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Enhancing Enabling Environment to Increase Youth Participation in Agriculture in Tanzania

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1. Local Government Authorities (LGAs) to set aside land for agricultural parks to serve the interest of youth engaged in agribusiness.
2. Each LGAs to have a branch of VETA and SIDO, which shall work closely with MALF to transfer agro-processing technology to the youth.
3. Need to adopt agricultural education in primary schools and set aside some agricultural science based secondary schools.
4. Government to demand and support, through guarantee schemes, district based Financial Institutions to develop lending facilities to support youth connected to agribusiness and other inter-related value chain.
5. Pass a legislation to penalize LGAs that fail to remit contributions to the Youth Development Fund after deducting 5 percent from LGA own revenue collected.
6. Promote formation of Youth Platforms at Village, Ward, District and National level, for the youth to engage with government and Non-state actors on matters affecting their performance in agribusiness.
7. Expand funding for Youth Programs through the Local Government Capital Development Grant in addition to the Youth Development Fund.
8. Strengthen the District Youth Development Office and establish an effective One-Stop Youth Window for supporting all youth interested to engage in agriculture and agribusiness value chain.
9. Lobby for commercial banks to set aside a certain proportion of their profits into youth's agribusinesses, as a first step for eventual legislation.
10. Support the establishment of Community Mass Media outlets such as newspapers, radio, TV and social media networks for the purpose of informing and influencing the youth to get interest in agribusiness.

Executive summary

There is need to address challenges that limit youth participation in agriculture sector so as to reduce youth unemployment in Tanzania, currently at about 25 percent of young people between 20 and 29 years of age remain unemployed (ILO, 2016).

Existing National Youth Developing Policy (2007) needs to be kept up to date to enhance enabling environment that will increase youth participation in all economic activities particularly in agribusiness in Tanzania. In that regard, HEIFER international is implementing East Africa Youth Inclusion Program (EAYIP), and commissioned ESRF to participate in a study that has identified and recommended policies that will catalyze youth participation and inclusion in economic activities particularly in agriculture sector.

Context and importance of the problem

Enhancing youth engagement in agribusiness is key for sustaining Tanzania population which continue to grow by 2.77 percent per annum and reached 53.5 million people in 2015 (NBS, 2012 census). Two thirds of this population is rural based and depend on agriculture for its livelihood. The same population structure prevails in the target districts of EAYIP in Tanzania. According to the 2007 Youth Policy in Tanzania, a youth is defined as that in the age group of 15 to 35 years, which in 2015 it 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 recognized by government of Tanzania.

Table 1: *Distribution of Employed Population Aged 10Years 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
10 - 14	906,206	0.1	1.8	2.8	25.9	67.9	0.4	1.2
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

The country is not different from the global average, whereby according to the United Nations (UN), there were 1.2 billion people aged 15-24 years, accounting for one person in every 6 people. In Africa as a whole, people aged 15-24 years accounted for 19 percent in

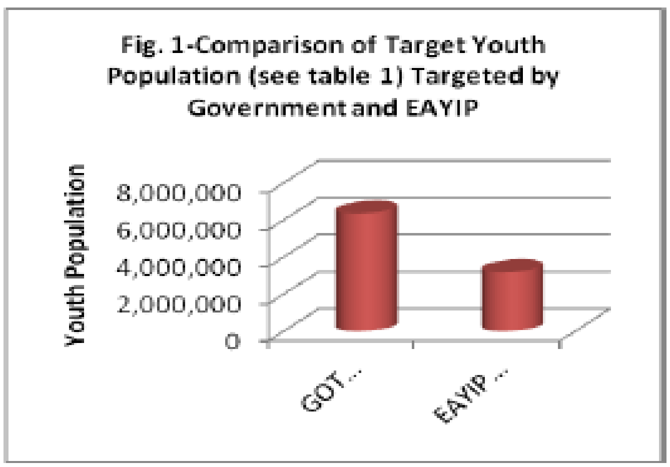

Fig. 1-Comparison of Target Youth Population (see table 1) Targeted by Government and EAYIP

National Policies on Youth Empowerment

The country has a number of policies that provide some guidance on how the youth should be assisted to productively engage in economic undertakings, including agri-business. The most elaborate one is the 2015, which is comparable to Tanzania's proportion of 19.71 percent. It is estimated that the number of youth in Africa will have increased by 42 percent by 2030, and will have doubled by year 2055.

National Youth Development Policy (NYDP 2007), which provided guidance on equipping the youth with necessary skills, competence and attitudes for the job market and self employment. It further promises to create conducive environment for their participation in economic decision making; etc. The National Employment Act (2017 draft) further commits the government to strengthen prerequisite socio-economic infrastructure for enhancing youth employment in addition to skills development. Policies such those on land, education and training, and national economic empowerment, are non-committal on youth engagement in agribusiness.

The government's Youth Development Fund (YDF) is funded through a 5 percent share of LGA's own revenue. However, most LGAs disburse only part of this commitment due to failure to reach annual revenue targets. In some LGAs youth groups get as little as TZS 500,000 per year, normally a fraction of what they apply for their income-earning projects.

Some youth groups were interviewed in the EAYIP target areas in four regions of Iringa, Njombe, Mbeya and Songwe. They indicated to derive their livelihoods from crop farming, mostly horticulture, oil seeds and grains.

They also engaged in raising poultry (mostly chicken for eggs and meat), goats and pigs.

Some of them were in small retail businesses (mostly buying and selling agricultural commodities).Very few were engaged in dairy farming, although some sold milk.

Challenges Faced by the Youth

According to most of the youth interviewed by ESRF in 2017 as preparation for the

EAYIP, the following were the most pressing challenges preventing them from effective engagement in agribusiness:

a)Lack of adequate working capital to enable them to expand and/or modernize operations They claimed the loans from YDF were too small to have impact on their agribusiness;

(b) Low knowledge base to enable them, for example, to improve on husbandry practices or search for markets and prepare bankable proposals; (c) Land access problems due to limited or restricted conditions by family/ clan; ((d) restrictive bank lending conditions (high interest rates and collateral requirements);

(e) prohibitive prices of agricultural inputs and implements and lack of mortgage system; (f) (g) the allocated subsidized government inputs don't reach the youth; (h) Unfavorable commodity market prices, slumping too low during post-harvest period; and (i) restricted movement of commodities across districts and outside the country.

Other challenges mentioned by the youth included failure by parents to support them and their own mindset believing that agribusiness takes too long to uplift their livelihoods. They also cited lack of a common platform for them to engage with government and channel their views. Existing community platforms such as the Village Assembly are usually dominated by voices of the elderly.

Some Rays of Hope?

One of the obvious dividends from increasing 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. Commercial Banks such as CRDB Bank and NMB Bank are also gradually warming up to the opportunity to serve the agricultural sector.

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. There are NGOs dedicated to offer education in business management, financial literacy and entrepreneurship skills. They include: Mbozi ADP, NADO, SNV, RUDI, Technoserve and Kilimo Trust. **The new EAYIP initiative is therefore a most welcome development**.

RECOMMENDATIONS

Policy Reforms		Land policy: to provide that LGAs should set aside land for agricultural parks for hire to youth Banking Policy: Banks to set aside a proportion of net income to the Youth Development Fund Youth Policy: to make it mandatory for youth platforms at village, ward and district levels
Legal Reforms		Land policy: Village Land Act to include provisions for setting aside land area for youth projects Banking law: make it legal requirement to contribute to Youth Development Fund Youth Development Fund: make it punishable if LGAs fail to channel 5% of internal revenue Designated Market Place: enforcement of marketing rules, especially curbing the use of illegal weights and measures such as “lumbesa” (topped up bags of produce)
Institutional alignment		Youth Groups and Culture of Savings: more concerted efforts motivate youth in groups, mobilize savings and enable ease of connection with commercial banks for loans Better coordinated institutional efforts to uplift youth’s knowledge base easier if youth are organized in groups Improved coordination to offer education to the youth on merits of warehouse receipt system for crops with sharp seasonal price fluctuations Coordinated approach to establish youth platforms at different levels: village, ward and district Better staffing of government personnel to provide education to the youth Agricultural Education Curriculum to be introduced for primary and secondary schools Establish VETA and SIDO branches in each of the districts to ease access by youth
Mindset Change		Introduce programmes on Print Media, Community Radio and TV Stations aimed at changing the attitude of parents towards young people, and also youth’s stereotype that agribusiness is not profitable Interactions with Role Models who have succeeded in agribusiness useful to trigger positive attitude to agribusiness. The Youth Platforms should provide that chance.

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