Stakeholders Webinar

Inclusive skills for innovative and resilient agribusiness in the light of Covid-19

3rd June 2021
Agribusiness – key global trends summary
The agri-food system has a prime role to play in tackling the global challenges of:

- Creating good jobs and generating incomes to reduce poverty
- Ensuring food security
- Shifting to a global production model with a lighter environmental footprint
Agribusiness – global and rapid transition

COVID-19 has accelerated trends

And consumer preferences continue to change at an unprecedented pace
Agribusiness – optimising opportunities

Increasing productivity, boosting inclusive value chain development

Proactive measures to maximally benefit from agricultural digitisation

Managing the global transition to fewer and better jobs in primary agriculture, and more and better jobs in agribusiness

All require significant investments in inclusive skills development (including digital skills)
Drivers and barriers for inclusive skills and innovation in agribusiness: cross-country findings
Scope

Agribusiness

Innovation

Enterprise development

Inclusion

Skills

COVID-19
Scope

Countries
- Georgia, Morocco, Serbia, Turkey, Uzbekistan

Companies
- c5 companies in each country, ranging from agri-food start-ups to international supermarkets

<table>
<thead>
<tr>
<th>Georgia</th>
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Contribution of agriculture to GDP and employment in focus countries

Source: World Bank Data Bank, 2021
Drivers of innovation in agribusiness firms

- Long-term sustainability
- Covid-19 pandemic has ‘forced’ and accelerated innovation
- New market opportunities and demands of export markets
- Specialisation
- Changing consumer demand

Covid-19 pandemic has ‘forced’ and accelerated innovation
Challenges for innovation in agribusiness firms

- Prevalence of SMEs and sector fragmentation
- Shortfalls in skills required to absorb and exploit new technology
- Financial constraints and limited access to finance
- Limited access of agribusiness operators to the innovation ecosystem
Positive experience of innovation in agribusiness firms

**Technological innovation**
- Food processing technologies (productivity and efficiency gains)
- Packing and preservation
- Supply chain management
- Sales and marketing

**Product innovation**
- Changing consumer preferences – innovation in product development, marketing, and sales

**E-commerce**
- Digital innovations spurred by expanded demand for e-commerce and platform-based agri-food operation (accelerated by Covid-19)

**Marketing and organisational innovation**
- Evolving market access requirements (consumer preferences, export regulations, etc.) – quality control, traceability, packaging, labelling, sales and marketing

**Sustainability innovation**
- Environment / climate issues a focus for innovation
- Consumer expectations on traceability and transparency

**Network effects and clustering**
- Engaging the sector and value chain in innovation - differentiator of competitiveness

Positive experience of innovation in agribusiness firms
Skills challenges in agribusiness

Supply
- Lack of generic skills required for agri-food innovation, and managerial skills
- Institutional constraints of agri-TVET
- Limited visibility and poor perceptions of agri-food careers

Matching
- Market-relevance, lack of tailoring
- Fragmented linkages, limited private sector (and SME) representation

Demand
- Lack of investment (in technology, human capital)
- Lack of commercial incentives (for investment in higher skilled workforce)
Positive experience of skills development in agribusiness firms

In-company training through company training centres

- Formal process and infrastructure for continuing training and professional development of company workforce - company ‘academy’ or training centre, expansion to remote e-learning
- In-company continuing training can be an important vector for gender inclusion

Public-private coordination and collaboration on agribusiness skills

- Cooperation on skills mismatch analyses / forecasting
- Cooperation on educational program design / curricula
- Cooperation on work-based learning (WBL)
- Cooperation on R&D
- Focus on linkages between agribusiness and higher-education institutions (HEIs)

Integrating skills into business decision-making

- Skills planning at enterprise-level important to ensure human capital needs are met now and in future
- Giving more weight to TVET qualifications in recruitment - formalise and streamline recruitment processes, also raises prestige and perceived relevance of sector-specific TVET qualifications
- Firms with frameworks for skills classification and development can gain ground in promoting equality of opportunity
Agribusiness has broad relevance for inclusion

Agribusiness is key source of formal, flexible working options for women with unpaid care responsibilities and of entry-level jobs for youth

Rural youth well-placed to benefit from agribusiness innovation

Innovation and new technology drives demand for higher-skilled, higher-value jobs

Focusing on inclusion offers significant benefits for the sector, particularly in the context of labour shortages
Challenges for inclusion in agribusiness firms

Significant constraints on women’s role and participation in agribusiness employment – women are particularly underrepresented in technical roles and agri-TVET

Unpaid domestic and care responsibilities disproportionately affect women, impacting on their economic engagement

Where women are well-represented in the workforce, they are subject to horizontal (occupational) and vertical (seniority) segregation - which also leads to progression barriers, pay gaps

Rural-urban gaps in access to education and employment - skills deficits tend to be greater in rural and remote regions

Limited attractiveness – and ‘visibility’ – of agribusiness careers
Positive experience of inclusion in agribusiness firms

- Identifying and fast-tracking high-potential talent from a broad pool
- Developing the internal talent pipeline
- Enhancing visibility and perceptions of agribusiness employment
- Using flexibility in employment to broaden access
- Improving access to employment and career development through internships and apprenticeships
- Boosting regional inclusion through value chain engagement
### Impacts of Covid-19 on agribusiness

<table>
<thead>
<tr>
<th>Overall, agribusiness has been relatively well insulated from the worst effects of the crisis</th>
<th>Agribusiness sub-sectors which cater to tourism &amp; hospitality have been significantly affected</th>
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<tbody>
<tr>
<td>In some cases, stricter inspection and sanitary measures have restricted international trade and dampened exports</td>
<td>Pandemic could hasten shifts in employment patterns, requiring large scale reskilling / upskilling of workforce</td>
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<th>Some opportunities for agri-food to position itself as an employer for qualified people who lost jobs (eg in service and hospitality)</th>
<th>Shift to e-commerce observed in differing degrees in food retail across project countries, including where previously underdeveloped</th>
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<td>Scaling up of online training, increased access to remote skills development tools, boosted use of digital solutions for distance learning</td>
<td>Experimentation with remote working, where feasible</td>
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<td>Enterprises further down the supply chain have also introduced e-commerce (including online services) and delivery services aimed at their clients</td>
<td>Exploring new product offerings, responding to consumer demand and renewed interest in health and nutrition, local food</td>
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Covid-19 has prompted huge shifts in how people consume and purchase food, prompting agribusiness firms to rethink fundamental aspects of their operations.
Brief overview of key findings from research by country
Georgia

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<td>Meeting export standards is key driver of innovation, particularly in context of EU DCFTA</td>
<td>Establishment of sector skills association Agro-Duo</td>
<td>Women and youth are significant part of agribusinesss workforce</td>
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<td>COVID-19 creating incentives for technological and business process innovation</td>
<td>Revised framework for work-based learning and some company take-up</td>
<td>TVET reforms have targeted youth, including NEETs and ‘Youth Worker’ initiative focused on rural areas</td>
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<td></td>
<td>Private-public partnerships focused on ‘buy-in’ of private sector in skills developments</td>
<td>Agri-TVET programmes are pioneers for inclusion of persons with disabilities</td>
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**Case study companies**
- Adjara Group
- JSC Nikora Trade
- Cartlis Agrosystems
- Tbilvino
- Hotel Tiflis / Male
- Adjara Group – Udabno Project, vertical farming
- JSC Nikora Trade – active youth outreach, in-house training academy (‘Nikora School’), e-commerce development
- Tbilvino – in-house skills development, gender inclusion
- ‘Male’ – developing food delivery services
- Cartlis Agrosystems – equal opportunity in professional development
## Morocco

### Innovation
- **Opportunities**
  - Government policy supporting technological innovation and upstream and downstream collaboration (through agropôles)
  - Environmental sustainability as strong driver of innovation

### Skills
- **Opportunities**
  - Department of Vocational Training has analysed skills supply and demand in agri-food
  - Continued collaboration between FENAGRI (industry association) and Department of Vocational Training

### Inclusion
- **Opportunities**
  - Regional inclusion being fostered under aggregation activities
  - Development of thousands of women’s cooperatives, with positive knock-ons for women and girls

### Case study companies
- Aïcha – Les Conserves de Meknès
- Cosumar
- Lesaffre Maroc
- Huiles de Saiss
- Café Carrion

- Lesaffre Maroc - online training, upskilling and technology-based innovation, internships and partnerships with universities
- Les Conserves de Meknès – integrating skills planning into business innovation, training partnerships with universities, internships, collaboration with agropôle
- Cosumar – implementing digital solutions
### Innovation

- **Opportunities**
  - Digitisation of agricultural production a key priority at policy level
  - Technological innovation driven by agro-holdings, start-ups and specialised research institutes
  - Opportunities for production process innovation due to changing demand and social preferences

### Skills

- **Opportunities**
  - Recently established agri-sector skills council
  - New Law on Dual Education
  - EBRD-funded study on emerging skills needs in agri-food

### Inclusion

- **Opportunities**
  - National Employment Service runs programmes on employment of persons belonging to vulnerable groups
  - Programme of Support to the Development and Promotion of Women's Innovative Entrepreneurship supports improvement of innovative entrepreneurship among women

### Case study companies

- Deltaholding/Delta Agrar
- Sunoko (MK Group)
- Sojaprotein
- Nectar
- Marbo

- Sunoko (MK Group) – R&D centre for sugar beet production, product innovation (sanitizing alcohol), management strategy focusing on human capital development
- Delta Agrar – ‘future-proofing’ supply chains through smallholder support, addressing workforce ageing
- Sojaprotein – internal skills pipeline development through mentoring, internal mentors to support workers from more vulnerable groups
**Turkey**

### Case study companies
- **Yayla Agro**
- **Anadolu Etap**
- **TAB Gida**
- **Migros**
- **Balpalmark**

### Innovation
- **Opportunities**
  - Growing policy focus and university engagement on agribusiness innovation
  - Meeting export standards a key driver of process and systems innovation
  - Scope for marketing innovation through specialisation

### Skills
- **Opportunities**
  - Levels of education and skills are generally high, especially among youth
  - MoNE is targeting increased role of private enterprises in VET delivery
  - Establishment of Sectoral Centres of Excellence

### Inclusion
- **Opportunities**
  - Leading agribusinesses are keen to attract young talent and many collaborate with universities
  - Private and public initiatives to promote equal opportunity for women in workplace

### Innovation opportunities
- **Yayla** – product innovation, workforce development through university collaboration
- **TAB Gida** – setting skills standards, company training academy, integrating skills into HR decision-making
- **Anadolu Etap** – accelerated digital transformation, safeguarding seasonal labour supply
- **Migros** – ‘career paths’, support and networks for women employees, supporting life-long learning and youth access
## Uzbekistan

### Innovation
- **Opportunities**
  - Shift towards horticulture will drive demand for new technology and digital tools
  - Government efforts to establish private sector associations in emerging subsectors
  - Growth of e-commerce due to COVID-19

### Skills
- **Opportunities**
  - Recent establishment of sector skills council
  - Recent innovations in remote learning due to Covid-19

### Inclusion
- **Opportunities**
  - Opportunities to increase women’s employment in higher-value subsectors such as horticulture
  - Longstanding role of Women’s Councils within enterprises

### Case study companies
- **Korzinka** (Anglesey Food)
- **Agromir**
- **Agrocity**
- **Gold Dried Fruits**
- **Life Aloe**

- **Korzinka** - inclusiveness and flexibility of employment, remote training, internship,
- **Agrocity** – technology-driven innovation
- **Agromir** – developing management expertise in partnership with HEIs, adaptive working practices, support for smallholders
How does a focus on skills, innovation and inclusion contribute to agribusiness upgrading, resilience and sustainability?
The roles of innovation, inclusion and skills in sustainable agribusiness development

At the same time, a skilled workforce is a driver of innovation, and a prerequisite for the development and adoption of new technology.

Innovation is key to inclusive growth in the agribusiness sector, driving demand for higher-skilled, higher-value jobs and creating opportunities for a broader base of workers to improve their livelihoods.
Linkages between skills, inclusion, innovation and productivity, sustainability and resilience.

Productive, resilient and sustainable agribusiness creates demand for skills.

Productive, resilient and sustainable agribusiness creates opportunities for inclusion.
Overview of pointers for policy-makers, intermediaries and enterprises – innovation, skills and inclusion
Policy pointers

Deepen linkages between inclusion, innovation and skills in policies targeting the agribusiness sector

Integrate an inclusive skills approach in short-term post-pandemic policy responses

Foster agribusiness innovation

Integrate approaches to agribusiness skills

Actively promote a more inclusive agribusiness