

workshop results

EMPOWERING WOMEN IN AGRI-FOOD SYSTEMS WITH IMPACT INVESTING

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main issue

In many developing countries, agri-food systems (encompassing production, processing, transportation, wholesale, and retail) are the major employers of women and a more important source of livelihood for women than men (FAO, 2023). Women play a pivotal role in the systems and often carry a higher share of the work burden. Unfortunately, their role is not adequately recognised and valued.

SSNUP stakeholders acknowledge the importance of empowering women and mainstreaming gender in their activities. And some have already taken concrete steps to address the issue. This workshop enabled SSNUP stakeholders to learn about the current situation of women in the agri-food systems and share best practices to make their investment and technical assistance strategies and activities more gender-inclusive.

key takeaways

Women are significantly more likely than men to be in vulnerable forms of employment and have limited access to resources

Women working in agri-food systems can be grouped into three categories: (i) **producers** within agricultural value chains, (ii) **employees** in agri-enterprises, and (iii) **leaders** and/or **owners** of agri-enterprises. Despite their important presence and contribution to the agri-food systems, women are more likely than men to be engaged in informal, part-time, or irregular jobs as contributing family workers, low-level employees, or self-employed on a small scale. They are predominantly found in low-skilled, labour-intensive, less lucrative activities and value chains. In addition, even for similar activities, there exists a noticeable gender gap in land productivity and wage disparity, with women typically earning less than men. In case of a crisis or shock, women are also disproportionately impacted (FAO, 2023).

The causes of these disparities mainly lie in structural inequalities and persistent discriminatory social norms. The past decade only witnessed minimal improvement in women's access to resources like extension services, capacity building, and land ownership. Despite some progress in women's access to finance and digital technologies, overall advancement was slow. The high burden of unpaid care work still restricts women's economic opportunities.

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Empowering women to enhance business performance and growth

Beyond the social equity rationale, ample evidence shows that gender-inclusive businesses yield substantial economic benefits. Several agri-SMEs that are AgDevCo's investees and technical assistance beneficiaries observed that the women farmers they work with apply what they learned during training more effectively than men, ultimately leading to higher yields and quality. For example, after training supplier farmers, a macadamia company in Kenya noted a lower percentage of immature and pest-damaged nuts and a higher yield per tree among women in some community-based organisations (CBOs). In the poultry sector, female buying agents had access to different networks than male buying agents, helping increase sales of day-old chicks. All ultimately translated into better key performance indicators for the business on a commercial level.

Strategically, gender-inclusive businesses enhance branding, potentially leading to premium pricing and more access to funding sources like grants and loans from donors, funders, and investors with gender-focused criteria. For instance, they may consider deal structures where interest rates are reduced when companies meet gender targets.

Investors are increasingly investing and offering assistance with a gender lens

Many SSNUP impact investors are adopting concrete and effective actions to tackle the gender issue in agrifood systems via gender-lens investing and technical assistance. They often use financial benefits as a solid rationale to encourage agricultural enterprises to embrace gender equality, with action plans for senior management of the companies to commit to implementing.

AgDevCo and Incofin both comply with the <u>2X challenge</u> criteria, according to which an investment in a company is 2X eligible if it fulfils one of the criteria regarding female entrepreneurship, leadership, workforce, partnership, or clientele. All of Incofin's current and future funds incorporate gender in their investment thesis and impact indicators. For a more comprehensive approach, Value for Women developed a gender lens investing framework focusing on three areas: (i) capital provision to women-led businesses or those with a gender lens, (ii) applying a gender lens throughout the investment process, and (iii) advancing diversity within firms by promoting opportunities for women to thrive at all levels of the organisation.

In designing technical assistance projects, AgDevCo screens for opportunities to mainstream gender and initiate gendertargeted actions, including for women in male-dominated value chains. For example, this could include conducting gender needs assessments in the value chains. AgDevCo piloted the Gender Action and Learning System in Tanzania's coffee industry, a household approach involving women and their husbands. It found that offering social inclusion training improved the uptake of good agricultural practices. In Kenya, it worked with a gender expert to train extension officers of a macadamia company to enable them to speak more confidently about the importance of gender inclusion with the farmers and ensure women's representation in leadership in CBOs. Engaging a gender expert early in the design and pilot stages is advisable to effectively tailor initiatives to the local context before scaling up. The impact investor's investee also partnered with a local MFI to provide loans without collateral to women agents in the poultry sector because the collateral requirement (e.g., land title) typically excludes women from access to finance.

Actions need to be intentional and transformative

Intentionality can start with respecting minimum gender safeguarding criteria and tracking standard indicators. Incofin began the journey by raising staff awareness for gender equality in their professional environment.

Gender mainstreaming goes beyond counting the numbers, and it should lead to more gender-responsive actions that challenge and transform the status quo. Creating impacts on women's and girls' well-being, health, productivity, and living conditions is essential. AgDevCo conducts impact studies for a selection of projects and, where relevant, includes an adapted version of the <u>Women's Empowerment and Agriculture Index (WEAI)</u> to capture some of these impacts.

Effective progress in this area also depends on having buy-in at all levels and key individuals in the organisations with budgetary and decision-making power. It is recommended to adopt comprehensive gender strategies that embed gender as a fundamental aspect of the organisations, ensuring a long-term commitment instead of sporadic, standalone projects.

FURTHER INFORMATION

- FAO (2023). The status of women in agrifood systems. FAO, IFAD, WFP & CGIAR GENDER Impact Platform (2023). Guidelines for measuring gender transformative change in the context of food security. nutrition and sustainable agriculture.
 - DECD-DAC GENDERNET (2016). Definition and minimum recommended criteria for the DAC gender equality policy marker.

Root Capital, Value for Women, and CSAF (2021). <u>Closing the gender gap in agricultural investments:</u> <u>How three CSAF investors are turning gender</u> <u>intention into action.</u>

- Investing in Women and Value for Women (2020). How to invest with a gender lens. A guide for investors in emerging markets.
 - Global Impact Investing Network. Increasing gender equality in agriculture.

SSNUP is a 10-year programme that aims to strengthen the safety nets of 10 million smallholder households in Africa, Latin America, and Asia through technical assistance projects supporting the development of and promoting investment in agricultural value chains. Regular workshops enable stakeholders to exchange project experiences, and lessons learnt.

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