

Financial Inclusion for Youth in Agrifood Systems

Gendered Barriers and Solutions in Northern Nigeria

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Why This Matters

Nigeria is home to one of the world's largest and fastest-growing youth populations aged 15–35, yet financial exclusion continues to sideline young people, particularly young women, from fully participating in agrifood systems. When women control financial resources, they generate multiplier effects across the food system.

In northern Nigeria, where more than half the population remains unbanked, the stakes are especially high. This research note draws on evidence from two complementary IFPRI studies to examine the financial inclusion experiences of young women and young men in northern Nigeria and identify practical, gender-sensitive solutions (Kabir et al., 2026).

<p>29%</p> <p>Of Nigerian youth are excluded from formal finance</p> <p><i>Eromosele et al., 2023</i></p>	<p>30%</p> <p>Of Nigerian women are financially excluded vs. 21% of men</p> <p><i>Eromosele et al., 2023</i></p>	<p>56%</p> <p>of Nigeria's financially excluded population are from the North</p> <p><i>Eromosele et al., 2023</i></p>
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Methodology

Qualitative findings presented in this note draw on a study conducted between May and July 2024 across 10 communities in Adamawa, Borno, Kano, Sokoto, and Yobe States. Data include semi-structured interviews with 61 young people (aged 18–30), 51 sex-disaggregated focus group discussions, and key informant interviews with financial service providers, market actors, and NGO staff (Kabir et al., 2026). Quantitative findings are drawn from the IFPRI longitudinal youth cohort study in northern Nigeria (2025).

Key Findings

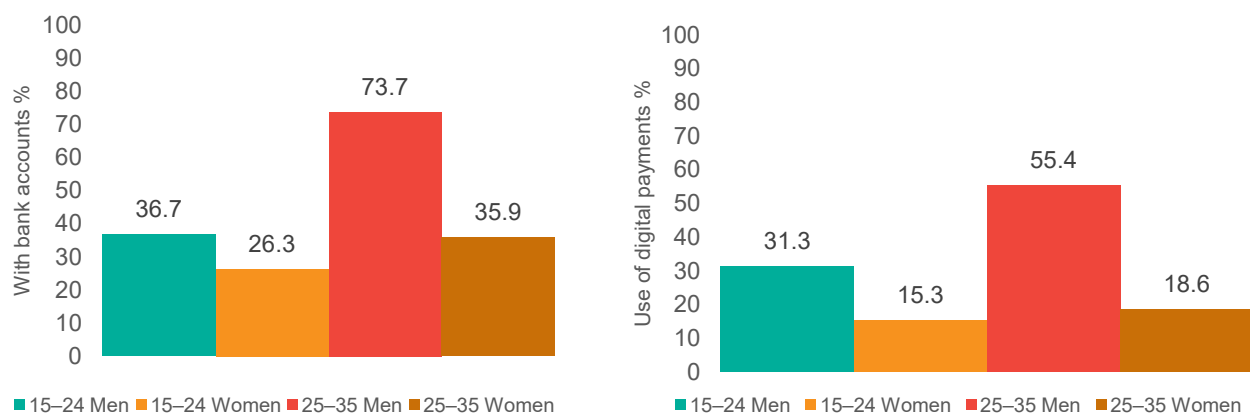
➤ Gendered Roles and Different Needs

Gender roles and norms shape young people’s participation in agrifood systems, how big their businesses can grow, and what kind of financial services they need. For instance:

- Young men operate at larger scale (bulk grain trading, aggregation) with greater financial and digital access.
- Young women are concentrated in smaller activities (e.g. processing *awara* - a soy product).
- This gap widens with age as men’s access grows while women’s remains persistently low.

Figure 1 illustrates the gender gap in financial access among youth in the study states, with young men more likely than young women to hold bank accounts and use digital payments

Figure 1: Young men and young women with bank accounts, and use of digital payments (%)



Source: IFPRI longitudinal youth cohort study in northern Nigeria to understand livelihood trajectories for young women and young men (2025)

➤ Layered and Intersecting Barriers

Financial exclusion stems from overlapping constraints: - gender, geography, religion, age, and infrastructure. These barriers play out across three major domains: **Payments, Savings and Loans**.

PAYMENTS *Preference for cash payments is prominent*

- Digital payments especially point-of-sale (POS) services and Unstructured Supplementary Service Data (USSD), are growing, but cultural mobility restrictions and low digital skills leave young women behind.
- Young women often send male relatives to conduct digital transactions on their behalf, which means digital access comes at the cost of losing control of financial resources.
- Cash remains essential but exposes traders to theft, a real fear in insecure areas.

“I don’t go [to POS] myself, but I do send someone to go and do the transaction for me.”

— Young woman, Adamawa State

SAVINGS: *Informal systems fill the gap but have limits*

- Many women save through husbands’ accounts, gaining security but losing autonomy.

- Home savings boxes are common but risk theft and impulsive spending
- Collective savings groups such as Village Savings and Loans Associations (VSLAs) are widely used especially by women for household needs and occasional business capital.
- Conflict and displacement have dismantled many groups *'Because of the insurgency, a lot of the groups were scrapped.'*

"I must wait for my husband to take me or give permission to go to the bank."

— Young woman, Sokoto State

LOANS: *The most urgent need, with the most barriers*

- Formal loans are inaccessible. Banks demand titled collateral and formal income documentation that most youth and women do not have.
- High interest rates and rigid repayment schedules are misaligned with seasonal agricultural income.
- Young women often self-exclude, asking: *'What if I can't pay back?'*
- Informal borrowing from family and friends is the most common fallback but strains relationships when repayment is delayed.

"The bank wants what we don't have."

— Young man, Adamawa State

➤ **How Young Entrepreneurs Are Navigating Without Formal Financial Services**

Young entrepreneurs in northern Nigeria have developed a range of adaptive informal strategies including:

- **Trust-based savings:** Keeping money with a trusted POS operator to avoid bank fees and maintain daily liquidity.
- **Commodity credit:** Receiving inputs on credit, repaying after harvest - well-aligned with agricultural cycles.
- **Asset accumulation:** Investing in livestock, grains, or land as inflation-proof alternatives to savings.
- **Peer lending:** Informal lending with interest arrangements, expanding access within social networks.
- **Savings groups as schools:** VSLAs and cooperatives build financial confidence and literacy, especially among women.

Recommendations for Action

To support the inclusion of young women and young men in northern Nigeria's agrifood system, our research findings call on stakeholders to develop and adopt gender-sensitive and context-specific approaches. These findings point to different action points for financial institutions, NGOs, and governments, summarized in Table 1.

Table 1: Recommendations for action

Financial Institutions	NGOs and Development Partners	Policymakers
<ul style="list-style-type: none"> ✓ Flexible, collateral-free loan products with group-based guarantees - aligned with how young people actually earn. ✓ Expanded rural banking infrastructure in underserved communities. 	<ul style="list-style-type: none"> ✓ Link women-led VSLAs and cooperatives to formal banks - giving groups a pathway to credit without dismantling the trust structures that make them work. ✓ Teach financial literacy through social networks and in local languages. 	<ul style="list-style-type: none"> ✓ Create a legal framework for warehouse receipt systems (grain-based collateral). ✓ Invest in disaggregated financial data ✓ Prioritize mobile network expansion in rural areas

<ul style="list-style-type: none"> ✓ Train and deploy women as financial agents and mobile money operators who can gain the trust of women clients. ✓ Create inclusive products for everyone including IDPs and people with disabilities, for example, offline access, accessible ID verification, assistive technologies. 	<ul style="list-style-type: none"> ✓ Use mobile and digital tools (WhatsApp, USSD, community radio) for outreach. 	<p>where financial exclusion is highest.</p>
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Bottom Line

Financial exclusion among young people in northern Nigeria's agrifood systems results from overlapping barriers that can be dismantled with the right interventions. Young people, especially young women, are actively innovating with the tools they have. The task for financial institutions, NGOs, policymakers, and donors is to meet them where they are: to build on informal financial ingenuity, adapt formal services to local realities, and recognize that inclusion means more than access — it means the genuine ability to participate, grow, and thrive.

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