

How to Enhance Youth Engagement in Productive Employment, Farming and Agribusiness in Africa

A Youth Perspective

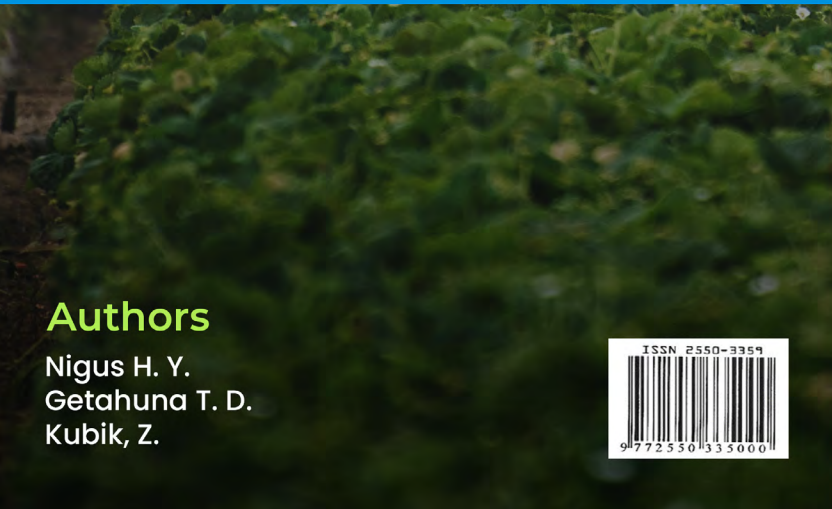
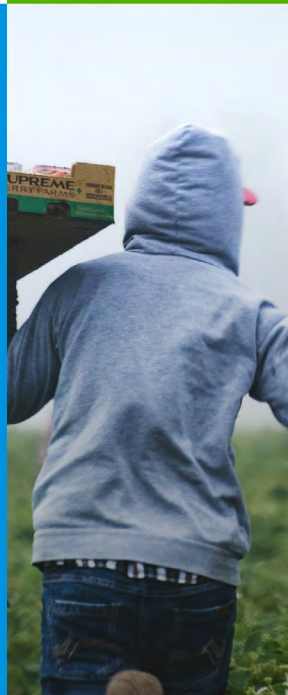
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FARA serves as the technical arm of the African Union Commission (AUC) on matters concerning agricultural science, technology and innovation. FARA has provided a continental forum for stakeholders in AR4D to shape the vision and agenda for the sub-sector and to mobilise themselves to respond to key continent-wide development frameworks, notably the Comprehensive Africa Agriculture Development Programme (CAADP).

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Abstract

This report investigated how to enhance youth engagement in productive employment in farming and agribusiness in Ethiopia. Particularly, it aimed to identify the main success factors in farming and agribusiness, and the main challenges and barriers to entry into farming and agribusiness for youths. Further, the objective of this report was to pinpoint policy interventions that were relevant to support youth in farming and agribusiness. To this end, the report drew on primary data collected from 199 youths in three regions in Ethiopia, namely, Amhara, Oromia and Sidama regional states. The youths were, on average, 28 years old, 39 percent of them were female, and the vast majority of the youths resided in rural areas (92 percent). The findings showed that youth agripreneurs in the agriculture and food sector were not those with less human capital, rather they have comparable socio-economic characteristics as those who were outside of this sector. More than 70 percent of agripreneurs had completed at least secondary or high school education. More than two-thirds of the youths were engaged in farming (crop and livestock farming) and food processing. The findings revealed financial difficulties, lack of land, and poor supply of raw materials as constraining factors youths face while starting and operating business activities. Interestingly, a large fraction of youths reported that they received support from the government, international organizations, or an NGO to overcome these hurdles. Besides, the findings in this report also provided suggestive evidence that differences in wealth and capital assets, family background, and social networks appear to explain the difference in levels of success between successful and less successful agripreneurs. Most notably, agripreneurs reported that they chose the food and agriculture sector not because they had no other option, rather it gave them better income or higher profits than other sectors, and thereby majority of the youth agripreneurs planned to continue in the sector.

Introduction

Africa, particularly sub-Saharan Africa, has the fastest growing population in the world. The region is expected to experience continued rapid population growth and thereby the present population size will be doubled in just three decades (United Nations, 2019). Africa is also a home to the largest youth population in the globe (35% of the 1.2 billion population) and this figure is also expected to double by 2050 (African Development Bank, 2016). The youth population in the continent has been increasingly considered as an immense potential and untapped resource for economic growth and development. Seizing this potential, however, has been a critical development challenge due to limited employment opportunities for the youth. The vast majority of the youth population in the continent is either unemployed or underemployed. Specifically, only one sixth of the employed youths are in paid employment, while the remaining are vulnerably employed in the sense that they are either working in unpaid family work or self-employment businesses (African Development Bank, 2016; Wossen and Ayele, 2018). Hence, creating employment opportunity for the rapidly growing young population is a critical development challenge for SSA countries, and the growth of food and agricultural sector is increasingly expected to fill this void.

The agricultural sector remains the backbone of many developing countries economy, particularly in sub-Saharan Africa (SSA) countries. This sector plays a significant role in poverty reduction and sustainable growth and development. It also serves as the main source of income, employment and foreign exchange. Nearly 53 percent of SSA countries' labor force are employed in the agricultural sector followed by service (36%) and industry (11%) sectors (Figure 1) (World Bank, 2019). Further, the livelihood of more than 60 percent of the population in SSA is still dependent on agriculture. More importantly, a considerable share of women and rural youths are engaged in this sector. However, the extant studies unequivocally showed that the performance of the agricultural sector did not live up to expectations. In several developing countries, particularly in sub-Saharan Africa, the agricultural sector is still characterized

by low and volatile productivity (Pretty et al, 2011). Cognizant of this, yet, there is an increasing recognition of the development and importance of agriculture and agribusiness in the region, owing to the rapidly growth population and youth unemployment (FAO, 2019; Yami et al, 2019; Ogunmodede et al, 2020). Agriculture and agribusiness have immense potentials to create an impact on the region’s economic growth and development. It creates employment opportunities for the youth and contributes towards poverty reduction and food and nutrition security in SSA. The agribusiness sector in Africa is expected to reach US\$1 trillion after a decade (World Bank, 2013). To achieve these objectives and harness this huge potentials, governments and international organizations such as FAO are promoting agribusiness and agriprenuership in the region (FAO, 2019).

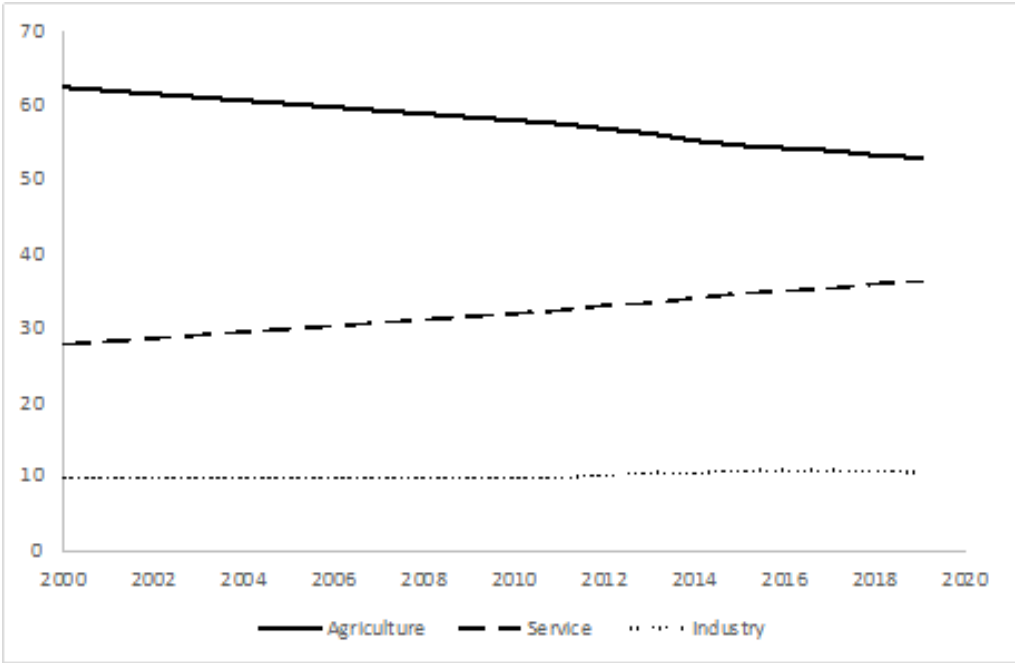


Figure 1: Share of employment by sector in sub-Saharan Africa

Source: Authors’ computation based on WDI data

Ethiopia, with a population estimated at 112 million, is the second most populous country in Africa (World Bank, 2019). Similar to other SSA countries, it is also a home for one of the largest youth populations in the continent and elsewhere in the world, where youths (15 - 34) represent 37 percent of the country’s population (Yami et al, 2020). Ethiopia’s youth population is also increasingly considered as an immense potential and untapped reservoir for economic growth and development. However, the widespread youth unemployment poses a development

challenge for the country. Youth unemployment is estimated to be nearly 27 percent. It is widely accepted that realizing this opportunity requires that the food and agriculture sector becomes more productive. This is particularly important for Ethiopia, where the agricultural sector is the main source of income and employment for the vast majority of the population. More importantly, more than 60 percent of the country's labor force is reliant on this sector (World Bank, 2019; African Development Bank, 2020). As is evident in Figure 2, the share of employment in the agricultural sector is 67 percent and the sector currently contributes nearly 34 percent to GDP. As a consequence, promoting agribusiness and agripreneurship has been recognized as a vital solution to creating jobs for the rapidly growing youth population, which in turn requires innovative and timely policies to persuade the burgeoning youth population to succeed in agripreneurship.

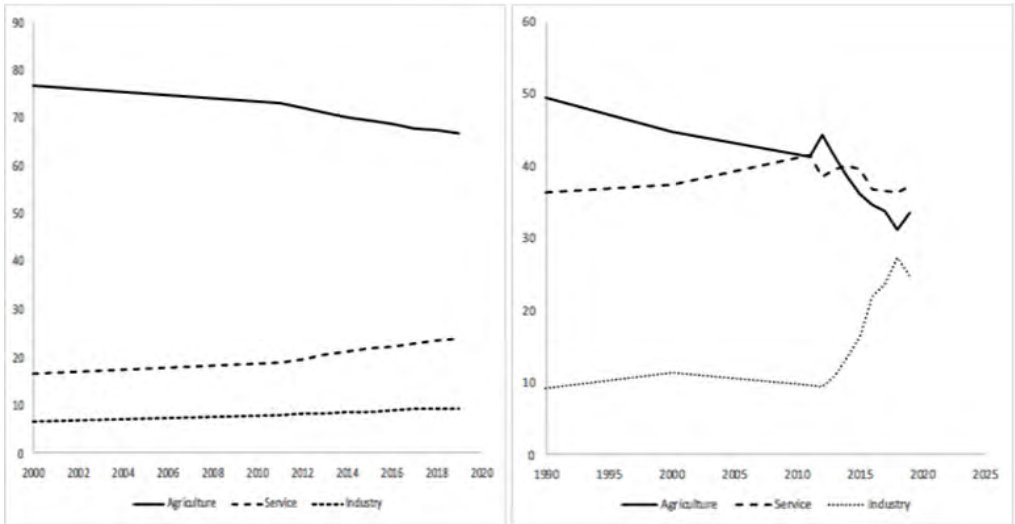


Figure 2: Structure of the Ethiopian economy
Source: Authors' computation based on WDI data

While the role agriculture and agribusiness play in income and employment generation are relatively known, issues such as how to promote youth's engagement in agriculture and agribusiness have received little attention. This report is aimed at filling this void by examining and utilizing unique survey data collected from 199 youths in three regions in Ethiopia. The overarching objective of this report is to increase our understanding of how to enhance youth engagement in productive employment in farming and agribusiness in Africa. Specifically, it aims to examine the success factors for youth in farming and agribusiness and the main challenges and barriers to entry into farming and agribusiness for youth. Further, it aims to identify the most relevant policy interventions which support youth in farming and agribusiness.

Data and Sampling methods

To achieve the objectives, we collected primary survey data from 200 youth agripreneurs (between the age of 18 to 35) who lived in the Amhrara, Oromia and SNNP/ Sidama regional states in Ethiopia.

Data collection was conducted using Computer-assisted personal interviewing (CAPI) techniques. All enumerators involved in the project had prior experience with CAPI surveys. A highly experienced data programmer and database managers were assigned to program the survey instrument in Survey CTO. Several programming tests were conducted to ensure that all errors were debugged before the commencement of the survey. The data set was transferred into Stata's .data file format.

A three-stage sampling method was implemented to select the sample agripreneurs. At the first stage we purposely selected three major study regions based on the population of youth namely Amhara, Oromia and SNNP/ Sidama regional state. In the second stage, in close collaboration with the Women, Youth and Children office and the Ministry of Agriculture and Natural Resources, sample Woredas/cities were randomly selected from the Woredas database of registered agripreneurs. In the third stage we randomly selected 50 agripreneurs from each of the selected study Woredas (see Table 1). The sample size was determined based on budget consideration. The size of the enlisted Agripreneurs that served as the sampling frame was reported together with the sample size.

Table 1: Sample Distribution

Region Name	Woreda Name	Initial sample list	Total interviewed
Amhara	Mecha	163	50
	Debub Achefer	113	50
Oromia	Bishoftu	84	50
Sidama	Hawassa Zuria	80	50

This section reports the demographic and socio-economic characteristics of youth agripreneurs in our sample. Table 2 shows that 61% of the respondents were male. The average age of the youths was about 28 years with a minimum and maximum ages of 18 and 35 years, respectively, which fully complied with the standard definition of rural youth in Ethiopia.



Majority of the respondents were married (59%). Non-negligible share of youths were single (33%). Almost all of the respondents in the sample (96%) could read and write, but the vast majority of them dropped out of school (88%). Further, the sample was composed of respondents with 18% primary (incomplete), 12% primary (complete), 37% secondary/high school, 15% vocational, and the remaining 18% had university education. Majority of the youths studied Engineering, Manufacturing or Construction (33%) followed by Business (20%) and Science, Mathematics or Data Science (18%). However, the sample consisted only 7% of respondents who studied Agriculture or Veterinary Science.

Table 2 also shows the youth's family background. It presents both fathers' and mothers' education, migration history and wealth. While 42% of fathers could read and write, only 17% of mothers were able to read and write. While about 69% and 82% of fathers and mothers, respectively, did not have any formal education. About 16% and 10% of fathers and mothers, respectively, attended primary school but were not able to complete it.

However, only about 15% of fathers and 7.5% of mothers attended primary school and above. Table parents' migration history. The results revealed the presence of low mobility among the families of the youths in the sample. Most of the families of the respondents did not migrate, only 6%, 5%, and 2% of the respondents reported that both parents, only their mothers, and their fathers, respectively, migrated from elsewhere to where they lived. The data also consisted of information on both subjective measure of income. Of the total respondents, about 40% of the respondents described their households as having/living around village average wealth/income. On the other hand, while close to one-third (29%) of the respondents reported that they are fairly well off compared to other households in their village, yet a considerable share of respondents (25%) described that they are fairly poor relative to other households in their villages. Interestingly, only a trivial number of respondents (3%) described their households as poor compared to other households in the village. With regards household income, the average household income was Birr 7,986 ranging between Birr 0 and Birr 140,000.

Table 2: Demographic and Socio-economic Characteristics of Youth Agripreneurs

Hubs	Mean	Std.dev	Min	Max
Age	28	4	18	35
Sex of respondent	61	49	0	100
Rural	92	27	0	100
Marital status				
Single/never married	33	47	0	100
Engaged to be married	2	14	0	100
Married	59	49	0	100
Separated/divorced	4	20	0	100
Widowed	2	12	0	100
Have children	51	50	0	100
Read and write	96	21	0	100
Current formal schooling status				
I have never studied	6	23	0	100
I have stopped my education	88	32	0	100
I am currently studying	6	24	0	100
Highest level of formal education				
Primary (Incomplete)	18	39	0	100
Primary (complete)	12	33	0	100

Secondary/high school	37	49	0	100
Vocational	15	36	0	100
University	18	38	0	100
Father's highest level of formal education				
Social sciences	15	36	0	100
Business	20	40	0	100
Science, Mathematics, Data Science	18	39	0	100
Engineering, Manufacturing, Construction	33	47	0	100
Agriculture and Veterinary Science	7	25	0	100
Health	5	22	0	100
Other	2	13	0	100
Father can read and write	42	49	0	100
Father's highest level of formal education				
No formal schooling	69	46	0	100
Primary (Incomplete)	16	36	0	100
Primary (complete)	5	21	0	100
Secondary/high school	3	17	0	100
Vocational	0.5	7	0	100
University (Under-Graduate)	6	23	0	100
Post-Graduate	1	10	0	100
Mother can read and write	17	37	0	100
Mother's highest level of formal education				
No formal schooling	82	38	0	100
Primary (Incomplete)	10	30	0	100
Primary (complete)	2	14	0	100
Secondary/high school	0.5	7	0	100
Vocational	1	10	0	100

University (Under-Graduate)	3	17	0	100
Post-Graduate	0.5	7	0	100
Parent's migration				
Yes, my father	2	14	0	100
Yes, my mother	5	21	0	100
Yes, both	6	23	0	100
No	88	11	0	100
Number of persons in the household	4.386	2.092	1	11
Number of persons in the household earn income	1.789	1.052	0	7
Household receive any non-labor income	10	30	0	100
Household's overall wealth				
Well off	3	16	0	100
Fairly well off	29	46	0	100
Around village average	40	49	0	100
Fairly poor	25	44	0	100
Poor	3	17	0	100
Household's monthly income wealth				
Household income	7,986	11,401	0	140,000
Observations	199			

Table A1 in the appendix reports the demographic and socio-economic characteristics of youth agripreneurs disaggregated by agripreneurs engaged in food processing, marketing, logistics and distribution (39%), and those agripreneurs who were engaged in farm and livestock production intended for sale (61%). The results showed the presence of some significant differences in demographic and socio-economic characteristics between these two groups. Agripreneurs who were engaged in farm and livestock production intended for sale were relatively older and mostly dominated by male respondents. On average, age of agripreneurs working on food processing and distribution and those working on farm and livestock production intended for sale was 27 and 29 years, respectively ($P < 0.01$). Table A1 also shows that 70% of agripreneurs engaged in food processing and distribution were female, conversely, only 18% of agripreneurs who were engaged in farm and livestock production were female ($P < 0.01$). Likewise, there was a significant difference in marital status between the two groups. A relatively large proportion of agripreneurs engaged in farm and livestock production were married (65%) and had a child (59%) compared to agripreneurs working on food processing distribution where 50% of them were married and 40% had at least one child ($P < 0.05$). However, the mean comparison test indicated that there was no significant difference in education between the two groups.

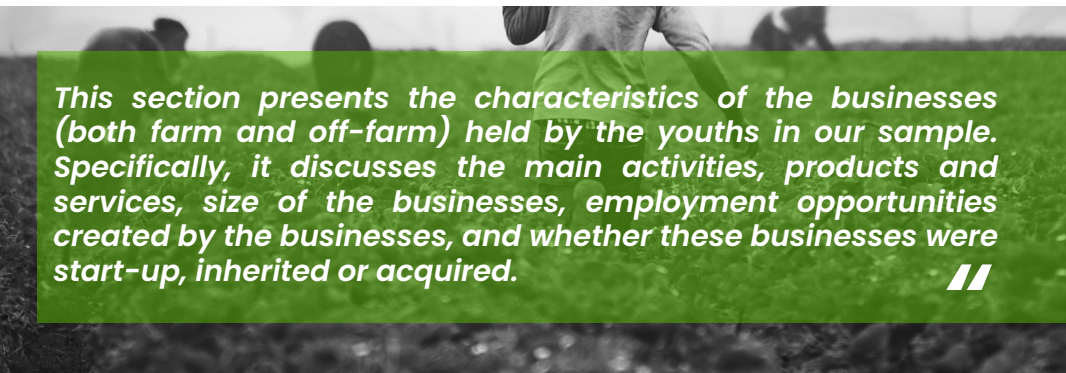
As it was already indicated, information on the youth's family background were also collected. Data on families' background is immensely essential because recent theoretical and empirical evidence revealed that family's background plays a key role

on child outcomes and this effect transmits across generations (Kimball et al., 2009; Dohmen et al., 2012; Alan et al., 2017; Zumbuehl et al., 2018). Hence, information on the family background may enhance our understanding of whether or not family background plays a role in the success of youths in agribusiness. Mean difference test was conducted to check if there was a significant difference in family's background between youth agripreneurs engaged in food processing and distribution and those engaged in farm and livestock production ventures. There was no significant difference in the family background (in fathers' and mothers' education, migration history, wealth, and income) between the two groups, indicating both groups came from families with similar socio-economic characteristics (Table A1). The only noticeable significant difference was that while about 6% of the former described their households as poor compared to other households in the village, only 0.8% of the latter reported that their households were poor relative to other households in the village. This section is devoted to enhancing our understanding of whether or not there are any specific characteristics common to all young people in our sample of agripreneurs and whether farmers and entrepreneurs in the agriculture and food sector are those with less human, capital and those who willingly opted for agriculture; or that they end up in agriculture because they had no other option. Notably, against the standard premise in the literature, Table 2 revealed that farmers and entrepreneurs in the agriculture and food sector had comparable socio-economic characteristics as those who were outside of this sector. The findings showed that about 96% of the agripreneurs were literate and more than 70% of them completed at least secondary or high school education, indicating that

agripreneurs were not those with less human capital and thereby may not have deliberately chosen agriculture and suggested that individuals ended up in agriculture not because they had no other option but were rather motivated by the opportunities offered by the sector. For instance, in a large-scale survey of micro and small manufacturing

enterprises in Addis Ababa, Gebreeyesus et al. (2018) found that 85% of respondents had primary school – vocational education, while in our sample those in that category were about 82%. Likewise, while 18% of the respondents in our sample were university graduates, 21% of respondents in the report of Gebreeyesus et al. (2018) were college and university graduates.

| Agribusinesses



This section presents the characteristics of the businesses (both farm and off-farm) held by the youths in our sample. Specifically, it discusses the main activities, products and services, size of the businesses, employment opportunities created by the businesses, and whether these businesses were start-up, inherited or acquired.

| Main Activities, Products and Services

The main aim of this subsection is to identify the type of business activities the youths in our sample were involved in. Table 3 shows business classifications. The dominant business activity was farming. As shown in Table 3 about 58% of the youths in our sample were engaged in farming activity. Forestry was the least preferred business activity where only 0.5% of the sample participated in. A significant number of youths were involved in food processing (14%) and food retail (12%), followed by combination of food processing and food retail (6%) and restauration (5%). However, none of the youths in our sample

were involved in cold storage and logistics and fishery business activities. This implies that farming business appeared to be the primary business activity and offered attractive opportunities to youths in our sample. Next, in terms of income earned, the youths were asked to indicate the main activity within the farming business. Figure 3 shows that 72% of the youths were engaged in livestock farming while only the remaining 27% of the youths in our sample were engaged in crop production. Most of the business activities were solely owned (47%) and substantial business activities were owned together with non-relatives (31%).

Table 3: Agribusiness Classifications

Businesses	Frequency	Percent of responses
Forestry	1	0.5
Food processing, Food marketing and export	2	1
Farming, Food Processing	3	2
Food wholesale, Food retail	3	2
Food retail, Restauration	3	2
Restauration	9	5
Food processing, Food retail	11	6
Food retail	24	12
Food processing	27	14
Farming	116	58
Total	199	100

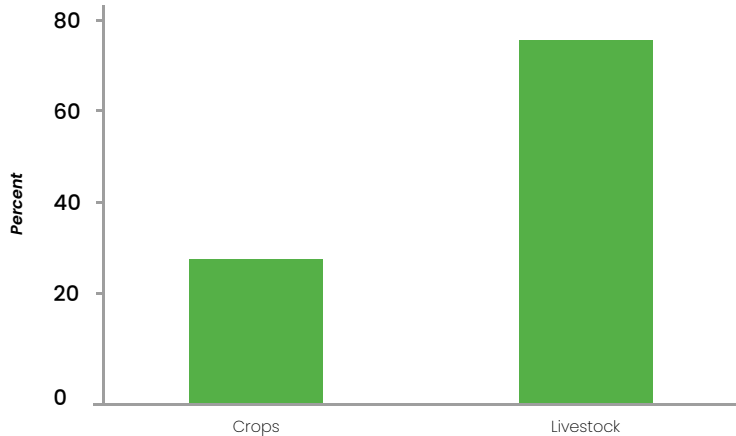


Figure 3: Types of Farming

| Formal and Informal Business Activities

The informal activity is pervasive and it accounts for more than half of the economic activity in Africa and elsewhere in developing countries (D'Erasmus and Boedo, 2012; La Porta and Shleifer, 2014; Ulyssea, 2018, 2020). Informal business activities are characterized by extremely low productivity. They are also extremely inefficient, and their existence implies the presence of tax evasion and noncompliance. Although there is a growing micro and macro literature on the effect of informal economic activities on development, yet the effect of formalization of informal economic activities on development is contested. This is because in developing economies where there exists widespread unemployment and poverty, mere formalization may exacerbate the existing high unemployment and poverty and may have an adverse effect on the livelihood of large fraction of people surviving near subsistence in developing countries (Loayza, 2018). Hence, emerging studies suggest that policies aimed to enhance formalization should be introduced with caution (La Porta and Shleifer, 2014). Further, Ulyssea (2018) suggests that formalization of informal economic activities is possible, but this does not necessarily associate to higher economic growth or welfare. The overall consensus in the literature is that informal sectors disappears over time as the economy grows and when firms are managed by educated entrepreneurs.

This subsection partly contributes to this literature and reports the extent of informality of the sampled youths. This study sought to know whether or not their businesses were registered. Next, we discussed where these businesses were registered, and whether they owned a bank account in the name of the business, and the type of bookkeeping and account practices utilized for their businesses. Table 4 shows that almost all of the businesses were registered as 91% of the respondents reported that they registered their businesses. While 60% of these businesses were solely registered with the local authorities, 34% and 10% of the respondents registered in both local and tax authorities, and tax authorities only, respectively.

Although most of the respondents reported that they legally registered their business either with the tax or local authorities or with both, only one-quarter of the respondents opened bank accounts in the name of their businesses while the rest three-quarter did not open bank accounts. Most of the respondents indicated that they utilized poor bookkeeping and account practices for their businesses. A total of 56% of the respondents reported that they had no written bookkeeping and account records, while 38% had bookkeeping and account practices using informal records of orders, sales and purchases, while 5% utilized simplified ledger accounts, and only 2% reported that they used complete bookkeeping (balance sheet and operating statements). The findings showed that the respondents only partially formalized their businesses and suggested a complete formalization such as owning a bank account in the name of the business and complete bookkeeping practices were essential.

Table 4: Formal and Informal Businesses

	N	Percent
Business registered	181	91
Registered in tax authority	10	6
Registered in tax authority and local authorities	62	34
Registered in local authorities	109	60
Own a bank account in the name of this business	51	26
Complete bookkeeping	3	2
Simplified ledger accounts	10	5
Only through informal records of orders, sales, purchases	75	38
No written records are kept	111	56

| Size of the Business Activities

Formal and large sized businesses are considered as those businesses which are productive and efficient (La Porta and Shleifer, 2014). This subsection discusses the size of the businesses owned by the youths in our sample in terms of capital assets (land, buildings, machinery, livestock and poultry etc.), sales, expenses and profit. Table 5 shows that businesses owned by the youths were heterogeneous and substantially vary in many respects. The average value of capital assets such as land and land development was Birr 75,322. Further, the mean monetary value of other capital assets such as buildings and other constructions, machinery and equipment, and livestock and poultry were Birr 76,934, Birr 26,860 and Birr 120,913, respectively.

However, as mentioned earlier, a widespread variation existed in the size of the businesses. Youths with small businesses owned capital assets with a monetary value of as low as Birr 0. Conversely, there were relatively large businesses with a business value of about one million (1,000,000) Birr. Likewise, there were significant differences in revenues and profit among businesses. While certain business owners earned a total revenue and profit of Birr 2,400,750 and Birr 225,750, respectively, other business owners earned very low revenue and had negative profit (loss).

Table 5: Size of the Businesses Owned by Youths

	Mean	Std.Dev	Min	Max
Land and land develop- ment	75,323	153,587	0	800,000
Buildings and other con- structions	76,934	178,972	0	900,000
Machinery and equipment	26,861	69,831	0	800,000
Livestock and poultry	120,913	194,141	0	960,000
Other	12,270	72,793	0	700,000
Gross sale/revenue from on-farm	194,622	325,343	0	2,400,750
Gross sale/revenue from off-farm	46,716	117,531	0	936,000
Total revenue	138,096	274,822	0	2,400,750
Total expense	77,825	124,812	0	864,000
Profit	60,271	237,798	-493,000	2,225,750
Observations	199			

Employment Generated by the Businesses

This subsection presents the extent of employment opportunities created by businesses owned by youths. It also shows the type of employment opportunities (paid or unpaid employments). Table 6 shows that businesses created non-trivial amount of employment opportunities ranging between 0 and 25. On average, these businesses offered employment for about three (2.9) persons. Of these nearly 80% of them were paid employments.

Table 6: Employment Generated by Businesses

	Mean	Std.Dev	Min	Max
Total number of employ-ments	2.9	4.19	0	25
Total number of paid workers	2.3	3.9	0	25
Total number of unpaid workers	0.6	1.8	0	14
Number of family paid workers	0.24	0.77	0	6
Observations	199			

Are the Business Activities Start-up or Inherited?

Figure 4 shows the distribution of inherited, acquired or start-up businesses. Figure 5 shows the distribution of the main sources of start-up capital for businesses. As shown in Figure 4, most of the businesses were start-up businesses and only very small fraction of the businesses were either inherited or acquired. Approximately, 96% of the respondents reported that they started the business on their own. Figure 5 also shows that the main source of start-up capital for the businesses were micro-lending institutions (35%) and own savings (31%). A considerable number of the respondents reported that loan and gift from family members were important sources of capital for start-up businesses. In summary, the findings suggested that apart from banks and cooperatives, own savings, micro-lending institutions and family members were the main sources of capital for start-ups.

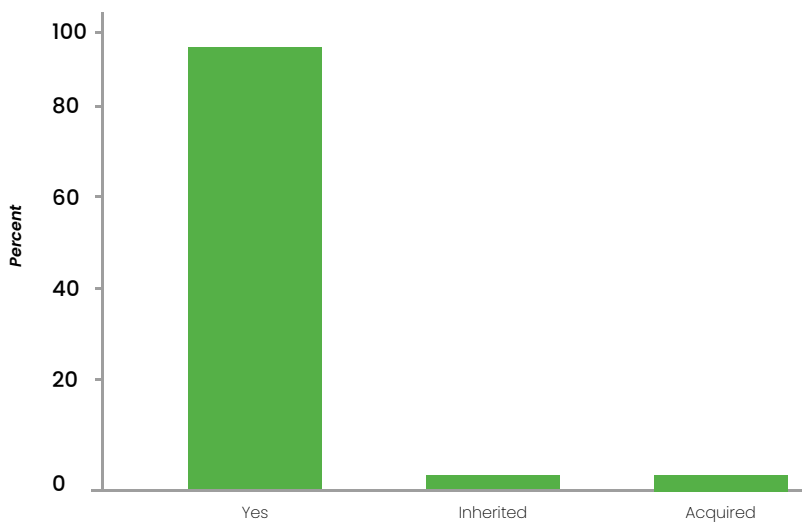


Figure 4: Start-up Businesses

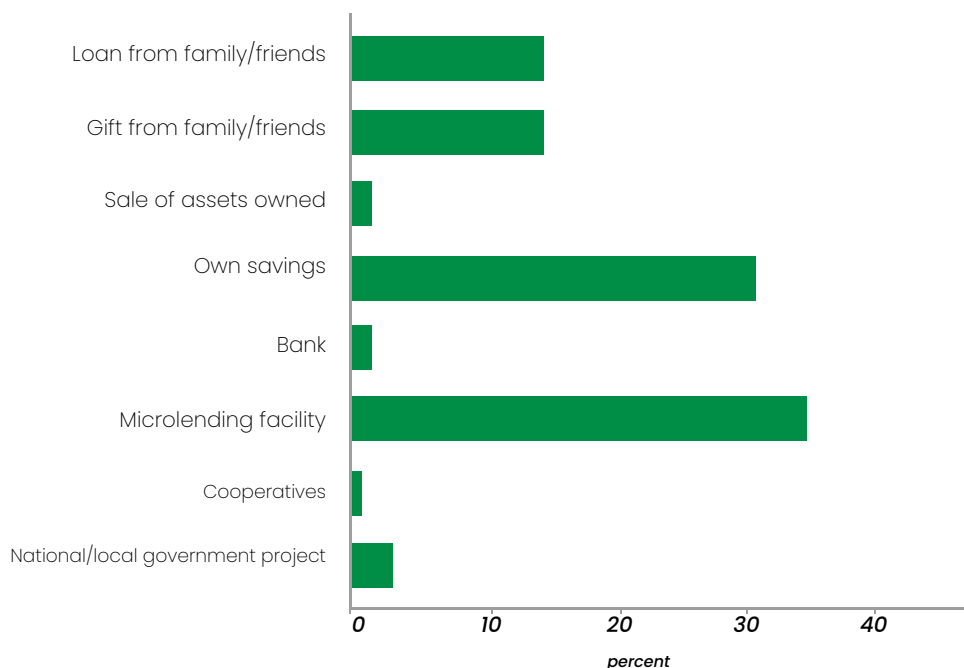


Figure 5: The Main Source of Start-up Capital for Businesses

This next section discusses the success and constraining factors youths face while operating a business. It starts with identifying the plausible measures of success in agripreneurship based on objective and subjective criteria. It then proceeds to the role of a battery of potential success factors that may explain the divergence between successful and less successful agripreneurs. Further, it discusses the potential challenges and constraints agripreneurs faced while operating their businesses and the potential solutions they used to overcome these constraining factors.

| Success Factors in Agripreneurship

Table 7 reports the summary statistics of potential indicators of success in agripreneurship: expenses, revenue, profit, the number of employment opportunities created, the number of respondents who considered themselves as successful in their business activities and whether the respondents considered that their businesses performed well compared to other similar businesses. Total expenses consisted of wages and salaries, expense for raw materials and agricultural inputs, operating expenses, taxes, insurance, interests etc. On the other hand, total revenue comprises of earnings from both on and off farm activities. Table 7 shows that the average expenses, revenue and profit of businesses was about Birr 77,825, 138,096 and 60,271, respectively. Similarly, Table 7 shows that, on average, businesses created employment opportunities for about 3 persons. Further, while 73% of youths considered themselves as successful in their business activities, 30% of the youths believed that their business performed better than other similar businesses.

Table 7: Summary Statistics of Indicators of Success in Business Activities

	Mean	Std.Dev	Min	Max
Total expense (ETB)	77,825	124,812	0	864,000
Total revenue (ETB)	138,096	274,822	0	2,400,750
Profit (ETB)	60,271	237,798	-493,000	2,225,750
Number of employees (#)	3	4	0	25
Agripreneurs consider themselves as successful in their business activity (%)	73	44	0	100
Agripreneurs think their businesses performs well compared to other similar businesses (%)	29	21	0	100
Observations	199			

Note: ETB (Ethiopian Birr)

Table A2 (Appendix) shows the correlation of the indicators of success in business activities. There were significant correlation among the indicators. Interestingly, significant correlation was also observed between the objective and subjective measures of success in business. Table A3 shows whether youths who engaged in commercial farm and livestock production were significantly better in terms of the indicators of success in business activities compared to those who were engaged in food processing, marketing, logistics or distribution. A significant difference in success levels in businesses between youths who were engaged in commercial farm or livestock production and those engaged in food processing, marketing, logistics or distribution is shown on Table A3 in the appendix. Youths engaged in farm

or livestock production earned significantly higher profit and created significantly higher employment opportunities than those who were engaged in food processing, marketing, logistics or distribution. Likewise, the former considered themselves as successful in their business activities and had the perception that their businesses performed better than other similar businesses.

Identifying the factors that make agripreneurs more successful is immensely important to suggest policies that may enhance the fraction of successful agripreneurs in Ethiopia and elsewhere in developing countries. Therefore, this section aims to identify the role of potential success factors such as formal and informal education, skills specific to agriculture and agribusinesses, family background and social

networks, and wealth and capital assets. However, it is imperative to discuss how the success in agripreneurship is defined and measured before discussing the potential success factors. As earlier stated, success in business activities is measured using both objective (profit and employment opportunities generated) and subjective measures (whether agripreneurs consider themselves as successful in their business activity and whether agripreneurs think their businesses performed well compared to other similar businesses). Specifically, agripreneurs are considered as successful agripreneurs if; (i) they have earned a positive profit, (ii) they have created more than median number of employment opportunities (in our sample median employment opportunities created was 1), (iii) they consider themselves as successful in their business activity (1=yes), and (iv) if they think their businesses performed well compared to other similar businesses (1=better than other businesses). Conversely, less successful agripreneurs are those; (i) who have earned zero or negative profit, (ii) who created less than or same as median number of employment opportunities, (iii) who consider themselves as less successful in their business activity, and (iv) who think their businesses performed worse or same as other similar businesses (0=worse than or same as other businesses). Table 8 shows the effect of education (formal or informal) in determining performance of agripreneurs (successful and less successful). Table 8 shows the impact of formal or informal education as a driving factor of success in agripreneurship. The findings indicated that formal or informal education hardly explained the difference in success in business activities across all indicators. In other words, although successful agripreneurs had relatively

better educational levels than less successful agripreneurs, this difference in education was not statistically significant.

Table 9 shows effects of agriculture and agribusiness-related skills on success levels of agripreneurs. The results showed that there were infinitesimal differences in skills specific to agriculture and agribusinesses between successful and less successful agripreneurs. Though not robust across all indicators of success in business activities, there was significant difference in certain skills specific to agriculture and agribusinesses such as completing education or training in agriculture, having apprenticeships or internships in agriculture, have previously worked on family farm or business.

Tables 10 and 11 show information on family background and social capital, and wealth and capital assets, respectively, of successful and less successful agripreneurs. The findings in Table 10 showed that successful agripreneurs had significantly different family background and social capital compared to less successful agripreneurs. Successful agripreneurs were more likely to have strong social networks in the sense that they had relatively larger number of close people who were willing and able to provide assistance. In addition, although not significant across all indicators of success in business activities, successful agripreneurs were more likely to have inherited wealth from parents compared to less successful agripreneurs. Table 11 also shows that successful agripreneurs and less successful agripreneurs significantly differed in wealth and capital assets. Successful agripreneurs were consistently better in capital assets such as land and land development and in wealth inherited from families. Even though it was not

significant across all indicators of success in business activities, successful agripreneurs were more likely to own buildings, machineries and equipment, and livestock and poultry. In summary, the findings suggested that successful agripreneurs were different in wealth and capital assets, and family

background and social networks compared to less successful agripreneurs. However, both successful and less successful agripreneurs had somewhat similar educational status and also in terms of skills specific to agriculture and agribusiness.

Table 8: Formal and Informal Education on Success in Business

	Less successful Agripreneurs	Successful Agripreneurs	Diff	P-value
Read and write	95	96	-1	0.75
I have never studied	7	5	2	0.56
I have stopped my education	88	89	-1	0.84
I am currently studying	5	6	-1	0.78
Primary (incomplete)	11	21	-10	0.13
Primary (complete)	25	7	18	0.00
Secondary/ high school	36	38	-2	0.81
Vocational	8	18	-10	0.08
University	21	16	5	0.47
Employment				
Read and write	93	98	-5	0.09
I have never studied	8	3	5	0.13
I have stopped my education	88	89	-1	0.85
I am currently studying	4	8	-4	0.23
Primary (incomplete)	21	16	5	0.37
Primary (complete)	12	13	-1	0.91
Secondary/ high school	44	31	11	0.08
Vocational	12	18	-6	0.27

	Less successful Agripreneurs	Successful Agripreneurs	Diff	P-value
University	12	23	-11	0.05
Consider oneself as successful				
Read and write	91	97	-6	0.05
I have never studied	9	4	5	0.15
I have stopped my education	91	88	3	0.58
I am currently studying	0	8	-8	0.03
Primary (incomplete)	19	18	1	0.89
Primary (complete)	13	12	1	0.95
Secondary/ high school	40	36	4	0.70
Vocational	13	16	-3	0.59
University	17	18	-1	0.85
Performance compared to others				
Read and write	95	97	-2	0.64
I have never studied	6	4	2	0.41
I have stopped my education	87	93	-6	0.19
I am currently studying	7	3	4	0.33
Primary (incomplete)	17	20	-2	0.72
Primary (complete)	12	13	-1	0.94
Secondary/ high school	40	30	10	0.21
Vocational	16	13	3	0.55
University	14	25	-11	0.08

Table 9: Skills specific to Agriculture and Agribusinesses on Success in Business

	Profit			
	Less successful Agripreneurs	Successful Agripreneurs	Diff	P-value
Completed education/ training in agriculture	48	26	21	0.00
Have apprenticeships/ internships in agriculture	0	1	-1	0.37
Worked in agribusiness before	56	66	-11	0.19
Formal education (vocational school)	0	1	-1	0.53
Apprenticeship/ internship	2	7	-5	0.14
On the job training	14	28	-14	0.04
Family farm/ business	14	16	-2	0.71
On my own	68	47	21	0.01
Employment				
Completed education/ training in agriculture	38	26	12	0.08
Have apprenticeships/ internships in agriculture	0	2	-2	0.16
Worked in agribusiness before	67	60	7	0.28
Formal education (vocational school)	0	1	-1	0.32
Apprenticeship/ internship	4	7	-3	0.35
On the job training	21	27	-6	0.30
Family farm/ business	10	21	-11	0.03
On my own	64	42	22	0.00
Consider oneself as successful				
Completed education/ training in agriculture	34	32	2	0.75
Have apprenticeships/ internships in agriculture	2	1	1	0.46
Worked in agribusiness before	53	67	-14	0.07

	Profit			
	Less successful Agripreneurs	Successful Agripreneurs	Diff	P-value
Formal education (vocational school)	0	1	-1	0.55
Apprenticeship/ internship	2	7	-5	0.18
On the job training	21	25	-4	0.51
Family farm/ business	4	20	-16	0.01
On my own	74	46	28	0.001
Performance compared to others				
Completed education/ training in agriculture	21	60	-39	0.00
Have apprenticeships/ internships in agriculture	0	4	-4	0.03
Worked in agribusiness before	62	67	-5	0.46
Formal education (vocational school)	1	0	1	0.52
Apprenticeship/ internship	6	3	3	0.41
On the job training	27	17	10	0.15
Family farm/ business	13	22	-9	0.09
On my own	52	57	-5	0.51

Table 10: Family Background and Social Networks on Success in Business

	Profit			
	Less successful Agripreneurs	Successful Agripreneurs	Diff	P-value
# of close people	3	11	-8	0.00
# of people willing to provide small amount of money	1	2	-1	0.00
# of people turned for assistance	1	1	0	0.30
# of close relative and friends work in the same business	3	4	-1	0.48
Got advice on running business from relative and friends	2	2	0	0.15
Inherited any wealth from parents	12	37	-25	0.00
Parents want you to become an agripreneur	89	91	-2	0.64
Got advice on running business from parents	79	87	-8	0.18
Parents helped to find a job or set up a business	72	83	-11	0.08
Belong to any of business associations	19	9	10	0.05
# of members are in association	201	145	56	0.23
Received help to get access to new customers	82	69	0.13	0.50
Employment				
# of close people	4	13	-9	0.00
# of people willing to provide small amount of money	2	3	-1	0.00
# of people turned for assistance	1	2	-1	0.00
# of close relative and friends work in the same business	3	4	-1	0.49

	Profit			
	Less successful Agripreneurs	Successful Agripreneurs	Diff	P-value
Got advice on running business from relative and friends	1	1	0	0.16
Inherited any wealth from parents	22	37	-15	0.02
Parents want you to become an agripreneur	92	90	2	0.62
Got advice on running business from parents	87	82	5	0.32
Parents helped to find a job or set up a business	82	78	4	0.46
Belong to any of business associations	15	9	6	0.20
# of members are in association	208	108	100	0.03
Received help to get access to new customers	80	67	13	0.49
Consider oneself as successful				
# of close people	2	11	-9	0.00
# of people willing to provide small amount of money	1	2	-1	0.040
# of people turned for assistance	1	2	-1	0.00
# of close relative and friends work in the same business	2	4	-2	0.12
Got advice on running business from relative and friends	2	2	0	0.60
Inherited any wealth from parents	13	36	-23	0.00
Parents want you to become an agripreneur	86	92	-6	0.19
Got advice on running business from parents	76	88	-12	0.04
Parents helped to find a job or set up a business	68	84	-16	0.01

	Profit			
	Less successful Agripreneurs	Successful Agripreneurs	Diff	P-value
Belong to any of business associations	11	12	-1	0.85
# of members are in association	83	200	-117	0.02
Received help to get access to new customers	2	1	1	0.00
Performance compared to others				
# of close people	11	4	7	0.00
# of people willing to provide small amount of money	2	2	0	0.37
# of people turned for assistance	1	2	-1	0.00
# of close relative and friends work in the same business	4	2	2	0.12
Got advice on running business from relative and friends	1	2	-1	0.00
Inherited any wealth from parents	34	19	15	0.03
Parents want you to become an agripreneur	91	89	2	0.68
Got advice on running business from parents	87	78	9	0.09
Parents helped to find a job or set up a business	79	83	-4	0.52
Belong to any of business associations	5	29	-24	0.00
# of members are in association	107	197	-90	0.07
Received help to get access to new customers	2	1	1	0.02

Table 11: Wealth and Capital Assets on Success in Business

	Profit			
	Less success- ful Agri- preneurs	Successful Agripreneurs	Diff	P-value
Land and land development	12,549	100,531	-87,982	0.00
Buildings and other constructions	79,632	75,685	3,947	0.90
Machinery and equipment	21,049	29,061	-8,012	0.48
Livestock and poultry	89,098	134,501	-45,403	0.21
Inherited wealth from parents	12	37	-25	0.00
Employment				
Land and land development	17,641	131,722	-114,081	0.00
Buildings and other constructions	57,619	99,425	-41,806	0.14
Machinery and equipment	8,854	45,826	-36,972	0.00
Livestock and poultry	60,495	198,450	-137,955	0.00
Inherited wealth from parents	22	37	-15	0.02
Consider oneself as successful				
Land and land development	3,509	100,345	-96,840	0.00
Buildings and other constructions	46,735	88,226	-41,491	0.20
Machinery and equipment	14,808	31,306	-16,498	0.15
Livestock and poultry	30,149	159,677	-129,528	0.00
Inherited wealth from parents	13	36	-22	0.00
Performance compared to others				
Land and land development	89,329	41,385	47,944	0.06
Buildings and other constructions	59,660	116,521	-56,861	0.07
Machinery and equipment	22,732	37,220	-14,488	0.19
Livestock and poultry	93,944	169,347	-75,403	0.03
Inherited wealth from parents	34	19	15	0.03

| Challenges and Constraints

Agripreneurs were asked to state the potential challenges and constraints they faced both when starting the business activities and currently while running their businesses activities. Table 12 and Figure 6 show the constraints or barriers the youths experienced when starting their businesses. About 83% of the respondents pointed out that the main constraints they experienced were related to financial difficulties. Also, 48%, 38% and 23% of the respondents also indicated lack of land, supply of raw materials and lack of customers, respectively, as the main barriers which hindered them at the commencement of their business activities. Table 13 and Figure 7 show constraints youth agripreneurs faced while running their businesses. The findings showed that the youths were still experiencing similar barriers they faced when they started the businesses. Also, 57% of the respondents mentioned financial difficulties as the main constraint they experienced while operating the business activities. About 40%, 38% and 28% of the youth indicated supply of raw materials, lack of customers and lack of land, respectively, as the main barriers while running their businesses.

Table 12: Constraints/Barriers Youths Experienced When Starting a Business

	N	%
Supply of raw materials	75	38
Sale of products – lack of customers	45	23
Sale of products – too much competition	5	3
Financial difficulties	165	82.91
Lack of land	96	48
Lack of space; adapted premises	30	15
Lack of machines or equipment	15	8
Organization; management difficulty	5	3
Too much control; taxes	1	0.5
Price variation	42	21
Other	19	10

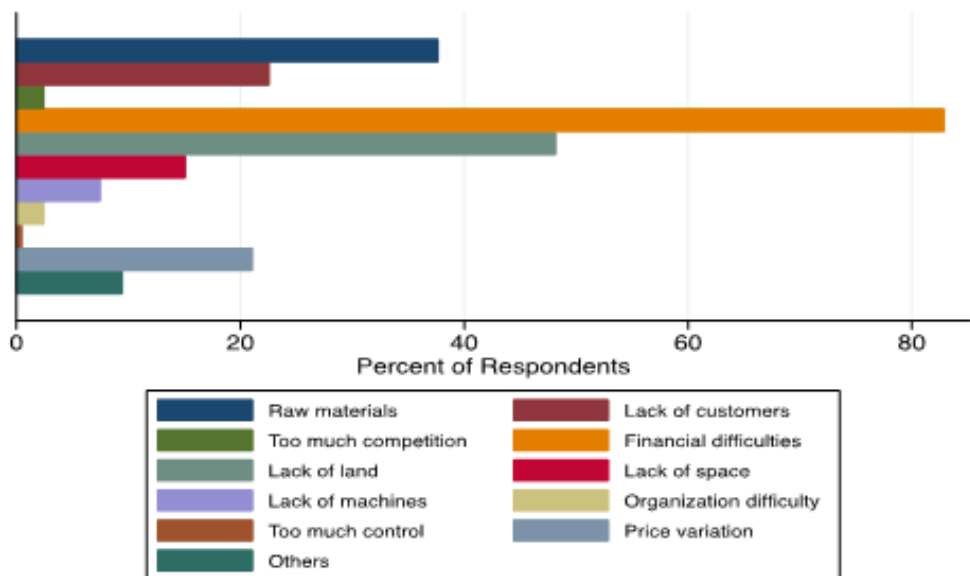


Figure 6: Constraints Youths Experienced When Starting a Business

Table 13: Constraints/Barriers Youths Experienced While Running a Business

	N	%
Supply of raw materials	79	40
Sale of products - lack of customers	76	38
Sale of products – too much competition	13	7
Financial difficulties	113	57
Lack of land	56	28
Lack of space; adapted premises	28	14
Lack of machines or equipment	29	15
Organization; management difficulty	7	4
Too much control; taxes	4	2
Price variation	54	27
Other	15	8

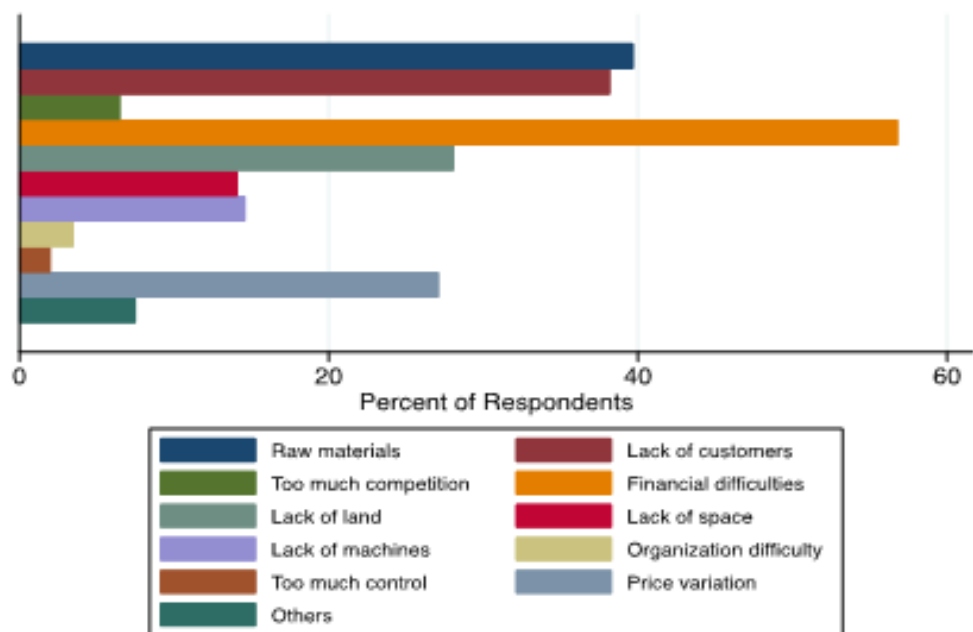


Figure 7: Constraints Youths Experienced While Running a Business

Most of the respondents reported that they received support on the two pressing barriers, namely financial difficulties and lack of land. A total of 48% and 33% of the respondents reported that they received support on improved access to land and loans, respectively. Table 15 presents the levels of support received by successful and less successful youth to overcome constraints. Though not significant across all indicators of success in business, the results showed that successful agripreneurs were more likely to have received improved access to loans, modern machines, technical training, and information on markets.

Table 14: Supports Received to Overcome Constraints

	N	%
Technical training	18	9
Training in organizational and financial management	3	2
Assistance in obtaining supplies	11	6
Access to modern machines	3	2
Access to loans	65	33
Access to land	96	48

	N	%
Access to information on the markets	8	4
Access to customers	0	0
Access to large business orders	2	1
Problems/ linkages with government	0	0
Litigation with competitors	0	0
Interaction with employees	2	1
Other	51	26

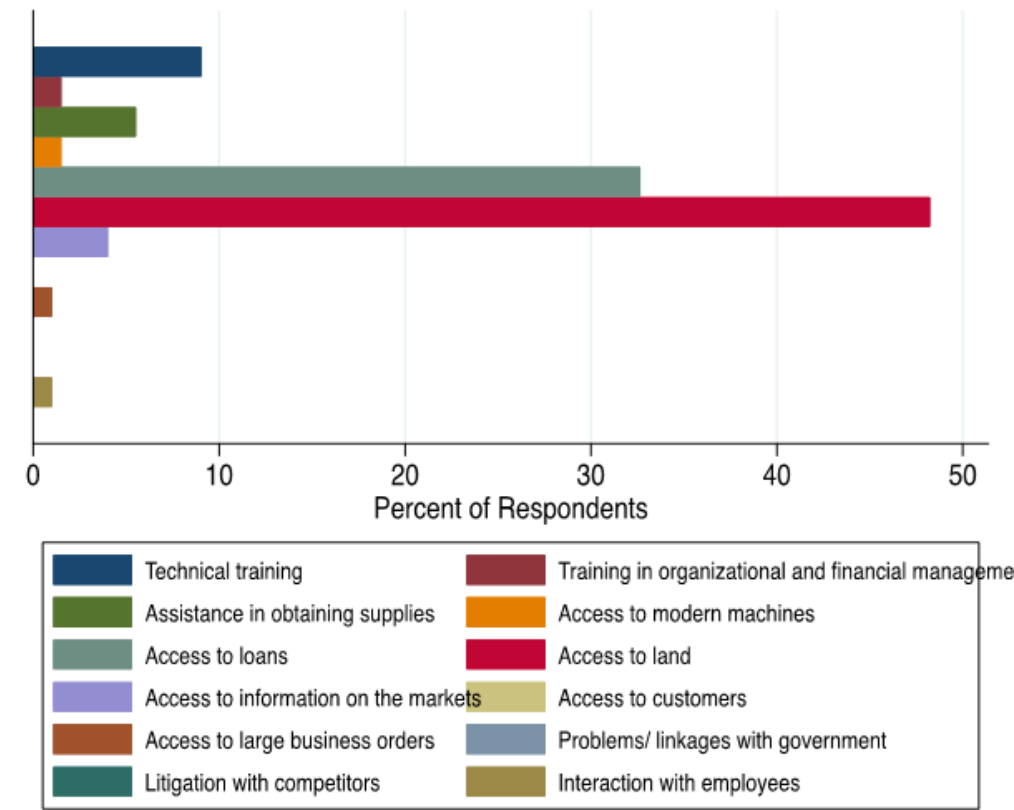


Figure 8: Constraints Youths Experienced While Running a Business

Table 15: Supports Received to Overcome Constraints – Successful and Less Agripreneurs

	Profit			
	Less success- ful Agri- preneurs	Successful Agripreneurs	Diff	P-value
Technical training	14	7	7	0.12
Training in organizational and financial management	4	1	3	0.14
Assistance in obtaining supplies	4	6	-2	0.43
Access to modern machines	2	1	1	0.86
Access to loans	18	39	-21	0.00
Access to land	61	43	18	0.02
Access to information on the markets	5	3	2	0.57
Access to large business orders	2	1	1	0.50
Interaction with employees	4	0	4	0.025
Employment				
Technical training	6	12	-6	0.13
Training in organizational and financial management	1	2	-1	0.56
Assistance in obtaining supplies	5	6	-1	0.75
Access to modern machine	0	3	-3	0.08
Access to loans	22	43	-21	0.00
Access to land	47	49	-2	0.73
Access to information on the markets	4	4	-0	0.99
Access to large business orders	2	0	2	0.16
Interaction with employees	2	0	2	0.16
Consider oneself as successful				

	Profit			
	Less success- ful Agri- preneurs	Successful Agripreneurs	Diff	P-value
Technical training	4	11	-7	0.12
Training in organizational and financial management	0	2	-2	0.30
Assistance in obtaining supplies	6	5	0	0.96
Access to modern machine	0	2	-2	0.30
Access to loans	23	36	-14	0.07
Access to land	53	47	6	0.44
Access to information on the markets	0	0	0	0.08
Access to large business orders	0	0	0	0.39
Interaction with employees	4	0	4	0.02
Performance compared to others				
Technical training	6	17	-12	0.01
Training in organizational and financial management	1	1	0	0.87
Assistance in obtaining supplies	5	7	-2	0.59
Access to modern machine	0	5	-5	0.01
Access to loans	38	19	19	0.01
Access to land	48	48	0	0.99
Access to information on the markets	2	9	-7	0.03
Access to large business orders	1	0	1	0.36
Interaction with employees	1	0	1	0.36

| Challenges and Constraints

This section presents the perceptions and aspirations of youth agripreneurs, and the perceptions of their parents and peers of jobs and businesses in the food and agriculture sector. It discusses the main motivating factors for choosing and staying in the business activities. It also shows youth agripreneurs' aspirations in the sector, their future plans within the sector or planned to seek alternative businesses or job.

Many of the agripreneurs (32%) reported that the main reason for choosing the food and agriculture sector was because it provided better income or profits than other business activities or sectors (Table 16). Substantial fraction of youth agripreneurs also reported they chose the food and agriculture sector to be economically independent from family members (19%) and because the sector was easy or required low capital to start the business (16%) or that it was a family tradition (16%). Most of the youths reported that they chose to stay in the sector because it was what they wanted (46%). However, considerable number of the youth agripreneurs reported that they stayed in the sector because they could not find better jobs in other sectors (45%). A total of 94% of the youths indicated that they would want to continue their business activities, but significant proportion of the respondents (30%) also reported that they were looking for different jobs/business activities. On youth agripreneurs' perceptions and those of their peers, the youths perceived that they (98%) and their peers (90%) considered the food and agriculture sector as an attractive sector. Finally, about 90% of the youths mentioned that they were satisfied with what they were doing. In a nutshell, the youth agripreneurs reported that they chose the food and agriculture sector because it gave better income or higher profits than other sectors and therefore planned to continue in the business activities.

Table 16: Perceptions and aspirations

	N	%
Main reason for choosing this business activity		
Family tradition	32	16
It's the profession I know	14	7
Easy to start/ low capital requirements	32	16
It gives better income/ higher profits than other activities/ sectors	63	32
More stable returns than other activities/ sectors	19	10
To be independent	39	20
Main reason for staying in this business		
Because this is what I wanted to do in life	92	46

	N	%
Because better jobs were not available	90	45
Because my parents wanted me to do so	16	8
Other	1	1
Planning to continue in the business in the future		
187		
94		
Looking for a different job/business opportunity	60	30
Percentage of youths who think food and agriculture is an attractive sector	195	98
Peers of the youth agripreneurs consider food and agriculture as an attractive sector	179	90
Overall satisfaction with what the youths agripreneurs do now		
Very satisfied	83	42
Somewhat satisfied	97	49
Not satisfied	16	8
Not at all satisfied	3	2

Youths were asked if they wished to receive any support to overcome their constraints. Most of the youths were willing to receive support. Particularly, the vast majority of youths wished to receive improved access to loans and land, suggesting that policies aimed to promote youth's engagement in agribusinesses should focus on the innovative ways of improving access to the aforementioned resources.

Table 17: Supports Agripreneurs Wished to Receive to Overcome their Present Constraints

	N	%
Technical training	40	20
Training in organizational and financial management	5	3
Assistance in obtaining supplies	75	38
Access to modern machines	52	26
Access to loans	95	48
Access to land	92	46

	N	%
Access to information on the markets	61	31
Access to large business orders	29	15
Problems/ linkages with government	24	12
Litigation with competitors	13	7
Interaction with employees	1	0.5
Other	10	5

Discussion and Conclusion

Ethiopia, the second most populous country in Africa, has one of the largest youth population in SSA and in the world. While this is an immense and untapped potential resource for the country, there remains crucial questions on whether and how the country's economic growth will largely benefit from this demographic dividend. This is due to the fact that youth unemployment is a major concern in the country. Against this backdrop, agriculture, which accounts for about one-third of the country's GDP and two-third of the country's total employment, has been increasingly considered as a pathway out of this problem. Particularly, agribusiness (any on or off-farm activities related to food production, processing, marketing, logistics or distribution), which is expected to be a USD 1 trillion industry by 2030, is also widely recognized as a great potential to create job opportunities for the youth and address this concern. This report examined the pathways to enhance youth engagement in productive employment, particularly in farming and agribusiness. Specifically, it aimed to uncover the success factors for youth in farming and agribusiness, the main challenges and barriers to entry into farming and agribusiness. Further, it examined the policy interventions that were most relevant to support youth in farming and agribusiness. To this end, the report utilized data collected from 199 youths in three regions in Ethiopia.

The majority (61%) of respondents were male, which suggested that males were more likely to be engaged in farming and agribusiness. The average age of the respondents was 28 years and fell within the age bracket of 18 to 35 years. While almost all of the youths in the sample were able to read and write, more than 70 percent of them had at least secondary or high school education. Youths in the agriculture and food sector had comparable socio-economic characteristics as those who were outside of this sector (Gebreeyesus et al, 2018). The results suggested that youths in the agriculture and food sector may not be those with less human capital and those who willingly opted for agriculture because they had no other option.

The dominant business activity was farming, where 58% of the youths in the sample were engaged in, followed by food processing (14%) and food retailing (12%). Further, the findings showed that more than two-third of the youths in agriculture were engaged in the livestock farming, while about 27% were engaged in crop production. The findings also showed that most of the youths only partially formalized their businesses in the sense that while most (91%) of them reported that they had their businesses legally registered either with the tax or local authorities or with both, only 26% opened a bank account in the name of their businesses and 56% of the respondents reported that they had no written bookkeeping and account records. On average, the businesses created job opportunity for about 3 persons, ranging from 0 to 25. Interestingly, almost all of the businesses were start-ups.

The findings also showed that wealth and capital assets (land, buildings, machineries and equipment, livestock and poultry, and inherited wealth from parents) and, family background and social networks (number of close people, number of people willing to provide small amount of money, parents help, to find a job or set up a business etc.) appeared to be the driving factors

behind success in agribusiness compared to education and skills specific to agriculture and agribusiness. On the other hand, the results revealed financial difficulties, lack of land, and supply of raw materials as constraining factors youths faced while starting and operating business activities. Specifically, 83% of the respondents pointed out that the main constraints they experienced were related to financial difficulties. About 48%, 38% and 23% of the respondents also indicated lack of land, supply of raw materials, and lack of customers, respectively, as the main barriers encountered at the point of entry into agribusiness. Interestingly, large fraction of youths reported that they received support from the government, international organizations or an NGO to overcome the hurdles and almost all of them were satisfied with the support they received.

Most notably, agripreneurs reported that they chose the food and agriculture sector not because they had no other options, rather it gave better income or higher profits than other sectors and thereby majority of the youth agripreneurs had plans to continue in the sector. Hence, promoting agriculture, with a focus on agribusiness and agripreneurship, could be vital for creating employment opportunities to absorb the burgeoning number of young people actively looking for employment in Ethiopia and should be given a top priority.

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Annex

Table A1: Demographic & Socio-economic Characteristics of Youths Engaged in Food Processing & Distribution and Farm & Livestock Production for Sale

	Food processing & distribution	Farm & Livestock production for sale	Diff	P-value
Age	27	29	-2	0.01
Sex of respondent	30	82	-52	0.00
Marital status				
Single/never married	37	31	6	0.34
Engaged to be married	4	1	3	0.14
Married	50	65	-15	0.03
Separated/divorced	5	3	2	0.53
Widowed	4	0	4	0.03
Have any children	40	59	-19	0.01
Read and write	96	95	1	0.71
Current formal schooling status				
I have never studied	5	6	-1	0.84
I have stopped my education	91	87	4	0.36
I am currently studying	4	7	-4	0.30
Highest level of formal education				
Primary (Incomplete)	8	25	-17	0.00
Primary (complete)	11	13	-2	0.63
Secondary/high school	43	33	10	0.17
Vocational	15	15	0	0.99
University	23	14	9	0.12
Field study				
Social sciences	11	18	-8	0.42
Business	25	15	10	0.34
Science, Mathematics, Data Science	14	21	-7	0.49
Engineering, Manufacturing, Construction	36	30	6	0.66
Agriculture and Veterinary Science	7	6	1	0.87
Health	4	6	-2	0.66
Other	4	0	4	0.28

	Food processing & distribution	Farm & Livestock production for sale	Diff	P-value
Father's highest level of formal education				
No formal schooling	76	65	11	0.12
Primary (Incomplete)	8	21	-13	0.01
Primary (complete)	3	6	-3	0.29
Secondary/high school	6	1	5	0.03
Vocational	0	1	-1	0.42
University (Under-Graduate)	6	5	1	0.66
Post-Graduate	0	2	-2	0.26
Mother's highest level of formal education				
No formal schooling	81	84	-3	0.63
Primary (Incomplete)	10	10	0	0.94
Primary (complete)	4	1	3	0.14
Secondary/high school	1	0	1	0.21
Vocational	0	2	-2	0.26
University (Under-Graduate)	1	4	-3	0.25
Post-Graduate	1	0	1	0.21
Parent's migration				
Yes, my father	0	3	-3	0.11
Yes, my mother	5	4	1	0.74
Yes, both	6	5	1	0.66
Number of persons in the household earn income	2	2	0	0.24
Household receive any non-labour income	10	10	0	0.94
Household's overall wealth				
Well off	3	3	1	0.97
Fairly well off	32	27	5	0.47
Around village average	39	41	-2	0.69
Fairly poor	21	28	-8	0.23
Poor	6	1	5	0.03
Household's monthly income				

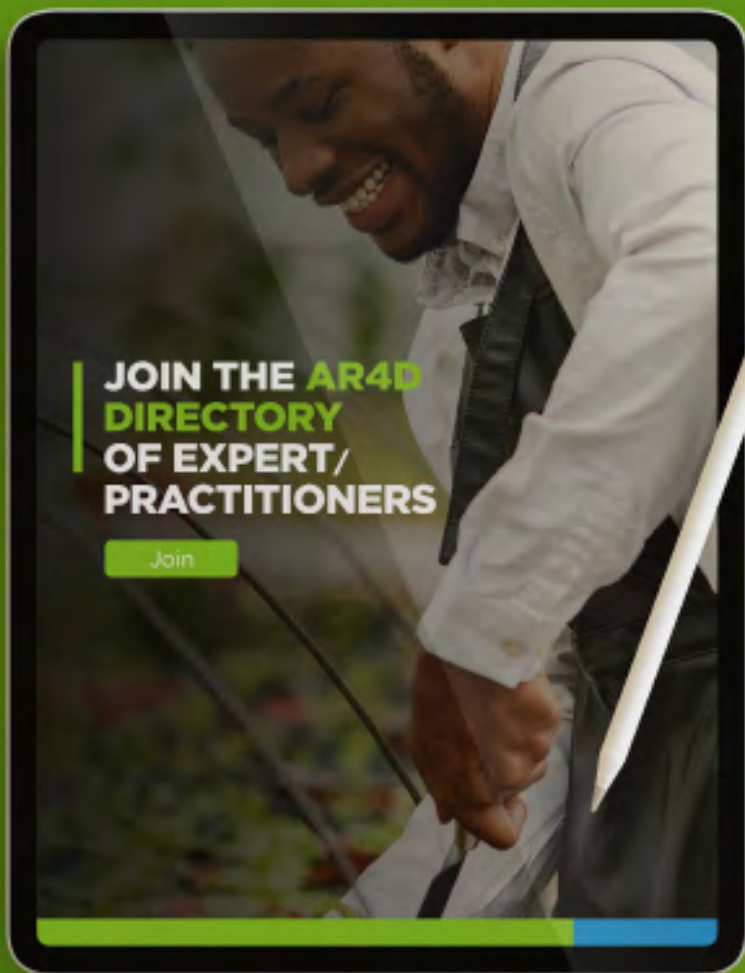
	Food processing & distribution	Farm & Livestock production for sale	Diff	P-value
Household income	7117	8540	-1423	0.39
Observations	78	121	199	

Table A2: Correlation Between Indicators of Success in Agripreneurship

	Total expense	Total revenue	Profit	Employment	Success	Performance
Total expense	1.00					
Total revenue	0.50	1.00				
	0.00					
Profit	0.06	0.89	1.00			
	0.42	0.00				
Employment	0.443	0.28	0.09	1.00		
	0.00	0.00	0.20			
Success in business activity	0.20	0.23	0.16	0.26	1.00	
	0.01	0.00	0.02	0.00		
Performance compared to similar businesses	0.21	0.26	0.19	0.16	0.50	1.00
	0.00	0.00	0.01	0.02	0.00	

Table A3: Success in Business Between Youths Engaged in Food Processing & Distribution and Farm & Livestock Production for Sale

	Food processing & distribution	Farm & Livestock production for sale	Diff	P-value
Total expense (ETB)	51867	94558	-42691	0.02
Total revenue (ETB)	40760	200842	-160082	0.00
Profit (ETB)	-11108	106284	-117392	0.00
# of employees	2	4	-2	0.00
Successful business activity (%)	56	84	-28	0.00
Businesses performance (%)	19	35	-16	0.01
Observations	78	121		199



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