

## The challenge

There has been a revived interest in Africa in promoting agribusiness approaches for better food security, diversifying exports, creating jobs and reducing poverty. Despite this, few programs seek to encourage young people, especially girls and young women, to realize agribusiness opportunities in Malawi, Zambia and Zimbabwe. Poverty and unemployment remain high, particularly among youth and rural populations. Rapidly expanding populations in Malawi, Zambia and Zimbabwe are set to increase pressure on food security and jobs. The pressing challenge, therefore, is how to harness an increasingly educated and entrepreneurial workforce to drive growth in agribusinesses and create decent employment, especially in rural areas.

## Objectives

The aim of the *Expanding Business Opportunities for African Youth in Agricultural Value Chains in Southern Africa* project is to generate and test novel, creative and bold business models that increase the participation of youth in the fish and maize post-harvest agribusiness sectors in Malawi, Zambia and Zimbabwe.

## The solution

- Researchers assessed the agribusiness environment, identified viable employment opportunities with prospective youth entrepreneurs and targeted markets for selected fish and maize products.
- The team built the capacity of entrepreneurial youth with business and market development skills, enabling them to generate and implement effective business plans and models.
- The project specifically targeted young women as they are often less represented in entrepreneurship and other training activities.
- Training materials were developed and used to scale up successful entrepreneurial start-ups in Malawi, Zambia and Zimbabwe.
- The project generated:
  - A mapping tool created through stakeholder meetings and focus group discussions to assess the agribusiness environment, and opportunities and challenges for youth entrepreneurs;
  - A training framework and program for entrepreneurs;
  - A peer-to-peer learning platform.

## Key results

### Business plan competitions

- A panel of judges in each of the three countries shortlisted business proposals based on a list of criteria, including product idea, strategies for capturing the



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## Young people have been supported to establish agribusinesses

market, business vision, relevant skills and experience and composition (in terms of age and gender) of the management team.

- In Zimbabwe, 75 business plans were received, out of which 20 were returned to applicants to be further assessed and 10 were eventually shortlisted to pitch their business plans. The top five proposals were selected and awarded with seed funding ranging from US\$3,000 to US\$5,000.
- In Zambia, 27 proposals were received for the business plan competition, of which 10 were selected to pitch their business plans. Four were awarded investment grants totaling US\$15,000.
- In Malawi, seven out of 19 applicants were awarded with funding.
- Young women entrepreneurs acted as mentors to awardees. This helped the entrepreneurs establish their management teams and open bank accounts for their businesses. In Zambia, the mentors were tasked with reviewing budget submissions and advising and monitoring the use of the grant money to ensure accountability of the awardees.

## Entrepreneur training

- 72 applications for the training course in business management, entrepreneurship, marketing and record-keeping were received in Zambia, reflecting great interest in this component of the project. However, only 21 were selected and trained. In Zimbabwe, 51 youths applied for training (20 women and 31 men) but only 22 were selected and trained whilst in Malawi, 25 individuals were shortlisted and trained.

- In Malawi, 32 individual business proposals were received, of which 16 were selected and provided with detailed feedback to revise for re-submission. All 16 applicants re-submitted revised business proposals, incorporating and aligning their plans to meet Cultivate Africa's Future objectives. Seven enterprises were awarded grant funding amounting to US\$13,284.
- Overall, gender inclusion remains challenging. Despite the fact that the two project team leaders in Zimbabwe were both women and had championed women's inclusion and empowerment, women's participation remained low at only 26%. In Malawi, only 6% of the business plan enterprises were led solely by women, and only 17% of group pitches included women. In Zambia, 39% of the project's training applications were made by women, and only 4% of the business plan competition applicants were women.
- However, 84% of the applicants to the business plan competitions from all three countries were corporate/ group entities, in which 61.4% of the members were women and 38.6% were men.
- Methods and tools of the project, including a system that combines four business support elements – training, funding, mentoring and peer-to-peer learning – are in use in all the three countries in selecting, assessing and evaluating business ideas.
- Data from feedback surveys and interviews suggest that almost 30% of those supported (funded, mentored and trained) by the project indicated that they have applied for funding from elsewhere (i.e. from microfinance institutions and some commercial banks), 65% have increased their customer base, and 76% have introduced a new product or business opportunity (one of the measures of innovation).
- 60% of the teams that received seed investment have used the funds to acquire simple but new and essential technologies for their businesses (e.g. digital scales and freezers) or build/rent new facilities. In Malawi, such support has had some significant impacts. One competition winner was the Nsumbi Youth Club in Mangochi, which with funding has been able to set up a fish mart in town selling fresh and solar tent dried fish. This has provided the women running the club with another source of income and has enabled them to contribute to household needs.

	16 out of 271 applicants were awarded with funding in Malawi, Zambia and Zimbabwe
	68 people were trained in business management and entrepreneurship
	70% of the supported businesses reported establishing new partnerships and 50% have increased their client base
	Awardees received mentoring from young female entrepreneurs

- The model used in this project is already being utilized in the development of new ideas for a number of potential agricultural based businesses.

## Conclusions and recommendations

- The project is undertaking follow ups and reviews to assess the performance and effectiveness of the support measures provided and to document broad lessons to inform business development and support methodologies, frameworks and tools.
- When conducting entrepreneur projects such as these, applicants are most interested in the grant funding and training, rather than mentorship. However, mentorship proved to be very significant to the success of most of the illiterate groups.
- It was interesting to find that after receiving their awards, youths from rural areas were generally more interested in progressing their businesses than urban youth who were probably employed. Those employed tended to go back to their jobs whilst running their businesses remotely.

## Contact

Jonathan Tambatamba: [mjtambatamba@aehglobal.com](mailto:mjtambatamba@aehglobal.com)

Cultivate Africa's Future (CultiAF) supports research to achieve long-term food security in Eastern and Southern Africa.



International Development Research Centre  
 PO Box 8500, Ottawa, ON Canada K1G 3H9  
 Phone: +1 613 236 6163 | Fax: +1 613 238 7230 | [www.idrc.ca](http://www.idrc.ca)