

The Effect of Financial Services on Youth Involvement in Agribusiness Entrepreneurship in Fako Division, Cameroon

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ABSTRACT ---- *The main objective of this article was to examine the role of financial services on youth involvement in agribusiness entrepreneurship activities in the Fako division of the South West Region of Cameroon. Primary data were obtained with the use of a self-administered questionnaire. Which were administered using a stratified sampling technique. The target population was youths between the age of 18 to 35 years involved in any agribusiness-related activity for commercial purposes. Questionnaires were administered to a sample of 500 youths but only 451 of the questionnaires were returned without any error. We adopted a binary logistic estimation technique to analyze our model. Empirical analysis from a binary logistic estimation using marginal effect coefficients for the overall results revealed that; youth who have personal saving increases their likelihood of involving in agribusiness entrepreneurship activities in Fako at a very high level (main occupation) by 0.0986. Meanwhile, government financial services for youth involved in agribusiness has a positive significant effect on youth involvement in agribusiness with a likelihood of 0.6428. Furthermore, youths who are part of a Tontine increase their likelihood of involving in agribusiness entrepreneurship as a main occupation by 0.0233. Also, youths using bank financial services such as bank loan has a likelihood of reducing youths involvement in agribusiness as a main occupation by 0.0520 while those using microfinance services have a likelihood of 0.0354 of engaging youths in agribusiness as a primary activity. We recommend that the government of Cameroon should develop innovative financial services specifically for youths involved in agribusiness-related activities.*

Keywords---- Financial Services; agribusiness; youth involvement; entrepreneurship

1. INTRODUCTION

It is still a debate whether effective financial services have a role in involving youths in agribusiness entrepreneurship activities considering the unsuccessful efforts made by many African countries to engage youths in agribusiness entrepreneurship. According to a World Bank (2018) assessment, the majority of youths have not been successfully recruited by the government or agricultural agencies into agribusiness or other rural economic activity. Despite the fact that there are numerous actors that offer financial services, including formal financial service providers (FSPs) like commercial and development banks, semiformal FSPs like savings and credit cooperative organizations, and informal FSPs like self-help groups, village savings and loan associations, moneylenders, and traders (FAO, 2014), only a small percentage of young people can access the formal and semi-formal FSPs due to a lack of access to credit, as a result of the substantial risk of credit (Macaulay, 2013). Young entrepreneurs in the majority of African countries are becoming more and more dependent on poorly regulated financial services to generate income (Dalla Valle, 2012). There is incorporated into the portfolio of donor-led loans, awards, and other credit initiatives that are becoming available to them (Brooks, et al., 2013) hence, young people's dissatisfaction in the agricultural industry is largely due to financial services.

Unfortunately, a limited number of young Africans also routinely have access to a variety of financial services and products, including payment systems, loans, savings, and insurance. This is how the term "financial inclusion" is usually used (Gardeva and Rhyne, 2011). For instance, only 20.5% of young African adults (aged 15 to 24) had an account with a formal financial institution in 2014, compared to 33.1% of older people who had accounts with banks, credit unions, MFIs, and post banks (aged 25 and above). Youths who can formally save money are uncommon. In 2011, just 10% of African adolescent savers used commercial financial institutions; by 2014, that percentage had climbed to only 11%, (Demirguc-Kunt, et al., 2015).

Youths often obtain financial services through programs run by non-profit and community-based organizations, as well as informal private financial service providers including self-help groups and village savings and loan associations (moneylenders and traders, family and friends, agro-processing companies, and input suppliers). For example, 47.7% of young adults in sub-Saharan Africa stated that they had taken a loan as of 2014; however, in almost 4 out of 5 cases, this loan was provided by family or friends. Only one out of fourteen instances involved a bank loan. When compared to adult savings, young adult savings in 2014 were primarily made outside of the official sector: of the 49.8% of young adults in SSA who reported saving any money, only 10.9 percent did so in the formal financial sector, while about 16.6 percent did so through saving clubs (Demirguc-Kunt, et al., 2015).

In Cameroon, youth were previously neglected as a distinct and crucial interest group in the rural transformation in the Fako division and other divisions. Instead, it was considered that what must be good for rural areas overall must also be good for young people, and at best, their interests were linked to those of women and other underrepresented groups. Youths, especially educated youth returning to rural areas, are now seen as a vital entry point for new agribusiness, which is resulting in the creation of employment, hence challenging this tendency. Rural youth are, in fact, the country's future farmers and are most likely to adopt modern farming and agribusiness practices, adopt a market-oriented mindset, and be prepared to fill the current gap in the supply of services and logistics that are crucial to the development of agriculture and agribusiness as a whole (Djomo et al., 2021).

Finally, a majority of researchers tend to agree that there is a serious need to have more youth involved in agribusiness entrepreneurship given its importance in employment creation, food security, and economic development (Kasolo, 2013). Unfortunately, little research has been done on financial services with respect to agribusiness. Most of the past researchers focused on access to finance and financial inclusion. The variables used in past research has been access to bank credit, microfinance credit, and saving account (Mbu & Wirbam, 2019, Otilija et al., 2016, Gichichi et al., 2019). But this work extends to other forms of informal financial services common within developing countries' contexts such as mobile financial services, local group financial services (Njangi or tontine), government grants, and NGO financial services. Also, most of these past researchers have focused a lot on agricultural productivity and financial services and little attention has been given to agribusiness entrepreneurship. In Cameroon, a lot has been carried out on finance and farm productivity with little research on finance and youth engagement in agribusiness. Hence, the main objective of this paper is to fill this gap by examining the effect of financial services on youths' involvement in agribusiness entrepreneurship in the Fako division in the South West Region of Cameroon. Additionally, to investigate the result with respect to gender and educational level of youths.

2. MATERIAL AND METHOD

Description of Study Area

With a population of 534,854 people living in the communes of Buea, Limbe, Tiko, Muyuka, and Idena, Fako division is one of the divisions that make up the South West Region of Cameroon with a total area of 2093 km² (Tageo, 2015). The division is located at 4° 10' 00" north latitude and 9° 10' 00" east longitude (Geographic, 2015). One of the breadbaskets of Cameroon, Chad, the Central African Republic, and Equatorial Guinea is the Muea Market, which is located in the division (Buea Council, 2015).

Data Collection

The target population for the study was derived from the Fako Division in the South West Region of Cameroon. The study focused on the seven main sub-divisions in this division that is Buea, Limbe (I, II, and III), Tiko, West Coast (Debundscha), and Muyuka. The population of the study consisted of youths aged 18-35 who are presently involved in any agribusiness-related activity for commercial purposes.

The stratified sampling technique was considered appropriate because the target population is heterogeneous that is have different locations (Creswell et al., 2012). We divided the area into various divisions in Fako and each sub-division made up a stratum. The sample size was determined using Robert Slovin's (1960) technique for sample determination using the following formula

$$n = \frac{N}{1 + Ne^2}$$

Whereby:

n = sample size

N= Total Population.

e = is the standard error at 5%

Thus, the Population involved in agricultural-related activities (Agribusiness) = 0.8 X 534854 = 427,883.2.

Hence, n = 427,883.2/1+ 427,883.2(0.05)² = 402. Hence a good representative sample size should be at least 402. We added 98 to the sample size to raised it to n=500. This is to give a better representative sample. After calculating the sample needed for

the study, the sample size was distributed based on the size of the sub divisions (stratum). Data was collected using a self-administered questionnaire.

Table1: Sample Size

S/N	Towns	Sample size
1	Limbe (I, II, and III)	250
2	Buea	100
3	Tiko	50
4	Muyuka	50
5	Debundscha	50
	Total	500

Source: **Author (2022)**

Model Specification and Estimation Technique

According to Schumpeter’s theory of entrepreneurship, the availability of finance is key to the growth and development of entrepreneurship in a country, we, therefore, make use of Schumpeter’s theory of entrepreneurship to specify our model. The dependent variable is youth involvement in agribusiness entrepreneurship activities, which is a dummy variable {Very Involve} (Main occupation) =1, Fairly Involve (Secondary Occupation) =0). This model can be specified as follow in line with the pecking order theory, which outlines the various sources of finance available for an entrepreneur and also from empirical studies adopted by Gichichi, et al., (2019);

$$Y = f(X_i) \dots\dots\dots (1)$$

$$YI = f(\text{Financial Services}) \dots\dots\dots (2)$$

$$YI = \beta_0 + \beta_1AG + \beta_2GEN + \beta_3LED + \beta_4MS + \beta_5BFS + \beta_6MFFS + \beta_7MMFS + \beta_8PFS + \beta_9LGFS + \beta_{10}FFFS + \beta_{11}GFS + \beta_{12}NGOFS + et \dots\dots\dots (3), \text{ where,}$$

YI is a dichotomous dependent variable, which can be explained as YI = 1, very Involve (main occupation) in agribusiness entrepreneurship, fairly involved Part-time) = 0, β_0 = is the intercept, β_i are regression coefficients that explain the effect of the various financial services on youth involvement in agribusiness entrepreneurship, X_i = independent variables, and e_t is the error term. The explanatory variables represented by X_i are:

- AG = Age of Youth (in years)
- GEN = Gender of entrepreneur (male = 0, female = 1)
- LED = Level of education (Formal Edu=1, No Formal Edu=0).
- MS = Marital Status (dummy: Single = 0, Married =1).
- BFS= Bank Financial Services (Yes= used (1), No= not used (0))
- MFFS = Micro Finance Financial Services (Yes=1, No=0)
- MMFS = Mobile Money Financial Services (Yes=1, No=0)
- PFS = Personal Financial services e.g Savings (Saving Account =1, No Saving=0)
- LGFS= Local group Financial Services assistance eg, “njangi”, meetings, village associations etc (Yes=1, No=0)
- FFFS= Financial assistance from friends and family (Yes=1, No=0)
- GFS=Financial assistance from Government Institutions eg loans or subsidies (Yes=1, No=0).
- NGOFS= Financial assistance from non-Governmental organization (Yes=1, No=0).

A binary logistic regression technique was used to estimate our model. The logistic regression model, which is one of the log-linear techniques, examines the likelihood that an event will occur or not. The dependent variable in our study on youth involvement in agribusiness entrepreneurship falls into the categories of 1 when the youth is very involved (agribusiness as the main occupation) and 0 otherwise (agribusiness as a secondary occupation). As a result, logistic regression calculates the likelihood that a youth will be very involved in agribusiness as a main occupation given the independent variable. The number of observations, the likelihood of the chi-square associated with the model, the model’s predictive power (Pseudo-R²), the odds ratios (odds ratios), and the significance level ($p > | Z |$) of the parameters are among the outcomes provided by logistic regression. The formula is as follows:

Let P be the probability that a youth is involved in agribusiness entrepreneurship (YI). This gives rise to the following equation:

$$Z = \log \left(\frac{p}{1 - p} \right) \dots\dots\dots (4)$$

$$p = \frac{e^z}{1 + e^z} \dots\dots\dots(5)$$

By substituting for P, we have:

$$\text{With } Z = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \dots + \beta_k x_k. \dots\dots\dots(6)$$

The computed regression coefficients are $\beta_i = 1, 2, \dots, k$, and β_0 reflects the mean of Z across all data.

3. RESULTS AND DISCUSSIONS

Results presented in this section begin with the statistical characteristics of our variables for a better understanding of the nature of the variables before estimating our model using the binary logistic estimation technique based on information collected from the 451 questionnaires that were returned without errors.

a. Summary of Descriptive Statistics of Variables

Table2: Summary of Descriptive Statistic of Variables in the Model

	N	Minimum	Maximum	Mean	Std. Deviation
Bank Finance Loan	451	1	2	1.22	.414
Micro Finance Loan	451	1	2	1.24	.424
Government Subsidies or Loan	451	1	2	1.26	.438
Assistant from NGOs and other organisation	451	1	2	1.39	.487
Training in agribusiness activity	451	1	2	1.41	.492
Gender	451	1	2	1.55	.498
Level of Involvement	451	1	0	1.56	.497
Marital Status	451	1	2	1.56	.497
Borrowing or donation from Friends/Family	451	1	2	1.60	.491
Mobile money Financial Services	451	1	2	1.60	.490
Personal Saving	451	1	2	1.62	.487
Njanji/Local or Village Meeting (Tontines)	451	1	2	1.68	.468
Educational Level	451	1	2	1.71	.454
Age	451	18	35	27.61	3.818
Valid N (listwise)	451				

Source: Field Survey Data, (2022)

Table2 is a summary of descriptive statistics of the variables use in the model linking financial services to youths’ involvement in agribusiness entrepreneurship. The variables are group in ascending order of mean value. From the table, most of the variable were measure on a nominal scale of (NO=1 or YES=2). This is the reason why majority of the variables have a minimum and maximum values of 1 and 2 respectively. Age was the only continues variable measure on a ratio scale with a maximum age of 35 and the minimum age of 18years. Bank financial services have the lowest mean, implying that it is the least used financial services by youths while Tontines has the highest mean value among financial services, implying that most youths used tontines as source of finance for their agribusiness ventures. Age has the highest mean value among all the variable of 27.61 years, meaning that the average age of youths in the study is 27years but age has the highest value of standard deviation, meaning that the mean has the highest deviation from the mean compare to other variables.

b. Logistic Regression Estimated Results For the effect of Financial Services on Youths Involvement in Agribusiness Entrepreneurship.

Table3: Overall Logistics Regression Results

Youth involvement	Odds Ratio	Dy/dx(Marginal Effect)	P>z
GEN(Male=1)	-0.8503 (-0.79)	-0.0366 (0.79)	0.432
Age	1.0352 (1.20)	0.0298 (1.21)	0.230
EDU(Formal=1)	-0.8496 (-0.73)	-0.0368 (-0.73)	0.466
Marital Status (Married=1)	1.3800 (1.53)	0.0728 (1.55)	0.126
Training (Yes=1)	2.3999*** (4.16)	0.1980*** (4.50)	0.000
P_SAV(Yes=1)	1.5466** (1.99)	0.0986** (2.02)	0.046
Micro_FIN(Yes=1)	1.1695 (0.64)	0.0354 (0.64)	0.524
Bank_FIN(Yes=1)	0.7944 (-0.91)	-0.0520 (-0.91)	0.363
Family/Friend (Yes=1)	1.010 (0.05)	0.0023 (0.05)	0.962
GOV_FIN(Yes=1)	0.6428* (-1.86)	0.0999* (-1.88)	0.063
NGO_FIN(Yes=1)	1.010 (0.05)	0.0024 (-0.05)	0.959
Tontines (Yes=1)	1.1085** (3.14)	0.0233** (1.98)	0.038
_cons	0.0681912** (-2.21)	n/a	0.027
Number of obs	451		
LR chi2(12)	38.25		
Prob>chi2	0.0001		
Pseudo R2	0.0618		
Loglikelihood	-290.36219		

Where; values in bracket are Z_statistics, *, **, * are 10%, 5%, and 1% level of significance respectively.**

Source: Field Survey Data, (2022).

From theories like the pecking order theory, transactional cost theory, and many empirical studies, it is clear that financial services have an effect on youths' involvement in agribusiness entrepreneurship activities in the Fako division. From the table, training has a positive and significant effect on youth involvement in agribusiness in the Fako division. The findings show that youth who have received training in any agribusiness-related activity increase their likelihood of involving in agribusiness as a main occupation (very involved) by 0.1980. Also, youths who have a personal saving account increases their likelihood of involving in agribusiness entrepreneurship activities in Fako as a main occupation (0.0986) and significant at 5% as compared to those without personal savings who are likely to involve in agribusiness as a secondary activity. Similarly, government financial services have a positive significant effect on youth involvement in agribusiness entrepreneurship in the Fako division with a likelihood of 0.0999. Furthermore, another significant result is Tontines, which shows that youths who are part of tontines or use Tontines financial services are likely to involve in agribusiness as a main occupation as compared to youths

who do not belong or use any Tontine financial services with a likelihood of 0.0233. More to that, the result of the constant term is significant. Meaning that in the absence of all the variables in the model, the expected value of youth involvement in agribusiness entrepreneurship in Fako will be 0.0681912 and it is significant at a 5% level of Significant. In addition, some financial services have an insignificant effect on youths' involvement in agribusiness in the Fako division they include; bank and micro financial services, support from friends and family, and financial support from non-governmental organizations (NGO).

In the same vein, all the demographic characteristics were insignificant. For example, being a male reduces the likelihood of a youth being involved in agribusiness as a main occupation hence, female youths are more likely to engage in agribusiness as a main occupation than their male counterpart with a likelihood of -0.0366. Age increases the likelihood of youths' involvement in agribusiness as a main occupation by 0.0298. Thus, Age has a positive effect on youths' engagement in agribusiness. That explains why older people are the most involved in agribusiness-related activities in the Fako division and other parts of Africa. Meanwhile, marital status has a positive effect on youths' involvement in agribusiness with a likelihood of 0.0728. Finally, the result of the chi² statistics is 38.25 and it is highly significant. Meaning that there is a global or joint significance of variables in the model.

c. Financial Services and Youth Involvement by Educational Experience of Youths

In order to investigate the variation of financial services on youths' involvement in agribusiness entrepreneurship in Fako with respect to the educational experience, we estimated logistic estimates for the two educational categories that are No formal educational experience correlate and formal educational experience correlate. This is to help us determine how each sub-sample in term of educational experience contribute to the overall results of the model. These results are presented in Table 4.

Table 4: Logistic Results of Youth Involvement and Financial Services by Educational Experience of Youths.

Youth Involvement	No Formal EDU. Correlate	Formal EDU. Correlate
	Coef. (Z-Stat.)	Coef. (Z-Stat.)
GEN(Male=1)	.1167 (0.29)	.1478 (0.59)
Age(years)	.0331 (0.51)	-.0079 (-0.20)
Marital_St(Single=1)	-.3674 (-0.90)	-.3701 (-1.42)
Years_Involve(EXP)	-.1250 (-1.31)	.1249** (2.08)
Training	1.275*** (2.79)	.8483*** (3.35)
P_SAV(YES=1)	.556 (1.25)	.4574* (1.69)
Micro_FIN(YES=1)	.1473 (0.30)	.1505 (0.50)
Bank_FIN(YES=1)	-.1853 (-0.40)	-.1858 (-0.58)
Farmily_Friend(YES=1)	.616 (1.34)	-.177 (-0.67)
MOMO(YES=1)	.368 (0.89)	.1124 (0.43)
GOV_FIN(YES=1)	-1.226** (-2.50)	.1351** (1.87)
NGO_FIN(YES=1)	.2412 (0.55)	.0186 (0.07)

Tontines (YES=1)	.7053*	.0078
	(1.75)	(0.03)
_cons	-3.396**	-1.890*
	(-1.83)	(-1.65)
Obs	131	319
LR chi2(13)	21.27	30.83
Prob > chi2	0.00673	0.0036
Pseudo R2	0.1177	0.0706
Log-likelihood	-79.704153	-203.05604

Source: Author, (2022), **Where; ***=1%, **=5% and *=10% level of significant**

From the table4, results for training are positive and significant in the No formal educational experience correlate, meaning that if youths who have no formal education increase their level of training in any agribusiness-related activity, it will have the potential of increasing their level of involvement in agribusiness as a main occupation by 1.275 and significant at 1% level of significance. In terms of financial services, only two variables have a significant effect on youth involvement as a main occupation, that is government financial services such as grants, subsidies, free loans, and also tontines. Specifically, an increase in government financial services to youths in the informal educational sub-sample will reduce youths' involvement in agribusiness in Fako as the main occupation by 1.226 and it is significant at a 5% level of significance. Meanwhile, youths with no formal education belonging to a tontine increase their chances of involving in agribusiness as a primary occupation as compared to youths in this same sub-sample who are not part of tontines with a likelihood of 0.7053 and it is significant at 10% level of significance. Therefore, belonging to a tontine by youth in this sub-sample is a more effective way of involving in agribusiness as a primary occupation than government financial services. Other financial services such as personal savings, NGOs, family and friends support, and mobile money services all have an insignificant effect.

Secondly, in the formal education experience correlate or sub-sample, the effect of training is positive but smaller as compared to the no formal correlate, meaning that training in specific agribusiness activity is more beneficial for youths with no formal education than youths with formal education with a likelihood of 0.8483 and significant at 1%. Another significant variable in the formal education correlate is the experience of the youth in agribusiness, the results reveal that more experienced youths in any agribusiness activity have the tendency to engage in agribusiness entrepreneurship as a main occupation with a likelihood of 0.1249. Meanwhile, with respect to financial services, personal savings, and government financial services have a significant effect on youth involvement in agribusiness as a primary occupation. Specifically, an increase or improvement of government financial services for youths in the formal education sub-sample will lead to a 0.4574 increase in youth involvement in agribusiness as a main occupation and it is significant at a 10% level of significance. In the No formal Correlation, the effect was negative. Also, an increase in the chances of youths in the formal education sub-sample having a saving account will increase youth involvement in agribusiness at a very high level by 0.1351 and it is a significant 5% level of significance. It sure is noted that tontine was significant in the no formal education correlate but insignificant in the formal education correlate. This is because most educated youths prefer formal financial services while less educated youths are likely to join or make use of informal financial services such as tontine, which is less complicated to deal with as compared to banks and micro finances.

d. Financial Services and Youth Involvement by Gender.

To further investigate how gender variation by financial services affects youths' involvement in agribusiness entrepreneurship in the Fako division, we estimated the logistic results for the male and female correlate as shown in the table below.

Table 5: Logistic Results for Youth Involvement and Financial Services by Gender.

	Female Youths Correlate	Male Youths Correlate
	Coef. (Z-Stat.)	Coef. (Z-Stat.)
Youth Involvement		
Age (Years)	.0087 (0.20)	.0345 (0.65)
EDU (No Formal)	.1106 (0.35)	.3298 (1.00)
Marital_St(Single)	-.8299*** (-2.76)	.2561 (0.80)
Years Involve (EXP)	.0924* (1.75)	.0151 (0.19)
Training	.7786*** (2.64)	1.063*** (3.37)
P_SAV(YES)	.4574 (1.44)	.4426* (1.71)
Micro_FIN(YES)	.2164 (0.62)	.0958 (0.25)
Bank_FIN(YES)	-.064 (-0.18)	-.4085 (-1.01)
Family_Friend(YES)	-.2043 (-0.71)	.1234 (0.34)
Mobile_Money(YES)	-.0742 (-0.26)	.4337* (1.69)
GOV_FIN(YES)	-.3912* (1.68)	-.5084 (-1.28)
NGO_FIN(YES)	-.0689 (-0.24)	.2048 (0.61)
Tontines (YES)	.2117 (0.69)	.0060 (0.02)
_cons	-1.926 (-1.50)	-3.441** (-2.32)
Obs	249	201
LR chi2(13)	29.81	20.74
Prob > chi2	0.0050	0.0078
Pseudo R2	0.0875	0.0749
Log-likelihood	-155.49299	-128.0537

Source: Author, (2022), **Where; ***=1%, **=5% and *=10% level of significant**

From Table 5, the results of the female correlate revealed that being a single female reduces youth involvement in agribusiness entrepreneurship as compared to married females by 0.8299 and it is significant at a 1% level of significance. Also, years of experience for a female youth has the tendency to increase the chance of involving in agribusiness as a main occupation by 0.0924 and it is significant at a 1% level of significance. Meanwhile, training also has a positive effect on youth involvement in agribusiness in females correlating with a likelihood of 0.7786. Moreover, in terms of financial services, only government financial services have a significant effect on female youth involvement in agribusiness as a main occupation, though the effect is negative with a coefficient of 0.3912.

Secondly, the male correlation shows that training has a positive significant effect on youth involvement in agribusiness entrepreneurship. The result is similar to those of the female subsample but the effect of training is stronger in the male correlate than in the female correlate with a likelihood of 1.063. In the same vein, two financial services, that is personal savings and mobile money have a significant effect on youth involvement in agribusiness in the male correlate. From the results, an increase in the number of male youths with a personal saving account will lead to a 0.4426 increase in the number of male youths involved in agribusiness as a main occupation and it is significant at a 10% level of significance. This effect was insignificant in the female sub-sample. Meanwhile, the use of mobile money financial services increases male youths' involvement in agribusiness as a main occupation by 0.4337 and it is significant at a 10% level of significance. The number of observations reveals that the majority of youths involved in agribusiness entrepreneurship in Fako are female (249) against 201 males.

e. Discussion

Theoretically, these findings are in line with the pecking order theory, which explains that entrepreneurs are more likely to start financing their endeavors using less risky financial services such as personal savings, tontines, government, family, and friends before moving to more risky ones such as bank loans, microfinance loans, equity capital, debenture, etc. In fact, most youths are afraid of taking a financial risk because of a lack of good collateral securities. This explains why most of the youths in the Fako division are unable to use bank loans and microfinance services because they do not have good collateral security. Also, the results supported the rationing of credit theory. The credit rationing hypothesis, developed by Stiglitz and Weiss in 1981, offers a framework for analyzing malfunctions or inefficiencies in the financial market. In order to identify potential borrowers who are more likely to repay their loans and the interest rate assessed, banks are forced to use a variety of screening techniques (Stiglitz and Weiss, 1981). As a result, loans to young people are more likely to be perceived as risky loans due to the lack of collateral. Thus, fewer young people can obtain bank loans for their entrepreneurial activities.

Empirically, these findings have a slate different from those of Mbu & Wirbam, (2019) who investigated the effect of inadequate financing on Cameroon's agricultural productivity. Their findings concluded that institutional support, personal financing, bank and microfinance institutions, family and partners, friends, and tontines, all contributed to higher agricultural output. But their findings were consistent with our findings regarding government support for young people involved in agribusiness. But the results for bank financial services are different; according to our research, there is a negative correlation between youths in agribusiness entrepreneurship and bank financial services while theirs shows a positive effect. Finally, the findings of our study are much in conformity with those of Demirguc-Kunt, et al., (2014) who discovered that just 20.5 percent of young African adults (aged 15 to 24) had an account with a formal financial institution in 2014, compared to 33.1 percent of older individuals who had accounts with banks, credit unions, MFIs, and post banks (aged 25 and above). Youths who save money formally are rare While just 10% of African adolescents saved in a commercial financial institution in 2011, the number increased slightly to 11% in 2014 (Demirguc-Kunt, et al., 2015).

4. CONCLUSION AND RECOMMENDATIONS

The main objective of the study was to examine the role of financial services on youths' involvement in agribusiness entrepreneurship activities in the Fako division of the South West Region of Cameroon. Findings from financial services revealed that the majority of youths depend on personal savings, tontines, and other government financial subsidies or grants in their agribusiness activities. The available formal financial services from banks and micro finances are not favorable for the usage of youths' engaging in agribusiness. with respect to financial services and youth involvement in agribusiness entrepreneurship, it is therefore recommended that the government of Cameroon should develop innovative financial services specifically for youths involved in agribusiness-related activities. This will go a long way to improve their access to adequate capital for their agribusiness ventures. Also, the study revealed a significant influence of informal financial services such as tontines on youths' involvement in agribusiness entrepreneurship, hence there is a need to encourage youths to saving clubs for young people to involve in agribusiness in the Fako division. Above all, commercial banks and microfinance institutions should create sustainable and effective financial services specifically for young people interested in agribusiness, which does not entail a lot of demands on collateral securities, a big issue hindering youths from having access to the current financial services offered by commercial banks and microfinance institutions in Fako division.

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