



# EBAFOSA NEWSLETTER

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## **DRIVING CLIMATE ACTION & AGRO-INDUSTRIALIZATION FOR YOUTH WEALTH CREATION**

Effects of climate change are already bringing challenges to the African continent, but these challenges are disguised opportunities for solution bearers. It is under this premise that EBAFOSA through the guidance of UN Environment was formed to drive transformational climate action solutions. EBAFOSA has thus unlocked a holistic dimension in driving socio-economic opportunities through linking nature-based agriculture to ancillary areas. Specifically climate solutions of clean energy to power value addition; transport and logistics to link efficiently to markets; consumer niche markets among climate, health and environmental conscious consumers; training to retool skills among different agricultural actors, especially youth to engage in these interrelated areas. EBAFOSA bridges these gaps connecting challenges with solutions along the entire agro-value chain through supporting and guiding youth to leverage innovations for example EBAgropamoja App.

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## Unlocking wealth creation in the Agro-industry: An opportunity in disguise

“Every adversity carries with it the seed of an equal or greater benefit” – this African proverb underlies the argument of wealth creation. Challenges are disguised opportunities – where the challenge of one actor, provides an enterprise opportunity for another who has the solution. But it doesn’t stop here. This needs to be tied to addressing productivity maximisation challenges in an area of comparative advantage – and all this undertaken not at the expense of the environment – especially considering that climate change and environmental degradation stands to erode 75% of economies across Africa, wiping hard-earned benefits.

As an example, a small-holder farmer depending on their small plot of land for income needs to be linked to multiple interventions to maximise earnings of their farm. They need not only inputs but clean energy solutions like solar driers that are crucial to enabling them to preserve their harvest for longer. This will give them the flexibility to hold onto their harvest for longer and speculate for better market prices as opposed to selling in a rush in fear of spoilage. They also need to be linked effectively to lucrative markets to maximise their earnings. These are among challenges that offer opportunities for incomes not only for the farmer, but also the array of actors from ancillary sectors that hold the solutions. By this create enterprise opportunities for many and unlock inclusive

wealth opportunities.

**The trigger of all this must be people, and especially the youth who are the majority in the continent**, leveraging their skills, talents, ongoing initiatives and forging complementary partnerships towards creating enterprises that solve these productivity challenges. This is what a group of youth in Kenya is already doing. They have combined their skills in marketing, ICT and clean energy to come up with a connecting the “dots” enterprise called EBAgroPamoja – that connect the dots to link agro-value chain actors to clean energy solutions like solar driers, solar powered irrigation among others – that they need to process, preserve, and increase their productivity. EBAgroPamoja also links these agro-value chain actors to consumer markets and provide youth with income opportunities for themselves, while solving a major challenge of postharvest losses in Kenya amounting to \$500million each year. This is done without adding onto aggregate emissions that compound climate change since their enterprise incentivises clean energy use.

**This combination of skills aimed at creating enterprises towards maximising productivity in areas of comparative advantage** – and all done without compounding climate change – is the formula for building wealth that now needs to be nurtured and scaled. The following key

messages for policy & operational actors expound on how this progress can be nurtured to become the norm;

**Prioritise maximising productivity in catalytic sectors: “those who are born on top of an anthill take a short time to grow tall”.** This African proverb underscores what we mean by “catalytic”. The primary source of competitiveness for any enterprise is comparative advantage. It is no different for Africa’s wealth creation journey. An agro-value chain powered by clean energy stands out as the most catalytic area in the continent. This for three reasons; first, Africa holds a comparative advantage in the areas of clean energy & sustainable nature-based agriculture in terms of natural endowment compared to the rest of the globe; second, they are economically inclusive engaging a majority in the continent.

**The implication is that maximising earning potential in these areas will create income opportunities** for the majority to enhance inclusive income creation. Third, they provide an accessible route to solve multiple challenges – climate and socioeconomic – in one go. People, especially the youth must channel their skills towards maximizing productivity of these comparative advantage sectors – creating opportunities for actors with skills in different sectors & disciplinary backgrounds.



## RISING URBANIZATION AND INCOMES ARE INCREASING DEMAND FOR HIGHER VALUE-ADDED FOOD PRODUCTS

**Rising urbanization and incomes are increasing demand for higher value-added food products.**

Demand for food will grow by an estimated 70 percent from 2010 to 2050 and 83 percent is expected to be in the urban markets of the developing world. Net investments of more than \$80 billion per year are needed if food production is to keep pace with rising demand. Agricultural and agribusiness development is also instrumental for inclusive development targeting the poor, particularly in less developed countries and for climate change mitigation. Adding value to agricultural commodities can also create more decent jobs and income opportunities in many developing countries.

Against this backdrop, major investments along agro-based food and non-food value chains as well as an expansion of market opportunities and private sector initiatives are required in developing countries. The UN model with frameworks such as EBAFOSA aims to facilitate the development of inclusive and sustainable food systems that effectively link smallholders and larger farmers to processing, value addition and end-markets supplying higher-value, nutritious and differentiated food, fiber, feed and fuel products to consumers.

### Innovative approach

The innovativeness of the approach lies in the capacity to leverage the required public and private investments while providing growth-enhancing technical assistance, know-how and human capital development, capitalizing on the expertise and investment promotion capacities of key development and technology

partners.

### Blending technology and agro-industry to maximize impact.

Technology is a crucial component to develop market systems and agri-food value chains in developing countries. It facilitates the increased competitiveness of smallholder and larger farmers and SMEs in an inclusive way, and serves as a vehicle to promote foreign and domestic investment in critically constrained segments of the agribusiness value chains, in its core functions (production, aggregation, processing, distribution) and in its supporting functions (services, finance, physical inputs). It will be composed of pre-investment assistance, post investment assistance and improvements in the enabling environment (including policies, regulations, laws, organizations strengthening and infrastructural development). Technology will facilitate efficiency and effectiveness in the agro-industry value chain system through strengthening linkages among different stakeholders, and utilizing quick learning cycles to test and improve new business models (complex adaptive systems approach).

### Fuelled by burgeoning population,

urbanization and income growth, West African food demand is rapidly expanding and diversifying. A rising middle class (one-quarter of West Africa's population —about 70 million people) demands more value-added foods and is increasingly willing and able to pay a premium for food that is cleaner, safer and has other quality attributes. At the same time,

three-quarters of the population continues to live on less than US \$2/day and drives strong demand growth for basic staples and packaged foods at low prices. Demand for convenience – foods that are quick and easy to prepare and consume – is an overarching trend cutting across all countries and income groups. This trend is reflected in strong demand growth for rice, wheat and cassava-based products but also in the proliferation of street food and quick-service restaurants. It implies a large and potentially explosive future growth for services provided in the post-farm parts of the food system such as processing, wholesaling, retailing and logistics.

### What role does EBAFOSA play to fill this rising gaps?

EBAFOSA is bridging gaps in optimizing the agro-value chain and promoting renewable energy investments to catalyze agro-industries through prioritized actions. The gaps are bridged through peer to peer learning across the continental EBAFOSA membership. EBAFOSA is currently supporting EBAgropamoja in Kenya which is a mobile App that integrates processes, products and services along this entire continuum. These services are in supporting actors access affordable and quality solutions, this in turn not only provide efficient systems but also allow for the agro-value chain actors to meet the rising consumption demands of the burgeoning middle class population and also create wealth among different actors.

## THE NEED FOR MORE AGRI-BUSINESSES IN AFRICA



Africa's economic performance over the last decade has been remarkable, having reached an average growth of 5%. If this growth is maintained, projections indicate Africa's GDP should increase approximately threefold by 2030 and sevenfold by 2050, outstripping Asia's. Yet this growth has not translated to creating jobs or tackling inequalities. Beyond growth, the continent needs transformation. The internal, external and historical reasons that its industrial potential has not been reached can be attributed mainly to the failure of policies, often imposed. Institutions and infrastructure base that were designed to enhance extraction of Africa's resources, as opposed to value addition are still in place. Economic structural adjustment programmes have also had negative effects on technological accumulation, human capital development and the performance of manufactured exports.

### Cassava as a source of foreign exchange

Agricultural production is one of the most important economic sectors in the majority of African countries. Approximately 75% of Africans rely on it for their livelihoods. History illustrates that agriculture, particularly the developed agribusiness and agro-industry sectors, has been the driver of economic growth in countries across the globe—for example, Brazil and China. In Africa, agribusiness and agro-industries account for more than 30% of national incomes as well as the bulk of export revenues and employment....[Read More](#)

## YOUTH INVOLVEMENT IN AGRIBUSINESS: EXAMPLES FROM AFRICA



Agribusiness can provide jobs for young people and help African countries achieve development goals. Progress in this arena, however, remains limited. According to the 2017 World Food Prize laureate, Dr. Akinwumi Adesina, the "future of African youth lies in agriculture." This future can be realized through making agriculture both profitable and "cool" for young people. Adesina also argues for the need to move the perception of agriculture from a way of life for millions of rural people to a business.

**These thoughts are echoed in various online discussions, Engaging African Youth in Agribusiness in a Changing Climate**, a platform which creates a space to discuss critical issues facing African youths. Most of the discussants agree with the sentiment that agriculture is one of the critical pathways out of poverty and unemployment for young people. Accelerating the involvement of African youth in agriculture and agri-business will also help meet development goals, like those put forth by the Sustainable Development Goals (SDGs), including ending extreme poverty, zero hunger and gender equality. However, the rate of progress in many areas, especially

developing countries where the CGIAR research program on Climate Change, Agriculture and Food Security (CCAFS) and its partners work, is far slower than needed to engage youths in agribusiness under a changing climate.

**If the speed of progress is to be increased, the current gaps in youth engagement must be addressed.** First, governments must be held responsible for investing in youth through a commitment to providing financial support, including increased spending on youth initiatives along agricultural value chains. In Ethiopia, Save the Children, in partnership with Mastercard Foundation, has established a five-month learning cycle with the aim of improving young people's socio economic status through the establishment of agri-focused individual enterprises, including input production, production, processing and retailing. A number of Ethiopian youth (both girls and boys) have started businesses selling spices, poultry, camels and bread in the Save the Children program, Youth in Action. Second, youth must be empowered through opportunities to engage in agribusiness enterprises and linkages to private sector and development agencies....[Read more](#)

## EBAgroPamoja: AFRICA FLAGSHIP INITIATIVES FOR YOUTH WEALTH CREATION



### Sustainable Smallholder Agribusiness in Western and Central Africa

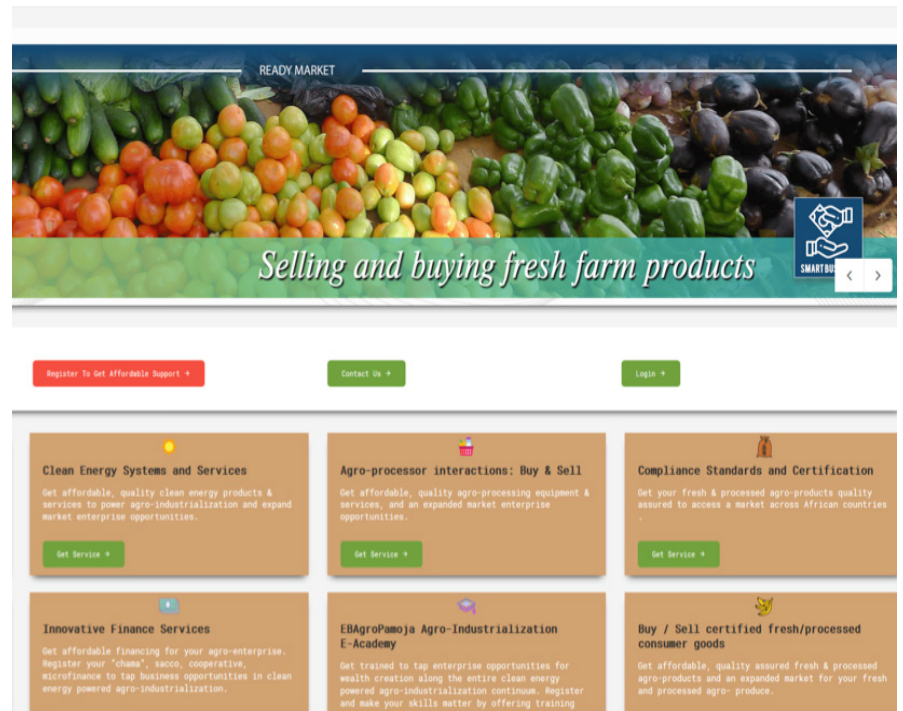
Cocoa is an important export product and a source of foreign currency in Western and Central Africa. This region has a cultivated area of five million hectares and accounts for over 70 per cent of worldwide cocoa production. Cocoa is mainly grown by smallholders on plots of land of up to three hectares in size. It is the most important source of income for them and their families, while additional income is earned from food production.

#### Objective

In Western and Central Africa, 475,000 smallholders have sustainably improved their income and food supply from more diversified agricultural cultivation.

#### Results

The project has cooperated with local partners to develop the FBS training programme to strengthen farmers' entrepreneurial skills. So far 700 specially trained instructors and supervisors have provided training to 482,000 farmers, a third of whom are women. In addition, the project has supported 22 partners with the introduction of the FBS into 19 countries in Africa. In total, the project has trained over 1.1 million farmers as a result. The extension services include 40 training topics on good cultivation practices for cocoa and food products. These topics have been taught to 190,000 smallholders, 30 per cent of whom are women. In total 2,000 managers and members of 400 producer associations have taken part in CBS training courses and learned how to transparently plan and implement services for their members and thus to strengthen their market power. ...[Read More](#)



### INITIATIVE OVERVIEW

EBAgroPamoja thrives on linking actors to opportunities and solutions along the entire sustainable agriculture led, clean energy powered industrialization value chain. EBAgroPamoja integrates processes, products & services along this entire continuum. Among flagship services are in supporting actors access affordable & quality clean energy solutions for value addition to reduce Postharvest Losses.

#### Affordable clean energy ownership plan

Affordable clean energy ownership plan enables actors acquire clean energy solutions flexibly at their own pace. An interested actor only pays a small deposit to acquire use of a clean energy solar system followed by small monthly installments to clear the balance and own the system. Competitive maintenance services are also provided to ensure a new owner has no worries about maintenance / repair in case of breaks downs. This facility is currently available for solar driers, solar powered irrigation, solar fridges etc.

This product benefits both suppliers of systems as well as users. For end users, they get to acquire technologies critical to cutting their postharvest losses & enhancing their productivity flexibly and at their own pace. For suppliers, they get to expand market for their

systems at reduced risk by tapping into the market segment that those cannot afford to pay for the systems with current inflexible financing but sharing the risk with EBAgroPamoja.

#### Clean energy due diligence intervention

EBAgroPamoja undertakes due diligence on behalf of clients - farmer enterprises & agro-processors to ensure they get best available solutions on the market - i.e. the most appropriate, technically feasible clean energy solutions that fit their needs at the most competitive prices. This product benefits both suppliers of systems as well as users. For end users, they get to acquire best in market technologies critical to cutting their postharvest losses & enhancing their productivity at the most affordable prices. For suppliers, they get to expand market for their systems at no cost by leveraging the EBAgroPamoja go to market efforts.

#### EBAgroPamoja training package

The EBAgroPamoja training component covers processes along the entire clean energy powered agro-industrialization continuum. The training services cover clean energy, processing, transportation, connection to markets, and the compliance standard assessment....[Read more](#)

## THE EBAFOSA/ BUGANDA GOVERNMENT INITIATIVE UPDATE



### The Cassava Multiplication Update:

The ten acres of high quality clean cassava multiplication materials of NASE14 variety at Sentema multiplication center are ready for harvest and distribution to other multiplication sites in the counties to expand the multiplication phase

Expanded Twenty acres of high quality cassava multiplication has now started in Kyaggwe County at Ngogwe sub county working through the Sekiboobos administrative structures. The site has been identified and visited. Opening of the land including clearing and ploughing. Cassava production startup work teams in Kyaggwe have been set up with the county and sub county teams in place.

Use of clean energy in every step to power any value-added aspects – especially on-farm use of solar powered irrigation, solar driers for product drying & preservation, biogas solutions for any cooking value added processes etc. .

Expansion of additional 20 acres are planned for in Nakasongola Buluuli county after an individual offered land for the multiplication site. This site will be visited by a team to assess the viability and effectiveness of the offer towards the overall goals.

Working with the Uganda National Bureau of Standards (UNBS) to ensure standards are implemented and used to carve a market niche for this cassava among health, climate & environment conscious consumers who are increasing rapidly.

Youth skills enhancement to tap enterprise opportunities along the entire cassava value chain and all agro-value chains.

## NEW INNOVATIVE AGRIBUSINESS PROJECT THAT PROMISES BRIGHT FUTURE FOR KENYA'S YOUTH LAUNCHED



A new project that is set to boost business and employment opportunities for thousands of young people in the agricultural sector in Kalifi and Nakuru county was launched in Nairobi. Youth Economic Empowerment through Agribusiness in Kenya (Vijabiz) is a joint project implemented by the Technical Centre for Agricultural and Rural Cooperation (CTA) and the USTADI Foundation, with funding from the International Fund for Agricultural Development (IFAD). The project will directly benefit up to 150 youth groups, many led by women, comprising more than 1,000 small agribusinesses and 2250 youth.

Vijabiz aims to promote innovative, attractive and sustainable employment for youth by providing training, coaching and mentoring in the entrepreneurship and business skills needed to develop and run successful agricultural enterprises. The initial focus will be on cereals, dairy and fishery value chains.

### Project Objectives

Agriculture is the backbone of Kenya's economy, contributing over half of the country's gross domestic product, but young people often prefer white-collar jobs in urban areas. Youth – those aged between 15 and 35 years – already account for more than 35% of the country's population and 60% of its workforce, but 20% to 30% of them are unemployed, compared with a national average of only 10% unemployment. And another million young people enter the job market each year.

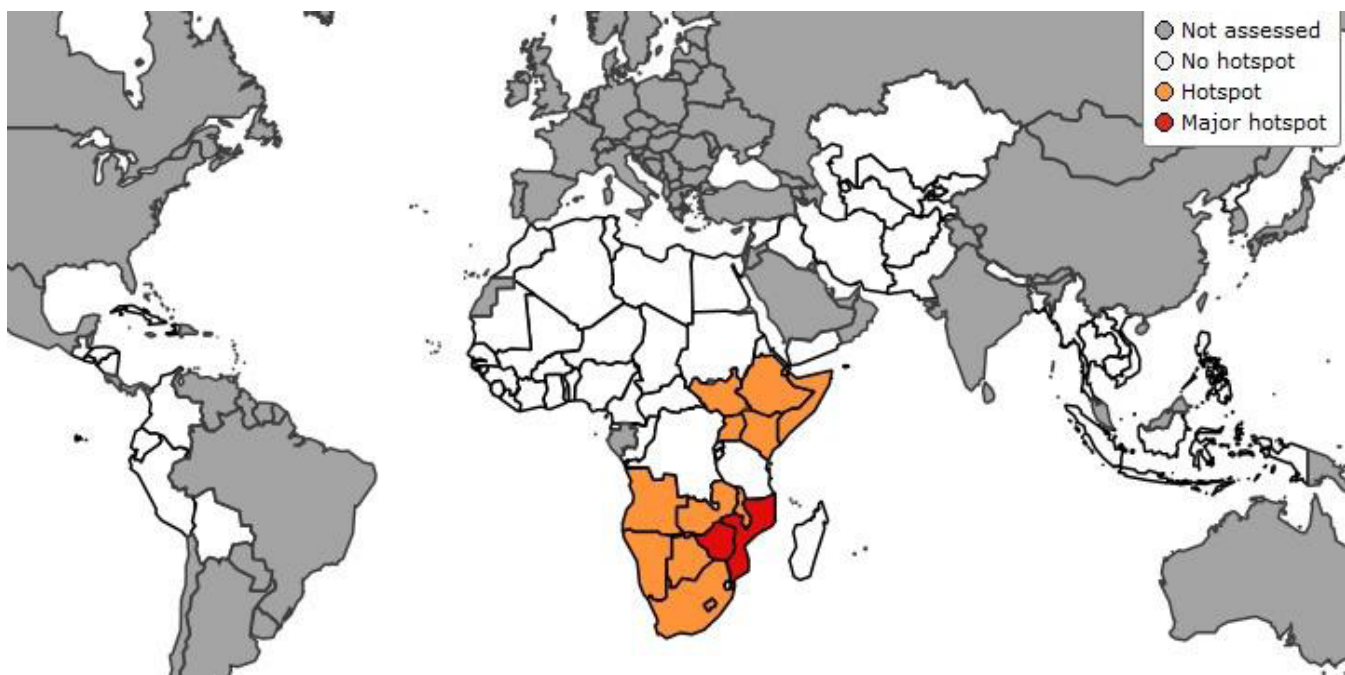
Michael Hailu, CTA Director: "Youth bring with them innovative ideas, ready uptake of technological know-how and a willingness to take risks. But what they often lack is access to the skills, knowledge and resources they need to make use of these talents. This project will make a significant contribution to increasing employment, enhancing food security and alleviating poverty." In addition to the capacity-building activities, Vijabiz will provide support in identifying market opportunities and value-adding activities, building links to markets and gaining access to financial support. Professional agricultural organisations and incubators will play a key role in mentoring and incubating the nascent agribusinesses. The most-promising groups will receive grants from the project and additional assistance in taking their ideas to market...[Read more](#)

## EVENTS

MAY	<b>10</b> NEW YORK, US  14 <sup>th</sup> Session of UN Forum on Forests (UNFF 14)	<b>08</b> KYOTO, JAPAN  48 <sup>th</sup> Session of IPCC	<b>08</b> ATHENS, GREECE  5 <sup>th</sup> Green Industry Conference for Sustainable Development	<b>13</b> PARIS, FRANCE  World Hydropower Congress
JUNE	<b>03</b> GENEVE, GENEVA  18 <sup>th</sup> Session of the WMO Congress	<b>11</b> BERLIN, GERMANY  Global NDC Conference 2019	<b>19</b> KADIOGO, BURKINA FAS  Desertifications 2019	
JULY	<b>01</b> BANGKOK THAILAND  41 <sup>st</sup> Meeting of the Open-ended Working Group of the Parties to the Montreal Protocol	<b>01</b> MELAKA, MALAYSIA  International Conference on Youth, Ocean and SDG 14	<b>09</b> NEW YORK,  High Level Political Forum on Sustainable Development 2019	

## CLIMATE WARNINGS

Hotspots of Agricultural Production Assessment for Crop & Rangeland production  
Threatened by Storm Impact (Cyclone Idai)



**PUBLICATIONS**

Agribusiness for Africa's Prosperity

Agriculture is Africa's next Frontier

Agribusiness in Sub-Saharan Africa-Mastercard Foundation : Pathways for Developing Innovative Programs for the Youth and Poor

Africa Agriculture Status Report: The Business of Smallholder Agriculture in Sub-Saharan Africa

Agribusiness in West Africa

African Agribusiness on the Move

Private Sector Agribusiness Investment in Sub-Saharan Africa

Strengthening Farm Agribusiness Linkages in Africa

How Investment in the African Agri-sector can help Support Development

**GRANTS & AWARDS**

African Climate Change Fellowship Program (ACCFP); With funding from the International Development Research Centre-Canada (IDRC)

Seed and Early-stage Grants for Women's Organizations and Initiatives - Applications Accepted All Year Round

French Embassy in Kenya Grants for NGOs and CBOs; Kenya call for proposals – Innovative Projects for Civil Society and Coalition of Actors (PISCCA)

Emerald African Management Research Fund

Global Fund for Community Foundations

Goldman Environmental Prize

Young Champions of the Earth



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**Coordinating Editor**

**Richard Munang, PhD**

Africa Regional Climate Change Coordinator, UN Environment

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