



Food and Agriculture
Organization of the
United Nations



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



Opportunities
for Youth in Africa

A collage of images related to agriculture and science, including a scientist in a lab coat, a young girl smiling, a man in a plaid shirt, and various plants and lab equipment.

Opportunities for Youth in Africa (OYA) Programme



ACCELERATING JOB CREATION AND
ENTREPRENEURSHIP IN AGRICULTURE
AND AGRIBUSINESS

Summary

The Food and Agriculture Organization of the United Nations (FAO) and the United Nations Industrial Development Organization (UNIDO) developed this joint programme in response to a dedicated call for accelerating efforts in the area of job creation for African youth, especially through agribusiness and entrepreneurship development. This call was made during the 2018 Conference on Youth Employment in Agriculture co-organized by the African Union, the Government of Rwanda and FAO, which took place on 20-21 August 2018 in Kigali, Rwanda, with the theme: "Youth Employment in Agriculture as a Solid Solution to Ending Hunger and Poverty in Africa: Engaging through Information and Communication Technologies (ICTs) and Entrepreneurship".

This programme proposes an integrated approach for the creation of quality on- and off- farm employment and self-employment opportunities for African youth in agriculture and agribusiness. It highlights the central role of agriculture for Africa's development, while emphasizing the need for continuous empowerment of African youth to be the engine of this growth. The multi-level approach (continental, sub-regional, national) reflects the need for a concerted effort between public institutions and the private sector on capacity development, access to resources, improved coordination and linkages, and knowledge generation and dissemination.

In addition, OYA provides an opportunity to strengthen the collaboration between FAO and UNIDO, and to position both agencies jointly on decent rural employment creation, agribusiness and value chain development, and support to small- and medium-enterprises (SMEs) in agriculture. By coming together, FAO and UNIDO will leverage on their strengths as knowledge organizations as well as technical agencies with extensive experience on decent employment creation and entrepreneurship development.

With support from the Government of Japan, FAO and UNIDO launched this joint programme at the side event organized on 29 August 2019 at the Seventh Tokyo International Conference on African Development (TICAD7) in Yokohama, Japan. The collaborative modality proposed for this intervention will serve as virtuous example of UN inter-agency collaboration, which has been extensively advocated for by both Member Nations and donors alike ●

TARGET



30 000

Youths enrolled in training courses



600

Youth-led SMEs created and/or supported



60

Public-private development (and B2B) partnerships established

GEOGRAPHIC FOCUS



Across the African continent and at sub-regional level, with an initial focus in six countries: Cabo Verde, the Democratic Republic of the Congo, Ghana, Kenya, Tunisia and Zambia.

GENDER



The programme will ensure equal opportunities for women and men by targeting 50 percent young female beneficiaries.

BUDGET



USD 50 MILLION

During the period 2020-2024



THE UNTAPPED POTENTIAL OF THE AGRICULTURAL SECTOR FOR YOUTH ECONOMIC EMPOWERMENT

Despite the abundance of agricultural resources, sub-Saharan Africa remains the world's most food insecure region. In many African countries, demand for safe and reliable food is increasing due to a burgeoning population, rapid urbanization and rising household income. This exploding demand can create new market opportunities and provide employment and self-employment opportunities in rural as well as in peri-urban areas, where last-mile processing and distribution can flourish. Indeed, the agricultural sector in Africa can play a key role in solving the youth employment challenge that threatens stability and growth in many countries across the continent.

The African continent has the youngest population in the world. Over 600 million people are under the age of 24 years and this figure increases to over 750 million when considering youth under the age of 35 years. Youth are therefore one of Africa's greatest assets. In fact, the share of youth in the labour force is the highest worldwide: approximately 35 percent of the workforce in sub-Saharan Africa and 40 percent in Northern Africa, of which about 40 percent are women. However, African youth are typically engaged in anything but quality jobs; they earn low wages (over 70 percent of Africa's youth subsist on USD 2 per day or less), they are employed under casual or seasonal work arrangements and often face unsafe, exploitive working conditions with very limited opportunities for skills development. According to the World Bank, 10-12 million new jobs will have to be created annually until 2035 to absorb the new labour market entrants and they will have to guarantee adequate wages, security and safety if the employment situation is to improve in the long run. Particularly in rural areas, where education opportunities are limited, agriculture employs about 60 percent of the young people aged 15-35 years. If properly supported, young women and men are a potent force for driving inclusive economic growth across the continent and addressing some of the most pressing socioeconomic challenges the continent faces.

Indeed, poverty and unemployment have been major factors of youth dissatisfaction, leading many youths to migrate out of rural areas into cities, and most frequently vastly over-populated capitals. In fact, African migrants represent around 14 percent of the global migrant population. Linked to the continent's demographic growth rate, the total number of migrants from Africa has increased by almost 80 percent since 1990. Migrations can be driven by many factors but almost 80 percent of potential African migrants are driven by the hope for better economic or social prospects (finding a job, better business opportunities etc). The typical African migrant profile is mostly young, educated and equally likely to be male or female.

Moreover, in many African countries, the combination of a high youth population growth and youth unemployment is strongly correlated with violence and political unrest. In such circumstances, youth groups will often join forces to provide solutions, although some may, through persistent disenfranchisement, resort to violence. In some cases, the lack of economic opportunities increases the attraction towards extremist groups who often exploit perceptions of economic exclusion due to religious or ethnic identity (UNDP 2017). These trends reflect a socioeconomic crisis in countries that



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Approximately 35 percent of the workforce in sub-Saharan Africa and 40 percent in Northern Africa, of which about 40 percent are women



Over 70 percent of Africa's youth subsist on USD 2 per day or less

cannot provide stable economic situations for youth as a threat to human security. Hence, creating quality jobs and reaping the demographic dividend is particularly important for political, social and economic stability.

However, if the agribusiness sector is to provide opportunities for youth, agricultural value chains and agri-food systems need to drastically improve their competitiveness. Only a competitive agricultural sector can attract domestic and foreign investments and provide a fertile ground for the development of value-adding activities and businesses along various agricultural value chains. Indeed, opportunities in agro-industry through manufacturing value added and related services is critical for youth employment. Manufacturing currently generates around 22.5 percent of jobs worldwide and holds significant potential for the future if technological innovations, including Industry 4.0, and opportunities arising from a shift to green industries are harnessed.

In addition, beyond the traditional areas of focus on improving production, productivity and commercialization of agriculture, the rapid development and diffusion of digital technologies offers a new angle for creating decent on- and off-farm employment and entrepreneurial opportunities. Hence, digitalization plays an increasingly vital role in optimizing productive processes and in ameliorating the utilization of resources. Digital technology and artificial intelligence (AI) are deeply transforming industrial processes whilst automation and fragmentation of productivity herald new forms of work through externalization arrangements and platforms.

Finally, the mainstreaming of green business models coupled with the rising interest into eco- innovation and green growth can be harnessed through the youth-led transformation of the agricultural sector. Greening the economy will necessitate significant changes in the energy mix, consumption and production patterns, thereby transforming future employment trends – both in terms of shifts in the sectoral composition of growth, and skill requirements. New industrial developments will appear, including inclusive and sustainable industries within the circular economy to reduce waste, use clean energy and reduce raw materials extraction which have the potential to further create new employment and self-employment opportunities. In this context, youth-led small- and medium-enterprise (SME) development, entrepreneurship and self-employment are significant engines for job creation.

From migration to civil unrest and human security, harnessing the potential of the agricultural sector to meaningfully transform the landscape of opportunities for youth is vital. However, in order to seize this potential, and allow youth-led agribusiness and SMEs in agriculture to flourish, it is imperative to look at the development and performances of the entire agri-food system¹, building upon the economic concept of clusters. In the context of the proposed programme, the common goal is economic value creation through agribusiness development.

UNIDO and FAO Response

In the spirit of "Delivering as One", FAO and UNIDO have joined forces to develop the "Opportunities for Youth in Africa" (OYA) joint programme in response to a dedicated call for accelerating efforts in the area of job creation for African youth through agribusiness and entrepreneurship development. This programme leverages on the central role and promise of agriculture as a



According to the World Bank, **10-12 million new jobs** will have to be created annually until 2035 to absorb the new labour market entrants and they will have to guarantee adequate wages, security and safety if the employment situation is to improve in the long run.



80 percent of potential African migrants are driven by the hope for better economic or social prospects (finding a job, better business opportunities etc).

1. Grouping of stakeholders who compete, but more importantly, cooperate towards a common goal. These stakeholders do not need to be physically present at the same location but are also sometimes only loosely connected through virtual networks.



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pathway for Africa's development, while emphasizing the need for continuous empowerment of African youth as the engine of this growth.

Indeed, UNIDO and FAO have been long-standing partners for development in Africa, seeking synergies for improved efficiency and result-oriented delivery. Together, UNIDO and FAO have developed tools and solutions to address the complex challenges posed to agricultural development including urbanization, digitalization and climate change. Both organizations have a wealth of expertise in supporting youth employment creation and entrepreneurship development, and through their respective organizational mandates, are committed to working together on these topics. By coming together, FAO and UNIDO are leveraging on their strengths as knowledge organizations as well as technical agencies with extensive hands-on experience in productive sectors and activities to provide comprehensive technical assistance to regional and continental institutions as well as Member Nations. Ultimately, both agencies hope that the collaborative modality proposed with this intervention will serve as a virtuous example of inter-agency collaboration, which has been extensively advocated for by both Member Nations and donors alike.

Approach

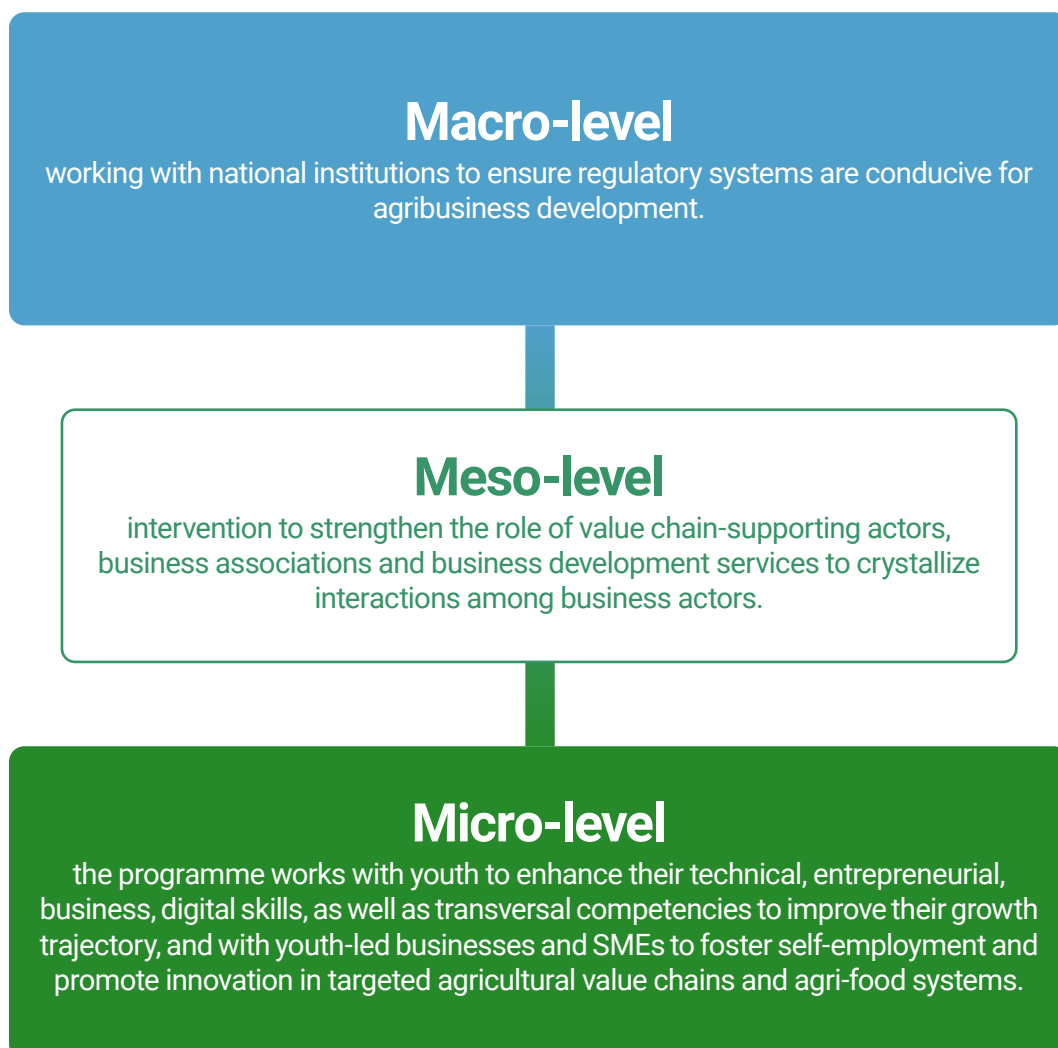
The development objective of the OYA programme is to increase decent employment and self-employment opportunities in agriculture (on- and off-farm) and agribusiness for young women and men in rural, peri-urban, and urban areas through improved individual skills and competencies, strengthened agricultural value chains and food systems, and reinforced institutions supporting youth employment creation and entrepreneurship development. Consequently, the programme adopts an integrated approach for the promotion of quality rural on- and off-farm employment and self-employment opportunities for youth in agriculture and agribusiness in Africa. Technical assistance will therefore be provided following a three-pronged approach to:

- i. **Increase employability of prospect employees and capabilities of self-employed youth** through improved transversal competencies and technical, entrepreneurial, business, and digital skills related to on- and off-farm business development and to better access to productive resources (especially finance);

- ii. **Strengthen the competitiveness of targeted agricultural value chains and agri-food systems**, meaning the robustness (viability), the efficiency, and the level of innovation (i.e. new technologies introduced, products developed, partnerships established), towards the creation of decent employment and self-employment opportunities and the establishment and upgrading of youth-led agribusinesses and SMEs in agriculture; and
- iii. **Support more conducive policy, institutional and programmatic frameworks at national, sub-regional and continental levels** through enhanced capacity and knowledge of institutions to support decent youth employment creation and entrepreneurship development in agriculture and agribusiness.

The integrated nature of the approach refers to its multilevel scope (regional, national and local), but also to the core services of FAO and UNIDO, including knowledge generation, policy assistance, technical and financial support, and capacity development in work areas such as employment creation and entrepreneurship, sustainable agriculture and agribusiness development. Following each Agency's mandate, the intervention will benefit from FAO's expertise in decent rural employment creation in agriculture and agribusiness, and from UNIDO's key role on enterprise and entrepreneurship development and investment promotion. Each agency will create synergies with on-going interventions (if any), thereby complementing existing investments carried out towards addressing youth employment and entrepreneurship development challenges.

This following multi-level approach reflects the need for a concerted effort of UNIDO and FAO with institutional counterparts and other stakeholders:



Programme Logic

Outcome 2

Existing and emerging youth-led agribusinesses and SMEs in agriculture have increased access to finance and are better integrated into local, regional and international markets.

Outcome 1

Employability (on- and off-farm) and self-employment capabilities of youths in agriculture and agribusiness are enhanced.



Outcome 3

Agricultural value chains and agri-food systems that create decent employment and self-employment opportunities for youths are strengthened.



The overall goal

Is to contribute to poverty reduction by promoting decent employment and self-employment opportunities for African youth through agribusiness development.

Development Objective

Increased decent employment and self-employment opportunities in agriculture (on- and off- farm) and agribusiness for young women and men in rural, peri-urban, and urban areas.



Outcome 5

Programme Management and Monitoring & Evaluation (incl. independent mid-term and terminal evaluations)



Outcome 4

Policy, institutional and programmatic frameworks are strengthened at national, sub-regional and continental levels to support decent youth employment creation and entrepreneurship development in agriculture and agribusiness.



Non-exhaustive list of programme targets

- ✓ 30 000 youths enrolled in training courses
- ✓ 600 youth-led SMEs created and/or supported
- ✓ 60 public-private development (and B2B) partnerships established



Partnerships

The proposed programme is developed by FAO and UNIDO, under the overall strategic guidance of the African Union Commission (AUC)'s Department of Rural Economy and Agriculture (DREA). The AUC has been involved throughout the preparation of the programme's project document and constantly informed about advancements. Acknowledging the transversal themes of the project, UNIDO and FAO will also seek to engage additional AUC departments such as:

- **The Department of Trade and Industry (DTI)** that contributes towards making Africa a significant and competitive industrial and trading partner in the global economy.
- **The Department of Economic Affairs (DEA)** which promotes the work of the AU in the area of economic integration and private sector development and engagement.

- **And the Human Resources, Science and Technology Department (HRST)** which coordinates the AU programmes on human resource development, education, science, technology and promoting the youth development agenda.

As the building blocks and implementing arms of the African Union (AU), the Regional Economic Communities (RECs) are entities that work together to promote economic development in a region, supporting their members through the implementation of regional initiatives, trade facilitation and strengthening governance. Africa's RECs are therefore a key partner of the OYA programme and instrumental for the effective implementation, financing, monitoring and evaluation of the OYA Programme particularly at the regional level.

At the country level, the involvement of key stakeholders at the government level is essential to guarantee ownership and the sustainability of the OYA joint programme results. In this regard, the implication of Ministry focal points and other national and local key players is vital and ongoing ●

Sustainable Development Goals



CROSS-CUTTING ISSUES AND SOLUTIONS

Gender

Gender mainstreaming and empowerment of women are recognized as crucially important in successfully contributing to programme objective and outcomes. The essence of the foreseen intervention provides an avenue to ensure gender parity and promote the inclusion of other vulnerable and socially marginalised groups. Therefore, this programme is expected to contribute to FAO's and UNIDO's gender mainstreaming objectives of ensuring equal opportunities for women and men by targeting 50 percent young female beneficiaries. Finally, it will promote inclusion of gender-sensitive markers with the collection of sex-disaggregated data in all relevant regulatory frameworks at country, regional and continental levels. .

Migration

The programme will mainstream migration considerations, both in policy support and direct support for young migrants. The programme will integrate broad rural development and agriculture and agribusiness considerations to address and promote positive impacts of migration especially in terms of ensuring food security, poverty reduction, enhanced resilience and economic inclusion. In addition, stimulating local youth's socio-economic potential will allow to deter them from the dangers of irregular migration through the creation of decent jobs and providing economic stability.

Sustainability

The programme is fully in line with the existing national, sub-regional, and continental strategies on youth employment creation and entrepreneurship development. The long-term sustainability of the programme will be guaranteed through the strong involvement and ownership of stakeholders at all levels, building the support from a strong coalition of stakeholders, including local, national and regional partners.

Climate Change

As a rising threat to the African continent, climate change is threatening the availability of natural resources that are essential for agricultural sector development. The programme will promote best practices, based on the expertise of FAO and UNIDO, such as climate resilient agriculture practices and clean industrial production practices and services.



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