



Food and Agriculture
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Youth-sensitive value chain analysis and development

*Guidelines
for practitioners*





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Guidelines for practitioners

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Cover photos (from top)

A member of FAO trained group of youth Mkulima Youth Group inspects the watering system at a farm in Kiambu, Kenya.
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Local Employers working at "Domaine Elboura" citrus packing house, Taroudant, Morocco.
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Staff members pack up the product at the Africa Improved Foods factory, Kigali, Rwanda.
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A Pakistani boy displays a book featuring pictures of the children with caption "Protect the Children from the Agricultural poisons", Vehari, Pakistan.
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Two members of FAO trained group prepare some feed for the local kienyeji chicken in a farm in Kiambu, Kenya.
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Foreword

The world's youth population (15–24 years old) has reached the unprecedented figure of 1.2 billion, with 88 percent of them living in developing countries. This exceptionally high number of youth, constituting 47 percent of the working age population, represents an enormous potential for economic development. However, youth face multiple employment challenges, and are often overrepresented among the most vulnerable categories of workers, especially in rural areas and informal sectors.

If the majority of youth are unable to secure gainful employment with adequate living income, youth unemployment and underemployment rates will continue to increase with the growing youth population. In addition to missing the opportunity to harness a demographic dividend, this may lead to high numbers of frustrated youth and potentially incite political and social instability. Additional stressors such as climate change and pandemics may further aggravate the situation. It is therefore imperative for countries to become resourceful in creating and promoting more and better jobs for youth.

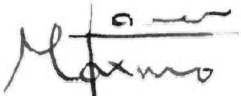
Investments in the development of sustainable agricultural value chains offer immense opportunities for youth in rural and urban areas. The engagement of young people in agricultural value chains and agrifood systems development is key to addressing the significant untapped potential of this sizeable and growing demographic. Young people are indeed best placed to rejuvenate the sector, acquire the knowledge and skills needed to innovate, uptake new technologies, foster the competitiveness of the agriculture sector and spearhead its digital transformation. With their ability to learn fast and their innovative spirit, youth can drive change and accelerate the transition to more sustainable production and consumption patterns that are needed to achieve the goals of the Agenda 2030 for Sustainable Development and feed the world's growing population. In their school-to-work transitions, youth are driven by economic opportunities and the value chain development approach can help to identify these opportunities and promote decent youth employment within the sector.

Youth-sensitive value chain analysis and development provide tools and methods to identify, select and promote the most promising value chains and opportunities for youth inclusion, youth employment and entrepreneurship. With a focus on youth, their heterogeneity, inequalities and unique talents, the value chain approach can therefore assist with the dual objective of creating new jobs and improving the existing ones for youth.

This *Youth-sensitive value chain analysis and development* guide provides the background information and guidance needed by practitioners for selecting an agricultural value chain with significant potential for youth employment and entrepreneurship and offers tools to conduct context-specific youth employment analyses. It explains how practitioners can identify and analyse constraints and opportunities for decent youth employment at each function of the core and extended value chains. Given that youth engagement in value chains is impacted heavily by social issues and value chain governance, a push/pull factor analysis is introduced as a tool to assess the factors that push and pull youth into employment and entrepreneurship in the value chains. Further guidance is also provided for the inclusion of economic, social and environmental sustainability considerations, as well as how to develop youth-inclusive strategies in value chain upgrading actions and supporting policies.

The guide is based on in-country work of the Agrifood Economics Division (ESA) and the Inclusive Rural Transformation and Gender Equality Division (ESP) teams of the Food and Agriculture Organization of the United Nations (FAO). It is a joint production of the ESP Decent Rural Employment Team (DRET); the global FAO Integrated Country Approach (ICA) programme for boosting decent jobs for youth in the agrifood system, funded by Swedish International Development Cooperation Agency (Sida); and the ESA Sustainable Markets, Agribusiness and Rural Transformation (SMART) team. The work started in Uganda in 2017 and is further promoted in the emerging Opportunities for Youth in Africa (OYA) programme and other youth in agriculture related activities. This publication is part of a set of handbooks on Sustainable Food Value Chains (SFVC), and follows the analytical approach and terminology used in the *Developing sustainable food value chains – Guiding principles* (FAO, 2014) and other FAO SFVC publications available through the FAO Sustainable Food Value Chains Knowledge Platform (FAO, 2021c).

The intended users of the *Youth-sensitive value chain analysis and development* guide are practitioners in a wide range of organizations, including governments, international organizations, non-governmental organizations, research institutes, youth organizations and the private sector. The participatory and youth-centred approach presented in this guide encourages practitioners to collaborate closely with youth organizations, give youth a voice, and empower them to take advantage of development and business opportunities in the agriculture sector.



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Abbreviations and acronyms

BEE	business enabling environment
DRE	decent rural employment
FAO	Food and Agriculture Organization of the United Nations
FAOSTAT	FAO Corporate Database for Substantive Statistical Data
FAPDA	Food and Agriculture Policy Decision Analysis
FGD	focus group discussion
GDP	gross domestic product
GIZ	German Agency for International Cooperation
GSMA	Global System for Mobile Communications Association
HACCP	Hazard Analysis and Critical Control Point
ICA	Integrated Country Approach
ICLS	International Conference of Labour Statistics
ICT	Information and Communication Technology
IDS	Institute of Development Studies
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
ISO	International Organization for Standardization
KII	Key Informant Interview
M&E	monitoring and evaluation
M4P	Making Markets Work Better for the Poor
MINAGRI	Ministry of Agriculture and Animal Resources, Rwanda
NAEB	National Agriculture Export Development Board
NEET	not in employment, education or training
NGOs	non-governmental organizations
PRA	Participatory Rural Appraisal
RRA	Rapid Rural Appraisal
SACCO	Savings and Credit Cooperative
SDGs	Sustainable Development Goals

SFVC	sustainable food value chain
SMEs	small- and medium-sized enterprises
SNV	<i>Stichting Nederlandse Vrijwilligers</i>
SSA	sub-Saharan Africa
SWOT	strengths, weaknesses, opportunities and threats
UN	United Nations
UN DESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNGA	United Nations General Assembly
UNIDO	United Nations Industrial Development Organization
USAID	United States Agency for International Development
USD	United States dollar (currency)
VC	value chain
VCA4D	Value Chain Analysis for Development
VCD	value chain development
YSVC	youth-sensitive value chain

CHAPTER 1

Introduction





1.1 » BACKGROUND

With rapid population growth in recent years, youth unemployment and underemployment have become serious challenges in many developing countries, where approximately 88 percent of the world's 1.2 billion youth live (FAO, 2021a). Rural areas in particular are disproportionately impacted due to their remoteness, limited infrastructure, high poverty rates and overall slower economic development. Productive and decent employment and entrepreneurial opportunities for rural young women and men remain limited. As a result, youth may be forced to migrate to urban areas or even away from their home countries.

Over the years, the agriculture sector has absorbed a large share of the rural working-age population, including young women and men. Yet, in most developing countries, especially in sub-Saharan Africa (SSA), agriculture often does not provide decent and meaningful work or adequate livelihood opportunities (ILO, 2020a). In such countries, labour-intensive subsistence agriculture on family farms is the norm, offering little incentive for youth to pursue a career in the sector.

Nevertheless, the potential of sustainable agriculture and food value chains (VCs) to create gainful employment is yet to be fully harnessed. Indeed, the ongoing modernization and globalization of economies is positively impacting the primary sector. It is spurring changes in the business environment and has contributed to the transformation of the agriculture sector from subsistence to market-oriented production which offers new employment and entrepreneurial opportunities for youth. Modern technologies applied along agricultural value chains lead to increased yields and improved productivity and efficiency in agricultural production and marketing systems. Improvements in the quality of agricultural products, reduced losses and more stable and reliable supplies to first buyers and final consumers are some of the gains being realized. Even though the agriculture sector remains one of the biggest contributors to climate stresses, evidence shows that, if scaled up, more sustainable practices are able to transform economies and enable food systems to access and promote greener practices, green jobs¹ and innovative solutions which can contribute to regenerating critical resources (UNDP/GEF, 2017).

Furthermore, driven by growing demand and increasingly diverse consumer needs and choices, new markets are evolving at the local, national, regional and global levels. Although some of these markets recently experienced distribution and import disruptions due to the external shocks of the COVID-19 pandemic, new employment opportunities and new markets are emerging as countries adapt

¹ Green jobs are decent jobs that contribute to preserve or restore the environment, be they in traditional sectors such as manufacturing and construction, or in new, emerging green sectors such as renewable energy and energy efficiency. See: ILO, 2016b.

and seek to build more resilient agrifood systems. Investments in the agriculture sector were prioritized in some countries to boost local food production and shorten food supply chains. Some cities are investing in urban and peri-urban production of local food crops (FAO, 2020b).

Globalization and local food security initiatives are presenting more and new types of economic opportunities along all functions of the agricultural value chains (production, aggregation, processing and distribution), as well as in the associated support services. While the broad evidence about some critical social and environmental impacts of global food value chains should not be overlooked, in order to end poverty by 2030, most income gains will have to be derived from economic activities in rural areas, most of which are in the food system or linked to it (Townsend *et al.*, 2017). Value chain development not only responds to the needs of our growing population by creating decent jobs but also contributes to maintaining and rebuilding natural capital as a critical economic asset and the main substance of public benefits, in particular for poor people whose livelihoods and food security are deeply rooted in nature.

Investments in the development of sustainable agricultural value chains offer immense opportunities for youth in rural and urban areas. Value chain analysis (VCA) and development provide the means to identify, select and promote the most promising value chains for youth inclusion, youth employment and entrepreneurship opportunities. Applying a value chain analysis approach with a youth focus, therefore, can address the dual objective of creating decent jobs that also provide safety to build up livelihoods and support young families.

Value chain analysis provides insights into the operations of the value chain and it guides practitioners to identify economic and social opportunities and clarify leverage points for interventions. Youth-sensitive value chain (YSVC) analysis is a starting point for youth-inclusive agricultural value chain development. The analytical framework proposed for youth-centred value chain analysis is based on FAO's Sustainable Food Value Chain (SFVC) approach (FAO, 2014). Starting with the confirmation of existing markets and market access conditions, YSVC analysis guides practitioners to assess the core and extended value chains, their governance and the enabling environment in which the value chains operate. Youth engagement in value chains is impacted heavily by social-related issues and VC governance. As such, a push/pull factor analysis is introduced as a tool to assess the factors that push and pull youth into employment and entrepreneurship in the VCs.

Applying this framework, FAO conducted youth-sensitive VC analyses in Kenya, Rwanda and Uganda under the Integrated Country Approach (ICA) programme (See Box 1). Projects and studies were commissioned to analyse and guide the development of value chains with the greatest potential for youth inclusion and to identify the constraints and opportunities for the creation of decent employment



and entrepreneurship opportunities for youth. Examples from these projects are used throughout this guide to illustrate some of the concepts and tools.

Box 1. FAO ICA Programme

The global programme “**Integrated Country Approach (ICA) for boosting decent jobs for youth in the agrifood system**” is one of FAO’s flagship programmes to promote the productive engagement of youth in agriculture. The success of this approach to the promotion of decent rural employment at country level is achieved by building synergies across different interventions, such as capacity development, institutional support, knowledge generation and partnership creation. The approach stems from the recognition that, for example, providing skills development for youth without facilitating their access to markets and credit may result in a failure.

Each intervention is tailored to the local needs and capacities with youth-centred value chain analysis providing the direction for specific upgrading actions. More info on ICA is available at: www.fao.org/rural-employment/work-areas/youth-employment/ica-programme

1.2 » OBJECTIVES AND SCOPE OF THE YOUTH-SENSITIVE VALUE CHAIN (YSVC) GUIDE

A plethora of practical and comprehensive materials on agricultural VC analysis and development have been published by many agencies, including FAO.² This YSVC guide provides a framework focused on youth employment and entrepreneurship, and serves as an addition to the existing guides. It addresses youth-specific issues and gives guidance for the application of the youth-sensitive approach to agricultural value chains.

The YSVC guide provides practitioners with technical guidance for selecting an agricultural VC with significant potential for youth employment and entrepreneurship and offers tools to conduct context-specific analyses of youth employment and entrepreneurship in agricultural value chains. It explains how to identify and analyse challenges and opportunities for decent youth employment at each function of the core VC and the extended VC that provide support to the chain.

² Examples include: FAO, 2019c; European Commission, 2021; ILO, 2021a.

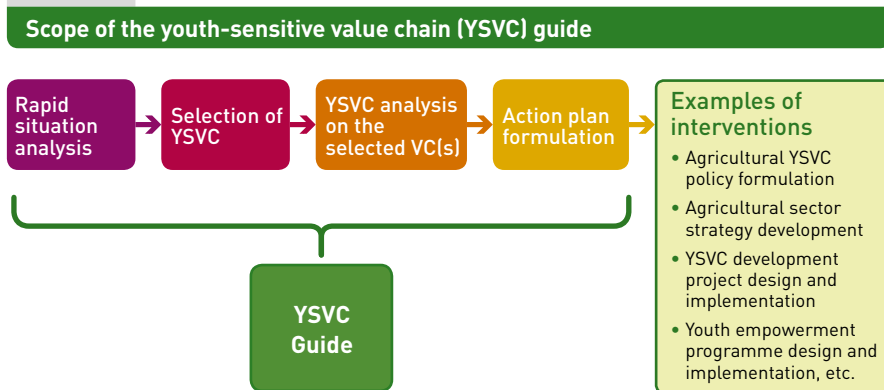
The expected outcome of the analysis will inform and guide the development of strategies that include youth in value chain upgrading actions and supporting policies. The guide provides a youth-focused framework and leaves scope for flexible and practical application by practitioners carrying out the work at country level to tailor each intervention to the local needs and capacities.

The participatory and youth-centred value chain analysis presented in this guide encourages practitioners to collaborate closely with youth organizations, give youth a voice and empower them to take advantage of development and business opportunities in the agriculture sector.

Scope of the Youth-Sensitive Value Chain (YSVC) guide

Figure 1 outlines the scope and sequence of work proposed by the YSVC guide. It covers the process from a rapid assessment of the broader context of youth employment in the agriculture sector to the establishment of action plans for the targeted VC. Implementation and monitoring of proposed interventions are outside the scope of this guide.

FIGURE 1



Source: Authors' elaboration.



The intended users of the YSVC guidelines are practitioners in a wide range of organizations, including governments, international organizations, non-governmental organizations (NGOs), research institutes, youth organizations, and the private sector. Specifically:

- » VC analysts or researchers who incorporate youth employment dimensions into VC analyses and assessments;
- » VC actors who create and promote employment opportunities for youth in agricultural VCs;
- » Staff and consultants of international development organizations and NGOs who work on agricultural VC development and/or decent rural employment (DRE) promotion with a focus on youth.

The YSVC analysis will provide policy-makers, project/programme designers and managers with evidence-based recommendations for policies, strategies and actions to support decent employment and entrepreneurship opportunities for youth in agricultural VCs.

1.3 » **IMPLEMENTATION PHASES AND TEAM COMPOSITION**

The YSVC analysis follows a series of phases described in Table 1 and includes the selection of value chain(s) with opportunities for youth employment. A minimum of four to five months will be required for the preparation of the work, actual field work, documentation and submission of a final report. Depending on the complexity of the value chain or geographical size of the region or country, the timeframe may increase.

The YSVC analysis is participatory and requires the research team to work closely with intended beneficiaries and value chain actors. Ideally, a series of participatory stakeholder workshops will be organized by a youth-sensitive multi-disciplinary team that leads the exercise and consists of a minimum of four persons. It is desirable to have an expert in agricultural economics and marketing, a production/processing and environmental expert (with technical knowledge about the VC commodity), a youth or gender expert and a research assistant in the team.

TABLE 1

INDICATIVE TIMETABLE FOR THE IMPLEMENTATION OF YSVC ANALYSIS AND ACTION PLAN DEVELOPMENT		
PHASE	PURPOSE, ACTIONS AND OUTPUT/OUTCOMES	WEEK
1. Start-up phase	» Formation and training of the research team » Work plan finalized » Development of data collection plan and tools » Desk research and initial meetings with ministries, partner agencies and beneficiary groups, including representative youth organizations when available » Identify stakeholders to be invited to the inception workshop (focus on ministries, development agencies, research institutes, NGOs, youth organizations, youth champions and entrepreneurs who support and employ youth) » Preliminary value chain selection by project team and in consultation with host government (if required) Outcome: Work team formed, informed and prepared for inception stakeholder workshop, programme agenda, presentations and group work designed and so on. VC selection report if the preliminary VC selection was required	1 to 2
2. First multi-stakeholder workshop	» Introduce purpose of the work and methodology » Value chain selection » Gather additional market and technical information and contacts » Presentation of work plan and confirmation of visits to production areas, regions and major places of relevance Outcome: VC selection report with documented information on the selected value chain for deeper analysis, stakeholders informed, research methodology and work plan validated	3
3. YSVC analysis and field work	» Data collection and analysis » Field survey, end market analysis, assessment of situation of youth and VC functional analysis, using tools as needed, such as key informant interviews (KIIs) and focus group discussions (FGDs) (if justified) Outcome: First report and preparation of findings and initial recommendations for validation workshop	4 to 8
4. Second multi-stakeholder workshop	» Stakeholder validation workshop » Participatory workshop to discuss and validate the YSVC analysis findings with key stakeholders » Focus on youth/business representatives and VC actor representatives, selected representatives from Government and partner agencies Outcome: Validation of YSVC analysis findings, filling data gaps (short report)	9

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PHASE	PURPOSE, ACTIONS AND OUTPUT/OUTCOMES	WEEK
5. Report finalization	» Finalization of comprehensive draft YSVC analysis report » If needed, follow-up meetings with key informants, confirmation and processing of data. » Outline of the value chain upgrading strategy and action plan Outcome: Final draft YSVC analysis report and outline of upgrading strategy and planning workshop	10 to 14
6. Third multi-stakeholder workshop	» Upgrading and action planning workshop » Validate the VC upgrading strategy and action plan with VC actors, government ministries, partner agencies, donor agencies and beneficiary representatives Outcome: Summary report with agreed upgrading actions in support of youth employment, recommendations to decision-makers	15
7. Report completion	Finalization of a) YSVC analysis report and b) Upgrading strategy and action plan	16 to 18

1.4 » VALUE CHAIN DEVELOPMENT AND ANALYTICAL FRAMEWORK

This section of the guide provides an overview of the value chain development approach and makes the first link to decent youth employment and its assessment in the YSVC analysis.

VC development focuses on creating and adding value to a product that is desirable and demanded by consumers. A variety of individuals, groups, businesses and organizations are involved at different stages of the value chain. Each VC actor has his or her own interest and specific roles. It is therefore essential to involve actors and other stakeholders from all functions of the VC and the enabling environment when conducting a VC analysis.

Given that the demand for fresh and processed food is constantly increasing, agricultural value chain development in rural areas is an effective approach to grow industries and businesses with significant potential for youth employment, as well as youth led-businesses. However, there are two important elements to be considered when applying the value chain approach in the agriculture sector:

» End market analysis is the starting point of a VC analysis.

Identifying and analyzing consumer choice and market demand are important as the VC upgrading activities, which will be developed based on the analysis, need to be derived from the market requirements. Before any deeper analysis at the production or enterprise level, the existence of a viable market needs to be confirmed through a rapid assessment of the end market.

» Importance of sound management and governance of the VC.

In most agricultural VCs, it is not a single firm controlling all activities and making business decisions, but it is a range of actors from producers, through intermediaries, processors and retailers. How they are organized and managed under their governance structure has great implications for upgrading (ILO, 2015a). The power dynamics between actors impact the decisions made and the follow through for the implementation of upgrading actions.

The actors are all involved in the value-adding process to produce and distribute VC products to the end market. From the market side, the consumer and market-related information (e.g. retail prices, consumer choices and preferences, etc.) is fed back to the VC actors. In the ideal situation, this two-way information exchange contributes to transparency and drives the decision-making processes to ensure competitiveness, profitability at all levels of the value chain and the chains' overall sustainability.

The VC approach has been used for different purposes and thematic foci, including for specific agriculture sub-sectors (livestock, fisheries and forestry), gender, nutrition and climate change, or a combination of them (FAO, 2016a). The concept has evolved over the years, and different VC-related frameworks have been developed.

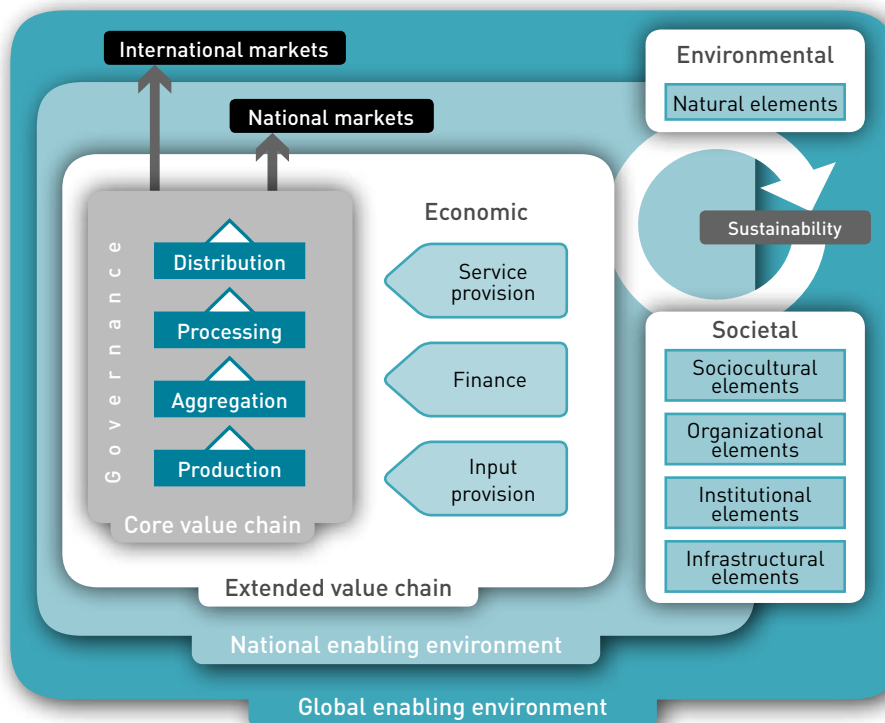
For the analysis of agriculture based and food value chains, FAO developed the SFVC framework (Figure 2). A SFVC is defined as:

“.... the full range of farms and firms and their successive coordinated value adding activities that produce particular raw agricultural materials and transform them into particular food products that are sold to final consumers and disposed of after use, in a manner that is profitable throughout, has broad-based benefits for society and does not permanently deplete natural resources” (FAO, 2014, p. vii).



FIGURE 2

The sustainable food value chain (SFVC) framework



Source: FAO. 2014. *Developing sustainable food value chains: Guiding principles*. Rome.

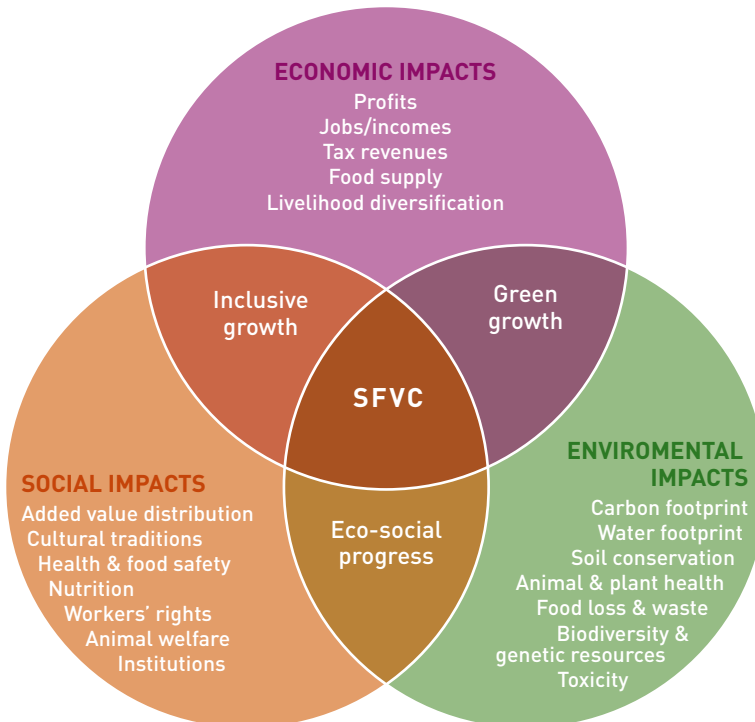
In this definition, the “full range of farms and firms” refers to both VC actors who take direct ownership of the product (in the core VC) and various input and service providers in the extended VC (FAO, 2014). The core VC typically consists of production, aggregation, processing and distribution; the extended VC consists of input provision, finance and other service provision (agricultural extension, IT support, marketing services, etc.). The extended VC provides necessary support for the core VC to function effectively.

The SFVC framework is built from a market-driven perspective. End market analysis is as essential as functional analysis for each function of the core and extended VCs. Functional analysis aims to identify the VC’s structure and dynamics, specifically: VC actors’ capacities and incentives that drive their behaviours; the VC’s constraints and their root causes; the leverage points; and any implications for improving the VC’s performance (FAO, 2014). For many countries and earlier projects, the identification of economic opportunities and approaches to improving efficiency and profitability of VC actors has been the key driver for undertaking a VC analysis.

The SFVC framework highlights the importance of the “triple bottom line of sustainability” (FAO, 2014, p. 23), which is based on the three dimensions of economic, social and environmental sustainability (Figure 3). This indicates that a VC is part of a broader agrifood system, in which the core and extended VCs operate, and the three aspects of sustainability and the impact of the value chain need to be taken into account when each function of the core and extended VCs are analysed (FAO, 2014). Simultaneously, governance mechanisms, linkages among VC actors, the business enabling environment (BEE) (e.g. policy frameworks and infrastructure), also need to be considered in the assessment work. Such a multi-dimensional VC analysis will help spot adequate leverage points and actions which can contribute to sustainable VC development and the creation of various employment opportunities. However, trade-offs between sustainability targets will be unavoidable and will require VC stakeholders to set priorities for upgrades that yield the greatest benefit to the entire chain (FAO, 2019c).

FIGURE 3

The three dimensions of sustainability in food value chain development



Source: **FAO**. 2019c. *Developing sustainable value chains for small-scale livestock producers*.
FAO Animal Production and Health Guidelines No. 21. Rome.



Additionally, the sustainability of value chains depends on their resiliency and response to economic and environmental changes (FAO, 2019c). Resilience, as defined in the FISH4ACP methodological manual (FAO, 2021a), is the capacity of an agrifood value chain to continue generating and delivering value (food products and services) in the face of abrupt or gradual disturbances in supply or demand through the recovery from unexpected shocks, the avoidance of tipping points and adaptation to ongoing change. The COVID-19 pandemic shock tested the performance of global food systems and reinforced the importance of assessing and building the resiliency of VCs.

This guide does not provide in-depth approaches on “how to conduct” sustainability and resilience analyses, but highlights the implications for youth as a vulnerable group. Chapter 5 briefly discusses the dimensions of sustainability as they relate to opportunities for youth, areas for youth inclusion and provides references for in-depth tools.

The engagement of young people in value chains and food systems development and productive activities (wage or self-employment, in and off-farm) is key to increase the generational turnover, foster the competitiveness of the sector and the vitality of rural areas, and ultimately addressing the significant untapped potential of this sizeable and growing demographic. Young people are indeed best placed to rejuvenate the sector, acquire the knowledge and skills needed to innovate, uptake new technologies and spearhead the digital transformation. With their ability to learn fast and their innovative spirit, the youth can drive change and accelerate the transition to more sustainable production and consumption patterns that are needed to achieve the goals of the Agenda 2030 for Sustainable Development and feed the world’s growing population. Youth are driven by economic opportunities. The VC approach can help to identify these opportunities and to facilitate decent youth employment in the agriculture sector.

1.5 » STRUCTURE OF THE YSVC GUIDE

This guide is structured as follows:

- » **Chapter 2** provides an overview of the current situation of the global youth population, the increasing unemployment challenges and opportunities to creating decent employment and entrepreneurship for youth in the agriculture sector. Concepts of youth, youth-specific issues and constraints facing vulnerable groups, decent work deficits and employment status are also explained.
- » **Chapter 3** provides practitioners with guidance to assess the broader context of youth employment in agriculture value chains.

- » **Chapter 4** presents a participatory methodology and introduces youth selection criteria for selecting an agricultural value chain with significant potential for youth employment and agripreneurship.
- » **Chapter 5, the core of the guide**, introduces the youth-centred VC analysis framework to identify and analyse the key constraints and opportunities for decent youth employment of selected VCs. A five-step process for conducting a YSVC analysis is presented with analytical tools such as push/pull factor analysis and guiding questions to assess economic and market-related factors, social, environmental and the natural environment through a youth lens.
- » **Chapter 6** provides guidance for the establishment of action plans informed by the findings of the YSVC analysis for upgrading strategies and policy interventions in support of job creation and entrepreneurship in youth-centred value chain development.

The YSVC guide is part of the FAO Handbook Series on SFVCs, and follows the analytical approach and terminology used in the *Developing sustainable food value chains – Guiding principles* (FAO, 2014) and other FAO SFVC publications available through the FAO Sustainable Food Value Chains Knowledge Platform (FAO, 2021c). Readers and practitioners are encouraged to consult the above listed resource links to deepen their understanding of the subject.

C H A P T E R 2

Promoting decent work for youth as a global priority





Rising unemployment rates and failure to provide sufficient decent work contribute to poverty, the risks of social unrest (ILO, 2020a) and migration. Youth in particular are more prone to migrate, in search of better opportunities and the fulfilment of their personal goals and aspirations (FAO, 2019d). One-third of all international migrants are youth within the 15–34 age group (UN DESA, 2019). While migration can be an engine of economic growth and contribute to the reduction of inequalities both within and between countries, it is important to boost alternatives to make migration a free choice (see Box 2) and not a necessity (FAO, 2019d). Although the current growth of the youth population in developing countries presents labour force absorption challenges, it also offers opportunities where young people can contribute significantly to economic growth and transformation of their communities. Young people are essential for both rural and urban development, and developing economies in particular are now confronted with the urgent need to generate more jobs, both through self-employment and wage employment, to absorb a rapidly increasing working age population as well as to improve the quality of existing jobs.

This chapter provides guidance on the dimensions of decent work and the challenges that youth may experience across different forms of employment and will aid practitioners in understanding (and therefore responding) to youth-specific realities.

Next, the concept of youth, their heterogeneity and the corresponding employment constraints facing vulnerable and marginalized groups are examined.

Box 2. Migration as a choice

Migration poses both challenges and opportunities for food security, sustainable agriculture and rural development. For instance, losses in human capital and agricultural labour may have negative impacts on crop production and food availability. Furthermore, young migrants can end up in precarious, low paid and hazardous occupations. On the other hand, people who migrate may be able to escape poor living conditions, reduce pressure on resources in the places they leave behind and support rural areas of origin through transfer of skills, know-how and remittances to family back home. Policies and interventions should therefore aim at ensuring that rural migration represents a voluntary decision based on real opportunities. This requires providing attractive livelihood options in rural areas and reliable information for potential migrants to evaluate their options in order to make migration a choice.

Source: FAO. 2019d. *FAO Migration Framework*. Rome.

2.1 » YOUTH

2.1.1 Definition of youth

Different countries and regions define “youth” in various ways, with the ages used in their definitions generally ranging from 15 to 35. The African Youth Charter and the Association of Southeast Asian Nations (ASEAN) define “youth” as “every person between the ages of 15 and 35 years,” while the Economic Commission for Latin America and the Caribbean (ECLAC) adopted the age range of 15–29. The United Nations (UN), for statistical consistency across countries and regions, define “youth” as those between 15 and 24, without prejudice to other definitions by Member States.

This YSVC guide adopts the fluid representation of youth as the transition period of dependency during childhood to independence of adulthood and defines youth by the broader age range of 15–35 to accommodate the definitions adopted by most developing countries. This range includes the raised age ceiling of the youth definition (UNESCO, 2016) which caters for the extended period of dependency of young people due to rising unemployment rates and increasing costs of establishing an independent household.

2.1.2 Heterogeneity of youth

Youth are not a homogenous group but constitute diverse sub-groups based on factors such as gender, age, educational levels, health status, ethnicity, residential status, marital status and so on. These factors affect their employment status, and it is important to understand and examine the employment-related needs and opportunities of the different youth groups in order to design and implement effective YSVC interventions. Reaching vulnerable youth through focused value chain strategies and action plans is important in reducing inequalities and guaranteeing inclusive development. Vulnerable and marginalized groups of youth and the particular constraints to consider in relation to them when conducting YSVC analysis are discussed below.

(1) Young women

Despite evidence that investing in young women’s education, skills and economic empowerment generates immediate and long-term social dividends, young women are still disproportionately affected by poverty and inequalities. They are over-represented in the informal economy and face distinct constraints in accessing productive resources and benefits from economic advancement in agricultural value chains compared with young men.³ They are more likely to be supporting

³ For further information, please refer to FAO (2016a).



the household and have less opportunity to obtain paid work [12 percent compared with 21.4 percent of young men (Elder *et al.*, 2015)]. Root factors such as reduced mobility, early marriage, young motherhood status, limited education, restricted ownership of land and control of productive resources, discriminatory laws and social norms (e.g. women being usually clustered in lower value activities of value chains or in production of staple food for the household's use) and the unequal sharing of unpaid domestic work limit their participation in the labour market.

Young women also face particular constraints in participating in the management of producers' and workers' organizations for a variety of reasons, including relatively low literacy levels and lack of confidence to defend their interests as compared with young men. Globally, young women are less likely than young men to become entrepreneurs, in part due to cultural and societal barriers in some countries, but also due to lack of necessary business and entrepreneurship skills. They often end up in smaller informal businesses and income-generating activities, mainly in lower value-added services. In many developing countries, women do not inherit land, and despite the presence of legal systems that grant women equal property and inheritance rights, enforcement remains a challenge (FAO, 2014; IFAD, 2019).

(2) Younger youth

Within the age range of 15–35, employment status and job-related profiles vary significantly. A sub-group that deserves special attention is younger youth between the ages of 15 and 17.⁴ Youth in this group might have reached the minimum age to work legally in some countries, yet they face specific vulnerabilities and challenges, such as limitations in opening a bank account or joining representative organizations due to their status as minors. This stage in their life is particularly decisive in determining how they will transition from school to work and for the likelihood of transitioning out of poverty.

They should be protected from hazardous work, which is not allowed below the age of 18 (and if performed is considered child labour).⁵ This is very important to consider when engaging youth in the agriculture sector, which is one of the

⁴ According to the United Nations Convention of the Rights of the Child, youth below 18 are also still children, since 'children' are defined as persons up to 18 years old (see UNGA, 1989).

⁵ Hazardous work is work which by its nature or under the circumstances in which it is carried out is likely to harm the health, safety or morale of children. It is regulated by the *Worst Forms of Child Labour Convention, 1999 (No 182)* (ILO, 1999b). What constitutes "work which by its nature" is hazardous for children is determined nationally in a government-led process of tripartite consultation to develop a hazardous work list. What constitutes "work which by the circumstances" is hazardous to children is determined on a workplace-by-workplace basis. The *Worst Forms of Child Labour Recommendation, 1999 (No 190)* (ILO, 1999a) suggests that, when determining hazardous work consideration should be given, *inter alia*, to several typologies of work frequent in agriculture, such as: work with dangerous machinery, equipment and tools, or which involves the manual handling or transport of heavy loads; work under particular difficult conditions, such as work for long hours or at night; work in unhealthy environment which may, for example, expose children to hazardous substances, agents or processes, or to temperatures, noise levels or vibrations damaging to their health.

most hazardous occupations.⁶ Risks related to pesticide poisoning, strenuous work and transport of heavy loads, and the use of motorized equipment or other dangerous tools are particularly relevant for those aged 15–17, and therefore protective arrangements must be adopted.

(3) Less educated youth

Differences in education levels should be examined, as youth capacities and technical skills vary according to the quality and amount of education received over the years. Access to primary and secondary education, vocational trainings and dropout rates should be assessed when analysing skill gaps and literacy levels required for employment.

(4) Indigenous Peoples

Youth from Indigenous Peoples are often among the most marginalized and oftentimes live in the least connected areas with poor access to productive resources and public services (IFAD, 2019). They record higher levels of illiteracy, school dropout rates and unemployment rates, as well as lower incomes compared with the rest of the population. Many roles within Indigenous communities are traditionally reserved for older men, leaving young people underrepresented in leadership positions and in decision-making processes within their communities (IFAD, 2019). Mental and behavioural health issues which lead to alcoholism, drug abuse, depression and suicide disproportionately affect these communities compared with the rest of the population.

(5) Migrants

Young migrants (e.g. refugees; internally displaced persons; migrant workers; internal or international migrants; permanent, temporary or seasonal migrants; documented or undocumented migrants) face constraints when securing employment within their country and across borders. Large numbers of migrants work under informal or casual arrangements, leaving them unprotected and vulnerable to exploitation, poverty and food insecurity. They are often without access to social protection, education and health care, with undocumented migrants facing an additional layer of vulnerability. In addition, once far from the informal safety nets of their social networks and traditional culture, young migrants can easily end up being socially excluded. In areas of origin and destination, it is crucial to consider migrant-specific issues, such as official migrant registration, access to information and social protection, issuance of labour certifications for returnees, introduction of (seasonal) agricultural migration support labour schemes and remittance-investment schemes among others.

⁶ Globally, there are still about 37 million youth aged 15 to 17 engaged in hazardous work in agriculture (who account for 42 percent of all employed youth in this age group). Around 71 percent of all child labour worldwide takes place in agriculture (ILO, 2017b).



(6) Youth with disabilities

Youth with disabilities are among the most marginalized of the world's youth population. They have a lower probability of entering, staying or advancing in school and face significant barriers to finding and maintaining employment. In every society they face the highest unemployment rates and severe social, economic and civic disparities. Also, households including persons with disabilities often have lower incomes than those not affected by disability as family members may sacrifice wage-earning activities in order to take on care-giving roles at home (UNICEF, 2013). However, with the right support, youth with disabilities can make important contributions to agricultural value chains, and awareness should be generated about their potential and needs. In particular, information and communication technology (ICT) plays a crucial role in improving access to and integration in the job market for youth with disabilities (ITU, 2013).

(7) Youth from vulnerable households

The labour market transitions of youth are also heavily affected by their respective household backgrounds. Youth living in poor households and youth-headed households, or those who are orphans, face additional disadvantages in accessing decent employment opportunities. Dedicated and integrated actions to address the social exclusion faced by these groups is required and should include social assistance, such as cash transfers, in combination with skill building or employment support, to provide them with a minimum income (IFAD, 2019).

2.2 » YOUTH BULGE CONTRIBUTES TO INCREASING UNEMPLOYMENT

The youth population (15–24 years old) has reached the unprecedented figure of 1.2 billion, accounting for 16 percent of the world's population (or 31 percent when adopting the 15–35 age range). Approximately 85 percent of the youth population live in developing regions of Africa, Asia, and Latin America and the Caribbean, with most of them living in rural areas. Moreover, due to demographic transformation in developing regions, the youth population will continue to grow fast in the coming decades. Most of this increase will take place in SSA, where the population is projected to double by 2050, from 1 066 million to 2 118 million people, of which almost 300 million will be additional rural residents (UN DESA, 2019). This huge increase in the number and proportion of a country's youth population is known as “youth bulge” and it impacts a country's dependency ratio⁷ as young adults enter the working age.

⁷ Dependency ratio: Ratio of non-working age population to working age population.

The exceptionally high number of youth, representing 47 percent of the working age population (UN DESA, 2019) should be regarded as having enormous potential for economic development. However, they face multiple employment challenges, and are often overrepresented among the most vulnerable categories of workers. Youth are three times more likely than adults to be unemployed, with a global youth unemployment rate of 13.6 percent of the youth labour force of 497 million, corresponding to 67.6 million youth unemployed (ILO, 2020b). Also, one-fifth of young people globally are not in employment, education or training (NEET). Across all regions, young women are especially overrepresented in the NEET category due to a variety of gender-related factors, including socio-cultural norms and practices. Additionally, the total labour underutilization⁸ rate for young people (26 percent) is more than twice the rate for adults (11 percent), with 141 million young people affected (ILO, 2020a).

If the majority of youth are unable to secure gainful employment with adequate living income,⁹ the youth bulge will continue to elevate the already increasing unemployment rates. This may in turn lead to high numbers of frustrated youth who will migrate or potentially incite political and social instability (Yifu Lin, 2021). It is therefore imperative for countries to become resourceful in creating and promoting more and better jobs for youth.

2.3 » **CREATE AND PROMOTE MORE AND BETTER JOBS FOR YOUTH**

When young women and men do find employment, the quality of their employment remains a concern as they face severe decent work deficits (see Box 3). General age-specific constraints include limited involvement in decision-making processes, lack of confidence and limited access to productive resources (land, capital), skills development, education, knowledge, information, markets and financial services (FAO, CTA and IFAD, 2014).

Both at the household level and societal level, youth are often excluded from decision-making and their opinions ignored. At the policy level, this exclusion results in insufficient support for the varied needs of all sub-groups of youth. As agripreneurs, youth are perceived as “high risk” and may face barriers from

⁸ Labour underutilization includes the unemployed as well as two additional categories: people in work who would like to work more paid hours (“time-related underemployment”), and people out of employment who would like to work but whose personal situation or other factors prevent them from actively searching for a job and/or being available for work (“the potential labour force”). Therefore, the sum of unemployed, time-related underemployed and the potential labour force is defined as composite labour underutilization or total labour underutilization (see ILO, 2020a, p. 18).

⁹ While there is no universal definition of living income and monetary amount may vary within the local context, it is generally agreed that living income or living wage enables workers and their families to meet their basic needs. It is therefore an essential aspect of decent employment (see United Nations Global Compact, 2021).



financial institutions reluctant to provide credit, loans and insurance services to them. Most youth seldom own land or other assets required as collateral for loans. Limited access to land, markets and financial information can also stifle the development of entrepreneurial ventures (Townsend *et al.*, 2017). In some developing countries, inadequate land titles, inheritance laws and customs are barriers to accessing land for youth, especially for young women. Limited access to quality education and training impacts productivity and the attainment of appropriate skills to match the labour market demand. This challenge is more pronounced in rural areas, where many rural youth exit school early to enter the labour market remaining with low skills and high levels of illiteracy. Poor quality education forces rural youth to engage in economic activities at earlier ages than their urban counterparts and this hinders their shift into decent work (ILO, 2019a).

Challenges might be further exacerbated by the socio-economic contexts, geography and socio-cultural norms and beliefs of the particular community. For instance, when compared with their urban peers, rural youth are four times more likely to work as unpaid family workers and 40 percent more likely to engage in casual work without a contract (ILO, 2019a). For those who participate in large value chains, their rights at work may be limited and not represented because of weak social dialogue between workers and employers due to geographic remoteness and absence of employment relationships (ILO, 2019a).

In emerging and developing countries, almost 17 percent of young workers (15–24 years old) are categorised as (extreme) working poor, living on income below the extreme poverty threshold of USD 1.90 a day in purchasing power parity (PPP) terms (ILO, 2019a). In SSA alone, 58 million working young people – nearly 67 percent of the employed youth population – live in conditions of poverty (ILO, 2019a). This is partly due to the fact that youth often start their working lives in the informal economy, working in casual occupations, out of necessity and with very low remuneration.

Creating more and better jobs for youth is therefore an urgent priority, as confirmed by the inclusion of dedicated youth targets in Sustainable Development Goal (SDG) 8 of the 2030 Agenda for Sustainable Development, “*Decent Work and Economic Growth*” (Box 4). In Africa alone, 14 million young Africans, the majority of whom live in remote rural communities, are expected to enter the job market annually between now and 2030 (IFAD, 2019). Being at a key stage of their lives where they decide their personal and professional future, decent work opportunities can enable youth to acquire vital knowledge and skills that will enable them to prosper in the future and contribute to their respective societies.

The creation of more and better jobs for youth is especially critical in rural areas, where the lack of gainful employment opportunities and poor quality of employment are more dramatic, and results in higher levels of poverty.

Box 3. “Decent work” (defined by ILO) and “decent rural employment” (defined and applied by FAO)

Decent work has been defined by the International Labour Organization (ILO) and endorsed by the international community as “*productive work for women and men in conditions of freedom, equity, security and human dignity.*” It is productive work that delivers a fair income, security in the workplace and social protection for families; better prospects for personal development and social integration; freedom for people to express their concerns, to organize and participate in the decisions that affect their lives; and equality of opportunity and treatment for all women and men. Decent work is enshrined in international law as a human right to which every person is entitled as a means of personal development and socio-economic inclusion.

According to ILO, the **decent work deficit** arises in the absence of sufficient employment opportunities, inadequate social protection, the denial of rights at work and shortcomings in social dialogue.

FAO’s applied definition of **decent rural employment** refers to any activity, occupation, work, business or service performed by women and men, adults and youth, in exchange for pay or profit in rural areas that:

- » Respects the core labour standards as defined in ILO Conventions;
- » Provides an adequate living income;
- » Entails an adequate degree of employment security and stability;
- » Adopts minimum occupational safety and health measures, which are adapted to address sector-specific risks and hazards;
- » Avoids excessive working hours and allows sufficient time for rest;
- » Promotes access to adapted technical and vocational training.

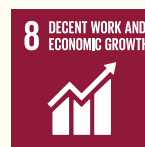
For more information see: FAO’s *Understanding Decent Rural Employment* (FAO, 2015c) and the FAO website on decent rural employment (available at www.fao.org/rural-employment/en).

Approximately 80 percent of the world’s extreme poor live in rural areas where most are dependent on agriculture. Due to limited structural transformations in rural territories, poverty and skills gaps, job opportunities for rural young women and men remain very limited. Rural economies are therefore confronted with two urgent needs: to generate more jobs to absorb a rapidly increasing working age population and to improve the quality of existing jobs.



Youth-centred value chain development offers a targeted approach to respond to these challenges, harnessing youth potential to contribute to the development and innovation of the sector. It enables responses to identified market needs and bottlenecks through entrepreneurial solutions (creating new opportunities and business models) or expanding existing opportunities which are inclusive of (and made for) the next generation.

Box 4. Sustainable Development Goal (SDG) 8: decent work and economic growth



Goal 8 of the Sustainable Development Goals (SDGs)

acknowledges the centrality of decent work for sustainable development by aiming to “*Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*” (UN DESA, 2021).

Particularly relevant for youth employment are the following targets:

- » **8.3** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small- and medium-sized enterprises, including through access to financial services.
- » **8.5** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
- » **8.6** By 2020, substantially reduce the proportion of youth not in employment, education or training.
- » **8.7** Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.
- » **8.8** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

In support of this Goal, the UN-led global initiative “**Decent Jobs for Youth**” has been established. This initiative aims to coordinate key actors involved in the area of decent youth employment, such as governments, social partners, youth and civil society, parliamentarians, the private sector, the media, United Nations entities, academia, foundations and regional institutions, bringing together evidence-based action and impact at country and regional levels.

More information can be found at: www.decentjobsforyouth.org/#latest

2.4 » STATUS OF YOUTH AT WORK AND CORRESPONDING DECENT WORK ISSUES

Youth are engaged in various types of work activities in agrifood value chains, within formal and informal work sectors. Figure 4 summarizes the work terminology adopted across the YSVC guide.¹⁰

There is an important distinction to be made between **employment work** and **other work activities**.

- » **Employment work** is work undertaken **for pay** (equivalent to paid employment) or **profit** (equivalent to self-employment).
- » Instead, **other work activities** are those not undertaken for pay or profit, like **own-use production work** (as in the case of subsistence agriculture producers, whose activities are not market-oriented), **volunteer work**, **unpaid trainee work** and **other unpaid work**.

As **paid** workers, youth can be engaged as permanent or seasonal wage workers, full-time or part-time, fixed-term or short-term and casual wage workers, as well as paid apprentices, trainees and interns.

As **self-employed workers**, therefore working for a **profit**, youth can be either own-account workers with no employees, or employers with employees. The category of self-employed workers therefore comprises of a large spectrum of situations and needs. In terms of size,¹¹ the own-account workers and micro-enterprises (considered here as enterprises of two to nine employees) together make up the largest employment shares in agriculture (ILO, 2019b). In SSA, the Middle East, North Africa and South Asia, own-account workers alone account for more than half of total agricultural employment.¹² For the purpose of this guide, the term self-employed workers is used as equivalent to agrpreneurs.

¹⁰ For further information see ILO (2021d).

¹¹ In terms of size, globally the self-employed and micro- and small-sized enterprises together account for 70 percent of total employment (ILO, 2019b). In many countries, the two smallest economic units – the self-employed and micro-enterprises (two to nine employees) – make up more than 50 percent of total employment. For countries with the lowest income levels, this share comes close to 100 percent, which means that hardly any employment occurs in firms with 50 or more employees. This concentration of employment in the smallest economic units is driven mainly by the high number of self-employed persons. The regions with the highest employment share of self-employment are South Asia (66 percent), sub-Saharan Africa (50 percent) and the Middle East and North Africa (44 percent). Note that in the ILO *Small matters* report (2019b), the term “self-employment” refers to the subcategory of “independent workers without employees” as defined in the Resolution concerning statistics on work relationships adopted by the 20th International Conference of Labour Statisticians (ICLS) in 2018 (ICLS, 2018), and to “own-account workers” as defined in the Resolution concerning the International Classification of Status in Employment (ICSE) adopted by the 15th ICLS in 1993 (ICLS, 1993). So, for the purposes of the *Small matters* report, the term “self-employment” does not include employers (independent workers with employees).

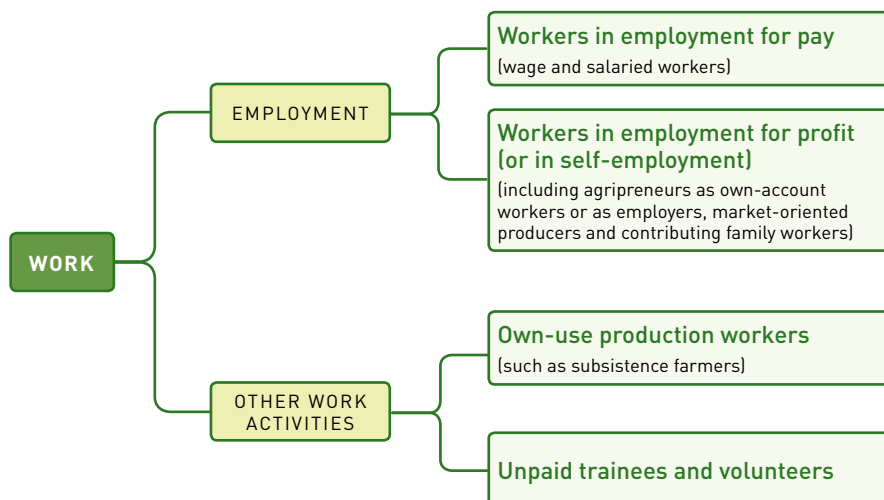
¹² Higher levels of agricultural employment among medium-sized and large enterprises are observed mainly in East Asia and the Pacific, and in Europe and Central Asia, even though still below 10 percent of total employment in agriculture.



Youth also appear frequently among the contributing family workers when they assist a family or household member in a market-oriented enterprise or in their employee job.¹³

FIGURE 4

Work terminology adopted in the YSVC guide



Source: **ICLS (International Conference of Labour Statisticians)**, 2018. Adaptation from *Resolution I: Resolution concerning statistics on work relationships*. ICLS/20/2018/Resolution I. Geneva, Switzerland, ILO.

2.4.1 Employment for profit – youth as agripreneurs

Agripreneurs play a crucial role in agricultural value chains, through the creation of jobs for themselves and others and through the generation of tax revenues from formal businesses. They support other agribusinesses through the supply and demand of key products, services and market linkages. Young agripreneurs generally show a higher level of innovation, keen attention to higher growth markets and are more likely to reap economic opportunities of new trends. With fewer family responsibilities than adults, they are more flexible and can dedicate

¹³ ILO definition: Contributing family workers assist a family member or household member in a market-oriented enterprise operated by the family or household member, or in a job in which the assisted family or household member is an employee or dependent contractor. They do not receive regular payments, such as a wage or salary, in return for the work performed, but may benefit in kind or receive irregular payments in cash as a result of the outputs of their work through family or intra-household transfers, derived from the profits of the enterprise or from the income of the other person. They do not make the most important decisions affecting the enterprise or have responsibility for it (see ICLS, 2018).

more time to their new businesses (FAO, 2019a). They are more likely to employ young workers than their adult counterparts (FAO, 2019a). Therefore, supporting young agripreneurs is expected to make a significant contribution to employment generation for other youth. Young market-oriented agricultural producers are included in this group.

It is important to distinguish between agripreneurs who choose this path based on a vision for their agribusinesses and those who are “forced” to be agripreneurs by necessity, as a means of supplementing their livelihoods due to a lack of alternative decent work opportunities (FAO, 2019a).

There is significant potential for the expansion of youth employment through the support of “opportunity-driven” young agripreneurs. Through innovation and creativity, they are more likely to establish agribusinesses along and around agricultural value chains that reap economic opportunities and contribute to national economic development (FAO, 2019a).

Common constraints faced by youth agripreneurs include the lack of capital and poor access to finance, difficulties in accessing land, weak or limited youth-inclusive regulatory frameworks and lack of business start-up support. They need appropriate skills and access to quality education and adequate training, mentorship and connections to professional networks (FAO, 2019a). Compared with adults, they face additional challenges related to age-specific barriers such as discrimination and lack of experience.

2.4.2 Paid employment – youth as employees

As employees, workers are remunerated in cash or in kind in return for time worked or, in some cases, for each task or piece of work done or for services provided (ICLS, 2018). Being an employee should increase the likelihood of having access to social protection, labour rights and income security. It is therefore seen as a less vulnerable employment status compared with own-account workers or contributing family workers. Yet, in many parts of the world, workers, and youth in particular, are increasingly engaged in non-standard employment, including temporary employment, temporary agency work and part-time employment arrangements. These non-standard forms might be more flexible, but are often associated with significant decent-work deficits such as lower earnings, reduced social security and poor working conditions. Young people are twice as likely as adults to be in temporary employment, with approximately 80 percent of working youth worldwide and up to 95 percent of working youth in developing countries having informal jobs (ILO, 2020b). In rural areas in particular, young people are three times less likely to have contracted employment compared with their urban counterparts, and 40 percent more likely to be engaged in casual wage work without a contract (ILO, 2017a).



Recently, new forms of work have emerged such as dependent contractors¹⁴ (when workers provide goods or services for or through another economic unit) or in the “digital platform economy”¹⁵ (e.g. as providers of agrifood-related goods and services). These new forms of work present opportunities because of their flexibility, but also raise concerns regarding decent work deficits due to the lack of regulation. In particular, there is a lack of existing knowledge regarding the scope and effects of these forms of work in agricultural and food value chains. Overall, promoting more stable and more formal contracts for dependent workers (employees) is a priority, together with the provision of support for the institutionalization of labour markets in rural areas. Stakeholders in agricultural and food value chains have an important role to play in partnering with governments to improve working conditions for wage workers.

2.4.3 Youth as contributing family workers

Many youth in rural areas, especially young women, are categorised as contributing family workers, which is informal by definition, and they lack access to social protection and income security. This, to a large extent, discourages or disincentivizes youth from choosing agriculture as their profession. These youth are not the owners nor decision-makers of the family businesses. They may benefit from in kind provisions or receive irregular payments, but they usually do not receive a regular wage or salary in return for the work performed (ICLS, 2018).

While globally, contributing family workers represent only 11 percent of total employment, in developing countries the share of youth in this category is still above 25 percent (and above 45 percent for young women) (ILO, 2020b). Equipping contributing family workers with skills and supporting them to either access quality wage employment or acquire more recognized responsibilities in the family business is an imperative for moving them out of poverty.

¹⁴ Dependent contractors are workers who have contractual arrangements of a commercial nature (but not a contract of employment) to provide goods or services for or through another economic unit. The latter include vehicle drivers who have a service contract with a transport company which organizes their work, home-based workers who are contracted to perform manufacturing tasks such as assembling garments, etc. The need to include a category for this group in the classifications according to status was recently approved by the 20th International Conference of Labour Statisticians, Geneva, 10–19 October 2018. This group of workers was also previously frequently referred to as the “dependent self-employed” and has been a major challenge for many statistical agencies in both the developed and developing world, since their employment status is deemed to fall between employed and self-employed (ICLS, 2018).

¹⁵ There are a growing number of digital platforms that operate as virtual marketplaces, matching farmers’ demand for inputs (such as equipment, seeds, fertilizers) or services (agricultural advice, transport like Hello Tractor) with suppliers, distributors or agricultural professionals. These marketplaces can also directly involve agricultural production, therefore bring together buyers and sellers of agricultural products, such as M-Farm in Kenya or AgroMarketDay in Uganda. In other cases, these online platforms can be used to raise funds through crowdfunding or sponsorship providing an opportunity for “everyday people” to engage in the agricultural value chain, like FarmCrowdy.

2.4.4 Own-use production work – youth as subsistence food producers

Many young men and women in rural areas are subsistence food producers, which is not considered as **employment** but falls under **other work activities**. For instance, in Uganda, 31 percent of youth are engaged in subsistence agriculture (UBOS, 2018). For these youth, it may be difficult to benefit from the market opportunities and added value that are generated through value chain development as individual producers (see FAO, 2014, p19). In other words, it may be challenging for many of them to transform their activity into a commercially viable business. Nevertheless, opportunities may emerge for them in the value chain by joining producers' groups and cooperatives, or alternatively as downstream entrepreneurs and wage employees.

2.4.5 Unpaid trainees and volunteers

Youth may also engage in other work activities such as unpaid internships or volunteer work. These activities have their own value and often enable youth to acquire important skills, employment training, a pathway into the labour force, mentoring, peer-to-peer support and role models. However, in some instances these arrangements can be exploitative when inappropriately disguised as employment.

Informality is widespread among young workers across different employment statuses. It affects three in four young workers worldwide, and close to 96 percent of young workers in SSA and Southern Asia (ILO, 2020b). Informal employment is rarely a choice, but more often is a necessity arising from the lack of opportunities in the formal economy and from weak mechanisms of social protection (ILO, 2020b). Informal workers and informal economic units are constrained by their lack of legal recognition, which makes it difficult for them to enter into commercial contracts and to access formal lines of credit, social security or government support, as happened during the COVID-19 pandemic (ILO, 2020a, 2021b). The progressive transition to formality should therefore be a priority for the development of more inclusive and sustainable agrifood value chains. In addition, an increase in the country's tax revenues can be used for public programmes and contribute to the social wellbeing and development of an economy. Supporting enterprise formalization should combine measures to reduce registration and compliance costs with incentives like access to finance and social security, as well as business development support for increasing business productivity.

Overall, the decent work challenges faced by youth are worrisome, especially in rural areas and informal sectors (ILO, 2019a), with a large number of youth



subject to precarious working conditions and often exploited. The deficits and abuses along the VCs that impact youth include:

- » child labour and forced labour;
- » widespread informality with no access to social security, casual and unstable engagements, and low pay or low income occupations;
- » exploitative working conditions, including physically tough labour for long hours, and lack of maternity protection;
- » situations in which hazardous agricultural work is performed in the absence of adequate occupational safety and health measures;
- » situations in which younger youth who are below the age of 18, but who have already reached the minimum age to work, are engaged in hazardous occupations (which constitutes child labour);
- » situations of general discrimination and vulnerability facing specific groups, such as women, migrants or Indigenous youth.

This chapter has presented and explored key youth-related concepts to understand and apply when conducting a youth-centred VC selection and analysis. Concepts of youth, decent work, youth status at work and youth heterogeneity were examined. These provide a clear youth-focused lens through which to assess decent work deficits and employment constraints faced by vulnerable youth groups in agriculture.

Although guidance is provided to assess all roles and challenges of youth across their various work statuses in agricultural value chains, the YSVC guide prioritizes the identification and promotion of **employment** opportunities for young people (either for **pay** or for **profit**) compared with **other work activities**. Incorporating a youth-sensitive and decent work perspective into the value chain development approach will aid practitioners to identify adequate entry points for young people into the market, such as through entrepreneurship/self-employment. Furthermore, youth-sensitive value chain development (VCD) can additionally support youth-targeted wage job creation in the agricultural value chain, either directly through other young entrepreneurs as their businesses grow over time or through other value chain operators.

Furthermore, the guide highlights the need to generate employment that is **productive** enough to move people out of poverty and create sustainable livelihoods. Finally, the guide emphasizes the importance of promoting employment that guarantees the **respect of decent work standards**, and hence respects at least the four core labour standards (1. No child or forced labour; 2. No discrimination at work; 3. Freedom of association; and 4. The right to collective bargaining) (ILO, 1998), and progressively advances towards more

substantial labour protections (such as through formalization, good occupational and health standards, and guaranteeing more stable and less casual employment contracts etc.).

Additional resources:

Decent work

- » *Understanding decent rural employment* (FAO, 2016c).
- » *Incorporating decent rural employment in the strategic planning for agricultural development* (FAO, 2016b).
- » *Guidelines for measuring youth employment and decent work in agriculture in developing countries* (FAO, 2018f).

Value chain-related

- » *ValueLinks* (ValueLinks, 2021).
- » *Marketlinks* (USAID, 2021f).
- » *Making Value Chains Work Better for the Poor: A Toolbook for Practitioners of Value Chain Analysis* (M4P and DFID, 2008).
- » *Value Chain Development for Decent Work. How to create employment and improve working conditions in targeted sectors* (ILO, 2016c).

Furthermore, a number of online training courses have been developed and can be found online.

- » FAO e-learning course on productive employment and decent work in rural areas (available at <https://elearning.fao.org/course/view.php?id=329>).
- » FAO e-learning course on promoting youth employment and reducing child labour in agriculture (available at <https://elearning.fao.org/course/view.php?id=389>).
- » FAO e-learning course on developing gender-sensitive value chains (available at <https://elearning.fao.org/course/view.php?id=543>).

C H A P T E R 3

Situation analysis for youth employment in agriculture





The agriculture sector supports livelihoods through formal and informal economies. Young people benefit from employment in the sector but are often at risk of exploitation. Over recent decades, youth employment and related decent work deficits have been widely neglected in the sector. It is therefore important to conduct a situation analysis to acquire a good understanding of and critical information about a country's current agriculture sector, the status of youth development and the intersection of both prior to selecting a VC for deeper assessment and upgrading. The aim of this analysis is to provide a quick overview of the agriculture sector (or specific subsector if already prioritized), the overall state of affairs for youth in the country, youth participation in agriculture, the enabling environment and key relevant supporting policies. This information will also be used to inform the selection of a relevant VC aligned with the agriculture and youth priorities of the country.

Additionally, the overview will assist practitioners to identify relevant stakeholders from government agencies, development partners, projects, those working in the agriculture sector, youth themselves and/or private sector organizations. These supporting partners can later be consulted for their engagement in a transparent and participatory value chain selection process and analysis.

When conducting the situation analysis of specific countries, relevant documents to review include agriculture sector reviews and FAO country profiles or similar background reports, which present assessments of past growth and poverty reduction performance in the sector. They also identify constraints and opportunities for increasing growth and its poverty reduction impacts. National strategic plans and policy documents prepared by the local Ministries of Agriculture (MoAs) and Ministries of Youth Affairs are also very useful resources, as are studies by national and international development banks and other development partners. Table 2 provides an overview of some of the key areas to cover and possible sources of information.

TABLE 2

OVERVIEW OF YOUTH EMPLOYMENT IN THE AGRICULTURE SECTOR			
CATEGORY		DATA AND INFORMATION TO BE COLLECTED	Suggested sources (beyond national documentation and statistics offices)
AGRICULTURE	Economic situations	Contribution to gross domestic product (GDP) by sector and possibly agriculture subsectors, GDP growth patterns, scales of domestic and foreign investments in the sector, etc.	FAO Corporate Database for Substantive Statistical Data (FAOSTAT) World Bank Data Bank
	Policy, strategy, legal and institutional frameworks	Objectives, key issues addressed, prioritized products and issues, eventual prioritization of youth as target group, etc.	FAO DRE policy database FAOLEX database FAO Food and Agriculture Policy Decision Analysis (FAPDA) database
	Major agricultural products	Demand, supply, recent trends of consumption, and so on...	FAOSTAT
	Employment and labour	Share of employment in agriculture (by agriculture subsector if available), gender division of labour in agriculture (if any), etc.	FAOSTAT International Labour Organization Department of Statistics (ILOSTAT) World Bank Data Bank
	Land policy, strategy, legal and institutional frameworks	Objectives, key issues addressed, etc.	FAO Gender and Land Rights Database SDG Indicators 5.a.1 and 5.a.2
	Access to finance	Overall financing to agriculture sector, levels of financial access in rural areas, level of access among young women and men	World Bank Global Findex
	Major challenges	Major challenges in agricultural VC development (economic, societal and environmental challenges)	SDG Indicators 2.3.1 and 2.3.2 World Bank Open Data FAO Fishery and Aquaculture Country Profiles; FAO Country Profiles Human Development Reports
	Ongoing flagship projects/ programmes	Objectives, expected outcomes and outputs, key interventions (= leverage points), implementing agency, target areas and groups, eventual prioritization of youth as target group, etc.	FAO DRE policy database FAOLEX database FAO FAPDA database
DECENT WORK	Core labour standards	Evidence of violations of core labour standards in the agriculture sector or specific subsectors (e.g. evidence or reports of child labour, forced labour, discrimination at work, or limitations of freedom of association and collective bargaining)	SDG Indicators 8.7.1, 8.8.1 and 8.8.2 ILO Child labour statistics
	Other decent work dimensions	Level of informality, average agricultural wages compared with average national wage, evidence of respect of minimum wage (if in force)	SDG Indicators 8.3.1, 8.5.1 and 8.5.2 ILO Country profiles on occupational safety and health

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CATEGORY	DATA AND INFORMATION TO BE COLLECTED	Suggested sources (beyond national documentation and statistics offices)
YOUTH EMPLOYMENT	Demographic data	Youth share (percent) of the national population, by age groups (15–17, 18–24, and 25–35) UN DESA 2019 Revision of World Population Prospects UN DESA International migration data (2019 revision)
	Youth and employment policies, strategies, legal and institutional frameworks	Objectives, key issues addressed, target areas and groups, etc. (specify if youth employment in agriculture value chains is a priority in main youth or employment policies) Note: Check whether there is a dedicated youth in agriculture strategy FAO DRE policy database FAOLEX database Youth Policy Database
	Employment and labour	Youth employment by economic sector; Details of youth engagement in the agriculture sector by age, gender and employment status (e.g. self-employed, agripreneurs, wage-employees, contributing family workers) Youth employment, unemployment, and under-employment rates, youth NEET rate, youth average wages (if available), etc. SDG Indicator 8.6.1 World Bank Data Bank
	Education	Literacy rates, school attainment levels, etc. (disaggregated by urban/rural) SDG Indicators 4.3.1 and 4.4.1 World Bank Data Bank
	Major challenges and /or lessons learnt	Major challenges in youth employment promotion (economic, societal and environmental challenges) Eventual lessons learnt or good practices in youth employment promotion already available (e.g. existing impact assessments) YouthForesight18
	Ongoing flagship projects/ programmes	Objectives, expected outcomes and outputs, key interventions (= leverage points), implementing agency, target areas and groups, etc. FAO DRE policy database FAOLEX database FAO FAPDA database

¹⁶ YouthForesight is jointly hosted by the Global Initiative on Decent Jobs for Youth (DJY) and Generation Unlimited (GenU). It is a one-stop shop providing curated tools, publications, databases and resources to support evidence-based action for supporting young people's education and skilling, employment, entrepreneurship and engagement.

C H A P T E R 4

Selecting youth-sensitive value chains





This chapter provides guidance on how to select value chains for a detailed youth-sensitive value chain analysis and development of upgrading interventions. Youth-inclusive value chain selection and development does not require a radically different way of thinking than traditional value chain analysis. Yet traditional approaches are not by their nature “inclusive” (Making Cents Int. and FINTRAC, 2018). Putting youth first and identifying decent employment and income earning opportunities for female and male youth requires understanding and information beyond the “usual” set of criteria that would be applied in VC selection. Therefore, it is recommended that practitioners follow a proven and field-tested selection approach with the modification and introduction of specific criteria and thinking that focuses on youth and decent work dimensions.

Following the discussion about the process, this section will introduce a set of youth-sensitive criteria adapted from the FAO *Value Chain Selection Guidelines* (Walker, C., DeMatteis, L. and Lienert, A., eds. 2021). As with the overall VC analysis, the approach to take will depend on the situation found in a country, the value chains under discussion and guidance provided by governments and development partners.

4.1 » **PREPARATION AND CONDUCTING A VALUE CHAIN SELECTION WORKSHOP**

Applying a market-driven value chain approach to agricultural and rural development has become the norm. Often government and development partners already have policies or strategies in place and have identified agriculture value chains that offer the greatest benefit for their country’s economies. Furthermore, many countries in Africa, for instance, have already highlighted the important role of youth in the future development of the agriculture sector and have reflected this in their development plans (AU, 2021a, 2021b). Sub-sectors and value chains – or even specific areas within the value chain framework (i.e. in services provision, IT driven supply management, or marketing and transport) – have been identified for greater youth engagement. An example is Rwanda, where horticulture produce value chains have been proposed for development with a focus on youth and gender under the Ministry of Agriculture and Animal Resources (MINAGRI) (MINAGRI Rwanda, 2019).

Value chain selection follows directly after the initial situation analysis (see Chapter 3). It is at this stage that a limited number of value chains for the youth-focused selection exercise have to be identified. Government priorities and confirmation of existing markets for a value chain and its products are the two preconditions which have to be met for a VC to be sustainable and considered for selection. Without these two criteria being met, any development efforts are likely to fail.

After the two preconditions are met, it is recommended to use a similar **desk-based approach** as explained in Chapter 3 (overall situation analysis) to derive a shortlist of VCs and to prepare two- to three-page briefs for each – a rapid assessment. While applying the general VC analysis methodology, main actors, stakeholders and beneficiary groups as well as partner agencies or projects will be identified, markets confirmed and key functions described, binding constraints highlighted and opportunities confirmed. Important gaps in the research are to be filled through phone calls and virtual or in-person meetings with key informants (see Chapter 3 for more details and potential sources of information).

It is at this stage that one has to zoom in deeper on the specific youth-related issues. For the preparation of the briefs, a list of key youth-related issues to consider is presented in Box 6. This is for three main reasons: a) to be able to make a judgement on the opportunities for youth when investing in a specific value chain; b) to acquire information about the perceptions of youth regarding engaging in the agriculture sector or in that specific value chain; and c) to identify and start engaging relevant partners – especially youth and their groups and representatives active in a particular value chain, as well as youth not engaged in it – to understand their barriers to entry. Following a participatory and open process (e.g. participatory rural appraisal, detailed in Box 5) helps to motivate youth and get them more actively engaged in the later stages.

Box 5. Participatory rural appraisal

In order to engage youth and actively bring them together with other stakeholders, practitioners are encouraged to consider the application of tools from the Rapid and Participatory Rural Appraisal (RRA/PRA) toolkit (see the [Institute of Development Studies \(IDS\) webpage](#) for more information). Participatory Rural Appraisal (PRA) and Rapid Rural Appraisal (RRA) practitioners work in multi-disciplinary teams and apply a range of visual methods and semi-structured interviews to learn from respondents. While surveys, KIs and FGDs are about data collection and information extraction, usually analysed by outsiders, RRA and PRA set the basis for later participatory design and implementation of development activities. In particular, PRA work places a stronger focus on facilitation, empowerment, behaviour change, local knowledge and sustainable action. An example of specific RRA/PRA tools and how they can be combined with quantitative tools that are also relevant for value chain analysis can be found in the 2004 FAO publication *Helping Small Farmers Think About Better Growing and Marketing* (FAO, 2004), a reference manual designed for training purposes in farm management and marketing for practitioners in the Pacific Islands.



Box 6. Generic questions for “two-pager” briefs and in preparation of the selection exercise

Key information to obtain/question to answer:

Is the proposed value chain an appropriate one to target in order to support youth economic opportunities?

Key related questions to answer:

- » To what extent is this value chain competitive (or likely to become competitive/to provide untapped opportunities) in either domestic, regional or world/global markets?
- » Is there evidence of youth engagement in the value chain? (low/medium/high). How does this apply to different groups of youth, like young women, graduates vs unskilled youth, young migrants, younger youth etc.? Does any specific youth sub-group seem to be excluded or, on the contrary, more engaged than others? To what extent are young people involved in value adding activities?
- » To what extent is greater youth inclusion likely to address value chain needs? (To what extent is youth inclusion likely to make this value chain more competitive?)
- » What are the main skills youth possess?
- » To what extent does this value chain require the kinds of skills and assets that young people possess? (What is the likelihood of young people becoming more active as value chain participants?)
- » What is required to build the capacity of youth to enable them to effectively participate in the VC?
- » Does youth inclusion depend upon the removal of binding constraints? What are they?
- » Can these constraints reasonably be expected to be removed through programmatic interventions?
- » To what extent are lead firms and other key actors in this value chain favourably disposed to working with young people?
- » To what extent will participation in this value chain allow young people to build important skills?
- » To what extent are young people interested in being part of this value chain?

Source: Making Cents International and Financial Transactions and Reports Analysis Centre of Canada (FINTRAC). 2018. *Youth Inclusive Value Chain Analysis and Development: A Concise Handbook*. Washington, DC, Marketlinks; Walker, C., DeMatteis, L. & Lienert, A., eds. 2021. *Selecting value chains for sustainable food value chain development – Guidelines*. Rome, FAO.

When completed, these summary reports or rapid value chain assessment reports and initial findings can be shared with stakeholders prior to a value chain selection workshop. This offers stakeholders the opportunity to identify gaps and come prepared to the VC selection workshop. Furthermore, the research team can use these summary reports to prepare information sheets to be displayed during the workshop to facilitate the discussion.

The actual VC selection workshop is an integral part of the VC analysis process. If sufficient information is available, it could be included in an inception workshop, with one day dedicated to VC selection. This can then be followed by the more in-depth analysis of the selected VC.

In case more time is required for shortlisting promising value chains and compiling the background information, the VC selection workshop could be held separately. However, past experience has indicated that a minimum of one full day should be allocated to this task. FAO recommends two days and provides a sample workshop agenda found in Annex A (Walker, C., DeMatteis, L. and Lienert, A., eds. 2021). When required, these workshops can also be facilitated virtually (Box 7).

In the following sub-section, selection tools and criteria are presented. The final section under this chapter will discuss the documentation and follow-up of the selection exercise.

Box 7. Virtual workshops

The COVID-19 pandemic and travel restrictions have dramatically increased the frequency of virtual workshops. Considerable experience has been gained and different formats and applications, including features for breakout sessions (as working groups), voting and brainstorming, have been used. Through virtual workshops, the selection exercise can be completed in a transparent and participatory way. However, the connectivity constraints of some stakeholders should be anticipated and addressed in advance to ensure their meaningful participation.

With regards to personal contacts, establishing partnerships, making connections and linkages and for trust building purposes (e.g. between youth representatives and potential buyers or companies), physical workshops offer better opportunities.



4.2 » VALUE CHAIN SELECTION AND THE YOUTH DIMENSION

Value chain selection is undertaken for a purpose, which needs to be reflected in the selection criteria. The International Labour Organization (ILO), for instance, developed a guideline series which specifically focused on the objective of decent work (ILO, 2015a), while the United Nations Industrial Development Organization (UNIDO) developed guidance on pro-poor value chain development (UNIDO, 2011). For each practitioner, the purpose of the value chain selection should align with the work objectives, goals and target beneficiaries.

Over recent years, FAO has developed the *Value Chain Selection Guidelines* (Walker, C., DeMatteis, L. and Lienert, A., eds. 2021), which have been field tested in a range of countries under different projects (i.e. [Accelerator for Agriculture and Agro-industry Development and Innovation \(3ADI+\)](#), [FISH4ACP](#), [ICA](#)). They provide a step-by-step process on how to conduct a VC selection exercise. The basic outline of the six steps is:

- 1] customize the tools based on identified project goals;
- 2] generate a long-list of proposed value chains;
- 3] conduct a shortlisting exercise;
- 4] conduct data collection;
- 5] score the value chains; and
- 6] validate and inform stakeholders.

However, step 3 on shortlisting may not be necessary if few value chains are proposed for consideration, and step 6 may not be necessary if the process has been participatory and has engaged a diversity of relevant stakeholders.

FAO also developed an Excel-based tool and a scoring matrix (see Annex B for an example) which summarizes different criteria under the three sustainability dimensions (economic, social and environmental) for two different purposes: i) feasibility and ii) impact of future interventions. By scoring and weighing them against the chosen criteria, the different value chains will be assessed and results can later be compared and ranked. Practitioners are encouraged to follow these guidelines and adapt the process and criteria to the situation found in the specific country or region.

While many selection tools and manuals exist, this YSVC practitioners' guide specifically focuses on the youth and decent employment dimension. As such, we introduce youth-specific criteria and weigh them higher than traditional criteria used in the generic selection process (see Walker, C., DeMatteis, L. and Lienert, A., eds. 2021). Other criteria may not be that relevant for this exercise and it is up to the team to decide on this. However, it is recommended to keep the number

of criteria to a minimum (around five is recommended) needed to come to a meaningful outcome in the often limited time available. Stakeholders can also attend the workshop with proposals which can save time. The identification and selection of criteria could be done at the beginning of the workshop.

Participatory exercises (pairwise or matrix ranking) are specifically useful for this purpose and could also be conducted by groups of stakeholders and then compare findings and get to a common agreement on the criteria to keep. A proposed list of youth-sensitive selection criteria is presented in Section 4.3.

4.3 » YOUTH-SENSITIVE SELECTION CRITERIA AND IMPLEMENTATION

The key purpose of the value chain selection exercise is to identify and mutually agree on a value chain (or value chains) with significant potential to include more youth. This VC (or VCs) will then undergo in-depth analysis to identify opportunities for further investment and upgrading actions. Referring to the selection criteria that FAO has developed for the generic *Value Chain Selection Guidelines* (Walker, C., DeMatteis, L. and Lienert, A., eds. 2021) under the three sustainability categories (economic, social and environmental), this chapter presents sample selection criteria for YSVCs. As mentioned above, criteria are distinguished into two categories: a) feasibility or the potential to facilitate VC upgrading (i.e. what can we do about it, **or how likely is it that we can do something about it?**) and b) the impact or expected impact of the VC upgrading (i.e. will the project lead to significant positive changes?) (Walker, C., DeMatteis, L. and Lienert, A., eds. 2021). As the selected value chain will later undergo a detailed analysis (Chapter 5), the criteria used for selection can be limited to the essential ones required to assess the opportunities for decent youth employment creation and income earning opportunities along the value chain.

The criteria presented below are examples of youth-specific criteria, and practitioners are encouraged to identify additional ones or limit the selection to the most relevant ones for the purpose of the work and adjust the leading questions for workshop discussions as needed. The order in which these criteria are presented is arbitrary. However, an attempt has been made to follow FAO's generic *Value Chain Selection Guidelines* (Walker, C., DeMatteis, L. and Lienert, A., eds. 2021) to organize them in two sub-groups: those providing insights into feasibility and those referring to impact.

As mentioned earlier, for any value chain to be considered it must satisfy the preconditions of being high priority for the government and must have confirmed or potential market opportunities. These criteria along with social and environmental sustainability, although not youth-specific, are crucial and are to be factored into the selection process.



The following tables present guiding questions to support scoring of the criteria.

Feasibility (F):

CRITERION:	YOUTH INTERESTS AND PEER PERCEPTIONS (F1)
Why:	Being sensitive to youth priorities is important, as youth will only engage in sectors offering adequate or attractive long-term prospects and status for them.
Questions:	» Are youth, both women and men, already working in the VC? » If yes, at which functions of the VC? (as employees, as business owners) » Are there professional growth opportunities/is there potential for upward mobility within the VC jobs for youth? » Does any specific youth sub-group seem to be excluded or, on the contrary, more engaged than others (e.g. young women vs young men; university graduates vs less skilled youth; local vs migrant youth, older vs younger youth)? » Are digital technologies and innovations used at different functions of this particular VC? » Are there innovative start-ups working with ICT-based applications which could generate jobs for youth? » Are there opportunities to make the existing and/or potential jobs more attractive to youth, in terms of working conditions (wages, working hours, status, learning and promotion opportunities, or “innovative elements” like new technologies, ICT, etc.)? » Compared with other VCs, does this VC offer the opportunity to create green jobs? » Do young people consume the VC’s final product? » Are there opportunities for young agripreneurs to engage in the VC? » Are there youth-led groups, cooperatives or associations engaged in the VC? » What is the general perception held by youth about jobs in the VC? » Do those jobs appear attractive for youth (young men and women alike)? » Are there jobs that are particularly attractive or suitable for young women?

CRITERION:	SKILLS REQUIREMENTS TO ENGAGE IN THE VALUE CHAIN (F2)
Why:	For youth to find employment and engage at the different functions of the value chains they require experience, knowledge and skills beyond formal education and simple training.
Questions:	» What are the specific skills required in the particular value chain at the different levels along the value chain? » Do young women and men have access to the necessary skills? » Are there courses/schools/incubators available that specialize in the VC’s product? (on site and/or virtual) » Do any of the VC actors offer apprenticeship, mentorship and/or other youth training programmes? » Are there active development projects and/or NGOs focusing on skills creation along the VC?

CRITERION:	PRIVATE SECTOR SUPPORT AND INVOLVEMENT (F3)
Why:	Farmers/producers, traders, processors and exporters are the ones creating jobs through business growth. They are the ones to engage with youth.
Questions:	» Is the private sector interested to engage in upgrading the VC? » Is the private sector willing to hire and train young women and men? » Are youth already working for private companies at processing and exporting functions of the VC? » Are youth already operating as suppliers or service providers for other private sector stakeholders? » Are established businesses in the VC open to engaging in business with youth owned companies? » Are there innovative start-ups which could offer more jobs for youth? » Are there any businesses (companies) working with ICT-based applications that could generate jobs for youth? » Are there any agripreneurs and entrepreneurs who could become role models for youth? » Are there any agripreneurs and entrepreneurs who are willing to mentor youth? » Are there agriculture service centres and industry clusters supporting the value chain?

CRITERION:	EASE OF STARTING BUSINESSES (F4)
Why:	Youth are less likely to have access to start-up capital, land and knowledge. Therefore, value chains that require high capital investments or skill levels may not be appropriate.
Questions:	» Is it feasible (in terms of capital, knowledge, land and labour) for youth to start-up businesses at the different functions of the VC? » Compared with the other VCs under selection, does this VC require high start-up capital? » Does this VC offer the opportunity for rapid cash return?

CRITERION:	SOCIO-CULTURAL BARRIERS AND POTENTIAL RISKS (F5)
Why:	How might socio-cultural norms (e.g. traditions, religious beliefs, codes of conduct, gender norms) support or impede VC upgrading? Attention should therefore be paid to socio-cultural barriers that often impact youth giving consideration to gender, age, ethnicity, residential status, etc.
Questions:	» How does or might the socio-political situation impact this value chain (e.g. political instability within a country or with neighbouring countries, social unrest, involuntary resettlement and displacement, upcoming elections or corruption issues)? » How do you perceive existing socio-cultural norms and barriers to value chain development? » What is the potential to overcome adverse sociocultural norms that impede value chain activities and what can youth and VC stakeholders do themselves (e.g. gender/youth discrimination, entrepreneurship)? » What is the potential to enhance positive attitudes towards jobs and agri-/entrepreneurship in this value chain, especially among female and male youth?



Impact (I):

CRITERION:	PROMOTE DECENT WORK AND REDUCE RISKS (I1)
Why:	Working conditions in the agriculture sector tend to be difficult, precarious and hazardous because jobs are mostly informal, with no written contracts and little or no protection. People tend to work for long hours, earning low and unstable incomes and often have to combine more than one activity to make a living. Agriculture is one of the most dangerous sectors in terms of workers' safety and health. In addition, it has the highest incidence of early entry into the workforce – about 70 percent of the world's child labourers are involved in the agriculture sector. Risk mitigation measures and direct action to promote decent work should be introduced in all value chain interventions planned.
Questions:	» Is there evidence of significant decent work deficits in the value chain, such as violation of core labour standards (namely child labour, forced labour, discrimination at work, limitation to freedom of association and collective bargaining) or widespread poor working conditions (e.g. high levels of informality, low pay, etc.) and at which function? » Are those decent work deficits value-chain-specific or general (applicable to other value chains)? » How can you mitigate those decent work risks? What kinds of actions or interventions would be able to mitigate the risks? » Would it be possible to integrate those risk mitigation measures in the value chain development intervention?

CRITERION:	EMPLOYMENT AND INCOME EARNING OPPORTUNITIES AT FARM OR PRODUCTION LEVEL (I2)
Why:	Youth are attracted by earning an income and making a living. Often, farming has a low status amongst youth, but this could be offset through prospects of regular cash inflow and moving to a business approach to farming. In general, what are the employment and income generation prospects for youth in this value chain?
Questions:	» What is the potential profitability of farming in this value chain compared with others? » What is the expected production cycle and time it will take to make a good return on investment? » Are there future options to introduce modern and sustainable production technology and digitally supported farming? What opportunities are there for green jobs and green entrepreneurship? » What opportunities are there to work together in groups to gain scale? Are cooperatives or farmer groups accepting youth membership? » What potential opportunities are there for innovation, digitalization and/or provision of ICT-based services?

CRITERION:	OFF-FARM EMPLOYMENT AND INCOME-EARNING OPPORTUNITIES (I3)
Why:	Opportunities beyond the farm gate or downstream the value chain and in support services may be more attractive to youth and match their skill sets better than farm-level opportunities.
Questions:	» Are there potential new employment opportunities and/or entrepreneurship opportunities other than those already existing at the different functions of the VC? » Compared with other VCs in the country, does this involve value added opportunities and the use of by-products? Does this involve the potential generation of green jobs? » Based on the performance of the VC over the past five years in terms of employment creation, what is the potential for off-farm job growth and job creation through VC upgrading? » What potential opportunities are there for innovation, digitalization and/or provision of ICT-based services?

Source: Walker, C., DeMatteis, L. & Lienert, A., eds. 2021.
Selecting value chains for sustainable food value chain development – Guidelines. Rome, FAO.

Based on the summary reports and stakeholders' background, knowledge and experience, the above criteria would need to be discussed and assessed through the scoring and weighting exercise described in FAO's generic *Value Chain Selection Guidelines* (Walker, C., DeMatteis, L. and Lienert, A., eds. 2021). However, capturing the arguments by different groups in favour of (or against) specific value chains is equally as important as the actual validated and agreed scoring and selection of a value chain. That information can be used for the value chain analysis, including the later strengths, weaknesses, opportunities and threats (SWOT) analysis exercise during the validation workshop.

4.4 » DOCUMENTATION AND FOLLOW-UP

The main purpose of the value chain selection workshop is to identify and agree on the value chains to work on. However, such an event also offers excellent opportunities to bring together value chain actors and other stakeholders to sensitize them on youth specific and decent work-related issues. Furthermore, it can be a starting point to develop marketing and promotional ideas for value chain growth by highlighting features like youth as a beneficiary group, promote opportunities for sustainable or nature friendly production and introduce innovative marketing approaches, such as using geographic indications. As such, value chain stakeholder and selection workshops are well placed to provide guidance and strategic directions for the further value chain analysis and upgrading development work. It is important to capture such information in the workshop report for use later in the process.



It is recommended to use a best practice and assign responsibility for compiling the workshop report to a team member prior to the workshop. For each workshop session, responsibilities have to be assigned to ensure the outcome (scoring results, as well as justifications provided in favour or a score, notes on additional background information or key informants to contact) is well captured and handed over to the team and person responsible for the report.

The workshop report, including the summary value chains reports prepared prior to the workshop (the “two-pagers”), forms the basis for the more in-depth youth-sensitive value chain analysis discussed in the next chapter (Chapter 5).

Additional resources:

- » *Youth Inclusive Value Chain Analysis and Development: A Concise Handbook* (Making Cents International and FINTRAC, 2018), published under the USAID funded Kenya Horticulture Competitiveness Project (KHCP).
- » GIZ has also published a synthesis of experiences made with rural youth employment projects and criteria for selection, *What Works in Rural Youth Employment Promotion?* (GIZ, 2020).
- » The selection process applied by ILO specifically addresses employment opportunities and decent work issues (see ILO's *Value Chain Development* for Decent Work series: ILO, 2009, 2016c, 2021a).
- » *Making Value Chains Work Better for the Poor: A Toolkit for Practitioners of Value Chain Analysis* (M4P and DFID, 2008).
- » *Feed The Future Project Design Guide for Youth-Inclusive Agriculture and Food Systems Volume II: Implementation* (USAID, 2018b).
- » *ValueLinks 2.0: Manual on Sustainable Value Chain Development* (Springer-Heinze, 2018).
- » *Marketlinks: Value Chain Selection* (USAID, 2021e).
- » *Value Chain Analysis for Development (VCA4D). Methodological Brief for Agri-based Value Chain Analysis* (European Commission, 2021).
- » *Value Chain Development for Decent Work. A systems approach to creating more and better jobs* (ILO, 2021a).
- » An alternative approach is promoted by the Global System for Mobile Communications Association (GSMA). The GSMA developed a methodology that focuses on digitalization of agriculture and the introduction of new tools for agricultural development. It also introduces a slightly different approach to value chain prioritizations, which is simplified and less demanding on data and information (GSMA, 2018 and GSMA, 2020). Although their work does not specifically address youth employment, practitioners are encouraged to look at the GSMA material especially when digital agriculture or mobile phone technology becomes a feature in youth-focused value chain development. There might be opportunities, in addition to the service providers already engaged in the work, to attract mobile phone companies to participate and perhaps even to invest in the youth during the process of value chain upgrading.

C H A P T E R 5

Youth-sensitive value chain analysis





Following the rapid situation analysis and the selection of the most suitable VC(s) with significant potential for youth employment and business opportunities for youth, the next step in the process is the analysis of the selected value chain(s) through a youth-focused lens. To guide this process, a YSVC framework was developed (Figure 5) to identify and analyse the structure and dynamics of the chain with a focus on youth issues and factors that push and pull youth into that value chain. The components of the YSVC framework are introduced in Section 5.1.

Section 5.2 provides guidance for conducting a VC analysis using the YSVC framework and explores its components in a five step process (Figure 6). Each step and its components are detailed in separate subsections under Section 5.2. The YSVC analysis follows a “typical” VC analysis and starts with an end market analysis, followed by value chain mapping, analysis of the core and extended value chains, the VC governance structure, enabling environment, natural environment and a sustainability assessment. Within each level of analysis, focus is placed on identifying opportunities for and constraints to decent employment for youth, noting the push/pull factors, youth sensitive issues, youth engagement and youth representation along the chain.

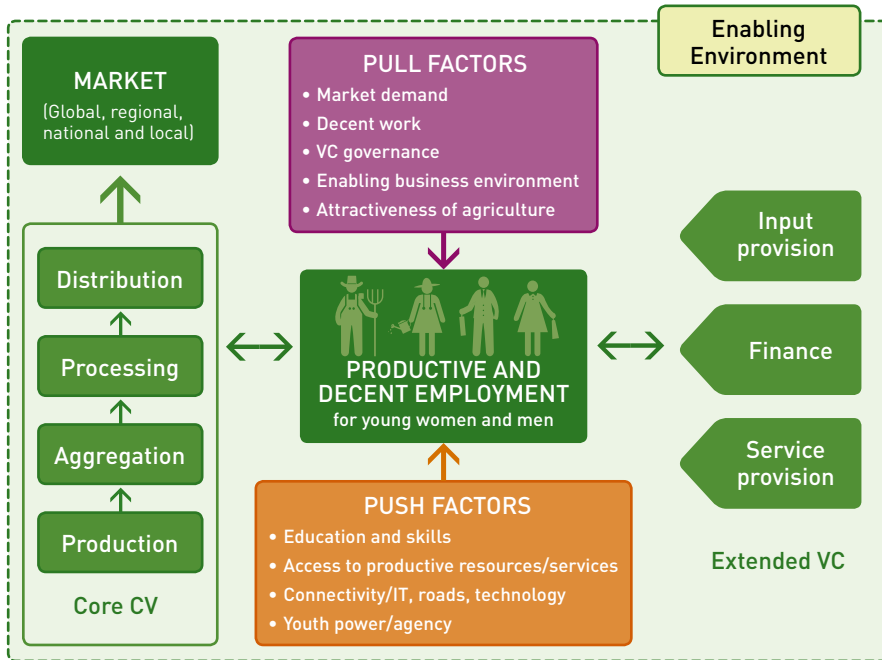
Tools such as Key Informant Interviews (KII) (inclusive of key VC actor interviews), Focus Group Discussions (FGDs), sample questionnaires, VC maps and additional references are provided throughout this chapter and in annexes. The most appropriate data collection (including KIIs and FGDs) and data analysis methodologies are discussed along with examples from the FAO-led youth-focused VC analyses conducted in Kenya, Rwanda and Uganda.

The YSVC analysis is participatory and practitioners are encouraged to work closely with youth organizations to engage youth in the process. The guide provides a youth-focused framework and leaves scope for flexible and practical application by practitioners carrying out the work at country level to tailor the approach to local needs and capacities.

5.1 » YOUTH-SENSITIVE VALUE CHAIN FRAMEWORK

The YSVC analytical framework builds upon the FAO SFVC framework discussed in Chapter 1. Youth is positioned at the centre, and factors that push and pull youth into productive and decent employment are analysed along with youth-specific constraints throughout the core VC, extended VC and the enabling environment (Figure 5). The framework provides a youth-focused lens to investigate youth participation in and benefit from value chains, as well as to identify constraints to and opportunities for youth employment, both in the core VC and in support services that may otherwise go unnoticed in general VC analysis.

FIGURE 5

Youth-sensitive value chain framework

Source: FAO. 2014. *Developing sustainable food value chains: Guiding principles*. Rome.

In doing so, the YSVC analysis assesses the performance and competitiveness of the entire VC, and the framework is used to analyse the information and data collected at each function of the VC to identify youth-specific constraints and root causes, as well as their implications for youth employment and businesses run by youth.

The enabling environment plays an important role in spurring or hindering growth and the efficiency of the VC. In addition to examining the general elements that support the growth of a business, youth-related policies, regulations, formal and informal education systems, socio-cultural norms and access to and ownership of productive resources (e.g. land title) and ICTs are also examined. A youth-friendly enabling environment contributes to reducing barriers to entry and increases youth's engagement in the value chain.

The governance structure, power relations, information flows and overall dynamics of the relationships among the buyers, sellers, service providers and regulatory institutions contributes significantly to the efficiency of the value chain and the identification and prioritization of interventions to increase



competitiveness and youth inclusion. Cooperation and ease of transactions within the chain reflects the quality of the relationships between actors along the vertical and horizontal linkages (USAID, 2021a). In addition to assessing the chain dynamics, the YSVC analysis examines youth representation in social dialogues and negotiations as employees and agripreneurs in the chain.

With youth as the focus, it is important to note their particular social and economic challenges and the constraints that impact their actions, decisions and self-agency to enter or support agriculture value chains, as already presented in Chapter 2. While some challenges might affect rural people or agricultural workers as a whole, others might indeed be youth- or age-specific. These include limitations derived from being newer to the labour market, having less experience and social capital, lack of resources such as land which they have not yet inherited that could serve as collateral or from being excluded from local governance mechanisms due to social norms.

In order to design appropriate interventions to support the productive engagement of youth in agricultural value chains, it is important to look at the root causes of the challenges they face. Practitioners are therefore encouraged to apply “root cause thinking”: firstly, identify youth-specific or youth-relevant problems and constraints, and secondly, continuing to ask a sequence of “why” questions in order to find out where constraints may have originated and what led to their development. Box 8 gives a hypothetical example and guidance to uncover root causes.

Box 8. Uncovering root causes

The following is a hypothetical example demonstrating how to uncover root causes layer by layer: practitioners may have identified that youth entrepreneurs do not have specific knowledge to improve their operations.

While this is considered a constraint (lack of knowledge), by asking further “why” questions, additional sub-layers may be discovered, such as the lack of sufficient extension services in their area or their poor adaptation to the youth as target group. These deeper questions could unveil a lack of funding of the extension system to reach remote areas, to engage in more modern and digital extension tools, or lack of a national framework for extension that could support this work. Step by step, it may become visible that the causes of a problem that may occur in one area of the value chain may not necessarily lie in that part, but originate through other causes or from other parts of the VC and the broader system in which the VC operates.

Given that youth are more vulnerable and often exploited in the workplace, particularly in rural areas, current and potential employment should be assessed against decent working standards which support a safe environment, social security and social dialogue. Data on youth's employment status, contract availability and type, access to social security, pay levels and other working conditions along with challenges they face to secure wage or self-employment are assessed. Bottlenecks along the chain should also be assessed to identify employment opportunities and youth entry points into the value chain and support services.

Beyond the challenges youth face, the framework can be used to highlight the potential of youth to contribute to the development of agricultural value chains. Youth engagement and employment in sustainable agricultural value chains and agrifood systems is simultaneously a goal to be realized and a means for the radical transformation of agrifood systems, the achievement of SDGs and economies of well-being (HLPE, 2021). Youth can bring great energy, creativity, innovative ideas, tech-savviness, entrepreneurial drive and vitality needed for growth and sustainability of VCs. At times where innovation and applications of new technologies drive the competitiveness and profitability of value chains, they have a comparative advantage of flexibility, eagerness to work with ICTs and youth vigour. As practitioners apply the youth-focused VC analysis framework, it is important to identify the strengths of young people and opportunities that are unique to them.

The YSVC framework introduces and adapts the **push/pull approach** as a tool to analyse youth engagement in value chain(s). As defined by the United States Agency for International Development (USAID), *“a push/pull approach is a market-oriented, pathways-based approach to poverty reduction that seeks to strategically link, in design and practice, efforts to support transitions out of poverty for the extreme poor and market development initiatives”* (USAID, 2015, p. 1). This approach is based on a theory of change and uses both *“push strategies, which build capacities to engage in markets, and pull strategies, which expand the diversity and quality of accessible economic opportunities to drive more beneficial and sustained inclusion of the extreme poor into market systems through a dynamic process of change”* (USAID, 2015, p. 1).

The push factors on the labour supply side contribute to capacity building and empowerment of youth to increase their likelihood of employment and business ownership. Major push factors for youth employment are classified in the following four categories: 1) education and skills; 2) access to productive resources and services; 3) connectivity; and 4) youth power and agency. These push factors provide youth with the necessary resources to prepare for, access and retain employment opportunities as wage employees or agripreneurs. In the absence of these push factors, youth will continue to face barriers to employment.



The pull factors on the labour demand side contribute to increased efficiency of the VC which can consequently create more and better employment opportunities for youth. These factors include market demand, decent work, VC governance, attractiveness of the agriculture sector and an enabling business environment. Positive changes in these factors may create new categories of jobs, facilitate disruptions that drive more youth inclusion, introduce new business models or governance structures, and provide resources to aggregators, traders and service providers to build and expand the “middle level” of the chain (USAID, 2015).

5.2 » **VALUE CHAIN ANALYSIS USING THE YSVC FRAMEWORK**

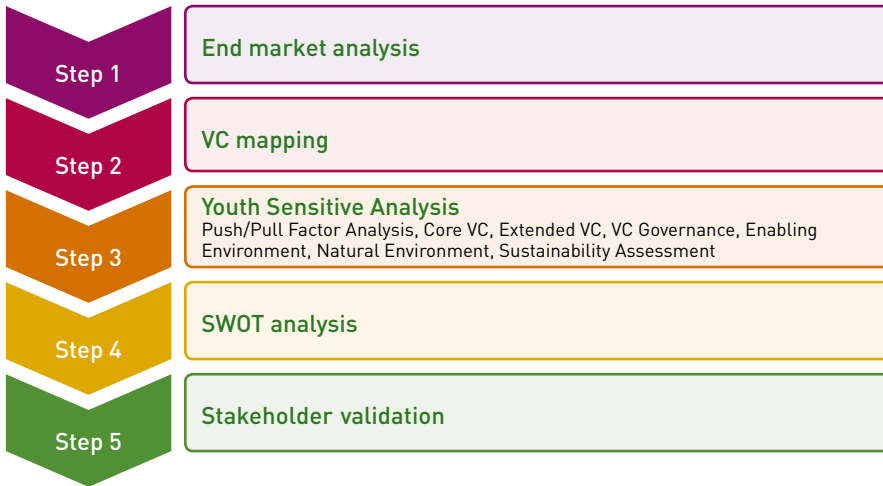
The value chain analysis provides insights into the functions, operations and performance of the value chain and guides practitioners to identify bottlenecks, key binding constraints, leverage points, economic opportunities for interventions and effective upgrading strategies.

The YSVC analysis assesses the profitability, commercial viability, competitiveness and sustainability of the VC to determine opportunities for greater inclusion of youth. The analysis provides information about the location of jobs and the current number of youth employees and self-employed along the chain. New employment and business opportunities for youth are also identified.

The YSVC analysis follows five main steps depicted in Figure 6: Step 1 – End market analysis to identify the viability of the chain based on the current and future demands of its products; Step 2 – Value chain mapping to identify the structure of the chain, all functions, all actors and youth engagement at each stage; Step 3 – Youth-sensitive analysis assessing the push/pull factors, youth constraints and opportunities at the core and extended VCs, VC governance, the enabling environment, natural environment and sustainability assessment; Step 4 – SWOT analysis as a tool to synthesise the findings; and Step 5 – Stakeholder validation to confirm the results and conclusions as part of the participatory approach.

The validity of the analysis is dependent on the quality and reliability of the data and information collected. The next section outlines appropriate and effective data collection tools for conducting a YSVC analysis.

FIGURE 6

Steps of the YSVC analysis

Source: Authors' elaboration.

5.2.1 Data collection tools

The analysis of both quantitative and qualitative data gives a clear picture of the current state of the entire value chain, its dynamics and the extent of youth engagement. Primary and secondary data collection methodologies are recommended for triangulation and verification of information, especially in rural communities lacking sufficient and reliable quantitative data. It is important to collect quality data, but equally important to engage the participation of VC actors, stakeholders and youth in the process for validation and ownership of the results and implementation of future actions.

Depending on the size of the value chain and the depth of the analysis, the data collection process can be extensive and expensive. To be cost effective, practitioners can apply appropriate sampling methods to select a representative sample of VC actors, youth workers, youth-operated and owned businesses, youth organizations and networks to survey and interview. When sampling, it is advised to pay particular attention to the seasonality of activities (as youth may be employed as seasonal workers), and to ensure the inclusion of actors operating informally, as well as the adequate representation of main youth sub-groups where applicable (e.g. young women/men, Indigenous and migrant youth, skilled/unskilled, etc.).

Desk research is used to collect initial data on the sector, industry, markets and overall business environment of the VC. This information can be collected from



industry reports, trade statistics and other relevant materials from government ministries, NGOs, research institutions and credible internet sources. It is important to first become familiar with the industry and sector the VC operates within before commencing field work (USAID, 2021b). This initial research also guides the field work and forms the base of the VC map for subsequent analysis. The reports from the rapid assessment (see Chapter 3) and the value chain selection workshop (see Chapter 4) can serve as good starting points and references.

The YSVC guide presents a participatory approach for the field work to gather and analyse information about youth specific constraints and opportunities for employment. Two semi-structured approaches recommended to engage participants and collect qualitative data to complement and validate quantitative data are KIIs and FGDs. A comparison of both approaches detailed by the World Bank in their *Jobs in Value Chains Surveys Toolkit* (Farole *et al.*, 2018) is noted in Annex E.

The main personnel and target groups for the interviews and discussions include VC actors, youth, government agencies, financial institutions and research, educational and training institutions (Farole *et al.*, 2018). Again, many of the relevant contacts and partners will have already been identified during the initial value chain selection exercise.

KIIs are conducted with VC actors and other key informants such as workers, support service providers, experts, government officials and youth to gather in-depth information and discuss VC operations, performances and constraints, including sensitive issues. Under the YSVC analysis, sensitive issues will be probed and examined. They include, but are not limited to: employee remuneration, compliance with national and international labour laws, employee working conditions and benefits, child labour or forced labour practices, discrimination on the basis of gender or other factors, employee-employer relationships and informal employment. It is important that practitioners build trust with interviewees, guarantee confidentiality of private information and be mindful that not all chain actors will be transparent about their labour practices. Sample youth-sensitive KII questions are provided in Annexes C and D.

FGDs are cost effective and conducted with a larger group of participants (five to twelve), who often operate at the same level in the VC. Focus groups provide a safe space for different VC actors and youth representatives to share experiences, discuss, explore and generate creative solutions to their challenges (USAID, 2008b). Through guided conversations, participants can discuss constraints and identify opportunities for youth. It is recommended to have adequate representation of youth in the different FGDs and young women in mixed groups to ensure a gender sensitive analysis that includes challenges disproportionately affecting them. Practitioners may also consider separate FGDs for men and women to facilitate a safer space to discuss sensitive issues.

Structured surveys are also used in the YSVC analysis to collect quantitative data (e.g. production volumes and costings) to give an objective assessment, to facilitate statistical representation of important dimensions such as the economic sustainability of the VC, and to enable assessments of large-scale trends and relationships among varying value chain actors (Hellin and Meijer, 2006). They can be conducted online, via phone or in person. It is advised that surveys are structured and translated into the respondent's language and not designed in a manner which is too lengthy. It is important to adjust the language to the target audience and avoid overly complicated or technical jargon.

5.2.2 End market analysis

End market analysis is the starting point of a VC analysis and guides VC upgrading activities based on market requirements. To judge the VC's potential for increasing youth employment, current market demand, sizes and trends for the products and services of the selected VC have to be assessed. Quantitative and qualitative data indicates whether markets are growing, stable and/or decreasing, and provides confidence for further investment in value chain development that eventually will translate into opportunities for youth employment and formation of youth-led agribusinesses.

Identifying and analysing consumer choice and market demand are important first steps before any deeper analysis at the production or enterprise level is conducted. The existence of a viable market can be confirmed through a rapid assessment of the end markets' industry reports, trade statistics, market research data and KIIs with current and potential buyers. Given that markets are dynamic, past and future trends should also be examined to complement the current situation. Table 3 provides a list of different aspects of end markets to be assessed.

End market analysis evaluates the greatest risks and benefits for each actor in the chain derived from both potential and current end market opportunities (USAID, 2021c). Market segments, end buyers' preferences, market demands, trends, market channels, market access requirements (food safety standards, certification, taxes, etc.) and competitors are assessed to identify customers, attractive markets and to understand how the market operates. The assessment identifies what market opportunities exist and where they are located. USAID developed a useful toolkit, titled *End Market Research Toolkit - Upgrading Value Chain Competitiveness with Informed Choice* (USAID, 2008a), to analyse the end markets using "the six Cs" of end market research (USAID, 2008a, p. 6). Using tools such as Porter's five forces, trend analysis and market maps (USAID, 2008a, p. 12), the toolkit facilitates the **choice-making** of stakeholders based on data and informed analysis of the **context, channels, customers and competitors** in the market.

In-depth tool:

End Market Research Toolkit - Upgrading Value Chain Competitiveness with Informed Choice (USAID, 2008a).



TABLE 3

ASPECTS OF END MARKETS TO ASSESS		
ASPECTS OF END-MARKETS TO BE ASSESSED, WITH RELEVANT INFORMATION AND DATA REQUIRED		
1	Type of market	» Market location and proximity: local markets, domestic markets, regional markets, export markets, distance to transhumance roads » Market type: high-end-market, niche market etc.
2	Market segment and channels	» Differentiation of market segments » Characteristics of segments: price leadership, quality leadership, differentiation
3	Size and growth	» Size of markets, including volume and value » Ten-year forecasts and growth rates
4	Trends and dynamics	» Prices (over the year, across years, according to grades) » Consumer preferences, branding strategies, wholesale and retail distribution procurement systems » Drivers of the dynamics (including behaviour of lead actors, free trade agreements, regulations) » Determinants of demand, including seasonality, religious holidays, economic cycles
5	Critical success factors	» Identify critical success factors in these markets (e.g. price, quality, branding) » Key players and their competitive strengths » Current and potential competitors and possible substitutes (that influence price and trade volume) » Benchmarking (current position vs most competitive country/firm)
6	Operational practices and barriers to entry	» Operational practices, such as logistics » Standards (especially sanitary ones), quality, quantity and reliability required to access market
7	Small-scale producers' access	» To complement the above, a specific analysis of the constraints faced by small-scale farmers (e.g. limiting rules and regulations, physical distance)

Source: **FAO**. 2019c. *Developing sustainable value chains for small-scale livestock producers*. FAO Animal Production and Health Guidelines No. 21. Rome.

Table 4 illustrates an end market analysis conducted under the FAO publication [Coffee value chain analysis: Opportunities for youth employment in Uganda](#) (FAO, 2020c). The study conducted a general (international and national) end market analysis based on secondary data to determine the main market opportunities for Ugandan coffee and value addition strategies. This involved analysis of the channels, players, trends and consumer preferences of both traditional and emerging markets. While the end markets analysis is limited to export markets, regional and local markets might be equally important for other products and contexts. In addition to the qualitative information shown in Table 4, more details on volumes (demand), prices and market access conditions could be provided to give a more comprehensive analysis.

The *Coffee value chain analysis* study revealed an important lesson which may be valuable to other value chains: **sustaining market access and branding are key success factors for staying in business.**

TABLE 4

EXPORT MARKETS IDENTIFIED FOR UGANDAN COFFEE				
REGION	MAIN MARKET	PRODUCT TYPE	SEGMENT	MAIN SALES CHANNELS
Europe	Italy	Robusta of high quality and consistency	Conventional	International traders and roasters
	Germany Scandinavia United Kingdom of Great Britain and Northern Ireland France	Mainstream Robusta for in-home consumption Organic; certified Signature blend; single origin (arabica)	Conventional Organic; Fair and sustainable Speciality; alternative	International traders and roasters Specialized traders Small roasters and coffee shops (direct trade)
	Eastern Europe	Atypical flavours (arabica)	Speciality; alternative	Small traders and roasters
North America and Japan	United States of America Canada and Japan	Certified Speciality; Atypical flavours	Organic; Fair and sustainable	International traders and roasters
Non-Japan Asia	China Taiwan	Robusta and Arabica Arabica	Conventional	International traders
North Africa	Algeria Morocco Sudan	Robusta	Conventional	Regional traders

Source: **FAO**, 2020c. *Coffee value chain analysis. Opportunities for youth employment in Uganda*. Rome. 106 pp.

When assessing end markets, it is important to view potential markets that may offer opportunities for youth and their unique skills. Special attention is to be placed on end markets serviced through e-commerce platforms or social media applications which can link small entrepreneurs in the chain directly to markets and may present opportunities for youth agripreneurs.

5.2.3 Value chain mapping

The value chain map is an important analytical tool which gives a visual representation of the structure of the chain, actors, functions, relationships, product flows, financial flows and the distribution of value added along the chain (Farole *et al.*, 2018). The map helps to organize the data and presents a shared understanding of the current state of the VC within the given industry to all VC stakeholders. At the end of the YSVC analysis, an overlay of youth-specific indicators can be added to the VC map indicating the current number of youth and the most relevant youth-led businesses engaged at each function of the VC, along with potential opportunities and entry points for new employment or youth businesses (e.g. Figure 7).



It is recommended to prepare a VC map before the field work commences and then to update it as more information and details are gathered from stakeholders to reflect more accurate data and the relationships among actors. The initial map forms the base for the full VC analysis and guides practitioners with the research, data collection and approach for the field work. Practitioners can identify the critical functions for deeper probing, representative samples of firms or farms, information gaps, target groups for FGDs and relevant VC actors for KIIs etc. This initial map is constructed from secondary sources of existing information such as national and sectorial statistics, industry studies, sector studies and previous VC reports to determine end markets, market players and functions.

When constructing the VC map, a good practice is to assess the following areas: actors, processes, firm-level performance, market linkages, power relationships and value chain governance, end markets, value addition and capture. For youth-sensitive VC maps, it is important to depict the current youth participation and potential opportunities at each function in the core and extended VCs. **Details including the number of youth employed at each function, type of employment, age of youth and category of youth will be derived from the information and data collected during the field work from surveys and/or semi-structured interviews (KIIs and FGDs). It is particularly important to disaggregate the data by gender to get a better understanding.**

To develop a YSVC Map, the following successive steps from the FISH4ACP VC methodological guide (FAO, 2021a) are recommended:

1. Determine the functions – The core functions are first captured (production, aggregation, processing, distribution and consumption), but some steps may not exist or have to be split (e.g. primary and secondary processing) for a specific VC.

2. Determine the actor types – The actors performing a given function are classified in strategically meaningful homogenous groups (actor types), for example small artisanal and large modern processors. Some actors may cover more than one function and some functions may be provided by a service provider rather than an actor.

3. Indicate the flows – Starting from capture/harvest, indicate the main pathways through which the products flow to a variety of end markets. Line thickness can indicate volumes flowing through it. It is important to make sure that the right balance is struck between completeness and clarity (only the **main** pathways).

4. Identify the main channels – Based on the overall picture that emerged after step 3, the main channels are indicated with a discussion (in the text) of their relative importance and decline/growth. This should be based as much as possible on time-series data on volumes. This discussion also briefly describes the salient components of the channel, such as formal vs informal, levels of organization and coordination, the presence of lead actors, and so on. It does not go into a detailed discussion of the governance structure.

5. Provide dimension overlays (data layers) – Numbers of actors as well as volumes and values of product for each actor type are indicated, taking into account such factors as self-consumption, losses and conversion rates in processing (each of these can also be indicated in the map). Other overlays such as age, number of employees and gender distributions can be considered. As this information may overload the VC map if all combined, it is recommended to reproduce the VC map with different overlays (e.g. Figure 7 focuses on the engagement of youth, their roles at different functions along the VC, percentage of youth and gender disaggregation).

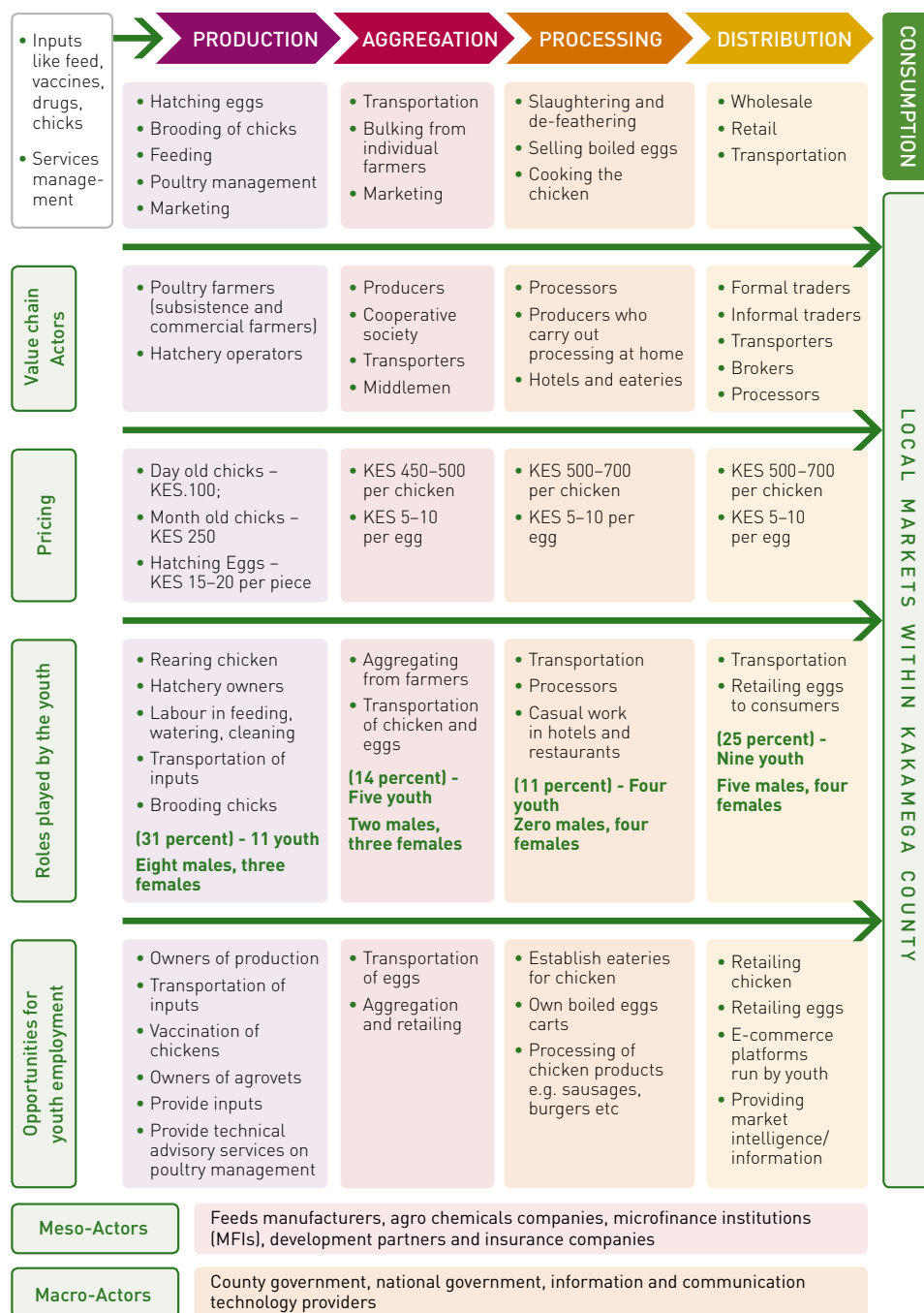
6. Indicate leverage points – Leverage points are functions in the VC where many actors or a large volume of product come together. In such functions, a small change can lead to large impacts. Some of these may appear on the map, such as a big processor, a large market facility or a marketing cooperative which includes many actors. Some leverage points are not indicated on the map, such as policies or a widely used input supplier or service provider.

Figure 7 illustrates the youth overlay on the VC map of the poultry value chain in Kakamega County in Kenya. The VC map provides an overview of the number of youth who are engaged at each stage of the core value chain, disaggregated by gender. Key actors, pricing and future opportunities for youth employment are also noted on the VC map.



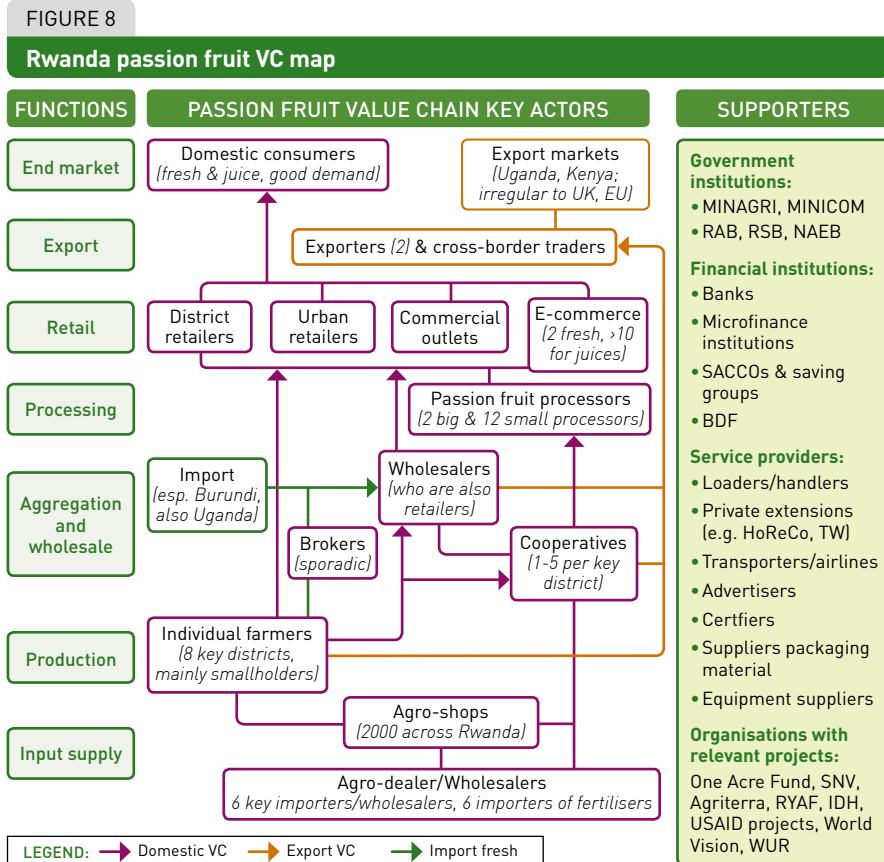
FIGURE 7

Poultry value chain map with youth overlay – Kakamega County Kenya 2021



Source: FAO & Capital Strategies Kenya Ltd. (forthcoming). Study Report. Youth-centred value chain analysis of multiple value chains in Siaya and Kakamega counties in Kenya. Rome.

An example of a basic VC map is illustrated in Figure 8 – Rwanda passion fruit VC developed by *Stichting Nederlandse Vrijwilligers* (SNV) as part of their youth-centred value chain analysis of selected horticulture produce VCs.



Source: **FAO & SNV (Stichting Nederlandse Vrijwilligers)**. (forthcoming). *Youth Centred Value Chain Analysis of Selected Horticulture Value Chains in Rwanda*. Rome.

The VC map provides an overview of the key value chain actions, supporting organizations and stages in the passion fruit VC moving fresh produce to the end consumers. Passion fruit is one of the Rwandan National Agriculture Export Development Board's (NAEB) prioritised horticulture export commodities and was confirmed and selected by stakeholders during the VC selection process as one of the value chains with great potential for youth employment. As a year-round crop with quick economic returns and growing domestic and export markets, it is expected to provide regular income to youth. Smallholder farmers are involved in production, and as active members of cooperatives and wholesalers they are also involved in various types of aggregation. Concentrates and ready-to-drink juices are made by a small number of small processors.



Although it is a promising value chain for youth employment there are several challenges they have to overcome. For those seeking to become producers, it is a capital-intensive crop that requires upfront investment with no gross margin during the first year. It is a challenging business to start, but once established the net incomes are attractive (FAO and SNV, 2021). For wage employment in production, the remuneration is low and does not provide a decent living income. Most of the work is often seasonal and does not provide youth with a consistent income supply. While youth, especially young women and youth with technical and ICT skills, may find full-time employment in the processing stage, not many jobs are available due to the limited number of processors.

5.2.4 Youth-focused analyses

With the key VC actors mapped out, the next step is to identify and analyse the detailed situations at each function of the core and extended value chain, including the roles and responsibilities of each VC actor, major challenges, risks, opportunities incentives and solutions.

Analysis of the current state of the core and extended VCs identifies weak and missing linkages and skills, areas for innovation, upgrades and collaboration to improve the efficiency of the chain and exploit market opportunities. Improved competitiveness and efficiency of the VC can lead to new jobs, and business opportunities which can attract and **pull** youth into employment in the VC. However, in order for youth to take full advantage of these opportunities, they need to be prepared with matching skills backed by self-confidence and ready access to productive resources for new businesses. Such preparation and access to resources can **push** youth into jobs and entrepreneurial pursuits in the value chain. Youth's decision to participate in the VC is partly determined by the pull/push factors in their environment. In assessing youth participation at each function of the value chain, it is important to note these factors, as they can provide explanations for the current level of youth engagement or its absence, as well as providing an outlook for future engagement and VCD interventions.

The YSVC analysis follows the FAO SFVC principles (FAO, 2014) and assesses value chain performance based on the triple bottom line of economic, social and environmental sustainability. The VC remains viable and competitive only if it can sustain itself within these dimensions. Food system transformation has been significantly influenced by drivers such as population growth, the increasing youth bulge, urbanization and climate change (Sitko and Jayne, 2018). As the core and extended value chains operate within a broader (agrifood) system, the three aspects of sustainability need to be taken into account when conducting the analysis and designing VC development activities (FAO, 2014). This also includes the aforementioned “root cause thinking”: understanding that the causes of a problem observed in a certain part of the VC may not necessarily

lie in that part, but in other parts of the VC and the broader system in which the VC operates. Assessments conducted in line with the three sustainability dimensions can be conducted with a youth lens to highlight new opportunities for youth employment and agribusinesses. This section briefly explains how the “youth issue” can be considered across the sustainability dimensions. References to studies and detailed methodologies on how to conduct in-depth economic, social and environmental analyses are provided to further guide the practitioner.

5.2.4.1 Core value chain

Core VC actors add value to a product, moving it from production, through aggregation, processing and distribution to the end consumers. These actors take ownership of the product, invest in the chain and are impacted significantly by changes in demands from the end consumers. There are shared risks and opportunities as each function is dependent on the other to do its part in adding value along the chain - *“a value chain is only as strong as its weakest link”*¹⁷ (McGregor and Stice, 2014, p. 71). However, each VC actor has its own operational challenges, risks and opportunities. With regards to employment, the VC actor’s specific needs and challenges may vary depending on size and type of operations. This section gives a general overview of the production function and possible employment and business roles for youth as an example, followed by a brief overview of the other functions of the core VC.

Production – At this function, producers (farmers) utilize inputs to cultivate raw materials for value addition along the chain. Youth may be engaged as wage labourers, self-employed producers, agripreneurs and own-use production workers/family workers. Wage labourers work for commercial farms, and to a lesser extent for smallholder farmers, as casual/daily paid seasonal employees at peak planting and harvesting periods. As wage employees, youth may be exposed to very poor working conditions, child labour abuses and poor remuneration. Smallholders however rely largely on household labour, where contributing own-use family workers represent 11 percent of the total global employment within the informal sector and 25 percent in developing countries (of which 45 percent are young women) (ILO, 2020a). High female participation can be the result of female empowerment and/or the feminization of agriculture, as men now work in better paid off-farm jobs. Youth working as family workers, particularly young women, lack access to income security and social protection (ILO, 2020a).

¹⁷ While this lesson from VC analysis and development work is cited in many VC publications, we like to point to the guide prepared for farmers and extension workers in the Pacific Islands – see McGregor and Stice, 2014. This guide can be used for capacity building and analytical work with good examples on what works and what does not work and a poster section to be used in workshops or training settings with beneficiaries. These posters could be adapted and updated to work specifically with rural youth and to introduce “value chain thinking.”



Youth may work as self-employed farmers and producers but may initially face major constraints that restrict their access to land, finances and other productive resources. Some youth are able to overcome these barriers through their participation in producer groups, cooperatives and youth groups with shared resources, information and collective actions. Cooperatives also offer wage employment for youth to assist in non-farming functions of the organization.

With the increased use of different types of technology in production via information applications, automated irrigation systems, precision farming, hydroponic and protected agriculture (greenhouse farming), more youth may be attracted to production. These new technologies enable them to utilize technology coupled with ready access to better crop management practices that increases their production and makes investment in agriculture less prone to risks. With relevant ICT skills, youth can capitalize on jobs that incorporate the latest technologies and business opportunities at this level.

Aggregation – As noted by FAO (2014), aggregation is one of the most challenging and yet crucial functions for the success of VCs in developing countries, where small quantities of produce from widely dispersed smallholder producers are aggregated. With a large percentage of aggregators in these countries operating in the informal sector, youth may be vulnerable to exploitation and face other decent work deficits. At this function they can perform several different roles and can either be employed by a cooperative, a company or a middleman, or be self-employed as rural middlemen or service providers moving produce from farm to first buyer (such as transporters on motorcycles).

Processing – At this level, youth primarily engage as wage employees to sort, process and package the products. Statistics show that a greater proportion of women than men are engaged at this level, with most of them working as seasonal employees (FAO and SNV, 2021). Major issues youth may face include poor working conditions and little pay for wage employees. Access to start-up capital for processing equipment and limited marketing budgets to compete with other brands may be a challenge for agripreneurs seeking to operate their own processing facility. If the VC becomes more efficient, profitable and gains additional market share, this function has the potential to absorb more youth as wage employees and agripreneurs (provided that the processing operations are more manual than mechanized and that working conditions are decent).

Distribution – This function of the chain involves wholesaling, retailing and exporting the products to the end consumers. At the retailing level, youth may require general business skills and capital, however depending on the product, retailing can be accessible to youth in developing countries at markets where only low-cost permits are required to sell at allocated stalls. This constitutes a low barrier of entry and is recognized to be an attractive agripreneurship option for female youth (FAO and SNV, 2021).

Wage employment may be limited at this level and may only offer few options including transportation. Other retail opportunities with supermarkets and e-commerce are also limited, but there are increasing number of cases in which youth are finding ways to use technology to connect to and sell directly to end consumers. [Twiga Foods](#), founded in 2014, is an interesting example of a digital business-to-business marketplace that connects farmers with vendors to source and deliver fresh and processed food across Kenya. Through their mobile platform, farmers can post produce for vendors to order and get delivered from a Twiga pack house, making retailing more efficient and convenient. Such companies may offer job opportunities to “tech-savvy” youth to help operate their mobile and digital platforms.

Business opportunities in export are also limited as they require youth to have considerable knowledge about running a trading business, networks abroad and upfront investment capital. Wage employment roles with export companies may include harvesting and post-harvest handling and packaging (FAO and SNV, 2021).

5.2.4.2 Extended value chain

As noted in the YSVC framework (Figure 5), the extended value chain is made up of the core VC actors and their support service providers. These providers do not take ownership of the product but offer essential support services that are critical to the value addition process along the chain (FAO, 2014). They can be classified into three main categories of providers: a) providers of physical inputs (seeds, feeds, packaging materials, fertilizers, etc.), b) providers of non-financial support services (marketing, storage, transport, extension services, etc.) and c) providers of financial services (working and investment capital, banking services, insurances, etc.) (FAO, 2014). Each category has special characteristics and can offer emerging opportunities that are attractive to youth to pull them into the sector. In particular, support services that require ICTs, such as marketing, finance and information dissemination, present great opportunities for youth. However, youth must be educated and adequately prepared with the correct skills and training to take advantage of these opportunities.

In addition to the typical assessment of the extended VC, which examines the demand for inputs and services, as well as their availability, accessibility and quality, the YSVC analysis seeks to identify new opportunities for youth engagement in these services. Practitioners are encouraged to thoroughly examine the three categories of the extended VC, as they all have the potential for greater youth absorption and new business opportunities for youth.

Providers of non-financial support services – Depending on the value chain, these services may include field spraying, transport services, market research, storage, laboratory testing and management training, among other services. This category provides extensive opportunities for youth either as wage employees or business owners.



In this category, new opportunities for entrepreneurship, higher skilled jobs and income gains for youth are being created by new technology and innovation (Townsend *et al.*, 2017). Tech-savvy youth can leverage ICTs to better serve farmers and other VC actors to connect to markets, lower production inefficiencies and transaction costs (Townsend *et al.*, 2017). Examples of tech services (see Box 9) include e-extensions, precision agriculture, e-commerce platforms, marketing, mobile banking and digital finance.

Box 9. Examples of tech support services

- » **Hello Tractor** in Nigeria uses remote sensing technologies to enable tractor owners and drivers to connect and provide services to small farmers in remote locations.
- » **M-Farm** in Kenya is an online platform created to connect farmers to markets and provide them with up-to-date market information.
- » **Agribusiness TV**, created by youth, disseminates information and shares success stories of young agricultural entrepreneurs across Africa.

Providers of physical inputs – This category may include providers of inputs such as seeds, feed, fertilizers and pest control agents at the production level or packaging materials at the processing level. Youth may be employed as wage employees or may own or manage a business to provide these inputs. As an employee, youth will be required to have knowledge and experience about the inputs and their applications.

Providers of financial services – This category includes providers of working and investment capital required for the sustainable growth of the value chain. These may be provided by informal and/or formal financial institutions. In rural areas, in particular, finance may be made available through local cooperatives such as savings and credit cooperative organizations (SACCOs) in Kenya and informal saving schemes run by community members. There are limited employment and business opportunities for youth at this level, and those that are available through formal financial institutions require higher levels of education and skills.

Opportunities in the extended VC may attract youth to the sector, but access to finance and reliable ICT infrastructure and connectivity has to be supported as part of the enabling environment. Digital infrastructure in rural areas is often absent or weak, making it a challenge to develop modern efficient agricultural value chains and support systems (GIZ, 2020). Equally important to the long-term employment benefits and success of technology is the coupling of income-

generating activities (GIZ, 2020). If youth are unable to make a decent living wage, investment in such services to stimulate youth employment (or project support to upgrade them) are likely to be unsustainable. The YSVC analysis identifies and assesses the viability and sustainability of new jobs and businesses.

5.2.4.3 Push/pull factor analysis

Push factors contribute to capacity building and empowerment of youth to increase their likelihood of employment and business ownership, and provide youth with the necessary means to prepare for, access and retain employment opportunities as wage employees or agripreneurs. These factors assist in alleviating some of the constraints that prevent youth from becoming gainfully employed in VCs. The main factors to be assessed are listed below, together with a short explanation:

1] Education and skills – A lack of education and skills is noted as a major constraint, especially for rural youth where there are skill gaps between the requirements for the job and skills taught in the formal education systems. Inadequate training to equip youth for roles within the sector results in major skill gaps, leaving youth unemployed (Townsend *et al.*, 2017). Youth interested in taking advantage of business opportunities within the value chain are often challenged by a lack of business management knowledge, technical skills and basic financial literacy (GIZ, 2020). To tackle these constraints, the access of rural youth to adequate education and training opportunities should be enhanced, always being driven by business and labour market demand.

The education and skills assessment takes into account the level of education and training youth are exposed to, in terms of the technical, business and general occupational skills they are taught in school, at vocational training centres and at ready access to training programmes and institutions in their environments. Current and future skill sets required for jobs in the VC and business skills are also assessed.

2] Access to productive resources and services – Limited access to assets (land, equipment, networks), agricultural services (extension training and information, technology and inputs) and financial services (FAO, 2016a) hinders youth from starting and operating their own farm and agribusinesses. The assessment will examine youth's access to and ownership of key resources and services. Major organizations and policies within the enabling environment that provide solutions specially targeted at youth to address these challenges will also be assessed.

3] Youth power and agency – Agency refers to the ability of youth to make autonomous choices which lead to desired outcomes for their lives, while power refers to control over resources and profits (FAO, 2016a). Youth's belief in themselves as agents of change spurs their self-confidence, decision-making, and leadership attributes and skills. With confidence in their innate abilities, youth are empowered to gain skills, take risks, control productive



resources and participate as employees and agripreneurs in value chains. Soft skills such as critical thinking, communication, social skills and positive self-image are now being found by research to be important factors attributed for the long-term economic success of youth (USAID, 2018b).

Their collective power, realized through formal and informal youth-led organizations, can yield great benefits and can be used to advocate for their rights, the promotion of more and better youth employment opportunities and the benefits of collective bargaining. However, some groups experience challenges getting started as well as remaining active. This may be due to a lack of leadership capacity to organize and run successful peer groups and a lack of human and financial resources. In the case of youth cooperatives, some struggle to get off the ground due to cumbersome and complex procedures to register the cooperative (FAO and IFAD, 2012).

The assessment therefore needs to carefully examine the presence and operation of youth organizations, their networks and civic participation. Youth operating their own agribusiness, as well as those in wage employment, can be probed to understand their motivation for working within the value chains. The existence and role of youth mentors and VC/business mentors can also be assessed to understand their influence and impact on youth agency and soft skills.

4] Connectivity – This factor includes access to information (e.g. market and price information, service-related information, job-related information, etc.), people, markets, services, ideas, ICTs and infrastructure (IFAD, 2019). Through increased access and quality of physical and digital infrastructure, youth's mobility and networks can expand and their connectivity increase, creating opportunities for greater integration of youth into their economies. Rural areas with good connections to markets through information flows and good transport infrastructure offer more opportunities for market expansion and potential youth employment.

Greater connectivity also enhances youth's sense of agency and level of productivity as they build and strengthen their social and human capital, develop skills and boost their self-confidence (IFAD, 2019). In particular, access to ICTs makes it possible for youth to access various information as well as to extend personal networks through social media platforms like WhatsApp, Instagram and Facebook. These connectivity factors will be assessed as they assist youth in acquiring necessary information, networks and skills needed to launch or expand their agribusinesses or obtain wage employment.

Pull factors contribute to increased profitability and efficiency of the VC, which in turn may create more productive employment opportunities for youth. Positive changes in these factors may expand the current job opportunities, create new categories of jobs and facilitate disruptions that may make the value chain more attractive to youth. The main factors to be assessed are listed below and explained in brief:

- 1] **Market demand – (Section 5.2.2)** – From the end market analysis, future and current market trends and demand for the products can give an indication of growth of the market and potential employment and business opportunities for youth.
- 2] **Decent work – (Section 2.3)** – Youth inclusiveness, gender equality and good working conditions may determine youth's desire to work as an employee or provide support services to the value chain.
- 3] **Increase the attractiveness of agriculture among youth** – Youth often do not perceive agriculture as lucrative or prestigious and they migrate to urban communities in search of better economic opportunities. Unless agriculture is made more attractive, with greater remuneration, youth will continue to migrate to cities (FAO, 2018b).

Investments in and promotion of innovative business and employment opportunities in production and off-farm services are required to increase incomes and attract youth to the sector (GIZ, 2020). Equally important is the need to upgrade and enhance (life in) rural communities, making them also attractive to youth. Meaningful economic opportunities and attractive rural environments may reduce the negative drivers of migration and over-urbanization of cities and provide youth with incentives to live and work in the rural areas.

- 4] **Enabling business environment – (Section 5.2.5)** – This may include: youth-specific policies, basic ICT infrastructure, business support services, and programmes and institutions that support greater engagement and business ownership by youth along the value chain.
- 5] **VC governance – (Section 5.2.6)** – Representation and participation of youth in dialogues and negotiations within the horizontal and vertical linkages to advocate for greater youth inclusion and solutions to address their specific challenges.

These push/pull factors indicate areas to probe and examine during the assessment for a deeper understanding of the dynamics that influence youth engagement in value chains. In addition to standard assessment questions asked during the typical VC analysis, Table 5 presents guiding questions for the YSVC analysis at each function of the core and extended value chains. These questions assist with assessing the current level of youth engagement and focus on the challenges, employment and working conditions that they face (e.g. employment status, type of contracts for wage workers, formality/informality, access to social security, pay levels, and application of occupational safety and health measures), education levels, constraints (including the underlying layers or root causes), opportunities and the relationship between youth and other VC actors. It is recommended to apply these guiding questions when conducting the KIIs and FGDs with VC actors at each function of the value chain and with youth representatives. A sample note-taking format is presented in Annex F to assist with capturing and organizing the push/pull information.



It is important to note and document the different age groups and gender representation, as certain jobs are disproportionately occupied by either male or female workers. In addition, younger youth below the age of 18 may account for a sizable share of the workforce in certain stages of the value chains, which demands special attention given their young age and need for protection.

Table 5: Guiding questions for youth-sensitive analysis of the core and extended VC

5A. CURRENT YOUTH ENGAGEMENT IN THE VC

- » What activities are youth currently engaged in?
- » How many young persons are engaged/what is the level of their engagement? What sub-groups (younger youth, young women, migrants, etc.) do they represent?
- » What is the most common employment status of youth engaged at each function? (casual, seasonal, permanent, full-time, part-time, agripreneur etc.) Do employment statuses tend to depend on factors like gender, age, skills, etc.? If yes, why is that?
- » Do youth own any business within the core or extended VC?
- » What are the average education levels of youth engaged as wage employees, self-employed or business owners?
- » What challenges do youth face in the current roles? Are these challenges youth-specific?
- » At what function is there a greater concentration of wage jobs? And self-employed/business owners? (What stages and types of firms)? What is the reason for that?
- » Are there opportunities to expand and create more jobs and improve incomes for employees?
- » What are the main risks to the existing jobs?
- » What are the barriers to greater youth inclusion at each function? Is there any specific barrier affecting young women's engagement? What causes these barriers?

5B. DECENT WORK FOR YOUTH

- » What working conditions do youth experience along the chain? If work conditions are poor, why is that (what hindered the improvement of work conditions so far)?
- » What is the legal working age in the given country? Is child labour and/or forced labour present in the value chain? If yes, at what stage and what activities?
- » Are the current jobs or some specific tasks hazardous to youth? What are the most common health and safety risks for youth workers and agripreneurs at each stage in the VC?
- » What is the level of informality along the chain? Are youth businesses usually registered? If not, what holds them back? Do workers receive training and protection gear for hazardous work? And do they have written contracts?
- » Are employers compliant with national legal standards and the International Labour Standards (ILS) set by the ILO? If not, why?
- » Are youth included in social dialogue and employee relations with management? Do young agripreneurs/youth agrifood workers have their representative organizations and participate through them in policy dialogues or value chain platforms? If not, what is holding them back?
- » Does the current value chain deliver inclusive jobs and earnings, particularly to youth? What are the average wages/incomes they receive in the different functions of the value chain?
- » Do youth receive adequate benefits appropriate for their employment status (like access to social security, paid vacation, etc.)?

5C. CONSTRAINTS TO YOUTH EMPLOYMENT - ACCESS TO FINANCE, LAND, EDUCATION, SKILLS ETC.

- » Do youth have access to and control over productive resources (assets, equipment and sales incomes from their activities along the chain)? If not, what are the main reasons blocking it?
- » Do youth possess the necessary financial and physical assets, including land, to succeed in the selected activities of the VC?
- » What challenges do youth face to accessing affordable finance and arable land? Do young women face specific constraints? If yes, why so?
- » Do youth have the necessary skills to participate in and benefit from the VC? If not, why is this? Are there opportunities for youth to acquire these skills?
- » What are the major skill gaps between the current capabilities of the workforce and the skill set needed to pursue winning strategies?
- » Is the relevant education and skills training being offered to address the skills gaps? If not, why is this?
- » Are youth involved in decision-making at any stage of the VC? If not, why?
- » How “tech-savvy” are the youth participating in the VC? How relevant are their ICT skills to their current role?
- » Are there active youth organizations advocating for their rights? If not, why?

5D. OPPORTUNITIES FOR YOUTH EMPLOYMENT

- » Are there opportunities for young people already engaged in the VC to expand existing value chain activities?
- » Are there on-the-job training or apprenticeship opportunities offered to youth? If not, why is this?
- » Are there gaps in the VC or missing linkages that present opportunities for agripreneurs?
- » Are there opportunities for tech-savvy youth to capitalize on? Opportunities from new technology, innovations and upgrades to ICT? If not, what is blocking this?
- » Are microenterprises within the VC connected? If not, what is blocking better connection? Are there opportunities to deepen the connections?
- » Do microenterprises offer support services to the VC? If not? Why not?
- » How can VC actors currently or potentially support opportunities for youth?
- » Is the demand for professional skills within the VC being met? Does the institutional and educational ecosystem have the capacity to provide what is needed? If not, what kind of changes are necessary?

Source: **USAID**. 2018b. *Feed the Future Project Design Guide for Youth-Inclusive Agriculture and Food Systems Volume II: Implementation*. Washington, DC; **FAO**. 2016a. *Developing gender-sensitive value chains: A guiding framework*. Rome; **FINTRAC (Making Cents International and Financial Transactions and Reports Analysis Centre of Canada)**. 2018. *Youth Inclusive Value Chain Analysis and Development: A Concise Handbook*. Washington, DC, Marketlinks; **ILO**. 2021a. *Value Chain Development for Decent Work. A systems approach to creating more and better jobs*. Third edition. Geneva.

With these guiding questions, practitioners can apply the youth lens for each function of any selected value chain to obtain a clear understanding of the push/pull factors and to identify potential opportunities for youth employment and business.



5.2.4.4 Potential opportunities for youth employment and business

From the YSVC analysis, the potential opportunities identified for greater youth engagement (both new and the expansion of existing opportunities) can be organized and listed in a summary table (see Table 6) for further assessment. This list will form part of the presentation to stakeholders for validation and will be further assessed and prioritized during the upgrading and action planning workshops.

All opportunities identified can be further assessed to determine their viability and appropriateness for the prioritized youth categories. Factors to evaluate may include profitability, decent work deficits, the enabling environment, requisite education and skill sets, access to productive resources and the areas for improvement of existing opportunities. Wage employment opportunities are viable when they provide decent work conditions. New businesses or expansion of existing businesses are viable when there is clear and good market demand for the products, sound business models (supported by adequate access to productive resources such as capital, land and labour), and high potential for increased decent work conditions.

Given that youth populations consist of heterogeneous sub-groups with varying challenges and socio-cultural risks, it is important to assess the accessibility and viability of the identified opportunities for specific groups. It should be noted whether specific youth groups, like young women, may face inequalities in accessing the opportunities due to, for instance, socio-cultural norms. When identifying the opportunities, it should be made clear whether the roles are primarily for males, females or equitably distributed. There should also be an assessment to indicate the environmental risks linked to each specific opportunity, as well as risks related to decent work deficits, specifically informal occupation and low wages.

In preparation for the discussions under the upgrading and strategy workshops, practitioners should start thinking through the respective youth-inclusive business model for each business opportunity, as well as simple cost-benefit analyses, required support services and enabling policies and institutions. Once the precise opportunities and the potential number of jobs that can be created are identified, a vision for youth employment in the selected value chain can then be defined during the upgrading process described in Chapter 6.

The YSVC assessment of the core and extended VC gives a good indication of current and potential employment opportunities but to gauge the likelihood of adoption of strategies for greater youth inclusion, the enabling environment and the governance/dynamics of the chain also have to be examined through the youth-focused lens. Such reviews should highlight youth-specific constraints in the business environment that may hinder youth engagement, as well as opportunities to strengthen the support to youth.

TABLE 6. SAMPLE FORMAT TO LIST AND ASSESS ALL POTENTIAL (EXISTING AND NEW) OPPORTUNITIES FOR YOUTH EMPLOYMENT AND NEW BUSINESSES

VALUE CHAIN	TYPE OF JOBS	POTENTIAL FOR YOUTH			LEVEL OF PROFITABILITY			REQUIREMENTS			DECENT WORK RISKS	LEVEL OF CHANGES IN ENABLING ENVIRONMENT			YOUTH CATEGORY TO BENEFIT (M-Male, F-Female, E-Equal)				GENERAL REMARKS		
		Wage Employment			Agripreneurship			Low → High				Capital	Land	Skills	Remarks	Low → High					
		1	2	3	1	2	3	1	2	3						M	F	E		Remarks	
CORE VC	Production	A)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
	Aggregation	B)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
		C)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
		D)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
		Processing	E)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐			
	F)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
	Distribution <td>G)</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td></td> <td></td> <td></td> <td></td>	G)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
		H)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
EXTENDED VC	Input Provision	I)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
	Finance <td>J)</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td>☐</td> <td></td> <td></td> <td></td> <td></td>	J)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
		K)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
		L)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
Support Service Provision	M)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				
	N)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐				

Source: Authors' elaboration.



5.2.5 Enabling environment

Entrepreneurship and job opportunities for youth are facilitated by an enabling environment that supports sustainable farms and downstream enterprises. An overall conducive business enabling environment (BEE) provides the necessary support for the VC to thrive and expand. Relevant national and international policies, regulations, laws, infrastructure, institutions and programmes are part of the enabling environment which impacts the operations of all actors along the chain (FAO, 2014). National policies may provide incentives, loans, grants and subsidies to encourage persons to get involved in the agrifood system. Government- and NGO-led research institutions provide information through market studies and climate smart crop production studies to keep VC actors relevant, informed and competitive in their industry. The enabling environment is also assessed through the youth-friendly lens to identify policies, laws, institutions, business development and other support services targeted at youth to enable their engagement in the value chain.

The enabling environment is expected to provide good physical infrastructure such as farm access and primary roads to reduce post-harvest losses, smooth transmission of goods and services, and ready supply of water and electricity for processing. In addition to good basic infrastructure, digital infrastructure is becoming essential to the competitiveness of value chains. Good internet, cell phone networks and reliable digital connectivity are important for innovation and technology adoption at all functions of the VC and for businesses that support the core VC. Blockchain traceability apps, precision agriculture, e-commerce platforms, e-extensions services, mobile banking, drone technology and other ICT tools are being used to improve efficiency, reduce costs and disseminate relevant information along the VC. These changes along the chain present opportunities for skilled and educated youth to be absorbed (“pull in”) in highly skilled jobs or new business ventures. The enabling environment is analysed to determine the digital infrastructure and access to adequate skills training to prepare (“push in”) youth for current and future technologies and green jobs in the sector.

A youth-friendly enabling environment is guided by policies targeted at youth and may offer programmes that prepare youth (push factors) to engage in the VC as employees or business owners. One critical area for improving entrepreneurial opportunities for youth is to adopt and enforce favourable policies for greater financial inclusion which provide and promote access to financial services such as credit, banking and financial literacy to enable youth to participate (ILO, 2019b). Studies conducted by the ILO have concluded that entrepreneurship opportunities for youth can be facilitated through the support of business mentorship, incubator programmes and micro-, small- and medium-sized enterprises (MSMEs), as well as other business models such as cooperatives and other social enterprises (ILO, 2019b). In addition to business support directed at youth-specific policies and programmes that facilitate ready access

to affordable inputs, finance and markets improve the likelihood of success for youth agripreneurs. If investment opportunities are becoming more obvious for youth and a deeper look is required, FAO's *Strategic Planning Tool for Catalysing Young Agri-entrepreneurs' Investments and Ensuring their Sustainability* (Eiselen and Fiedler, 2020) is a useful reference point.

Another crucial area for analysis of the enabling environment is the identification and enforcement of labour laws and policies that promote decent working conditions for youth and the end to child labour and forced labour. Such policies may strengthen regulatory systems and collective action arrangements, facilitate minimum wages for rural communities, improve occupational safety and health, and support social protection programmes to reduce the vulnerability of households (Townsend *et al.*, 2017). Sample analysis points and guiding questions for analysing the enabling environment are presented in Table 7.

TABLE 7

SAMPLE ANALYSIS POINTS AND GUIDING QUESTIONS FOR ANALYSING THE ENABLING ENVIRONMENT		
CATEGORY	ANALYSIS POINTS	SAMPLE GUIDING QUESTIONS
Policy and institutional frameworks	National policy related to youth in agriculture, investment support policy, trade-related facilitation, business registration system, food/hygiene-related standards [e.g. International Organization for Standardization (ISO), Hazard Analysis and Critical Control Point (HACCP)]	» What youth-related policies and strategic frameworks exist? Are youth aware of these policies? How do they impact youth? » Are youth (including rural youth and young agripreneurs) engaged in policy development/dialogues through their networks and representatives? If not, why not? » Are there any support initiatives or incentives for youth agripreneurs? If not, why not? » Is the business registration system well established, and easily accessible for youth, including in rural areas? » Have agribusiness-related standards and regulations been established in the country? Is the information easily accessible for youth, including in rural areas? » Are there any solutions which can provide entrepreneurship and employment opportunities for youth?
Physical infrastructure	Road (farm road, all-year-round road, and highway), transport means, energy source [wood charcoal, renewable (green) energy such as bio-charcoal, solar energy, etc.], electricity, water (safe water, and irrigation water), telecommunication network (ICT)	» Is basic infrastructure well developed in the target area? » Are there any problems in basic infrastructure listed on the left (analysis points)? If yes, how can those problems be solved? » Are there any solutions which can provide entrepreneurship and employment opportunities for youth (e.g. road construction and rehabilitation, transport services, renewable-energy-related or green jobs, ICT-related information services, etc.)?

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CATEGORY	ANALYSIS POINTS	SAMPLE GUIDING QUESTIONS
Socio-cultural norms	Socio-cultural convention (unwritten codes of conduct) affecting young women and men	» Are there any socio-cultural norms that hinder youth from being engaged in agribusinesses? » Are some norms disproportionately disadvantageous to selected categories of youth (e.g. young women or younger youth). If yes, how could they be minimized? » Are there any solutions which can provide entrepreneurship and employment opportunities for youth? » What are the communications channels for youth to have their voices heard by policy-makers? And are they effective?
Organizational collaborations	Research activities by agriculture-related research organizations, advocacy activities by youth organizations and civil society organizations (CSOs), youth empowerment initiatives by local, national and international organizations	» Are research institutes involved in the VC development? Does a mechanism exist in which the findings and recommendations are shared among VC actors and effectively utilized for VC development? » Are youth organizations actively involved in youth-related advocacy activities? » Are projects/programmes by international organizations well embedded in national VC or youth-related initiatives? If not, how could it be improved? » Are there any solutions which can provide entrepreneurship and employment opportunities for youth?

Source: Authors' elaboration.

5.2.6 Value chain governance/dynamics

The VC is governed by official and unofficial rules of operations that coordinate and regulate systems to generate value along the chain and deliver products to end consumers. The dynamics, power and distribution of benefits and control are based on the relationships and quality of interactions among VC stakeholders. The behaviours of the VC actors are influenced by their incentives, risks, financial position and access to information (FAO, 2014). Lead firms may decide and enforce the rules for participation and compliance for all other actors in the chain. Forms of governance may include contracts between value chain actors inclusive or exclusive of embedded services, informal agreements, government regulations, information flow and unwritten norms, price determination and payment terms (FAO, 2014).

Changes and upgrades to the VC to respond to constraints and threats may require dialogue and negotiations among VC actors. One of the constraints faced by youth, highlighted in Chapter 2, is the lack of inclusion and representation in policy dialogues. For the YSVC analysis, it is important to analyse the dynamics of

the chain to determine the level of youth representation in cooperatives, producer organizations and unions. How well young agripreneurs and self-employed youth represent themselves in negotiations and dialogue to articulate their constraints and possible solutions will also be assessed.

In analysing the governance structure, the interactions among actors in both vertical and horizontal linkages are examined to determine the quality of the relationships which can either create incentives for or constitute a constraint to upgrading and increasing competitiveness (Springer-Heinze, 2018). Vertically linked actors up and down the chain with quality interactions benefit from embedded services, reliable supply of inputs and profitable markets of an efficient VC. Small- and medium-sized enterprises (SMEs) along the VC, including youth agripreneurs vertically linked to other actors, can benefit from the transfer of skills, services and information to improve their proficiency and quality standards (USAID, 2021a). High levels of trust, vertical cooperation and symbiotic relationships with transfers of information, skills and services facilitate a smooth operation of a competitive chain, which in turns impacts the quality and number of current and future jobs.

Good cooperation among VC actors at the same level can also contribute to the competitiveness, innovation and efficiency of the VC and the industry. Through working together and creating economies of scale, horizontally linked actors can benefit from collective bargaining actions to reduce costs of inputs, services and transactions costs (USAID, 2021a). They also work together to standardize their production through sharing skills, resources and risks to improve product quality.

Youth operating their own farms and primary production businesses can benefit greatly from horizontal linkages to overcome constraints. However, as noted in the German Agency for International Cooperation's (GIZ) report on good practices and lessons from their programmes on rural youth employment (GIZ, 2020), there are low levels of youth participation in farmer cooperatives, which prevent them from accruing the full benefits of collective bargaining and organized support structures. The study found that youth faced challenges complying with the hierarchical structure of cooperatives and their membership requirements, such as fees (GIZ, 2020). In addition, some cooperatives require members to be registered farmers who own or lease land, and most youth lack land and starting capital for investment in agriculture (FAO and SNV, 2021). Therefore, the role of group farming and cooperatives as a support for youth engagement has to be assessed to determine if they are effective and assess approaches to facilitate and support the successful functioning of such groups.

Youth are also benefitting through the use of technology to improve the vertical linkages and connect directly to end consumers, saving costs by eliminating transactions with middlemen. This trend increased during the COVID-19 restrictions, during which time tech-savvy youth capitalized on internet and



mobile connectivity, especially through social media such as Facebook and WhatsApp, to market their products, manage their payments and settle orders that they later deliver directly to their customers (FAO, 2020a). This shift in dynamics also has to be assessed, as it points to increased opportunities for youth engagement along the VC. Table 8 provides guiding questions for the analysis of VC governance.

TABLE 8

GUIDING QUESTIONS FOR ANALYSIS OF THE VC GOVERNANCE		
TYPE OF VC LINKAGES	ANALYSIS POINTS	SAMPLE GUIDING QUESTIONS
1 Vertical linkages between core VC actors	Collaborations, business partnerships, information exchange, transaction arrangements, etc.	» Is the relationship between actors mutually beneficial? » Is the business interaction substantial and sustainable? Are there exchanges of skills, information and services? » Are young men and women included in the interactions and dialogue? » What kinds of collaboration support mechanisms exist (e.g. contract farming, input/asset-financing, etc.)? Do those support mechanisms apply to both adults and youth in the same way? If not, what are the differences?
2 Horizontal linkages between VC actors (at the same level)	Collaboration, skills sharing, collective bargaining etc.	» How are actors within the same function of the value chain connected/organized? (unions, cooperatives, producer groups etc.). » Do youth engage in those organizations and platforms or do they have specific youth organizations and networks? » What challenges do youth-only organizations face? What is the level of cooperation within these groups? » Do youth have mentors/youth leaders they admire and learn entrepreneurial and technical skills from?
3 Linkages between core and extended VC actors	Input/service business related platforms, partnerships, and associations (availability, accessibility, and affordability of inputs and services), etc.	» Are necessary inputs and services available for intended users? If no, what factors make them unavailable? » Between adults and youth, are there any differences in the availability, accessibility, and affordability of inputs and services? If yes, what factors make the difference?

Source: Authors' elaboration.

5.2.7 Natural environment

Natural disasters such as droughts, floods and hurricanes, which are beyond the control of producers, can significantly impact agricultural yields and revenues, food safety, food quality and food prices (Gladek, *et al.*, 2017). It is therefore important to assess the natural environment of a value chain as climate, soil

type, geography, topography and natural resources etc. impact the costs, risks and benefits for actors. These in turn impact the competitiveness of the entire VC (FAO, 2021a). The natural environment presents strengths, weaknesses, opportunities and threats to the VC which are critical to assess and consider for the future of the VC and during upgrading exercises (FAO, 2021a).

The most vulnerable groups with limited ability to adapt under increasing climate risks are lower-income producers and consumers of food (Gladek, *et al.*, 2017). The biggest burden is most likely to be carried by the working poor, those working in the informal economy, seasonal and casual workers, the self-employed, and micro- and small-sized enterprises (ILO, 2021c). During the YSVC analysis it is essential to understand the involvement and role of these groups, specifically youth, in environmentally critical employment. Negative impacts on both rural and urban markets may include worker displacement, damage to infrastructure or business assets, impacts on working conditions or forced short- or long-term migration (ILO, 2021c).

5.2.8 Sustainability analyses

The analysis now moves from the impacts of the environment on the VC to the impacts of the VC on its surrounding environmental, economic and social ecosystems. Sustainability assessments measure the performance of the VC in terms of economic, social and environmental impacts, examining both direct impacts as well as externalities generated by VC actors, support service providers and workers (FAO, 2021a). It also assesses the resiliency of the VC to respond to external shocks such as pandemics, natural disasters, social unrest and economic crises.

As the three dimensions of sustainability are strongly interlinked, root causes are to be considered during the analysis. For example, negative impacts in related areas such as the environment (such as natural resource degradation) are likely to lead to increased social challenges, especially in areas where rural populations cluster, and where incentives for land intensification are greatest (Sitko and Jayne, 2018).¹⁸

In-depth tools to conduct sustainability and resilience analyses:

- *FISH4ACP Developing sustainable value chains for aquatic products. Practical guidance for analysis, strategy and design* (FAO, 2021a)
- *Value Chain Analysis for Development (VCA4D). Methodological brief for Agri-based value chain analysis* (EC, 2021)

¹⁸ Through population growth and increased investments in infrastructure, access to markets and the market accessibility will likely improve over time, possibly introducing positive effects for livelihoods and social inclusion in the short-run. However, in the light of population growth, the increasing youth bulge and the absence of radical changes of resource usage, resource degradation will threaten economic and social development and development efforts are likely to fall short of their goals. If left unattended, natural resource degradation is an immense problem threatening not only the resilience of the agrifood system, but also the sustainability of economic growth and therefore the livelihoods of those who depend on the natural resources (Sitko and Jayne, 2018).



As vulnerable groups, such as youth, are more likely to carry the burden of these negative impacts, these considerations are particularly important in the context of youth-sensitive development activities which aim to benefit the next generation, improving their livelihoods and resilience. VC development interventions therefore need to be based on a holistic and integrated analysis of all three sustainability dimensions, considering the local context and youth realities. The sustainability assessment will assist VC actors to prioritize upgrading opportunities that are most important to address critical sustainability issues (FAO, 2021a).

The importance of conducting a sustainability and resiliency analysis has become more apparent with the recent events of the COVID-19 pandemic. However, in-depth guidance on how to conduct such analyses is beyond the scope of this guide. The FISH4ACP methodological guide (FAO, 2021a) and the Value Chain Analysis for Development (VCA4D) Methodological guide (EC, 2021) are recommended for detailed methodologies. The sections below briefly explain the three dimensions of sustainability and resiliency as they relate to youth employment and actions to consider for the upgrading strategy.

Economic Analysis – Economic analysis of the VC measures the economic sustainability of all actors and their value adding activities (operations) directly involved in the chain. The economic health of the value chain impacts youth employment, youth businesses, job quality (e.g., permanent or casual jobs, remuneration) and distribution of incomes within the national economy.

The YSVC analysis places particular focus on youth actors within the selected value chain in order to understand their role, and their challenges in comparison to adult counterparts. Dedicated attention should be given to the inclusivity of the VC towards the youth, in particular with regard to the income and employment distribution across actors of the VC.

The FAO FISH4ACP VC guidelines (2021a) present in-depth economic analysis methodology and tools focused on the actor-level and value chain-level contributions to economic growth. With the central concept of “Value Added”, the approach examines sustainability impact indicators under six main domains:

- 1] Profitability
- 2] Employment
- 3] Value added
- 4] Effects in the national economy
- 5] International competitiveness
- 6] Value for end-consumers

For accurate YSVC economic analysis to assess the value created and distributed along the chain, it is recommended to collect as much robust quantitative data as possible on volumes, prices, costs, revenues, number of enterprises, number of types of jobs (disaggregated by age and gender), wages (for paid workers), operating profits of youth led businesses etc. Existing secondary data and reports also provide valuable economic information (e.g. profitability) for the VC assessment.

Social Analysis – Social sustainability is reflected in the livelihoods and inclusion of vulnerable groups in and around the value chain. Given the important roles of women and youth in agriculture, especially in developing countries, gender and social disparities (ethnicity, marital status, age, income and education) are key aspects to take into account for a closer examination of the distribution of economic and social benefits of the VC (FAO, 2019c).

The indicators assessed under the social analysis include: living conditions, gender equality, working conditions, land and water rights, food and nutrition security and social capital (EC, 2021). In addition to these, the YSVC analysis investigates child labour and school-to-work transitions, intergenerational transfer of resources, political marginalization, social dialogue, and social and cultural norms regarding young female and male workers and agripreneurs. Some of these indicators would have already been examined under the push/pull factor analysis.

Assessing the social sustainability of the VC and existing gaps with regard to youth in particular is critical for VC actors to acknowledge often hidden dynamics and limitations, and offers opportunities for them to be intentional with deliberate inclusion of youth into the VC. The inclusion of youth groups throughout the implementation process will increase the future ownership of activities, making sure that the momentum of change continues beyond a project's timeframe. Additionally, it is crucial that youth rights and realities are respected and that youth voices are heard in the processes that affect their lives and livelihoods, making sure that they play an active role in shaping their future as the next generation of adults.

Environmental Analysis – Over the decades agriculture practices such as intensive monocropping with chemical inputs, large scale livestock farming and unsustainable fishing have negatively affected the natural ecosystems. They have contributed to deforestation, biodiversity loss, soil erosion, over-exploitation and pollution of freshwater sources, depletion of fish stock and increased greenhouse gas emissions (Gladek *et al.*, 2017). This analysis assesses the impact the value chain has on the natural environment. Key areas to analyse include environmental footprint, contribution to climate change, toxicity and pollution, resource depletion, biodiversity loss, food loss and waste, and potential impact on human health.



New upgrades to the VCs ought to add more value but not at the expense of natural resources (FAO, 2014). This new way of thinking and doing business can lead to opportunities for youth as VCs and economies seek to become greener.

This could translate either into the creation of green jobs in agricultural, manufacturing, research and development (R&D), administrative, and service activities that contribute substantially to preserving or restoring environmental quality (such as the provision of green products or green services) or into the greening of existing businesses (for example through upgrading existing operations to function in a more environmentally friendly way). According to the United Nations Environment Programme (UNEP) (UNEP, 2008) this includes jobs that reduce energy, materials and water consumption through high efficiency strategies; decarbonize the economy; and minimize or altogether avoid generation of all forms of waste and pollution. Box 10 lists examples of modifications that can be applied to existing businesses along the VC to create green jobs.

Box 10. Examples of modifications to existing businesses along the VC to create “green jobs”

1. Improvements in post-harvest storage and handling practices.
2. Integrated production systems and bioenergy production used for cooking, process heating, and mechanical and electric power generation; using some outputs (e.g. by-products).
3. Services of one production component as input to another within the farm unit (e.g. agroforestry, integrated crop-livestock, rice-fish, food-energy systems, aquaponics).
4. Landscape maintenance and biodiversity protection – environmental conservation/protection and sustainable land management.
5. Environmentally friendly food production; organic farming, composting through reusing residues (e.g. crop, livestock and fish waste, and wood residues), beekeeping, water conservation, agroprocessing and agroforestry. Recycling/reusing of materials, etc.
6. Certification and branding for sustainable produce, including the labelling of sustainably and organically produced food.

In some cases, the greening of existing businesses through the adoption of more environmentally friendly practices might be a more feasible option which is worth exploring to bring efficiency improvements. According to the ILO, the transition to a low-carbon economy will lead to a net increase in employment, however the number of jobs created throughout the transition process depends on the demand and investment (ILO, 2021c). With support and investments from governments and NGOs, trainings can be provided and may be the answer to close the skills gap, prepare youth for greener jobs and provide affordable finance for green businesses.

Innovative agripreneurs and tech-savvy youth may be able to provide solutions to environmental challenges and be willing to work with green technologies and new ICTs. For example, new job opportunities are being created through the use of solar power for agro-processing in off-grid areas (Townsend *et al.*, 2017) and services to hire youth-operated machinery for land preparation or harvesting that protect and conserve the soil.

However, youth especially those in rural areas will have to overcome the constraints of lack of relevant skills and knowledge, as well as challenges in accessing productive resources (e.g. finance) to start new businesses, before they can capitalize on these opportunities.

Impact of COVID-19 on youth employment and the resilience of the food system

The COVID-19 pandemic shock tested the performance of global food systems and impacted employment for youth. As a response, youth utilized their innovative and creative spirits to find solutions to some of the challenges they faced. Box 11 describes the impacts of COVID-19 on youth employment and responses by agripreneurs and governments.



Box 11. COVID-19, resiliency and youth employment

Impact of COVID-19 on youth employment and the resilience of the food system

The COVID-19 pandemic, an external threat to global agrifood systems, has negatively impacted businesses and jobs associated with food value chains. As a result of lockdowns and restrictions in movement, chain actors and support service providers grappled with loss of markets, incomes, livelihoods and reduced access to essential inputs (FAO, 2020a). This resulted in the loss of employment, particularly work for informal workers, rural youth and some young agripreneurs. However, young agripreneurs adapted and innovated to continue engaging within and servicing value chains. They created delivery services for transportation of their products to customers, added value to their primary products, explored alternative animal feed and other inputs and marketed and sold their products online (FAO, 2020a).

The distribution and import disruptions revealed some of the risks and fragilities of the current global agrifood systems where countries that are heavily dependent on imported food were greatly impacted. Governments are now focusing on building more resilient local food systems and have prioritized investments to boost and diversify local production and shorten food supply chains. These initiatives to decrease the reliance on food imports are creating new opportunities in the domestic markets which may have great potential for young agripreneurs (FAO, 2020b). However, they must be backed by an enabling environment that provides the needed support for the youth led businesses to thrive. Examples of actions include: government support for out-grower schemes/contract farming or aggregation of farm produce between youth-led enterprises and lead agribusinesses, and support and strengthening of youth cooperatives and youth-inclusive producer organizations (FAO, 2020a).

Servicing domestic and regional markets and shortening supply chains are key components of an agro-ecological system which can reduce a country's vulnerability to external shocks like COVID-19 and its corresponding disruption of international markets (IPES-Food, 2020). FAO (2018d) acknowledges the capacity of agro-ecology to merge the environmental, social and economic dimensions of sustainability. A shift from industrial agriculture to diversified **agro-ecological systems** can provide future employment and business opportunities for youth.

5.2.9 SWOT analysis

A SWOT analysis is commonly used to synthesise the results of a value chain analysis into concise information for strategic planning. It analyses the strengths, weaknesses, opportunities and threats existing within the value chain framework or affecting it. It also relates to the situation of and impacts on youth employment and youth-operated businesses. The current state of the chain, its performance, risks, potential developments and youth engagement and opportunities can be presented in a simple SWOT Matrix. Annex G presents the SWOT analysis of the chilli value chain in Rwanda.

When compiling the matrix, youth issues and data collected in the YSVC analysis process are reviewed for critical information. For example, during the VC selection process, information captured for arguments by different groups in favour or against specific value chains highlights strengths, weaknesses and youth attractiveness of the VC and so on. The end market analysis provides information about future opportunities and the VC governance about the health of the VC actors' relationships which can either be strengths or weaknesses. Table 9 gives a summary of the factors, explains what they actually are and provides examples of areas the information can be sourced from.

TABLE 9

SWOT INFORMATION SOURCES	
FACTORS ¹⁹	EXAMPLE OF SOURCE INFORMATION
Strengths: Internal factors that make the VC competitive and separate it from others.	» VC selection process – Strengths identified and ranked against other VCs » VC governance – Cooperation between actors, youth benefitting from collective bargaining, economies of scale, efficient vertical and horizontal linkages, youth actively involved in dialogue and negotiations » Analysis of core and extended VC – Skilled and well-equipped actors, youth agripreneurs » VC enabling environment – Laws and policies that support the sustainability and upgrading of the VC and youth engagement » Sustainability assessment – Economic analysis to show profitability of the chain and all actors. Environment analysis of positive or regenerative impact of VC activities on the environment/community » End market analysis – Identifies stable, profitable and growth markets » Push/pull factor analysis – Decent jobs, good governance and enabling environment

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¹⁹ FISH4ACP methodological guide (FAO, 2021a).



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FACTORS	EXAMPLE OF SOURCE INFORMATION
Weaknesses: Internal factors that hinder optimum performance or areas for improvement	» VC selection process – Weaknesses identified » End market analysis – Internal problems to comply with market access requirements (especially for exports) » VC governance – Low trust levels between actors, weak governance structures » Sustainability assessment – Decent work deficits, high-costs of input » Push/pull factor analysis – Decent work deficits and poor social dialogue
Opportunities: External factors that give the organization a competitive advantage	» End market analysis – Identify new or growing markets » Enabling environment – New laws and policies that support business growth and youth » Sustainability assessment – Environmental issues, pandemics, climate change etc. » Push/pull factor analysis – Skilled and qualified youth.
Threats: External factors which can harm the organization	» Sustainability assessment – Environmental issues, pandemics, climate change etc. » Enabling environment – Unfavourable laws and policies » End market analysis – Market growth trends may be negative; competitors gaining market share » Push/pull factor analysis – Unattractiveness of the agriculture sector

Source: Authors' elaboration.

The SWOT matrix can be used as one tool for presentation and discussions to validate the findings of the YSVC analysis at the stakeholder validation workshops discussed in the next section.

5.2.10 Stakeholder validation of results

As part of the participatory YSVC analysis methodology, stakeholders should have the opportunity to discuss the results before the team moves on to the planning stage. Their participation is to ensure transparency, validate findings, fill any existing gaps and to encourage further involvement and eventual ownership of the action plans.

To ensure effective validation, it is important to include a combination of value chain representatives, knowledgeable stakeholders who are able to provide critical reviews, **youth** and stakeholders such as governments and donors with incentives to drive investments to implement youth inclusive strategies. Good candidates can be identified throughout the YSVC analysis from the start-up and selection stage and during the data collection and validation stages and can be selected from (or nominated by) stakeholders who showed good knowledge of the value chain as well as a good understanding of youth-related issues.

The validation workshop can be a one-day event, a more elaborate event of two to three days or simply a focus group session. Whatever the format, when facilitating the workshop, it is crucial to create an environment where stakeholders feel comfortable to be candid and share honest feedback with the project team to validate the accuracy of the findings and confirm that all relevant details were considered (ILO, 2021a).

For research teams with members based in different countries, virtual workshops (or a combination of in-person and virtual) are cost-effective ways to conduct stakeholder validation. Virtual workshops are now more prevalent as organizations adapt to online platforms during the COVID-19 pandemic to continue their operations and engagement with stakeholders. Most practitioners may have attended a virtual workshop and for those without experience hosting one, guidance to running a successful virtual workshop is provided in Table 10.

TABLE 10

TIPS FOR A RUNNING A SUCCESSFUL VIRTUAL WORKSHOP**SIMPLE TIPS**

Adequate preparation	» Prepare a detailed agenda but keep it simple and allow flex time » Conduct a test session » Work with a co-facilitator to assist with large groups, manage breakout sessions, respond to questions in the chat, keep track of time etc. » Have stakeholders sign up before the workshop to get an idea of attendance and to share the agenda beforehand » Send an additional reminder close to the date
Select the right tools	» Choose the right conferencing platform (Zoom, Microsoft Teams, Google Hangouts, YouTube live, WebEx, GoToMeeting, etc.) » Virtual tools for sharing and collaborating (e.g., Zoom Built-in White Board, Google Docs, Google Jamboard, Mural, Mentimeter)
Facilitate participation	» Use of breakout rooms, polls, icebreakers, anonymous voting (Tools include Mentimeter, Poll Everywhere etc.) » Set ground rules and online etiquette for muting and unmuting microphones etc. – ideally have a team member to support the monitoring and muting, so the speaker can remain focused » For full day workshops, design schedules with breaks and mix of tasks (Smart, 2020). » Engage all participants
Closure	» Summarize the workshop and share results/recap » Encourage feedback » Define next steps

Source: **Be-novative**. 2020. *Best practices: How to facilitate a virtual workshop?* Usability Geek, 1 April 2020.

The agreed results from the validation workshop will then be used to inform the next stage (developing action plans) discussed in Chapter 6.



5.2.11 Reporting

At the end of the stakeholder validation, all agreed findings and conclusions of the YSVC analysis can be compiled in the final VC analysis report. For the contents of the report, practitioners can reflect on the methodology and tools applied, the actual desk and field research conducted, data compiling process, results, findings, conclusions and a synthesis of the key recommendations for strategic planning.

This report forms the basis for a participatory strategic planning exercises to develop and agree on the Upgrading Strategy and Action Plans outlined in Chapter 6. To be able to follow a logical flow, it is recommended that the findings and conclusion be written up clearly and well-structured (e.g. according to functions of the core VC, extended VC, governance, the enabling environment and the sustainability assessment) and should provide evidence to support recommended interventions. In addition, to facilitate ease of making decisions, it is a good practice that the report be concise and written in accessible language (EC, 2021).

The report can include the details of the structure and dynamics of the chain, a thorough assessment of the current youth engagement at each stage, opportunities and constraints for greater youth inclusion, the presence or absence of push/pull factors and the overall competitiveness of the chain. To further guide the practitioner in the report writing a generic sample table of contents is provided below:

Sample Table of Contents for the YSVC Analysis Report

- » Introduction: Background, rationale and objectives of the study
- » Methodology
- » Results of the YSVC analysis
 - » End market analysis
 - » VC mapping
 - » Functional analysis highlighting key constraints, opportunities and the push/pull factors
 - Core VC
 - Extended VC
 - Enabling environment
 - VC governance
 - Natural environment
 - » Sustainability analysis
- » Youth-specific issues
- » SWOT analysis and summary of key findings
- » Recommendations for a youth employment vision, strategy and action plan

Additional resources:

Generic value chain analysis

- » *FISH4ACP Developing sustainable value chains for aquatic products. Practical guidance for analysis, strategy and design* (FAO, 2021a).
- » *Developing sustainable value chains for small-scale livestock producers* (FAO, 2019c).
- » *Making Value Chains Work Better for the Poor: A Toolkit for Practitioners of Value Chain Analysis* (M4P and DFID, 2008).
- » *Value Chain Analysis for Development (VCA4D). Methodological Brief for Agri-based Value Chain Analysis* (EC, 2021).
- » *Value Chain Development for Decent Work. A systems approach to creating more and better jobs* (ILO, 2021a).
- » *ValueLinks 2.0: Manual on Sustainable Value Chain Development* (Springer-Heinze, 2018).
- » *Marketlinks: Value Chain Selection* (USAID, 2021e).
- » *Guidelines for value chain analysis* (Hellin and Meijer, 2006).

Data collection

- » *Guide to Focus Group Discussions* (USAID, 2008b).
- » *Jobs in Value Chain Surveys: Tool 12 Semi-Structured Interview Guidelines* (World Bank, 2018a).

End market analysis

- » *End market research toolkit: Upgrading value chain competitiveness with informed choice* (USAID, 2008a).
- » *MarketLinks: Conducting an End Market Analysis* (USAID, 2021c).

VC mapping

- » *FISH4ACP Developing sustainable value chains for aquatic products. Practical guidance for analysis, strategy and design* (FAO, 2021a).
- » *Jobs in Value Chains Surveys: Tool 2 Value Chain Mapping Guidelines* (World Bank, 2018b).
- » *Making Value Chains Work Better for the Poor: A Toolkit for Practitioners of Value Chain Analysis* (M4P and DFID, 2008).



- » *ValueLinks 2.0: Manual on Sustainable Value Chain Development* (Springer-Heinze, 2018).

Push/pull approach

- » *A framework for a push/pull approach to inclusive market systems development* (USAID, 2015).
- » *Guide on Measuring Decent Jobs for Youth: Monitoring, evaluation and learning in labour market programmes* (ILO, 2018). See Chapter 2 for Indicators for Decent Work.

Economic, social and environmental analysis

- » *FISH4ACP Developing sustainable value chains for aquatic products. Practical guidance for analysis, strategy and design* (FAO, 2021a).
- » *Making Value Chains Work Better for the Poor: A Toolkit for Practitioners of Value Chain Analysis* (M4P and DFID, 2008).
- » *ValueLinks 2.0: Manual on Sustainable Value Chain Development* (Springer-Heinze, 2018).
- » *Marketlinks: Value Chain Selection* (USAID, 2021e).
- » *Value Chain Analysis for Development (VCA4D). Methodological Brief for Agri-based Value Chain Analysis* (EC, 2021).
- » *How to conduct a food commodity value chain analysis?* (WFP, 2010).

SWOT analysis

- » *Value Chain Analysis for Development (VCA4D). Methodological Brief for Agri-based Value Chain Analysis* (EC, 2021).
- » *FAO, FISH4ACP Developing sustainable value chains for aquatic products. Practical guidance for analysis, strategy and design* (FAO, 2021a).

Stakeholder validation

- » *Value Chain Development for Decent Work. A systems approach to creating more and better jobs* (ILO, 2021a).
- » *MarketLinks: Value Chain Analysis* (USAID, 2021b).

C H A P T E R 6

Value chain upgrading strategy and action planning



As mentioned in the earlier chapters of this guide, the objective of value chain analysis is to systematically analyse a value chain in order to identify the actions needed to take advantage of existing and emerging market opportunities that could be harnessed to drive the chain forward. This is done by looking at the functions and processes within the core and extended value chain and by examining how the value chain is managed or governed. The findings point out (all) of the constraints and seek to identify root causes that are currently holding back the chain from taking advantage of existing opportunities. By addressing key binding constraints, and through identification of leverage points, value chain upgrading is triggered and accelerated through systemic relationships. As stated in FAO's FISH4ACP VC guidelines: *"An upgrading strategy is the chosen integrated approach to simultaneously tackle all binding constraints through system-based solutions in order to realize the vision"* (FAO, 2021a).

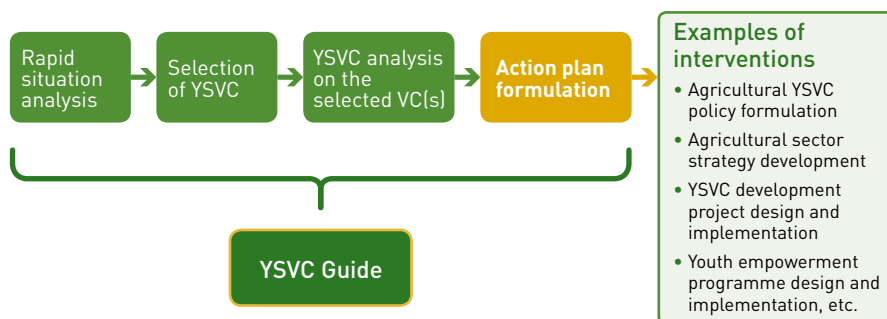
For greater youth inclusion based on the YSVC analysis, a value chain upgrading strategy and the action planning will focus on the integration of youth relevant aspects, i.e. their strengths, interests and actions to overcome identified key binding constraints. As mentioned earlier, this is specifically for boosting decent youth employment as well as agripreneurship (i.e. self-employment) within the core and extended value chain for a specific product.

These youth-specific aspects need to be incorporated into the overall VC upgrading strategy or may be taken separately for specific youth-focused interventions (see Figure 9). This depends on the actual purpose and objective of the youth-sensitive value chain analysis. Figure 9 highlights examples of possible interventions, i.e. whether it is to assist policy-makers in defining appropriate policy and support measures for greater youth inclusion, or for more advocacy and youth inclusion in decision-making processes (empowerment programmes), or for specific projects that focus on the development of a specific product value chain. If the work is done to guide the direction of an integrated development approach, the action plan is likely to cover a combination of the above objectives. As a consequence, such an integrated youth-focused strategy may become rather complex, with a range of components or objectives to be addressed by a diverse group of actors, stakeholders and supporters leading or having key roles in the respective upgrading components.

This chapter briefly explains what upgrading and action planning is and provides guidance on how to complete the exercise with a focus on youth (based on the findings of the YSVC analysis). It provides examples of templates for documenting the outcome. However, the focus of this guide is to sensitise value chain practitioners on youth issues. Good examples and widely tested ways on how to conduct upgrading workshops and steps in developing upgrading strategies and action plans are provided in other publications, such as by MarketLinks (USAID, 2021d), and ValueLinks2.0 (Springer-Heinze, 2018).

FIGURE 9

Scope of the YSVC guide



Source: Authors' elaboration.

Moreover, FAO's FISH4ACP methodological guide (FAO, 2021a) provides a comprehensive step-by-step description on how to develop an upgrading strategy and associated implementation plan. Readers may refer to these resources for more detailed guidance.

6.1 » YOUTH-CENTRED VALUE CHAIN UPGRADING WORKSHOP – PURPOSE AND SETTING

In preparation for a youth-focused and participatory value chain upgrading and action planning exercise, it is recommended that the value chain team share the summary findings of the YSVC analysis with stakeholders and beneficiaries prior to the actual event. Invitees for the workshop can include representatives from value chain actor groups, youth groups and potential beneficiaries, as well as potential investors and other stakeholder groups consulted during the execution of the value chain analysis. A common practice is to prepare a presentation on key findings highlighting binding constraints, identified opportunities and proposed action to present as the basis for the following sessions. The workshop would be facilitated by members of the research team, ideally together with youth or beneficiary group representatives.

For such a youth-sensitive value chain stakeholder upgrading strategy and planning workshop, the **focus will be on decent employment opportunities for youth**. Most relevant information will be derived from the push/pull factor analysis (Section 5.2.4). In essence, the analysis identified potential employment opportunities for youth in both the core and extended VCs (See Table 6 sample format in Section 5.2.4.4). These opportunities require appropriate interventions and viable linkages among VC actors in a sound business enabling environment

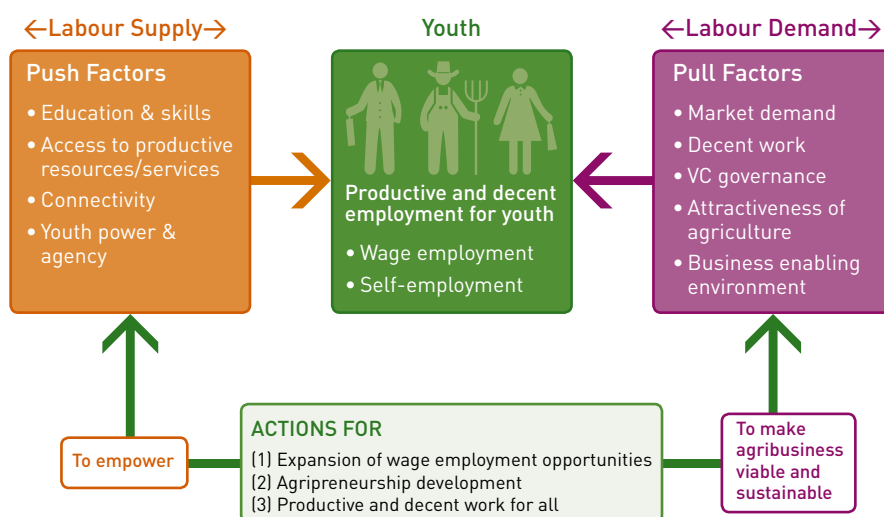
in order to be sustainable. Yet, for youth to capitalize on these opportunities they have to be “employable” with basic education, knowledge, skills and the willingness to learn and be trained.

During the strategic planning exercise, the stakeholder group must come to a consensus on specific actions to implement in order to realize potential employment opportunities and reduce the gap between the labour demand side and labour supply side by leveraging push and pull factors for youth employment. Figure 10 provides an overview of the potential drivers and examples of intended actions relevant for all stages along the core value chains and the support services in the extended value chain.

The framework in Figure 10 provides an example of three generic action areas to be considered for the action-plan formulation. The first scenario is to expand current decent wage employment. Wage employers such as SMEs and cooperatives will be able to increase employment not only by enhancing their current business activities but also by incorporating new types of business activities. The second is agripreneurship development, including both expansion of current self-employment agribusinesses and the launching of new types of agribusinesses that provide decent work for youth. The third scenario is to improve the quality of existing wage and business opportunities, making them productive and decent.

FIGURE 10

Push and pull factors and action areas for strategic planning



Source: Authors' elaboration.

In a nutshell, specific promising actions from the YSVC analysis findings can be critically reviewed against these three elements and actions confirmed, so that youth currently unemployed, underemployed or engaged in non-remunerative work will be able to find productive and decent employment opportunities, either in wage employment or as agripreneurs. In order to stimulate employment on the labour demand side and increase the number of firms in the VC as well as grow the existing ones, greater investments into companies and businesses, including youth-run companies, has to be made. This can be achieved through a BEE that facilitates easier access to finance and/or reduction of risks through insurance or other means.

Depending on the characteristics of the specific value chain and with its special focus on youth, the workshop may also consider the diversity of youth (see Chapter 2). Specific target groups (e.g. school dropouts, migrants, refugees, ethnic minorities, etc.) or particularly vulnerable groups amongst the youth in the region or country. These vulnerable groups, like refugees or younger youth (school dropouts aged 15–17) require special consideration and perhaps even more innovative actions to include them into the planning exercise, i.e. some kind of social protection support may be considered.

It is the task of the workshop facilitators to set a conducive and open work environment to get to mutually agreed results (vision, strategy, action plan) within the limited time available and general settings of a workshop.

6.2 » DEVELOPING UPGRADING STRATEGIES

In general, the identification of an upgrading strategy and action plan is derived from the overall vision for the development of a value chain. In the youth context, this is done with a vision to increase benefits for youth. The upgrading strategy includes strategic upgrading components that address the key binding constraints in order to realize the vision, and a set of proposed activities against each upgrading component. A common procedure is to discuss and finalize the proposed vision, upgrading strategy and action plans during the value chain upgrading and action planning workshop and document them as part of the workshop report.

If the purpose of the VC work is specific to designing a project, the preparation of an action plan will require the collection of additional detailed information conducted prior to the workshop. Information will include a detailed time frame, responsibilities, costings and more detailed inclusive business models (especially at the production – first buyer linkage) and data.

In-depth tool: Stepwise approach to upgrading action planning in FISH4ACP Developing sustainable value chains for aquatic products. Practical guidance for analysis, strategy and design (FAO, 2021a).

Below a general sequence of steps is proposed, some working definitions are explained and the link to the youth dimension made for a better understanding of the upgrading process. The *Coffee Value Chain Analysis - Opportunities for youth employment in Uganda* report (FAO, 2020c) gives an example of a youth-focused upgrading strategy and action plan.

Vision: The vision statement of the value chain upgrading strategy describes the aspirations for change of the value chain. It is answering the question: **How should the value chain in question look like in a certain number of years (e.g. five or ten) from now?** For youth-sensitive value chain development work, this statement has to be focused on youth. An example from the ICA Rwanda FAO and SNV study reads: *“15 000 decent and productive jobs for male and female youth are created in horticulture annually”* (FAO and SNV, 2021).

Strategy: This is an agreement between value chain actors on joint actions to upgrade. Following an agreement on the vision, the sequence to reach a strategy and action plan (Figure 11) is to identify strategic options, agree on key components and actors to lead each of the components, and prioritize the most relevant ones to address in the context of youth inclusion (i.e. what to do and what not to do) and who is going to lead the implementation. Objectives and time frame for each of the components can then be discussed and agreed on. For each of the objectives, concrete outputs and key activities required to reach the outputs are to be considered. This exercise and sequence of steps is similar to the traditional log frame exercises or the more recent work used to define a theory of change. Government counterparts and project partners will be familiar with the methodology.

FIGURE 11

Sequence to develop a value chain upgrading strategy



Source: Authors' elaboration.

Upgrading: In general terms, upgrading involves **innovative activities that add value to products or services and make production and marketing processes more efficient** (USAID, 2021d). Some of the positive effects of upgrading include higher returns, steady and more secure incomes, development of knowledge, employment creation, ability to respond to changing market conditions

and reduced risks or reduced impacts on the environmental. Upgrading will contribute to overall **sub-sector competitiveness and national economic growth**. Box 12 shows traditional focal areas of VC upgrading.

The traditional focal areas of VC upgrading focus more on economic aspects than environmental and social issues. However, some of the social and governance-related issues are highly relevant for the youth and youth-centred value chain development. Therefore, the push and pull factor analysis has been introduced in Chapter 5. For the discussion at the workshop, youth employment opportunities (listed in Table 6 – Section 5.2.4.4) and findings from the push and pull factor analysis done during the YSVC analysis phase (see Section 5.2.4) will have to be reviewed and verified. They are the basis for deciding what action to take with each category and assess how these “discussion points” are linked to the findings about the VC challenges and opportunities at the different stages along the core value chain and the extended value chain.

Box 12. Generic focal areas for value chain upgrading

Focal areas for value chain upgrading

- » **Process** upgrading – increasing the efficiency of internal processes (production, storage, distribution, logistics, improvement in working conditions for employees/decent work).
- » **Product** upgrading – innovation, quality.
- » **Volume** upgrading – more of the product.
- » **Functional** upgrading – shifting of functions (i.e. marketing and/or processing to farmers’ organizations).

Youth can benefit from upgrading activities which may present additional employment and agripreneurship opportunities. For example, companies seeking to upgrade their processes may implement better post-harvest management practices to reduce losses and increase their volume of products. With such upgrades, additional post-harvest job opportunities may become available whereby more youth can be engaged to assist with sorting, grading, drying, packaging and loading.

Upgrades within the processing node that require higher levels of education in processing technology and ICT may also present ready opportunities for educated tech savvy youth. Youth with ICT skills may also capitalize on opportunities to service VC actors seeking to employ technology upgrades such as precision agriculture.

Following an agreement on the overall upgrading strategy and main outcome areas, the workshop may facilitate smaller group discussions on specific outcomes. These would point to specific actions required and who would take the lead to address it or lead implementation. If needed, two tables are provided in Annex H to provide guidance through discussion points using the push/pull approach (linked to Chapter 5) to derive specific actions that will support and reinforce the previously identified opportunities. These tables are only examples, and flipcharts can be designed for use in a workshop session as needed.

When discussing the opportunities, the workshop may focus on impact as well as feasibility, and get feedback from different stakeholder group representatives (“triangulation”). Practitioners are advised to make an attempt to group opportunities by components and prioritize by importance based on the potential impact and synergetic effects.

The time frame for implementation of the strategies and actions needs to be considered using the information from the analytical work outlined in Chapter 5 and the further action planning process outlined in the previous section. Facilitators may guide the group to think about short-term actions (often referred to as “low-hanging fruits”) that can be launched and have a positive effect immediately and actions areas that require more lead time and also more time to show the positive effects on employment. The strategy may group employment opportunities identified for the respective VCs into short-term (1–2 years), medium-term (1–5 years) and long-term (1–10 years) strategic actions. If adopted, the proposed longer-term strategies will need to start soon, and not, for example, after five years when the medium-term strategies have finished. The proposed change processes will also take more time to implement (see Table 11).

TABLE 11

EXAMPLES OF SHORT-, MEDIUM- AND LONG-TERM STRATEGIES

Short term (1–2 years)	These strategies propose immediate opportunities for creating youth employment, without necessarily focusing on any additional growth of the horticulture VCs
Medium term (1–5 years)	These strategies focus on the growth of the horticulture VCs, which will then generate additional youth employment opportunities
Long term (1–10 years)	These strategies focus on higher-level enabling issues, as government strategies, infrastructure development, education development, etc.

Source: **FAO & SNV**. (forthcoming).
Youth Centred Value Chain Analysis of Selected Horticulture Value Chains in Rwanda. Rome.

Experiences from recent YSVC work by FAO under the ICA programme (FAO, 2021b) in Kenya, Rwanda and Uganda and for short-term interventions point to the likelihood that more jobs can be created at production than at other functions of the value chain. At the same time, looking further into the future, employment is expected to increase faster in other functions than at production. In the last century, in most countries a shift has taken (and is still taking) place, with increased farm sizes and improved mechanization leading to reduced labour demand at the production level, while value addition and processing in the same VCs has created more off-farm jobs. For instance, in the Netherlands, it has been reported that for every one farmer there are ten non-farming jobs related to the agricultural sector (FAO and SNV 2021). For this reason, medium- and long-term strategies for employment creation should go beyond production as well.

After discussing, assessing and confirming constraints and opportunities for youth employment within the value chain framework based on the information received and the data collected, a format for presenting the upgrading strategy and action plan has to be designed that identifies and structures the efforts that are required at various parts of the chain to improve performance and lead to more decent youth employment. Such a template will ideally be based on components or objectives that have been agreed upon by the participants and that address strategic areas of upgrading (see Table 12 as an example). This is specific to every value chain but could include strategic objectives such as expanding production, aligning R&D with industry needs, or establishing centralised processing facilities. For this particular guide, with the focus on youth, the situation and objectives of youth are key and need to be incorporated and focused on in the upgrading strategy.

The strategic objectives (or strategy component) and associated identified actions or activities will address the identified key binding constraints. In many cases, one binding constraint may require more than one strategy component in order to remove it while at the same time, one strategy component may address more than one constraint. In addition to describing the strategic objective (aim, targets, justification as to why it is important), the group will agree on key activities that need to be undertaken to achieve the strategic objective. Assumptions will also be listed and it is important to have them all validated. The template should also include the responsible actor/organization who should lead this activity and an indicative timeframe for completion. In some situations, it is a good practice to conduct one-on-one meetings with stakeholders, whose involvement is critical for the upgrading strategy prior to the action planning workshop, especially if they are meant to lead the implementation of a component (see Table 12). During the implementation of the strategy and over time, the identified activities or actions will gradually alleviate those key binding constraints.

A proposal could be prepared by the research team, presented at the workshop and then completed by the stakeholder group during working sessions.

TABLE 12

ACTION PLAN TEMPLATE			
COMPONENT X:	I.E. PRODUCTION AND PRODUCTIVITY AT FARM LEVEL		
Strategic Objective:	text		
Rationale:	text		
Key Activity	Key Assumptions	Lead (Others)	Timeline
2.1			
2.2			
2.3			
2.4			

In summary, the value chain upgrading strategy is a product of the interaction of stakeholders of the value chain and will focus on leveraging decent employment opportunities of the different youth groups. During the workshop, value chain stakeholders and beneficiary representatives will agree on what they want to pursue jointly as their task and how they want to get there. During this participatory process, it is encouraged to confirm key partners for implementation and facilitate the formation of a value chain coordination group or multi-stakeholder platform that will be closely involved in the implementation and monitoring of the upgrading strategy. This group will eventually become the “guardian” unit in charge of making the strategy work and driving the implementation of the action plan. As mentioned, this youth-focused strategy will strive to achieve the vision through an agreed action plan.

Sustainability of VC Development

Empowering youth to become active players in value chain development and upgrading is an integral part of the youth-centred value chain approach (see ILO quote in Box 13). It is not desirable for people, including youth, to become dependent on projects and development aid. They need to develop the ability to critically judge the situation to make informed decisions and capture opportunities from the value chain and agrifood system they are part of. A project can facilitate and provide targeted investment support or start-up capital and needed capacities and skills. However, youth as value chain actors and service providers will have to ultimately endorse, if not design, the value chain upgrading strategy with the support of the VCA team.

Box 13. Empowering youth

“Value chain development is about enabling the target group to make informed choices on their own. It is not about making choices FOR the target group, but it is about ENABLING informed choices; giving people the liberty to decide for themselves within a market system that responds to their needs and aspirations.”

Source: ILO. 2015. A Rough Guide to Value Chain Development. How to create employment and improve working conditions in targeted sectors. Geneva.

6.3 » DOCUMENTATION AND FOLLOW-UP

The output of this work is the Youth-Sensitive Value Chain Upgrading Strategy and Action Plan – a document that provides an agreed vision statement, strategy write up and concrete activities. It includes the roadmap (action plan) to develop the sector toward a higher level of sustainability performance with maximum benefit for and inclusion of youth. The prime objective of the youth-sensitive value chain analysis is to ensure that the results and agreed upgrading actions are inclusive of youth and deliver more benefits for youth. The action plan should include all the public and private actors to be involved, and a timeframe for improvements. An outline of the possible contents of such a report is provided in Annex I.

Monitoring and evaluation (M&E) has to be an integral part of the upgrading strategy and implementation of the action plan. It is critical to the implementation process and will assist the implementers and its partner stakeholders to detect implementation issues early and take the necessary corrective actions. During monitoring it will be necessary to collect data on output, outcomes and impacts. This will facilitate the assessment of the effectiveness of investment and activities outlined in the action plan. M&E supports good decision-making and credible reporting for accountability of “value” achieved (ILO, 2015a).

For the next steps and recommendations for the implementation of the upgrading strategy and action plan, it is a good practice to have this executed through a value chain coordination committee and or youth value chain multi-stakeholder platform. Such a platform will require endorsement and resources from both the government and the private sector. It will be an amalgamation of various value chain stakeholders and youth representatives working together on activities including those under the components of the developed strategy. The buy-in of all stakeholders will be critical to the implementation process.

The prime objective of the youth-sensitive value chain analysis and the upgrading strategy/action plan activities is to identify viable opportunities and binding constraints to youth engagement in agricultural value chains that translate into greater youth inclusion. The participatory nature of the analytical process, validation of findings, upgrading strategy and action planning workshops and the documented strategy and action plan will form the basis for the execution of a successful youth-focused VC development. The actions are expected to bring about the desired increase in employment and business opportunities for youth within a more attractive agriculture sector.

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Annexes





ANNEX A

Value chain selection sample workshop agenda

DAY 1 – DATE		
Workshop Part I: all participants invited		
Time	Agenda item	Speaker
9.00–9.10	Opening remarks	Speaker
9.10–9.25	Participant introductions	All participants
9.25–9.45	Project context	Speaker
9.45–10.15	Workshop objectives and expectations	Speaker
10.15–10.30	Tea/coffee break	
10.30–11.00	VC Presentation no. 1	Representative(s) of VC 1
11.00–12.00	Q&A on VC 1	Plenary
12.00–12.30	VC Presentation no. 2	Representative(s) of VC 2
12.30–13.30	Q&A on VC 2	Plenary
13.30–14.30	Lunch	
14.30–15.00	VC Presentation no. 3	Representative(s) of VC 3
15.00–16.00	Q&A on VC 3	Plenary
16.00–16.15	Tea/coffee break	
16.15–16.45	VC Presentation no. 4	Representative(s) of VC 4
16.45–17.45	Q&A on VC 4	Plenary
17.45–18.00	Close of day 1	Speaker

DAY 2 – DATE		
Time	Agenda item	Speaker
9.00–9.15	Morning check-in	Speaker
9.15–9.45	VC Presentation no. 4	Representative(s) of VC 4
9.45–10.15	VC Presentation no. 3	Representative(s) of VC 3
10.15–10.30	Tea/coffee break	
11.00–11.30	VC Presentation no. 2	Representative(s) of VC 2
11.30–12.00	VC Presentation no. 1	Representative(s) of VC 1
12.00–12.30	Closing remarks – Part I Group photo	Speaker
12.30–13.30	Lunch and VC participants' departure	
Workshop Part II: FAO and regional partners only (fisheries and VC)		
13.30–15.00	Feedback on the proposals	Regional partners
15.00–15.45	Presentation on VC approach	Presenter
15.45–16.00	Tea/coffee break	
16.00–17.00	Discussion on the VC methodology	Presenter
17.00–17.15	Closing remarks – Part II	Speaker



ANNEX B

Example for a scoring matrix template

(for details, see Walker, C., DeMatteis, L. and Lienert, A., eds. 2021)

	KEY CRITERIA	WEIGHT OF CRITERIA	NAME OF VALUE CHAIN		
			Score	Weighted score	Short justification
I	FEASIBILITY	50%			
A	Economic feasibility				
1	Market demand	5%	2	= 5% x 2	
2	Competitive advantage	5%			
3	Private sector support	4%			
4	Market and logistical risks	...%			
5	Governance	...%			
B	Societal feasibility				
6	Government support	...%			
7	Donor and partner support	...%			
8	Support services	...%			
9	Sociopolitical risks	...%			
C	Environmental feasibility				
10	Ecosystem capacity and natural resources	...%			
11	Weather-related, environmental and biological risks	...%			

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KEY CRITERIA		WEIGHT OF CRITERIA	NAME OF VALUE CHAIN		
			Score	Weighted score	Short justification
II	IMPACTS	50%			
A	Economic impacts				
12	Jobs and income	7%			
13	Profits	5%			
14	Tax revenues	4%			
15	Consumer benefits	...%			
B	Social impacts				
16	Value-added distribution	...%			
17	Food security, safety and nutrition	...%			
18	Workers' rights and safety	...%			
19	Sociocultural norms	...%			
20	Institutions	...%			
C	Environmental impacts				
21	Carbon footprint	...%			
22	Water footprint	...%			
23	Biodiversity	...%			
24	Ecosystem management	%			
			Feasibility	X.XX	
			Impact	X.XX	
			Total	X.XX	

Source: Walker, C., DeMatteis, L. & Lienert, A., eds. 2021. *Selecting value chains for sustainable food value chain development – Guidelines*. Rome, FAO.



ANNEX C

Sample youth-sensitive key Informant Interview questions

VALUE CHAIN ACTORS QUESTIONNAIRE – AGGREGATORS

You have been selected to participate in the survey because you are an actor in the _____ value chain. Your participation is voluntary and any information given will be kept confidential. Your views will help us to provide strategies for improving returns from activities in your value chain.

SECTION A: SOCIO-DEMOGRAPHIC CHARACTERISTICS			
S/No.	Question	Responses	Response code
1)	County		
2)	Sub-county		
3)	Ward		
4)	Name of respondent		
5)	Sex of respondent	1 = Male 2 = Female	
6)	Age bracket	1 = Less than 18 2 = 18–25 3 = 26–30 4 = 30–35 5 = Above 35	
7)	Highest level of education	1 = None/did not attend school 2 = Lower primary (1–4) 3 = Upper primary (5–8) 4 = Secondary school 5 = Post-secondary/Technical and Vocational Education and Training (TVET) 6 = College/University 7 = Postgraduate	
8)	What is the size of your household?		
9)	What is your main occupation?		

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SECTION A: SOCIO-DEMOGRAPHIC CHARACTERISTICS

10)	What is the category of your business?	1 = Sole proprietor 2 = Partnership 3 = Private company 4 = Cooperative 5 = Youth group 6 = Other, please specify	
11)	Is your business registered/formal? If not, why?	Yes No (explain why) I am in the process of obtaining the registration	

SECTION B: HUMAN RESOURCES IN YOUR BUSINESS

1)	How many workers do you employ? How many of these are permanent/full-time? How many are seasonal/casual? What is the age group of these workers?	Staff	Men	Women	Age		
					16-17	18-35	Above 35
		Permanent/Full-time					
		Seasonal/Casual					
		Total					
2)	Do the full-time employees have written contracts?	1 = Yes 2 = No					
3)	Do the casual/seasonal workers have written contracts?	1 = Yes 2 = No					
4)	How many months per year are casual/seasonal workers usually employed?						
5)	What are the main tasks your youth employees perform?						
6)	Do you employ migrant workers? Which tasks do they perform?						
7)	Do you have contributing family workers supporting your business? How many? How many are below 35?	If yes, what tasks do they usually carry out? No					
8)	Are there youth below 18 among your family workers or among your hired workers?	1. Yes, in both groups 2. Yes, only among family workers 3. Yes, only among hired workers 4. No 5. I do not know					

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SECTION B: HUMAN RESOURCES IN YOUR BUSINESS		
9)	Do youth below the age of 18 perform the same tasks as the other workers? Which tasks in particular?	
10)	Do you have any specific plans to employ more youth workers in the future? If yes, for what kind of jobs/tasks, in particular? What are the soft and technical skills needed for those jobs?	1. Yes, specify tasks and skills needed 2. No, why
11)	How do you recruit your staff?	1 = Through referrals 2 = Recruiting from training institutions 3 = Adverts in local media 4 = Others, please specify
12)	What is the average remuneration for staff in your business? Please distinguish between permanent employees and seasonal workers. Is the remuneration received by younger workers any different to that received by older workers?	
13)	What other benefits do you provide to your staff?	1 = Social security 2 = Paid leave 3 = Housing 4 = Insurance 5 = Transport 6 = Others, please specify
14)	What is the education level of the majority of the full-time staff?	1 = None/did not attend school 2 = Lower primary (1–4) 3 = Upper primary (5–8) 4 = Secondary school 5 = College/University 6 = Postgraduate
15)	What is the education level of the majority of the casual staff?	1 = None/did not attend school 2 = Lower primary (1–4) 3 = Upper primary (5–8) 4 = Secondary school 5 = College/University 6 = Postgraduate

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SUB-SECTION C1 – AGGREGATORS-SPECIFIC QUESTIONS			
1)	What products do you aggregate?		
2)	Do you have storage facilities?	1 = Yes 2 = No	
3)	How many aggregators of the same product operate in your area? How many of them are youth? Or youth organizations?		
4)	Where do you buy the products from?	1 = Individual farmers 2 = Farmer cooperatives 3 = Brokers 4 = Wholesalers 5 = Retailers 6 = Others, please specify	
5)	How many suppliers of the VC products do you source from? Who are your main suppliers? Are any of them youth or youth organizations?		
6)	Do you have contracts with your suppliers? If no, why not?	1 = Yes 2 = No	
7)	What is the frequency of purchase?	1 = Daily 2 = Weekly 3 = Bi-monthly 4 = Monthly 5 = Quarterly 6 = Semi-annually 7 = Annually 8 = Other, please specify	
8)	What is the average volume of the products you purchase monthly? Does your demand vary throughout the year?		
9)	What is your buying price for the products in? 1 . High season 2 . Normal season 3 . Low season		
10)	To what extent are your suppliers reliable?	1 = Very reliable 2 = Reliable 3 = Somewhat reliable 4 = Unreliable 5 = Very unreliable	

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SUB-SECTION C1 – AGGREGATORS-SPECIFIC QUESTIONS																					
11)	Describe the relationship you have with your suppliers of the VC products? Why do you buy from these sources?																				
12)	Who do you sell to?	1 = Direct to individual consumers 2 = Hotels, institutions etc. 3 = Brokers 4 = Wholesalers 5 = Retailers 6 = Others, please specify																			
13)	Please indicate the usual buyers of your products and at what prices	<table border="1"> <thead> <tr> <th>Main buyers of products</th> <th>Volume</th> <th>Price</th> </tr> </thead> <tbody> <tr> <td>Brokers/ Middlemen</td> <td></td> <td></td> </tr> <tr> <td>Wholesalers and retailers</td> <td></td> <td></td> </tr> <tr> <td>Other processors</td> <td></td> <td></td> </tr> <tr> <td>Exporting companies</td> <td></td> <td></td> </tr> <tr> <td>Others, please specify</td> <td></td> <td></td> </tr> </tbody> </table>	Main buyers of products	Volume	Price	Brokers/ Middlemen			Wholesalers and retailers			Other processors			Exporting companies			Others, please specify			
Main buyers of products	Volume	Price																			
Brokers/ Middlemen																					
Wholesalers and retailers																					
Other processors																					
Exporting companies																					
Others, please specify																					
14)	What is the percentage of youth among your buyers?																				
15)	What is your selling price for the products in: 1 . High season 2 . Normal season 3 . Low season																				
16)	What challenges do you face in accessing markets for your produce?																				
17)	Where do you get the necessary market information from? What channels do you use, or would you like to use? Is there any specific information that you miss and you would consider useful to have? Where did you get it from? At which price and quantity? What percentage of your suppliers are youth?																				
18)	What are the main costs associated with your operation?																				

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SUB-SECTION C1 – AGGREGATORS-SPECIFIC QUESTIONS			
19)	Can you identify strengths and opportunities for business growth/development on the aggregation level?		
20)	What challenges do you face in the aggregation? Are there any threats to the sector development?		
21)	If you imagine possible solutions to existing challenges in aggregation, do you think youth could play a role in overcoming those challenges? Could the latter offer them a new agribusiness opportunity?		
22)	Are there opportunities in the aggregation business that could particularly favour young women?		
23)	What strategies would you propose to increase youth engagement in aggregation?		
24)	What strategies would you propose to increase youth engagement among your buyers?		
25)	Are you a member of a trade association?	1 = Yes 2 = No	
26)	How do you benefit from this membership?		
27)	What are some of the challenges you face as an actor in this value chain?		
28)	In your opinion, how can these challenges be addressed?		



ANNEX D

Sample youth questionnaire

1. Specific youth-related questionnaire

1.1 Name:

1.2 District:

1.3 Sector:

1.4 Cell/mobile phone:

1.5 Age:

1.6 Sex:

1.7 Education level:

1.8 Date of interview:

1.9 Name of interviewer:

2. Engagement

2.1 Position in the value chain:

2.2 How did you find this position?

2.3 Type of contract (e.g. self-employed/agripreneur; waged worker full-time; waged-worker seasonal; waged worker casual; other (please specify)

2.4 Average months worked per year/hours per week:

2.5 Are you involved in the decision-making within your area of concern? Please describe how.

2.6 Do you ever try to be proactive and provide suggestions on how you can improve the way you work?

✓ Yes

✓ No. If not, why? What holds you back? What would motivate/help you to be more proactive?

2.7 If yes, are your suggestions usually accepted in a proactive way by your supervisor?

2.8 Are you a member of any organization, cooperative or network? Please specify which one and your role (e.g. member, manager, etc.)

3. Aspirations

3.1 Why did you choose to work in the horticulture sector?

3.2 Where do you see yourself in 5 years or 10 years?

3.3 Are your career ambitions related to the horticulture sector? If not, why?

3.4 Have you ever considered becoming self-employed/an agripreneur? Or would you prefer a waged employment job?

3.5 What skills do you think are important to become an agripreneur?

4. Challenges and opportunities

4.1 What would you consider to be the biggest challenge for youth like yourself in the workplace? Do you think challenges are different for young women and men?

4.2 What are the main barriers in your career development (e.g. access to finance, land or education)? How are you trying to overcome them?

4.3 Would you consider your employment decent? Why? What would you improve if you could?

4.4 Do you have access to information and preventative/protective measures to guarantee your safety and health while you are at work? Which ones (e.g. training, protective equipment)? Are measures in place to protect you from COVID-19?

4.5 Do you consider your wage/remuneration adequate for a living income? Please explain.

4.6 Do you feel that your working hours are reasonable or excessive?

4.7 Does your workplace help you to increase your performance? For instance, do you have access to technical and vocational training?

4.8 Do you see the horticulture sector as a sector for your future opportunities, including opportunities for youth-led innovation? Why? If not, what could be done to change this?



5. Questions specific to young agripreneurs only

- 5.1 How many people do you employ (seasonal/full-time, gender/age) etc.?
- 5.2 How were you able to set up your business (formal loan, informal loan, help of family, savings)? Have you ever asked for credit from a formal financial institution? Did you get it? If not, why?
- 5.3 Is access to finance a problem for a young agripreneur? What are existing financial products that are suitable for a young agripreneur? Who offers them? Do you have a mobile money account? Would you be interested in getting credit via mobile?
- 5.4 Which other non-financial services are available for young agripreneurs like you? e.g. incubators/accelerators, coaching or any other type of business development service (BDS) and marketing support. Could you benefit from them? If not, why not?
- 5.5 Does your business expect to make any contribution to the community? And to other youth? How? (e.g. by creating jobs, or others).
- 5.6 Do you consider your business a green one? Which actions or processes have you introduced to make it more sustainable? Please explain.
- 5.7 Who are the main competitors in your area? Why do clients prefer your product compared to others?
- 5.8 Do you have sufficient information on the market? Have you conducted a market analysis? What information sources do you use or would you like to use/have?
- 5.9 How do you promote and market your product? How do others know about it? What have been your most successful marketing processes? Do you use ICT, including social media for this?
- 5.10 What are the main challenges you face in your business (please highlight the three main ones) How do you deal with the challenges you face?

ANNEX E

Comparison of key informant interviews and focus group discussions

	KEY INFORMANT INTERVIEWS	FOCUS GROUPS
Number of participants	» Normally one; may be a small group (up to three)	» Ideally five to twelve
Advantages	» Provides very specific knowledge and expertise » Relatively easy to target and control outcomes » Can address sensitive issues not appropriate for group discussion	» Stimulates broad discussion » Provides opportunity to understand different perspectives on the same issue » Potential to generate new ideas » Potential to test reactions to ideas » Potential to mobilize actors
Disadvantages and challenges	» Issues may be very specific to the firm or individual » Difficult to test accuracy and assess whether opinion is broadly held » Less likely to generate new ideas	» Requires significant preparation and potential cost » Requires skilled facilitator » Risk that discussion will veer off course or be hijacked by specific issues or individuals » Risk of “groupthink”
Important considerations	» Identify the most relevant key informants » Build trust with the interviewee » Ensure an open and transparent conversation, but control the flow	» Manage the demographics of the participants to ensure the most equal mix to include women » Ensure that all participants are involved and feel they have a voice » Manage (loosely) the conversation » Manage the expectations of participants

Source: Farole, T., Sanchez Puerta, M., Canut, A. & Rizvi, A. 2018. *Jobs in Value Chains Survey Toolkit. Jobs Guide Issue 2*. Washington, DC, World Bank..



ANNEX F

Sample note-taking format for capturing and organizing push/pull factor information

VC	VC FUNCTION	WORK	PERFORMED BY	FOR WHOM
			Youth	
INDICATOR		COMMENTS		
PULL	Market demand (Product demand)			
	Decent work (Youth inclusiveness, gender equality, working conditions, etc.)			
	Attractiveness of the agriculture sector			
	Business enabling environment (Policy, legal and institutional frameworks, infrastructure, etc.)			
	VC governance (Market linkages, business partnerships, etc.)			
PUSH	Education and skills			
	Access to productive resources/ services			
	Connectivity (ICT, infrastructure, access to information, etc.)			
	Youth power and agency (Decision-making, leadership, group organization, etc.)			

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Potential for youth									Needs improvement			Reasons for the judgement		
Wage employment			Self-employment											
			Individual			Group								
Low → High			Low → High			Low → High			Low → High			Youth cohort potentially benefited		
1	2	3	1	2	3	1	2	3	1	2	3			
☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐			

Source: Authors' elaboration.



ANNEX G

SWOT analysis of the chilli value chain in Rwanda

This example summarizes the main strengths and weaknesses of the chilli value chain in Rwanda (FAO and SNV, 2021), highlighting the implications for youth participation in different value chain segments and service provision. It also outlines the opportunities and threats facing the sector, and how they contribute to fostering or hindering youth employment and entrepreneurship in chilli businesses.

SWOT ANALYSIS OF THE CHILLI VALUE CHAIN IN RWANDA	
STRENGTHS	WEAKNESSES
Production: » Can be produced in drier (lower) areas. If irrigation is available, with the right knowledge chilli can be produced year-round. » Crop insurance scheme (National Agriculture Insurance Scheme (NAIS)) is available for chilli farmers.	Production: » Chilli prone to (soil-borne) diseases. Yields decreasing. » Compared to other vegetables (tomatoes, cabbage, carrots and French beans), volumes of chilli and number of relevant smallholders are relatively less. » Most extension staff are not well trained in horticulture (this has only recently become a priority crop).
Market: » Good domestic demand for fresh and dried chilli. » Reasonable demand by national processing industry. » Rwanda has a competitive advantage in low-wage labour compared with competing export countries. » Strong support by the National Agriculture Export Development Board (NAEB) (subsidy or air freight, packhouse, etc.). » Some export companies undertake contract farming, provide inputs and provide agronomic advice. » Special opportunities for women, as they perform better in some activities, e.g. 90 percent of workers at export packhouses are women.	Market: » Required volumes for processing is not significant, in terms of total demand. » Export value is around one-third of French beans. International export destinations, while not very stable, are growing. » Cross-border trade insignificant. » Several EUROPHYT interceptions, under European Union (EU) border scrutiny.

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STRENGTHS	WEAKNESSES
Youth employment and youth-led business-related: » Youth motivated for chilli production, as proven by some cooperatives. » Districts are key in accessing land by availing (drained) marshlands. » Cooperatives can be very supportive for youth, if youth are a key focus right from the start. » Youth are given a big role in some activities such as handling and transport. » Youth organizations, with government support, facilitate youth involvement, extension services, capacity building (e.g. Rwanda Youth in Agribusiness Forum (RYAF), Youth Engagement in Agriculture Network (YEAN), Horticulture in Reality Corporation (HoReCo)).	Youth employment and youth-led business-related: » Access to land is a key issue for youth to start farming. » Access to finance (for inputs, for land) is a limiting factor; most youth can't provide collateral for bank loans. Slow processes lead to untimely finance for the production season. » Youth prefer white-collar jobs to those in agriculture. » Less skilled, less know-how, therefore youth in fewer well-paid positions/mainly in casual work in companies/VCs. Youth are perceived as less responsible/reliable than adults. » Once established, most cooperatives do not make additional efforts to support youth to enter chilli farming. » Employment is largely seasonal, and wages are low.
OPPORTUNITIES	THREATS
Production: » Sufficient marshlands and political interest to support youth with access to land. » High potential to employ both educated (harvesting, post-harvest handling, value addition) and uneducated youth in farming and in retailing. » Cost of production and yields can easily be increased by (youth) smallholders by applying proven good agricultural practices (GAPs). » Introduce use of crates to reduce losses (for harvesting and marketing).	Production: » Yields can further decrease if farmers do not get better access to cultivation knowledge (GAPs). » With the growth of the horticulture sector, pests and diseases will increasingly impact yields. Access to knowledge for smallholders on horticulture GAP and integrated pest management (IPM) practices is not sufficiently organised.
Market: » Demand is still growing for chilli in domestic market, cross-border trade and international export. » Dried chilli does not require certification for export to the EU. » Contract with China for dried Bird's Eye Chilli could transform this market, with increasing prices. » Still many exporters, who are not yet buying from smallholders, opportunities for contract farming. » Because of export potential, this crop is of political interest, making it easier to garner support from agencies and districts.	Market: » Export remains vulnerable to shocks (COVID-19, competition, possible future EU bans). » Limited flights, destinations and costly freight (currently USD 1.80/kg to Europe). » Weak domestic infrastructure (packhouses, storage, refrigerated transport); possibly a bottleneck to further growth.

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OPPORTUNITIES	THREATS
Youth employment and youth-led business-related: » Youth employment is increasingly getting attention from government agencies and policies. » GAPs can make horticulture attractive for youth. » New programmes with focus on youth and horticulture, e.g. World Bank, Kilimo, International Fund for Agricultural Development (IFAD), Agritererra etc. » Financial facilities exist, including the BDF (guarantee schemes, matching grants), for educated, well-off youth.	Youth employment and agripreneurs-related: » Without irrigation investments, hillsides will not be of interest and will increase competition for marshlands. » Difficult to meet European fresh market standards and certifications, with high-cost implications, disadvantaging (youth) smallholders.

Source: **FAO & SNV.** (forthcoming). *Youth Centred Value Chain Analysis of Selected Horticulture Value Chains in Rwanda*. Rome.

ANNEX H

Overview chart of potential discussion points of push/pull factors and agreed actions to support the identified opportunities

Note: The table below can may be used by facilitators of upgrading and action planning workshops to guide the discussion on specific topics or identified upgrading components. It is closely linked to what has been described in Chapter 5.2 under value chain analysis.

CATEGORY	SAMPLE DISCUSSION POINTS FOR ACTIONS	SPECIFIC ACTIONS	KEY ACTORS
PULL FACTORS	Market demand	» Agricultural sector development policy (e.g. import substitution, export promotion, subsidies, prioritized products, investment strategy, etc.) » Marketing (product promotion) strategy (e.g. health and nutritional value, etc.)	
	Decent work	» Work-related legal standards (rules and regulations) to protect employees (e.g. occupational health and safety, minimum wages, etc.) » Gender equality » Eradication of child labour and social protection support » Capacity development for employers » Monitoring system for employers	
	Increased attractiveness of agriculture	» Options to apply innovative technology » Introduction of machinery » Farming as a business rather than subsistence or family farming » Opportunities for youth group managed enterprises	
	VC governance	» Business partnership and transaction arrangements, etc. » Facilitation mechanism for VC actors (e.g. information-sharing platforms, matching system, etc.)	
	Business enabling environment	» Agriculture-related policy (e.g. land-related policy, etc.) » Trade-related policy, rules and regulations (e.g. incentives, trade facilitation, product standards like ISO and HACCP, cross-border trade control, etc.) » Legal and institutional framework for business development (e.g. business registration system, food safety and hygiene standards, packaging and labelling standards, etc.) » Infrastructure (e.g. road, transportation, water, electricity, ICT network, etc.) » Youth-support policy, strategy, and programme (e.g. incentives, business incubation centres, etc.)	



Overview chart of potential discussion points of push factors and agreed actions to support the identified opportunities.

CATEGORY		DISCUSSION POINTS FOR ACTIONS	SPECIFIC ACTIONS	KEY ACTORS
PUSH FACTORS	Education and skills	» Training opportunities for youth » Advisory services for youth (e.g. extension services, business development support services, etc.)		
	Access to productive resources/services	» Land and premises » Agricultural inputs » Machinery, equipment and tools » Other necessary materials for the agribusiness » Youth-friendly financial support services		
	Connectivity	» Access to business-related information » Access to ICT and basic infrastructure » Access to employment support system (e.g. job-matching services, entrepreneurship support, etc.) » Access to networks for jobs and business transactions		
	Youth power and agency	» Motivation, passion, independence, and decision-making capability » Group organizations		

ANNEX I

Sample table of contents – upgrading strategy and action plan

- 1]** Introduction
- 2]** Background
- 3]** Methodology
- 4]** Current Industry Challenges and Opportunities
- 5]** Upgrading Strategy and Action Plan
- 6]** Vision Statement
- 7]** Strategic Objectives and Action Plan
- 8]** Value Chain Coordinating Committee
- 9]** Implementation Modalities
- 10]** Monitoring and Evaluation
- 11]** Financing the Strategy and Implementation Plan
- 12]** Conclusion
- 13]** Annexes

Strategic Component Areas (Examples)

- a]** Component 1: Input Supply
- b]** Component 2: Production and Productivity
- c]** Component 3: Marketing and Market Access
- d]** Component 4: Policies and Enabling Environment

Youth-sensitive value chain analysis and development

Guidelines for practitioners

This publication is intended to assist field practitioners, youth organizations and other stakeholders to identify binding constraints and viable opportunities to youth engagement in agricultural value chains that can translate into greater youth inclusion. Considering youth heterogeneity and inequalities, the youth-sensitive framework for value chain analysis gives guidance to assess factors that push and pull youth into employment and entrepreneurship in value chains.

The youth-sensitive value chain (YSVC) analysis is a starting point for youth-inclusive agricultural value chain development, since it identifies entry points and key actions expected to bring about the desired increase in employment and business opportunities for youth within a more attractive agriculture sector.

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