

INTEGRATED YOUTH AGRIBUSINESS HUBS

Creating Employment Opportunities for Rural Youth in Africa

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Mozambique
YES Project

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BMZ

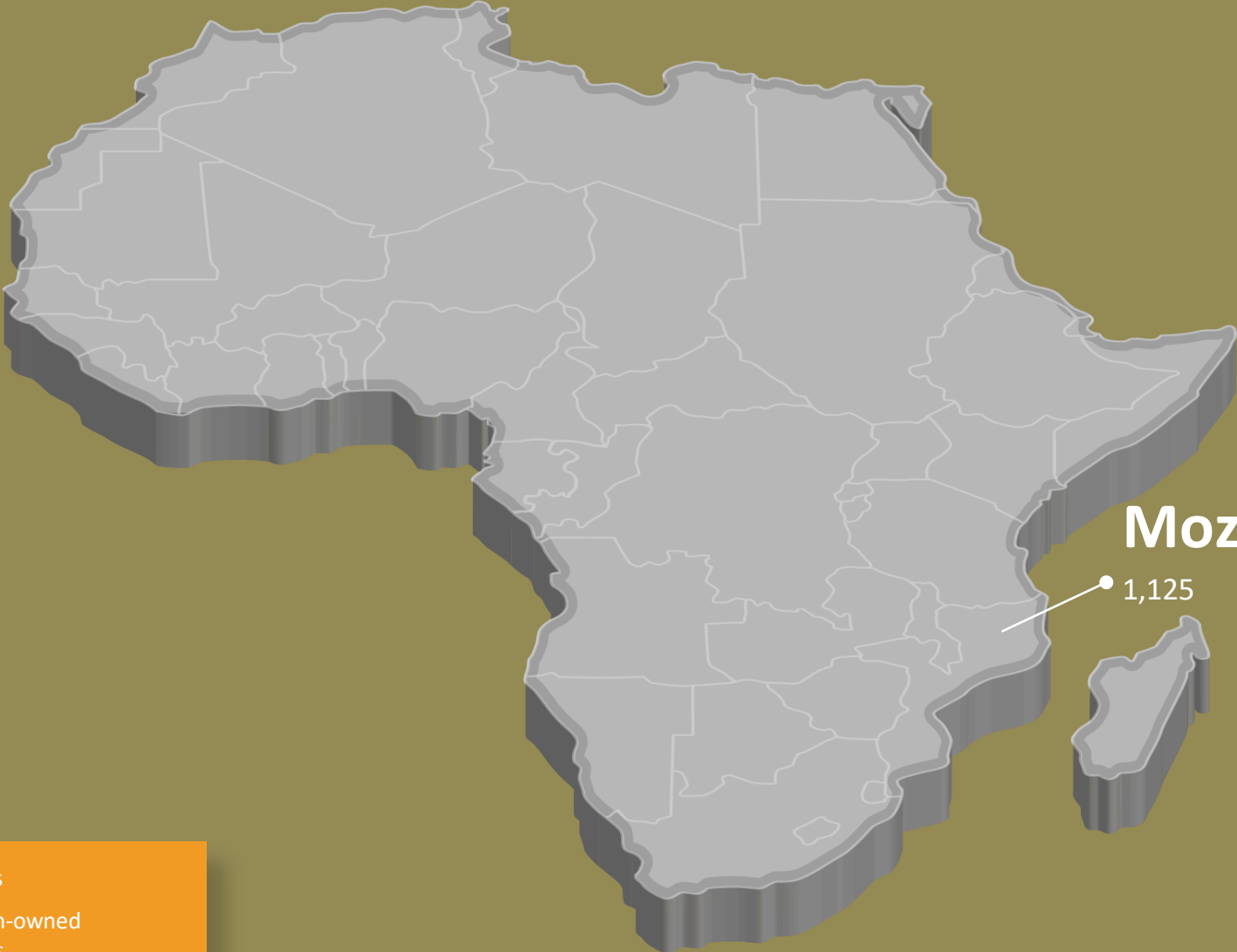


Bundesministerium für
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SCOPE OF THE PROJECT



Mozambique

1,125

9 countries
2,255 Youth-owned enterprises
9,020 Youth enter labour market
11,250 Opportunities for decent work and living incomes

Project Overview

The project promotes both self-employment and wage employment across three target provinces, while focusing exclusively on wage employment in Manica and Tete. A parallel initiative managed by GIZ addresses wage employment in Sofala. This project in Mozambique is part of the initial cohort of five countries participating in the agribusiness hub program.

Key roles and responsibilities

The project is executed through five partners: BAGC, IAC, IPEME, IMEPAC, and IAM, each with specific roles. BAGC is responsible for onboarding private sector partners, connecting with service providers, providing business development services, linking to formal agriculture and agribusiness employment, and creating an ecosystem that facilitates youth access to wage and self-employment opportunities. Additional partners will be engaged as the project evolves.

Milestone

Experience with the initial cohorts indicated that to effectively reach rural youth, further decentralization was necessary. Consequently, the project expanded operations and developed additional partnerships, leading to a combination of facility-based training and community-level training. This approach allows the project to better address the needs and aspirations of rural youth.

Impact

- ✓ **Youth Accessing Wage Employment:** 61
- ✓ **Youth Accessing Self-Employment:** 682
- ✓ **Youth with Improved Market Access:** 70% of incubated youth (544)

JOB CREATION INITIATIVES - RELEVANCE

Among the various areas, the country specific Job Creation Initiatives have proved to have strengths in:

- A Public, Private Partnership
- Operating in the Provinces of Manica, Sofala and Tete
- Promote the development of commercial agriculture and agribusiness within the Beira Corridor of Mozambique.

This has been achieved focusing on

- Three possible pathways: integration as part of the workforce, integration into the company's outreach system (e.g., agro dealer, outgrower), or establishing an independent business in similar activities
- Private sector Opportunities
- Project incentives for private sector

APPROACH'S EFFECTIVENESS

Eligibility Criteria to Access Project Opportunities

Process - Youth Selection and Onboarding

Mobilization

The project disseminates information through distributing program materials like flyers and posters to district government offices, publishing on local radio stations, and conducting workshops in target districts.

Application

Youth access opportunities through a defined process: Call for applications is announced via local media and government channels. Application forms are available at project and local offices. Interviews are conducted at strategic sites. Applications are documented, assessed for eligibility, and registered in a centralized database.

Approach to Promoting Wage Employment

Wage employment promotion includes facilitating internships and apprenticeships, enhancing job market access through application and interview skills, providing mentorship and support for youth entering the agribusiness sector, fostering networking opportunities through trade fairs and online platforms, supporting enterprise expansion for increased employment, upskilling agricultural workers in strategic value chains, and facilitating peer-to-peer learning.

Approach to Promoting Self-Employment

Promotion of self-employment includes skills training, provision of startup kits, assistance with business idea formulation and planning, support for business registration, and facilitation of linkages to technical service providers and financial resources.

LESSONS LEARNED AND RECOMMENDATIONS

1

Challenge of low industrialisation and under development of the formal sector. Self-Employment pathway presents most realistic opportunity for youth

2

Access to finance remains a challenge to youth given their inability to meet qualification requirements of financial institutions.

3

Short cycle agricultural enterprises such as poultry, horticulture are ideal for Youth as they can be produced at varied scale and provide quick returns. Access to profitable markets is often a major limiting constraint.

Recommendations

- Success in self-employment requires addressing multifaceted issues including skills, access to resources and services
- Availability of dedicated financial windows eg. from the IFAD Rural Finance project is an important instrument
- Contract production arrangements improve success of such enterprises

INNOVATION

Private Sector Partnerships

The project has decentralized its services to bring training activities closer to potential beneficiaries through use of local business incubators, on-site training etc. This has approach addressed some of the challenges faced with participation of older youths and women.

Financial Sector And Inclusion

The BAGC has been serving as the Agribusiness Service Provider for the IFAD funded Rural Enterprise finance programme. This provided an opportunity to leverage resources available under this programme to support youth managed enterprises.

Joint Initiatives with other public and NGOs involved in Youth Development

The project has been on boarding youth graduating from other initiatives(Government/NGOs) to take them through wage or self-employment pathways. This is out of realization that these initiatives lack mechanisms to support youths beyond training

Investment Promotion

The Lead project agency and its partners are involved in many agro business development initiatives including private sector development, access to finance, farmer enterprise development and irrigation infrastructure development. These initiatives have been critical in providing solutions to services required by youths to start their own businesses.

PARTNERSHIPS AND COLLABORATIONS

Private sector partnerships has been highly effective in creating job opportunities for youth in Mozambique through

Job Placement and Internship Opportunities

Subside payment of the interns on behalf of the companies during the internship period.

Skills Development and mentorship

Accommodation, meals and transportation expenses of the interns will be supported.

STRATEGIES TO OVERCOME CHALLENGES AND LEVERAGE OPPORTUNITIES

CHALLENGES

- Female Youths in rural areas take on responsibilities fairly early (early marriages) that limit their ability to participate in courses outside their home areas including long duration during any day.
- Higher level of illiteracy among rural female youths
- There is a high interest among women youth to participate in courses offered by IPEME (pastry, bakery and fruit processing) –over 60% of participants are women.
- The project meets most of the costs for participation. Travel costs are the responsibility of participants. Some incidents of candidates that have registered not being able to show and claiming they have not been able to raise money to cover cost of travel .
- Reduced number of older youth in the project.

STRATEGIES TO OVERCOME THESE CHALLENGES

- Organising internship in locations close to residents of potential candidates. To participate in these internship candidates do not need to have passed through training centres
- Reducing the period of training
- Provision of allowances during the period of internship
- Covering the costs of accommodation at internship sites, when required
- Provide BDS support to those already in self-employment to expand scope to generate additional jobs.

STRATEGIES TO OVERCOME CHALLENGES AND LEVERAGE OPPORTUNITIES

MEASURES TAKEN

- Reduce further the duration of resident courses. Now generally 4-6 weeks
- Introducing training and internship programmes in various geographical zones thereby allowing participants to attend to training activities from their homes.
- Project meets 50% of the cost of transport to training centres.
- Providing additional support to female candidates. For example, providing additional allowance to a female candidate with a baby to bring aid to look after baby
- Diversification of courses from mainly agricultural production to value addition and other rural economy type courses

DISCUSSION AND REFLECTION

- In under-developed economies dominated by the informal sector is wage employment a viable strategy to address youth employment problems under this type of initiative
- Financial Inclusion. Youth enterprises generally cannot meet the basic requirements for formal banking sector financing. What options are available to finance youth enterprises
- Skills Development: Is formal academic training adequately prepare youths for self employment
- Gender and youth employment: What are the challenges and opportunities for addressing young women participation in rural employment initiatives

THANK YOU!

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