

Stakeholders Webinar

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

3rd June 2021

Agribusiness – key global trends summary

Agribusiness – global and rapid transition

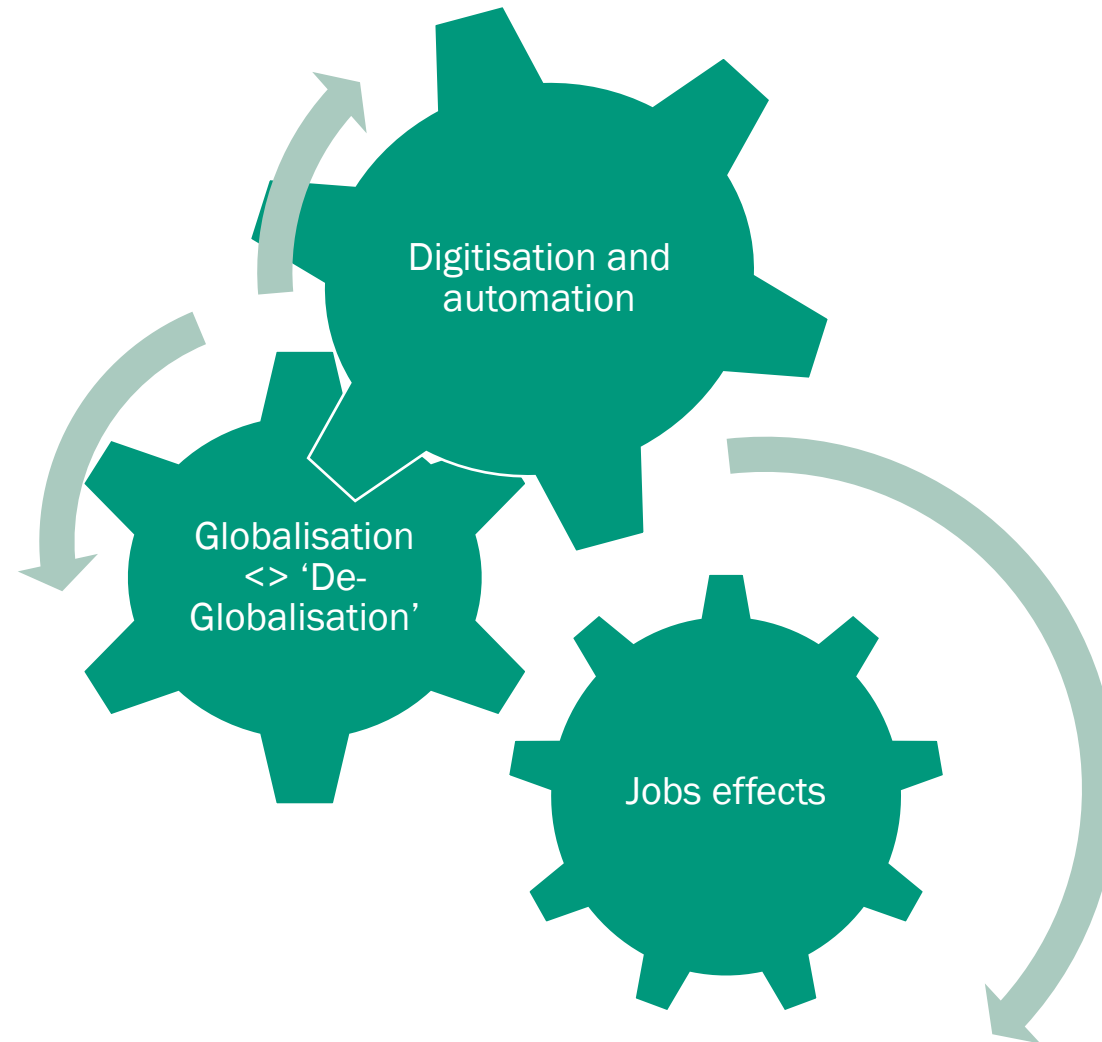
The agri-food system has a prime role to play in tackling the global challenges of:

- 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

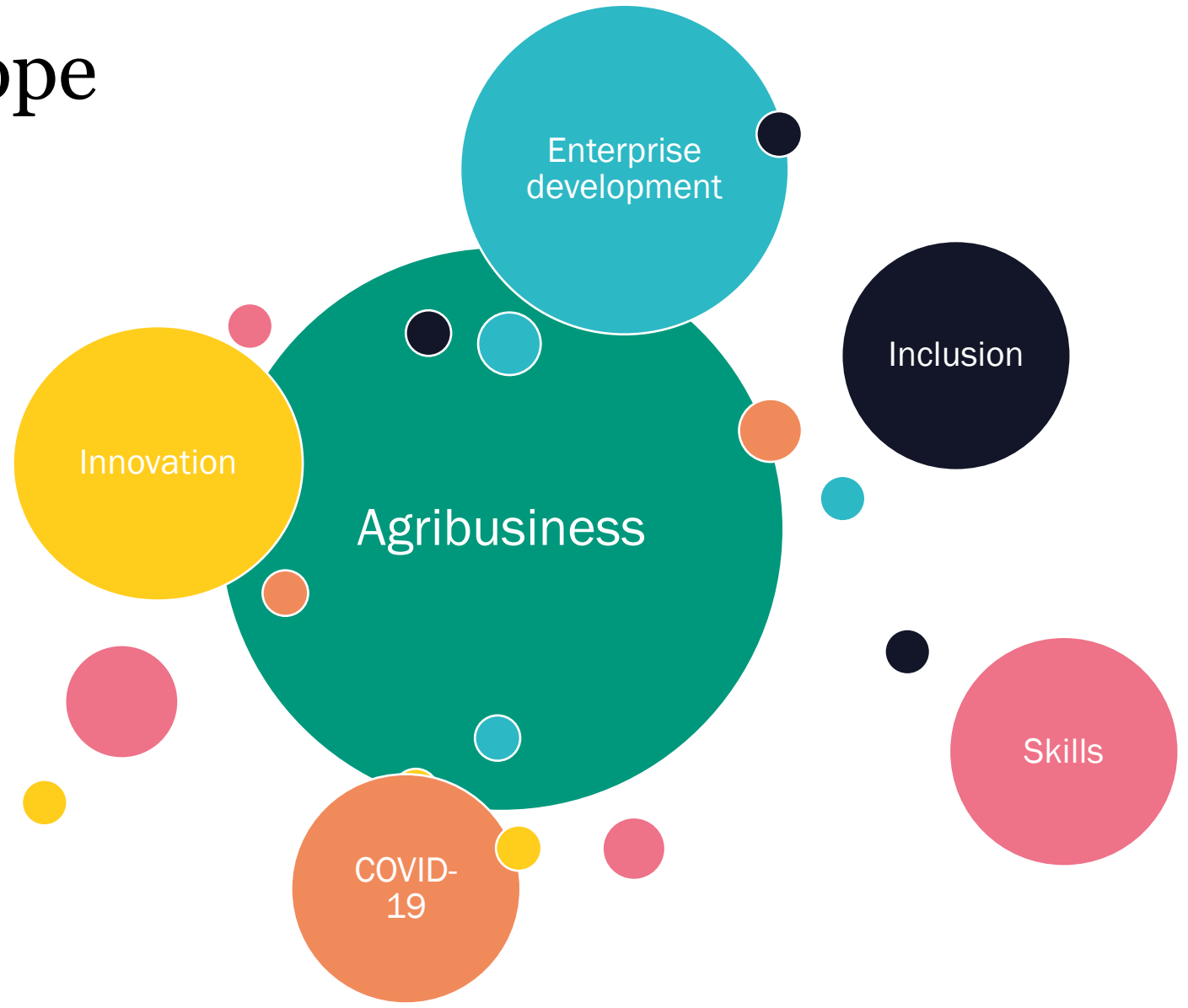
Proactive measures to
maximally benefit from
agricultural digitisation

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



Scope

Countries

Georgia, Morocco,
Serbia, Turkey,
Uzbekistan

Companies

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

Georgia

- Adjara Group
- JSC Nikora Trade
- Cartlis Agrosystems
- Tbilvino
- Hotel Tiflis / Male

Morocco

- Lesaffre Maroc
- Aïcha – Les
Conserves de
Meknès
- Cosumar
- Huilles de Saiss
- Café Carrion

Serbia

- Deltaholding/Delta
Agrar
- Sunoko
- Sojaprotein
- Nectar
- Marbo

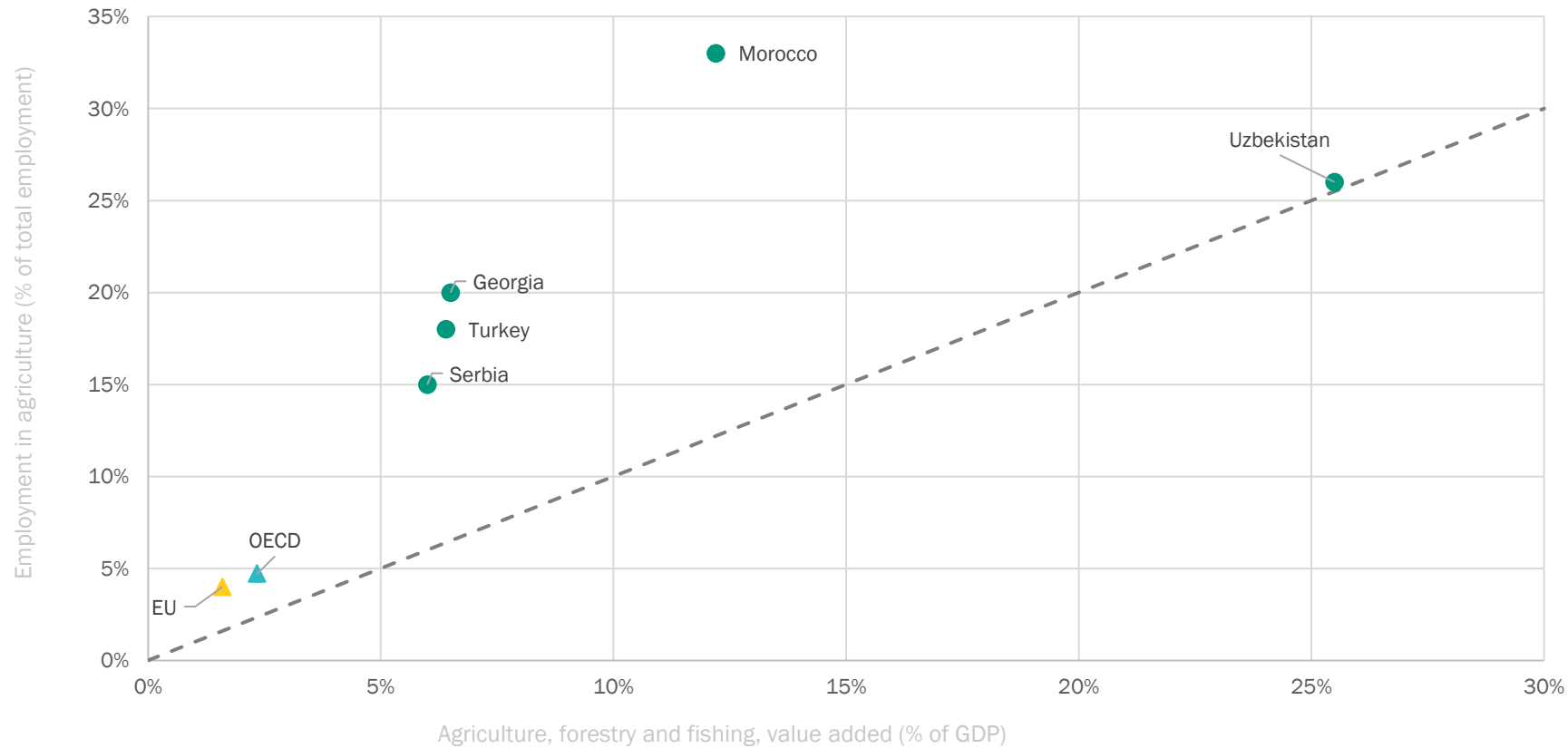
Turkey

- Yayla Agro
- Anadolou Etap
- TAB Gida
- Migros
- Balpalmark

Uzbekistan

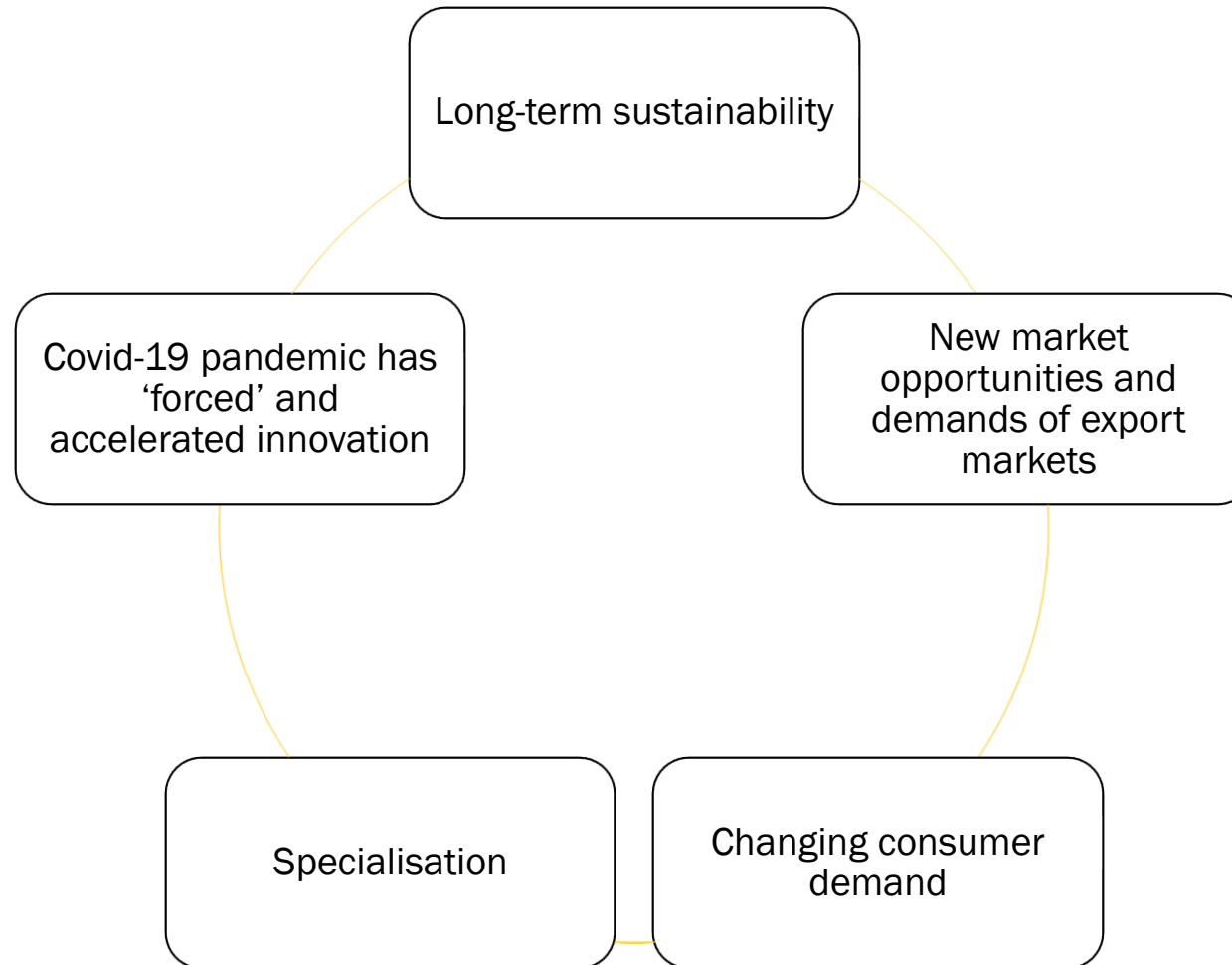
- Korzinka (Anglesey
Food)
- Agromir
- Agrocity
- Gold Dried Fruits
- Life Aloe

Contribution of agriculture to GDP and employment in focus countries



Source: World Bank Data Bank, 2021

Drivers of innovation in agribusiness firms



Challenges for innovation in agribusiness firms

Prevalence of SMEs
and sector
fragmentation

Shortfalls in skills
required to absorb
and exploit new
technology

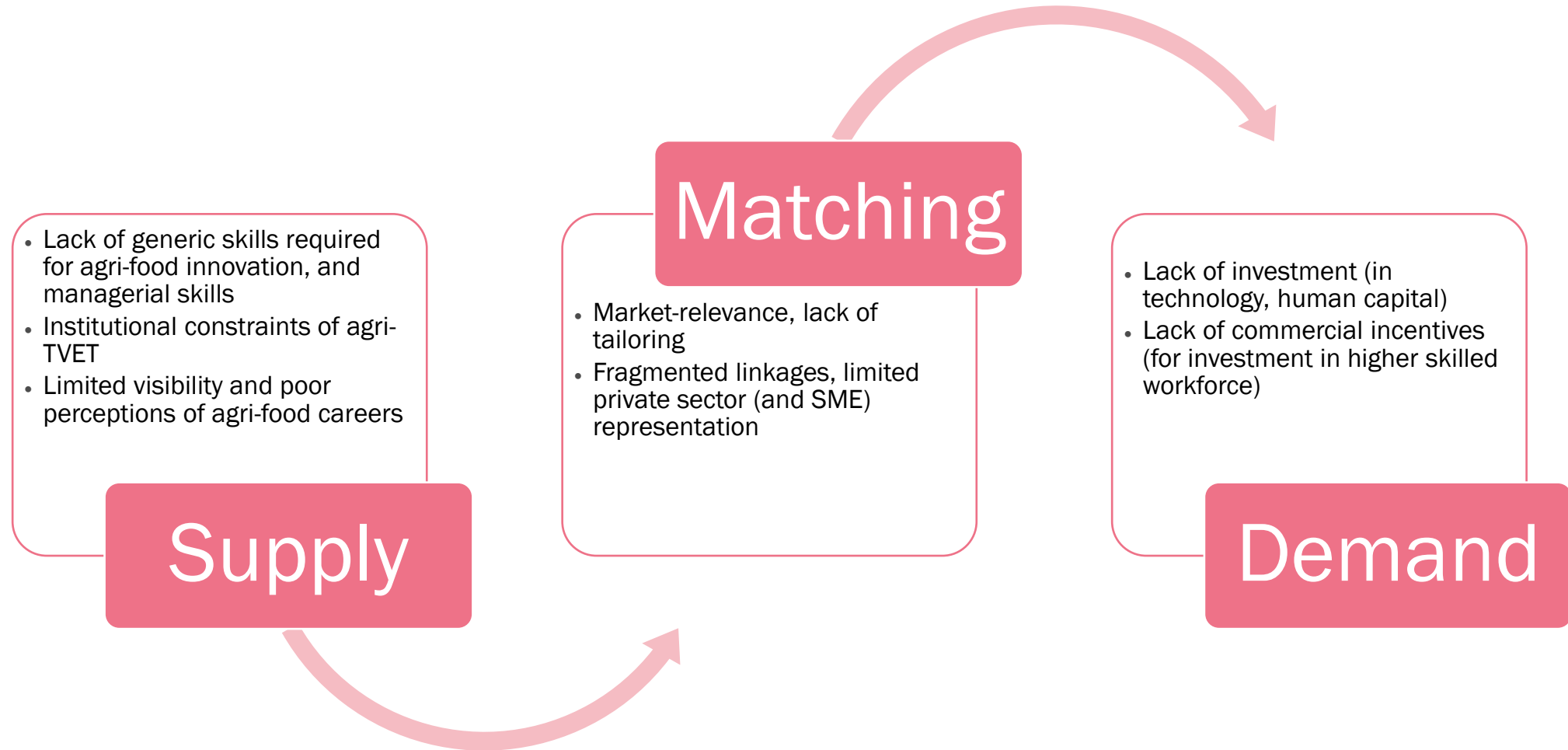
Financial constraints
and limited access
to finance

Limited access of
agribusiness
operators to the
innovation eco-
system

Positive experience of innovation in agribusiness firms

Technological innovation	Product innovation	E-commerce	Marketing and organisational innovation	Sustainability innovation	Network effects and clustering
<ul style="list-style-type: none">• Food processing technologies (productivity and efficiency gains)• Packing and preservation• Supply chain management• Sales and marketing	<ul style="list-style-type: none">• Changing consumer preferences – innovation in product development, marketing, and sales	<ul style="list-style-type: none">• Digital innovations spurred by expanded demand for e-commerce and platform-based agri-food operation (accelerated by Covid-19)	<ul style="list-style-type: none">• Evolving market access requirements (consumer preferences, export regulations, etc.) – quality control, traceability, packaging, labelling, sales and marketing	<ul style="list-style-type: none">• Environment / climate issues a focus for innovation• Consumer expectations on traceability and transparency	<ul style="list-style-type: none">• Engaging the sector and value chain in innovation - differentiator of competitiveness

Skills challenges in agribusiness



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

Inclusion in agribusiness

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

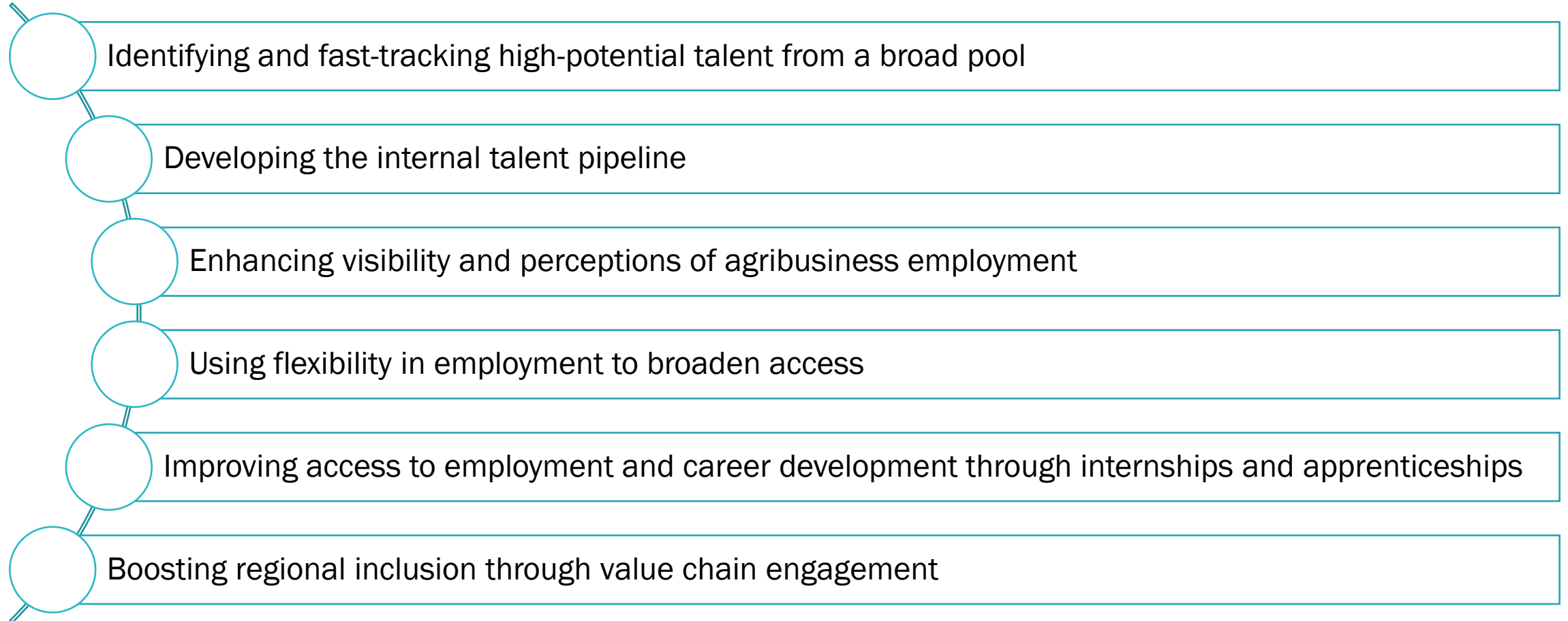
Unpaid domestic and care responsibilities disproportionately affect women, impacting on their economic engagement

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



Impacts of Covid-19 on agribusiness

Principally demand-side rather than supply-side shocks

Covid-19 has prompted huge shifts in how people consume and purchase food, prompting agribusiness firms to rethink fundamental aspects of their operations

Overall, agribusiness has been relatively well insulated from the worst effects of the crisis

Agribusiness sub-sectors which cater to tourism & hospitality have been significantly affected

Some opportunities for agri-food to position itself as an employer for qualified people who lost jobs (eg in service and hospitality)

Shift to e-commerce observed in differing degrees in food retail across project countries, including where previously underdeveloped

Enterprises further down the supply chain have also introduced e-commerce (including online services) and delivery services aimed at their clients

In some cases, stricter inspection and sanitary measures have restricted international trade and dampened exports

Pandemic could hasten shifts in employment patterns, requiring large scale reskilling / upskilling of workforce

Scaling up of online training, increased access to remote skills development tools, boosted use of digital solutions for distance learning

Experimentation with remote working, where feasible

Exploring new product offerings, responding to consumer demand and renewed interest in health and nutrition, local food

Brief overview of key findings from research by country

Georgia

Innovation

- *Opportunities*
 - Meeting export standards is key driver of innovation, particularly in context of EU DCFTA
 - COVID-19 creating incentives for technological and business process innovation

Skills

- *Opportunities*
 - Establishment of sector skills association Agro-Duo
 - Revised framework for work-based learning and some company take-up
 - Private-public partnerships focused on 'buy-in' of private sector in skills developments

Inclusion

- *Opportunities*
 - Women and youth are significant part of agribusiness workforce
 - TVET reforms have targeted youth, including NEETs and 'Youth Worker' initiative focused on rural areas
 - Agri-TVET programmes are pioneers for inclusion of persons with disabilities

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

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
- Huilles de Saïss
- 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
- Nectar Group – product innovation in light of Covid-19

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

Case study companies

- Yayla Agro
- Anadolu Etap
- TAB Gida
- Migros
- Balpalmark

- 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

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

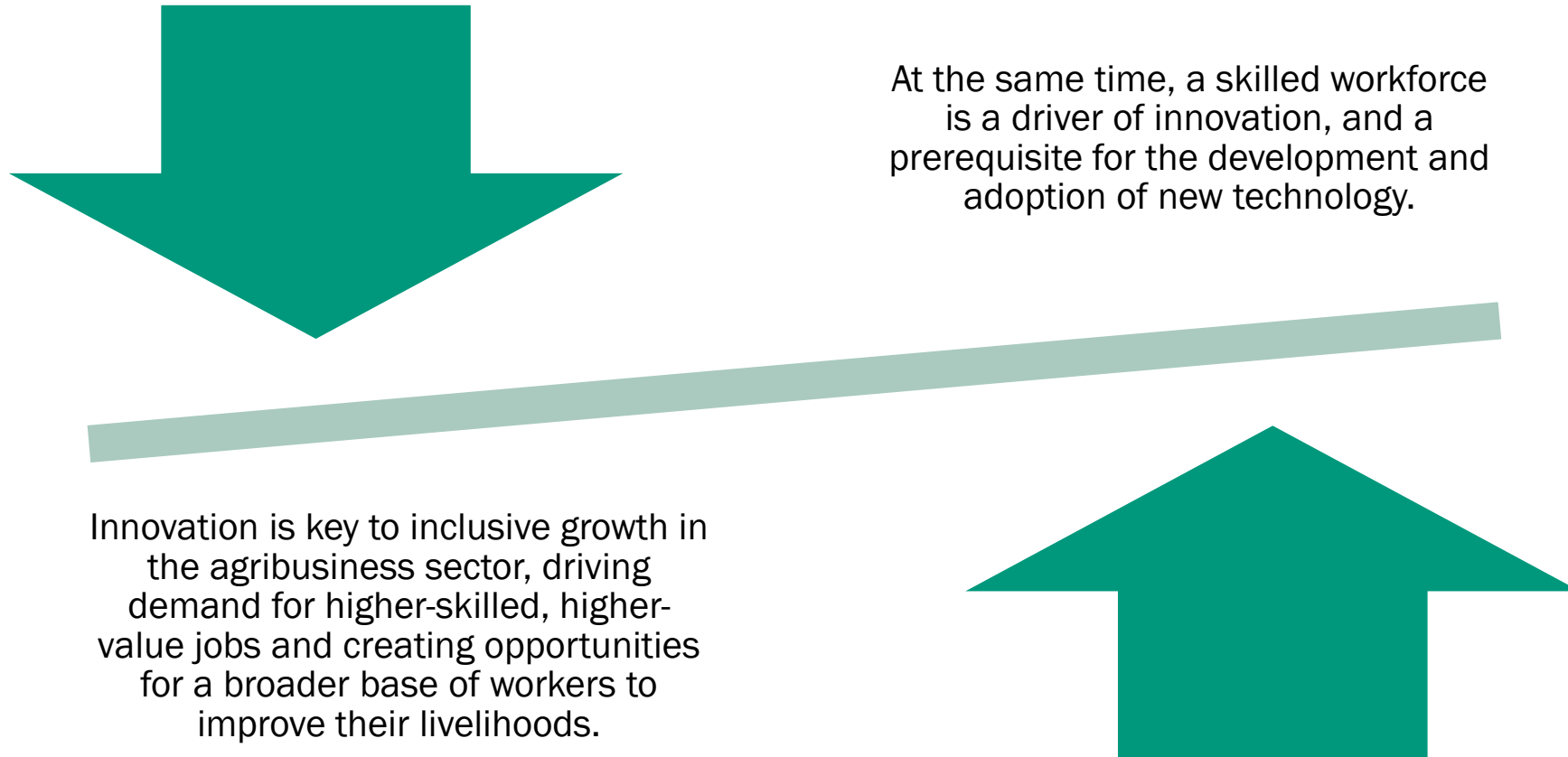
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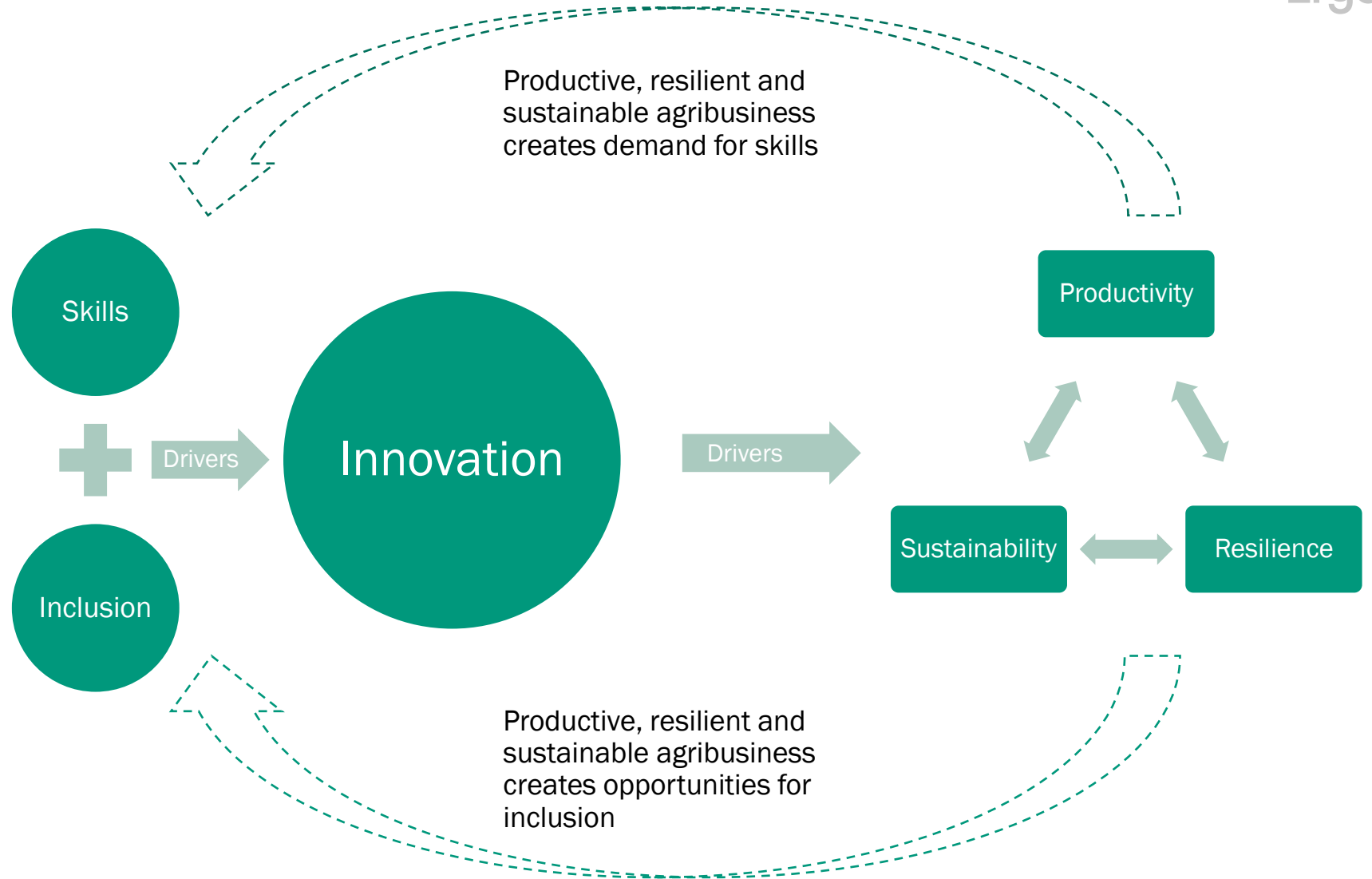
- Korzinka - inclusiveness and flexibility of employment, remote training, internship,
- Agrocit – technology-driven innovation
- Agromir – developing management expertise in partnership with HEIs, adaptive working practices, support for smallholders

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



Linkages between skills, inclusion, innovation and productivity, sustainability and resilience



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