

Participation of women and youth in Ag-mechanization business: Employability and Entrepreneurship opportunities.

Presented by

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Agenda

- 01 Gender and Youth inclusion in Agmechanization sector
- 02 Inclusiveness in Business Strategy practiced by market system
- 03 Policy and inclusion
- 04 Project experience (ACDI/VOCA)
- 05 Opportunities unlimited

















01. Gender and Youth Inclusion in Agmechanization sector

Gender Inclusion

- In Bangladesh, gender gaps, and **patriarchal norms** create barriers to women's ability to access finance and training to become entrepreneurs or productive economic agents.
- Ag-mechanization sector being more male dominant makes women's participation harder. It is rare for women in Bangladesh to run businesses that provide farmers with mechanization services.
- Even in production lines of mechanization industry and in marketing roles of such businesses, women are rarely seen to get employment.
- Lack of needed skill set, knowledge, experience, exposure and connection with the mechanization industry are the **practical obstacles** for women to participate.

















01. Gender and Youth Inclusion in Agmechanization sector

Gender Inclusion

- Women in Bangladesh are breaking the norms of patriarchal set up in agriculture as well as in mechanization sectors in roles of service providers, owners and managers in businesses.
- It has been observed that the introduction of mechanized threshers, irrigation devices, weeders, hulling machine/ dehusker and power operated small processing units has made a remarkable impact on women's role in rural areas as income-earning members, contributing to women empowerment and participation in decision making.
- Participation of women in the production line of agmechanization industry and in spare parts industry (LE sector) is still limited due to lack of exposure to the industry and informal nature of the employability.

















01. Gender and Youth Inclusion in Agmechanization sector

Youth Inclusion

- Similarly for young people (aged 18-30) to challenge the barrier to enter the ag-mech market was not an easy task.
- Many of them start as apprentices in the light engineering or foundry sectors and gradually learns the skills needed to continue in this trade.
- Skill and experience, informal employment structure and unfamiliarity about the employability and business opportunities.
- Recently youth men/women are being seen to find employability as service providers in rented mechanization business.

















02. Inclusiveness in Business Strategy practiced by market system

Private sector and business opportunities

- Attracting skilled population, both men and women, requires change in mind set of private sector
- Creating formalized job opportunities for young men and women (in technical production, sales and distributions, backward and forward linkage markets etc.)
- Young men and some women are also being seen to have taken up roles as "MSPs" machine service providers.
- Skill development trainings are being offered along with financial literacy and business management.
- Private sector is increasingly showing appetite to bring adaptive changes to be inclusive in their business strategies.















03 Policy and inclusion

Ag-mechanization policy 2020

- National Ag-Mech policy 2020 also emphasizes specific guidance to increase youth and women participations.
- For example, rural youth need to be built up as machine service entrepreneurs and ensure greater participation of the youth community in machinery repair and maintenance.
- Youth community will be encouraged to set up area-based servicing workshop and machinery service centers to ensure after-sales service, repair and maintenance services.
- Preference will be given to the technically educated jobless youths with the assistance of incentives, training, advice and bank loan to develop them as machinery service entrepreneurs.
- Women will be encouraged through training about awareness building and safe machinery use.
- Women will be encouraged to become entrepreneurs in providing agricultural machinery services.

















04 Project experience (ACDI/VOCA)

USAID Feed the Future funded Rice and Diversified Crops Activity RDC (2016-2021), implemented by ACDI/VOCA

- The Activity incentivized the private sector to expand their business and promote diversified farm management technologies to intensify rice production and diversify into higher-value, nutrient-rich crop production. Ag-mechanization was one of the most challenging and forward-looking sectors where RDC intervened.
- Adaption of inclusive business strategies through private sector partnerships to bring system level change was one of the major goals to achieve.
- Mechanization input companies designed and implemented innovative and effective business promotions to expand distribution and promotion of usage of machines among small holder farmers, including women farmers.

















04 Project experience (ACDI/VOCA)

USAID Feed the Future funded Rice and Diversified Crops Activity RDC (2016-2021), implemented by ACDI/VOCA



- RDC has worked with women was designed for women entrepreneurs of FtF zone to enhance business skills, financial awareness, innovation capacities and market access through 'Gender Accelerator program' (GAP).
- GAP was intended to equip entrepreneurs with skills to grow their businesses and facilitate access to business support services (e.g., finance) and market-led opportunities.
- In 2018, RDC implemented the Unnoty Gender Accelerator Program (GAP) in partnership with Light Castle Partners (LCP) as part of its startup phase that used a data driven approach
- 400 women were scouted through selection process and finally 60 qualified to be part of the tailored mentoring part of the GAP.
- GAP also included workshops with industry experts, practical learning sessions on business principles, business model development, financial, governance, branding, and technology, etc.
- Between 2018 and 2019, a total of 60 female entrepreneurs graduated from the accelerator program under LCP's partnership with RDC.

















04 Project experience (ACDI/VOCA)

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- Financial planning and governance helped entrepreneurs: (i)Identify profit and loss, (ii)Manage their inventories, (iii) Manage their finances for both business and household.
- Majority of the respondents reported increasing their customer base by 100+ customers. Approximately 60% Respondents reported revenue Increases.
- The respondents greatly acknowledged the contributions of the program to creativity and innovation in entrepreneurship, especially in the face of shocks such as the Covid-19 pandemic.
- Respondents reported increased participation in household decision making, greater independence, and familial support as key outcomes linked to their participation in the GAP
- Transfer of knowledge and skills from graduates of the accelerator program to other women in their communities (multiplier effects) was a major outcome of GAP.

















The U.S. Government's Global Hunger & Food Security Initiative

04 Project experience (ACDI/VOCA)

ACDI/VOCA's Rice and Diversified Crops Activity (2016-2021)

- BREAKING THE NORMS OF PATRIARCHAL SERVICE SECTOR IN MECHANIZATION OF AGRICUTLURAL.
- Story of Ms. Kulsum Begum:
 - Bangladesh, Kulsum Begum wanted to increase her family's income, but she faced many challenges. Kulsum Begum purchased a combine harvester from USAID funded Feed the Future Bangladesh Rice and Diversified Crops (RDC) Activity partner, Metal. RDC's facilitation gave her the opportunity to buy the harvester in a subsidized price with the help of a bank loan which apparently changed her financial state progressively. Utilizing the combine harvester, operated by her son, Kulsum provides mechanized harvesting services to neighboring farmers as a Local Service Provider (LSP).



















05 Opportunities unlimited

Employability in private sector

- Women can participate in various production lines such as machine assembly (mini power tillers, thresher, crusher etc.), repairing parts of machines, painting work, automated fabricating of machineries etc.
- Private sector can lead to break social norms by increasing engagement with communities and encourage women /youth to choose career in mechanization sector.
- Provide formal employment structure with proper benefits, insurance, job security to attract young population
- Roles like sales and marketing officer will require certain academic qualification; hence women/youth with graduation can apply even without experience. For technical jobs in production, pvt sector can provide time bound trainings to women/youth based on their level of education/experience; Create skilled labour force.
- In Light engineering sector, it is important to have sustainable backward linkage with the industry and nurture more formal structure of recruitment and retention practice.

















05 Opportunities unlimited

Entrepreneurial opportunities

- More opportunities are still unrealized when it comes to entrepreneurial roles in mechanization sector for gender and youth.
- Being trained on various usage of machines, women/youth can develop new business service provisions in their communities for various stages of production (land preparation, interculture stage, irrigation, harvest and post harvest etc.)
- In addition to becoming machine service providers (extension agents), businesses as franchisers/distributors can also be an opportunity; it will be important to create linkages with financial institutions to provide credit for working capital and fixed assets in flexible terms.
- Digitally based systems for managing the financials in a business, advertising the services offered through social media, using digital systems for tracking machines and for coordinating the services with customer demand should all be better managed by women and youth than older men. If companies banks and development organizations targeted women and youth when setting up businesses and marketing their products, the agricultural companies can aim to reach new segment of market beyond the existing large farmers only.
- Going forward, business incubation and accelerator models, targeted to the needs of women and youth entrepreneurs, can instigate new businesses and make existing ones more competitive.

















05 Opportunities unlimited

Framework of Accelerator Programs (AP) to support entrepreneurs

- Attracting women/youth entrepreneurs from the FtF implementation zone of influence of Bangladesh through roadshows/social media/digital platforms.
- Facilitating boot camps with women/youth entrepreneurs on productivity, business expansion, division of capital and financing.
- AP mentorship to provide intensive training and support to selected entrepreneurs. The subjects to cover can
 include financial planning and governance, marketing and customer relationship, business expansion, technical
 skills, financial literacy and business formation. Businesses at start-up and growth stages will need tailored
 solutions of mentorship.
- Access to appropriate financial solutions for new and growth level businesses; Creating healthy financial record
 and as sound business plan can work as a good pitch for these businesses. Thus, financial literacy, education and
 capability will be standalone part of the mentorship.
- Finally demo day for graduates of the accelerator program to share their learnings and businesses experiences with larger market players, mainly input and output companies and commercial banks.
- In next step, link growth level businesses as supply chain businesses and distributors for larger established mechanization companies with value proposition of increased competitiveness through efficiency.
- Post-mentorship technical support and capital solutions can accelerate the entrepreneurial strides among new businesses.





























