



WOMEN IN AGRICULTURE INITIATIVE

ANNUAL REPORT 2019

At Root Capital, we believe that agricultural enterprises are one of the most effective platforms for delivering services and opportunities to rural women.

In collaboration with our partners—from donors to investors, from researchers to rural businesses themselves—we seek to leverage that potential to the fullest. Each of you plays a vital role in our efforts to advance gender equity in rural communities. **Thank you for your support!**

With your help, Root Capital's average outstanding balance to gender-inclusive agricultural businesses in 2019 was \$21M, representing 42% of our total lending portfolio. **As a result, our lending supported the incomes of 271,000 women farmers (our most ever in a single year) and 7,000 women employees.**

In addition, a record 30% of participants in our advisory workshops were women—a significant achievement in the male-dominated industries in which we work.

Of course, gender equity is about more than just numbers. It's about understanding the unique barriers that women face, working side-by-side with women *and* men to develop concrete solutions, and amplifying successful approaches so that they can be replicated. That's why, in 2019, Root Capital applied lessons learned during the first seven years of the Women in Agriculture Initiative (WAI) to develop a comprehensive business plan for the next three years. The business plan sets out four strategies—**Grow, Cultivate, Innovate, and Amplify**—that represent a holistic approach to unlocking opportunities for rural women. In this report, we present our progress across all four strategies in 2019.

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2019 BY THE NUMBERS

42%

Outstanding Balance to Gender-Inclusive Clients

47%

Gender-Inclusive Clients

16%

Women-Led Businesses

41%

Women Farmers Reached

30%

Women Participants in Advisory Workshops

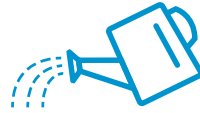
39%

Clients with Programs Specifically Designed for Women



GROW

Increasing the proportion of gender-inclusive and women-led businesses in our lending portfolio.



CULTIVATE

Strengthening the capacity of women working in agricultural enterprises.

In 2019, we increased the proportion of gender-inclusive and women-led businesses in our portfolio to 47% (vs. 45% in 2018) and 16% (vs. 15% in 2018), respectively. Some of these businesses overlap, with 80% of women-led clients also meeting Root Capital's gender-inclusive criteria. To grow these numbers even more, we are strengthening the gender lens of our entire lending process. For example, as part of our loan due diligence, we look at the extent to which every potential client is actively addressing environmental and social issues, including gender equity. As part of this, we look at whether or not the enterprise provides any programs specifically designed for women. But, as we've learned more about the ways gender inclusion (or exclusion) manifests in business operations, we decided to take a deeper dive into that question.

In 2019, we expanded our due diligence to include a range of *specific* policies and programs that businesses might implement in service of gender inclusion. For example, does the business have a policy prohibiting gender discrimination, including in hiring and pay? Does it have a protocol for reporting incidences of sexual harassment? Does it provide or sponsor childcare for meetings, trainings, or other events? For employees, does the business allow job sharing, flexible schedules, or parental leave? Using this more detailed definition of gender inclusion activities, we can determine whether businesses encourage women's equitable participation in the workplace.

We recognize that it's often harder for women to participate in our training sessions than it is for men. That's why, for several years, we've implemented policies—including a gender inclusion checklist—to remove as many barriers to women's participation as we can.

In 2019, we engaged an independent consultant to evaluate the effectiveness of those policies. The consultant visited 14 client businesses in five countries and interviewed 85 individuals, including key Root Capital staff. We learned that, while our policies were effective at increasing women's inclusion, we were applying them unevenly. To address this, we have implemented more gender sensitization trainings for our global staff and held a series of internal workshops to brainstorm solutions. In the coming year, we will focus on building accountability mechanisms to ensure policies are deployed more systematically.

Rural women face not only logistical barriers to participating in workshops, but also learning barriers. In 2019, we adapted a module from our general financial advisory services curriculum to create one tailored to women participants. Among other things, we adjusted the learning examples to better reflect women's experience and roles within agricultural businesses. We then piloted the module at our first women-focused workshop, and will use what we learned to continue adapting other parts of our curriculum to meet the training needs of women.



INNOVATE

Supporting agricultural enterprises to design and implement strategies that benefit women.

In 2019, thanks to these reforms, we saw our highest level of women's participation in our advisory workshops (30%). But we must continue addressing barriers to women's inclusion so that we can maintain, or even increase, that number. One of the main reasons for women's low participation in enterprise-level trainings is that they often don't hold the positions targeted by these services. Through our Talent Partnerships program, we are building a leadership pipeline by placing young graduates in accounting and food science internships at rural businesses. In 2019, we placed 13 new interns in both East and West Africa—of which 62% (eight interns) were women. Nearly all were retained as full-time employees at the end of their internship.



This Program is so beneficial in terms of career. It opens a number of doors experience-wise, which is a long-term benefit when seeking for employment or if interested in starting up a small scale food business."

**– Fatumah Nansubuga (26)
Food science intern, Uganda**

In 2019, we continued to expand our innovative Gender Equity Grants (GEGs) program, [first piloted in Kenya in 2016](#). Drawing on lessons learned, we made three new grants in Kenya, three in Rwanda, and one each in Guatemala, Honduras, and Mexico. Using the GEGs, these businesses are implementing a range of projects tailored to their unique contexts. For example:

- Clients in Rwanda are creating income-generating projects for women, purchasing land specifically for women's use, and revising cooperative policies to increase women's membership.
- In Latin America, clients are deploying our first GEGs focused on women's climate resilience to provide technical assistance on climate-smart agricultural practices to female cooperative members.

As these new GEGs wrap up in 2020, we will continue to assess the most effective ways to engage businesses on gender inclusion. These lessons will inform our efforts over the next three years to broaden the GEGs into new geographies and value chains.

Recognizing how important it is for the businesses themselves to assess and learn from their GEG experience, in August, we hosted 50 representatives from GEG recipients in Peru to share lessons learned. This event gave the cooperatives an opportunity to discuss their various efforts



to strengthen gender equity within their businesses—through projects ranging from entrepreneurial training for women to creating a women-led coffee roastery (see client story in this report).



AMPLIFY

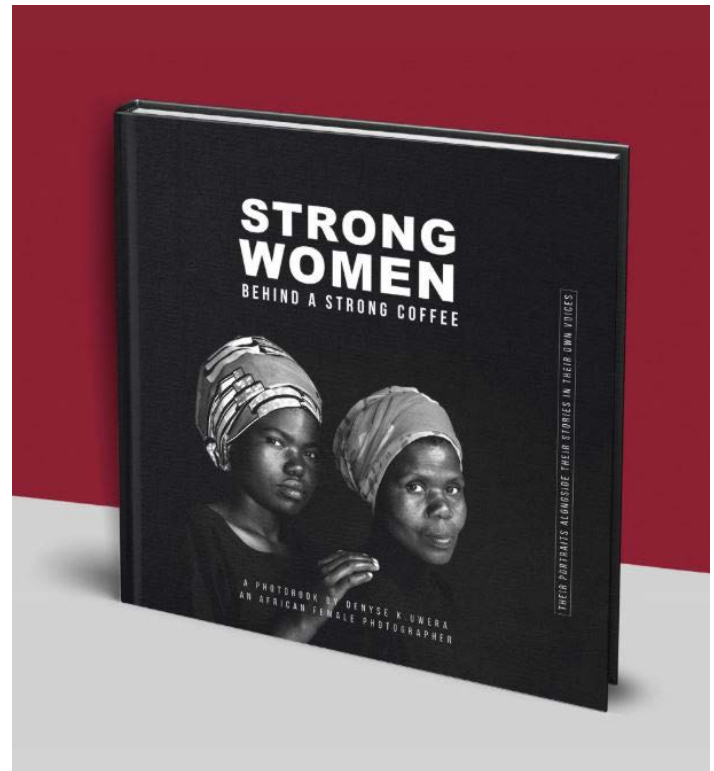
Demonstrating to others how to holistically impact women across agricultural value chains.

Root Capital is deeply committed to learning, measurement, and evaluation—and particularly, to sharing those insights with others. Creating opportunities for women in agriculture on a global scale requires us to understand not only what’s most impactful, but what can be replicated. To that end, in 2019 we continued to evaluate our approaches, engage in learning with our peers, and provide considerable sector leadership.

In November 2019, our partner [Value for Women](#) conducted baseline data collection with two of our climate GEG recipients. Through this evaluation, we seek to understand how organizations like Root Capital can best engage with agricultural businesses to both create opportunities for women *and* build their resilience to climate change. The evaluators will also look at what tools or interventions are most effective, and what organizational reforms might be necessary to make sure that these approaches are sustainable for our partners in rural communities.

Root Capital also joined the Gender Smart Enterprise Assistance Research Coalition, or G-SEARCH, a coalition of five impact investors working in emerging markets. G-SEARCH aims to discover and share the most effective approaches to embedding gender equity into the DNA of small- and medium-sized enterprises. Each coalition member is contributing data and insights from an aspect of their gender equity work—in our case, the GEGs—in order to discover patterns and insights that can inform the larger gender lens investing sector.

To share lessons about the WAI more generally, we published a [blog post](#) outlining what we’ve learned since launching in 2012. Our WAI lead, Katie Naeve, presented some of these same lessons at a panel on “The Business Case for Gender Lens Investing” at the Social Capital Markets (SOCAP) convening in October 2019. She also presented our plan for scaling the WAI over the next few years in a webinar earlier in the year, which 400 people registered to attend.



Strong Women Behind A Strong Coffee

Alongside our long-time WAI partner the Wagner Foundation, we are pleased to support the publication of a new photo book spotlighting the phenomenal women behind Rwandan coffee.

The book features black-and-white portraits and personal narratives of women who are part of Rwanda Small Holder Specialty Coffee Company (RWASHOSCCO) and its associated cooperatives, many of which are Root Capital clients. These are the women behind Angelique’s Finest, a specialty coffee produced entirely by Rwandan women, from the cherries to the final packaged product.

The book will be sold alongside Angelique’s Finest in supermarkets throughout Germany, with 20% of the profits supporting the Rambagirakawa women’s group.



CLIENT STORY

Cooperative Agraria de Frutos Ecológicos Sanchirio Palomar

LOCATION: PERU PRODUCT: COFFEE

Up an impossibly steep and narrow winding road, beneath a rustling tree canopy filled with birdsong, you'll find Cooperativa Agraria de Frutos Ecológicos Sanchirio Palomar. Founded in 2004, Sanchirio Palomar is made up of 171 coffee farmers, 60 of whom are women. In 2009, Root Capital became their first lender—and we remain the only lender willing to finance the business.

Patricia Rodriguez is a coffee farmer and long-time president of Sanchirio Palomar's women's committee. In recent years, Patricia and her fellow cooperative members have weathered repeated crises—from the devastation of coffee leaf rust to a prolonged drop in coffee prices. "Our coffee has fallen from full production to now," Patricia notes. "We are still only producing 40% of what we were, and there aren't alternative business opportunities."

But Patricia and the rest of Sanchirio Palomar's women's committee had an idea that would fundamentally improve the livelihoods of *all* members of the cooperative. While Peru's national government has encouraged coffee-related tourism in the region, the only coffee roasting equipment is several hours' drive away. If the cooperative had its own roastery, the women thought, they could process their coffee and sell it directly to tourists.

When Root Capital expanded our innovative Gender Equity Grants (GEGs) program to Latin America, we thought immediately of Sanchirio Palomar and its women's committee. In 2018, we began a participatory diagnostic and project development process to make their vision a reality.

Using their \$20,000 Gender Equity Grant, the women's committee purchased the necessary roasting equipment and trained its members to run this new business venture. Within the first three weeks of opening their roastery, the women's committee had roasted more than 250 kilograms of coffee, enabling their fellow coffee farmers to diversify their income streams and sell to the local tourist market. The women also received a verbal agreement from the cooperative's main buyer to purchase a full container of women-grown and -roasted coffee next year. This coffee will be sold at a premium price under their new brand, Coyanesha, meaning "woman" in Amuesha, a local indigenous language.

With these initial successes, the women of Sanchirio Palomar have launched themselves, their families, and their cooperative down the path toward higher, more diversified, and more secure incomes. In doing so, they are not simply making short-term gains that will evaporate when one project ends. Rather, they are shifting the underlying conditions that prevent equitable participation and opportunity for women in their communities.

Says Patricia, "It is going to depend on us as women entrepreneurs who are capable of forging ahead. [Before] we didn't have that feeling of being women who could undertake projects like this, but...this opens our eyes to the many things that have been ignored, including gender equity. We are fighting to change things. It is a little difficult... but we will succeed."



Women have always been discriminated against. But when I joined APROCASSI in 2006, I saw this new reality: a reality where women could work, could advance. A reality where women could have power.”

– Dora Lisa Carrión Gómez
Former President, APROCASSI, Peru

Since 2004, APROCASSI has received lending and advisory services from Root Capital, including a Gender Equity Grant.

CUMULATIVE IMPACT SINCE 2012

GOAL BY 2022: 443K

WOMEN FARMERS REACHED **467K**

GOAL BY 2022: 13.5K

WOMEN EMPLOYEES REACHED **12K**

GOAL BY 2022: 100

WOMEN ENTREPRENEURS REACHED

67

This work is made possible by Root Capital’s dedicated philanthropic and investor WAI partners, with special thanks to:



Launched in 2012, Root Capital’s Women in Agriculture Initiative supports agricultural enterprises to generate opportunities that are inclusive of women throughout their value chains. To learn more, visit rootcapital.org.