

Determinants Of Profitability In Youth-Led Net-Zero Farming

Evidence from the Young Cool Farmer Challenge Programme in Indonesia

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INTRODUCTION

1 THE CHALLENGES



Youth-led agribusinesses face constraints related to capital, production efficiency, market access, skills, and networks.

2 OBJECTIVE

To examine how resource allocation, cost structure, market access, experience, and innovation networks relate to profitability and sustainability in youth-led agribusiness.

3 PROGRAMME SNAPSHOT



4 RESEARCH QUESTIONS

RQ1

How does grant allocation relate to enterprise trajectories?

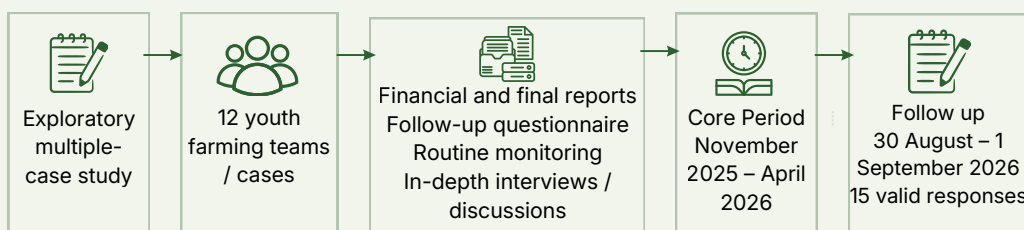
RQ2

How do cost structure, experience, and market access relate to performance?

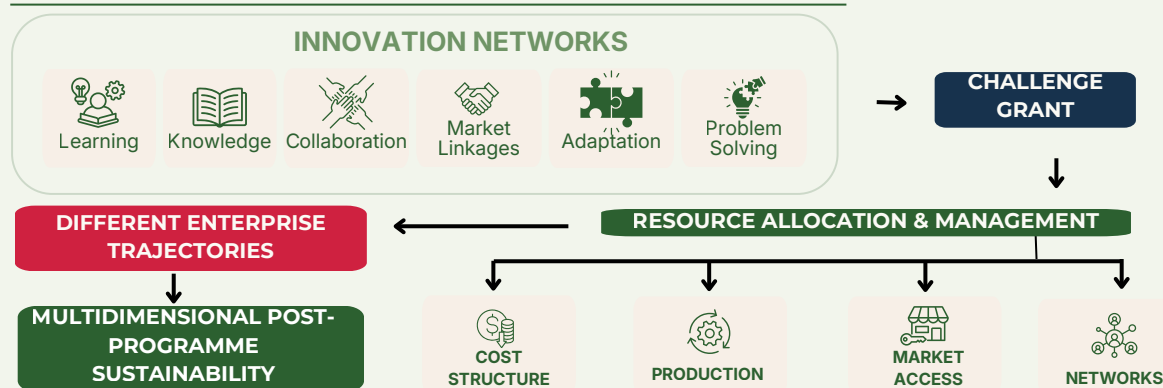
RQ3

How do innovation networks relate to adaptation and sustainability?

5 STUDY DESIGN / METHODOLOGY

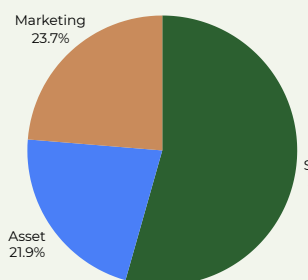


6 CONCEPTUAL FRAMEWORK

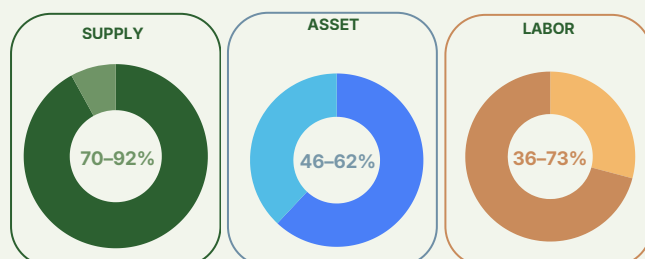


7 GRANT ALLOCATION PATTERNS

AGGREGATED GRANT ALLOCATION



Ranges show the share of each team's grant allocated to the indicated category.



Brassica and water spinach planting in West Java



Expanding Market Access through Community Market, Toraja



Solar-powered egg incubation in West Java

CONCLUSION

- Capital is an enabling resource, not sufficient to explain observed enterprise trajectories.
- Cost efficiency, resource allocation, production organization, and market access were important dimensions of differences in observed enterprise trajectories.
- Post-programme sustainability depends on the interaction of assets, markets, skills, innovation networks, environmental practices, and youth participation.

PROFITABILITY IS NOT SIMPLY A MATTER OF ACCESSING FUNDS.

It depends on how resources are managed, markets are connected, and innovation networks are mobilized.

RESULTS

8 MAIN FINDING



Uniform funding did not produce uniform enterprise trajectories.

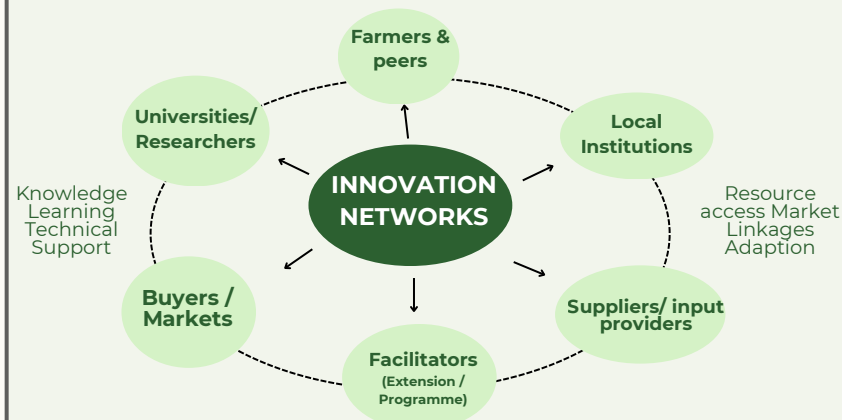
Teams differed in how they allocated resources, organized production, used resource substitution and leveraged market and innovation networks

9 EXPERIENCE



Experience may support initial stability - but does alone explain performance

10 INNOVATION NETWORKS MATTER



Networks enable learning, problem-solving, resource access, and market connections

11 Interesting Result of the Farmer Challenge

100%

LIVESTOCK TEAMS ADOPTED ECOLOGICAL FEED PRACTICES

33%

4/12 TEAMS REPORTED HIGHER PRICE REALIZATION

42%

SECURED NEW COMMERCIAL BUYERS

100%
Reported Asset retention

92%
Reported continuation low emission/ Circular Practices



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