



FEED THE FUTURE

The U.S. Government's Global Hunger & Food Security Initiative



INNOVATION LAB FOR
FOOD SECURITY POLICY RESEARCH,
CAPACITY, AND INFLUENCE (PRCI)

Policies for rural revitalization through agribusiness enterprise development for employment opportunities- Case studies from India and Bangladesh

Suresh Babu

March 11th, 2021

Policy Analysis Training for Officers of the Government of Nepal

(8-12 March 2021, Kathmandu, Nepal)



Cornell University



Organized by USAID's FTF KISAN II, MOALD and USAID's FTF PRCI

Outline

- **Policies for rural revitalization**
- **Agribusiness enterprise development for employment opportunities-**
- **Case studies from India and Bangladesh**
- **Case studies from India and Bangladesh**
- **Discussions**

What Drives Youth Entrepreneurship in Agriculture?



Afro-Asiatic peoples of Nigeria:
 O - Hausa
 O - Anag
 O - Targat
 O - Margh
 O - Sata
 O - Kae



Bangladesh

- Six case studies conducted
- Supported by policy and institutional mechanisms
- Small investment in Poly-houses help establish YE and serve their communities
- Aggregation centers help them to process outputs and get better prices
- Innovation (by Syngenta) support can be very useful to sustain the YE operations
- Scaling up the model can empower women



India

- Both Syngenta and Non-Syngenta Case studies
- Large effort by the government but limited to selected value chains
- Private sector engagement is increasing to support YE skill development
- Case studies show the need for continued mentorship
- Replication of success by learning by doing
- Institutional mechanism is key – eg: insurance when the crops fail
- Context specific solutions help to sustain YE operations



- Nigeria is vibrant with the Young Entrepreneurs coming up in all value chains
- Studying 6 cases in crops livestock and aquaculture value chains
- Education up to undergraduate level helps to speed up the business
- Specialized skill development through vocational training is key
- Both technical and business skills need to be imparted
- Scaling up requires mentorship development that will have incentives for the mentors
- Mainstreaming YE development in government programs is important

Nigeria

Rural Entrepreneurship and Empowerment in larger Agriculture Transformation?



- Youth Empowerment approach to rural entrepreneurship
- Drivers of success – contextual and determinants
- Why some programs succeed and others fail?
- Analysis in different contexts and perspectives
- Lessons and broad recommendations for programmatic improvements

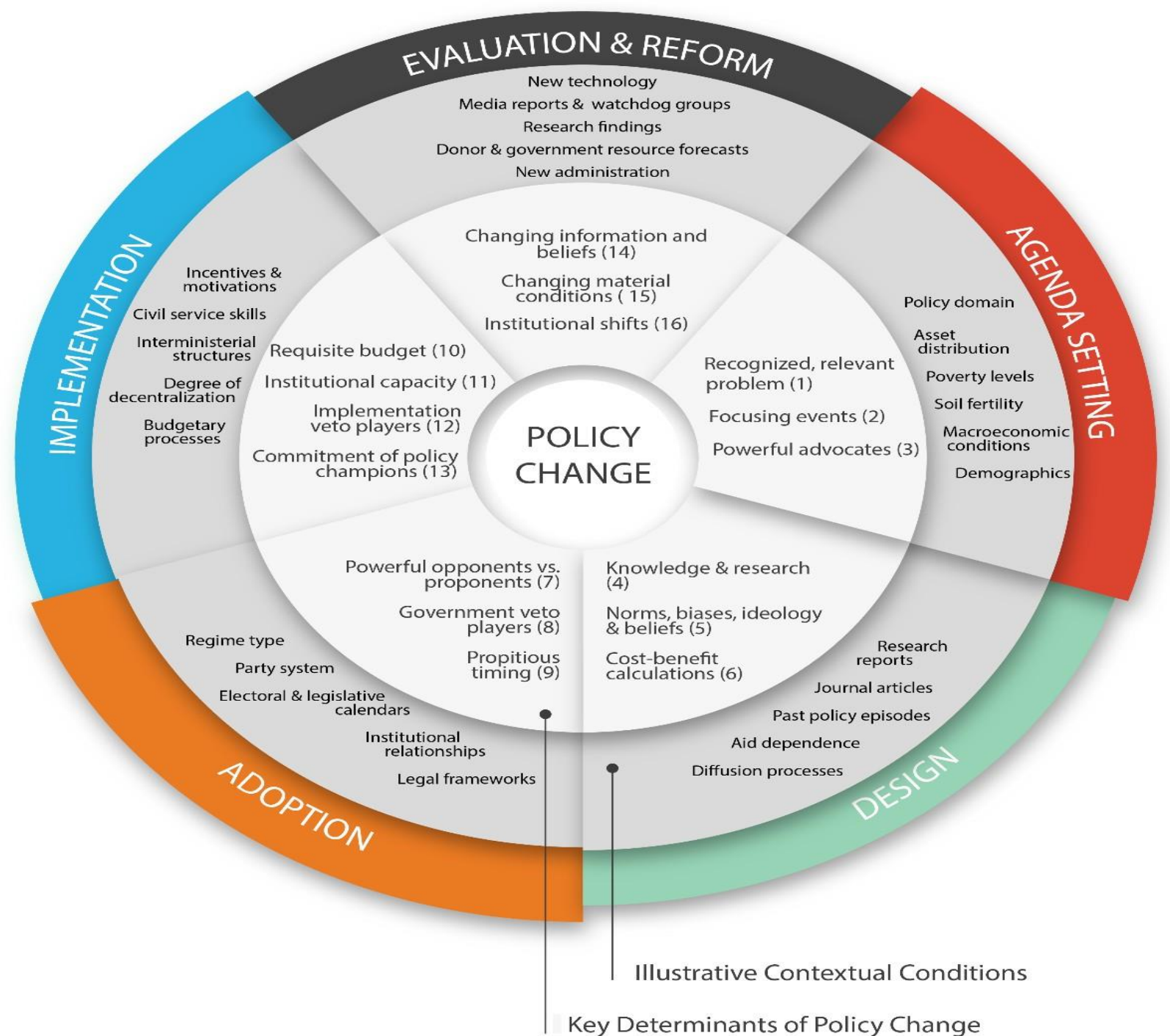
Potential Research Framework – Case study approach

- **Kaleidoscope Model:** uses 16 indicators to understand policy process. The model could be modified to study the policy, institutional and individual constraints in the specific cases on the ground
- **Enabling the Business of Agriculture:** The Enabling the Business of Agriculture (EBA) project measures laws and regulations that impact the business environment for a sustainable and thriving agricultural sector
- **Organization Assessment:** Assessment of the projects through the organizational lens for their effectiveness, efficiency, and impact on rural entrepreneurship and youth empowerment
- **Capacity Development for Agricultural Innovation System:** a new approach tested by USAID in their FTF labs

The Kaleidoscope Model

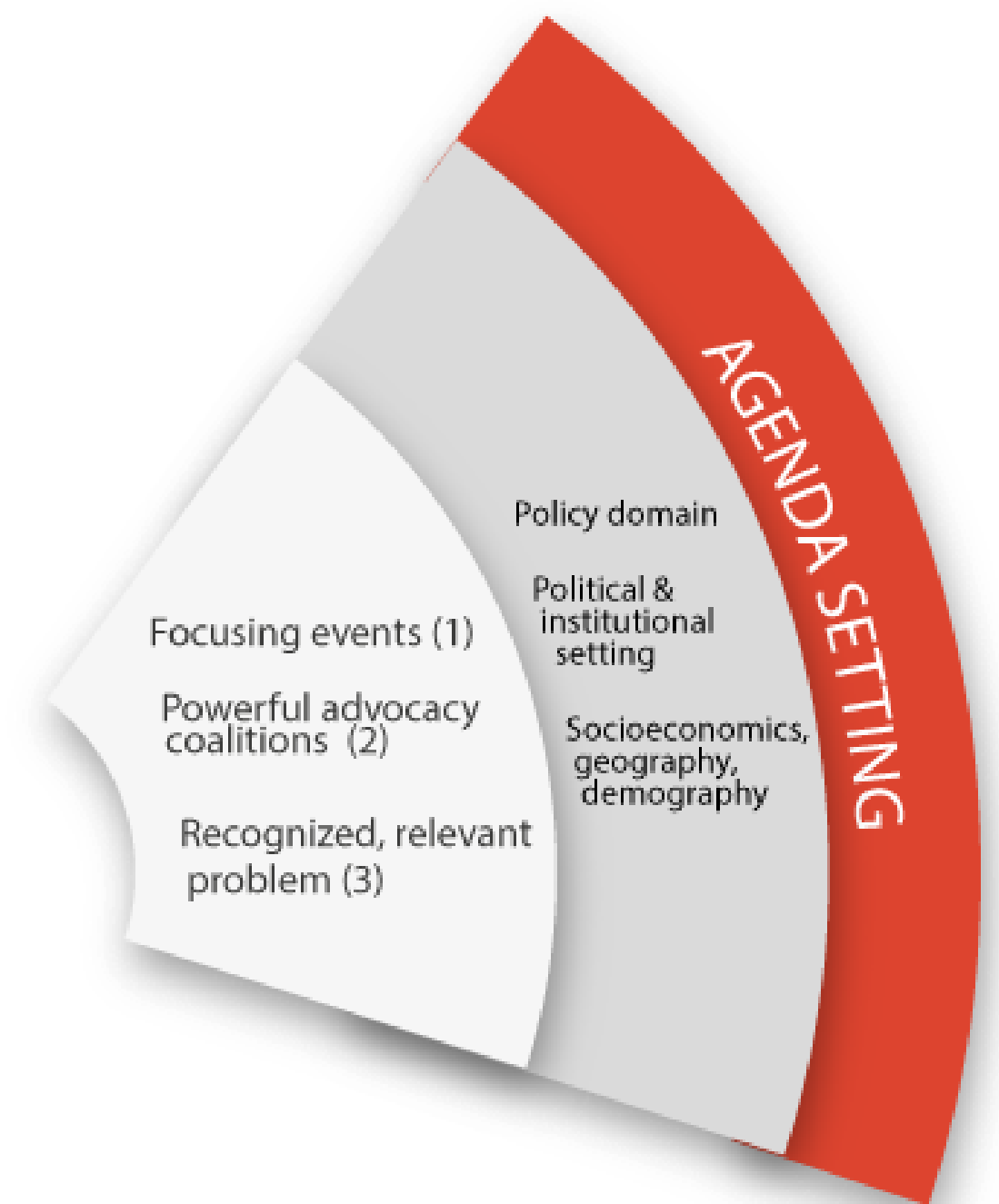
5 stages and 16 Hypotheses

Source: Resnick, Haggblade, Babu, Hendriks, and Mather (2017).



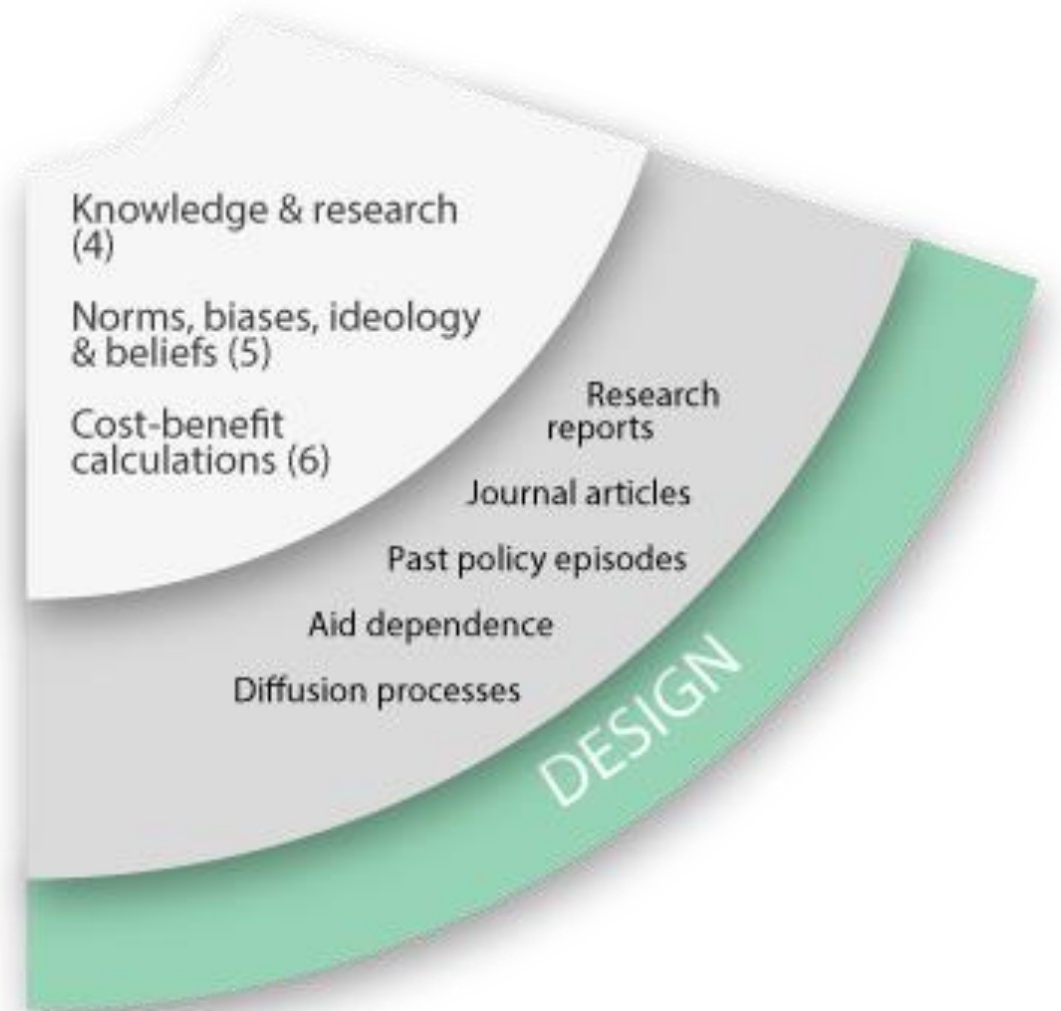
The Kaleidoscope Model: Agenda Setting

Focusing Event; Powerful
advocates; Recognized, relevant
problem



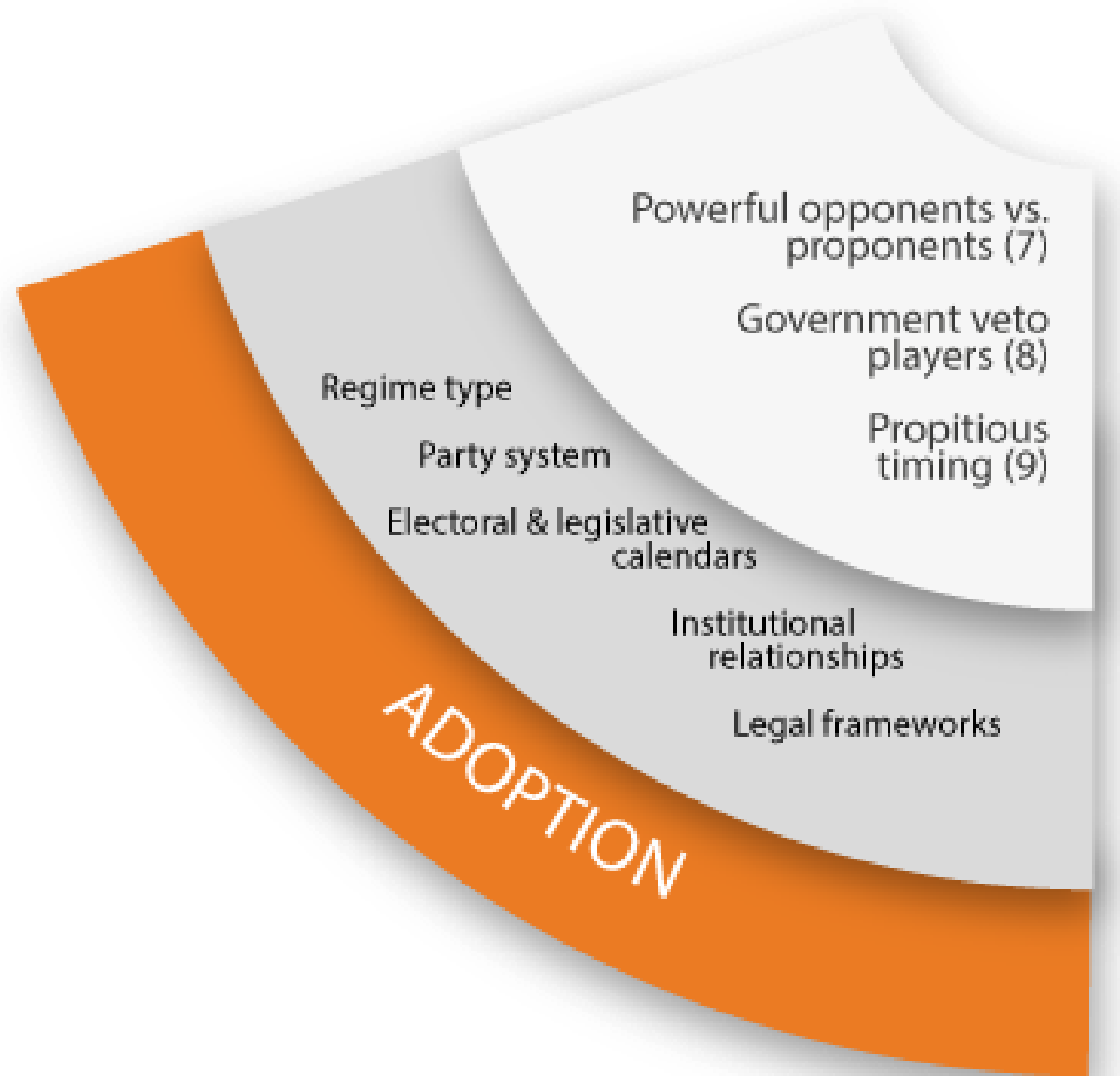
The Kaleidoscope Model: Design

Knowledge, research and ideas;
Norms, ideology, beliefs, Cost-
benefit, risk calculations



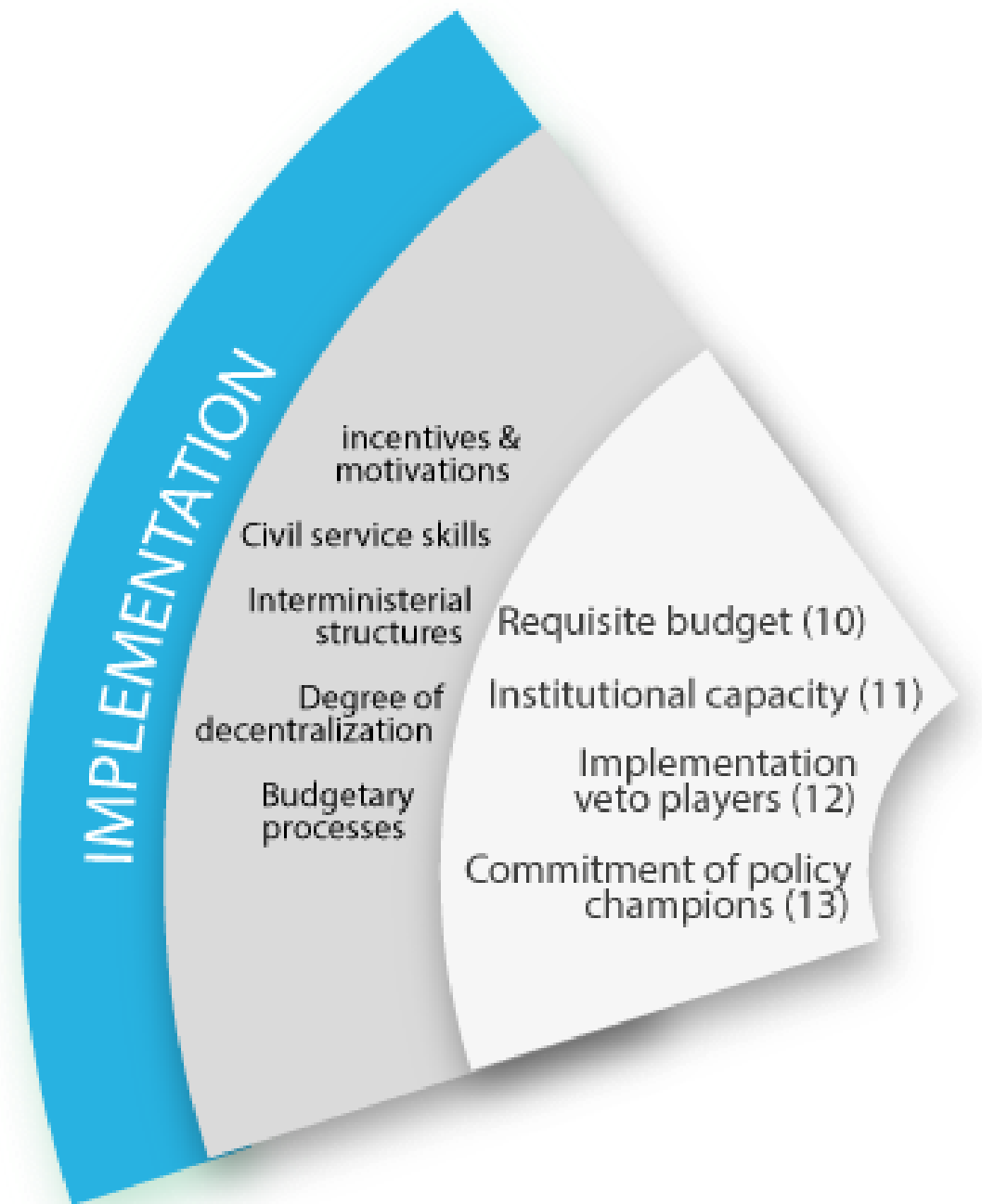
The Kaleidoscope Model: Adoption

Powerful opponents,
proponents;
government Veto
players; propitious
timing



The Kaleidoscope Model: Implementation

Requisite budget;
institutional capacity;
implementing stage
veto; policy
commitment



The Kaleidoscope
Model: Evaluation and
Reforms

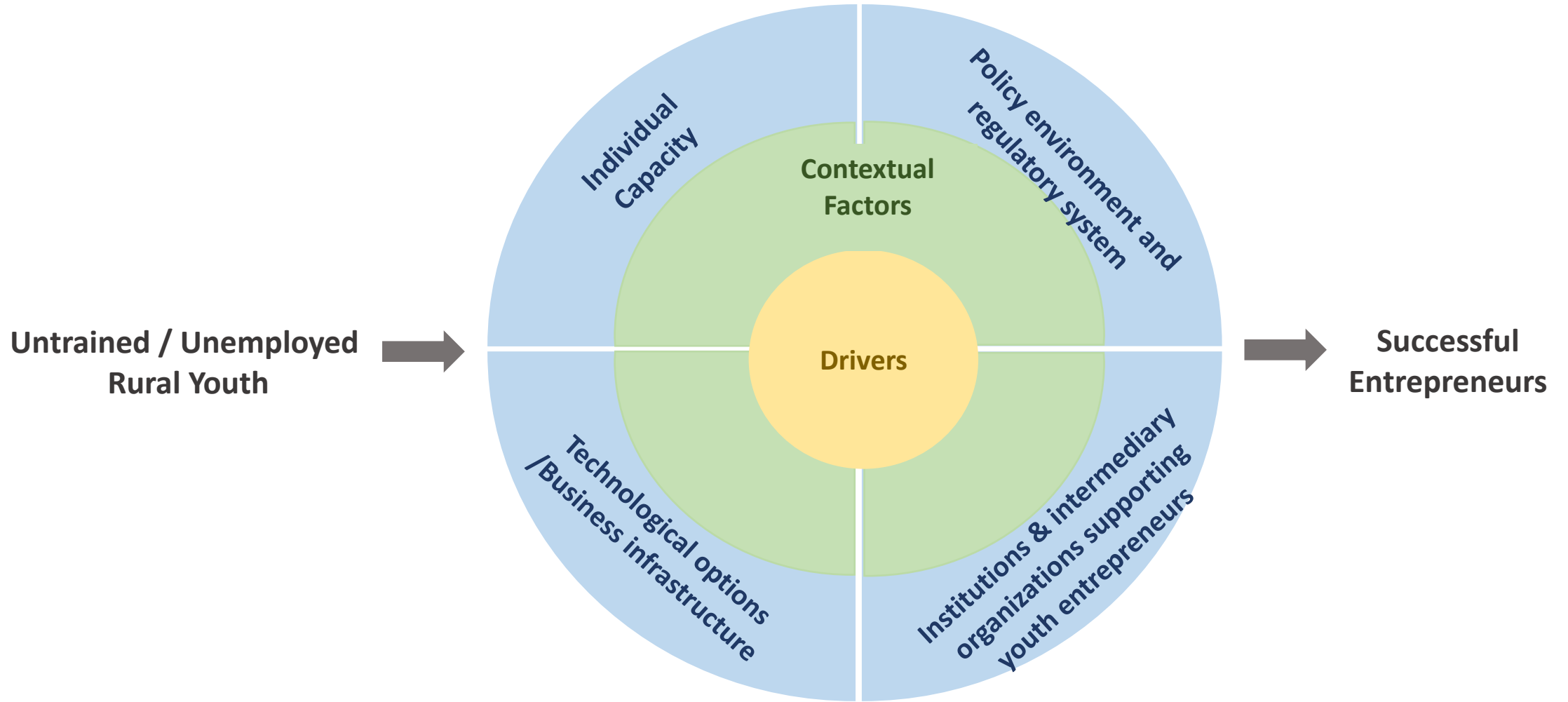
Changing information
and belief; changing
material conditions;
Institutional changes



Motivation for the Country Studies

- High growth of youth population
- Opportunities to engage in agriculture and agribusiness
- What contribution can they make and benefit from?
- Agricultural transformation requires private sector participation
- Connecting these two drivers is an opportunity for youth/Agricultural entrepreneurship development
- Efforts made – remain fragmented – what are best practices?
- What lessons from existing policies and programs?

Conceptual Framework



Key factors and drivers for Agricultural Entrepreneurship (1/4)

Strategic Areas	Contextual Factors	Drivers
Policy environment and regulatory system	<p>Political environment development for youth / youth migration</p> <p>Public-Private Partnership opportunities</p> <p>Infrastructure for business / access to assets (such as land, markets, etc.)</p> <p>Governance and judicial system</p> <p>Sound financial system</p> <p>Regulatory environment</p>	<p>National youth policies / Social investment / youth development fund</p> <p>Harmonized policy system including an established entrepreneurship ecosystem</p> <p>Agribusiness strategies / policies (across agribusiness value chains)</p> <p>Export / market / trade opportunities</p> <p>Access to credit and insurance</p> <p>Regulatory support</p>

Key factors and drivers for Agricultural Entrepreneurship (2/4)

Strategic Areas	Contextual Factors	Drivers
Institutions and intermediary organizations supporting youth entrepreneurs	<p>Enabling business environment / financial services</p> <p>Existence of Chambers of Commerce</p> <p>Existence of technical institutions / skill development institutions / building youth capacity</p> <p>Existence of youth associations – networks and mentorships institutions</p> <p>Development of institutional partnerships in value chains</p>	<ul style="list-style-type: none"> • Multi-stakeholder approaches to youth and market opportunities • Access to finance and credit • Access to knowledge and skill development <p>Support from Chambers of Commerce for youth development</p> <p>Farmer organizations, etc. encouraging youth development</p> <p>Agribusinesses courses available at technical institutions or post-secondary level</p>

Key factors and drivers for Agricultural entrepreneurship (3/4)

Strategic Areas	Contextual Factors	Drivers
Technological options / Business infrastructure	<p>Telecommunication infrastructure / ICT and its adoption</p> <p>Availability of technology and innovation</p> <p>Value chain development opportunities / agribusiness incubators / academic / research linkage</p> <p>Information and knowledge system supporting youth</p> <p>Rural roads, storage/logistics infrastructure</p>	<p>Connectivity / access to internet / Cost of mobile / data</p> <p>Access to new technology and its adoption by youth</p> <p>Youth are guided by an entrepreneur ecosystem with multi-stakeholder participation</p> <p>Access to relevant and reliable information</p> <p>Access to input and output markets / processing and storage facilities</p>

Key factors and drivers for Agricultural entrepreneurship (4/4)

Strategic Areas	Contextual Factors	Drivers
Individual capacity / Skills	Working / family business experience Professional incubator facilities for the youth Access to knowledge and research Mentorship in business, networking and community support	Incentives and motivations Education / aptitude for learning Ability / soft skills exposure Business attitude and professional outlook and skills

Bangladesh



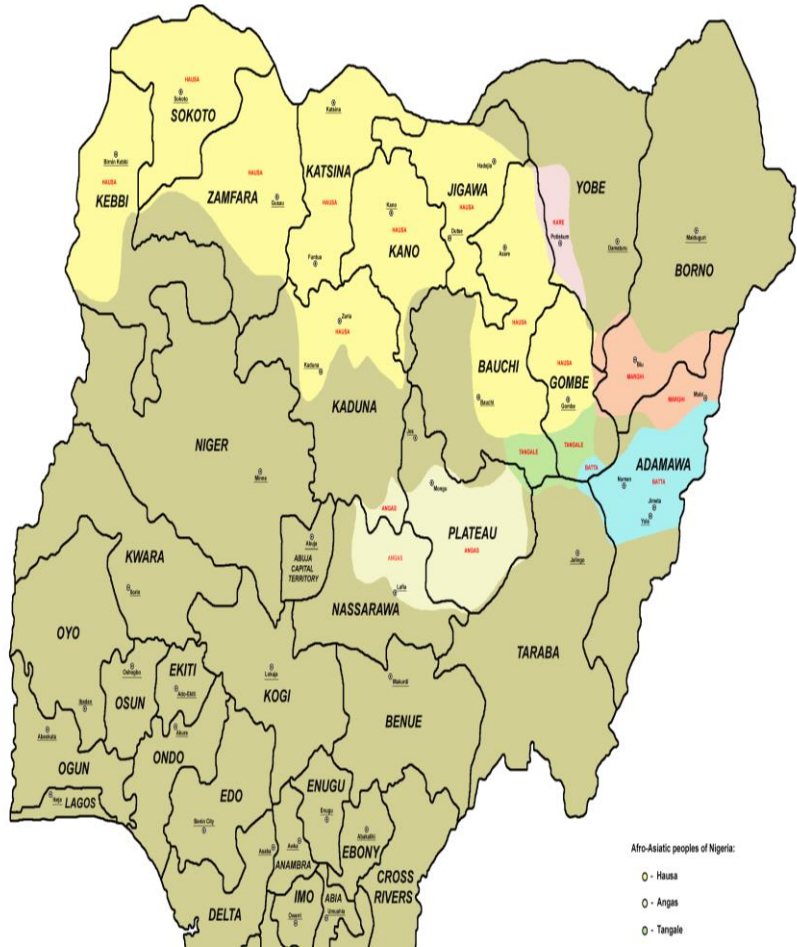
- Policies and strategies have recognized Rural revitalization role of agriculture
- Recognition of youth entrepreneurs in values chains has been high
- Growth in agriculture, poultry, fisheries has brought AE into value chains
- Business ecosystem to support AE has been developing fast, still inadequate
- Agricultural output marketing, and input supply are the key activities
- Rural infrastructure developed well
- Youth participation missing due to high level of urbanization

Bangladesh - Key lessons

- National programs are effective in training rural youth
- Role of NGOs has been key to the engagement of youth in agricultural development programs
- Youth entrepreneurship still can benefit from more organized efforts along value chains
- Systematic landscaping can help effective design of programs
- Agroecology and related value chains will stimulate more youth entrepreneurship
- Linking emerging opportunities to the youth entrepreneurship will help



Nigeria



- Policies and strategies exist for AE development
- Translating strategies into investment lagging
- National policies require state level implementation
- Development of AE ecosystem slow
- Institutions are catching up; inadequate to meet growing needs of AE
- Value chains are poorly organized for youth involvement
- Youth venture into business with high level of risks and failures

Nigeria – Key lessons

- Multi-stakeholder platforms and organized business associations can help
- Mentorship programs as part of the universities - handholding
- Education with skill building better equips
- Initial capital and systematic access to investments helps
- Social capital is key for survival of AE
- Agribusiness incubation centers needed
- Digital and social media speeds up growth
- Link YE to on-going programs – extension systems; Input delivery; seeding production; output aggregation; processing industries

- A



India



- Recent policy changes are youth and business friendly
- Youth entrepreneurship in agribusiness is promoted at all levels
- Family support is more important than organized institutional support
- Agribusiness centers have been successful (NABARD and State universities)
- Agricultural business curriculum in the universities have been driving YE
- State level training programs and Agri-clinics and agribusiness programs have been successful in initiating many youth entrepreneurs
- State subsidy by the government and the training activities are the key

India - Key lessons



- Youth engagement in agribusiness is increasing – ag transformation
- Educated youth are moving to agriculture on their own - opportunities
- Increased opportunities for AE with new set of policies
- Agricultural trading is liberalized, and policy environment is supportive to AE
- Contract farming is expanding the role of AEs
- Investments in farmer producer organizations increasing where youth can participate
- Institutional support is very behind compared to policy support

Implications for Agribusiness Entrepreneurship Development

- Policy and strategy are important beginning for Agricultural Entrepreneurship
- Agribusiness ecosystem needs to be developed of AE development
- Institutional development and infrastructure development is key
- Systematic development of value chains and AE involvement
- Technical, business and social skills needs to be combined
- Agribusiness incubation and mentorship can increase the success
- Multi-stakeholder initiatives show promise and need nurturing
- Identify and engage in high demand activities that match emerging trends

Thank you for your attention!

Your questions & comments are welcome.