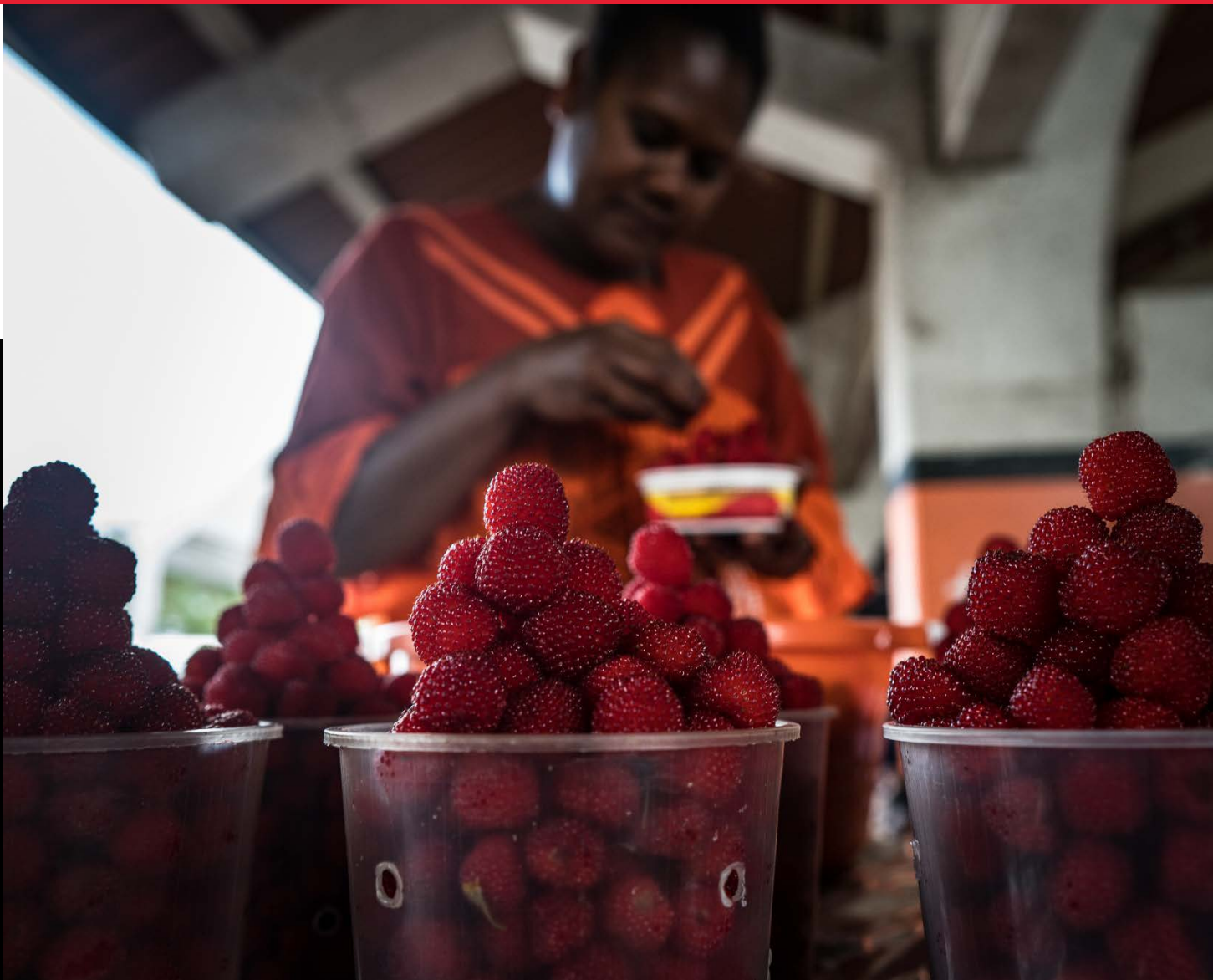


Developing the agriculture sector through youth entrepreneurship: The case of Vanuatu and lessons from Fiji

Rebecca Bogiri



POLICY BRIEF

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This policy brief is a publication of the Griffith Asia Institute, Griffith University, Queensland that highlights the need for tailored interventions to motivate and support youth engagement in agriculture. The findings, interpretations and conclusions expressed in this paper are those of the author(s) and should not be attributed to Griffith University or affiliated organisations.

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Cover image: Fresh produce sold at the Efate Port Vila Market in Vanuatu. (Asian Development Bank)

Introduction

The global population is expected to increase to 9 billion by 2050, with youth aged 15 to 24 accounting for about 14 percent of this total¹. However, employment and entrepreneurial opportunities for youth, especially those living in the economically stagnant rural areas of developing countries, remain limited, poorly remunerated, and of poor quality.²

This is especially true for Vanuatu, where youth unemployment and the lack of sustainable rural livelihoods have been a persistent challenge. With a fast-growing youth population and a high school dropout rate of 35.6 percent³, thousands of new positions are needed annually to accommodate new job seekers, but the formal employment sector is only absorbing a fraction of that number.

Over half of Vanuatu's population reside in the rural areas, where the production of Vanuatu's key agricultural exports of copra, copra meal, coconut oil, kava, cocoa, and beef take place. Despite significant potential for future development and growth, local farmers have continued to face difficulties in commercialising agriculture.

Contributing factors to this include a lack of market access infrastructure, inadequate air and sea freight capacity, insufficient private sector marketing capabilities, and unresolved phytosanitary and market access issues. Beyond marketing challenges, factors such as perceptions of agriculture as a "dirty job", low returns from agriculture, isolation, difficulties accessing finance and the formal financial system, and land tenure issues hinder the willingness and ability of local farmers in Vanuatu to invest in commercial agriculture. An additional barrier of lack of information, capacity building and business management skills further inhibits young people from venturing into this sector.

This background of a high population growth rate, limited employment opportunities, and the vast untapped opportunities in the agriculture sector, raises the question of what can be done to effectively encourage and motivate the growing youth population to engage in the agriculture sector for self-employment. This paper was put together following a desktop review and consultation with key stakeholders in Vanuatu's agriculture sector, with the objective of raising awareness among policymakers of other success stories in the Pacific region that can be used as a model for replication in Vanuatu.

The agriculture sector in Vanuatu

Vanuatu's Agriculture Sector Policy 2015 – 2030⁴ describes Vanuatu's economy as an agriculture-based economy in which 80% of the population depends entirely on subsistence agriculture for their daily sustenance and wellbeing. Since independence in 1980, the main agricultural export commodities have been kava, cocoa, copra and coconut oil, timber, cocoa, and beef.⁵ In 2021, these core export products earned 5.9 billion vatu (49 million USD) worth of export income, equivalent to 0.05 percent of GDP.⁶

Common challenges faced by producers of these export commodities include the need for standards and food safety certification, accessing internationally recognised accreditation standards to maintain market access, and volatile production due to regular tropical cyclones and the effects of climate change.

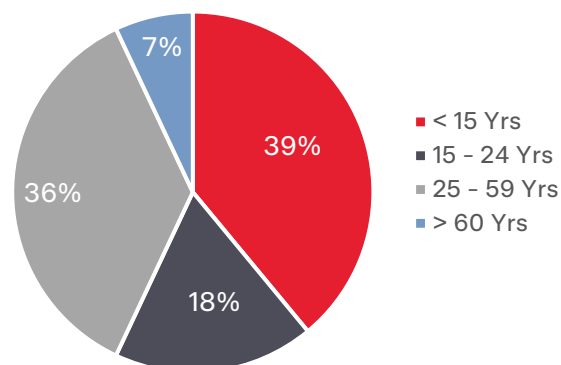
While around 80% of Vanuatu's population resides in the rural areas, the 20% that reside in the urban areas rely on agricultural products sold from market centres and roadside markets to complement the food purchased from supermarkets for their daily source of nutrients. There are few commercial farms, and many farmers producing local fresh produce use small plots or a few hectares of land only. Coupled with regular tropical cyclones that can destroy crops within a few days and the ongoing international increase in the price of goods, this has continued to push up food prices making it more and more expensive for residents to access fresh and nutritious food.

At the policy level, there is a strong commitment in line with Vanuatu 2030: The People's Plan⁷ to focus on building a strong rural economy, and strengthen and expand production of export commodities, strengthen food security and increase access to nutritious food, introduce climate resilient crop varieties and climate smart agriculture farming methods, promote an inclusive agricultural sector that includes participation of women, youth and vulnerable groups, and provide more training and awareness at the community farmer level.⁸ Within the training and capacity building policy priority, there is a mandate to focus specifically on women and youth.⁹

Vanuatu's population structure, challenges and opportunities

The 2020 census estimated the population of Vanuatu to be 300,019 people, with an average growth rate of 2.3 percent. It is estimated that the population will double within 31 years, reaching 600,000 people by 2050.¹⁰ Vanuatu's population also has a relatively young age structure: 57 percent of the population is aged 25 years old or below.

Figure 1: Vanuatu population 2020



Source: Vanuatu National Statistics Office (VNSO), 2020.

The large youth population presents opportunities in the form of an increased labour force that is available for work. However, this needs a labour market that is ready to absorb new workers. On the other hand, these new workers must have some form of education, and have basic literacy and numeracy skills at the level required by the labour market. The opportunity of this demographic dividend may not be realised if the labour market is restricted or if there is insufficient investment in human resources development.

Statistics from the education sector in Vanuatu show that there is a high dropout rate of 35.6 percent¹¹. In the 2020 census, 65 percent of the total population in school were categorised as in early childhood centres and primary schools (ages 11 and below). The minority 19 percent were in junior secondary schools (age 12 – 15), 9 percent were in senior secondary schools (age 16 – 18), and remaining 3 percent were in post-secondary institutions and tertiary institutions.

A 2018 study on barriers to education in Vanuatu revealed that the top five barriers to education in Vanuatu were not being able to meet school fees, lack of parental support or insufficient value placed on education, difficulty accessing schools due to long travel distances and poor road infrastructure, disability (access, teaching inclusion, and discrimination) and the impact of disasters on the community and education facilities, as well as relocation of population and use of school buildings as evacuation centres.¹²

One key recommendation during the consultations on addressing the barriers to education was allocating more resources to vocational and technical centres. Several educators, parents, and youths noted that the current education system was not training them in the skills they would need for employment in the industries on their islands and rural areas. This was seen as a disincentive to continue with formal education; with a preference for learning 'on the job'. The 2018 study on barriers to education in Vanuatu recommended that more awareness be raised on the links between knowledge and local industry skills that were relevant to everyday rural livelihoods, such as the management of farms and agricultural operations, budgeting, documentation of business operations and management, and decision-making.

Seasonal employment and the re–integration framework

The labour market for Vanuatu’s growing population of youths is restricted to seasonal employment in Australia and New Zealand, employment in the government, and employment or self–employment in the private sector in manufacturing, agriculture, and services industries. The Vanuatu National Provident Fund (VNPF) states that it has more than 8,000 registered workers¹³, while recent studies have put Vanuatu’s labor force in seasonal employment in Australia and New Zealand at 16,562 workers.¹⁴

Vanuatu has seasonal migrant labour schemes in place with Australia and New Zealand that recruit workers aged 21 years old and above. This has provided its growing population an avenue to earn income outside of Vanuatu and be exposed to new technologies and skills transfer in different sectors such as tourism and hospitality, agriculture, and horticulture.

The New Zealand Recognized Seasonal Employer (RSE) program initially began with a pilot program in 2007 before expanding in the following years. The Pacific Australia Labour Mobility Program (PALM) is a similar initiative that began in 2009. It has two modalities: the Seasonal Worker Program (SWP) and the Pacific Labor Scheme (PLS).

Recent studies have shown that Vanuatu remains the largest supplier of labour to Australia and New Zealand, accounting for 35 percent or 16,562 of the total visas issued during the 2022–23 financial year.¹⁵ The majority (95 percent) of Ni–Vanuatu workers were primarily engaged in seasonal work, and the remaining 5 percent of 923 Ni–Vanuatu were granted long–term PALM visas in 2022–23. Gender aggregated data for the same period show that 11 percent of Vanuatu’s total working population aged between 20 and 59 are engaged in seasonal work programs, and the figure is slightly higher at 20 percent when only males are considered.¹⁶

There has been a lot of debate on the merits of seasonal migrant labour schemes. It has been a win for both New Zealand and Australia as development partners to the Pacific by providing a solution to the short–term labour requirements in their horticultural industries and, without direct financial aid, facilitated much–needed injections of foreign currency during the pandemic, into the economies of Pacific countries through remittances.¹⁷

Data from the World Bank suggest that the remittances that Vanuatu received in 2022 totaled 150 million USD, equivalent to 15.3% of GDP.¹⁸ Studies conducted also show that households participating in RSE program typically earned 35 percent more income than other households who did not participate in the program, and this was positively correlated with increased expenditure at the household level, increased savings, improved dwelling structures, and an increase in bank deposits with registered financial institutions.¹⁹

The Vanuatu government has recently commenced its legislative and policy review in early 2023, of the Seasonal Employment Act of 2007 and the 2019 National Labor Mobility Policy. A new draft Labor Mobility Policy and Action Plan (2023–26) was also released for stakeholder consultation in May 2023, and it is due to be finalised in early 2024.

This comes after the Ministry of Agriculture released its Framework for the Reintegration of Agricultural Workers in Labor Mobility Programs 2021 – 2023.²⁰ The framework’s mission was designed to be implemented by the Department of Agriculture with the support of multiple stakeholders including the Department of Labor, to support the reintegration of Ni–Vanuatu workers by maximising skills development and facilitating their investment into the agriculture sector, as well as supporting farming families as a business unit and supporting those who remain to look after the business as well as those who travel for work overseas.

To guide the reintegration of labor mobility workers into the agricultural sector, a two–step process was designed to be supported by ongoing data collection, research, and review. The first step of ‘business–ready workers’ includes training and ongoing mentoring in human development, leadership, soft skills, financial literacy, business planning and management, farm management, and agricultural skills. The second step of a ‘supportive business environment’ includes accessing mentoring on business development, certification and accreditation of training, marketing opportunities, access to finance, and reviewing of the existing policies and legislation to ensure that they are up to date and relevant to the needs of returning labor mobility workers. The implementation of the reintegration framework began in late 2023 and it is expected to complement the existing review of the legislative and policy frameworks.

Financial literacy: Education, training and access to finance

The ‘2020 Money Pacific Goals’ was adopted by the Forum Economic Ministers’ Meeting and the regional Central Bank Governors in 2009, with a mandate to build financial literacy and financial inclusion.²¹ The first 2020 Money Pacific Goal is for all school children to receive financial education through core curricula.

In 2019, Vanuatu officially reported back to the Forum Economic Ministers’ Meeting that Financial Education had been embedded in existing primary school subjects from Years 1 to 4, and work was being undertaken to extend it to the Year 5 curriculum as well. Apart from this, all the financial service providers in Vanuatu offer financial literacy training to their adult customers and in the communities where they operate.

Apart from these efforts, the subject is also taught by vocational and rural training centres, NGOs and institutions, as

part of various leadership and business training that they offer. For example, the Vanuatu Chamber of Commerce and Industry offers a free one-day training called "Start Smart" which takes participants through the different steps of setting up and starting a business, including taking your idea and turning it into a business, and registering it and meeting all the legal requirements. After completing this training, the participant has the option of also attending other short free one-day courses on basic financial literacy, and the different aspects of running a business.

Youth Challenge Vanuatu (YCV) on the other hand offers a short-term program called Redi Blong Bisnis²², which is a practical program for youth aged between 18 to 35 years old who wish to develop their own businesses. Selected youth are trained in life skills, financial literacy, introduction to business, and business planning. They also can attend a marketing forum and conduct market research for their business ideas. They then have access to a small business grant to begin their enterprises, and they are supported by mentors and YCV staff and their business networks through one-to-one progress meetings and monthly seminars. A 2015 evaluation resulted in the compilation of 20 successful case studies of successful participants of the YCV programs, showing positive impacts in their lives such as gaining employment or improved financial literacy business management skills.²³

This is similar to V-Lab, a Port Vila-based business and idea incubator that currently offers a short-term program called Growtargeting the agri-business sector. Jointly implemented with World Vision and funded by the European Union, the 30-month program is aimed at accompanying 100 young people and women involved in agribusiness in their entrepreneurial journey. This includes training on financial literacy and basic business management, coaching, and mentoring, networking, and access to finance.²⁴ Given the very recent commencement of this program, we are yet to see what the impacts of it are.

The Department of Agriculture and Rural Development in partnership with the Vanuatu Skills Partnership Program published a seasonal crop calendar in 2019²⁵ to support local farmers by strengthening their awareness to plant seasonal crops that will maximise their yields and income earned. The calendar has had a positive impact on farmers and 67% of participants of agri-business training programs that educated farmers on how to make use of the seasons to plant crops that could maximise their yields said that their incomes increased.²⁶

These programs are in line with the Vanuatu National Youth Development Policy²⁷ which has a priority on youth employment and social security and seeks to achieve this by strengthening the capacity of existing institutions that provide training for skills and entrepreneurial development.

ADB's country brief for Vanuatu in 2019²⁸ noted that despite the country's efforts to enhance financial literacy and inclusion, meeting the credit demand of many small and medium-sized enterprises remained challenging due to stringent collateral requirements. The National Bank of Vanuatu which is majority-owned by the government and Vanuatu's only domestic bank, has played an important role in delivering financial services to the outer islands and rural areas, through its microfinance and financial literacy programs. The National Bank of Vanuatu

recorded a 53% growth in microfinance lending in 2017, after it introduced rural land and seasonal labor loans to rural residents and seasonal workers in 2015. Its financial literacy program was also effective in increasing the number of bank accounts held by rural residents during the same period.

Lessons from Fiji

With this background of a high population growth rate, limited employment opportunities, the vast untapped opportunities in the agriculture sector, and the limits of financial literacy education in Vanuatu, the question is what can be done to effectively encourage and motivate the growing youth population to engage in the agriculture sector for self-employment.

Two lessons from Fiji are worth discussing because they have proven to be successful, and they are changing the lives of youths by supporting them to be entrepreneurs in the agriculture sector. These are youth-specific grants to support the business development of innovative ideas and targeted training for rural youth on the skills, motivation, and aspirations necessary for successful commercial agriculture and self-employment.

1 | Young Entrepreneurship Scheme (YES)

The Young Entrepreneurship Scheme (YES) is an initiative of the Ministry of Commerce, Trade, Tourism and Transport, targeting the development of young business entrepreneurs with innovative ideas. The program provides grants up to FJD 30,000 (13,381 USD) to applicants between the ages of 18 to 40 years old to develop or expand their businesses.²⁹

Since its inception in 2017, the scheme has assisted 13 applicants with over FJD 305,000 in total, to develop and expand their innovative MSMEs in different sectors such as Health, Agriculture, Construction, Traffic Management, Recreational Services, and ICT. According to the Ministry of Commerce, Trade, Tourism and Transport, the scheme has a 90% success rate and data from the first 10 applicants show that the beneficiary MSMEs have created more than 30 jobs.³⁰

One of the beneficiaries of the scheme in its earlier days is Rinesh Sharma, a young engineering graduate who is a hydroponics farmer in Lautoka, Fiji. Since then, he has won a further USD 120,000 from the United Nations Development Program (UNDP) Asia's Adaptation Fund Climate Innovation Accelerator in 2022. His business, Smart Farms Fiji Foundation, was one of the 22 successful recipients out of 383 applicants in the world, and it will use these climate funds to train the clusters under the Ministry of Youth and Sports on developing sustainable urban systems that prioritise small-scale agricultural interventions to create large-scale impact.³¹

2 | Tutu Rural Training Center

The Tutu Rural Training Centre (TRTC) is an initiative of the Catholic Church in Fiji. Set up by the Society of Mary on the island of Taveuni in Fiji in 1969, their mission statement is 'to

provide a place or presence in which the people of Cakaudrove province are empowered to become more autonomous and take charge of their lives in a rapidly changing world'.

TRTC offers several courses, including the Young Farmers Course (YFC) which was first introduced in 1983. It centres around effective agricultural training, addressing the outflow of talented youth from rural areas, and instilling in rural youth the skills, motivation, and aspirations necessary for successful commercial agriculture. The main features of the four-year course are:

- a) entry selection criteria that provide proof of aptitude for farming and access to their own land;
- b) trainees are allocated two acres at TRTC for their exclusive use during the duration of the course;
- c) a supervised work plan and program in the trainees' home village;
- d) a focus on each trainee, developing a five-year plan to be implemented at the completion of the TRTC course;
- e) an emphasis on crops that are already part of village agriculture;
- f) a compulsory saving system to raise capital for reinvestment in the home, farm and house;
- g) intensive follow-up of the trainees; and
- h) encouragement of parents and community support.

A review of the program in 2018³² found that 90 percent of participants of the Young Farmers program were still farming their own land for an income. The review also documented successful case studies of these graduates, three of whom had kava crops in their farms valued between 80,000 to 250,000 FJD (35,685 to 111,515 USD). These valuations were based on increased volumes of production and also the increasing value of kava over time.

The findings are consistent with the results from a 2011 review of the program which used 27 years of data collected from the participants of the Young Farmers program.³³ The report drew the following conclusions on the impact of the course:

- a) There is an exceptionally high demand for the course and a low participant dropout rate. The review found that between 100 to 300 applicants apply for each intake, but only between 40 to 50 applicants are accepted.
- b) Virtually all participants return to farm their own land. According to the data, 92 percent of all participants who completed the program are still farming for an income.
- c) The income earned from farming by ex-YFC participants is relatively high. For example, for the participants graduating in 2011, the highest estimated annual income was 97,000 FJD (43,267 USD), and the average estimated annual income for the group was around FJD 28,000 (12,490 USD). This was significantly higher than the minimum wage offered in different industries such as manufacturing, tourism, garments, wholesale, retail, and others who offered 1.50 to 3.70 FJD (0.7 to 1.7 USD) per hour and offered workers annual wages between 3,000 to 9,000 FJD (1,338 to 4,015 USD) during the same period.
- d) The benefits accruing to ex-YFC participants appear to be sustained. Not only do a high percentage of YFC graduates return to farming their own land, but most participate in commercial agriculture for the remainder of

their working life. For example, the data from the 1983 intake showed that 92 percent of the graduates were still farming their own land for an income, and 14 percent were classified as large farmers due to the large number of crops they farmed. On average, the graduates had 1,018 kava plants and 2,179 taro plants, and the highest number of crops farmed by an individual were 7,000 taro plants and 1,500 kava plants.

- e) The absence of the need for credit for farm development and housing, and considerable investment in housing and farm development from Tutu savings. The compulsory savings requirement taught by the TRTC has enabled participants completing the program to raise the funds needed for building their own houses and expanding their farm and general business development.

The case study interviews with ex-Young Farmers identified the key elements that made the Tutu approach work. These included a strong emphasis on human development, as well as access to land, a compulsory savings scheme enabling access to finance, family support, time management skills, and regular staff visitations that enabled sustainability of farming activities resulting in self-employment, and strong spiritual guidance. Since the 2011 review, more emphasis has been placed on soil quality management in the curriculum and practical sessions, with all kava crops planted under Calliandra trees and Mucuna beans being planted after their taro crops were harvested before leaving the land to fallow for at least six months.

Napil Rural Training Center: Creating youth entrepreneurs in the agriculture sector

Napil Rural Training Center (RTC) was established in 1999 in the Middle Bush area of the southern island of Tanna in Vanuatu, to offer vocational training in areas such as carpentry, mechanics, sewing, and agriculture. In 2011, the Napil Rural Training Center Lead Trainer, Tom Iotil and Peter Kaoh from the Farm Support Association (FSA) visited Tutu RTC for a regional study tour. Organised and funded by Geoff Bamford, a long-time champion of rural training in the Pacific, the tour exposed them to the Tutu model of training rural youth seeking remunerative self-employment in agriculture using their own land resources. Consequently, FSA designed a 'Tutu-type' pilot on a smaller scale to be implemented at the Napil RTC, using the same principles and methods.

An evaluation report completed in 2014³⁴ described a successful start-up despite limited funding of USD 50,000 over a three-year period, applying the Tutu model to the situation found at Middle Bush, Tanna, and pioneering the involvement of village-based youth, both male and female, in commercial agriculture. Table 1 summarises the replication efforts of the Tutu model at Napil RTC.

Table 1: Tutu model at Napil Rural Training Center

Institution	Tutu Rural Training Center	Napil Rural Training Center
Name of Course	Young Farmers Course Now referred to as the Kevin Young Farmers Course	Vanuatu Young Farmers Development Course
Mode	Non-formal education	Non-formal education
Length of Study	Initially 4 years, and it was later restructured into a 3-year course	2 years
Course fee	No fees are charged, although participants are expected to contribute in kind through labor to TRTC's maintenance and income earning enterprises.	10,000 Vatu (83 USD per annum. Participants are also expected to contribute in kind through labor to TRTC's maintenance and income earning enterprises.
Residential facilities	Boarding facilities available for some participants. The remainder of participants attend training during the day and return home in the evening,	No boarding facilities available. Participants attend training during the day and return home in the evening.
Entry requirement	<ul style="list-style-type: none"> • 1000 kava plants or other crops • Signed agreement form granting unimpeded access to land by village chief. 	<ul style="list-style-type: none"> • Demonstrated interest in farming by having their own garden • Entry is assessed on a case-by-case basis. • Signed agreement form granting unimpeded access to land by village chief.
Age range of participants	19 – 23 All participants are male, and they are from Cakaudrove province and the surrounding area.	19 – 25 Later extended to 19 – 30 to enable older interested and motivated participants to attend. Female participants are welcome to join, and consultations with the Napil RTC management revealed that they have students from other islands such as Malekula, who travel to Tanna to attend the course.
Land allocated at RTC	4/5 of a hectare	100m ² for vegetable plot 200m ² for taro plot
Land allocated to participants in the village	Village land from "mataqali" available for unimpeded use in a written agreement signed by Chief. Size is not specified but data from the course participants suggest that these are large plots of land capable of planting 7000 kava or taro plants and above. Kava as a monocrop can be planted with a minimum spacing of 1 meter by 1 meter. ³⁵	¼ to ½ of a hectare of village land available for unimpeded use in a written agreement signed by Chief
Oscillation period	5 weeks at Tutu RTC and 5 weeks at home with regular visits from TRTC facilitators	2 weeks at Napil RTC and 2 weeks at home with regular visits from NRTC facilitators
Focus on crops that are already part of village or area agriculture and have existing marketing systems.	Medium-term crop: taro Long-term crop: kava Longer term crops: sandalwood	Short-term crops: onions, carrots, cabbage, tomatoes Medium-term crops: taro Long-term crops: kava, coffee Longer term crops: sandalwood Emphasis on small livestock production as well

Institution	Tutu Rural Training Center	Napil Rural Training Center
Course Curriculum	<ul style="list-style-type: none"> • Human development • Water management • Vegetables: crop management • Taro: crop management • Kava: crop management • Weed management • Pest and disease management • Time management • Marketing • Finance management • Record keeping • Health and workforce management • Risk and risk management • Soil management <p>Since 2011, a stronger emphasis has been placed on soil management.</p>	<ul style="list-style-type: none"> • Human development • Water management • Vegetables: crop management • Taro: crop management • Kava: crop management • Weed management • Pest and disease management • Time management • Marketing • Finance management • Record keeping • Health and workforce management • Risk and risk management
Objectives for participants graduating from the course	<ul style="list-style-type: none"> • Personal savings accounts with funds accumulated for building a house and farm or business establishment and expansion • Over 600 stems of 3-year-old kava • Over 600 stems of 2-year-old kava • Over 600 stems of 1 year old kava • A five-year plan to build a permanent house 	<ul style="list-style-type: none"> • Certificate in Farming as a Business; • Personal savings account with a balance over 100,000 Vatu (830 USD); • Over 150 stems of 2-year-old kava on their own land; • Over 150 stems of 1-year-old kava on their own land; • Over 150 stems of less than one-year old kava on their own land; • a two-year plan to build a permanent house.

Source: *The Napil Rural Training Center: An Evaluation Report, December 2014.*

The 2014 evaluation report also identified some challenges for the Napil RTC, including securing ongoing funding to ensure staff continuity and expansion, limited land at the Napil RTC that limits the number of participants in its courses, and Napil RTC not being a church-based institution which creates a need for strong community commitment and support to the staff, and the importance of FSA as an independent farming association supporting Napil RTC as critical for long term sustainability and growth.

The funding challenges have come about due to lack of funding support from the government and dependency on initial funding from OXFAM which was managed and implemented by the Farm Support Association (FSA). At the time of writing this paper, FSA has advised that the OXFAM-funded activities ended in 2021, and that there has been no new intake for the Vanuatu Young Farmers Development Course in 2022 and 2023. This unfortunate situation had already been foreseen and highlighted in the 2014 evaluation report as a major risk.

Unlike Tutu RTC, Napil RTC has been unable to attract the government funding that it needs despite the success stories

of its course participants and the positive effect that the Vanuatu Young Farmers Development Course has had on the inhabitants of Middle Bush on Tanna. Qualifying as a low-hanging fruit for funding support due to ease of implementation through a tried and tested method that works, Napil RTC with the support of FSA in the implementation of the Vanuatu Young Farmers Development Course are directly meeting the Ministry of Agriculture's objectives under their 2022-2025 Corporate Plan to create an inclusive private sector through capacity building with a special focus on women and youth.

An Oxfam publication in 2017 detailed the success stories of some of the Napil RTC graduates from their first cohort, both male and female.³⁶ They had all successfully implemented the skills they had learnt and were earning an income from farming and small livestock production. This income was saved in their compulsory savings account with the National Bank of Vanuatu, to be used to fund their farm expansion and build their houses.

Four of the success stories from the ten graduates in 2016 are summarised in Table 2.

Table 2: Success stories from the 2016 Napil RTC graduates

Personal details	Cash crops	Livestock	NBV Savings Balance
Name: Sanin Nocklam Sex: Female Graduation year: 2016	<ul style="list-style-type: none"> • 700 taro heads • 105 cassava hills • 264 sweet potato hills 	<ul style="list-style-type: none"> • 3 local chickens • 4 boars • 1 sow • 2 cows 	75, 040 Vatu (623 USD)
Name: Elijah Johnny Sex: Male Graduation year: 2016	<ul style="list-style-type: none"> • 400 taro heads • 120 yam hills • 15 Whitewood stems • 25 Mahogany stems • 20 Sandalwood stems 	<ul style="list-style-type: none"> • 6 roosters • 5 hens 	62, 614 Vatu (520 USD)
Name: Elvis Nimahunu Sex: Male Graduation year: 2016	<ul style="list-style-type: none"> • 570 taro heads • 25 cassava hills • 106 kava stems • 30 Sandalwood stems 	<ul style="list-style-type: none"> • 45 broilers • 4 local chickens • 1 sow • 1 bull 	20,000 Vatu (166 USD)
Name: Peter Louis Sex: Male Graduation year: N/A	<ul style="list-style-type: none"> • 200 taro heads • 700 yam hills • 27 Tamanu stems • 30 Sandalwood stems 	<ul style="list-style-type: none"> • 45 broilers • 20 local chickens • 1 sow • 5 piglets 	27,610 Vatu (230 USD)

Source: Farm Support Association: *Stories for Change, March 2017.*

Given this successful and proven methodology for effective agricultural training, addressing the outflow of talented youth from rural areas, and instilling in rural youth the skills, motivation, and aspirations necessary for successful commercial agriculture, it would be a missed opportunity for the Vanuatu government not to allocate funds in their recurrent budget to support such initiatives and scale up and replicate the model across the country. The training curriculum has been developed over time to meet the needs of the community in Middle Bush, Tanna. There are existing facilities to be used, along with staff and strong networks and grant management support from the FSA. The missing piece in the puzzle is much needed recurrent funding support, as Napil RTC charges a minimal fee of 10,000 Vatu (83 USD) per year per participant. Consultations with FSA and the Napil RTC team have

suggested that an annual budget of 5 million Vatu (41,523 USD) going forward would be sufficient to effectively run Napil RTC, offer the Vanuatu Young Farmers Development Course to an increased number of participants, support participants and their surrounding communities to receive farming equipment and planting materials, and offer short training courses to the surrounding community to encourage them in their sustainable farming initiatives and self-employment in commercial agriculture in an environmentally friendly and inclusive manner.

A number of policy recommendations can be derived from this paper that relate to these issues. The following policy recommendations are already stated in the Vanuatu Agriculture Sector Policy 2015 – 2030³⁷ and the next steps will be to implement them in partnership with the identified stakeholders.

Recommendations

RECOMMENDATION 1

Develop appropriate agriculture training based on the needs of the sector

Develop appropriate agriculture training syllabus and modules based on the needs of the sector (with identified stakeholders being Vanuatu Qualifications Authority, Ministry of Education, Rural Training Centers (RTCs), Vanuatu Institute of Technical Education (VITE), Vanuatu Agriculture College (VAC), Department of Agriculture and Rural Development (DARD), Vanuatu Agricultural Research and Technical Centre (VARTC), and Department of Industries).

RECOMMENDATION 2

Conduct formal and informal training with more emphasis on field practice

Develop appropriate agriculture training syllabus and modules based on the needs of the sector (with identified stakeholders being Vanuatu Qualifications Authority, Ministry of Education, Rural Training Centers (RTCs), Vanuatu Institute of Technical Education (VITE), Vanuatu Agriculture College (VAC), Department of Agriculture and Rural Development (DARD), Vanuatu Agricultural Research and Technical Centre (VARTC), and Department of Industries).

RECOMMENDATION 3

Allocate sufficient budget to skills development

Allocate sufficient budget to skills development fund to support agriculture training needs (with identified stakeholders being the Government of Vanuatu, development partners, NGOs, and the private sector).

RECOMMENDATION 4

Enhance agriculture extension outreach

Utilise existing structures and networks to enhance agriculture extension outreach (with identified stakeholders being church networks, provincial area secretaries, farmers associations, and NGOs).



Monica tends to her plot, which apart from coffee arabica, includes banana, cassava, kava, sandalwood and taro (Photo: SDG Fund/Catherine Won)

Conclusion

Considering the expected global population increase to 9 billion in 2050, limited employment and entrepreneurial opportunities for youth, and in recognition of the agricultural sector's potential to serve as a source of livelihood opportunities for rural youth, the Food and Agriculture Organization (FAO), Technical Centre for Agricultural and Rural Cooperation (CTA), and the International Fund for Agricultural Development (IFAD) carried out a joint study in 2011 to assess the challenges and opportunities with respect to increasing rural youth's participation in the agricultural sector.

Six key challenges were outlined in their final report.³⁸ Upon close review, it is clear that the Tutu method as implemented by the Napil RTC has sufficiently addressed these challenges in a local context, warranting strong government and donor funding support to enable continuity and sustainability of their Vanuatu Young Farmers Development Course that is creating youth entrepreneurs in Vanuatu's rural agriculture sector. The challenges are summarised below, along with how the Tutu method has been implemented in Napil RTC to provide a locally tailored approach to effectively address the challenge.

Challenge 1: Youth's insufficient access to knowledge, information, and education.

Poor education and insufficient access to knowledge limit productivity and the development of entrepreneurial ventures, particularly for young rural women in developing countries. Agricultural education should be improved to incorporate agricultural skills and meet the needs of rural labor markets.

This challenge has been addressed by offering relevant non-formal training in agriculture and farming as a business for self-employment, that is relevant to the situation in Middle Bush, Tanna .

Challenge 2: Youth's limited access to land.

Although access to land is fundamental to starting a farm, it can often be difficult for young people to attain due to barriers such as inheritance laws and customs in developing countries that negatively affect females, and lack of loans to assist youth in acquiring land or leasing arrangements through which youth gain access to use land.

This challenge has been addressed by the entry requirement that Napil RTC imposes on new intake, requiring them to have a signed letter of agreement from their local chief granting them access to up to half of a hectare for unimpeded use as a youth farmer. This has enabled female commercial farmers to emerge in a farming community that is male dominated.

Challenge (3) Inadequate access to financial services.

Financial service providers are hesitant to offer credit, savings, and insurance to rural youth due to their lack of collateral and financial literacy. Promoting youth-specific financial products, mentoring programs, and startup funding opportunities can address this issue.

This challenge has been addressed by the entry requirement that Napil RTC imposes on new intake, requiring them to open bank accounts with the National Bank of Vanuatu and save their earnings from the sale of crops or small livestock. These accumulated earnings are used to fund farm expansion or build a house according to their two-year plan, thus eliminating the need for access to credit.

Challenge 4: Difficulties accessing green jobs.

Green jobs offer sustainable livelihoods, but rural youth may lack the skills to participate in the green economy. Improving youth's access to education and training, both formal and informal, is crucial to address this skills gap.

This challenge has been addressed by participants accessing training in a non-formal setting at Napil RTC, and creating a compulsory savings culture, which motivates the course participants to sustainably continue farming for self-employment using the skills they have learned.

Challenge 5: Young people's limited access to markets, as without such access youth will not be able to engage in viable and sustainable agricultural ventures.

Access to markets for youth has become more difficult due to the growth of supermarkets, their supply chains, and formal standards. Improving access to education, training, market information, and producer groups can help youth access markets, particularly in niche markets.

This challenge has been addressed by Napil RTC ensuring that they focus on crops and livestock that have a strong existing market system. This means that all farm produce can be easily sold to earn an income.

Challenge 6: Youth's limited involvement in policy dialogue.

Young people's perspectives are often overlooked in policymaking, resulting in policies that fail to address their diverse needs. To ensure their voices are heard, youth need the skills and capacity for collective action, and policymakers must actively engage them in the policymaking process. This will help develop policies that effectively support young people's multifaceted needs.

This challenge has been addressed by Napil RTC in their human development courses that ensure participants accept who they are and their situation in life, assess the opportunities they have, and plan on how to effectively utilise these resources for self-employment. This builds self-confidence and ensures that course participants are empowered to take charge of their own livelihoods. These successful participants often emerge as youth leaders and village leaders, organising and influencing their fellow youth to be engaged in farming for an income, and elevating their visibility in the community to participate in decision making and advocacy efforts.

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