THIRD DRAFT

SYNTHESIS REPORT

# YOUTH EMPLOYMENT CREATION IN AGRICULTURE & AGRO-PROCESSING IN KENYA

OCTOBER 2018

## ABOUT THE REPORT

This report is prepared by Centre for African Bio-Entrepreneurship (CABE) in collaboration with the Partnership for Social and Governance Research (PASGR) under the Research-Policy Community on Youth Employment Creation in Agriculture and Agro-Processing in Kenya (Utafiti-Sera), 2017-2018. The project is funded by the Hewlett Foundation.

## Table of Contents

## EXECUTIVE SUMMARY

This synthesis report provides evidence and recommendations for policy and practice to help address the issue of youth (un) employment in Kenya, particularly in the agriculture and agro-processing sectors.

The evidence generated from literature and dialogues with stakeholders over the last one year suggest that for employment creation to be realized and sustained in agriculture and agro-processing, policies and financial investments should be directed towards:

- Identifying and showcasing the diversity of transformative work opportunities that not only offer decent wages, but also facilitate the overall transformation of the sector.
- Review of curriculums and apprenticeship programs to ensure that they are adapted for youth with lower education levels, in recognition of their capacities and experience in agriculture and agro-processing
- Building the financial capacity of the youth especially on financial literacy and facilitating easier access to finance for different categories of youth
- Incorporating monitoring, evaluation and learning for youth employment initiatives to ensure that the approaches remain efficient, inclusive, scalable and sustainable against previously established baselines.
- Creating opportunities for youth to be involved in the decision-making processes by taking a more ‘bottom-up’ approach which grants more agency to youth, foster inclusive and democratic policies and processes and allow youth to offer genuine solutions to their problems.
- Making the Youth Agribusiness Strategy the main reference point for mainstreaming youth engagement in agriculture.

# INTRODUCTION

Decade-long efforts to entice youth into agriculture have led governments, private sector and development partners to invest in opportunities to create employment and boost agricultural productivity. However, a missing link has often been how to capture and scale the increasing opportunities in agro-processing; a sector capable of providing additional employment opportunities, thus transforming the agri-food sector and enhancing GDP contribution to the Kenyan economy. The aim of this synthesis report is to analyse challenges and opportunities for youth employment in agriculture and agro-processing and highlight focus areas that can be addressed through policy and practice.

While employing Kenya's definition of youth as persons aged 18-35 years, the report is also cognizant of the varied definitions of youth in Africa and around the world that vary from society, culture, across time, space and within societies (AGRA, 2015; Osti, Van T Land, Magwegwe, Peereboom, & Van Oord, 2015). Importantly, the report classifies Kenyan youth as a heterogeneous group aged between 18-35 years, including the educated and uneducated, male and female, urban and rural and those with different [dis]abilities, among other categories. Despite their differences, these youth are a potential human capital for national development as their skills and energy can be leveraged for the benefit of the economy. Through this synthesis, we demonstrate that agriculture and agro-processing opportunities can be accessed by this diversity of youth regardless of their geographical location, age, gender, and education levels, as long as they have access to the monetary and non-monetary capitals required. This will be through the catalytic role of institutions and policies in skills development, innovative financing, inclusive markets, technology adoption, and research and extension. Thus, the report focuses on these six priority areas for policy change - Skills; Financing; Markets; Science, Technology & Innovation; and Institutions &Policy – that would facilitate youth entry into agriculture and agro-processing.

The report examines existing literature and programmes to identify what has worked, existing gaps, and makes recommendations that should inform policy and practice. Fundamentally, these priority areas align with the National employment policies, youth empowerment policies, and the Vision 2030. The proposed system-based apprenticeship framework will simultaneously generate inclusive and decent employment opportunities whilst addressing the key challenges of engaging youth in the agri-food sector. The framework complements the implementation of Kenya's Apprenticeship Policy and the National Youth Agribusiness Strategy thus, may significantly inform county level planning processes on youth employment creation.

.

## CONTEXT& RATIONALE FOR YOUTH EMPLOYMENT CREATION

Over one million youth are entering the Kenyan labour market annually having either dropped out of school, completed high school, or having not been enrolled in any tertiary institution(Republic of Kenya, 2017). An additional 155,000 join the labour market annually after completing TVET or high education institution out of which only a mere 12,000 (7.7%) are from agricultural institutions. Despite this growing workforce, Kenya' economy is not creating enough and high productivity jobs resulting in a youth unemployment rate of 22.1% relative to the overall national unemployment rate of 14.7% (World Bank, 2017).

The main challenges for employment creation concern the nature of jobs being created due to the expansion of the informal sector; the fragmentation in employment creation policies on sectoral basis and the lack a coordinating body and the limited ease of doing business (Muma, 2016). Specifically, within the agriculture sector, there are inadequate investments in agriculture to enable its expansion to value addition, alignment of national agriculture policies with devolved government policies, infrastructure development, and appropriate agricultural education.

On the labour supply side, often times youth lack the skills required to either create their own jobs (self-employment) and/or assume the few existing work opportunities. On the other hand, a mismatch of skills acquired through formal education and the skills demanded by the fluctuating labour market result in a slow and difficult transitioning process from school to work(KIPPRA, 2012). Other dimensions of transition such as family formation, social norms, or even the nature of opportunities particularly disadvantage young women. When a young person fails to find productive employment, they find themselves disillusioned in timeless waiting. Often, their frustrations with failure to find meaningful work leads to their participation in vulnerable work or crime related activities that result in social unrest. For example, violent extremism has been directly linked to unemployment, extreme poverty and underinvestment in basic services (UNDP, 2017).

Within government, youth employment creation is a cross-sectoral strategy involving Ministries of Devolution and Planning, Education, ICT, Agriculture, Labour among others. These sectoral policies and initiatives often in an attempt to influence labour demand, affect labour supply, while others attempt to match between labour supply and demand. A report commissioned by the World Bank in 2014 summarized the range of these initiatives as follows (World Bank, 2014):

1) Public works programmes such as Kazi Kwa Vijana and Youth Employment for Sustainable Development programmes
2) Self-employment promotion programmes including entrepreneurship education in learning institutions; Youth Enterprise Development Fund; youth empowerment centres, creation of youth SACCOs, entrepreneurship training, small grant schemes and a vast range of projects implemented by private sector and/or funded by donor organizations.

3) Policies/interventions affecting labour supply such as Population Policy for National Development; policy framework for education; TVET Strategy and Bill and policy for youth polytechnics; National Youth Service; private training offered by NGOs, private sector etc; informal apprenticeship training (Jua kali training); and private sector internship and training programme implemented by Kenya Private Sector Alliance (KEPSA).
4) Policies/interventions affecting match between supply and demand in the labour market such as vocational guidance and counselling; trade testing; recognition of skills and prior learning via NITA, and internship policy.

Despite the limited interventions in the agriculture sector, several studies show that overall, youth are often discouraged from participating in agriculture because of the laborious nature of the work involved, the poor image of low incomes earned, the negative attitudes about labour jobs, and also by the inaccessible capital assets to establish a meaningful agricultural occupation such as land, credit, markets, and skills (Afande, Maina, & Maina, 2015; AGRA, 2015). For instance, in 2013, the Uhuru government launched the AgriVijana Loans programme, a public-private partnership between the Youth Fund and Amiran Kenya (private agro-company), providing credit greenhouses and training to youth groups to practice 'modern' farming. The programme attempted to address some of the obstacles to self-employment and unattractiveness of agriculture by providing interest-free credit, high quality inputs, and skills training. The programme also framed agriculture as a 'modern', 'cool', and quick way of making money from intensified greenhouse farming (YEDF, 2017). However, for individuals to benefit from this programme, they needed to belong to a youth group registered with the Ministry of Social Services; have access to land with a permanent water source; demonstrate knowledge in agriculture; and contribute up to 10 per cent of the investment required. Mwaura (2015) observed that these requirements were not necessarily attractive to youth because first, the youth often lacked adequate business skills or even the enthusiasm to develop farming into a profitable enterprise. Secondly, most youth are unaware of the workings of the agricultural markets and even when they do, they are prohibited by the infrastructural, environmental, and socio-political challenges that affect other Kenyan farmers. Thirdly, youth unemployment is not just the lack of jobs; it is a dispossession of the youth's social status linked to their limited access to other capitals such as land, investment capital, but also negotiating power in agricultural markets. As such, the programme has lent out only Sh11 billion to one million youth across the 47 counties for the last 11 years[1]. This number of beneficiaries is negligible in comparison to the needs of unemployed youth (ibid).

Studies in other countries have also shown that youth are willing to join the agri-food sector when and if it provides viable business opportunities and respectable incomes (Okali & Sumberg, 2012) and recommend that any policy and financial investments in

[1] https://www.standardmedia.co.ke/business/article/2001242099/youth-enterprise-fund-awash-with-cash-but-no-willing-takers

agriculture and agro-processing should be directed towards transformative work opportunities that not only offer decent wages, but also facilitate the overall transformation of the sector. Additionally, such investments should also go towards rebranding agriculture and showcasing the diversity of work opportunities that can be created across the value chains to earn decent incomes. This requires the positioning of employment opportunities within existing agricultural 'hot spots' – well developed agricultural commercial systems with farm businesses including family farms and non-farm rural businesses, which offer greater demand for wage labour and significant diversity of economic opportunities for youth and other people (Sumberg, 2017).Importantly, these opportunities must ensure the resilience of the youth livelihoods and of the agricultural system.

Hence, the rationale for focusing on agriculture and agro-processing as key sectors for youth employment creation can be attributed, but not limited to the following:

- As population density increases in the rural arable areas, there will be increased changes in the farming systems (Miyunga & Jayne, 2014), while in the expanding urban areas, the rising middle class will have disposable income through which they are willing to purchase not just more food, but also different kinds of food. This opens up opportunities for innovations and new technologies to diversify production while also increasing value addition for the growing and diversifying food commodity market.
- To achieve its Vision 2030 targets of a middle-income country, Kenya needs to expand its agro-processing capacity which will increase the value of its agricultural exports, therefore, growing its economy while also creating high productivity job opportunities.
- The dialogue on the green revolution once centred on the use of new technologies to increase productivity has expanded to include diversifying production along the value chain to cope with the effects of climate change. Diversifying the agriculture and agro-processing sectors not only addresses issues of nutrition, food waste, post-harvest losses, but also provides an avenue for drought-resistant and orphaned crops to find their way back into the local and foreign export markets. These provide new youth employment opportunities
- Both agriculture and agro-processing are still labour-intensive sectors. They possess the capacity and scope to employ the majority of youth in the future. They also present ample opportunities for developing new innovations such as labour-saving technologies, automation among others. These present opportunities in reviewing the current Kenyan education especially in science and technology and in agriculture.

# FRAMEWORK FOR YOUTH EMPLOYMENT CREATION IN AGRICULTURE AND AGRO-PROCESSING

For over decade now, there has been increasing worldwide momentum that recognises the significance of investing in youth as the next generation of food producers and dominant actors in the sustainable agriculture supply and value chains (The Montpellier Panel, 2014). The World Bank estimates that more than two-thirds of youth who work in rural areas are already involved in agricultural activities and most will remain there even if the non-farm sector develops (Filmer et al., 2014). On the other hand, there is need to create employment opportunities to absorb the increasing the population of unemployed youth while enabling them to transform African agriculture to be resilient in the face of changing climate and markets.

Small-scale agriculture in developing countries contributes 70 per cent of the world's food and as food demand increases, there will be a growing pressure on the younger generations to feed the future and contribute meaningfully to their national economies (AGRA, 2015; FAO, 2014; Losch, 2016).As such, the growing population of unemployed youth serves as a ready human capital base for agricultural transformation and sustainability. Particularly, with their adeptness to new technology and the growing markets, youth are capable of changing their futures and that of the agriculture and agro-processing sector.

In the ensuing sub-sections summarizing five pillars of the framework for addressing youth employment, we highlight challenges and opportunities for policy change that could be catalysed to enhance youth employment creation in agriculture and agro-processing. Thus, we focus on the best practices for creating youth employment that include:

- Promoting opportunities for skills enhancement and recognition
- Innovative and inclusive financing
- Promoting value chains in identifiable hot spots for inclusive market access
- Promoting utilization of science, technology and innovation as a niche for agricultural technology development, distribution, training and extension
- Coordination across institutions and a supportive policy environment.

## 1. SKILLS FOR ENTERPRISE DEVELOPMENT

In Sub-Saharan Africa, despite investments in basic education in line with the Millennium Development Goals, significant challenges exist in the quality of education and in the transition from primary to secondary and tertiary education which enables individuals to contribute to productive work. Thus, statistics approximate that out of every five (5) youth, three (3) do not have the education expected to make them productive on the job (FAO, 2014).The 2016 statistics from the Kenya National Bureau of Statistics depict an ever-declining number of youth in each education level. In addition, 3 out of every 10 students, who enrol for school in Class One, fail to sit for the KCPE, signifying the high rate of either dropout or repetition of grades (KNBS, 2017).  About 30 per cent, or Whereas the education system prepares learners for the formal jobs, majority of primary school drop outs often end up working in the agricultural sector for household enterprises or family farms while at higher education levels, only 2% of African university graduates specialize in agriculture with only 4% of the graduates studying engineering, manufacturing, and construction (FAO, 2014). For over a decade, agriculture was not offered as an examinable subject in Kenyan schools and there were limited opportunities for exposure to agricultural skills through internships and mentorships. As a result, the agriculture sector lacks the capacity to create high productivity jobs in advanced agricultural production or value addition.

To ensure sustained agricultural productivity and value addition to agricultural products while creating high productivity jobs, appropriate technical, business development, and human skills are required. Specifically, for the out of school youth, an integrated strategy is required to ensure they gain skills in business development, service provision, agricultural technologies, as well as essential skills on Good Agricultural Practices (GAP).

A major step towards enhancing skills has been the review of national education curriculum (including the re-introduction of entrepreneurship and agribusiness studies), the promotion of Technical and Vocational Education and Training (TVETs) institutions, and through development programmes that will enable youth to gain new skill-sets that match the needs of the informal and formal labour market. These have been combined with workplace learning opportunities such as internships, apprenticeship, national youth services among other government-funded and private-sector driven programmes(Republic of Kenya, 2017). Such moves open up the opportunity space for youth to consider not just farming, but also non-farm businesses in value addition. Importantly, skills development offers a great opportunity for public investment in human capital development while involving other actors such as the private sector, development partners, youth organizations and communities.

Some of the key policy focus areas to support skills for enterprise development include:-

i) Promotion of formal and informal contextual learning opportunities, such as apprenticeships that offer an experience of the realities of the agri-food sector as a workplace.

ii) Accreditation of the technical skills set of the less educated youth to ensure their informal sector capabilities become transferable to other settings. With an accredited cadre of skill sets, less educated youth working as farmers can venture into new employment settings such demonstration farms, training programmes and even establishing their own agribusinesses. This is due to the realization that although agriculture offers greater opportunities for workplace learning especially for the less educated, such farmers remain confined to traditional farm work in absence of a formal process through which their skills can be accredited. Often these farm workers cannot afford to enrol in agricultural training colleges where they can be accredited despite their skills being essential and transferable.

iii) Business development skills for all groups of youth to enable them establish and/or manage agribusinesses. Particularly, there is a major gap in soft skills and financial management skills among graduate youth. Similar training curriculums should be adapted for youth with lower education levels, in recognition of their capacities and experience in agriculture and agro-processing.

iv) Investing in institutionalizing mentoring and role modelling programmes in youth employment policies so as to boost young workers and entrepreneurs'' confidence and capacity in the sector and introduce them to social networks that help them access more capitals and support from formal systems. This would also ensure there is an increased retention of new/young entrants into the sector.

## 2. INNOVATIVE & INCLUSIVE FINANCING

In spite of the rationale that financing enables youth to become entrepreneurs (self-employment) who can also employ other youth (job creation), youth access to financial services has remained a major obstacle in agriculture and other sectors. The main barriers to accessing formal financial services include the lack of collateral but also the lack of financial skills and experience in financial management limiting their ability to capitalize on the already available financing models. A range of formal private and public finance service providers exist in Kenya but often youth seek out informal financial services such as savings groups, friends and family when setting up agribusinesses. On the other hand, limited funding is allocated to agriculture with only 4% of formal private finance being allocated to farming.

Several public and private financing mechanisms have existed at national and local level often targeting youth organized in groups. However, often these have been criticized for failing to meet the core needs of the youth (Hope, 2012, World Bank, 2014). Mostly, they tend to create temporary opportunities which are often marred by poor implementation and sustainability challenges. For instance, the Youth Enterprise Development Fund (YEDF) has been associated with challenges such as equity, access, lack of capacity of YEDF local staff, failure to build capacity of beneficiaries, and failure to involve youth in social audits of the fund and/or follow-up with the beneficiaries to assess the impact of the fund (Goris & Gitau, 2016). Other reasons why the financing mechanisms have failed to have an impact is due to the low financial literacy of the beneficiaries which translates into poor management of the funds as well as the failure to invest in organizational capabilities, leading to disintegration of youth organization shortly after receiving these grants (Okoth et al., 2013).

To address these limitations, policies on innovative youth financing should first focus on the financial capacity of the youth especially their financial literacy and secondly on facilitating easier access to finance for different categories of youth including vulnerable groups, youth with disabilities, organized groups, social entrepreneurs among others. Thirdly, sources of financing are equally important and these need to be diversified. For instance, value chain financing will ensure that youth access funding at different levels of their value chain and are empowered with skills necessary for effective financial management. At the community level, innovative finance models that incorporate alternative collateral such as informal assets, warehouse receipts, land leases, and future harvest, can also be pursued to ensure that small-scale businesses receive the necessary funding to enable their transition into medium businesses and to eventually benefit from formal finance service providers.

Furthermore, financing youth should not be limited to direct monetary support, but must encompass investment in financial capital, technologies, inputs, and institutional support, particularly the formation and sustenance of savings groups, SACCOs and linked non-farm businesses. For example, in cash-crop agricultural zones, youth-led households could be supported to establish commercial home gardens to diversify the household nutrition and increase incomes. As well, investments could go towards supporting youth farmer groups in processing and packaging vegetables, nuts, tubers, coffee, cocoa, and fish among other commodities. At a third tier, financing could also go towards linked non-farm businesses such as renewable energy, transport, water, input distribution etc. all which would boost the performance of the youth agribusinesses and the local economy.

Key policy focus areas in innovative financing include: -

i) Designing and implementing innovative financing models such as crowd funding, value chain financing, social impact investments, franchising, micro financing, and challenge funds and complimenting them with government incentives such as tax rebates on agricultural technologies and youth agribusinesses.
ii) Public-private partnerships in developing and providing financial literacy and financial products to youth-led agribusinesses. This will ensure that different stakeholders are involved in skills development, developing

financial products, mitigating risks, and in diversifying financing options for different types of agribusinesses.

iii) Undertaking deliberate efforts to measure the impact of youth financing with the intention of ensuring that the approaches remain efficient, inclusive and sustainable against previously established baselines.

iv) Intentionally, strengthening community-based financing mechanisms such as revolving funds, table banking and crowd funding which reduces the reliance on donor funding.

v) Special financing towards agribusiness acceleration programmes which also become platforms for learning and testing new ideas in agriculture and agro-processing.

vi) Designing insurance schemes for young entrants that ensure agricultural risk management while also integrating early warning, extension, markets, business mentoring, and access to social networks for learning, thus yielding higher results in retention and sustenance of young entrepreneurs

## 3. INCLUSIVE MARKETS

The challenge with the agriculture and agro-processing sector is not a lack of market. Rather it is how producers become aware of these markets and can easily access them leading to a high return on investment (Miyunga & Jayne, 2014). Despite being aware of existing markets and their returns, smallholders are often exploited by middlemen and intermediaries mainly due to their inability to process, package or transport their produce. Losch (2016) identifies three types of agricultural markets that youth can target: 1) a high value-added products market such as fruits, vegetables and flowers directly linked with the new global food markets; 2) the tropical commodity market including coffee, tea, cocoa, rubber and vegetable oil; and 3) a food commodity market primarily for local and regional consumption. While youth are involved in the entire marketing chain (from farm labour, transportation, distribution, packaging etc.), there is no evidence of well-coordinated youth specific policy interventions or institution to enhance market access for their products as the main producers.

Since most youth are more likely to start engaging in the small-scale level, there will be a need to invest in aggregation centres and farmer associations which offer several opportunities including:

- Pooling of products which can be competitively marketed locally, regionally or internationally.
- Offering platforms for peer-peer learning
- Pooling resources for bulk procurements of inputs at competitive prices

- Providing an avenue through which market-oriented research and extension can be delivered, and through which new technologies and innovations can be tested (Thuo et al 2013).
- Lobby for fair pricing of agricultural products, favourable trade policies, and government incentives such as infrastructure development, input subsidies among others.
- Finally, they can also pursue standardization processes enabling their members to export their products attracting even higher returns.

Relevant to inclusive markets is the need to increase the connectivity of youth engaged in agriculture and agro-processing. So far, this has been revolutionized by ICTs including online marketing platforms that facilitate marketing logistics that help aggregate produce, reduce transport cost, and hence increase profitability for the farmers. However, these services are yet to become available and accessible to all categories of youth given factors of digital literacy, connectivity and affordability.

Thus, key policy focus areas to ensure inclusive markets include:

i) Establishing an agricultural marketing policy that facilitates strategic marketing of agricultural products in ways that ensure fair returns to all stakeholders, based on competitive, efficient, and equitable marketing systems

ii) Strengthening aggregation centres through which small enterprises (including those in agro-processing) can leverage economies of scale when selling their output

iii) Identifying and promoting new and alternative markets for new products that target the changing consumer patterns such as organic foods, tubers, whole cereals etc.

iv) Lobbying for increased public and private investment in infrastructure such as roads, markets, mobile coverage, agricultural technologies etc. that help reduce production and transaction cost and increase market efficiencies.

v) Diversifying agricultural markets to include services such as extension, research, e-commerce, branding, packaging, etc. as new employment opportunities for youth.

## 4. SCIENCE, TECHNOLOGY & INNOVATION

In a country where 40% of Kenyans reside in 5% of its rural land, increased land intensification has been attributed to the shrinking farm sizes and high population densities [2](Muyanga & Jayne, 2014). As the population density increases, there is also an increase in off-farm employment which in this case could also include agro-processing. This requires affordable and accessible technology which would eventually result in increased agricultural exports (Alila & Atieno, 2006).

Some of the challenges that make the agriculture sector unattractive to youth, (viz. low wages, climate change, decline in soil fertility, changing markets, social structures, and land ownership patterns); have occasionally been resolved through advancements in science, technology and innovation. The resultant new farming practices yield high returns earning high wages. Crucially, there is an interest in STI advancements that will help mitigate key risks in the agriculture sector associated with climate change and land degradation, but also those associated with the social structures that limit youth participation such as access to land, inputs, capital among others.

Often times, there have been a simplistic assumption that ICT is the technology that will spur youth attraction to agriculture. However, technology in development is much more than owning a mobile phone and being connected to internet. It is about what technologies and innovations can be developed and adopted to address specific challenges faced along the agriculture value chains such as in ploughing, land use preparation, land-use monitoring, crop health assessment, harvesting, access to inputs and markets, agronomic challenges, pests and diseases, boosting land productivity among many others. It is also about the ability of technology users to acquire and disseminate technologies and/or innovations thereby expanding their reach and deepening their impact. Therefore, any policy interventions must focus on youth as not just technology consumers, but a niche human capital for agricultural technology development, distribution, and even in training and extension. This widens the opportunity space for employment creation in agriculture and agro-processing through STI. Thus, the key policy focus areas in STI include: -

i) Developing a wide range of affordable labour and time saving technologies for use across various agricultural value chains reducing the laboriousness of agriculture and diversifying entry points into agriculture and agro-processing
ii) Wide dissemination and scaling up existing innovations in agriculture and agro-processing so that more youth are aware of these options
iii) Financing STI for agriculture and agro-processing specifically focuses on research, development, application and scaling up with youth being key actors at each level.
iv) Documentation and knowledge management of technologies and innovations in agriculture and agro-processing including sharing lessons across counties and regions to increase uptake.

[2]A mean population density of 411 persons/km2 in 2010

## 5. INSTITUTIONS &THE POLICY ENVIRONMENT

Strong institutions and an enabling policy environment are a prerequisite for employment creation in any sector. Kenya has a vast range of policies and institutions aiming at empowering youth and creating employment opportunities. However, their vastness is not coordinated causing policy overlap and fragmentation of mandates. Some of the current overlaps look as follows: the Ministry of Public Service, Gender and Youth Affairs and the Ministry of Planning and Devolution[3]coordinate youth employment policies; the Internship Policy falls under the Public Service Commission; the Youth Enterprise Development Fund (YEDF) is under the Ministry of Public Service, Gender and Youth Affairs; the National Youth Agribusiness Strategy falls under the Ministry of Agriculture, Livestock and Fisheries; the Access to Government Procurement Opportunities (AGPO) is under the Treasury; the TVETs falls under the Ministry of Education; while cooperatives fall under the Ministry of Industry, Trade and Cooperatives. In addition, every ministry and some parastatals have a youth desk attempting to mainstream youth issues but not necessarily coordinating with any of the agencies mandated to create youth employment.

To drive employment creation in agriculture and agro-processing, there is need to seek coordination across these institutions, including non-state actors, development partners and the youth themselves. Currently, the national youth empowerment strategic plan - 2016-2021, supports skills development, employment, leadership, participation, talent identification and development among others which in essence prepare youth for employment in agriculture and agro-processing (PSYG, 2018).The Agricultural Sector Development Strategy (2010-2020) is cognizant of youth in agriculture and provides for the establishment of an agricultural sector specific youth policy, hence the Youth in Agribusiness Strategy (2017-2022). The six priority areas – skills, financing, markets, technology, research & extension, and institutions & policy are all covered in this strategy (Republic of Kenya, 2017). The strategy also acknowledges the important role of County governments in allocating resources towards youth empowerment and the inclusion of youth in the development and implementation of county integrated development plans. Thus, to consolidate the efforts towards employment creation in agriculture and agro-processing, it is paramount that the Youth Agribusiness Strategy becomes a reference point for mainstreaming youth engagement in agriculture bringing on board multiple stakeholders from government, private sector, research institutions, donor community and the youth organizations.

The suggested key policy focus areas include: -

[3]However, recently the Planning department was moved to Treasury

i) Prioritizing the role of County governments in investing in youth empowerment programmes with a specific focus on employment creation in agriculture and agro-processing in the identifiable agricultural hotspots
ii) Deliberate efforts to detangle youth programmes from ruling government and giving them autonomy such that they stop operating as per the political cycles and instead are guided by the National Youth Policy which consolidates the interventions of all other government agencies, private sector and development partners.
iii) Creating opportunities for youth to be involved in the decision-making processes to allow their issues to be taken into consideration when designing and implementing policies related to agriculture, employment and the wider development spectrum.
iv) Establish youth employment indicators and a baseline for measuring the impact of existing policies, institutions, and related interventions

## OPPORTUNITIES FOR POLICY CHANGE

Reflecting on the whole system of youth transitions and agricultural transformation, it is important to acknowledge the following opportunities that will influence broader policy change:

I. The new generation of young Kenyan farmers will face different systemic barriers as they attempt to transform the agricultural sector. As such, understanding the pillars of change and investing in already existing opportunities will reduce these barriers and yield multiple benefits for the future of agriculture and of the youth. Youth will be attracted and retained in agriculture and agro-processing if these sectors offer decent and sustained employment; the business opportunities offer quick incomes but also remain viable in the long-term; diversification opportunities remain feasible; and there is an enabling policy and institutional environment, particularly for the heterogeneity of youth.

II. Investing in skills and training for young farmers should go hand in hand with a detailed assessment of the needs and requirements for supporting the development of the agriculture and agro-processing sector.

   We would then be investing in their skills while simultaneously creating jobs. Additionally, there is need to not only focus on policies around productivity but also focus on human capital development that will drive the transformation of the agriculture and agro-processing sector. In doing so, youth will become key players and stakeholders as they form bulk of the inactive workforce that could work in an advancing agri-food sector. As well, youth must be trusted to lead by being allocated positions of leadership where they can demonstrate their leadership skills while also receiving mentorship and personal development opportunities so as to equip the next generation of leaders in the agri-food sector.

III. What counts as a job has remained vague for a long period of time and efforts to creating decent employment in agriculture and agro-processing must also seek to redefine what constitutes decent employment (Rahman & Farrell, 2017). As such, we need a system for incentivizing and rewarding youth's meaningful contribution to agriculture and agro-processing. This could be in the form of tax rebates, award and grants among others that will motivate new entrants into the sector.

IV. Learning must be incorporated in all aspects of youth employment creation in agriculture and agro-processing. Investing in exchange visits and media platforms among others allow participants to learn from one another, and even get inspired by what their peers are doing in different parts of the country or region. Additionally, intergenerational relationships and dialogues must be pursued to open up opportunities for cross-generational collaborations for instance in land leasing and sharing, sharing of technologies, and entry into niche markets.

V. Investments in agriculture and agro-processing must factor in and emphasise the contexts that youth live in which determine their access to capitals, and their social relational differences such as gender, education, culture and geographical location that influence their entry into agriculture and agro-processing. Local level research with the youth helps identify and capitalize on such factors in identifying STI opportunities for their engagement.

VI. In conclusion, for Kenya's economy to grow and create decent jobs, it needs to transition from an agriculture-based economy to one that emphasizes value addition-an important component of manufacturing. This will enable the country create high productivity jobs that will benefit the bulging youth population. One way to do so is to ensure there is a systematic way of equipping youth with skills at all levels and connecting them to the opportunities for innovating in agro-processing value chains (KIPPRA, 2012).

## A SYSTEM-BASED APPRENTICESHIP FRAMEWORK

Given the challenges highlighted in this report relating to skills development, financing, markets, STI, and institutions and policy, a national framework for apprenticeship is recommended. It is envisioned that this apprenticeship framework will simultaneously address the core challenges hindering youth from engaging in agriculture and agro-processing, whilst enabling actors in these sectors to create meaningful opportunities for attracting and retaining youth in decent employment. The system infrastructure for the apprenticeship will comprise strategies for: -

i) Matching the labour market supply and demands;
ii) Fostering innovative capacities of the apprentices;
iii) Recognizing and accreditation of skills acquired in informal sector; and
iv) Investing in inclusive, innovative and competitive agribusiness sector that absorbs apprentices as employees and entrepreneurs.

The rationale for this apprenticeship system is that by involving a diversity of actors, streamlining existing policies on youth employment and agricultural transformation to ensure coherence, creating incentives in the agriculture and agro-processing sectors, whilst ensuring a political good will, the apprenticeship system will accelerate the transition and retention of a diverse group of youth in agriculture and agro-processing sector. In so doing, multiple benefits will be achieved including employment targets under Vision 2030, increasing the contribution of agriculture to economic growth, reducing poverty and overall supporting the Kenyan youth demography to be part of the vision for an inclusive economy.

## REFERENCES


Afande, F. O., Maina, W. N., & Maina, P. M. (2015). Youth Engagement in Agriculture in Kenya: Challenges and Prospects. *Journal of Culture, Society and Development*. Retrieved from www.iiste.org

AGRA. (2015). *Africa Agriculture Status Report: Youth in Agriculture*. Retrieved from https://publications.cta.int/media/publications/downloads/1888_PDF.pdf

Alila, P. O., & Atieno, R. (2006). *Agricultural Policy in Kenya: Issues and Processes*. *A paper for the Future Agricultures Consortium workshop, Institute of Development Studies, 20-22 March 2006*. Retrieved from http://www.fao.org/fileadmin/user_upload/fsn/docs/Ag_policy_Kenya.pdf

FAO. (2014). Understanding smallholder farmer attitudes to commercialization – The case of maize in Kenya. Rome.

Filmer, Deon, Fox, Louise, Brooks, Karen, Goyal, Aparajita, Mengistae, Taye, Premand, PRtrick, Ringold, Dena, Sharma, Siddharth and Zorya, Sergiy (2014) *Youth employment in Sub-Saharan Africa.* Washington D.C: The World Bank.

Goris, Y., & Gitau, A. (2016). *Youth inclusiveness in agricultural transformation: the case of Kenya | INCLUDE Platform*. Retrieved from http://includeplatform.net/downloads/youth-inclusiveness-agricultural-transformation-case-kenya/

Hope, Kempe Ronald (2012) Engaging the Youth in Kenya: Empowerment, Education, and Employment. *International Journal of Adolescence and Youth,* 17 (4), pp. 221-236.

KIPPRA. (2012). *Youth Unemployment, Under-Employment and Decent Work in Kenya*. Nairobi.

KNBS. (2017). Economic Survey 2017. Nairobi: Kenya National Bureau of Statistics

(KNBS).

Losch, Brian (2016) Youth Employment: A Challenge for the Continent. In *A New Emerging Rural World - an Overview of Rural Change in Africa.*, eds. Denis Pesche Bruno Losch and Jacques Imbernon, Montpellier: CIRAD, NEPAD, pp. 19-20.

Mwaura, Grace (2015) *Educated youth in Kenya: negotiating waithood by greening livelihoods.* University of Oxford (Social Sciences Division; School of Geography and the Environment; St Hilda's College.).

Muma, M. (2016). *Mapping of Studies on Employment Creation of Agriculture and Agro-Processing in Kenya Final Report*. Nairobi. Retrieved from http://www.pasgr.org/wp-content/uploads/2016/09/Mapping-of-Studies-on-Employment-Creation-of-Agriculture-and-Agro-Processing-in-Kenya.pdf

Muyanga, Milu and Jayne, T. S. (2014) *Effects of Rising Rural Population Density on Smallholder Agriculture in Kenya*98-113(2014) Food Policy48.Supplement C: 98-11398-113.

Okali, Christine and Sumberg, James (2012) Quick Money and Power: Tomatoes and Livelihood Building in Rural Brong Ahafo, Ghana. *IDS Bulletin,* 43 (6), pp. 44-57.

Okoth, O. S., Okelo, S., Aila, F., Awiti, A. O., Onyango, M., Ogutu, M., & Odera, O. (2013). Effect of the Youth Enterprise Development Fund on Youth Enterprises in Kenya. *International Journal of Advances in Management and Economics*, *2*, 111–116. https://doi.org/2278-3369

Osti, A., Van T Land, J., Magwegwe, D., Peereboom, A., & Van Oord, J. (2015). *The future of youth in agricultural value chains in Ethiopia and Kenya Report*. Retrieved from http://www.fairandsustainable.nl/wp-content/uploads/2015/11/REPORT-The-future-of-youth-in-agricultural-value-chains-in-Ethiopia-and-Kenya-Final.pdf

PSYG. (2018). National Youth Empowerment Strategic Plan 2016-2021. Retrieved January 9, 2018, from http://www.psyg.go.ke/events-pr/upcoming/14-national-youth-empowerment-strategic-plan-2016-2021.html

Rahman, R., & Farrell, L. (2017). *Youth Unstuck: Social Innovations Transforming Livelihoods and Leadership in Africa Resources*. Retrieved from http://www.youthpower.org/resources/youth-unstuck-social-innovations-transforming-livelihoods-and-leadership-africa

Republic of Kenya. (2017). Kenya Youth Agribusiness Strategy 2017-2021. Ministry of Agriculture, Livestock and Fisheries. Retrieved from https://africa.ypard.net/sites/default/files/resources/kenya_youth_in_agribusiness_strategy_2017-2021_a.pdf

Sumberg, J. (2017). Agricultural commercialisation – where it’s hot and where it’s not -

Institute of Development Studies. Retrieved March 28, 2018, from https://www.ids.ac.uk/opinion/agricultural-commercialisation-where-it-s-hot-and-where-it-s-not

UNDP. (2017).*Journey to Extremism in Africa*. Retrieved from http://journey-to-extremism.undp.org/content/downloads/UNDP-JourneyToExtremism-report-2017-english.pdf

World Bank. (2014). *Youth employment initiatives in Kenya: Report of a review commissioned by the World Bank.*

World Bank. (2017). Kenya Unemployment Data. Retrieved March 29, 2018, from https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS?view=chart