

YOUTH - INTO - AGRIBUSINESS PROGRAMME (KIGOMA AND DODOMA)

The Local Investment Climate (LIC) is a private sector development programme supported by Danida. LIC addresses critical constraints to business development and economic growth at district level in the two regions of Dodoma and Kigoma in Tanzania. The programme invests in Public-Private Dialogue (PPD), business service facilities such as One-Stop-Business Centres and Public-Private-Partnership infrastructures in support of business development. The implementing partner agencies of LIC are; The President’s Office – Regional Administration and Local Governments (PO-RALG), the Regional Secretariats in Kigoma and Dodoma, Tanzania National Business Council (TNBC), Association of Local Authorities in Tanzania (ALAT), Tanzania Private Sector Foundation (TPSF) and Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA).

Youth into Agribusiness - Challenge and concept

In Tanzania, youth wanting to go into agribusiness – be it primary agricultural production or processing/manufacturing – face several challenges in getting started. The formal schooling and vocational training they have received typically lacks a business approach and certificates or diplomas are not bankable. To access means of production, including capital, is hence a major challenge. Furthermore, in many districts, there are no supporting structures or institutions from where youth can get assistance in business management.

The concept of the LIC Youth- into- Agribusiness Programme is to support established youth groups that demonstrate a desire to start-up an agricultural business. The support includes assistance to the development of business plans, capacity building in business management and the provision of a start-up capital. The target group is youth with basic education and possibly some vocational education, but with no realistic prospects of pursuing an academic career. The youth groups’ own ideas, vision and drive always form the basis for LICs’ engagement. We believe that by investing into motivated youth, such groups will lead by example and will inspire others to take-up challenges and to embrace opportunities.

LIC investments in Youth- into- Agribusiness

In the frame of the Youth- into- Agribusiness Programme, LIC currently supports a number of youth groups in Dodoma and Kigoma regions. In Dodoma, LIC invests in the rehabilitation of the Kibakwe Ward Agricultural Resource Center, where an incubation centre with focus on youth is being established. In Kigoma, LIC assists the `Aquaculture Expert Kigoma` youth group in embarking on horticultural and poultry production as well as the establishment of fish ponds and a restaurant in Kibirizi.

The `One Word Group` in Kigoma District is another youth group supported by LIC. To address a currently high local demand, they will produce fingerlings and fish feed to supply inputs to the local aquaculture industry (see also Brief No. 11). Yet other groups are emerging in Kasulu, Kibondo and Uvinza Districts (Kigoma region) focusing on horticulture, poultry production and the restaurant industry.

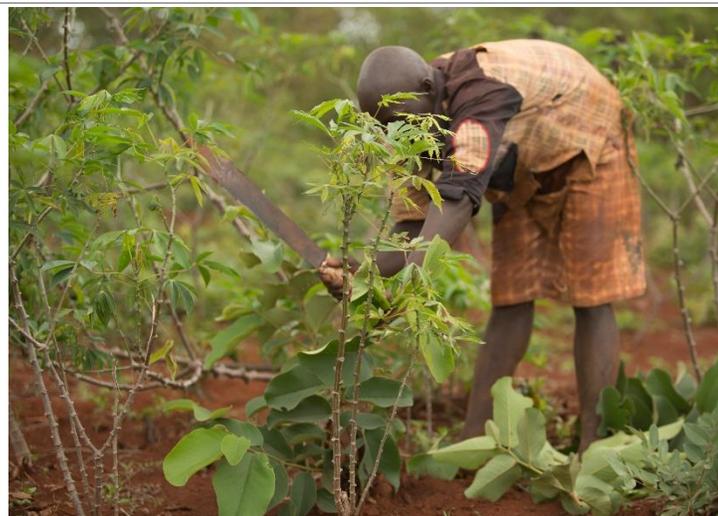


Young people preparing palm oil seedlings



Aquaculture expert, Kigoma

Proposed way forward for the Youth- into- Agribusiness Programme



Young man working at the Big Power farm.



A group of young people standing with the Big Power Mentor

To address the lack of backstopping and business supporting institutions for young people wanting to embark on business and to address the shortcomings of financial institutions to support youth, LIC has come up with a set of recommendations. The following recommendations emerged from lessons learnt and feedback consultations with potential stakeholders, and may be applied to sectors other than agriculture.

1. At Regional level, a Special Purpose Vehicle (SPV) in support of Youth- into- Business should be created with the participation of relevant government entities, regional business education institutions, the business community and youth representatives. The objective of this SPV should be to raise funding, provide technical support including business capacity building, auditing and legal advice.
2. Each LGA to establish a Youth- into- Business SPV with the representation of relevant local stakeholders from the public and private sector. The objective should be to identify district-level challenges for youth going into business and to provide the required services needed, in collaboration with the Regional SPV.
3. Each District to set aside a plot (3-5 acres) for a Youth for Business Center. This Center to be equipped with a small dormitory and classroom (if no other institution can provide that). In the case of the agribusiness sector, small food processing facilities for experimenting to be provided e.g. with small- scale processing and training units for horticulture, poultry, aquaculture or other activities relevant to each district. Other facilities of high potential and interest to youth may be established –e.g. a restaurant, which is both fun and an excellent training ground for running a business.
4. Individual youth groups registered at District level and wishing to join the Youth for the Business program shall be attached to the Youth for Business Center and shall follow laid down procedures for support and engagement.
5. A Youth for Business Council to be established at District level with representation from all participating youth groups. This Council will represent the business youth vis-à-vis the LGA and other relevant authorities and institutions and will select/elect members to the District and Regional SPV.

In the frame of the Youth- into –Agribusiness Programme, LIC expects to invest approx. 500 million TZS in support of youth engaging in agribusiness. LIC has been running since 2014 and will continue to support public and private sector development projects in the regions of Kigoma and Dodoma until March 2020.

For further information, please visit www.lic.or.tz

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