



## Enhancing Enabling Environment to Increase Youth Participation in Agriculture in Tanzania

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**Policy Advocacy Messages to be Spearheaded by District Administrations in promoting youth engagement in agriculture (crops, livestock, fisheries, apiary, etc) and related value additions along the receptive value chains:**

### **A - District Leaders to take charge in implementing the following:**

- ✓ LGAs to comply with policy/legal requirements to set aside land for agricultural and industrial parks for hire by youth interested in agribusiness and small-scale industries.
- ✓ Ensure that the requirements to contribute to the Youth Development Fund (YDF) are strictly met and monitored by the LGA's Full Council.
- ✓ Attract private sector investors to establish vocational training centres recognized by VETA and SIDO for skills development of the youth in agribusiness such as agro-processing.
- ✓ Enact by-law and regulations requiring the District Youth Development Office to establish effective One-Stop Youth Windows for supporting all youth interested in agriculture and agribusiness value chain engagements
- ✓ Link youth groups with ICT companies to adopt application of e-learning, e-marketing and e-commerce platforms for enhancing efficiency of their businesses.
- ✓ Promote participatory system for youth to engage in platforms that promote their interests, including formation of Youth Platforms at Village, Ward, and District.

- ✓ In order to influence positive mindset towards agribusiness, LGAs to support the establishment of Cultural Groups and Community Mass Media outlets such as newspapers, radio, TV and social media networks for influencing the youth entry into agriculture and agribusiness.

### **B - District Leaders, especially Members of Parliament, will collectively convince National Level Institutions to initiative the following:**

- ✓ Support reforms on school curriculum to include agricultural education in primary schools and agricultural science based secondary schools
- ✓ Support initiatives to enact legislation to penalize LGAs that fail to remit contributions to the Youth Development Fund after deducting 5 percent from LGA own revenue collected
- ✓ Support measures to pass legislations for commercial banks to set aside a certain proportion of their profits into youth's agribusinesses
- ✓ Enact legislations for financial guarantee schemes by district based Financial Institutions to support youth related agribusinesses.
- ✓ Initiate national competitions for best businesses owned and operated by the youth in different categories.

### **Executive summary:**

Local Government Authorities must take special initiatives to address challenges that limit youth participation in agriculture sector so as to reduce youth unemployment in Tanzania as stipulated in national policies that require enabling environment for increased youth participation in agribusiness value chains. Districts need to take advantage

of existing programs such as HEIFER International's East Africa Youth Inclusion Program (EAYIP), which seeks, among others, to catalyze youth participation and inclusion in economic activities, particularly in agriculture sector. To start with, target districts in Tanzania are Iringa Rural, Kilolo, Mufindi, Mafinga Town Council, Njombe Town Council, Njombe District Council Wanging'ombe, Rungwe, Busekelo, and Mbozi.

## Context and importance of the problem

Enhancing youth engagement in agribusiness which is important for sustaining their livelihoods as part of more than 53.5 million Tanzanians by 2015, and whose population is increasing at the rate of 2.8 percent per annum (NBS, 2012 census). Two thirds of this population, including the youth, is rural based and depend on agriculture for its livelihood.

According to Tanzania's 2007 Youth Policy, youth category is people in the age group of 15 to 35 years. In 2015 the category constituted one in every three Tanzanians (33

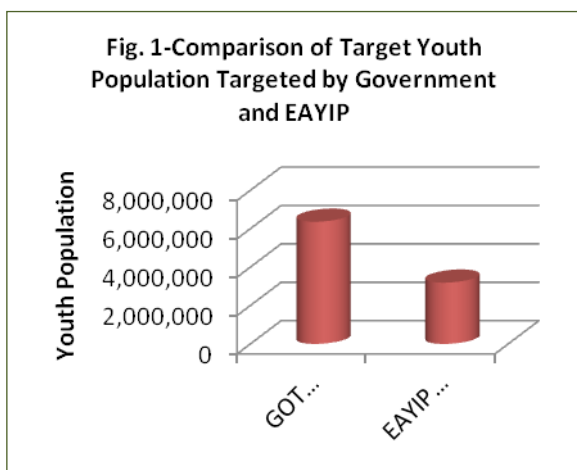
percent of the population). However, the EAYIP will target only those aged 15 to 24 years, which is about a half of the wider category of 15-34 years. According to 2012 census, the proportion of people depending on agriculture for the livelihood goes up according to age groups from 76.2 percent for those between 15 and 19 years, 79.4 percent for age group 20-24 years (table 1).

It is estimated that the number of youth in the four EAYIP regions in 2017 are 943,090 divided between Iringa (192,515), Njombe (136,954) and Mbeya and Songwe (613,620). Women constitute slightly over 51 percent of the youth population.

**Table 1: Distribution of Employed Population Aged 10 Years and Above by Five Year Age Groups and Employment Status, Tanzania Mainland Rural, 2012 Census**

Percentage of Population Engagement								
Age (yrs) Cohort	Total	Employer	Employee	Own Non - Agriculture	Own Agriculture	Family Worker	Apprentices	Other
15 - 19	1,467,032	0.2	3.3	8.2	76.2	11.2	0.5	0.4
20 - 24	1,724,654	0.2	4.6	10.2	79.4	5.2	0.2	0.2
25 - 29	1,664,562	0.3	5.9	11.4	78.7	3.4	0.1	0.1
30 - 34	1,507,584	0.3	5.4	11.7	79.6	2.9	0.1	0.1

Source: NBS (2014), Table 10.14



## National Policies on Youth Empowerment

The National Youth Development Policy (NYDP 2007) and the National Strategy for Youth Involvement in Agriculture (2016-2021) provide guidance on equipping the youth with necessary skills, competence and attitudes for the job market and self employment. It further instructs government and other stakeholders to create conducive environment for their participation in economic decision making; etc.



Additionally, there are several complementary national policies which provide further guidance on how the youth should be assisted to productively engage in economic undertakings, including agri-business.

For example, the National Employment Act (2017 draft) commits the government to strengthen prerequisite socio-economic infrastructure for enhancing youth employment in addition to skills development. The National Empowerment Policy was also followed by a strategy/guideline for youth economic empowerment. Other policies, such those on land, education and training, are have not specifically mentioned measures to encourage youth engagement in agribusiness.

## Role of Districts in Policy Instruments for Youth Support

Local Government Authorities (LGAs) are supposed to be key players in ensuring that 4 percent of own revenue is dedicated to the Youth Development Fund (YDF). However, experience so far shows that most LGAs disburse only part of this commitment due to failure to reach annual revenue targets. In some LGAs youth groups, with membership of 5 or more people, get as little as TZS 500,000 per year, normally a fraction of what they apply for their income-earning projects. Interviewed youth groups from the EAYIP target regions indicated to derive their livelihoods from farming and other businesses. Ideal capital requirements per group, depends on the type of enterprise and number of group members. There is impression that the minimum credit requirement is about TZS 300,000 to 500,000 per season per person.



In addition to crops, the youth are engaged in raising poultry (mostly chicken for eggs and meat); goats; pigs; small retail businesses (mostly agricultural commodities) and a few engaged in dairy farming and selling milk.

## Challenges Faced by the Youth



According to most of the youth interviewed by ESRF in 2017 in preparation for the EAYIP, the following were the most pressing challenges associated with youth's effective engagement in agribusiness:

(a) Inadequate working capital to expand and/or modernize operations. Loans from YDF were too small to have



impact on their agribusinesses; (b) Low knowledge base for adoption of improved husbandry practices and agribusiness activities or search for markets and prepare bankable proposals; (c) Land access problems due to

different reasons such as cultural prohibitions on women and youth ownership of ancestral land; (d) Restrictive access to bank loans due to several reasons (e.g. high interest rates and collateral requirements); (e) prohibitive prices of agricultural inputs and implements; (f) inequitable distribution of subsidized government inputs leaving the youth; (g) Unfavorable commodity market prices caused by factors such as seasonal fluctuations of prices e.g. too low during post-harvest period; and (h) restricted movement of commodities across districts and outside the country.

Other challenges, which LGAs should help to solve included (a) failure by parents to support them; (b) youth mindset believing that agribusiness takes too long to uplift their livelihoods (c) lack of a common platform for them to engage with government and channel their views.

## Some Rays of Hope Ahead

One of the obvious dividends from increasing working class due to increased employment in upcoming industries, including, among others, natural gas, Liganga/Mchuchuma iron-ore and coal development in southern regions, improved per capita income and rapidly expanding urban population is the demand for a more balanced diet, thus creating a market for vegetables, fruits and spices. This has created an obvious agribusiness opportunity for the youth. Development Banks such as TADB and TIB; and Commercial Banks such as CRDB Bank and NMB Bank, are also gradually warming up to the opportunity to serve the agricultural sector. But bank conditions don't favour youth borrowers, most of who fail to qualify. On the other hand, Tanzania's Rural Energy programme has stimulated rural-based agro-processing ventures. Public-Public Partnerships supported by the SAGCOT Centre, has also enabled the transfer of technologies to farming communities. Each LGA should encourage engagement of NGOs to offer education in business management, financial literacy and entrepreneurship skills. This includes linking them with programs that promote use of ICT in accessing technologies and market information.



## RECOMMENDATIONS OF ACTIONS BY LOCAL GOVERNMENT AUTHORITIES (LGAs)

<b>Policy Reforms at District Levels</b>	<p><b>Land policy:</b> Monitor to ensure that LGAs should set aside land for agricultural parks for renting out to youth.</p> <p><b>Youth Policy:</b> Enforce requirements for youth participation in established platforms at district and lower levels.</p>
<b>Legal Reforms at District Levels</b>	<p><b>Land policy:</b> Monitor Land Act provisions for special land area for youth projects</p> <p><b>Youth Development Fund:</b> make it punishable failure to remit 5% of internal revenue.</p> <p><b>Designated Market Place:</b> enforcement of marketing rules, especially curbing the use of illegal weights and measures such as “lumbesa” (topped up bags of produce)</p>
<b>Institutional alignment at the District levels</b>	<p><u>Youth Groups and Culture of Savings:</u> more efforts motivate youth in groups, mobilize savings and enable ease of connection with commercial banks for loans</p> <p><u>Better coordinated institutional efforts to uplift youth’s knowledge base</u> easier if youth are organized in groups.</p> <p><u>Invite private sector initiatives</u> that support youth business ventures</p> <p><u>Improved coordination to offer education to the youth on merits of warehouse receipt system</u> for crops with sharp seasonal price fluctuations</p> <p><u>Coordinated approach</u> to establish youth platforms at different levels: village, ward and district.</p> <p>Provide space for youth to participate in development planning processes</p>
<b>Mindset Change</b>	<p><u>Introduce programmes on Print Media, Community Radio and TV Stations</u> aimed at changing the attitude of parents towards young people, and also youth’s stereotype that agribusiness is not profitable.</p> <p><u>Adoption of ICT platforms</u> by the youth to access different types of information: markets, technologies and different business models.</p> <p><u>Interactions with Role Models</u> who have succeeded in agribusiness useful to trigger positive attitude to agribusiness. The Youth Platforms should provide that chance.</p>

Actions that LGAs should continue to put pressure on national-level institutions include: (a) Policy and Law requiring Banks to set aside a proportion of net income to the Youth Development Fund (b) better staffing of government personnel to provide education to the youth specifically the financial literacy education; (c)

agricultural education curriculum to be introduced for primary and secondary schools; (d) private companies to use part of the Corporate Social Responsibility (CSR) resources for youth programs (e) establish VETA and SIDO branches in each of the districts to ease access by youth.



### East Africa Youth Inclusion Program

In partnership with



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