

Agribusiness as an Unlocking Opportunity for Youth Livelihood Development

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Abstract

This study explored the role of agribusiness opportunities in youth-led livelihood development activities. The objectives of the study are, to identify the significance of agribusiness' role in youth livelihood development, to understand the potentialities of agribusiness for employment generation and to identify the barriers of the sector in Sierra Leone. Primary data were collected through structured questionnaire and semi-structured interviews. The study has shown that agribusiness has a great potential in diversifying employment opportunities for the youth. Its contribution for food security and the well-being of the community through livelihoods development is magnificent. The study further revealed as the sector is also not free from different challenges like shortage of improved agricultural technology, loose connection across the different stages of the value chain, mind-set of youth to go for agricultural activities and the weak linkage between agricultural productions with the markets. However, to fully realize the capacity of agribusiness in livelihoods development there needs to have a proper understanding of the market and value chain development. In addition to this, there is a need to build up the role of the private sector and support a more plural and strong enabling environment to enable a broader scale uptake of productive market focused approaches.

Key Words: Agribusiness, livelihood, youth, market, value chain.

Introduction

Sierra Leone is located on the west coast of Africa between 60 55' N and 10 000' N (Asamoahi, 2012). The country covers a total land area of 72 325 km². Nearly 75% of the total land area is arable. Sierra Leone is well endowed with a wealth of natural resources. The agricultural sector, comprising food crops, tree crops, fishery, livestock, and forestry sub-sectors is the backbone of the country's economy. Nearly two-third of the population depends on the agriculture sector for its livelihood. Most farmers produce a wide range of rain-fed food and tree crops, predominantly using the slash-and-burn or shifting cultivation farming system (Braima *et al.*, 2006; SSL, 2007; SSL, 2009 cited in Asamoahi, 2012).

Agriculture, including fisheries and forestry is contributing about 46 percent of the GDP in Sierra Leone and providing employment opportunities for about 75% of the population. The crops sub-sector is predominant followed by fisheries (FAO and UNDP, 2013).

The livestock sub-sector is insignificant and underdeveloped. Sierra Leone has abundant water resources, with huge growth potentials in the fisheries sector. There are nine major rivers with catchment areas varying from 720 km² (Peninsular) to 14,140 km² (Sewa). The fishery industry consists of artisanal, industrial and inland fisheries, and aquaculture. Artisanal fisheries operate in estuaries and coastal waters extending from the shoreline to a depth of 15-45 m. It is a significant source of employment, income source for the rural communities, and the largest single source of protein for the majority of Sierra Leoneans. Industrial fisheries operate in the open deep waters and are highly capital intensive and foreign-dominated, but constitute the mainstay for revenue generation from fisheries (Asamoahi, 2012).

Table 1. Arable land distribution in Sierra Leone Ecology

Ecology	Ecosystem	Area (1000 ha)	Percent of arable land	Percent of Total land area
Upland	Upland	4 200	78	58
Lowland	Inland Valley Swamp	690	13	10
	Mangrove Swamp	200	4	3
	Bolilands	145	3	2
	Riverine grasslands	130	2	2
	Arable Land	5 365	100	75
	Non Arable Land	1 870		25
	Grand total	100		7 235

Source: Alieu, 2005 cited in Asamoahi, 2012

Sierra Leone has gone through a ten-year civil conflict which brought considerable destruction, especially in that very vital sector that controls the lives of the people of this country, viz, agriculture. A good percentage of the population, before the war, was composed of young men and women who provided the labour force for activities on the farms. These youths (15-35 years of age) have undergone serious transformations as a result of the civil conflict. Most of them have got themselves completely disoriented. They have found it difficult to cope with life situations since the war ended. Agribusiness has been identified as the best alternative for them as they very much have comparative advantage considering agriculture as the best option since the country has an immense natural resources. There are however serious challenges in this attempt. Problems to be faced in enticing them to go back to their villages and engage in agribusiness may lie with decisions on which type of farming activities to engage in, how they can get the required inputs to engage in the activities they like, how they can receive requisite training in the activities to be undertaken, etc. which requires development actors to work out the modalities for them to go back to their villages and to take agribusiness as an alternative to their life (NAYCOM, 2013).

Objective

The objectives of the study are, to identify the significance of agribusiness' role in youth livelihood development, to understand the potentialities of agribusiness for employment generation and to identify the barriers of the sector in Sierra Leone.

Methodology

The study used qualitative research techniques of data collection. The research undertook a comprehensive search for available literature, including reports and action plans on agribusiness development. Semi-structured interviews and questionnaires were held with different officials working in the sector to solicit their views on agribusiness development challenges and potentials in creating employment opportunities for youth. Focus group discussions were also held with youth to capture their views on the sector. A total of 23 professionals and 52 youth have participated in the data collection process.

Based on the type of methods used to collect the data, the information was analyzed through qualitative research analysis methods. The primary information collected through interview, observation and questionnaires was separately transcribed which helped the raw data to be ready for scientific analysis. Then content analysis of the information was made and main points were analyzed (Roulston, 2001; Boeije, 2010; Flick *et al.*, 2004).

Results and Discussion

From time immemorial farmers have made decisions on what they should grow and at harvesting stages on what they should keep for home consumption and what they are able to sell at the marketplace. In former times sales would have centered on local markets and it

would have been rare for a farmer to venture far a field in search of new market opportunities or to consider developing new, higher value products. This traditional form of agriculture started to change as communities and nations begin to modernize and have a better understanding of economic returns from the agricultural produces. Through processes of urbanization generally fostered by industrialization demand for food from urban dwellers becomes dependent upon ever more sophisticated arrangement of actors involved with aggregation of farm produce, transportation, storage, wholesaling, processing, and retailing. As cities expand, food supply systems develop into increasingly longer market chains with clear divisions according to product type and market segmentation (Mark *et al.*, 2004).

In many parts of the world, agriculture continues to play a central role in economic development and to be a key contributor of efforts in poverty reduction. However, agriculture alone will not be sufficient to address the poverty and inequality that are so pervasive in today's world. Traditionally, little attention has been paid to the value chains by which agricultural products reach final consumers and to the intrinsic potential of such chains to generate value added products as well as employment opportunities (UNIDO, 2009).

The agricultural sector is an engine for growth of employment in Sierra Leone. The country is endowed with favorable climatic conditions, several agro-ecological regions suitable for production of various crops, and abundant water resources. However, only 10% of the cultivable land is cropped every year (GoSL, 2012).

In Sierra Leone, there is enough land, and it is sufficiently fertile; neither topography nor climate can be blamed for the agricultural impasse. Small-scale agriculture is currently not profitable in Sierra Leone. Young people in particular who should guarantee and improve its future express reluctance to do this 'slave's work', to 'suffer under the hot sun', 'without harvesting enough to fill the stomach before going to sleep'¹ (Laurent and Michael, 2011). This is attributed due to several factors. Poor agricultural technology transfer, linkage between agribusiness and research, market information management, poor infrastructure, capacity development and agribusiness technical assistance, local and regional market opportunities, etc. are among the predominant factors which down sized the potential of agribusiness in creating livelihood opportunities for the youth in particular and the community in general. This in turn is making the sector to be a less attractive and less profitable business for youth.

¹ Statements (verbatim) made by young men in informal talks during research in northern Sierra Leone.

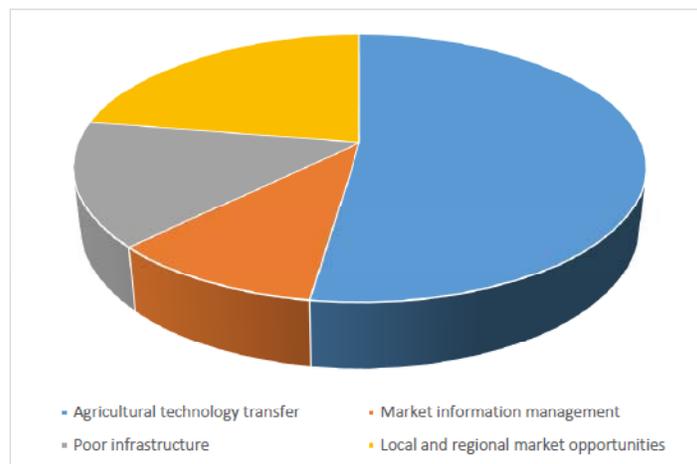


Fig. 1: Analysis on the magnitude of factors affecting agribusiness

Given the natural resources potential of the country to make use of agribusiness development, different strategies can help the sector to create livelihood opportunities. Amongst, diversification of the outputs of the producers can enable them benefit from high value market opportunities as well support low value staple food systems and thus take

advantage of market opportunities profitably. Capacity development of development actors within a defined project territory will also help to support agro-enterprises and facilitate farmers gain access to local business support services like mentorship and coaching. Value addition on produces through proper packaging, pre and post-harvest handling techniques, grading and branding will also play in increasing the profitability of the sector. Establishment of a system whereby assistance in business plan development, market information management, coaching and mentoring services to businesses, linking the young agribusiness entrepreneurs to financial institutions, business and financial management skills provision will also play a predominant role in making the sector more profitable and attractive to the youth.

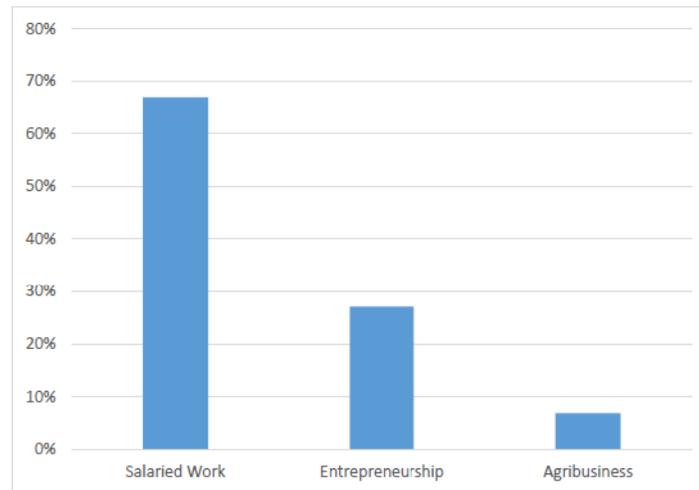


Fig. 2: Analysis of respondents' preference on employment opportunities

Creation of the enabling environment which fits into the Small and Medium Enterprises (SME) mould, is particularly relevant to realizing the potential of the private sector for responding to agro-based market opportunities as part of the process of the economic transformation. The intensification of SME activities in the agricultural sector (value-chain and export-oriented agribusiness and agro-industries) will impact the lives of many in the rural areas who are engaged in low-productivity subsistence and traditional smallholder production.

The realization of the potential of the private sector for employment promotion will require public sector interventions to create an enabling policy environment and to provide a favourable business climate, including physical infrastructure and business support services such as cooperatives. In this regard, Public Private Partnerships (PPPs) can play a vital role with respect to investment in vital public infrastructure to offer the kind of risk-adjusted returns required by private entrepreneurs. The use of PPPs, for example, to provide rural infrastructure using employment-intensive methods would create short-term employment for rural youth and, more importantly, address structural problems of low productivity, inadequate roads and poorly integrated internal markets which are serious constraints on the development of agribusiness and agro-industry and on entry into global supply chains. This type of intervention fits in with the model of a short term employment programme for immediate action complemented by a medium-to long-term strategy that aims, inter alia, to increase the employment content of economic growth in the wider development process (MLSS and MYES, 2011).

Conclusion

Agribusiness provides opportunities for those with inadequate assets and business skills to improve their livelihoods and income sources. Agribusiness is therefore among the forefront initiatives which can help to create livelihoods opportunities for youth. Improving the

productivity of the land resources by strengthening their economic integration through well-functioning markets are essential elements of it. Agricultural products processing, value addition, marketing products, credit services and rural infrastructure development will also help to make the best out of agribusiness initiatives.

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