



# **UTAFITI SERA POLICY BRIEF**

2018

# An Apprenticeship Policy Framework on Youth Employment Creation in Agriculture and Agro-Processing in Kenya



### **Summary**

pprenticeship programmes facilitate a smooth transition from training to employment through the provision of early exposure to workplace realities and contextualized learning. However, despite their utility in combatting unemployment, apprenticeships remain underutilized in Kenya<sup>1</sup>. A policy framework for enhancing formal and informal apprenticeship systems is needed to facilitate youth engagement in the agriculture and agro-processing sectors.

#### The five policy messages are:

- Reforming policy on curriculum and accreditation to include informal learning; and developing a new policy on food blending to create employment opportunities for youth.
- Providing incentives to enhance inclusiveness of apprenticeship for diverse youth.
- Creating an apprenticeship fund to support employers and apprentices in agriculture.
- Developing a coordinated approach of youth employment programmes at the county level.
- Strengthening research and evidence learning from past youth funded projects initiatives on employment creation.

6

Apprenticeships simultaneously generate inclusive and decent employment opportunities whilst addressing the key challenges hindering youth participation in the agri-food sector – unattractiveness, access to capitals, financing, and good governance.



### Introduction

Strategic investment in human capital can enable Kenya to reap multiple benefits from its youth population (15-29 years), who account for over 50% of the working-age population (15-64 years). As of 2016, an estimated 67% of Kenya's youth were unemployed or under-employed<sup>2</sup>. One way for the government to address the unemployment challenge among youth is through tapping into the unexplored potential of the agriculture and agro-processing sectors through mechanisms such as building public private partnerships. Interventions should in the first instance address the factors underpinning the normative narrative that agriculture is an unattractive and unprofitable market, and secondly, the systemic challenges in the agrifood sector relating to skills, resources, markets and trade policies.

This policy brief highlights five key areas that a new apprenticeship framework should address if Kenya is to create and sustain youth employment in agriculture and agro- processing sectors as envisaged in the Youth Agribusiness Strategy and endorsed by the Internship Policy.

## **Main Research Findings**

Evidence from other contexts and countries demonstrates that successful apprenticeship systems are linked to high worker retention rates and increased innovation capacity among young workers<sup>3</sup>. However they remain under-utilized in Kenya where severe unemployment challenges persist.

Different forms of both formal and informal apprenticeship systems currently exist in Kenya. Formal apprenticeships typically taking place in the workplace and are complemented by classroom-based instruction. They include apprenticeships required for the completion of Technical and Vocational Education and Training (TVET) and Higher Education (HE) training that can either be subsidized by the employer, the learning institutions, or the government. In informal apprenticeships, the apprentice typically acquires skills by working side by side with an experienced craftsperson in an informal enterprise. There might be an oral agreement between the craftsperson and apprentice sometimes where the latter may receive some compensation for their work and/or may be required to pay for the training they receive.

Unlike in formal apprenticeships where the quality of apprenticeships can be assessed and certified, informal apprentices do not receive any certification for their skills often curtailing their opportunity to enrol in formal learning institutions or seek work in the formal sector. Overall, apprenticeships remain under-valued with limited focus on contextualizing the apprenticeship experiences to match labour market demands and accommodate indigenous forms of knowledge transfer.

Informal apprenticeships offered in the informal sector are barely recognized and apprentices do not receive any accreditation for the acquired skills. On the other hand, while TVETs and HE institutions provide formal apprenticeship and internship programmes, often times, fail to have an impact due to the mismatch between the priorities of the apprenticeship and the needs of the employer (labour market needs).

## **Need for a System-Based Apprenticeship**

There is need to invest in a integrated policy framework for (formal and informal apprenticeships) that has the capacity to:

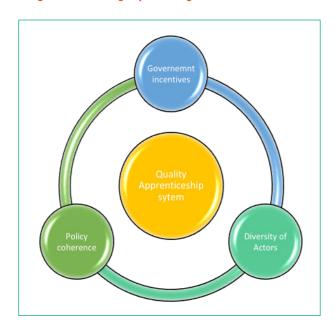
- i) match the labour market supply and demand,
- foster the innovative capacity of the apprentices,
- iii) recognize skills acquired in the informal sector, while simultaneously
- iv) investing in an inclusive, innovative and competitive agribusiness sector that absorbs the apprentices as employees and entrepreneurs.

Such a framework should be based on a system infrastructure that enables youth to learn through practical experiences of working in the agrifood sector. The system must encompass structural, attitudinal and cultural processes through which youth gain skills and other capitals that enhance their authority, capacity, innovative aptitude and confidence to yield a more competitive agrifood sector.

Importantly, the apprenticeship system should engage multiple players in the design and delivery of successful agribusinesses. These agribusinesses will then offer work- based learning opportunities, standardized experiential skills, as well as support for innovations and technological advancements coming from both formal and informal settings<sup>4</sup>.

As illustrated in Figure 1, the coalescing of diverse actors (public, private, youth, development partners etc.), streamlined policies on employment, government incentives and political will, ensure that once youth enter the agrifood sector as apprentices, they are retained as employees and entrepreneurs. Five key interventions can build such a system - enhancing attractiveness, improving access, financing, and ensuring good governance, and monitoring, evaluation and learning (MEL).

Figure 1 Framework for a successful apprenticeship system in the agriculture and agro-processing sectors



#### Attractiveness of Apprenticeship

This requires focusing on the quality and diversity of existing apprenticeship systems, identifying partnerships for enhancing informal apprenticeship systems, improving TVETs, as well as facilitating access to information on apprenticeship opportunities and benefits. Quality in infrastructure, curricula, teachers and mentors is key. Importantly, apprenticeships should be designed in such a way that they broaden the range of occupations that new entrants can pursue.

Particular emphasis should be placed on improving the quality of informal apprenticeships to ensure that the beneficiaries can transition from low-skilled jobs to high productivity jobs.

Specifically, actors must focus on infusing technological innovation (including ICT) into informal apprenticeships, including training employers on how to capture, invest in, and retain the innovative capacity of apprentices.

Informal apprenticeships should be supported by strengthening the integration of soil, crop and livestock (including pastoralism) in TVETs through curriculum development/review and TVETs' accreditation system to enable the beneficiaries to gain formal recognition of their skills and open avenues to upgrade their skillsets.

Further, county-level agriculture incubation hubs, as espoused by the council of governors in 2018, are needed where employers' needs are matched with youth's innovative capacity sparking collaborations in the form of apprenticeships, mentoring, job placements and even franchises.

Employers will be attracted to create apprenticeship opportunities if there is a system for cost-sharing, standardization measures in place and a system of assessing the competency of apprentices. Furthermore, these institutions need financing to ensure they can adopt new technologies enabling them to become competitive, and hence more attractive.

Likewise, youth will be attracted if they can see the outcomes of apprenticeships e.g. sustained employment with better pay and working conditions amongst their peers. Further, establishing a system for rewarding youth's meaningful contribution to agriculture and agro-processing (e.g. tax rebates, awards and grants) will motivate new entrants.

Finally, apprenticeship programmes must intentionally invest in role models and mentors who bridge the intergenerational and intra-generational gap by particularly focusing on perceptions and access to resources.

> County-level agriculture incubation hubs are needed where employers' needs are matched with youth's innovative capacity

### Improving Access to Apprenticeship

The main focus should be on including under-represented youth in apprenticeships by making apprenticeships affordable; reducing stigma associated with agriculture sector labour; and providing financial incentives to employers and learners.

The under-represented youth include school drop-outs, youth with disabilities, young women, young mothers, and youth in arid and semi-arid regions. Stakeholders should enhance matching needs of under-represented youth with apprenticeship opportunities. Investments should focus on facilities for youth with special needs, specialized skills training and mentorship mechanisms which includes new ways of learning and teaching such as exchange visits, media platforms, and farmer field/ business schools among others.

It will also be important for stakeholders to set up employment centres/information hubs thus providing real-time information to potential apprentices, guidance through the application processes and links to training and job placements. The hub can also be linked to virtual platforms and social media.

Further, an accreditation system must be established to ensure the skills gained through apprenticeship are recognised, hence expanding opportunities for entrepreneurship both as employers and employees in the formal and informal sector.

#### Financing Apprenticeships

Several public and private financing mechanisms targeting youth exist at national and local level targeting youth. However, youth access to financial services has remained a major obstacle in agriculture as well as other sectors. The main barriers to accessing formal financial services include the lack of collateral, the lack of financial skills and low financial literacy.

There is need to create an apprenticeship fund to support employers and apprentices investing/pursuing apprenticeships in agriculture. The finance methods for such a fund will include commensurate cost-sharing between employers, apprentices and society; mechanisms and strategies for ensuring more effective and sustainable funding streams; and extending public funding to cover informal apprenticeship system.

The first priority should be financing the design and implementation of a national integrated apprenticeship policy. The policy should mainstream the currently uncoordinated apprenticeship programmes, expand to include informal apprenticeships, and provide incentives for employers to seek apprentices. This requires equitable sharing of the cost between employers, apprentices, and public authorities in accordance with benefits that accrue to employers and apprentices and other broader social benefits.

The second priority should be financing youth emerging from these apprenticeship programmes so that they can access the necessary resources - skills upgrading and standardization, inputs and equipment, mentoring and markets. A national registration of both formal and informal apprentices would facilitate these henefits

Third, focus should be on financing mentoring programmes to ensure youth receive guidance during their apprenticeship programme and in the course of joining the labour market either as employers or employees.

Fourth, financing research and monitoring and evaluation of apprenticeship and job creation to ensure the outcomes are documented, the impact is measured and shared with the wider community for replication of best practices and improvement on existing programmes. Rather than creating new funding mechanisms, existing ones such as Youth Fund and Uwezo Fund could be restructured to include risk cover to youth entrepreneurs as well as offer financing to employers offering apprenticeship opportunities.



#### **Good Governance**

Good governance requires strengthening institutions, redesigning government-supported schemes to cover both formal and informal apprenticeship systems and involving employers and trade unions in the governance arrangements.

Strong institutions and an enabling policy environment are a prerequisite for employment creation in any sector. Youth need to be involved in decision making and their issues and barriers Coordination should focus on synergies between informal and formal systems at the county level using both physical and virtual information platforms

put into consideration when designing, implementing, and evaluating policies relating to agriculture, employment and the wider development spectrum.

Good governance is also required to provide legislative protection to employers as well as employees/apprentices and safeguarding them from labour exploitation. Current apprenticeship policies in Kenya are inadequate with a number of uncoordinated initiatives making it difficult for government to ensure quality, safety and protection of learners. Public private partnerships in ensuring coordinated apprenticeship schemes, standardized processes and recognition mechanisms should be pursued. Particularly, coordination should focus on the synergies between informal and formal systems at the county level using both physical and virtual platforms.

#### Monitoring, Evaluation and Learning

There are several initiatives by governments, donors, NGOs, private sector working independently on the youth apprenticeships

and employment creation. But are these interventions making traction on youth getting gainful employment or setting up businesses?

These initiatives are beginning to make small impact. However, the challenge remains how to make significant impact for thousands of unemployed youth specially those who do not transit to high school, do not finish high school, do not go to university. There is a need undertake research studies on the demand side of interventions being proposed to strengthen evidence -learning from a number of past youth funded projects by documenting and sharing lessons. The national government is responsible for undertaking Monitoring and Evaluation (M&E) of national government programs in the counties. However, the support to M&E in county governments is very weak.

The proposed youth apprenticeship system should incorporate MEL components which enhance assessment of impact on the various initiatives towards youth employment creation. The MEL process should include needs assessment in projects supporting training and equipping youth with tools because often, these tools are sold, under-utilized or lie idle. There is need to do follow-up, after each training, to know how the trainees are utilizing the skills and continuously monitor funded projects to enhance re-programming activities and budgets. Overall, the proposed integrated apprenticeship system should be informed by analyses of labor market needs and the industry needs so that the programs help young people to prepare and respond to emerging market opportunities.

### **Conclusion**



The five pillars of an apprenticeship system - improving access, attractiveness, good governance, financing, and monitoring, learning and evaluation – are essential to building a quality apprenticeship framework that brings on board different stakeholders at different levels and that includes the heterogonous youth in the country. These should inform a National Apprenticeship Policy that cuts across multiple sectors but particularly pays attention to agriculture and agro-processing since these sectors offer low-hanging fruits in employment creation for youth.

These should also align with the objectives of the Kenya Youth Agribusiness Strategy and can be domesticated for county integrated development plans. Apprenticeships need to be twofold; on hand addressing the skills gap challenge among young and on the other hand addressing systemic issues in the agri-food sector. This will enable the country to extract greater benefits from its youth demography and its productive sectors.

# **Acknowledgement**

This policy brief was prepared by Grace Mwaura (consultant); Hannington Odame (Centre for African Bio-Entrepreneurship); and Martin Atela Partnership for Social and Governance Research under the Utafiti Sera Programme on Youth Employment Creation in Agriculture and Agro-Processing in Kenya, 2017-2018. The project is funded by the Hewlett Foundation.

<sup>&</sup>lt;sup>1</sup>World Bank (2014). Youth employment initiatives in Kenya: Report of a review commissioned by the World Bank and Kenya Vision 2030

<sup>&</sup>lt;sup>2</sup>World Bank (2016) Kenya Economic Update: Kazi ni Kazi: Informal should not be normal

<sup>&</sup>lt;sup>3</sup>World Bank (2014)

<sup>&</sup>lt;sup>4</sup>Republic of Kenya (2017) Kenya Youth Agribusiness Strategy 2017-2021. Ministry of Agriculture Livestock and Fisheries.