a complete set of products and services to farmers, and in so doing, create decent employment opportunities, and contribute to agricultural sustainability, food security and climate adaptation. The Youth Evergreen Entrepreneurship Program (YEEP) is a prototype of a sustainable agribusiness model with a vision to increase opportunities for enhancing sustainable and climate-smart agriculture while at the same time providing lasting solutions to youth unemployment in Sub-Saharan Africa. The overall objective of YEEP is to provide opportunities for young people to build their capacity through training in franchising, running group franchises, and eventually establishing their own franchises in agro forestry practices. YEEP provides individuals and youth groups with the technical skills, start-up resources, and networks required to set up viable agribusinesses in the agro forestry value chain. YEEP franchises will provide a range of products and services to local farmers who are willing to adopt agro forestry practices, but lack access to several key components like seeds, seedlings, and extension support on tree-crop management and tree products value chains. In addition, they provide end-to-end support to the farmers right from seedling germination to the time when the farmer is ready to reap the benefits of the mature trees on their fields. YEEP uses a franchise model, whereby the technical content is prepared by the franchisor (in this case, the YEEP) that trains and prepares individuals and youth groups to become franchisees (the youth entrepreneurs). With support from the franchisor, the franchisees develop and maintain their respective farmer customer bases, and obtain payments from the farmers directly for products and services offered. Some of the specific agribusinesses that YEEP is exploring include:

- Establishment of agro forestry seed, seedling and related enterprises;
- Transplanting seeds and seedlings onto farmer and other clients' fields;
- Providing regular care and maintenance of the trees until maturity; and
- Providing other technical services such as sale of timber and non-timber products.

In order to create truly effective franchisees, YEEP will: develop training methodologies to impart skills and knowledge; provide access to financing instruments; develop awareness campaigns on sustainable agriculture; facilitate access to markets for agro forestry bi-products; promote research-driven innovation; and establish partnerships with key actors.

5. Conclusions

A large variety of initiatives, including those of the Kenyan government, are putting efforts towards ensuring more engagement of youth in viewing agriculture as a business and becoming an agripreneur. There are increasingly more young people active in the agricultural sector. Nevertheless, various factors such as access to proper agricultural and business skills, access to land, access to finances, access to information, and other factors continue to be a hindrance. It is critical to point out that addressing these challenges continually to support the youth requires public-private partnerships as opposed to working in silos as more impact will be achieved in the long run.