

EAST AFRICA

YOUTH INCLUSION PROGRAM



FROM THE PRESIDENT AND CEO OF HEIFER INTERNATIONAL

I am proud to tell you about Heifer International's East Africa Youth Inclusion Program, which we launched in partnership with the Mastercard Foundation in 2016.

Unique in Heifer's history, it is our first large-scale program focused entirely on youth and is benefiting 25,000 female and male youth ages 15 to 24 in Tanzania and Uganda. The program builds on the success of our East Africa Dairy Development program, one of the leading market-oriented development initiatives in East Africa.

The East Africa Youth Inclusion Program combines our distinctive Values-Based Holistic Community Development model with youth-specific technical training in financial literacy, entrepreneurship and business planning. Additionally, it incorporates a \$1 million revolving loan fund to solve common obstacles facing many small-scale farmers, especially youth, such as access to capital, credit and financial services.

As you will read in these pages, Africa's youth population is growing at an unprecedented rate, unemployment is rampant, and progress out of poverty is uneven throughout the continent.

I believe young Africans possess the ingenuity, discipline and hope to create dignified livelihoods in the agriculture sector. By helping young women and men identify and pursue employment and enterprise opportunities, we can unlock a demographic dividend that will create jobs and grow local economies.

Yours for a better world,



Pierre U. Ferrari





YOUTH LEAD THE WAY IN AGRICULTURE

East Africa is on the precipice of immense demographic change. It has a staggeringly large youth population that, if adequately trained and equipped, has the potential to help the region increase jobs, grow the economy and achieve food security. In partnership with the Mastercard Foundation, Heifer International is helping 25,000 young people identify and pursue employment

and business development opportunities in Tanzania's and Uganda's agricultural sectors.

The East Africa Youth Inclusion Program leverages Heifer's strong ties with local communities, having worked in the region for more than 40 years. The program builds on the success of Heifer's Dairy Hub Model to support youth as they develop business

ideas; navigate pathways for employment; and pass on their knowledge, skills and resources to other youth in their communities. Through the East Africa Youth Inclusion Program, Heifer and its partners hope to unleash the power of these young women and men to lift themselves, their families and their communities out of poverty while strengthening their local economies.

IMPLEMENTING PARTNERS





A STRATEGIC OPPORTUNITY

To feed a rapidly growing population, sub-Saharan Africa must significantly increase its agricultural yields. Young men and women, with the right training and resources, have the potential to provide the region with a strong workforce. But most young people do not consider agriculture as a potential career path.

Heifer has helped make small-scale farming a viable profession in the communities where it works. Combining its proven, Values-Based Holistic Community Development model with vocational and agricultural skills, Heifer will engage 25,000 youth in the agricultural sector, presenting them with a pathway to improve their livelihoods and increase their incomes. Rather than relocating to cities, young people can change their local economies and help provide stability in rural areas.

COHORTS

East Africa Youth Inclusion Program's young participants begin the program with a wide range of skills, interests and abilities. The program organizes participants into two distinct groups, or cohorts. The first track is tailored to younger participants with fewer or no skills, while the second track works with older youth and those who have completed the first track.

ON-BOARD COHORT

- 15–18 years old
- Youth in and out of school
- Concentrates on building interest in agriculture, basic skills, leadership, empowerment and financial literacy
- Encourages exploring innovative solutions to value chain challenges
- Cohort feeds into Equip and Launch Cohort Track

EQUIP AND LAUNCH COHORT

- 19–24 years old
- Focuses on soft and technical skills
- Provides training in entrepreneurship and business planning, access to finance, and specialized technical trainings
- Participants enhance their employability and their ability to start and run a successful business, with the aim of transitioning into sustainable livelihoods within the agricultural sector

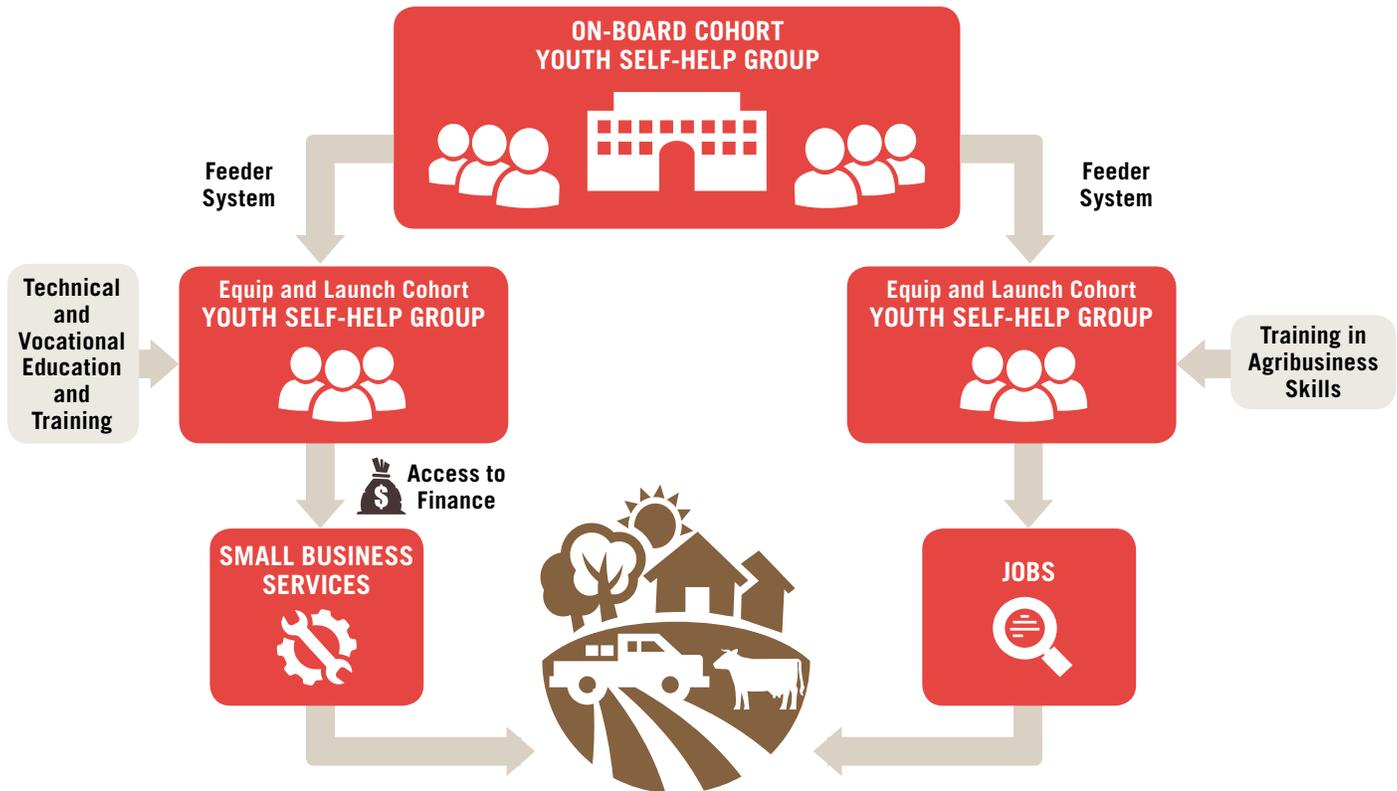


A MARKET-DRIVEN APPROACH

Participants who want jobs in agribusinesses associated with their local dairy or horticulture hub can explore apprenticeships and internships with private sector companies that could lead to formal employment. Heifer will help connect these participants with members in the private sector.

HUB ECOSYSTEM

A hub is an agribusiness center that provides goods and services to several villages in an area with approximately 800 to 1,000 small-scale farmers. Hubs connect farmers with food processors, banks, feed suppliers and Community Animal Health Workers, creating economies of scale focused on market access, nutrition, animal health, training and income. Hubs generate formal and informal employment opportunities for local communities.



REVOLVING LOAN FUND

The revolving loan fund is an integral part of the East Africa Youth Inclusion Program. Heifer established the fund with local financial institutions in both Uganda and Tanzania. Entrepreneurs who have successfully completed at least three months of activities within the self-help groups, in addition to receiving financial and technical training and having a viable business plan, are eligible

to apply for funding. By creating this revolving loan fund, Heifer intends to help young women and men overcome one of the toughest obstacles to growing their businesses: access to affordable credit and financial services. The revolving loan fund is administered through local financial institutions that independently review the business plans. Connecting young entrepreneurs with local



banks helps them establish a credit record and gain access to additional financial services.

THE OUTCOMES



SKILLS DEVELOPMENT

Through self-help groups, mentorships, and financial, leadership and technical skills trainings, the East Africa Youth Inclusion Program prepares youth to establish businesses around the hubs or to seek employment in hub-related businesses.



ACCESS TO FINANCE

Heifer works with lenders to provide youth-friendly financial products while building participants' capacities to borrow. Heifer has established a \$1 million revolving loan fund matched and administered by local financial institutions. Youth who complete the full training and wish to start or expand a business are eligible to apply.



ENABLING ENVIRONMENT AND GENDER EQUITY

The East Africa Youth Inclusion Program engages local, youth-focused organizations to break down barriers that undermine the inclusion of youth, especially women, in decision-making, as well as to encourage participants to actively solve problems. The East Africa Youth Inclusion Program creates awareness about youth initiatives, policies and regulations that directly impact young people in the agricultural sector.



REPLICATION

The East Africa Youth Inclusion Program strengthens dairy hubs established through the East Africa Dairy Development Program to incorporate, attract and engage local youth and to add new value chains to diversify their revenue sources. The program also helps establish new youth-focused hubs around other value chains like poultry, fruits and vegetables, or staple crops.

GENDER EQUITY

Uganda: Female farmer's productivity is 13 percent lower than men's.

Tanzania: Female farmer's productivity is 23 percent lower than men's.

Why the gap? Men have access to resources rarely available to female farmers: land, financing, technology, training, information, knowledge and inputs.

The East Africa Youth Inclusion Program creates opportunities for young women and men to identify and pursue opportunities in the dairy and agricultural value chains. It also ensures women producers are given opportunities to actively and meaningfully participate in decision-making, especially at household and hub levels. The program includes gender-responsive monitoring to ensure the gender objectives and targets are achieved within the project period.

REACH

TANZANIA



10,000 YOUTH



10 EXISTING DAIRY HUBS



+ 5 NEW HUBS

(approximately 670 youth per hub)

UGANDA



15,000 YOUTH



7 EXISTING DAIRY HUBS



+ 8 NEW HUBS

(approximately 670 youth per hub)

A LOOK BACK AT THE EAST AFRICA DAIRY DEVELOPMENT PROGRAM

The East Africa Youth Inclusion Program is built on the foundation laid by the East Africa Dairy Development Program, which has provided extensive training on dairy productivity, business practices and product marketing to 285,736 farming families in Kenya, Rwanda, Tanzania and Uganda since 2008. Funded primarily by the Bill & Melinda Gates Foundation, the East Africa Dairy Development Program has grown into one of the leading market-oriented development initiatives in East Africa, earning local farming families more than \$58 million to date.



EAST AFRICA DAIRY DEVELOPMENT PROGRAM I (EADD I) 2008–2014

Funded by the Bill & Melinda Gates Foundation for \$51 million, EADD I enabled small-scale farmers to achieve sustainable livelihoods and stimulate income growth. Partners included the International Livestock Research Institute, African Breeders Service, and the World Agroforestry Center, in addition to the private sector. The project adopted innovative techniques to increase the quantity and quality of milk through improved dairy cattle feeding, breeding, animal health and hygiene practices, and implementation of the hub approach. To assure sustainability, Heifer worked with the local governments to build capacity and enable advocacy for policy regulation, provide quality certifications and empower small-scale dairy producers.

These interventions produced the following results:

- Farmers associated with the hubs sold about 94 million gallons of milk
- Farmers saved approximately \$11 million
- Farmers earned more than \$131 million since 2008
- 189,406 farmers were registered with dairy hubs
- More than 45 percent of engaged farmers accessed inputs and credit services through hubs

EAST AFRICA DAIRY DEVELOPMENT PROGRAM II (EADD II) 2014–2018

EADD II continued work in Kenya and Uganda, while expanding into Tanzania with an additional \$25.5 million grant from the Bill & Melinda Gates Foundation. This phase of the project aims to benefit more than 136,000 people, helping them create wealth for themselves, their families and their communities. This phase is increasing hub sustainability so other public and private entities are primed to scale up this approach.

These interventions have produced the following results:

- Milk collection exceeded 5 million gallons at end of September 2017 — surpassing the quantity of milk collected during all of 2016
- The active farmers supplying and accessing services at producer organizations and dairy interest groups increased from 74,823 in 2016 to 107,736 farmers in 2017 — with 60,081 in Kenya, 28,223 in Uganda and 18,432 in Tanzania
- Ugandan farmers increased revenue from \$3.98 million in 2016 to \$6.9 million in 2017
- Farmers have saved approximately \$512,000 since 2015

SHAPING INCLUSIVE MARKETS

Despite the demonstrated impact the East Africa Dairy Development Program has had on the lives of small-scale farmers, young men and women are still underrepresented, accounting for only 20 percent of the participants. Youth in East Africa commonly face multiple complex challenges, including lack of skills; inability to access land, capital and productive assets; lack of leadership capabilities; absence of representation in the decision-making process; and social and cultural barriers that prevent them from playing an active role in their local economy.



The East Africa Youth Inclusion Program addresses these obstacles by building on successes and lessons learned during the East Africa Dairy Development Program. Taking advantage of that program's hub model, the East

Africa Youth Inclusion Program mobilizes youth around dairy hubs in Uganda and Tanzania. It is also expanding hubs to incorporate fast-growing value chains with lower barriers to entry for youth. Additionally,

the program links young men and women with business opportunities around existing hubs, while creating new youth-focused and youth-managed hubs based on market demand in selected geographic locations.

Heifer International is implementing the East Africa Youth Inclusion Program in partnership with the Mastercard Foundation. The Mastercard Foundation seeks a world where everyone has the opportunity to learn and prosper. The Foundation's work is guided by its mission to advance learning and promote financial inclusion for people living in poverty. One of the largest foundations in the world, it works almost exclusively in Africa. It was created in 2006 by Mastercard International and operates independently under the governance of its own Board of Directors. The Foundation is based in Toronto, Canada. For more information and to sign up for the Foundation's newsletter, please visit www.mastercardfdn.org. Follow the Foundation at @MastercardFdn on Twitter.



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