

# OPPORTUNITIES IN VALUE CHAIN & FOOD PROCESSING

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Rural youth entrepreneurs are vital as they can reallocate resources from the agricultural sector to the processing sector through knowledge, skills and food processing technology. Consequently, they may find their interests and talents are best aligned with agribusiness value chain and food processing rather than traditional agriculture and farming. The need is to engage rural youth by creating an eco-system and effective entrepreneurial policy framework for promoting entrepreneurship in food processing and value addition.

The future of any country lies in its youth. They are the most dynamic segment of population and each of them has infinite source of energy geared with limitless aspiration. Today's youth are the most creative, innovative, tech-savvy and have the power to transform the nation to build more powerful and prosperous world. According to the National Youth Policy (NYP-2014) of India, youth refers to people of both sexes aged 15 to 29 years which constitutes 27.5% of total population. India has the world's largest youth population, a very favourable demographic profile with a median age of about 28 years which suggests that youth will make a significant contribution to the economic development and prosperity of the country. Rural youth constituting over half of the youth population are the backbone of rural economy and equally capable of contributing to nation building through transforming the rural economy.

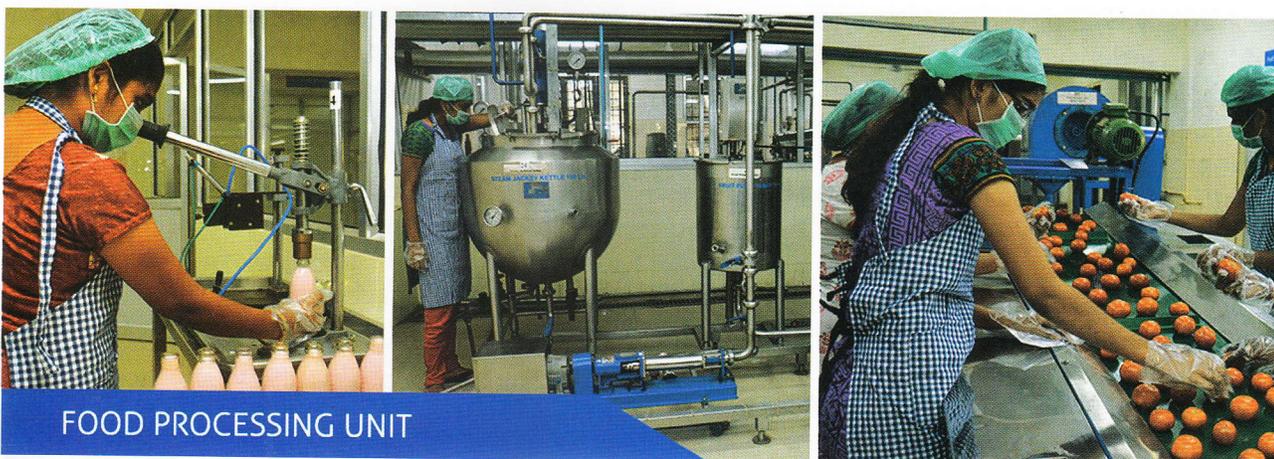
## Rural Youth as Engine for Growth:

Rural development is the real development for an agrarian economy like India. Rural development was central to the national development agenda since the beginning. Our rural youth need to be strategically integrated in development process and be prepared to act as effective agent of change.

There is a strong need to call-to-action for engaging, energizing and empowering the rural youth to see the fruit of rural development. According to FAO, as future leaders, rural youth need to be prepared and advanced in :

- 1) Improving their capabilities to produce food and to conserve productive resources in the rural environment;
- 2) Improving their skills and abilities in carrying out income generating activities in rural areas;
- 3) Relieving population pressure and improving nutrition and the well being of farming families and;
- 4) Developing leadership and the ability to work well with others in group and community situations.

Rural youth of the country are the greatest asset who can be converted into an important resource for accelerating the pace of rural development. Youth provided with appropriate training and opportunities, have the capacity to play game-changing role in transforming the lives of the rural people and address many rural problems. India as being primarily an agriculture-based economy, investing in the future of rural youth through



creating opportunities in agribusiness value chain, food processing and entrepreneurship would be the right strategy to achieve rural economic growth and development goals.

### Opportunities in Food Processing and Agribusinesses:

India had established itself as one of the world's fastest-growing economies. The rural areas are the most important economic and demographic components of the country, and path of 'sustainable' economic growth starts from there itself. The rural belt have to become thriving hubs of economic activities with the youth playing key role in the overall prosperity of the rural community.

Youth in rural society are the engine of growth of the rural economy. They can fuel the progress and growth of rural economy if proper guidance, support, motivation and right opportunities are given to them. The entrepreneurial potential of rural youth, as source of employment creation and economic growth, represents an important area of opportunity for Government to invest in rural youth. Creating an entrepreneurial spirit amongst the rural youth by providing them right mix of knowledge, technical & managerial skills, and mentoring through proper entrepreneurial policy framework can bring entrepreneurship-driven development which is more sustainable than traditional development approaches.

There is considerable potential for promoting entrepreneurship in food processing and agribusiness in the rural areas. The involvement of rural youth in agribusiness and food processing entrepreneurship can make India a world leader in the food processing sector. The food processing involves any type of value addition to agricultural produce including primary processing such as grading, sorting and packaging to increase marketability of food products. Whereas, secondary food processing involves the value addition by transforming raw produce from its original state to a more valuable state with enhanced food quality, safety and shelf life. The food processing and value addition activities predominantly offers a means to increase, rejuvenate and stabilize rural income and beyond that it ensures availability of food products throughout the year and add to food security by minimizing food wastage.



*Training Session in Village Chhoti Ladha, Bihar*

### Linking Rural Youth to Entrepreneurship

Agriculture needs to be technologically advanced and further supported by food processing and value addition activities to exploit its full potential. Rural youth entrepreneurs are vital as they can reallocate resources from the agricultural sector to the processing sector through knowledge, skills and food processing technology. Consequently, they may find their interests and talents are best aligned with agribusiness value chain and food processing rather than traditional agriculture and farming. The need is to engage rural youth by creating an eco-system and effective entrepreneurial policy framework for promoting entrepreneurship in food processing and value addition.

The Village Adoption Programme (VAP) is a unique program designed by National Institute of Food Technology Entrepreneurship and Management (an institute under the Ministry of Food Processing Industry, Govt. of India) to empower rural youth and promote entrepreneurship in food processing. Each VAP team consisting of unique combination of 10-15 students from different programmes such as BTech (Food Technology Management), MTech (in five food related disciplines) and MBA (with mandatory specialization in food & agribusiness management) including a faculty, who adopt a village and identify and nurture entrepreneurial potential among rural youth. Although, the VAP has several pillars but promotion of entrepreneurship in food processing and value addition is a major focused area. The framework that VAP team follows is consisting of following important steps and activities:

The VAP team teaches the farmers and rural youth about 'good agricultural practices (GAP)', primary processing, scientific storage practices, and value addition techniques. In addition, team



facilitates potential entrepreneurs in preparing detailed project proposals, and creating backward and forward linkages for their enterprises. The programme has facilitated in empowering rural youth in many states and promoting food processing enterprises & counting.

The national recognition of VAP programme came with winning Agricultural Leadership Award-2015 for promoting entrepreneurship in farm sector which was judged by a jury headed by Prof. M.S. Swaminathan, the Father of Indian Green Revolution. The finding of the study has implications for institutions and universities to

undertake initiatives in their areas of working to promote the rural youth and contribute to rural economy and nation building. It is also suggested that rural outreach should be integral part of course curriculum in all levels of schools/colleges for mainstreaming rural youth.

### Conclusion:

Promoting entrepreneurship in food processing and value addition among rural youth is an important way to utilize their energy to create large-scale employment opportunities, reduce poverty, minimize rural migration, and augment per capital income of rural people thereby reduces the income disparities between rural and urban people. The VAP case of NIFTEM gives lesson to learn & act by policy makers and institutions/universities to empower rural youth.

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### ICAR organizes two-day conference on Motivating & Attracting Youth in Agriculture (MAYA)

In order to meet the challenge of providing sustainable livelihoods for a rapidly growing population and to motivate and attract youth in agriculture, a two-day conference was inaugurated at NASC, New Delhi from 30-31 August, 2018 on Motivating and Attracting Youth in Agriculture (MAYA). The two day conference provided an opportunity to all stakeholders to interact and discuss various options and avenues for not only attracting youth to agriculture, but even motivating them towards entrepreneurship in agriculture and allied fields. More than 200 participants including farmers from various States, senior research, development and policy related officials/managers from national and regional organizations, NGOs, the private sector, education and training institutions, and other members of civil society participated to discuss ways to motivate and attract youth in agriculture (MAYA). The regional conference attracted participants from Afghanistan, Bhutan, India, Nepal and Sri Lanka.

The conference was organized by the Trust for Advancement of Agricultural Sciences (TAAS), Indian Council of Agricultural Research (ICAR), MS Swaminathan Research Foundation (MSSRF), Asia-Pacific Association of Agricultural Research Institutions (APAARI), Skill India, Agriculture Skill Council of India (ASCI), Young Professionals for Agricultural Development (YPARD) and National Bank For Agriculture And Rural Development (NABARD).

Realizing the importance of rural youth in agricultural development especially from the point of view of food security of the country, ICAR had initiated a program on "Attracting and Retaining Youth in Agriculture (ARYA) during 2015-16. Under this scheme, special efforts are being taken up to attract the rural youth under the age of 35 years in agriculture so that the increase in the migration of rural youth towards cities is controlled.