



## **SUMMARY NOTE - ROUNDTABLE DISCUSSION II**

### **INVESTING IN WOMEN'S ECONOMIC RESILIENCE AND SOCIAL WELLBEING: RETHINKING THE ROLE OF PRIVATE SECTOR DEVELOPMENT IN AFRICA**

This discussion event took place on Thursday 19<sup>th</sup> March 2015

This second event in a series of six FPC roundtable discussions was supported by Nestlé. The discussion aimed to focus on **female entrepreneurship, employment and agricultural development through improving support to women producers**. Questions explored included: What impact does the modernisation and commercialisation of agriculture have on female producers across Africa? What role do female entrepreneurs play in diversifying rural economies across the continent? How can improvements in rural infrastructure help to increase employment opportunities, raise labour productivity and grow the incomes of female producers? How can smallholder agricultural producers be supported to improve the availability of healthy and wholesome staple foods to develop local markets?

#### **SUMMARY OF ISSUES EXPLORED**

- 2015 the African Union 'Year of Women's Empowerment'
- The burden of inequality: housework, lack of education and the insecurity of land tenure
- Technology matters
- The importance of supporting the development of smallholder farmers and how big business can contribute
- The challenge of making agriculture attractive to young people

#### **2015 THE AFRICAN UNION 'YEAR OF WOMEN'S EMPOWERMENT'**

The Africa Union (AU) has declared 2015 as the 'Year of Women's Empowerment' which is an excellent opportunity to ensure that women and girls are placed at the heart of the development agenda. Given the vast number of women working in agriculture, greater political priority needs to be placed on promoting sustainable and equitable agricultural sectors and on developing rural economies across the continent. The challenge of feeding an expanding global population and growing domestic demand for affordable staple food across Africa makes this a key long term and political priority. AU member states need to make robust efforts to meet their commitments to dedicate 10 per cent of their national budgets to agriculture, particularly given that this is one of the main drivers of growth on the continent and that women constitute the majority of small scale producers. Such commitments can help to build food security and self-sufficiency. In addition, developing robust national economies where agriculture supports economic development through building linkages to other economic sectors such as industry is critical. Furthermore, women having greater representation higher up the value chain - where profit margins and incomes are higher - enables them to increase their contributions to tax receipts (for social development).

#### **THE BURDEN OF INEQUALITY: HOUSEWORK, LACK OF EDUCATION AND INSECURITY OF LAND TENURE**

The time spent on women's reproductive roles in the home often competes with the time required to undertake productive farming responsibilities. This frequently results in entrenching poverty experienced by rural women. Women's household responsibilities often mean they have fewer opportunities to access formal education. This has an adverse effect on their ability to become visible and part of decision making processes across agricultural economies. This is illustrated by the fact that men deliver less than 15 per cent of the volume of agricultural work, but receive 30-40 per cent of income generated. Inequality results in women receiving very little access to technical training and basic business skills. For example, resources have been invested in developing coffee and cocoa cultivation through encouraging good agricultural practices such as pruning, mulching, composting etc. Yet many interventions available to improve agricultural production have a limited impact as they are often targeted at men and beyond the reach of a majority of farmers (women!) across the continent. Very few women are represented in leadership roles



across the sector. Women producers provide the best quality improvements in product yields. Targeting investment in women farmers helps increase quality and incomes. Raising awareness among men and through local power structures (chief, elders etc.) about supporting improvements in women's access to resources can help combat such widespread inequality.

Restricted access to natural resources such as water, land and the insecurity of land tenure, compromises women's ability to produce and acquire the assets needed to build their farming enterprises. Precarious land tenure affects women's ability to accumulate assets often needed as collateral to access credit and finance. For example, in Uganda, the creation of linkages between smallholder farmers and banks/financial service providers has begun to create an environment which encourages and facilitates savings, which are re-invested into businesses. Better security in land tenure can help women farmers transition from informal to formal sector farming, providing better security in terms of access to finance and obtaining training support.

## **TECHNOLOGY MATTERS**

In order to transform agriculture and rural development, women's access to relevant and appropriate technology is critical. For women, farming remains rudimentary, extremely time consuming and characterised by punishing manual labour. Modernising agriculture through mechanisation, the use of technology and more efficient farming methods represents important ways in which female smallholder farmers can improve the productivity of their labour, the quality of their farming produce and their incomes/revenues – particularly given the fact that women are instrumental during key stages which enhance the quality of agricultural produce. This might range from techniques such as composting and improving soil fertility (from erosion) to improving farming inputs such as specialist picking/gathering, fermenting, drying post harvest storage and improving the quality of seeds and breeds (livestock).

The impact of mobile telephones provides a useful example of the influence of technological change. Mobile phones can help connect farming groups to build and organise networks of agriculturalists to share good practice, develop basic business skills and exchange modern agriculture practices. Technology enables women to access financial products and services essential to securing the working capital and investment capital needed to sustain and grow their enterprises, as well as manage risks and uncertainty (through savings schemes and insurance products etc.). Mobile telephones can also reduce women's vulnerability and insecurity when working in remote rural areas. Thus, technology has the potential to be instrumental, accelerating the transformation of women's roles across agriculture in ways in which changes in attitudes can take much longer to implement.

## **THE IMPORTANCE OF DEVELOPING SMALLHOLDER FARMERS AND HOW BIG BUSINESS CAN CONTRIBUTE**

The formal private sector does not have the capacity or expertise to improve the empowerment of women and promote greater equality in agricultural economies across Africa, without effective partnerships between the public and private sectors (formal and informal). Policymakers need to lead this process by creating the right incentives for business. For example, in the case of foreign direct investment (FDI) into South Africa, South Africa's Competition Commission stipulated that a specific percentage of Walmart's agricultural commodity purchases had to be sourced through local smallholder producers/growers. This was a mandatory condition for approving Walmart's merger with the South African retailer, MassMart. The critical issue is how can the right partners be identified with the right expertise to help drive the equality and empowerment agenda? How might advocacy groups across civil society support such transformation by enabling women's voices to be heard and supporting women to address the challenges they face?

The formal private sector has access to a wealth of resources which enables it to take greater risks, test ideas and employ its influence to leverage and inspire others. As such its impact constitutes more than just commercial gains. Big business needs to focus on its core objectives. This focus needs to prioritise responsible business and not assume that business alone has all the answers. The most appropriate role for big business is to support female producers to add value to their produce, rather than assume the role of a 'problem-solver'. There are however challenges in understanding and measuring the real impact of a responsible business on its wider supply and value chains. How can measuring the impact of initiatives be improved?



Big business can use its formal supply and value chain infrastructure through distribution and dissemination to help considerably reduce post-harvest losses experienced by smallholder farmers. This supports farmers' access to local markets which can in time meet the staple food demands of growing domestic populations as well as demands from export markets. National and local government agencies in partnership with big business can also explore ways in which smallholder farmers and domestic enterprise can develop cottage industries to add value to local commodities by producing products which are higher up the value chain and which command greater revenues and improve incomes.

## **THE CHALLENGE OF MAKING AGRICULTURE ATTRACTIVE TO YOUNG PEOPLE**

How can young people be encouraged and incentivised to embark on careers in agriculture and play key roles in developing rural economies? Some of the obstacles include difficulty in acquiring capital investment and a steady stream of working capital; comparatively lower literacy rates for women and girls, the unappealing hard manual labour (in a sector that is in much need of modernisation); the lack of access to appropriate and timely training and; the low profit margins associated with the farming sector leading to questions about the economic viability of careers in smallholder agriculture. It is however important to emphasise to young people that the agriculture sector is more than just about the nuts and bolts of farming but can include a range of services across the agricultural value-chain including opportunities in finance, marketing, trading and processing, etc. Increasing the opportunities to experiment and innovate with new technologies (particularly given the challenges of climate change and water scarcity) in this sector might also be key to attracting keen young talent.

## **USEFUL LINKS PROVIDED BY ROUNDTABLE PARTICIPANTS**

<http://www.sei-international.org/publications?pid=2380>

Transforming Gender Relations in Agriculture in Sub-Saharan Africa (Stockholm Environment Institute)