



# IITA

## Youth Agripreneurs

*Agriculture is the future*

December 2016 Issue 22

## IITA Youth Agripreneurs to benefit from another AfDB/EIB financing facility



*IITA Youth Agripreneurs with Drs Adesina, Sanginga, and Ojukwu*

The President of the African Development Bank, Dr Akinwumi Adesina wants IITA Youth Agripreneurs (IYA) to participate in the bank's new financing initiative-BOOST Africa.

Dr Adesina gave the proposal after receiving a progress report on the activities of IYA from a team of IYA members who visited the headquarters of AfDB in Abidjan earlier this month.

BOOST Africa is a blended finance initiative, which supports early stage and start-ups {small and medium enterprises (SMEs)} in Africa with special focus on youth and women. This initiative is expected to commence in 2017 in partnership with the European Investment Bank (EIB).

Dr Adesina said the consideration of IYA in the finance initiative was as a result of its tireless effort in ensuring that their business plans for the kickoff of individual business enterprises was up and running.

He said that the bank would support the youth in 'unusual' ways as they had also decided to take agriculture as 'business unusual' to generate wealth and create jobs for the teeming population of

unemployed youth in Africa, and also ensure that Africa feed itself.

In his words: "My own vision is that we would support you through the following instrument: We just launched last week, what is called the BOOST investment program with the European Investment Bank. The total amount we are investing is 263 million euros. And it is exactly about young people investing through venture capital funds, business incubator facilities, accelerator program to turn the business of young people, and to bring it alive. We are going to link you immediately to that BOOST investment because I learnt you are working on your business plans so that the first step of investment will be in you," he stated.

He added that the time has come for Africa to invest in the young people who have the drive, passion, commitment, and vision and who are not deterred by mistakes or obstacles.

"As a bank if we want to invest in things, we say let us know what your internal rate of return is, your cost-benefit ratio and payback period but I can tell you, the greatest thing that you should be investing in is not just the general rate

of return. Invest in those that have passion, vision because nothing can pull that down. That is what I see in people seated here today and I saw that in 2014 when I said I was seeing a different vision and continent with a youthful population that has decided that they can do the greatest work to unlock Africa's greatest potential, which is agriculture. I didn't know I was going to be the President of AfDB," he added.

He commended

IITA and most especially the Director General of IITA, Dr Nteranya Sanginga for institutionalizing the Youth in Agribusiness Program and appointing a young person to lead the unit.

He said: "We want an Africa where our young people are the ones making us proud. I was a scientist in IITA and in IITA we were very rigid. It was science all round but I think you (Dr Sanginga) were sending a message which I think is that science doesn't stop in the labs and research doesn't stop in the research stations. After all if agriculture which is the foundation of why CGIAR was established dies because young people are not there and just old people, then all the research that is being done will be totally useless. You had a vision and that is what I think you feel the future should be."

The Executive Director of the Bank, Dr Bright Okogu while speaking enjoined the youth to persevere and continue with the hard work as the future of African agriculture lies in their hands.

"I am optimistic that you will join the Forbes list of the richest people in Africa. I have seen what you have done and know what you can do, so keep the fire

burning and the sky is your starting point," he said.

The representative of the Minister of Youth in Cote d'Ivoire, M. Kouadio Kouame Jean Louis said the agricultural sector in the country was dominated by old people who were gradually becoming too aged to actively take the sector as a business. He said the IYA model was an eye opener to how the youth in the country could be productively engaged and embrace agriculture as a business. He said with

youth in agriculture, the country's GDP would increase as the agriculture sector is a pillar in the country's economy. He added the country is ready to take part in the initiative.

The DG of IITA, Dr Sanginga said the pains of seeing young people jobless after years of learning in higher institutions pushed him towards establishing the youth agripreneurs movement. Giving a scenario of the IITA gate on the first day of every month, Dr Sanginga stressed that

graduates of different disciplines queue in hundreds to seek for casual jobs at the institution.

The agripreneurs also took turns to share their personal testimonies and impact of the IITA Youth Agripreneurs model.

The youth were supported and accompanied to the Bank by Mr Kwame, Drs Alfred Dixon, Eric Koper, Chrys Akem, Mrs Charlotte Sanginga and Mrs Toyin Oke.

## African youths are capable of revitalizing agro-allied industries



*Dr Adesina addressing the participant at AEC*

The President of the African Development Bank, Dr Akinwumi Adesina has reiterated that African youths, if given the chance and allowed to participate effectively in agro-allied industries, will rejuvenate the agriculture sector, create wealth, and become gainfully employed in the sector.

Dr Adesina stated this during the African Economic Conference (AEC) held in Abuja on Monday, December 5.

This year's AEC titled: "Feed Africa; towards Agro-Allied Industrialization for Inclusive Growth" centers on means of unlocking the potential of agro-allied industrial development in Africa.

Speaking at the opening ceremony, Dr Adesina stated that agriculture, which contributes over 28% of the GDP of Africa, holds the key for accelerated growth, diversification, and job creation for African economies. He added that no region of the world has moved to industrialized economy status without passing through a transformation of the agricultural sector. He said Africa has, however, performed poorly in the sector as the continent sees

people by 2050, lies in Africa. So, what Africa does with agriculture will also shape the future of food globally," he said.

"The way out of the present state in which the sector has found itself in the continent is for everyone to see agriculture as a business and also take a full value chain approach to modernize the sector."

Making reference to the IITA Youth Agripreneurs model in Africa, Dr Adesina stated that the youth through the opportunity given to them by IITA were diversifying, innovating, and re-branding the agriculture sector. According to him, the steps taken by these youths and many of their colleagues spread across the continent are part of the contribution needed to move to agro-industrialization.

In his words: "In the Democratic Republic of Congo, young graduate entrepreneurs from the International Institute of Tropical Agriculture (IITA) have taken up the business of cassava flour for bread and confectionary. If you wish, you may laugh, but let me assure you, these young entrepreneurs are laughing their

the sector as a development sector, for managing poverty and not for creating wealth.

"Africa sits on a huge potential in agriculture. It is estimated that 65% of all the uncultivated arable land left in the world, enough to feed 9 billion

way in riches to the bank. On Friday last week, I received a large delegation of IITA youth 'agripreneurs' at the Bank. A young graduate, Noel, from Bukavu in the Democratic Republic of Congo, together with his colleagues, have moved into agribusiness. In just a little over one year, they have manufactured cassava flour, well packaged and standardized for bakers. Today, Noel and his team generate an income of \$4,000 per week, or \$16,000 a month, or \$196,000 per year. That means they are making over 78 million Naira, annually, if converted into Naira, at the official interbank market rate. They are already multi-millionaires. He that has ears let him hear: The key to Africa's prosperity is value addition in agriculture, in turning our products to money, and in looking inwards. Africa must feed itself," he concluded.

The AfDB boss said the technology (cassava flour in bread) needed to be outscaled for widespread adoption by farmers.

He stated that the Bank would be launching an \$800 million initiative – Technologies for African Agricultural Transformation (TAAT) – with the goal of reaching 40 million farmers over ten years.

"All these will improve agro-allied industrial growth in Africa and also help reduce food importation in the continent."

"Africa spends \$35 billion annually importing food. As it does, it decimates its own agriculture, spends scarce foreign exchange importing what it can and should produce, exports jobs and makes itself subject to price effects from global commodity supply shocks. Estimates show that the food and agribusiness sector is projected to grow from \$330 billion today to \$1 trillion by 2030. The key is to unlock this opportunity. Our goal is simple: support massive agro-industrial development all across Africa. To make this happen, there is need for well-



Evelyn Ohanwusi (far right) moderating a session on "Reflections and Perspectives on achieving an agro-allied inclusive industrialization in Africa"

directed public policies to incentivize the agricultural sector, especially agribusiness and food manufacturing companies. And when that happens, Africa would have turned the corner, and taken its rightful place as a global powerhouse in food and agriculture. Now, let's make that happen," he said.

Speaking at the conference, the Vice-President of Nigeria, Prof Yemi Osinbajo said the conference came at a point

when Nigeria was intensifying efforts to diversify its economy. He said the recent support of 600 million dollars provided by the African Development Bank as the first tranche of the planned 1 billion dollar support to Nigeria would certainly go a long way in helping the country to further pursue reforms in the agricultural sector as well as the energy sector-- both of which are crucial to inclusive economic growth and development. In his words "We have decided as part of our Strategic Implementation Plan for this year to

prioritize the processing of tomato paste so as to become self-sufficient in that particular product, the choice of tomato is predicated on our ability to produce tomatoes in large quantities several times a year as well as its extensive use in Nigerian meals. There is of course the opportunity to generate a large number of agricultural jobs and also as a means to adding value along the agro-allied chain," he said.

## ENABLE Youth program for Sudan and Nigeria get approval to kick-off

The Pan-African program which aims to actively engage, create gainful employment, and wealth for African youth along the agricultural value chain was designed based on the IITA Youth Agripreneurs (IYA) model.

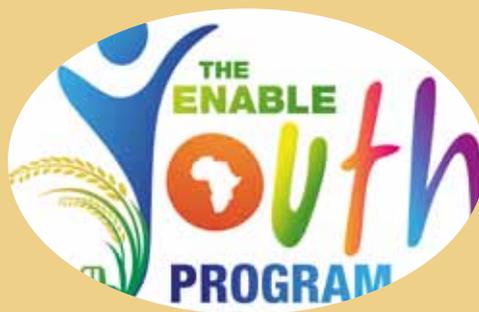
IITA under the leadership of the Director General, Dr Nteranya Sanginga developed the IYA model to create a platform for graduate youth to explore the employment opportunities in the agriculture sector. The IYA program started in Nigeria in 2012 and has expanded to five other African countries.

Building on the model, the African Development Bank (AfDB) is out-scaling the model to other African countries through the ENABLE Youth Program.

Giving an update on the Program during the visit of the IITA Youth Agripreneurs to the headquarters of the Bank in Abidjan in December, the Coordinator of the ENABLE Youth Program at the African Development Bank, Edson Mpyisi said 31 countries have indicated interest in participating in the program in one form or the other. While some countries have shown

commitment, others have volunteered resources to kick-start the program.

He said so far, there were four 'stand-alone' projects which were dedicated solely to the ENABLE Youth program with other component and over 15 Project Preparation Facilities-PPF. There are also



12 projects that have shown interest in having an ENABLE Youth component with a focus on youth and agripreneurs.

Among the four 'stand-alones' is the Sudan ENABLE Youth Program which was approved earlier in December to the tune of US\$30 million. The program has also been approved for Algeria to the tune of about 25 million UA.

The ENABLE Youth Nigeria and DR

Congo program, was presented to the board for approval in December for about 300 million UA and 40 million UA, respectively. ENABLE Youth Nigeria, according to Edson is the biggest project under the ENABLE Youth so far.

In all, the board of the Bank will be approving over 395 million UA this year for the kick-off of the ENABLE Youth 'stand-alone' project.

About 183 million UA has been approved for countries which will run as Project Preparation Facilities-PPF (i.e., countries preparing projects) before becoming fully fledged programs for ENABLE Youth. Among such countries are Burkina Faso, Sierra-Leone, Cote-d'ivoire, Liberia, Madagascar, and Senegal. Other countries under PPF awaiting approval of the board include Benin Republic, Ethiopia, Guinea Bissau, Mali, Mozambique, and Rwanda.

Five projects that are running in different countries with youth in agriculture components have also been approved. One of such projects is the Agriculture Value Chain Development Project in Cameroon, Malawi, Tanzania, Uganda, and the Zambia Aquaculture project etc. Shedding light on the lessons

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learnt in the course of preparing the project, Edson said the funds requested by member countries for the projects were small but they look forward to more as the project progresses.

"For us at the Bank, when you have projects of 20, 30 million UA, those

are considered small. I know in other institutions they are big projects but we think it is a new area for member countries to request funding from the Bank; to focus solely on agriculture and youth so we believe as we go forward, as we have more projects, this will increase and we would have bigger and more

effective projects. We would like to have projects of 60, 70 million UA projects," he said. He also highlighted that the competition between lead ministries of agriculture and youth in some countries made it difficult to identify the ministry given the mandate to handle the project.

## IITA Youth Agripreneurs shine at AEC



Participants at the session cast their votes

In a session dedicated to youth entrepreneurship in agriculture at the 2016 Africa Economic Conference in Abuja, the IITA Youth Agripreneurs in Nigeria thrilled participants and other stakeholders present during the session.

Making their voices heard, the youth gave personal experiences and testimonies on the impact of the IITA Youth Agripreneurs model on their agripreneurial skills and also defended their positions on selected topics during the debate sessions.

Strongly defending their positions for, and against the topic; "Agriculture is a sector of economic opportunity for youth in Africa", Dorcas Ogunwole says that the ability of the sector to absorb

a large number of youths irrespective of their academic background or qualification can stimulate innovations and bring development to the sector.

Waheed Oni opposing the motion says the risk involved in the sector, vis-a-vis the fact that the sector does not provide a quick return on investment, is not encouraging enough for the youth to venture into the sector.

At the end of the session, participants led by Dr Chiji Ojukwu, Director at the African Development Bank voted in support of the topic, affirming that agriculture is indeed a sector for economic opportunity for youth in Africa.

Speaking on the second topic; "It is better to invest in loans than grants" Olaniyi Tosin and Bajulaiye Tolu cheered the atmosphere in the conference center with their dispositions.

While Tosin is of the view that loans should be given to youth to establish and expand their businesses, Tolu opposed by saying the interest rates and collateral on loans requested by banks discourage youth from approaching banks for loans but would rather do well if they have the opportunity to get grants to start their businesses. Votes at the end of the session were in favor of loans as most participants stated that youths will become more responsible when given loans.

The personal experiences and testimony session sparked excitement in the hall. Starting with the story of Oyindamola Asaaju, she stressed that although she had graduated with a good honors degree, she couldn't get a job and opted for being a bar attendant. She said during those periods, she kept late nights serving drinks at the bar and even to youth agripreneurs, but now, the opportunity given to her by IYA has changed her late night duties to thought provoking ones on how to

provide solutions that could put an end to unemployment and hunger.

"I would like to thank the African Development Bank for the support. Like many other youths, when I graduated from the university, I couldn't find an ideal job, so I took on the job of a waitress. I was learning some skills. More than anything else, I wanted to engage in something more challenging. The job wasn't giving me that. I learnt about the youth agripreneur program when I had to serve food and drinks to a group of young people at a party at IITA. I have had the opportunity of joining the group. These young people happen to be the notable IITA youth agripreneurs that you see in the hall today, who today are my colleagues," she said.

Another Agripreneur, Ibrionke Ifedayo said his sojourn into agriculture was born out of his inability to secure admission to study clinical microbiology. Obtaining a change of course form from 100 level to 400 level, Ifedayo was bent on changing his course but as fate would have it, he was denied a couple of times. He noted that the opportunity and exposure given to him by IYA and IITA had changed his mind-set and he is now an "agricultural priest" ready to take the gospel of agribusiness to other youths in Africa.

Mercy Wakawa on her part is now the CEO of Confianto Global Resources. Disqualified out of the million Nigerian youths who applied for the Nigerian



Mercy Wakawa



Dr Adesina (2nd from left) with other panelists at AEC

Immigration Service, Mercy was trained by IYA under the N2Africa Borno Project. She stated that the training, internship and seed capital provided to her after the 2-week intensive training facilitated by IYA exposed her to the business opportunities in agriculture,

and through that she was able to establish a groundnut oil processing cottage industry of her own. She said the business employed six other youths. Isuwa Zacchaeus sharing his own experience said the continent was about to experience a positive shake-up

and 'insurgency' as IITA has bred a new set of billionaires who would compete healthily on the Forbes list of billionaires in Africa. The highlight of the session was a product exhibition and display of IYA knowledge materials.

## Photo gallery



L-R: Dr Adesina with Mrs Sanginga

### News flash



**ENABLE Youth Nigeria approved; details in the next edition**



L-R: Head of Youth in Agribusiness Office, Evelyn Ohanwusi presenting a gift on behalf of IYA to the AfDB President



R-L: Olaniyi Tosin presenting a gift to the Executive Director, Dr Bright Okogu

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