



AGRIFIN



The Future of Work: Remaking Rural Employment after COVID-19

A Joint CGAP and AgriFin Accelerate Webinar

Jamie Anderson

Senior Financial Sector Specialist, CGAP

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16 July 2020

Vienna | Washington, D.C. | Nairobi

**** We will start on
the hour ****

BILL & MELINDA
GATES *foundation*



THE FUTURE OF WORK

Welcome to this webinar

Today's moderators:



Jamie Anderson

Senior Financial Sector Specialist,
CGAP



Leesa Shrader

AgriFin Programs Director

THE FUTURE OF WORK

Agenda

- **Introductions & Context**
- Presentation of Rural Jobs Study
- Practitioner Reactions
- The Future of Work
- Audience Q&A
- What's Next & Wrap-Up



THE FUTURE OF WORK

Moderating:
Jamie and Leesa



Introducing our Speaker & Two Panels

INTRODUCTORY SPEAKER:



Christabell Makokha
IDEO.org

PANEL 1:



Jenny Rouquette
TruTrade



Nathaniel Peterson
Busara Center for Behavioral Economics



Chandrakanth PS
CropIn

PANEL 2:



May Hani
Food and Agriculture Organization of the
United Nations (FAO)



Mikael Hook
Rural and Agricultural Finance Learning
Lab (RAFLL)



Stewart Collis
Bill & Melinda Gates Foundation



Ben Taylor
Agora Global

Housekeeping



For questions, please use the chat function on the right hand side – we will get to them in the Q&A



Direct your questions at specific panelists, if possible



This webinar will be recorded and sent to all participants afterwards

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Speaker: Christabell
Makokha



AGRIFIN ACCELERATE

RURAL JOBS LANDSCAPE STUDY

*Exploring rural job opportunities for
youth in agriculture*

JULY 2020



AGRIFIN



mastercard
foundation

Dalberg

RELEVANCE OF THE STUDY

Speaker: Christabell
Makokha



Why is this study important and what is the relevance in the context of the COVID-19 pandemic?



Relevance:

- About a third of Kenya's population between the age of 15-34 years is struggling to find meaningful employment.
- By 2024, a majority of the 9.6 million rural youth will find it challenging to find meaningful jobs in agricultural value chains.
- The challenge of youth unemployment is further compounded by the ongoing COVID-19 pandemic, as millions of youth previously engaged in the gig economy or informal employment have lost their source of livelihoods.

Study objectives:

1. To understand the scale of the challenge of youth unemployment in Kenya
2. To identify opportunities for meaningful job creation for youth in the agriculture sector
3. To provide a framework for development actors, government, and funders to explore innovative ways to tackle the youth unemployment challenge

THE CHALLENGE

Speaker: Christabell
Makokha



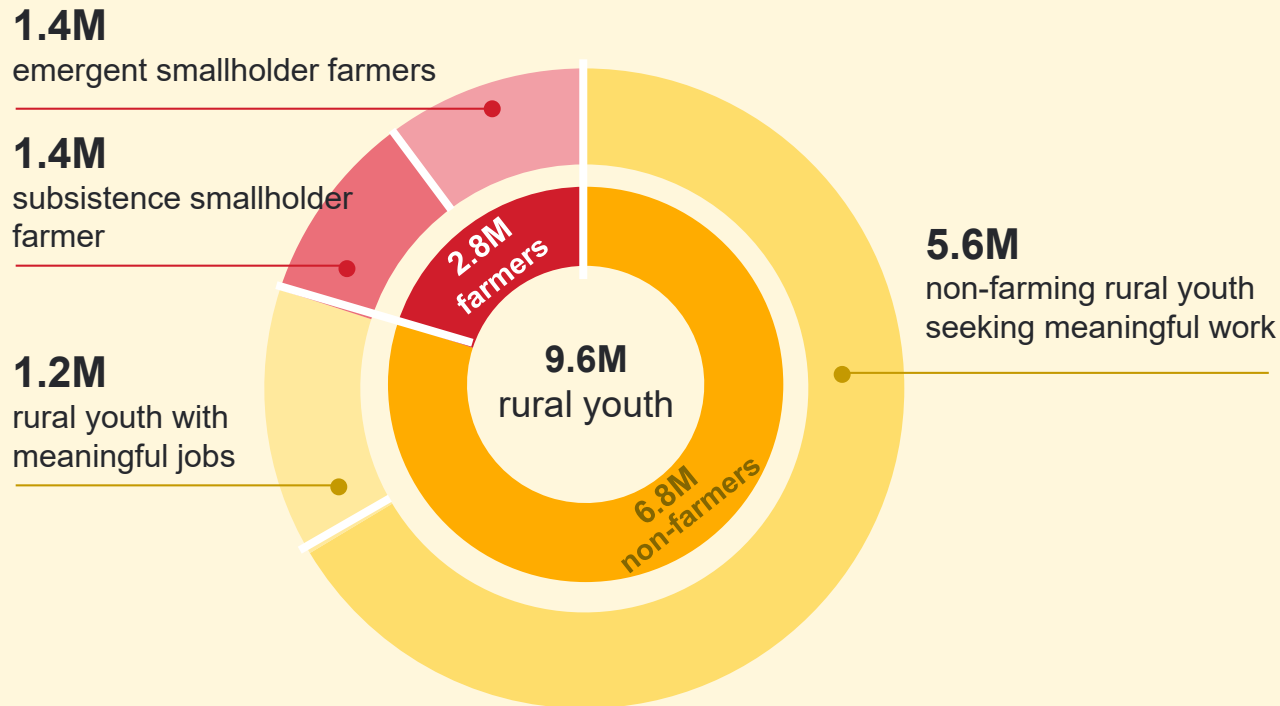
By 2024 there will be 9.6m rural youth in Kenya who will face a challenging job market

- **2.8m** estimated rural youth farmers (29%). Half of these (**1.4m**) will be young subsistence farmers not earning a meaningful wage
- **6.8m** estimated non-farming rural youth (71%). Based on the current market, only **1.2m** will be engaged in meaningful work.
- Agriculture and ag-related services alone will not be able to meet the demand for **5.6m** additional youth jobs



YOUTH UNEMPLOYMENT CHALLENGES

Projected numbers for 2024 indicate Kenya's growing rural youth population will face a challenging job market



DEFINITIONS

- **Youth¹**: persons aged between 15 and 34
- **Meaningful work**: includes formal or informal work performed with an employer or for one's self that generates an income which meets minimum wages and does not violate fundamental rights (such as the right to free choice of work without coercion, exploitation, or abuse).² It also engages a person's productivity, exceeding 28h a week

Speaker: Christabell
Makokha



UNDERSTANDING YOUTH

Youth bring unique skills and characteristics to agriculture and agri-business, although a number of barriers still remain

VALUE ADD

Flexible disposition: *Young people are open to shifting work environments and are more resilient to the dynamic demands of flexible working patterns*

Quick uptake on new products and new ways of farming: *Youth are able to quickly adopt new products and acquire new skills and ways of working*

More tech-savvy: *Employers note that youth are more conversant with technology, and more open to mastering technology-related skills*

Best educated generation: *61% of Kenyan youth have secondary education or higher, compared to 38% of older generations*

BARRIERS

Limited asset ownership *makes it difficult for youth to start or grow their own ventures*

Access to finance: *Larger lending institutions are more wary of youth due to lack of assets and credit history. Alternative financing organizations also lack youth-centric products*

Limited connections: *Despite high virtual connectivity, youth lack linkages to professional institutions and connections for new job opportunities*

Limited access to and control over resources: *About a third struggle to afford costs associated with job seeking including mobile data*

YOUTH PERSONAS

Speaker: Christabell Makokha



Youth are not a homogeneous group. Targeted and tailored support is required to help them attain a meaningful job



DETERMINED BUILDERS

Achieved success by progressively and intentionally growing their agricultural business activities. They accumulate assets such as land, diversify agricultural activities, and experiment with new ideas and technologies

- **Education:** primary & secondary
- **Tech –usage:** avid smartphone user
- **Land:** inherited or leased
- **Ambitions:** commercial, contract farming



OPPORTUNISTIC MOVERS

Risk takers with a strong belief in their own ability. They succeed through opportunistic wins and have occasional failed experiments. Their social safety net and technology usage help them continue to try new things, but do not guarantee results

- **Education:** vocational college
- **Tech –usage:** avid smartphone user, PC user
- **Land:** inherited or none
- **Ambitions:** Become a successful value-add agribusiness person



STATIC PLANNERS

Prioritize their home and families, seeing agriculture as a means of achieving stability for their dependents. They seek financial independence, which will offer greater freedom to determine their own path within agriculture

- **Education:** primary school
- **Tech –usage:** basic or feature phone user
- **Land:** inherited or leased
- **Ambitions:** autonomy over finances to support dependents



ROOTLESS CLIMBERS

Ambitious for success in agribusiness and other businesses but struggle to make their aspirations real. They dabble in other value chain businesses, relying on their knowledge and work ethic to help them persevere

- **Education:** primary school
- **Tech –usage:** feature phone user
- **Land:** none or leased
- **Ambitions:** consistent and stable income

Source: Dalberg Analysis

The above are stylised personas and not intended to be representative of all youth in Kenya

Speaker: Christabell Makokha



OPPORTUNITY AREAS

While agricultural value chains will not absorb all job-seeking youth, it can provide a large number of opportunities

1.4M

smallholder farmers

5.6M

non-farming youth seeking meaningful work

FARMING AS A BUSINESS FOR SUBSISTENCE FARMERS

~870K NEW JOB AREAS FOR NON-FARMING YOUTH

Youth-focused bundled services to provide:

- Access to finance
- Access to quality inputs
- Access to information, including good agricultural practices, weather, products and markets

PRODUCTION

~ 260,000 jobs
in commercial farming

~250,000 jobs
created by new contract farming

Potential roles:
contract farming, small-scale farming, farm hand roles, farm management, seasonal workers

SERVICES ACROSS THE VALUE CHAIN

~ 140,000 jobs
in aggregation and agent services

Potential roles:
input sales agent, produce aggregator, insurance agent, product sales, agro-dealer, field officer, stockists, driver, equipment leasing, data collector/verifier

AGRO-PROCESSING

~ 227,000 jobs
in manufacturing, export processing, food hubs, fish processing and leather processing

Potential roles:
washing/cleaning, machine operators, technical advisors, quality inspectors, equipment sales, repair and maintenance

**JOB TRANSFORMATION/
UPLIFTING / UPSKILLING**

NEW JOB CREATION

RURAL JOB CREATION

OPPORTUNITIES ACROSS THE AGRICULTURAL VALUE CHAIN



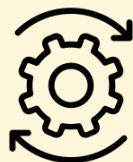
Speaker: Christabell Makokha



AGRICULTURAL PRODUCTION

Agricultural production offers the largest opportunity for job creation by (i) moving subsistence farmers into farming as a business and (ii) developing commercial farmers' capacity.

*High potential value chains include poultry, horticulture, and vegetables. There are **~260K** jobs in commercial farming; and **~250K** jobs in contract farming.*



VALUE-ADD AGRIC SERVICES

Value-add agricultural services a growing sub-sector which has provided an increasing number of jobs in agent networks, aggregation and logistics.

*There are **~70K** jobs in agent roles (commissioned work); and **~70K** jobs in aggregator roles (entrepreneurial opportunities).*



AGRO-PROCESSING

Agro-processing can provide meaningful work to low-skilled labour. The current industry is small¹ however there is growth potential.

*There are **~227K** jobs spread across government plans to establish agro-processing hubs, fish processing, leather processing and tea processing facilities.*

STRATEGIC OPPORTUNITIES

HOW IS AGRIFIN
THINKING ABOUT
CREATING 1 MILLION
JOBS IN THE NEXT 5
YEARS?



Speaker: Christabell
Makokha

1. Promoting farming as a business by providing end-to-end services for youth

2. Building a digital platform to promote youth access to land

3. Matching demand and supply through job matching platforms

4. Using edutainment and eLearning platforms to shift youth perceptions towards agriculture, as well as upskilling youth

5. Matching demand and supply through public private partnerships to build connectivity hubs serving as centers of excellence for rural youth

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Practitioner Reactions

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Vice President, Partnerships, Busara
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Chandrakanth PS

Lead Sales, Middle East & Africa,
Cropln

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The Future of Work

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Jamie Anderson



PANEL 2:



May Hani

Policy Officer, Rural Institutions and Services, Food and Agriculture Organization of the United Nations (FAO)



Stewart Collis

Senior Program Officer for Digital Agriculture, Bill & Melinda Gates Foundation



Mikael Hook

Director, Rural and Agricultural Finance Learning Lab (RAFLL)



Ben Taylor

CEO, Agora Global

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What's Next & Wrap-Up

1. **Receive an email** with the recording, the slide deck, full study report, and answers to questions left unanswered during this webinar
2. **Respond to our survey** about this webinar – how did we do? What can we improve?
3. **Access the full Rural Jobs Landscape Study** through the Mercy Corps AgriFin website (mercycorpsagrifin.org)
4. **Reach out to us** with questions, suggestions, ideas!

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Thank You!



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