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A world-class regulator of a vibrant, diversified and sustainable crop industry

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AN ASSESSMENT OF YOUTH PARTICIPATION IN PRIMARY HORTICULTURE PRODUCTION FOR ENHANCED FOOD SECURITY IN NAMIBIA

Key Messages

- The National Youth Policy defines youth as individuals aged 15–34 years. However, studies conducted by the Namibian Agronomic Board (NAB) reveal that the average age of Namibian crop farmers is 40 years or older.
- The Namibian horticulture sector is predominantly composed of farmers above 40 years of age, with minimal participation from the youth. This situation threatens the sector's sustainability and the country's food security as older farmers retire.
- This causes concerns that horticulture's economic contribution to GDP may decline in the future due to insufficient youth involvement as the older generation of farmers becomes inactive.
- The crop and forestry subsector contributed only 2.5% to Namibia's GDP between 2018 and 2022. Youth unemployment remains critically high (46.1% in 2018), with only 15.4% of the youth employed in agriculture, forestry, and fishing.
- Namibia imports 40% of its horticultural products, creating opportunities to increase local production through greater youth engagement. This could reduce dependency on imports and enhance GDP contribution.
- Current interventions to support youth in horticulture include: Market Access (Platforms and schemes provided by institutions such as AMTA and NAB); Access to Finance (Youth-targeted loans from Agribank); Input Subsidies (Government programmes like the Horticulture Support and Value Chain Development Programme); Support Grants (Funding through EIF) and, Awards and Mentorship Services (Initiatives by the NAB and other stakeholders to encourage youth participation).
- Key challenges hindering youth participation include: Limited access to finance; Limited access to land; Inadequate technical skills and mentorship; Minimal value addition to horticultural products; Low employment opportunities and negative perceptions of agriculture as a career.

- Strategic recommendations to enhance youth participation in horticulture include: Expanding affordable financing options tailored to youth needs; Improving access to land and ownership opportunities; Enhancing capacity-building programmes, mentorship, and technical support; Promoting agriculture as a viable and attractive career choice; Encouraging value addition to horticultural products to create jobs and increase profitability and, Developing and implementing youth-specific agriculture policies to address their unique challenges and needs.
- These interventions aim to increase youth involvement in horticulture, improve food security, and boost the sector's contribution to Namibia's economic growth.

1 Introduction

In Namibia, a youth is a person whose age is between 15 and 34 years (National Youth Policy – third revision). According to the demographic characteristics of stakeholders consulted in previous studies conducted by the NAB, such as “*An Analysis of Market Access by Small-Scale Horticulture Producers in Namibia*” and “*Baseline Study Regarding the Status Quo of Fruits Production in Namibia*”, Namibian horticulture farming is dominated by farmers who are above 40 years (NAB, 2021 & 2022). Based on the NAB statistics on the demographics of the horticulture farmers and as per the National Youth Policy’s definition of youth, there are very few youth horticulture farmers. This indicates low participation in horticulture primary production by the Namibian youth. This reality threatens the future of horticulture production and the country’s food security as the majority of active horticulture farmers are approaching the retirement age of 60 plus.

The Namibian crop farming and forestry subsector contributed on average 2.5% to the Gross Domestic Product (GDP) over the last five years (2018 – 2022) (Namibia Statistics Agency [NSA], 2023). This is quite low compared to other subsectors like livestock farming, which contributed 3.3% on average over the same period. The low youth participation in horticulture farming could also further reduce the crop sector’s contribution to the GDP in future as overall horticulture production declines. Furthermore, youth unemployment in Namibia is at an alarming rate of 44.4% as of 2023, and the youth employed in the agriculture, forestry and fishing sectors only account for 18.8% (Namibia Statistics Agency [NSA], 2023).

The continuous importation of horticultural products into Namibia from neighbouring countries at 40% and an increase in demand (Namibian Agronomic Board, 2024) signals growth and opportunities for increased local production to be undertaken by the younger generation. However, for the horticulture subsector to be more active and attractive to the youth, there is a need to formulate and implement more youth-centred policies and programmes while relaxing existing financing requirements and conditions, as well as access to land for horticulture production.

This policy brief highlights the current status of youth participation in primary horticulture production in Namibia and the challenges the youth experience, which affect their participation in horticulture production. It also provides a brief review of some of the current interventions targeting youth participation in the crop subsector. The policy brief concludes with some key policy recommendations to complement the current interventions for possible considerations to attract more youth participation in horticulture farming with the overall aim of improving the sector's contribution to the GDP and food security.

2 Overview of the current interventions targeting the youth in the crop sector

There are several Government programmes and projects established that are aimed at attaining food security both at the household level as well as the national level. Some of these interventions are specifically tailor-made to target the youth and entice them into participating in crop production, whilst others are for all farmers, and the youth can still take advantage of those. These interventions/ programmes are but not limited to the following;

- a) **Access to markets** – There are institutions such as the Agro-Marketing and Trade Agency (AMTA) and the Namibian Agronomic Board (NAB) that are actively involved in the marketing of agricultural commodities (specifically crops) produced by Namibian farmers. AMTA has constructed and manages Fresh Produce Business Hubs (FPBHs) facilities that present a platform for farmers to market their produce as well as provide a common place where local retailers can source their produce for distribution in the domestic and international markets. NAB, on the other hand, facilitates the Horticulture Market Share Promotion Scheme (MSP), which aims at stimulating horticultural production in Namibia and promoting local sales of locally produced fresh fruit and vegetables by encouraging importers such as wholesalers, catering companies and retailers to source locally. These interventions, although not limited to the youths only, provide relief in terms of guaranteed markets for those currently involved in crop production, provided proper production planning is done.
- b) **Access to finance** – Agribank Namibia has a loan facility known as the Women and Youth loan. This extends loan capital to youths between the ages of 18 and 35 years as well as to women and other agricultural professionals on a no-age-limit basis (Agribank of Namibia, 2024). This is a guaranteed loan facility targeting the youths who may want to be involved in not only crop production but also other crop value chain stages such as processing, harvesting, transportation, marketing, etc. The youths, however, may be limited to taking up these loans due to stringent requirements, i.e. collateral, which may deter the youths who lack land, assets, or savings.
- c) **Government subsidies on production inputs** – The Ministry of Agriculture, Water and Land Reform (MAWLR) has a specific programme targeted at small-scale farmers involved in horticulture production. This programme, called the Horticulture Support and Value Chain Development Programme, aims to provide support to horticulture farmers in terms of subsidies on

seeds, fertilisers, pesticides, herbicides, irrigation materials, shadenets, packaging materials and land preparation. For the 2022/2023 financial year, the Ministry set aside an amount of N\$5,6 million targeting about 4,500 farmers. MAWLR is also implementing the Green Scheme Policy, which aims to promote food security and economic growth by encouraging farmers' participation in crop production. Namibian youth have an opportunity to participate in this programme to have access to land and infrastructure, financial support and capacity building,

- d) **Support grants** – The Environmental Investment Fund of Namibia (EIF) is another public institution offering funds in the form of grants under its grant facility for climate change adaptation and mitigation-related projects. The grants are targeted to the general public in the form of individuals, Community-Based Organisations (CBOs), Youth Groups, Women's Groups, Non-Profit Organisations (NPOs) and People Living with Disabilities as they are all eligible to access funding for proposals under the EIF Grant Facility. This facility is limited to thematic areas of Natural Resource Management and Utilization, Agroforestry, Nature-based Enterprises, Green Technologies and Low Carbon Development and Sustainable Agriculture (EIF, 2023), which includes crop production ventures. The only disadvantage to this facility may be that the grant amount is limited to a maximum amount of N\$150,000, which may not be sufficient to start up a whole new horticulture production enterprise from scratch.
- e) **Awards scheme** – NAB is one of the few Government institutions making a positive impact in encouraging youth participation in the crop sector by exclusively awarding youths who are currently engaged in crop production. These awards, which include other categories of value-chain actors in the crop industry, are conducted yearly to encourage the youth to participate.
- f) **Advisory and mentorship services** – Apart from the extension services offered to crop farmers by the MAWLR through its Directorate of Agricultural Production, Extension and Engineering Services (DAPEES), other institutions such as Agribank also provide advisory services to transfer skills as well as enhance knowledge and attitude towards farming as a business to increase productivity. Whilst the Government extension services are offered to all Namibian farmers, the mentorship and advisory services by Agribank are strictly limited to its clients. However, the bank also offers free public training on various topics related to agriculture from time to time.

3 Key challenges preventing the youth from participating in primary horticulture production

As stated in the previous section, youth participation in the crop sector, specifically horticulture primary production, is quite limited. In recent years, Namibian youths have been showing some interest in taking up crop production as a means to generate income for themselves and contribute to the economy of the country. This is because in terms of awareness and the encouragement and promotion of agriculture as an opportunity for economic development, much has been done not only by the government but also by other private organisations, which has enticed the youths with that

willingness to take up the challenge. However, the youths still face various challenges to fully establish themselves and even to start. Some of these challenges are (as detailed below) **limited access to capital or finance and strict requirements, limited access to land, insufficient technical skills and support** and many others.

3.1. Limited access to capital or finance and strict requirements: Financial institutions such as Agribank offer loans to youths. Unfortunately, most of the youths face some difficulties accessing these loans due to limited collateral and other strict requirements. Another risk is that the interest rate to borrow such funds for horticulture production is very high, thus making it unaffordable for youths to produce effectively.

3.2. Limited access to land: Many Namibian youths do not have access to or own any land, which is what is mostly needed for primary horticulture production. Complex processes to acquire land in communal areas, as well as the high costs of private land, intensify this challenge.

3.3. Insufficient technical skills and support: Limited mentorship and extension services, coupled with a lack of agricultural training, hampers the ability of the youth to venture into horticulture production. This is because the youths need to know and understand a lot of agricultural practices involved in horticulture production for them to succeed. Without additional support and mentorship, the youth is less likely to participate in this venture.

On the other hand, formal employment in the agriculture sector (especially at the farm level) seems to be quite low as there are many agriculture graduates without formal employment. This is another discouraging factor to the youths, especially in terms of young people taking up agriculture as a career at the education level, as it creates a negative perception towards the career.

Another challenge is that the remuneration for agriculture graduates or employees in agriculture, in general, seems to be low because those few youths who are employed in the sector are underpaid, which is another discouraging factor. According to NSA (2018), the average monthly wage of a person employed in the Agriculture, forestry and fishing sectors is N\$3,393, which is 16% lower than the average wage of a person employed in the wholesale and retail trade sector, earning an average wage of N\$4,019 monthly. The average wage is N\$20,459 monthly for people employed in the financial and insurance activities sector.

Another challenge may be the limited value addition of crop products in Namibia, as most of the products are sold in raw form. A study by the NAB (2021) revealed that Namibia imports an annual average of 54 570 tons of agro-processed products at an estimated average value of over N\$1.5 billion, mainly juice, frozen vegetables, frozen potato chips, jams, olive oil, spices and other forms of dried vegetables.

4 Conclusion

Youth participation in primary horticulture production in Namibia remains limited despite substantial efforts by the government and other stakeholders involved in promoting the sector. Challenges such as limited access to land, capital, and technical support, coupled with unfavourable perceptions of agriculture as a viable career, hinder greater youth involvement in the sector. These challenges, if left unaddressed, have the potential to pose a threat to the sustainability of the horticulture sector and Namibia's food security as a whole, particularly as the majority of active farmers approach retirement age.

However, opportunities exist to enhance youth participation. Programmes such as the Green Scheme Policy, Agribank's youth-targeted loan facilities, and government subsidies on inputs provide an opportunity for greater engagement. Custom-made interventions such as easing financing requirements, increasing land accessibility, capacity-building initiatives, promoting value addition, and others are crucial to addressing existing gaps.

By strategically implementing youth-focused policies and strengthening existing programs, Namibia can ensure a more active horticulture sector, improved food security, and more contributions to the country's economic growth.

5 Recommendations

Given the high import of most crop commodities by Namibia, there is a continuous demand for food in the country, thus indicating the need to invest more in crop production, particularly horticulture ventures. Strategic interventions need to be adopted to assist the youths in taking advantage of these opportunities. Based on the details enlightened in this brief, and to ensure increased participation of youth in the crop sector, specifically in horticulture production, the following recommendations are made;

- a) **Enhance access to affordable financing:** The issue of access to funding has always been one of the main challenges to farmers and more especially for the youth who may not own any assets to back them up as collateral. There is a need, therefore, for AgriBank and other financial institutions to avail financial services that are tailored to the needs of the youth engaged or who intend to engage themselves in the crop sector. Strategies such as *Subsidized loans and grants with reduced interest rates, flexible payment terms etc.*; *Financial education to equip the youth with relevant financial knowledge and*; *Public-Private Partnerships (PPPs)* which involve collaborations with various stakeholders to pool resources together for youth-friendly financial products tailored to horticulture production could be some of the specific strategies that are available for further exploration.

- b) **Improve land access and ownership by the youth:** The government, through its land allocation programmes (resettlement programme), should accelerate the finalisation and eventually the implementation of the revised National Resettlement Policy that will hopefully offer alternative *land lease models* that will be beneficial to the youths. Other options the government could consider are *allocating portions of land in communal areas* exclusively for youths engaged in horticulture production and implementing an *affordable land purchase*, such as installment-based payments to help youths acquire arable land, along with *simplifying the land acquisition process*, especially in the communal areas.
- c) **Improve technical skills and mentorship:** The MAWLR, GIZ and other interested parties should consider developing agricultural training initiatives, such as capacity-building programmes to teach the youth the necessary knowledge about horticulture production practices. Mentorship and extension services are also necessary to encourage the youths not to give up but be resilient through strengthened advisory services, regular visits with technical support as well and coordinated practical guidance and skills transfer from experienced horticulture farmers. This could be monitored and coordinated by the MAWLR.
- d) **Boost and promote agriculture as a profession:** As much as other professions are important, the same is true for agriculture because all humans need food to stay alive, and food comes about as a result of agriculture. There is a need for the MAWLR and other interested parties to boost and promote the profession through strategies such as *incentives* i.e. tax breaks or subsidies for young professionals in agriculture; *Run awareness campaigns* of the success stories of youth currently participating in crop production to inspire others and; *Create employment in agriculture* whereby agribusiness ventures are encouraged to prioritise hiring young agriculture graduates and offer internships, therefore creating formal job opportunities in the sector.
- e) **Promote value addition and market linkages:** Investing in *Processing and packaging facilities* will allow the youth to add value to the raw horticulture products, hence increasing profitability and also encouraging expansion. The Government, through the MAWLR and NAB, should also consider strategies that focus on *Guaranteed market access* for the youth, which can consider an option to include quotas for youth under the existing Horticulture Market Share Promotion (MSP) scheme. Another option to consider is the *Export Incentives* whereby the youth is supported in terms of participation in export-oriented horticulture production through training, certification, and subsidies for international market entry.
- f) **Formulate, adopt and implement policies to support the youth in the crop sector.** The current policies, such as the National Youth Policy, the National Agriculture Policy and the Green Scheme Policy, do not sufficiently address the issues of youth participation in the agriculture

sector, let alone in the horticulture subsector. Streamlining the current Government interventions and the formulation of a *National Youth Agribusiness/Agriculture Strategy* (as a strategy of the National Youth Policy) that specifically targets the Namibian youths could be beneficial to directly address the concerns of the youth and eventually help increase youth participation in the crop sector. It will also be beneficial to actively include the youths in the formulation process of this strategy as they know best their challenges and how best such challenges can be addressed.

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