



Africa's youth in agrifood systems: Innovation in the context of COVID-19

KEY MESSAGES

- The COVID-19 pandemic has resulted in major economic and labour market shocks worldwide. While the virus has spread less rapidly in sub-Saharan Africa, the sweeping and preventive measures taken by countries in the region to limit the spread of the disease within their borders have led to severe socio-economic impacts on vulnerable populations.
- Young people, especially young agripreneurs, rural youth, and informal workers, are particularly vulnerable to the impacts of disruptions caused by the pandemic. The disruptions in agricultural value chains caused by the pandemic are exacerbating the existing challenges that young agripreneurs face when engaging in agrifood systems, notably limited access to productive resources, finance and markets.
- The pandemic has led to a reported reduction in market access and income, while also limiting access to inputs, work sites, and essential services. Despite these impacts, young entrepreneurs are finding innovative ways to adapt to the situation, including moving to online marketing and sales, exploring alternative animal feed and other inputs, and adding value to their primary products.
- It will be key for governments and development partners to nurture and enable this innovative capacity and provide adequate response measures that are targeted to the needs of young agripreneurs. Among others, response measures should consist of tailored economic and financial stimulus packages, social protection mechanisms, support with access to inputs, and support for improved postharvest management.
- Short and long-term structural measures, including conducive macroeconomic policies, are essential to build back a more resilient and innovative enabling environment geared towards supporting youth-led micro, small and medium-sized enterprises. To achieve this, governments and partners are advised to explicitly apply a youth and intergenerational lens in crisis response and recovery measures in agrifood systems across the public administration.

INTRODUCTION

Prior to the COVID-19 pandemic, young entrepreneurs in agrifood systems in sub-Saharan Africa were already facing a number of challenges. The main challenges include limited access to natural resources, finance, technology, knowledge and information, and insufficient participation in policy dialogues and other decision-making processes. The COVID-19 pandemic and its disruptions to agricultural value chains are presenting additional hurdles for these agripreneurs.

Without focused and appropriately designed response interventions addressing their specific constraints and contexts, it is increasingly observed that some of the policy responses and measures put in place by governments to halt the spread of the virus are exacerbating the existing challenges that the youth are facing in engaging in agrifood systems. For example, several formal and informal micro, small and medium-sized agribusinesses that employ many young people, have been forced to close or downscale significantly as a result of lockdowns and movement restrictions at national and local levels.

While this policy brief focuses mainly on the pandemic's impacts on the youth involved in entrepreneurial activities in agrifood systems (young agripreneurs), it is important to note that other categories of youth are also highly vulnerable to the pandemic's impact, including young informal workers, young migrants and young women. Seventy percent of youth in sub-Saharan Africa are considered working poor, and most of them are employed in the informal economy in rural areas as contributing family workers, subsistence farmers, home-based microentrepreneurs or unskilled workers. They usually earn low wages, are employed under insecure casual or seasonal work arrangements, and often face unsafe, exploitive working conditions lacking forms of legal employment arrangements (FAO, 2020a).

FAO, together with other members of the United Nations Inter-Agency Network on Youth Development (IANYD), has called for effective and safe partnerships with young people during and after the COVID-19 crisis to ensure that government and development partners' response measures are inclusive of youth's needs.

To better understand first-hand the impacts of the pandemic on young people in agrifood systems, **FAO launched a youth engagement initiative *COVID-19: Voices of young agripreneurs***. Through an online survey, FAO sought to hear from young agripreneurs **the effect that the crisis is having on their lives and agribusinesses, and the type of support they need**.

The survey results were based on a total of **167 youth respondents from 24 African countries**. The majority were male (74 percent), largely equally distributed across age ranges, with the majority between 25 and 35 years of age. Three out of four youth surveyed engage directly in agricultural production, 38 percent in service provision for farming and agribusiness, and 21 percent in the processing or distribution sectors of the agricultural value chain¹. This policy brief, notably its immediate recommendations, is largely based on the survey responses.

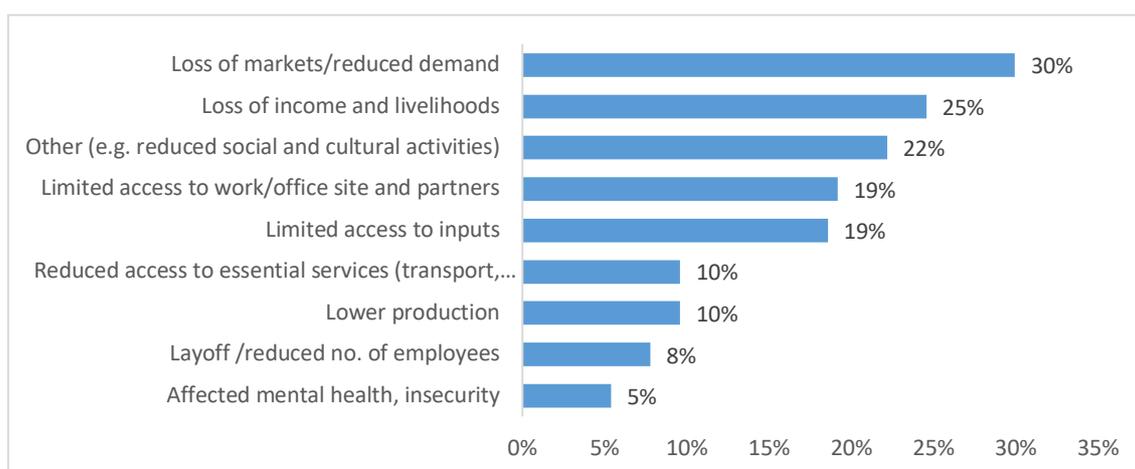
POLICY ISSUES

Key impacts of the pandemic

The survey highlights the loss of markets as a major impact of the policy decisions under the pandemic, which is affecting young people's business/work, family and community. The range and importance of other impacts are indicated below (Figure 1). The mostly bleak future outlook of respondents also reflects the current challenges being faced, with the majority reporting financial loss and reduced market opportunities to come (Figure 2).

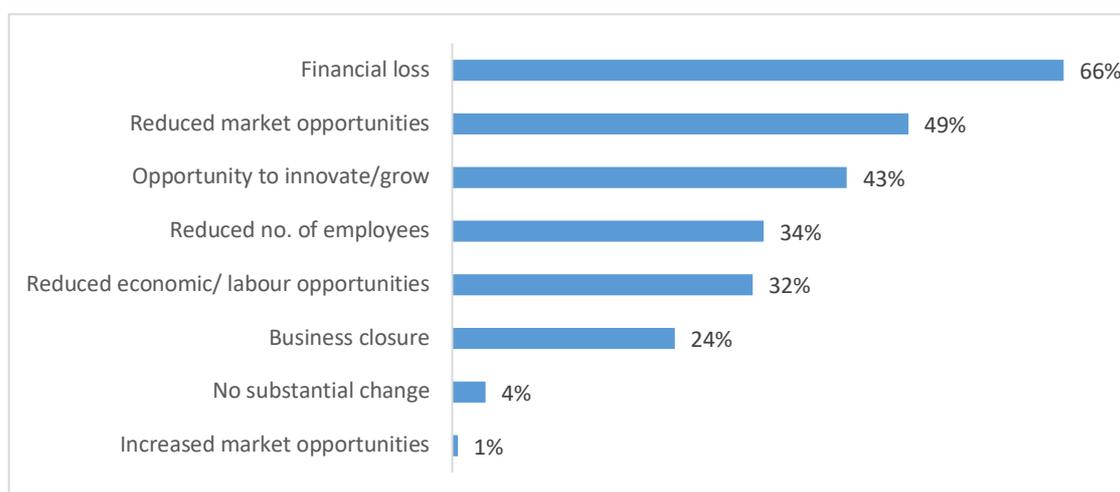
¹ Some of the survey questions allowed for multiple responses. Hence the percentages in the figures add up to more than 100 percent.

FIGURE 1 | Impacts of COVID-19 on respondents



Source: FAO

FIGURE 2 | Expected future impacts of COVID-19 on work/ business



Source: FAO

- Loss of markets:** The movement restrictions and lockdowns, and the uncertainty due to the crisis, are leading to reduced demand, especially for highly perishable goods such as vegetables and animal products. The decrease in demand from the hospitality industry, e.g. hotels and restaurants, is especially significant. Those involved in ecotourism have been forced to close due to the lack of tourists and visitors resulting from the closure of borders and physical distancing rules. Even in cases of continuing demand, disruptions in transportation and the associated increased cost are making it difficult for young producers to reach markets. Reduced demand is also affecting agricultural input suppliers. For example, producers of fish fingerlings and fish feed also reported a reduction in demand from fish producers. The loss of markets is, therefore, resulting in high rates of post-harvest losses.
- Loss of income and livelihoods:** As a result of lockdowns and movement restrictions at national and local levels, most informal businesses that employ large numbers of youth have been forced to close (FAO, 2020a). In addition, young informal agricultural wage workers, including seasonal migrant workers, are losing the opportunity to earn additional income during labour-intensive planting and harvesting periods, as these coincide with movement restrictions (FAO, 2020b). It is of concern that the majority of youth being laid

off from their places of employment have little or no access to social safety nets to cushion the negative impact. Twenty-five percent of young entrepreneurs indicate loss of revenue as an impact of the crises due to reduced demand for their products. Reduced demand is leading to lower production, layoff or reduction in the salary of employees, and in some cases a complete shutting down of their businesses. The loss of revenue and income from their businesses has had knock-on effects on other aspects of their lives, including reduced ability to fund their education and support their families, and reduced ability to meet basic household necessities.

- **Access to essential inputs has been severely restricted:** The COVID-19 pandemic is having effects on availability of agricultural inputs, such as seeds and animal feed. As these are largely imported, the closure of national borders is negatively affecting their access, availability and prices. Movement restrictions and resulting limitations in transport networks have made it difficult to access suppliers of agro-inputs. The prices of inputs have become unpredictable, with sudden increases, thus putting further strain on the operating capital of youth's businesses. For example, young poultry farmers in **Kenya, Côte d'Ivoire** and **Madagascar** reported shortages and price increases in poultry feed. Other livestock producers also reported a spike in the prices of animal feed. Providers of animal feed such as procurers of fodder have also had to limit their movements, thus being unable to supply feed to livestock producers. In addition, those engaged in agroprocessing are also experiencing challenges in procuring packaging and other materials due to the closure of shops.
- **Limited access to business and operating sites, partners and clients:** Some young farmers have reported not being able to access their farms due to movement restrictions, leading to some **delays in planting activities**. In addition, negotiations and contractual agreements with business partners, usually conducted in person, now have to be conducted remotely. Organizations providing training and other services for farmers have had to suspend their services due to movement restrictions and physical distancing rules, e.g. in **Cameroun, Ghana, Namibia, Rwanda, Sierra Leone, and Somalia**.

Adaptations and innovations in response to the crisis

Young agripreneurs reported exploring a range of different ways to adapt their businesses in response to the new challenges faced. Even though only 12 percent of respondents reported having received some kind of support during the pandemic from government or development partners (e.g. food supplies, personal protective equipment, subsidized utility bills), they are nevertheless innovating and adapting:

- **Moving to online marketing and sales:** Since customers are no longer reachable due to physical distancing and increased cost of transportation, there is a move to marketing of products on social media (Facebook, WhatsApp and Twitter). Orders are being settled with direct delivery to the customers and payments via mobile money or bank transfers, e.g. two agricultural producers in **Togo** and **Malawi**.
- **Improving relationships with existing business partners and sourcing new suppliers and buyers:** Some agripreneurs are looking to strengthen their relationships with agro-input dealers in order to be able to procure inputs on credit. Other producers, previously selling directly in local marketplaces, have forged new partnerships to supply produce to restaurants who deliver meals directly to customers' homes.
- **Exploring alternative animal feed and other inputs:** Due to the limited access to animal feed, livestock producers are exploring feed alternatives, for example, a poultry farmer in **Rwanda**

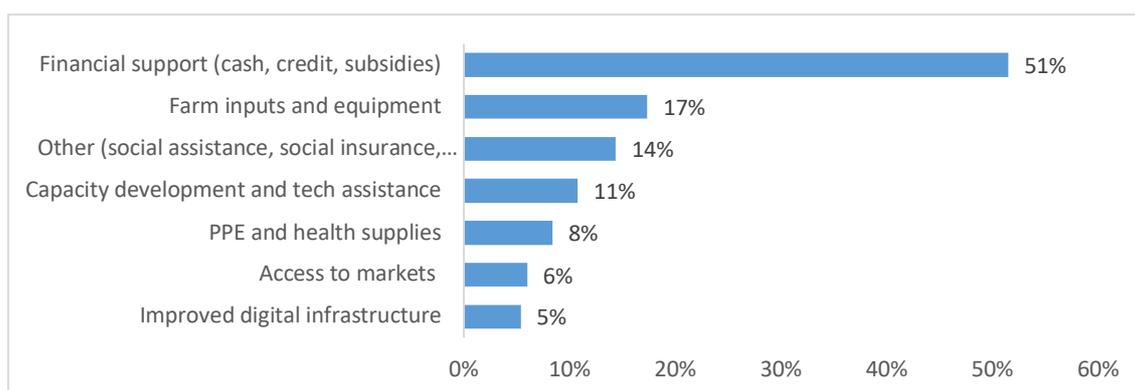
is trying to use vegetation instead of cereal, while another in **Sierra Leone** is switching to own production of poultry feed. An agripreneur in **Malawi** is replacing previously imported inputs no longer available with locally sourced alternative inputs, e.g. utilizing bamboos instead of iron poles for the construction of banana chambers. There are also examples of agrochemicals being replaced by organic fertilizers and pesticides.

- **Adding value to primary products:** In order to reduce postharvest losses, some entrepreneurs are exploring the processing of by-products, e.g. a beekeeping business in **Malawi** is beginning to make beeswax for further processing into candles and other products. Others are seeking to better store and preserve their produce.
- **Providing targeted support to the vulnerable:** An urban agricultural service provider in **Kenya** started an initiative to supply the most vulnerable in their community with kitchen gardens as an alternative to food donations and cash transfers. The aim is to reach 1 000 vulnerable households with community vertical gardens to help cushion them against the impacts of the pandemic.
- **Creating delivery services for transportation of their products:** Due to transportation challenges disrupting access to markets, another adaptation noted by a young poultry and vegetable producer in **Ghana** is to begin personal delivery to customers instead of depending on transport providers.
- **Adapting provision of training services:** To respect social distancing rules, some training providers are reducing the number of persons per session and adapting training and knowledge-sharing to online and via social media (WhatsApp and Facebook Messenger), e.g. a provider of irrigation systems in **Rwanda**, and an agritech training provider in **Gabon**.
- **Switching to telework:** When possible, some businesses, such as an organic vegetables producer in **Cameroun**, agricultural training providers in **Gabon** and **Nigeria**, and an agricultural services provider in **Côte d'Ivoire**, have switched to remote work for their employees, in addition to rotating teams physically present in the workplaces and reducing non-essential tasks and personnel.

POLICY RECOMMENDATIONS

Young people are exploring new ways of adapting and innovating in the face of COVID-19 challenges and risks. Despite the many negative impacts already experienced, **43 percent of the respondents are viewing the crisis as an opportunity to innovate**. It will be important for governments to provide effective support to these youths and include them in national response measures. With adequate and well-designed support measures, youth-led agribusinesses have the potential to reinvent themselves and become more successful in the post-pandemic era. Concurrently, highly vulnerable youth who have faced particular difficulties to adapt effectively should be left behind. They may require additional and well-tailored support to revive their businesses (see examples in Figure 3)

FIGURE 3 | Type of support needed



Source: FAO

- **Ensure that economic and financial stimulus packages include measures adapted to youth-led businesses:** Examples of such measures include soft loans with long-term repayment plans, loan guarantees, suspension of taxes, moratorium on loan repayments/ease of load repayment burden, wage subsidies and rental support schemes. Additional measures could include grant facilities targeted at youth, such as youth business support/relief or development fund. In Rwanda for instance, the Rwanda Youth in Agribusiness Forum put forward a proposal to set up an Emergency Fund for Youth in Agriculture. In addition to putting in place such measures, it is recommended that governments and development partners raise awareness and better disseminate information on these measures among young agripreneurs, especially those based in rural areas. For example, this could be achieved through an information portal on funding opportunities for youth agripreneurs disseminated via mass media, youth groups and other channels.
- **Provide support for access to inputs:** Governments can facilitate the supply and availability of inputs. Young agripreneurs should be included in the design process of programmes and as beneficiaries of existing and potential government schemes, e.g. cash advances for securing inputs, electronic disbursement of vouchers for government-subsidized/supported input distribution schemes and access to mechanized services (FAO, 2020c). Furthermore, it is recommended to gain a better understanding of the way input supply businesses are currently operating in order to better design measures and promote technologies that can facilitate access of youth-led enterprises to inputs and services.
- **Social protection measures:** Governments can provide targeted temporary compensation schemes in the form of in-kind food/vouchers or targeted cash transfers that include costs of rent and utilities. Particular attention should be aimed at reaching vulnerable youth informal workers, who may not be covered by family-based disbursement (UNDESA, 2020), and rural youth workers, who may face additional challenges to access social protection mechanisms.
- **Improved facilities for and capacity-building in post-harvest management and processing:** The crisis and resulting spoilage of agricultural produce due to lack of demand have reinforced the need for better post-harvest handling. As some producers of primary products are now beginning to explore methods of preservation and processing, it will be key for governments and development partners to improve access to existing post-harvest facilities and services with attention to youth-led agribusinesses, youth cooperatives and producer organizations.

- **Shorten and diversify the local supply chains:** Decreased food imports are creating new opportunities in domestic markets that young agripreneurs can seize. Governments can facilitate measures that support contractual agreements such as outgrower schemes, contract farming or aggregation of farm produce between youth-led enterprises and lead agribusinesses. Youth cooperatives and youth-inclusive producer organizations can be supported and strengthened to facilitate the creation of these linkages and networks between youth agripreneurs and other stakeholders, while sharing strategies and ideas on adaptations and innovations in response to the crisis.
- **Improve remote training and education:** Extension services no longer delivered due to physical distancing could be delivered via mobile phones, radio or television programmes. Additional services that can be delivered online are youth mentoring, business coaching, remote production management and monitoring and digital marketplaces. The use of remote learning and education, vocational education and training resources should be adopted to mitigate the loss of learning during schools and training institutes' closures. Strong efforts should be directed to expand countries' measures to cover rural areas, where internet may be lacking. Particularly in remote rural areas, lessons and trainings can be delivered via TV, mobile phones, radios, etc. Governments should prioritize reducing the digital divide between urban and rural areas. Partnerships with local youth organizations could help to overcome access barriers for marginalized rural youth (FAO, 2020d).
- **Provide support for 'green' innovations:** As part of a green recovery from COVID-19 in Africa, innovations and adaptations by young agripreneurs, e.g. production of organic fertilizers, using renewable materials for agricultural inputs, should be supported and scaled up. These could become a source of green job opportunities for rural youth if training, education and further investment and support are provided.
- **Support with procuring protective supplies** such as masks, personal protective equipment, sanitizers, etc. which tend to be expensive. The provision of these supplies should also be accompanied with continuous education and sensitization on COVID-19 prevention methods, including awareness-raising for livestock producers and their communities on the prevention of zoonotic diseases.

Structural measures, including conducive macroeconomic policies, in the short, medium and longer term will be essential to build back a more resilient and innovative enabling environment geared towards supporting youth-led micro, small and medium-sized enterprises. To achieve this, the following multisectoral measures should be considered by governments in partnership with FAO and other development partners:

1. Explicitly apply a youth and intergenerational lens in crisis response and recovery measures in agrifood systems across the public administration.
2. Strategically rethink the role of the youth in agrifood systems by reviewing different relevant national policies and strategies – with the involvement of the youth – and by reexamining mechanisms to address the challenges that young agripreneurs face.
3. In order to inform policy and programme decision-making, partner with national statistical offices and economic research institutions to gather disaggregated data that evidence the impact of the crisis, including specific disruptions and losses, by type of youth-led agro-enterprise, size of investment, level of employment, in addition to other

criteria such as sex and educational and socio-economical background of business promoters.

4. Mobilise young agripreneurs in mitigating the crisis and in building resilience to future shocks and disasters. This could be promoted through youth-led innovative solutions for transformation of agrifood systems, such as creating linkages and networks for knowledge and experience sharing among young agripreneurs, their organizations and other partners in the food system, and developing or strengthening existing agribusiness incubation initiatives, etc.

REFERENCES

- FAO.** 2020a. COVID-19 response: inclusion of rural youth in Sub-Saharan Africa. Text by Pozarny, P. Nsanganira, T. & Carlucci, J. In: *FAO Support to investment* [online]. Rome. [Cited 8 July 2020]. <http://www.fao.org/support-to-investment/news/detail/en/c/1275405/>.
- FAO.** 2020b. *Impact of COVID-19 on informal workers*. Rome. (also available at <https://doi.org/10.4060/ca8560en>).
- FAO.** 2020c. *Safeguarding input supply chains for small-scale agricultural producers in the context of COVID-19 in Africa*. Accra. (also available at <http://www.fao.org/3/ca8635en/ca8635en.pdf>).
- FAO.** 2020d. *Rural youth and the COVID-19 pandemic*. Rome. (also available at <https://doi.org/10.4060/ca9531en>).
- UN Department of Economic and Social Affairs (UNDESA).** 2020. *Protecting and mobilizing youth in COVID-19 responses*. Policy Brief No. 67. New York, USA. (also available at https://www.un.org/development/desa/youth/wp-content/uploads/sites/21/2020/05/PB_67.pdf).
- International Labour Organization (ILO).** 2020. Covid-19 and the world of work. Global Impact and Policy Recommendations. In: *International Labour Organization* [online]. Geneva. [Cited 8 July 2020]. <https://www.ilo.org/global/topics/coronavirus/impacts-and-responses/lang-en/index.htm>.

ACKNOWLEDGMENTS

The lead authors of this brief are Janetta Carlucci, Programme Support Consultant (Inclusive Rural Transformation and Gender Equity Division [ESP]) and Tony Nsanganira, Youth Employment Specialist (FAO Regional Office for Africa [RAF]). Contributions were received from Pamela Pozarny (RAF), Barbora Hladka (FAO Subregional Office for Southern Africa [SFS]) and Marzia Pafumi, Ileana Grandelis, Anna Befus, Xiaoxiao Wang, Regina Kistler and Yacouba Coulibaly, all from ESP.