

2019

# Green Business Feasibility Study

**Green Business and Eco-Entrepreneurship  
to Increase Employability for Rural Women  
and Youth**

S U M M A R Y   R E P O R T





# Introduction

Welthungerhilfe (WHH) aims to improve people's lives sustainably in the long term, using the principle of "empowering people to help themselves". WHH, a German non-governmental organization with a presence in Kenya, has over three decades of experience supporting Kenyan development organizations to improve livelihoods through the promotion of sustainable and resilient agriculture, access to clean water, environmentally friendly energy supplies and improving health and education. WHH has supported organizations and communities across Kenya, with their main intervention areas in Kenya being mainly in arid and semi-arid lands (ASALs).

WHH is in the process of designing a TVET project that will contribute to local and economic development in Kajiado, Kakamega, and Makueni counties by focusing on green skills growth and enterprise development in areas such as organic agriculture, safe food, green trade and renewable energy. The initial concept is to establish and grow Green Businesses and Eco-Entrepreneurship which will connect different functions of green value chains and eventually increase employability opportunities for women and youth in these three rural counties in Kenya. The feasibility study was designed to provide insights into critical areas that can inform the project design:

1. Understand beneficiaries' current engagement in Green Business and Eco-Entrepreneurship and establish benchmarks against which the project results, impacts and long-lasting changes in the lives of the beneficiaries at the end of the project will be measured
2. Outline the status of the current vocational and entrepreneurship training practices and policies in Green Business and Eco-Entrepreneurship in the target counties
3. Clarify project beneficiaries and stakeholders' needs regarding vocational / entrepreneurship training for Green Business and Eco-Entrepreneurship

To gather these insights, research was conducted via qualitative and quantitative methods:

- Review of relevant literature and existing project documentation
- Structured key informant interviews with key stakeholders
- Focus group discussions conducted with women and youth, disaggregated by gender
- Questionnaires for the vocational training providers
- Observations Green Business and Eco-Entrepreneurship workplaces using checklists

Research was conducted with a variety of different stakeholders to ensure a holistic picture of feasibility. Stakeholders included:

- Women of productive age (18–50 years, in groups) who were seeking to increase their economic productivity through agriculture (green-based value chains)
- Youth (secondary school graduates ages 18-30 years, in groups) who sought to hone their hands-on skills in order to gain employment in the industry
- Government (Ministry of Agriculture and Youth, Education and Training) and non-government actors working in Green Business and Eco-Entrepreneurship
- Vocational training institutions working in Green Business and Eco-Entrepreneurship
- Practitioners in agripreneurship who were passionate but were struggling to do it profitably and sustainably due to lack of prior training.

The number of respondents reached in each stakeholder group is outlined in Table 1 below. Given the target counties for the intervention are three but the data collected was from five counties, data from Vihiga was combined with the neighbouring county, Kakamega. Data collected from respondents in Kitui was combined with that from the neighbouring county, Makueni. The data from the additional two counties was captured where WHH had ongoing food security projects, and will be used to inform synergies between any new green business initiatives and existing food security projects.

Table 1: Number of stakeholders reached

Stakeholders	Number reached
Women	40
Youth	43
Government and NGOs	9
Vocational Training Institutions	9
Practitioners in agripreneurship	7
<b>Total</b>	<b>108</b>

Approximately half of the women and youth respondents were from Kakamega, and the rest were split between Kajiado and Makueni. Insights from the data collection are summarized in the findings below.



# Findings

TVET remains a major contributor to the enhancement of technical and economic skills and life skills for (self) employment in Green Business and Eco-Entrepreneurship. The findings below speak to how the project beneficiaries are currently experiencing engagement in Green Business and Eco-Entrepreneurship, the current status of the training efforts, and the greatest needs identified by the intended project beneficiaries and stakeholders.

## Beneficiaries' engagement in Green Business and Eco-Entrepreneurship

In Kakamega County, agriculture employs over 80 percent of the population in the county, mainly in the rural areas. Youth in Kakamega decried the lack of preparation and unavailability of proper skills for the job market as well as lack of information as the major contributors to youth unemployment in the region. Most of the women in Vihiga have remained unemployed due to high levels of illiteracy, lack of information on upcoming and available opportunities and cultural barriers. In Makueni County, the unemployment level is high especially among employable youth. As a result of the high unemployment, among other factors, the county experiences relatively high levels of poverty at 34.8 percent (KIHBS 2015/2016). The majority of the poor are women.

Agriculture is the major source of income and employment in the target counties. The dairy sector is a major employer in Kakamega although fewer youth than women are employed in the sector. The youth in Kakamega County consider dairy activities dirty. In Vihiga County, the youth do not have enough capital and land to venture into agribusiness. According to women reached in a group discussion, vegetable production and green groceries is a major potential green business and eco-entrepreneurship source of employment within the community and surrounding areas of Gisambai ward in Vihiga County. In Makueni, Nova Women Group which manages the vegetable market in Makueni engages in horticultural production and poultry farming. However, they face challenges in marketing whenever there is excess, and lack of value addition skills. They also indicated that women empowerment is normally accompanied by an increase in gender-based violence hence training in gender mainstreaming should include both men and women. In Kajiado, most of the women discussants at Ilbissil Centre were engaged in agribusiness but only in livestock through sale of milk to milk cooperatives. The challenges they had were due to low milk prices. They however expressed lack of skills in green business which they said was due to uncontrolled grazing. According to one agribusiness, the challenge to green business was due to culture and lack of awareness.





## Status of the Vocational and Entrepreneurship Training Practices in Green Business and Eco-Entrepreneurship in the Target Counties

Of the 11 TVET institutions reached in the study, 45 percent had Green Business and Eco-Entrepreneurship vocational training courses including organic farming, fish farming, post-harvest loss reduction, nutrition and food security, soil and water management, agro-forestry, livestock management, cash crop cultivation, hydroponics and greenhouse farming. The current training and development processes in the counties however indicate a mismatch of skills produced and available opportunities with regard to relevance to Green Business and Eco-Entrepreneurship. Some of the graduates remain unemployed in the relevant trades they trained in. This situation calls for the improvement of technical and economic skills and life skills training in identified training institutions by supporting the development of curricula for the training of the youth in Green Skills. Technical and economic skills may also be enhanced among selected practitioners engaged in green business ventures where apprentices are placed.

Even though the training facilities are in line with local framework legislation, not all of them provide quality training especially on green skills growth and development such as organic agriculture, safe food, green trade and renewable energy. This situation calls for the improvement of technical and economic skills and life skills training in identified training institutions by supporting the development of curricula for the training of the youth in Green Business and Eco-Entrepreneurship skills. Technical and economic skills may also be enhanced among selected practitioners engaged in green business ventures where apprentices are placed.

Additionally, there are civil society organizations with experience in green skilling which are suitable as training facilitators, and these are readily apparent to TVET heads. When asked whether they knew of any organization involved in interventions for Green Business and Eco-Entrepreneurship skill development in the area, 64 percent of the heads of TVET reached during the study responded in the affirmative. The heads of the TVET institutions were also asked whether there were adequate networks and partnerships for training support. They generally agreed, with up to 64 percent agreeing and 36 percent strongly agreeing.

There are also adequate networks and partnerships with governmental structures (especially agriculture departments), training institutions and private stakeholders for training support. There are also several organizations involved in interventions for Green Business and Eco-Entrepreneurship skill development support in the counties. These include civil society organizations and social enterprises with experience in green skilling, which are suitable as training facilities and later as “green colleges.”

Several agripreneurs/practitioners engaged in green business ventures in these counties can be engaged as mentors to support the training and establishment of youth and women-led green businesses in the counties. The program will thus likely be successful in leveraging additional interest and investment from the private sector. Implementing activities in partnership with these existing organizations will also make activities more cost-efficient.

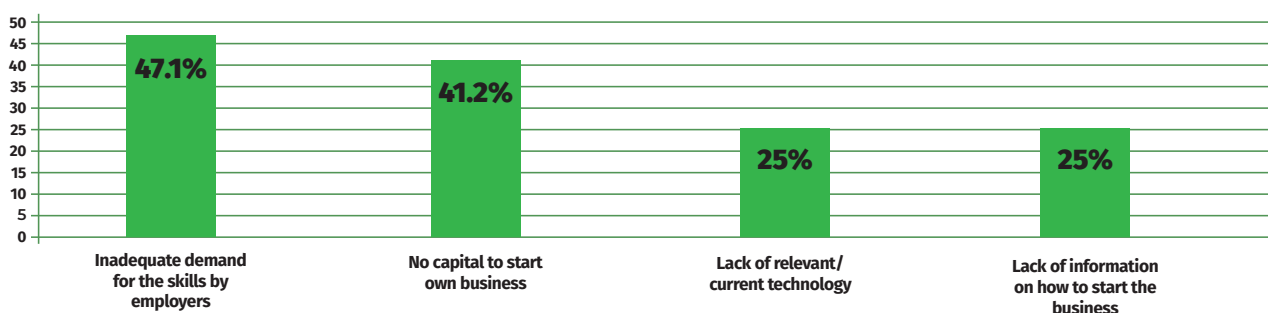
## Project beneficiaries and stakeholders' needs regarding vocational / entrepreneurship training for Green Business and Eco-Entrepreneurship

### Improved skilling opportunities and linkages to jobs

The greatest agribusiness need was lack of appropriate farming technology, knowledge and skills. During group discussions, it was established that the youth and women generally lacked technical and economic skills and life skills. In Kakamega County, only one out of the eleven members (9%) of Emukaya CDC youth group reached and only three out of the ten members (30%) of Wisemind Youth Group had attended any training to acquire technical skills. Of the nine members of Eshibeye Local Poultry Women Group reached, only two (22%) had some technical or economic skills training. Despite recent efforts and initiative to improve, TVETs still leave major room for improvement to appropriately equip the county's youth, especially young women. Little or misdirected preparedness for the labour market is one of the major complaints from agripreneurs.

Some of the courses offered in the available TVETs have not helped the graduates find employment, as only 36.4 percent of them are employed in the trades they trained in. When asked why not, most of the graduates (47.1%) cited such reasons as inadequate demand for the skills by the employers, while others indicated lack of capital to start their own business (41.2), lack of relevant /current technology and lack of information on how to start the business (25%) as shown in the figure 1 below.

Figure 1: Why not employed in the trained



In Kajiado County, the youth reached through FGDs said they needed much awareness on the importance of green business and how it can provide livelihood opportunities for youths. According to them, over reliance on livestock has disadvantaged the youth, through frequent drought and livestock diseases. Amongst the educated youths, unemployment rate is increasing day by day.

### Access to Financial Services/Loans

In Makueni, poverty is most severe amongst the women due to inequality, limited access to and ownership of land, lack of income-generating opportunities, isolation in essential economic services and decision making. In Kakamega and Vihiga counties, due to cultural inhibitions, the youth do not own the land and the control is as a rule in the hands of the men.

The women in Vihiga County have access to loans through their own initiatives of table banking and merry-go-rounds. Funds from other financial institutions such as banks and MFIs are not easily accessible due to a lot of bureaucracy. Youth in Kakamega lacked full information on how to access government funds such as the Women Enterprise Development Fund, UWEZO and the Youth Fund and averred that corruption was still a big impediment that denied most youths from benefiting from these interventions. Fear of taking loans was also cited especially where funding was the intervention of choice. Women in Kakamega had apprehension for micro-finance institutions like Kenya Women Microfinance Bank (formerly KWFT) due to what is perceived as harassment for delayed loan settlements. This calls for sensitization of the youth and women on how to access loans and giving them more roles in managing these interventions.

# Recommendations

Some of the major factors that are likely to influence the non-achievement of the program's objectives include the youth's dislike for agricultural activities, lack of land ownership by youth and women, and unfriendly financial services. However, there is an adequate market for green business in the counties especially milk, fish, vegetables and livestock feeds thus holistic interventions that establish and grow green businesses and eco-entrepreneurship whilst addressing these challenges are likely to thrive and achieve the project's objectives. The following are recommendations that can support the project's success:

- Support the strengthening of curricula for selected private training facilities for green skills especially in courses such as post-harvest loss reduction, nutrition and food security, and value addition. The trainings should also include financial literacy, social life skills and group dynamics. This will reduce skills mismatch and ensure graduates are employable in marketable trades.
- Enhance training to cover financial literacy and business management for the employees of the identified training facilities to be able to pass on the corresponding competencies to the young people and women during their education.
- Connect with the experienced local agripreneurs/practitioners engaged in green business ventures and enterprises as training facilities where apprentices are engaged.
- Engage experienced local agripreneurs/practitioners as mentors to support the training and establishment of youth and women-led green businesses.
- Establish networks and partnerships with governmental structures, training institutions and private stakeholders for training support to leverage additional interest and investment from the private sector to make the intervention cost-efficient and sustainable.



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