



# WOMEN IN AGRICULTURE INITIATIVE

MID-YEAR REPORT 2018

## Overview

Rural women face countless barriers to prosperity. Unequal education and training opportunities, cultural and legal restrictions to owning land, and lack of access to inputs, services, and credit, among others. This isn't just unfair—it's bad for business. Researchers estimate that with the same access to productive resources as men, women could increase their crop yields by 20 to 30 percent. And with [a recent UN report](#) noting that global hunger is on the rise for the third year in a row, it's not just women who would benefit; those increased yields could help feed the world.

During the first half of 2018, we reached 223,000 women producers by lending to 183 agricultural businesses in Africa, Latin America, and Southeast Asia. Our average outstanding balance to gender-inclusive businesses through mid-year was \$28.1 million, representing 47 percent of Root Capital's total average outstanding lending balance. This is the highest proportion of our portfolio dedicated to gender-inclusive lending since we launched the Women in Agriculture Initiative in 2012.

## Investing in Women-Led Enterprises in Southeast Asia

In April, we kicked off the initial, year-long phase of a planned ten-year program to promote women's economic empowerment in Southeast Asia. [Investing in Women](#) (IW), an initiative of Australia's Department of Foreign Affairs and Trade (DFAT), has [committed AUD 2 million](#) to Root Capital to enable women-led small and medium enterprises in Southeast Asia to access the financing they need to grow, and in turn boost income among their producers.

A [recent report](#) by the Global Impact Investing Network (GIIN) found that impact investing in Southeast Asia has expanded significantly over the last decade. This initial funding from IW supports Root Capital's market research and exploration in three countries: Indonesia, the Philippines, and Vietnam. It also funds lending to a small number of women-led agricultural enterprises in Indonesia, where Root Capital has built a financing presence over the last three years.

In each country, we are conducting market research to examine value chain characteristics, farmer demographics, market dynamics, and key risks. Additionally, we are looking at the participation of women in the agricultural sector in each country—and at specific barriers to women's inclusion, including access to land ownership and training



opportunities. This research will inform Root Capital's strategy to address the financing gap experienced by women-led businesses in the region.

As part of this project, and with technical support from pioneering gender-lens think tank [Criterion Institute](#), we created a Gender Lens Investing Action Plan. This plan outlines existing and new commitments to improving gender equity—both internally and in our client-facing practices—on a global scale. For example, as part of our Advisory Services arm, we plan to create a coaching program for established female managers from certain enterprises to mentor and share resources with women at other client businesses. Internally, we have committed to more equitably representing women experts from our staff in our external communications.

### Expansion of Gender Equity Grants

Building on the success of our Gender Equity Grants (GEGs) pilot in Kenya, in early 2018 we disbursed \$20,000 grants to four clients in Peru—with support from [the Wagner Foundation](#)—to implement community-led projects to advance women's participation. These projects were each developed through a participatory process with each business involving a diagnosis of barriers and opportunities for women. For example, one grant provides training and support to the APROCASSI coffee cooperative to help them strengthen gender inclusion in the cooperative's management and succession plan. We look forward to reporting on successes and challenges of the GEGs in Kenya and Peru, and the continuing expansion of the small grants program into Mexico and Central America, later this year.

### Gender-Inclusive Advisory Services

Last year, we held several trainings for staff and consultant trainers in Latin America on implementing our [Gender Inclusive Checklist](#) to facilitate women's full participation in trainings. This year, we have begun to equip our consultant trainer network in Africa to ensure consistent gender equity practices. We are also striving to enhance trainer capacity by:

- **Recruiting more women to be frontline trainers.** Women participants in Root Capital trainings have expressed that they respond best to women instructors. As the majority of trainers in our network are men, we are explicitly recruiting more women to lead these sessions, creating a more welcoming environment for women's participation.
- **Provide more upfront instruction for frontline trainers.** Over the coming year, we will conduct more gender sensitization for trainers to ensure that they are not simply meeting the minimum criteria of the checklist, but rather that they have a high level of expertise and intuition around promoting gender equity at trainings.

## CLIENT PROFILE

# Rachel Gathoni

Sorter, The Village Nut Company

LOCATION: KENYA / PRODUCT: MACADAMIA NUTS



**In the shadow of Mount Kenya, the Muhara siblings—Mary, Johnson, Maina, and Ann—founded a macadamia processing enterprise called The Village Nut Company to help bring prosperity to their home village. At the company’s state-of-the-art facilities, they employ nearly 100 individuals—from machine operators and trainers to quality control specialists and sorters. Most are young people, especially young women, in their twenties and thirties. For many this is their first job.**

Rachel Gathoni has worked as a sorter for The Village Nut Company for the last four years. The job represents unprecedented opportunity for her young family. But in her small community, the childcare options for working mothers are minimal. “If I am not able to stay home with my baby because I must work, then I have to leave him with someone,” she says. “If the sitter had somewhere else to go then she [might] even just leave the children to roam.”

At 14 months of age, one of Rachel’s sons was developmentally delayed, unable to walk on his own. The stress and care burden caused Rachel to miss several work days per year, which was a strain both for her and her employer. But in 2016, after a diagnostic exercise that included producers, employees,

and managers, The Village Nut Company applied for and received a Gender Equity Grant from Root Capital, which they used to construct and staff an on-site daycare to help relieve the burden for working mothers.

Rachel was one of the first to enroll her youngest child in the program. “Now we are mentally ok; we are comfortable,” she says. When her son entered the daycare, he was not yet walking. Staff worked one-on-one with him, using plastic chairs to help stabilize him as he learned to move—and a month later he was walking on his own. “He can even play with the other kids!” He is also learning to count and sing songs. “If we were at home,” Rachel says, “we wouldn’t have time to work on all that.”

Now that her son is well taken care of and near enough that she can communicate easily with those watching over him, Rachel says she barely misses any work days. As a young mother, this is a blessing. As she puts it: “The daycare center means I have peace of mind that my child is being looked after.” And that peace of mind means Rachel can focus on earning a strong livelihood, developing productive skills, and building a better future for herself and her family.



## BY THE NUMBERS

**\$28.1M**

Outstanding Balance to Gender-Inclusive Clients

**223K**

Number of Women Producers Reached

**85**

Number of Gender-Inclusive Clients Financed

**46%**

Percentage of Gender-Inclusive Clients

**38%**

Percentage of Women Farmers

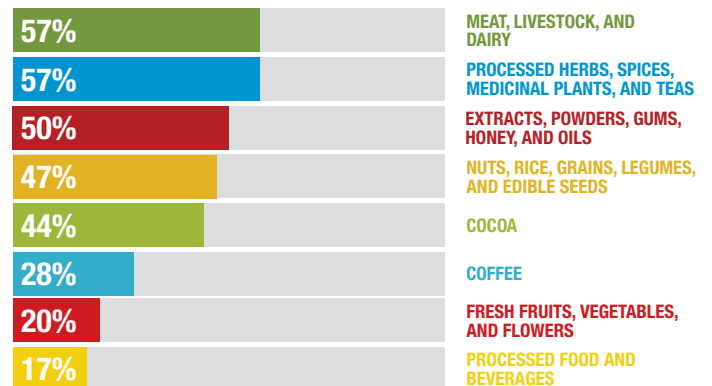
**15%**

Percentage of Women-Led Businesses

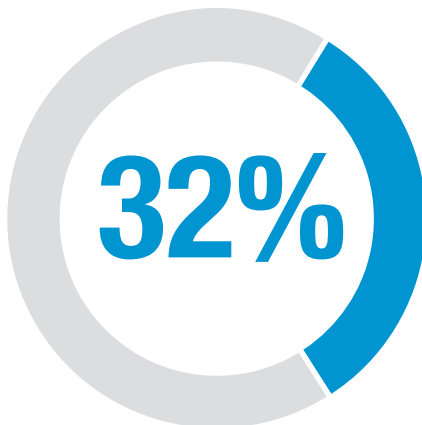
### Average Participation of Women Producers in Each Region



### Participation of Women Producers in Main Industries



### Percentage of gender-inclusive businesses providing women with loans for on-farm and personal investments



### Percentage of all Root Capital clients with programs specifically designed to support women

