



Youth employment through agribusiness and value chain development

Exploding youth population and unemployment challenges

The world's youth population (15–24 years old) has reached the unprecedented figure of 1.2 billion, with 88 percent of them living in developing countries. Especially for rural areas, this exceptionally high number of youth represents an enormous potential for economic development.

Youth face multiple employment challenges and are often overrepresented among the most vulnerable categories of workers, especially in rural areas and informal sectors where they are often subject to precarious working conditions and are exploited.

If the majority of youth are unable to secure gainful employment with adequate living income, youth unemployment and underemployment rates will continue to increase with the growing youth population. In addition to missing the opportunity to harness a demographic dividend, this may lead to high numbers of frustrated youth, potential political and social instability, and increased migration from rural areas. Additional stressors such as climate change and pandemics may further aggravate the situation. It is therefore imperative for countries to become resourceful in creating and promoting more and better jobs for youth.

Youth engagement in sustainable agrifood value chains

Sustainable agrifood value chains offer opportunities to utilize the untapped potential of this sizeable and growing demographic. The value chain development approach can be applied to analyse and identify existing and new opportunities within the sector. A youth-sensitive value chain (YSVC) framework (Figure 1) which positions youth at the centre can be used to guide such analyses.

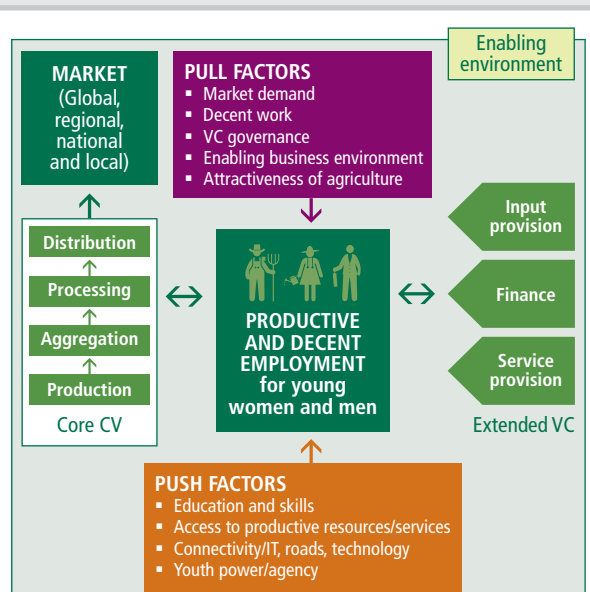
Youth engagement and employment can bring great energy, creativity, innovative ideas, tech-savviness, entrepreneurial drive and vitality needed for growth and sustainability of agrifood value chains. Young people are indeed best placed



KEY MESSAGES

- ▶ Creating more and better jobs for the increasing youth population is an urgent priority to reduce unemployment rates and maintain political and social stability.
- ▶ The development of sustainable agrifood value chains offers immense opportunities for youth in rural and urban areas.
- ▶ Policies to support youth engagement in agrifood value chains, such as favouring the acquisition of requisite knowledge and access to credit for youth, are needed and ought to be developed with young people.

FIGURE 1. Youth-sensitive value chain framework



Source: Cruickshank, D., Grandelis, I., Barwitzki, S. & Bammann, H., eds. 2022. *Youth-sensitive value chain analysis and development – Guidelines for practitioners*. Rome, FAO.

to rejuvenate the sector, acquire the knowledge and skills needed to innovate, uptake new technologies, foster the competitiveness of the agriculture sector and spearhead its digital transformation. These attributes were observed during the COVID-19 pandemic where youth adapted and responded with innovative solutions to continue serving their customers. They created delivery services for transportation of their products to customers, added value to their primary products, explored alternative animal feed and other inputs and marketed and sold their products online.

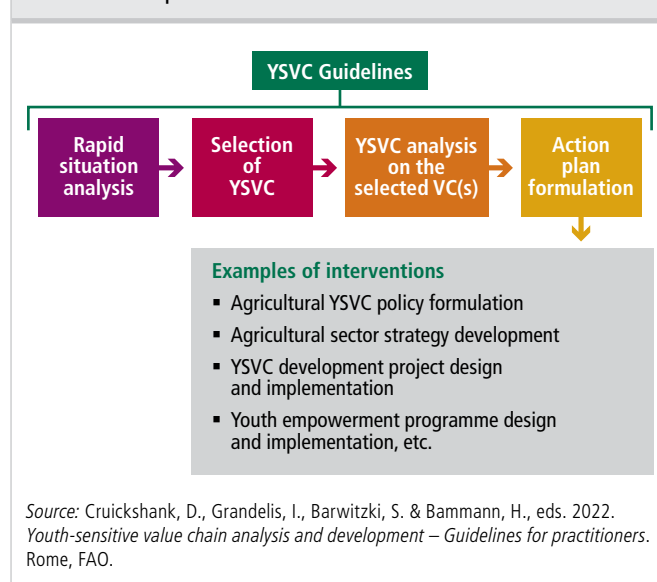
In school-to-work transitions, youth are driven by economic opportunities. The YSVC analysis is a starting point for youth-inclusive agricultural value chain development and the recently published YSVC Guidelines provides guidance to identify, select and promote the most promising value chains for youth inclusion, youth employment and entrepreneurship opportunities. Furthermore, the YSVC framework can be applied in field work to analyze the core value chain (VC), extended VC, and the enabling environment for factors that push and pull youth into employment and to identify youth-specific constraints and opportunities. The YSVC Guidelines applies participatory approaches to the VC analysis and provides practical guidance for engaging youth in discussions and decision-making activities.

Strategic policy interventions

The findings of the YSVC analysis can be used to inform and prioritize upgrading strategies and action plans to benefit youth. Investments and targeted policies will then be required to facilitate easier access to productive resources, the acquisition of requisite knowledge and skills and the enhancement of an enabling environment for youth to capitalize on the opportunities. Agrifood value chain actors can be encouraged through incentives or policies to invest in youth on-the-job trainings, internships, mentoring and apprenticeship programmes.

Figure 2 shows the scope covered by the YSVC Guidelines and examples of interventions. Other strategic policy interventions may include the strengthening of policy, regulatory and legal frameworks to protect youth from exploitation and problematic working conditions as well as increase their likelihood of accessing decent jobs and business opportunities within agrifood value chains. Private and public sector agencies can also institute policies that alleviate the youth-specific constraints that hinder their engagement. For example: new policies can facilitate ready access to financial services such as credit, banking and financial literacy for youth. This is demonstrated by the Namibian Youth Credit Scheme (NYCS), a loan guarantee programme offered to youth with little or no collateral at the very early stages of business planning. In addition to facilitating loans from mainstream banks, NYCS provides training to beneficiaries in basic management practices.

FIGURE 2. Scope of YSVC Guidelines



Rural youth face additional constraints due to the remoteness, limited infrastructure, high poverty rates and slower economic development in the rural areas. As noted by Mr Julio Berdegue, Regional Representative for Latin America and the Caribbean, at the FAO Youth Committee Innovation in May 2020 “Until we close the gap between urban and rural areas in services, internet connection, connectivity, recreation opportunities, jobs, and well-paid jobs, people are going to be leaving rural areas. Closing the gap is the key”. Therefore strategic policies should also seek to address and close this gap making rural areas and employment there more attractive to youth.

Additional strategic policy recommendations can be found in the recent publication *Promoting youth engagement and employment in agriculture and food systems* by the by the Committee on World Food Security (CFS)'s High Level Panel of Experts (HLPE) on food security and nutrition (available at www.fao.org/3/cb5464en/cb5464en.pdf).

Finally, to create a youth friendly enabling environment that fosters sustainable and increased youth engagement it is imperative that youth are deliberately included in a meaningful way in the policy making process. They ought to be given the opportunity to contribute to the discussions and decisions about their needs, challenges, contributions and the required solutions.

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