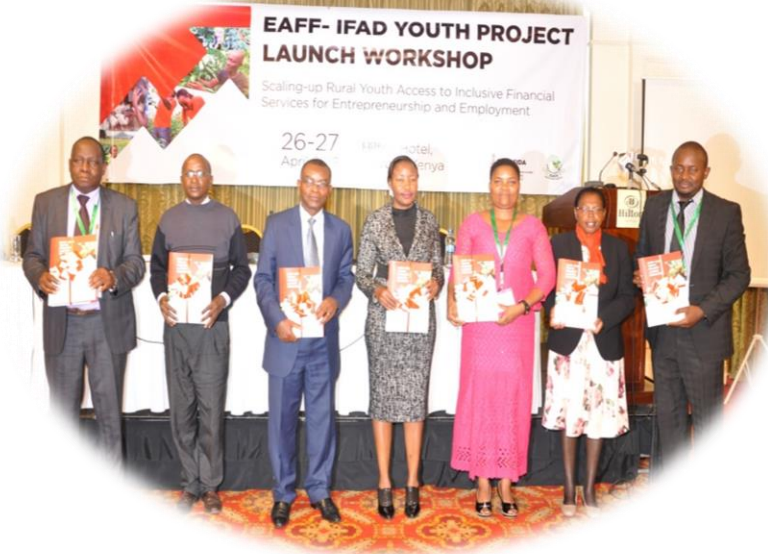




Investing in rural people
Investir dans les populations rurales
Invertir en la población rural
الاستثمار في السكان الريفيين



PROJECT INCEPTION MEETING REPORT 26th to 27th April, 2018 Hilton Hotel, Nairobi – Kenya Scaling-Up Rural Youth Access to Inclusive Financial Services for Entrepreneurship and Employment

Abstract

Young people face many constraints in trying to earn a livelihood from agriculture and agribusiness. Among these challenges is the ability to access credit/finance to facilitate their agribusinesses projects. EAFB with support from IFAD is implementing a project of “scaling up rural youth access to inclusive financial services for entrepreneurship and employment”. The project aims to directly benefit at least 10,000 young farmers in Burundi, Kenya, Rwanda and Uganda, aged between 18 and 35 years, living in rural areas in these countries. The project will run for 3 years. EAFB organized an inception workshop to launch this project on 26th to 27th April, 2018 in Nairobi - Kenya where a total of 43 participants attended. This report provides a summary of the events that took place during the project launch.

Leonard Mulei
5/4/2018

Table of Contents

| | |
|--|-----------|
| Glossary..... | 4 |
| Background of the project | 2 |
| Opening Remarks..... | 3 |
| a) IFAD..... | 3 |
| b) EAFF | 3 |
| c) Ministry of Public Service, Youth and Gender Affairs, Kenya..... | 4 |
| d) Ministry of EAC and Northern Corridor, Kenya..... | 4 |
| Presentation of Project Objectives, Components and Activities | 6 |
| Presentations on the Scoping Study findings | 6 |
| a) Uganda..... | 6 |
| b) Kenya | 8 |
| Presentations by Partners..... | 11 |
| a) Africa Agribusiness Academy (AAA) | 11 |
| b) Youth Enterprise Development Fund (YEDF) | 12 |
| c) We-Effect | 12 |
| d) Kenya Commercial Bank (KCB) Foundation..... | 12 |
| e) Kenya Institute of Management (KIM)..... | 12 |
| f) African Agribusiness Incubators Network (AAIN) | 13 |
| Closing remarks..... | 14 |
| a) EAFF Youth Board Member..... | 14 |
| b) EAFF President..... | 14 |
| c) Former EAFF president..... | 14 |
| APPENDICES | 15 |
| Appendix 1: Project Launch Workshop Program..... | 15 |
| Appendix 2: List of Participants | 17 |
| Appendix 3: Minutes for the Regional Steering Committee..... | 19 |

Appendix 3: Minutes for the National Implementation Committee 24

- a) Kenya/Uganda NIC 24
- b) Burundi/Rwanda NIC Report 27

Appendix 4: Photo Gallery 29

Glossary

| | |
|-------|--|
| AAA | Africa Agribusiness Academy |
| AAIN | African Agribusiness Incubators Network |
| AGRA | Alliance for a Green Revolution in Africa |
| CAPAD | Confédération des Associations des Producteurs Agricoles pour le Développement |
| CURAD | Consortium for University Responsiveness to Agribusiness Development |
| EAC | East Africa Community |
| EAFF | Eastern Africa Farmers Federation |
| ESA | Eastern and Southern Africa |
| ICT | Information and communication technology |
| IFAD | International Fund for Agriculture Development |
| KCB | Kenya Commercial Bank |
| KIM | Kenya Institute of Management |
| SACCO | Savings and Credit Cooperative Organization |
| SME | Small and medium-sized enterprises |
| URI | Uganda Industrial Research Institute |
| UNFFE | Uganda National Farmers Federation |
| VSLA | Village Saving and Loan Association |
| YEDF | Youth Enterprise Development Fund |

Background of the project

Access to financial services such as credits, savings and loans, just as much as the access to land, is of fundamental importance when attempting to start or sustain any agricultural enterprise. Unfortunately, in a continent where 70% of the population is not yet 30 years old, the evidence shows that rural youth constantly face the stigma of being considered “the most financially-excluded population segment” in the world. The Eastern Africa Farmers Federation (EAFF) in partnership with International Fund for Agriculture Development (IFAD), is implementing “Scaling-up rural youth access to inclusive financial services for entrepreneurship and employment” project, whose main goal is to contribute to ending extreme poverty and hunger in the East and Southern Africa region. It aims to do this by creating favorable conditions for strengthening the capacities of rural youth in selected ESA countries (Kenya, Rwanda and Uganda) that allow them to set-up and run profitable agri-enterprises that lead to wealth and employment creation. The main goal of this project is ending extreme poverty and hunger in the East and Southern Africa region. This shall be achieved by the following project objectives: -

- i. Developing the necessary skills among young people, thus providing the necessary conditions for entrepreneurship and income generation
- ii. Identifying and supporting innovative finance mechanisms
- iii. Analyzing successful practices in detail, with a view to scaling up
- iv. Sharing the lessons learnt with a wider audience.
- v. Setting up a regional youth network/platform

EAFF conducted a project launch workshop in Nairobi on 26th to 27th April, 2018 where a total of 43 individuals (30 males and 13 females) participated. These participants included representatives from IFAD, EAFF Board members and project staffs, Kenya Government officials from the ministry of Public Service, Youth and Gender affairs, and the ministry of EAC and northern Corridor, National Farmer Organizations from target countries (Burundi, Kenya, Rwanda and Uganda) and other technical experts from Universities, incubation centers, local banks in Kenya and invited consultants.

The objectives of this workshop were: -

- i. To officially introduce the Youth project to EAFF members and stakeholders
- ii. To comprehensively review the objectives, approach and activities under the four components;
- iii. Commission Regional Steering Committee and National Implementation Committee¹; and
- iv. Officially launch the project

¹ The minutes for the inception meetings of these committees is attached at the Appendix

Opening Remarks

a) IFAD

Elizabeth Ssendiwala, Gender and Youth Coordinator in IFAD-ESA congratulated EAFF for winning the youth grant and expressed her belief that EAFF will deliver in implementing this project. She mentioned that there is need to invest in youth since 70% of rural population in Sub Saharan Africa are young people. Investing in youth in agriculture will help in addressing issues on unemployment and poverty. They also have a potential in innovation and use of technology. Youth face many hurdles in trying to earn a livelihood from agriculture and agribusiness. They lack access to credit, improved technologies, practical skills, fair markets as well as other logistics and services for agribusiness success. IFAD aims to address these challenges through its strategic plan 2016-2025. IFAD is looking into establishing a youth council. Investing in youth through such a project of “scaling up rural youth access to inclusive financial services for entrepreneurship and employment” is therefore necessary and overdue. This project aims at attain the following outcomes: -

- i. Businesses of young men and women expanded as a result of improved entrepreneurship skill
- ii. Rural youths employed in expanding and diversifying viable/better-performing bankable enterprises generating sustained income
- iii. Increased inclusive and adapted financing options available to rural youths
- iv. Policy for scaling-up rural youth entrepreneurship development is put in place.

She concluded by assuring EAFF that the results of this project will be used by IFAD to upscale such project to other countries not targeted in this project phase.

b) EAFF

The EAFF President, Elizabeth Nsimadala, mentioned that Africa has the youngest population in the world and each year 10-12 million of its young people seek to enter the continent’s workforce, too many without success. This highlights the great challenge of youth unemployment which can also be seen as an opportunity for them to become the engine driving new agriculture and agribusiness enterprises as well as rural transformation on the continent. Youth financial inclusion is a complex and intertwined challenge. Youth lack loan guarantees, such as formal land titles, steadily paid employment, personal guarantors, solidarity group guarantees or more informal guarantees (motorcycles, furniture etc.) – all assets that youth typically do not possess to enable them access credit. The president mentioned that many interventions have focused on building capacities of youth and other actors up to developing business plans, however this scenario is changing with the entry of investors and investment bankers who are looking at the viability of businesses in terms of Return on Investment (ROI). Thus the project Scaling-up Rural Youth Access to Inclusive Financial Services for Entrepreneurship and Employment tries to address this changing landscape by looking at

building the capacity to develop “Investor Ready” proposals and building the youths capacity develop an “investment ask’ and to pitch to different potential partners or investors. This project will provide a prime opportunity for farmer organizations to direct the East African youth toward agribusiness, and if done in an inclusive manner it will have far reaching economic benefits. She thanked the IFAD for their financial support and reassured them of high level commitment of EAFF and its members to do all it can to make the project a success.

c) Ministry of Public Service, Youth and Gender Affairs, Kenya

The Director Youth Affairs from the ministry mentioned that the government of Kenya through her ministry has been addressing keys issues facing the youth and agriculture has been identified as one of the best approaches to address youth unemployment. She also highlighted that 75% of Kenya population is below 30 years yet the agricultural sector is composed of aging population. She also mentioned that the youth are excluded in financial services in Kenya due to their high credit risk, lack of bankable collateral, involvement in high risk activities etc. The government through the ministry has introduced more inclusive funds such as the Youth Enterprise Development Fund (YEDF), Women Enterprise Development Fund, Uwezo fund and Access to Government Procurement Opportunities (AGPO). She mentioned that these initiatives were obtaining positive results and were not well known to the youth and as a result the Kenya youth are not taking advantage of them.

The EAFF youth project will also provide an opportunity for youth involvement in accessing finances to engage in agribusiness. This project will enhance the current process of raising capital for enterprises of young people in poor rural areas by mitigating financial institutions risks, increasing interaction with industry experts, acquiring new knowledge and sharing success stories. She emphasized the need for the project to be attractive to young people to build their self -confidence as well as changing their attitude and mind-set to embrace agriculture as a means of creating wealth.

d) Ministry of EAC and Northern Corridor, Kenya

The representative from the ministry commented on the EAFF intervention in addressing the issues of food security and unemployment and said that this project matches well with the Kenyan government Big Four Agendas². The agricultural sector provides an opportunity to address the issues of unemployment and entrepreneurship. This project matches well with the ministry’s programs on youth and gender involvement in intra-regional trade. The EAC region has over 154 million youth and the EAFF has a critical role of changing the paradigm of youth involvement in agriculture. This will contribute significantly to regional food security. To boost

² They are:(i) Support value addition and raise the manufacturing sector share to GDP to 15 percent by 2022; (ii) Focus on initiatives that guarantee food security and nutrition to all Kenyans by 2022; (iii). Provide Universal Health Coverage thereby guaranteeing quality and affordable healthcare to all Kenyans; and (iv) Provide Housing to all Kenyans by targeting construction of at least five hundred thousand affordable houses by 2022.

agricultural performance in the EAC region, there is need to engage young farmers by teaching them agriculture as a business rather than a way of life. He mentioned that the future relies on agriculture and investing in it will reduce the rural-urban migration.

This project aims at providing enabling skills for youth to access start-up capital or credit to start or sustain any agricultural activity. He mentioned that this project should also aim at developing a comprehensive programs and interventions that forge widespread commitment and partnership (public, private, development partners) and combining these approaches in an effective manner and delivering cost-effective opportunities to youth for profitable agribusiness development. He wished that this project will go beyond formal training settings and involve the development of detailed agri-business plans and creditworthy loan applications, leading to the establishment of efficient and effective networks of new agri-business ventures and services across the entire agricultural value chain.

The representative further articulated that this workshop provided an opportunity for participants to understand and review the project objectives, approach and activities, exchange between members of the EAFF, Development partners, and private sector. He further encouraged participants to consider the how to improve the following: Inclusive financial services, employment creation, income-generating activities, micro-enterprise support, capacity development all for the youth and believed that EAFF will come up with a concrete project implementation plan to reverse the course. He pointed out that on behalf of the government of Kenya that the workshop would develop strategies for handling the above issues and that EAFF and partners will be able to engage relevant government institutions within the community to partner in solving them.

Presentation of Project Objectives, Components and Activities

The EAFF CEO gave a brief overview of the project. He mentioned that project main goal is to contribute to ending extreme poverty and hunger in the East and Southern Africa region. It aims to do this by creating favorable conditions for strengthening the capacities of rural youth in four ESA countries that allow them to set-up and run profitable agri-enterprises that lead to wealth and employment creation. The project will focus on: developing the necessary skills among young people, thus providing the necessary conditions for entrepreneurship and income generation; identifying and supporting innovative finance mechanisms; analyzing successful practices in detail, with a view to scaling up; sharing the lessons learnt with a wider audience; and finally setting up a regional youth network/platform.

The project aims to directly benefit at least 10,000 young farmers in Kenya, Uganda and Rwanda, aged between 18 and 35 years, living in rural areas in four countries of which 50% of its beneficiaries will be adolescent and young women. In addition, several stakeholders such as financial institutions, incubation centres and policy makers, and broader EAFF membership will benefit from the project activities through knowledge sharing and scaling up interventions.

The CEO articulated that the implementation of this project had been decentralized at national level and it will be implemented by the National Implementation committee (NIC). The reason being that the NIC comprises of individuals who understands well the country specific issues better than the EAFF program officers hence making the project country owned. However, in Burundi a scoping study will be conducted and linked to CAPAD. This will provide an opportunity for Burundi to learn from this project. He also indicated that the Training of Trainers (ToT) and cascade training approach will be adopted in this project as it has been effective in other EAFF projects. However, the EAFF was ready to adopt any other models that would be suggested by the participants. He called upon participants to been keen on the results of the scoping studies conducted in Kenya and Uganda since they will have mapped the opportunities, challenges and best practised financial models for youth inclusion in agriculture.

Presentations on the Scoping Study findings

a) Uganda

The consultant from Uganda gave a presentation on the findings of the existing financial services to youth in agribusiness in Uganda. The consultant categorised the various approaches adopted in Uganda to engage youth in agriculture as follows :-

- Participatory approach which is community based or financed by the local government. This includes the Youth Livelihood Program, East Africa Youth Inclusion Program implemented by the Heifer International.
- Multi-stakeholder approach which pool resources and include the Youth Venture Capital Fund

- Value Chain Approach such as the Consortium for enhancing University Responsiveness to Agribusiness Development (CURAD) and Afribanana programs
- Practical approach which involves incubators such as the CURAD, Uganda Industrial Research Institute, Innovation Village, etc.
- Hub or one-stop center approach such as the Technoserve's Strengthening Rural Youth Development through Enterprise (STYDE)
- Holistic approach e.g. brac

The consultant identified the business environment Opportunities and Challenges in Uganda as below:-

- opportunities
- The business registration is relatively easy and affordable (USD 5 - 14).
 - There are existing policies, regulations and strategies in place such as National Youth Strategy 2017, National Development Plan II, Agricultural Sector Development Policy.
- challenges
- Ineffective implementation of these policies due to resource constraints (financial and human), Inefficient administrative systems, bureaucracy, corruption and low professionalism in the responsible departments, and low follow up

The consultant highlighted the following financial modalities in Uganda:-

- Government/Public Sector has a livelihood and access to finance programs of which the youth livelihood program is funded with USD 15.7M each year.
- The development Partners such as Master Card's Youth Forward Initiative in collaboration with Technoserve is implementing the CLUSA program amounting to USD74M
- Financial Institutions such as Centenary Bank, Post Bank has youth based products.
- Incubation Centres such as the Innovation Village, University Responsiveness to Agribusiness Development (CURAD), Uganda Industrial Research Institute (UIRI) budgeted for almost USD 4B.
- Universities such as Makerere University and Kyambogo University
- Public Private Partnerships e.g. Youth Venture Capital Fund amounting to USD 8.6M

From this scoping study, the consultant recommends the following for effective implementation of the EAFF youth project:-

- Put in place strategies to change the mindset of the youth for them to embrace agribusiness such as exchange visits
- Engage youth in project implementation and avail mentors to guide them.
- Deliberate policy to engage youth meaningfully
- Look at youths as a "value chain" not in "activity silos"

- Harness ICT in Agribusiness to attract more youths
- Combine financing models
- Consider strong Public Private Partnerships

The participants were impressed by the findings of the scoping study in Uganda and recommended the consultant to work on the following in the final report:-

- Provide more information on the policies within the private sector such as local banks
- Provide suggestions on other financial modalities apart from what exists in the country such as availability of guarantee scheme to enhance financing to the youth.
- Clarify the knowledge of experts (suggested in the study) in addressing the issues facing the youth.
- Document a case of Centenary bank.
- Identify less supportive policies that EAFF can use to make it more supportive.
- Highlight more unconventional ways of financing such as crowd financing, group guarantees etc. to increase youth access to finance.
- Capture the role of young farmers' organizations such as UNFFE in engaging farmers in agriculture.
- Capture more on the non-formal skills for youth provided by the Ministry of Education
- Clarify on the loan interest rates between banks and other micro-financial institutions
- Explore more on engaging the insurance companies as partners in this project.
- Suggest peers and young successful entrepreneurs to engage in implementing the project.

b) Kenya

The consultant in Kenya gave a presentation on the findings of the existing financial services to youth in agribusiness in Kenya. The consultant highlighted the policy and regulations that may enhance/support youth in agribusiness. These policies and regulations include:-

- The Constitution of Kenya (CoK 2010) which provides an affirmative action programmes to ensure that the youth access education, employment etc.
- National youth policy (2006) and the National Youth Council (NYC) Act of 2009 that addresses issues emerging high youth population growth, inadequate and appropriate skills unclear and uncoordinated youth policies and programs
- Vision 2030 which advocates for devolved funds to target the youth, women and all vulnerable groups and communities
- Agriculture Sector Development Strategy (ASDS) 2010-2020 which has indicated youth involvement in value addition.
- County Integrated Development Plans (CIDPs) which provides employment creation, capacity building and promotion of agribusiness for the youth.

- The Ministry of Agriculture Strategic plan (2013-2017) provides capacity building and vocational training and farming including Agriculture Technical Vocational Education and Training Programme

The consultant also indicated that the government of Kenya has made it easy for the youth to do business. This is as a result of digitization of government services through the e-Citizen platform, decentralization of these services to huduma centres country wide, and automated payments of licences, tax payments and remittances.

The consultant however pointed out the various challenges youth face in their engagement in agriculture and recommended the following as entry points to address these challenges:-

- Build on the growing adoption and diffusion of ICT amongst the youth in the country to enhance outreach and reduce transaction costs
- Engagement in tripartite arrangements such as funder-buyer -producer to mitigate risk
- Support business incubation arrangements to nurture the agriprenuers
- Provide financial literary to the youth.
- Support to groups to build on peer pressure

The consultant also highlighted the various existing financial models for the youth in agribusiness that the project could learn from. These include:-

- Equity Bank Foundation Agriculture accelerator program that aim at increasing incomes and investments in agriculture, create jobs and increase supply of food in the market employed 27 trained agricultural extension officers, who work with their managers across numerous value chains and leverage on the use of mobile phones to provide precise recommendations to farmers.
- KCB Group in partnership with AGRA has a platform that enables small holder farmers to access credit, savings, insurance and training. Farmers access services through a mobile based technology dubbed KCB Mobigro. It enables them to access credit while deliberately linking them to other players across the agricultural value chains from inputs to markets thereby boasting their credit worthiness
- KCB Foundation '2jiajiri' program that aim at developing skills and creating jobs among existing 'jua kali' entrepreneurs and the youth. The program seeks to reach 50,000 youth and informal sector.
- Kenya Youth Economic Empowerment Program (KYEEP) which a partnership of the county government of Kilifi, the World Food Programme (WFP) Kenya, the Food and Agriculture Organization of the United Nations (FAO), World Vision Kenya and Vision Fund is working with youth groups in poultry and riverine agriculture.
- Youth Enterprise Fund established in 2006 by the government of Kenya aim at creating employment to the youth and to eradicate poverty. So far over 157,000 youth have benefited from this fund.

- ECLOF Kenya which is an micro-financial institution and targets men, women and the youth in dairy, horticulture, poultry to attain good results in their agribusiness.
- Latia Kenya Agribusiness Solutions which is a social enterprise offer agricultural services aiming to transform farmers into commercial sustainable entrepreneurs. It provides services such as: agriculture apprenticeship to youth and agribusiness incubation
- Agribusiness management courses offered in several colleges and Universities in Kenya

The participants appreciated the efforts made by the consultant and suggested the following to be included into the final report :-

- Explore more on government programs such as Uwezo fund and Women Enterprise Fund
- Include the Kenya Youth employment in agribusiness program facilitated by the World Bank in Kenya and the financial model adopted by the Women Parliamentary representatives in managing the funds allocated to them for Youth and Gender.
- The report should highlight the best approach to ensure that agribusiness is attractive to the youth. This could be done by encouraging a downward engagement such as provision of services to agricultural production.
- Explore the financial modalities of the Islamic banking in Kenya and KCB lions' den program
- Add inputs on the financial opportunities from the cooperative sector, e.g. SACCOs
- In cases where youth have been able to access funds from government programs, the report should identify at least one case study of such groups/ beneficiaries of these funds.
- The report should also review the national youth empowerment strategy and the green economy strategy by the ministry of environment and natural resources.
- The consultant should also share with EAFF other issues that need to be addressed and not covered in their assignments.

Presentations by Partners

a) Africa Agribusiness Academy (AAA)

AAA recognizes that deliberate youth oriented interventions are required to promote rural economies similar to the approach adopted in the EAFF youth project. The AAA supports startups and young business to understand holistic, innovative and relevant business solutions

AAA undertakes several procedures to stimulate youth to invest in agribusiness. These include:-

- Building capacity of upcoming entrepreneurs through training, coaching and mentorship programs.
- Identifying and bringing together a peer selected core group of successful entrepreneurs and business experts that provide role models and business opportunities for the new generation of entrepreneurs to create momentum for young men and women to take risk and invest in agribusiness.
- Creating a digital platform/resource centre that enables young entrepreneurs to create and share practical knowledge, develop business cases, identify critical success factors, document best practices and make this learning tool to their generation of young and upcoming entrepreneurs

Further, AAA has embarked on a systematic approach aimed at supporting young agri-entrepreneurs to access finance. These approaches include:-

- Identifying and profiling financing agencies, local and international that offer financial services for at least part to agribusiness SMEs -in form of loans, grants, equity funds, joint ventures and partnerships
- Assessing the requirements and conditions for accessing financial services from these institutions
- Working out with the SME to find out what hinders them from accessing finance vis-à-vis their business needs, resulting into
- Production of a detailed report recommending what needs to be done internally by the SMEs to become financially credible
- Development of detailed and tailor-made coaching, training and/or mentorship trajectory is designed for each SME
- Comprehensive Business Planning sessions carried out on all critical business areas giving rise to a complete bankable business plan
- Developing Business Pitches for presentation, negotiations, adjustments and match-making to financial service providers
- Post-finance assessments and coaching to ensure monitoring of planned activities & compliance in order to meet growth projections

b) Youth Enterprise Development Fund (YEDF)

The YEDF is a government fund used to unleash youth potential by increasing economic opportunities for and participation by Kenyan youth in nation building through enterprise development and strategic partnerships. This is achieved by:-

- Provision of loans to youth owned enterprises either in groups or to individuals
- Provision of enterprise development services
- Provision of market support to youth owned enterprises.
- Provision of commercial infrastructure by providing trading premises and worksites to youth owned enterprises.
- Provide entrepreneurship training, mentorship and coaching
- Facilitate youths to obtain jobs abroad.

The YEDF provides agribusiness loans to the youth to start or expand agricultural related businesses including purchases of equipment and working capital. The loan amount ranges between Ksh 100,000 to 2 million and has no interest but has a management fee of 5% of the loan amount applied for. This loan should be repaid within a period of 3 years. The loan amount can be secured using chattels or any other conventional securities.

c) We-Effect

The representative from We-effect gave a presentation on the organizations experiences on youth involvement in agriculture. He mentioned that youth are not involved in leadership/ decision making processes of member owned farmer organizations. However, supporting on farm activities and using Village Loans and Savings Associations (VLSA) can be an entry point in engaging the youth in agriculture. The representative mentioned that utilizing the VLSA's due to the increasing popularity among women and young people provide an opportunity for financial inclusion of youth in agribusiness.

d) Kenya Commercial Bank (KCB) Foundation

The representative from the KCB foundation shared with the participants on the procedures and requirements for youth access to credit from the KCB bank. The bank provides two products two – '2Jijiri' Loans and 'Bankika' Loans to entrepreneurs with business start-ups. These two products require that applicants to submit a business proposal. They have different interest rates of 0 per cent and 3.5% respectively. He emphasized that the foundation works with credit and risk analysts to ensure that youth proposal have tangible markets for their products. The foundation supports all levels of production and encourages youth to focus on utilization of modern technology.

e) Kenya Institute of Management (KIM)

The representative gave a brief overview of youth interventions implemented by the institution. They include: the Kenya Youth Empowerment & Opportunity Project (KYEOP) which provided core business skills training to the youth, a project building capacities of the rural farmer

organisations in cereals, potato and horticulture value chains and the National Business Plan Competition (JITIHADDA) program.

Despite the challenges youth face in their involvement in agriculture, the representative from KIM said that organizations need to adopt a hybrid method in the training. This approach include:-

- Training rural youth on returns to agriculture and agribusiness investment;
- Introduce rural youth to new, profitable agribusiness ventures;
- Assistance in business plan development, agribusiness proposal and loan application, including interface with lending institutions;
- Training rural youth on the use of ICT and social media in agribusiness development;
- Train journalists and youths to become specialized in agricultural affairs that document youth's entrepreneurial initiatives and promote their services

f) African Agribusiness Incubators Network (AAIN)

The chairman of the AAIN shared the institution's experience and the reasons why youth shun agriculture. He pointed out that a casual analysis has revealed that the youth relate agriculture with hard work and as a result not a prestigious job, associated with old people, has poor markets, labor intensive and lack credit. To address these challenges, the chairman suggested that EAFF and partners should:-

- Design appropriate curricula for training the youth
- Identify role models to mentor the youth in agribusiness
- Engage with stakeholders/development partners for technology development by signing Memorandum of Understanding (MoUs)
- Should act as a sign post to youth towards business incubation centres.
- Create guarantors to ease youth access to agricultural financing.

Closing remarks

a) EAFF Youth Board Member

Appreciated the EAFF partnership with IFAD in engaging the youth in agriculture and particular by addressing one of the key challenges youth face, that is, access to financial services. She encouraged for more such efforts towards youth in the region. She urged partners of this project to continue making suggestions on various innovative ways to implement the project. She also requested the National Implementation Committees to ensure that they do their best for the benefit of the youth in the region and ensure that the project can be up scaled in other countries.

b) EAFF President

She thanked all the participants, partners and other stakeholders for attending and participating in this inception workshop. She assured the participants that their contribution was important in guiding the project implementation plan. She congratulated the consultants for their good work and urged them to work on the comments raised by participants. She emphasized that the NIC has a key role in implementing this project. She also informed the national project focal points that the EAFF secretariat has high expectations on them in relation to proper project management and communications.

c) Former EAFF president

He thanked the president for leading this process and said that EAFF has a role in changing the mindsets of young people into agriculture. He articulated that youth need to explore opportunities in agricultural value chains for their benefits. He also thanked the IFAD for awarding EAFF the youth grant. He welcomed partners in engaging with EAFF to implement the project. He finally wished the project a success.

APPENDICES

Appendix 1: Project Launch Workshop Program

Day 1: Thursday 26th April 2018

| Time | Activity | Responsible |
|-----------------|---|----------------------|
| 8:30 - 9:00am | Registration | EAFF |
| 9:00 - 9:15am | Welcome, introductions and updates from EAFF | Stephen Muchiri |
| 9:15 – 10:15am | Opening remarks from IFAD | Elizabeth Ssendiwala |
| | Opening remarks from EAFF President | Elizabeth Nsimadala |
| | Official remarks from representative from Ministry of Public Service, Youth and Gender Affairs | |
| | Official opening remarks PS Ministry of EAC and Northern Corridor Development | |
| 10:20 - 10:30am | Group photo | EAFF |
| 10:30 - 10:55am | Press conference and Coffee break | EAFF |
| 11:00 - 1:00pm | Presentation on the Project background | EAFF |
| | Discussion of the different project components - objectives, approach, activities | |
| 1:00 - 2:00pm | Lunch break | |
| 2:00 - 4:30pm | Presentation on implementation modalities (obligations of EAFF members, roles and responsibilities of committees, requirements etc) | |

Day 2: Friday 27th April 2017

| Time | Activity | Responsible |
|----------------|---|-------------|
| 8:30 - 9:30am | Presentations from draft scoping studies in Kenya and Uganda Q&A | Consultants |
| 9:30 - 10:30am | Presentations from: Africa Agribusiness Academy(AAA) JKUAT – Prof Henry Bwisa WE EFFECT – Maina Gakuru IBiz – Joseph Seville KCB Foundation Strathmore University | AAA |

| | | |
|------------------|--|------|
| 10:30 – 11:00 am | Coffee Break | |
| 11:00 - 1:00pm | Parallel sessions: | EAFF |
| | <ol style="list-style-type: none"> 1. First Regional steering committee meeting (members only) 2. Discuss the project implementation plan and result based framework | |
| 1:00 – 2:00pm | Lunch | |
| 2:00 – 3:00pm | Plenary and official closure of the workshop | EAFF |

Appendix 2: List of Participants

| | Name | Gender | Organization | Country |
|----|---------------------------|---------------|--|----------------|
| 1 | Elizabeth Ssendaula | F | IFAD | |
| 2 | Elizabeth Nsimadala | F | EAFF | Uganda |
| 3 | Philip Kiriro | M | EAFF | Kenya |
| 4 | Stephen Muchiri | M | EAFF | Kenya |
| 5 | Peninah Jotaba | F | SSAPU/EAFF | South Sudan |
| 6 | Mwangi Kaheru | M | Ministry of EAC & Northern Corridor, | Kenya |
| 7 | Susan Njau | F | Ministry of Public Service, Youth and Gender affairs | Kenya |
| 8 | Charles Gitau | M | AAA | Kenya |
| 9 | Samuel Kabiru | M | AAA | Kenya |
| 10 | Thomas Were | M | Agile Consulting | Kenya |
| 11 | Florence Mutua | F | Agile Consulting | Kenya |
| 12 | Japheth Magomere | M | CAK | Kenya |
| 13 | Daniel Marube | M | CAK | Kenya |
| 14 | Otieno Steven | M | CAK | Kenya |
| 15 | Gilbert Nyandwi | M | CAPAD | Burundi |
| 16 | Jean Marie Ndashimiye | M | CAPAD | Burundi |
| 17 | Ann Mwaka | F | Consultant | Uganda |
| 18 | Jacqueline Chepkoech | F | Equity Foundation | Kenya |
| 19 | Jane Mutamba | F | IMBARAGA | Uganda |
| 20 | Joseph Gafaranga | M | IMBARAGA | Rwanda |
| 21 | Jacques Munyaneza | M | IMBARAGA | Rwanda |
| 22 | Jean D'Amour Ntamabyariro | M | INGABO | Rwanda |
| 23 | Benard Barasa | M | KCB foundation | Kenya |
| 24 | Anna Amakove | F | KIM | Kenya |
| 25 | Arthur Mwangi | M | KIM | Kenya |
| 26 | Caleb Atuya | M | KLPA | Kenya |
| 27 | Augustine Katarwa | M | NCCR | Rwanda |
| 28 | Vincent Mulindwa | M | NUCAFE | Uganda |
| 29 | David Muwonge | M | NUCAFE | Uganda |
| 30 | Linda Kwamboka | F | Strathmore M-Farm | Kenya |
| 31 | Jacan Oyanya Ismail | M | UCA | Uganda |
| 32 | Dick Kamuganga | M | UNFFE | Uganda |
| 33 | Augustine Mwendya | M | UNFFE | Uganda |
| 34 | Maina Gakuru | M | We Effect | Kenya |
| 35 | Jonathan Kioko | M | We Effect | Kenya |

| | | | | |
|----|-------------------|---|------|-------|
| 36 | Susan Micere | F | YEDF | Kenya |
| 37 | Emma Tum | F | EAFF | Kenya |
| 38 | Joyce Wanjiru | F | EAFF | Kenya |
| 39 | Norbert Tuyishime | M | EAFF | Kenya |
| 40 | Emmanuel Kinuthia | M | EAFF | Kenya |
| 41 | Leonard Mulei | M | EAFF | Kenya |
| 42 | Robert Kubai | M | EAFF | Kenya |
| 43 | Paul Ngetich | M | EAFF | Kenya |
| 44 | Elizabeth Ochieng | F | EAFF | Kenya |

Appendix 3: Minutes for the Regional Steering Committee
MEETING AT THE HILTON HOTEL,

Nairobi; KENYA

27th April, 2018

Meeting started at 5pm

Agenda 1: A word of welcome from Peninah Jotaba

Agenda 2: IN ATTENDANCE

- Elizabeth Nsimadala
- Peninah Jotaba
- Jean D’Amour
- Stephen Muchiri
- Emmanuel Karanja
- Emma Tum

Records of the meeting

| Minutes | Discussed/Agreed | Action / Responsibility |
|------------------------------|--|------------------------------------|
| Agenda 3 Min 27/04/18 | <p><u>Preliminary</u></p> <ul style="list-style-type: none"> • Introduction of all members in the meeting • To outline roles of the Regional Committee and its members; <p><u>Terms of reference</u></p> <ul style="list-style-type: none"> ○ Provide project oversight ○ Receive and approve the consolidated work plan ○ Receive & approve the financials ○ Approve any employment ○ Provide Monitoring & Evaluation support <p><u>Composition of the Committee</u></p> <p>The Committee will be constituted of the following members;</p> <ul style="list-style-type: none"> ○ EAFF President ○ The EAFF Board representative in charge of youth ○ Representation from the four countries (Rwanda, Kenya, Uganda & Burundi) ○ IFAD representative: Elizabeth Ssendiwala | |

| | | |
|--|--|--|
| | <ul style="list-style-type: none"> ○ Financial Partner: possibly a bank that is dominant in all the four countries (Equity or KCB) ○ Expert/Advisor: AAA ○ EAFF Secretariat – CEO, institutional Development Officer & M&E <p>Note: Secretariat to research and advice on the financial partner</p> <p>: Get representatives from the NIC to seat in the Regional Implementation Committee</p> <p>: Reports from NIC are sent to the secretariat for consolidation</p> <p>: NIC defends their reports during the Regional Committee meetings and reports their challenges</p> <p>: The Regional Steering Committee will meet once every year and if need be, they can meet virtually</p> <p>: NIC meets once a month, they present their last report in December, its prepared in January and presented during the first Board meeting of every year</p> <p>: Proposal to co-opt a representative of EAC – Write to the secretary general about the project then he nominates someone.</p> | |
| <p>Agenda 4</p> <p>MIN</p> <p>27/04/18</p> | <p><u>Roles and responsibility of Focal point</u></p> <p>There will be a focal point in each of the countries and their roles will be as follows;</p> <ol style="list-style-type: none"> 1. Shall develop the AWPB 2. Shall review TORs for the studies to be conducted in the 4 countries; 3. Shall assist in procuring qualified consultants to conduct scoping studies on successful models providing access to finance to rural youth; Shall assist in advertising for youth programme on financial inclusion through the national print media as well as through the national member organizations; 4. Receiving proposals from youth in various countries, internal process for analysis of the youth proposals and selectin of experts to evaluate the proposals; 5. Shall identify and engage a panel of experts to help on selection of competitive youth proposals and clustering proposals for the purposefully selected process along value chains 6. Shall organize national cascade trainings and in evaluating relevance of these training 7. Shall submit youth proposals selected for pitching 8. Shall organize business to business meetings with an aim of pitching investor ready proposals; 9. Shall organize youth meetings 10. Shall document the processes that have occurred at national level during year one i.e. from scoping studies, identification of proposals TOTs and cascade trainings, | |

| | | |
|--------------------------------------|--|--|
| | <p>pitching of the first proposals, etc Terms of office</p> <ol style="list-style-type: none"> 1. Shall be a nominee of one of the EAFF National Farmer Organizations. 2. Shall be secretary to the National Implementation Committee and is responsible to manage communication between and among NIC members, for sending out notices of meetings, and for maintaining substantive records of all meetings and actions taken. In addition, the NIC; 3. Shall convene NIC meetings. Notice is to be given at least 7 days in advance of the meetings, except in the case of special or emergency meetings, for which the notice requirement may be waived. Notice shall include the agenda for the meeting, a list of all items to be considered at the meeting, and copies of all relevant documents; 4. Shall prepare and present meeting minutes for review and signature by the NSC after every meeting. Once signed by the NSC members involved, the original should be filed in the project file at the organization; 5. The national focal point is a project employee and shall be given a salary allowance proportionate to the work according to EAFF finance policy and procedures. A contract shall be signed prior engagement; 6. The focal point shall also manage project funds at the organizational level which will be intended to facilitate NSC meetings, advertisements among others <p><u>Reporting</u></p> <p>National focal point reports to national implementation committee reports to regional steering committee</p> | |
| <p>Agenda 5 Min 27/04/18</p> | <p><u>Roles and responsibility of NIC</u></p> <ul style="list-style-type: none"> • The main mandate of this committee is to support project implementation at the national level. Specifically, the NIC: • Shall approve the Annual work plan and budget; • Shall interview and/or approve national consultants and service providers; • Shall vet proposal submitted by the national youth groups • Shall strategically engage with national government and private sector to promote the project; • Shall oversight the national implementation activities • Shall meet at least twice yearly (physically) and once virtually per year. • Shall liaise with relevant stakeholders (government agencies, donors and private sector to build necessary partnerships for the successful implementation of the project; • Shall sell the project to the country wider audience to increase the project visibility • Shall resolve major politics and operational issues brought to them by the national focal point; • Shall ensure transparency and impartiality of the NSC activities striving to avoid appearance of conflict of interest, undue influence or discrimination <p><u>NIC Composition and procedures</u></p> | |

| | | |
|--|---|--|
| | <ul style="list-style-type: none"> • There shall be a national committee comprising 5 representatives from 2 national members of EAFF, 1 rural youth representative, 1 private and 1 public sector representative (Ministry of finance/ commerce etc; • Members of the NSC serve on a voluntary basis and without financial compensation. Reimbursement of reasonable and necessary expenses such as long-distance travel to project sites and NSC meetings will be provided. Reimbursement of expenses such as travel and Perdiem will be approved prior and follow EAFF finance policy and procedures • Members of the NSC are appointed by the Project Steering Committee. Upon accepting appointment to the NSC, members commit themselves to ensuring the complete objectivity and transparency of the NSC, both in fact and in appearance. • The National focal point serves ex officio on the NSC, participating in deliberations, reporting on country plans and activities and also serves as Secretariat to the NSC. • The term of office of each NSC member is for a period of three years. The chair will be EAFF member in that particular country but not the one which produced the focal point; • The NSC meets at least on a quarterly basis (or as determined by the NSC consistent with the prevailing workload) to provide strategic guidance, review and approve youth proposals and to conduct other activities within its terms of reference. The first NSC meeting will advise on the frequency of the meeting; • NSC meeting minutes should be as detailed and specific as possible, listing each item discussed and including all NSC recommendations or observations about each project. The minutes should be signed by all NSC members present. <p><u>Reporting</u></p> <ul style="list-style-type: none"> • The National implementation committee shall report to the Regional Steering Committee. | |
| <p>Agenda 6</p> <p>Min</p> <p>27/04/18</p> | <p><u>Advertisement /Call for application</u></p> <ul style="list-style-type: none"> • To be sent out by 4th May, 2018 | |
| <p>Agenda 7</p> <p>27/04/18</p> | <p><u>Roles and responsibility of the Steering Committee</u></p> <p>The Regional Steering Committee:</p> <ul style="list-style-type: none"> • shall provide overall project oversight to ensure that all interventions under the project are in line with the project support document and that EAFF is appropriately tasked to deliver the results expected • shall receive and approve consolidate annual work plans • shall receive and approve annual financial and narrative reports • shall approve employment and deployment of staff at regional level • shall provide M&E support • Ensure that the project is coordinated with other relevant partners IFAD country offices, Government ministries and private sector interventions; | |

| | | |
|--------------------------------------|---|--|
| | <p><u>Composition and procedures</u></p> <ul style="list-style-type: none"> ❖ The Steering Committee shall comprise 10 members, made up of the following – 1 Chair (EAFF board representative in-charge of Youth); 4 country representatives (from target countries; 2 must be rural youth leaders/nominees); 1 IFAD representative (as observer only); 1 representative of a regional/continental youth organization, 1 representative of a financial partner, 1 financial expert/advisor and 1 EAFF CEO ❖ The Committee will meet physically at least once a year and can organize virtually meetings as considered necessary to discuss topical issues. ❖ The project manager will provide secretariat services to the Steering Committee. These will include; - circulation of relevant material to members in good time for preparation for each meeting. - drafting of agenda. - Keeping of minutes and recording of decisions made. - Reporting on progress with all aspects of the project implementation. <p>The authority of the Regional Steering Committee will be final on all operational matters.</p> | |
| <p>Agenda 8 Min 27/04/18</p> | <p><u>Way Forward</u></p> <ul style="list-style-type: none"> • Fully constitute the RSC • Send comments to NIC • Share comments on the call for youth advert • Wait for direction from NIC • Final reports from the NIC • Develop the appointment letters for the NIC • Share the minutes in week | |
| | | |
| <p>AOB</p> | <ul style="list-style-type: none"> • There being no other business, the meeting was adjourned at 6pm. • Next meeting to be agreed on | |

Meeting closed at 6 pm

Minutes Confirmed by:

Secretary:Signature.....

Chairman:Signature.....

Date.....

Appendix 3: Minutes for the National Implementation Committee

a) Kenya/Uganda NIC

Joint National Implementation Committees Meeting Report

Members of group discussion

| NAMES | Function | COUNTRY |
|---------------------|--|----------------|
| Daniel O. Marube | CEO of CAK | Kenya |
| Mbae Njue | Representative from Ministry of Public service, youth and gender affairs | Kenya |
| Joyce Wanjiru | Program Officer EAFF | Kenya |
| Robert Kubai | Program Officer EAFF | Kenya |
| Leonard Mulei | Project focal Point in Kenya | Kenya |
| David Muwonge | Deputy Executive Director NUCAFE / Project focal Point in Uganda | Uganda |
| Vincent Mulindwa | Board Member NUCAFE | Uganda |
| Augustine Mwendya | CEO of UNFFE | Uganda |
| Dick Kamuganga | President of UNFFE | Uganda |
| Jacan Oyanya Ismail | Board Member UCA | Uganda |

AGENDA DISCUSSED

1. The role of the National Implementation Committee

Members discussed the functions of the National Implementation Committee (NIC) as per the terms of reference³. Among the tasks allocated to the NIC was vetting the youth proposals. It was discussed that the NIC members should be keen to eliminate ghost proposals. Members noted that the two NICs (Kenya and Uganda) were at different phases. The Ugandan NIC was already formed and played a key role in performing activities such as interviewing and approving the consultant to conduct the scoping study. However, the Kenyan NIC was not yet formed. It was said that this should be done as soon as possible. The Uganda NIC also shared their experiences in implementing this project. The Ugandan NIC focal point reported that with support of the EAFF secretariat the NIC had held its inception meeting at Kampala, Uganda and contributed in recruiting a national consultant to carry out the scoping study for the project. The farmer organizations in Uganda also played a key in supporting the NIC by providing office space, stationaries and furniture.

³ Terms of Reference for the National Implementation Committee

2. Project Schedule of Activities

It was agreed that the Kenyan and Ugandan project focal points (Leonard and David) will develop a schedule of activities in implementing the project and share with their respective NIC members for approval. This schedule of activities will be guided by the project proposal work plan and should provide details of the communication strategy, outreach and mobilization strategy, and the number of technical experts to engage in the project implementation.

3. Clarifications on the linkages between NIC and NSC

Members also observed that National Steering Committee (NSC) was to oversee the functions of the NIC. However, this committee was not yet formed. Members deliberated on the number of committee members in the NIC and suggested that the NIC composition should be enlarged due to its technical work as compared to the NSC. It was agreed that this matter should be forwarded to the regional steering committee for clarification. Members were also impressed by the synergies between NIC and NSC. They also suggested that government representatives should be invited at the NSC for effective engagement to promote the project.

4. Engaging Government agencies and target private/finance sectors on the Project Implementation

It was agreed that NIC should inform the government agencies and the target finance sector actors on the details of this project. This can be in form of giving a courtesy call to the respective ministries (the ministry of Public service, Youth and Gender affairs, the ministry of agriculture, the ministry of industrialization and cooperatives in Kenya; and the ministry of gender, labour, and social development and centenary bank in Uganda) to give a brief overview of the project and its objectives. This process will help the NIC in selling the project to a wider and inclusive audience as well as avoid politics that may arise. It will also provide an opportunity to seek support from respective ministries to facilitate the mobilization of the youth to participate in the project at the national level.

Action Plan

| Activity | Responsible Person | Target Completion Date |
|------------------------------|---------------------------------|-------------------------------|
| Draft Schedule of activities | Focal Points(David and Leonard) | in 2 weeks |

| | | |
|--|---------------|---------------------------|
| Formation of NSC | NIC | 4 th May, 2018 |
| Communicate to Regional Steering Committee (RSC) on the need to expand NIC members | Joyce Wanjiru | |

Prepared by: -

Leonard Mulei
Kenya National Project Focal point
Date: 30th April, 2018

Reviewed and additional input by;

Muwonge David
Uganda National project focal point

b) Burundi/Rwanda NIC Report

Discussion on the project implementation

1. Members of group discussion

| NAMES | FUNCTION | COUNTRY |
|------------------------------|---|---------|
| GAFARANGA Joseph | CEO of IMBARAGA | RWANDA |
| Jean D'amour NTAMABYARIRO | Regal Representative of INGABO | RWANDA |
| MUTAMBA Jeanne | Board Member of EAFF | RWANDA |
| Gilbert | Board member EAFF& Regal Representative of CAPAD | BURUNDI |
| Jean Marie | CEO of CAPADE | BURUNDI |
| Nolbert TUYISHIME | Program in Charge in EAFF | KENYA |
| Jacques MUNYANEZA | Project focal Point | Rwanda |

2. Subject discussed

2.1 Process of project implementation

Setting up of National implementing committee national level (NIC),
Composition of National Implementing committee (Composed with 5 members, 3 from NGO's members of EAFF and 1 from public sector representative and 1 from Private sector federation.

We discussed on their responsibilities.

2.2 Procedure of implementing project activities at National level.

| Activity | Area of intervention | Period | Participants | Comment |
|---|----------------------|-----------|----------------------|---------------------------------------|
| Selection national Implementation committee team(NIC) | Rwanda/Kigali | 30/4/2018 | NCCR,IMBARAGA,INGABO | NCCR already bring NGABONZIZA Richard |
| Writing letter for Ministry and Private sector in relation to youth to request them representative. | Rwanda/Kigali | 1/5/2018 | IMBARAGA | - |
| Meet with NIC to explain more about the project | Rwanda/Kigali | - | NIC+Focal point | - |
| Call and selection consultant | Rwanda/Kigali | - | Members of NIC | - |
| Selection of Newsletter to | Rwanda/Kigali | - | Members of NIC | - |

| | | | | |
|---|--------------------------|---------------------|-------------------------------|---|
| publish project activities and call for application. | | | | |
| Call for project proposal from youth groups activity 1 to News letter | Rwanda/Kigali | Day proposed by NIC | IMBARAGA | - |
| Reception of the project proposal | Rwanda/Kigali | - | Project focal point | - |
| Evaluation of submitted project | Rwanda/Kigali | - | NIC+Consultant | - |
| Sending accepted project at National level to EAFF | Kigali/IMBARAGA | - | Project focus point | - |
| Selection and approval of the proposed project from youth groups. | EAFF/Nairobi | - | Regional steering committee | - |
| Selection of trainers of the ToT's | Kigali | - | NIC+EAFF | - |
| Meet with the representative of selected youth projects | Rwanda/Kigali | - | Focus point+NIC | |
| Training of the trainers and follow up youth groups | In the district location | - | Selected Trainers+Focal point | - |
| Follow up the selected groups to the bank to access the credit | In the district location | - | Consultant+Focal point | - |
| Follow up of the groups for reimbursement credit | In the district location | - | Focal point | - |
| Follow up of the project implementation | Rwanda/Kigali | - | EAFF+NIC | - |

➤ All clarification like date other activities will be available in action plan.

Conclusion

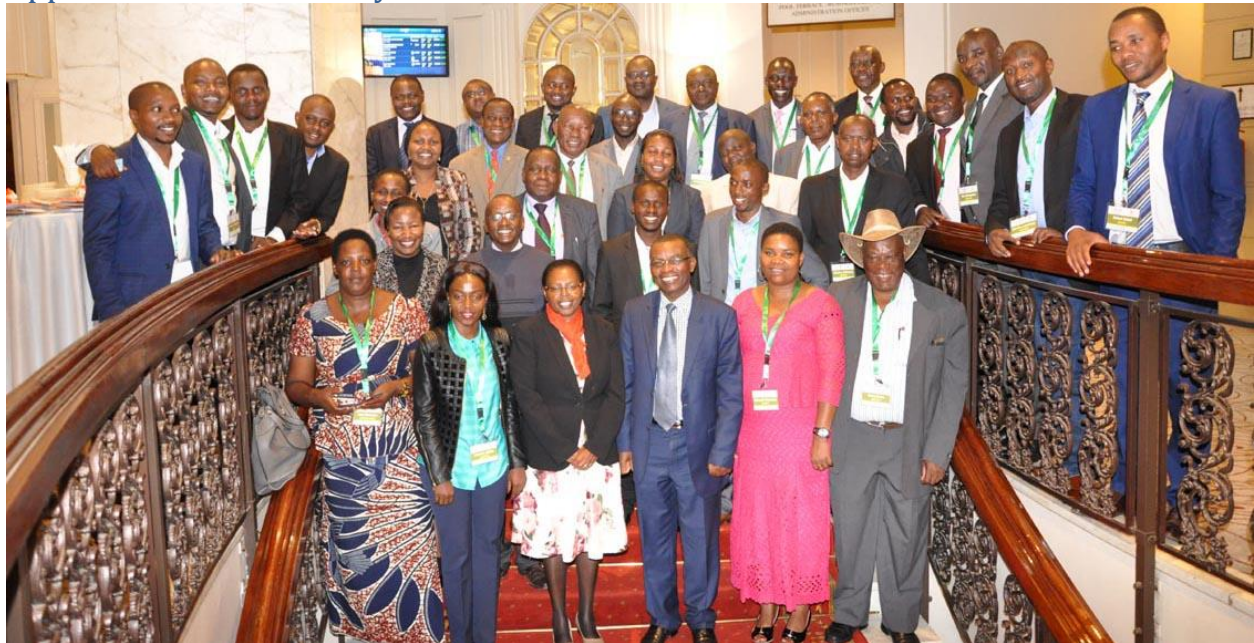
Project activities will start on Monday 30/4/2018.

Done on 29/4/2018

Prepared by: Jacques MUNYANEZA

National Project Focal point

Appendix 4: Photo Gallery



Group Photo



Gender and Youth Coordinator in IFAD-ESA, Elizabeth Ssendiwala, giving her Opening remarks



The EAFF President, Elizabeth Nsimadala giving her opening remarks



Participants following presentation of Project objectives, components and activities



Participants giving contributions



A panel of officials show casing some of the materials to use in the project implementation



Press conference after the project launch