



Ana Escobar, a Mayan smallholder farmer, in Chajul, Guatemala.  
Photo credit: Adam Finch/Root Capital

# Women in Agriculture Initiative

Annual Report  
October 2023



**The Women in Agriculture Initiative (WAI), now in its 11th year, expands access to finance to more women-led and gender-inclusive businesses across Africa, Latin America, and Southeast Asia.**

Women and girls are disproportionately impacted by many of the most pressing challenges facing our world today, including climate change, forced displacement, income inequality, and the reverberating effects of global economic shocks and recessions. According to the United Nations, women and girls are hit harder by the effects of climate destruction, water shortages, and food insecurity. Of those who are displaced due to the climate crisis, 80% are women.

The obstacles faced by rural women in emerging markets are even more acute. They must contend with limited mobility, lack of educational and training opportunities, financial exclusion, and limited access to land. In fact, in several of the countries in which Root Capital operates, women face legal constraints in acquiring, owning, and inheriting land. Additionally, cultural norms often demand that women perform a greater share of housework, market activities, and childcare. This typically results in less time for women to engage in agricultural labor, which leads to lower productivity. All of these factors make it harder for women to access professional jobs in agriculture. Moreover, when women start their own businesses, they find it much harder to access credit—an estimated 70% of women-owned enterprises in emerging markets are overlooked by lenders.

That's where the WAI, our gender-focused impact pathway, comes in. The WAI was launched in 2012 to promote gender equity and inclusion for women in agriculture. The initiative has already transformed the lives of hundreds of thousands of women in developing economies by unlocking the potential of investing in businesses committed to gender equity.

Since 2012, Root Capital has invested **621 million** dollars in gender-inclusive and women-led enterprises, reaching more than half a million women employees and farmers.

## Strategic Plan 2021-2025: Gender Equity

### Tracking Our Progress

In 2021, Root Capital launched a five-year strategic plan with ambitious goals to build holistic resilience for agricultural enterprises and the farming families they reach. The WAI is a central pillar in this plan as we deepen gender equity through four strategies: Grow, Cultivate, Innovate, and Amplify. This report shares key highlights from 2023 across those four strategies and charts our progress toward our 2025 goals.

## 2022 BY THE NUMBERS

**\$101.6M**

Disbursed to  
Gender-Inclusive Businesses\*

**58%**

of Lending Clients Were  
Gender-Inclusive

**29%**

of Lending Clients  
Were Women Led

**86%**

of Clients Committed to Gender  
Inclusion Policies or Programs

**38%**

of Advisory Training  
Participants Were Women

**37%**

of Farmers Reached  
Were Women

\*Women make up more than 30% of farmers and employees OR the enterprise is women led and women make up more than 20% of farmers and employees.



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

Women, particularly in the emerging markets in which we work, are underrepresented in the financial system and often struggle to access capital. According to the [International Finance Corporation](#), women-owned small and medium-sized businesses face an estimated credit gap of \$1.4 to \$1.7 trillion. Our “grow” strategy aims to close this persistent gender finance gap in rural communities. We purposefully lend to small and medium-sized agricultural enterprises that are **gender-inclusive** (meaning women make up more than 30% of enterprise farmer suppliers and employees) or **women-led** (meaning the enterprise is managed by women and women make up more than 20% of enterprise farmers, suppliers, and employees), or both.

We have a large and growing portfolio of gender-inclusive and women-led business clients. By the end of Q2 2023, we had reached all-time highs in our lending portfolio, with gender-inclusive businesses and women-led businesses representing 62% and 32% of our portfolio, respectively. By contrast, in 2022, gender-inclusive businesses and women-led businesses represented 58% and 29% of our portfolio, respectively. As further evidence of our progress in purposefully cultivating a gender lens investing (GLI) strategy, these percentages have steadily ticked upward year over year.

Our loan disbursement goal, as outlined in our 2021-2025 strategic plan, is to provide access to \$114 million in financing each year for gender-inclusive businesses. In 2022, we made meaningful progress towards this goal, disbursing an all-time high of \$101.6M to gender-inclusive and women-led businesses. By the end of Q2 2023, we had disbursed \$44.9 million to gender-inclusive and women-led businesses. The pace of our loan disbursements this year has slowed because of multiple global trends. Rural businesses’ demand for financing has decreased as a result of recession concerns and negative commodity price shocks. Root Capital remains ready to help our clients succeed and scale on the timeline that is right for them.



## Strengthen the capacity of women working in agricultural enterprises.

Launched in 2021, Root Capital’s Gender Equity Advisory (GEA) services are a key component of our capacity building. GEA is targeted training that supports our agricultural business clients in diagnosing barriers to women’s equitable participation and in identifying opportunities for their growth and development. GEA is supported by nonrefundable gender equity grants, which assist clients in establishing gender action plans so that they can close organizational gender gaps. Through GEA, we offer holistic support to our clients that complements and fully integrates into our other advisory services in the areas of agronomic and climate resilience, youth talent, business management, and digital business intelligence.

We are on track to meet our yearly goal of having 57 clients receive our GEA services by the end of 2023. By the end of Q2 2023, 48 clients had begun receiving our GEA services; in all of 2022, 17 clients received GEA services. This yearly increase in clients receiving GEA services is indicative of how Root Capital is emphasizing a cross-cutting, integrated approach to gender, climate change, and food security across all of our impact pathways.

To track the success of our GEA services, we monitor how many of our clients develop, sign, and commit to implementing the policies and programs outlined in the gender equity action plan developed during our advisory training sessions. As of year-end 2022, 86% of our clients had committed to implementing gender inclusion policies and programs. By the end of Q2 2023, that percentage had risen to 89%.

Another key aspect of our “cultivate” strategy is ensuring that women employees working in rural agricultural enterprises take part in the wide range of advisory services, workshops, and in-person and virtual training sessions that Root Capital offers at rates equal to their male peers. While our ultimate goal is achieving gender parity in participation, per our 2021-2025 strategic plan, our annual goal for women’s participation in these workshops is 30%. We exceeded this goal in 2022, with women making up 38% of participants at advisory workshops. We are off to a strong start this year, already reaching 38% participation by women in advisory training sessions by the end of Q2 2023.

Finally, we track the net additional management or leadership jobs held by women at Root Capital's lending clients to see whether our GEA services are helping to cultivate future women leaders in agriculture. We are showing forward momentum on this indicator as well. In 2022, 21 women held increased decision-making roles at their agricultural enterprises. By the end of Q2 2023, 15 women held greater decision-making roles, and we are on track to achieve our annual goal of 31 women in increased decision-making roles in 2023.



**Support agricultural enterprises to design and implement strategies that benefit women.**

Not all gender inclusion investments are suited to debt financing, so we also offer catalytic grant funding—known as resilience grants—to certain clients. These non-refundable resilience grants complement our credit plus capacity model by serving as an accelerator to our more mature clients who are already making strides in their gender equity plans, but may lack the resources to initiate or sustain key projects. This year, we have disbursed two resilience grants totaling \$27,000 to two coffee cooperatives in South America. The first resilience grant will defray the costs of building a greenhouse at Los Angeles Coffee in Peru. The other will strengthen the technical capacity and leadership abilities of the women employees and partners at the Peruvian coffee association Valle Verde de Rodríguez de Mendoza.

Even though Root Capital works directly with agricultural enterprises rather than individual farmers, this year we undertook micro-level research to inform our overall WAI strategy. We conducted research at the farm level, interviewing 2,000 farmers in a joint research project with the International Food Policy Research Institute (IFPRI). The report summarizing the key findings from our research will be published in December 2023.



**Demonstrate to others how to holistically impact women across agricultural value chains.**

Root Capital is a founding member of multiple coalitions, including the Council on Smallholder Agricultural Finance (CSAF), as part of our efforts to build the field of GLI practitioners. Root Capital works with CSAF members to tackle specific challenges related to gender equity within the agricultural finance sector and to amplify the learnings from our gender work. This year, Root Capital and our partner Value for Women (VfW) provided technical assistance and GLI training to three CSAF members—Alterfin, Cordaid Investment Management, and Incofin—who are committed to their own gender equity journeys.

In 2021, Root Capital, VfW, and CSAF hosted a series of training sessions to demonstrate the business case for gender lens investing and to advance gender equity goals among CSAF investors. Over a six to nine month period the following year, Alterfin, Cordaid Investment Management, and Incofin developed organizational gender lens investing strategies, implemented gender metrics, and enhanced knowledge and buy-in for gender lens investing within their agri-investment teams and senior leadership.

In June of this year, we co-published [a report](#) on best practices for closing the gender gap in agricultural investments. The report, which included case studies of the three impact investors, provided a strong evidence base for other donors and investors to adopt GLI practices. We shared our [key report findings](#) and discussed shared challenges and lessons learned in a partner-led [webinar](#) the following month.

Women members of the Chajulense Association in Chajul, Guatemala.  
Photo credit: Adam Finch/Root Capital





Leonor Gutiérrez, Root Capital's Director of the Women in Agriculture Initiative, speaking at the WAI Convening to women leaders from the DRC, Ghana, Kenya, Rwanda, and Uganda. Credit: Root Capital

## WAI Special Convening: Women's Council in Nairobi, Kenya

In September 2023, we launched the Women's Council, a global women leaders' platform, at a convening in Root Capital's office in Nairobi, Kenya. The convening explored key topics that greatly impact women, including food security, seasonal agricultural work, and the intersection between gender and climate. The purpose of the convening was to better understand the needs of these women so that the WAI strategy could be adapted to be as impactful as possible. The convening was also a space for sharing, learning among experts, and supporting one another. The launch of the Women's Council at this convening demonstrated Root Capital's commitment to the women clients at the center of our field building strategy. The five women leaders and agricultural business founders who attended the convening represented a diverse group of Root Capital's African clients.

**Although our percentage of women-led clients has shown steady increases, we are still not where we need to be—only 30% of the leaders working for our lending clients in 2022 were women.**

This reflects an opportunity not only to increase the number of women in leadership roles in the agriculture sector, but also to strengthen the existing leadership skills of the women who are already in these roles. Women leaders require targeted support to flourish professionally; as part of the WAI, Root Capital is committed to providing this tailored support.

At the convening—which was generously funded by the Wagner Foundation, a long-standing WAI supporter—the women shared their personal stories and leadership experiences. Their journeys, like Marcelline's below, will inform our WAI strategy moving forward.



“  
In our organization, women oversee the whole coffee value chain, from planting and harvesting all the way to processing.”

– Marcelline Budza, Founder and President of Rebuild Women’s Hope

Photo credit: Root Capital

## IMPACT STORY

# Marcelline Budza, Founder and President of Rebuild Women’s Hope (RWH)

A Root Capital client since 2019

In 2013, Marcelline Budza founded RWH in the conflict-riddled zone of Idjwi in Eastern DRC.

The coffee cooperative’s primary goal is to provide women, many of whom were widowed following the DRC’s devastating civil wars, with the necessary tools and resources they need to become financially independent in the coffee sector. Since women have borne the brunt of the challenges wrought by ongoing conflict in the region, RWH is committed to actively promoting women’s rights, advocating for gender equality, and encouraging women to challenge societal norms and barriers that limit their opportunities. RWH also strives to ensure that women have access to holistic wraparound support, such as reproductive and maternal health care and daycare services, so that they can have productive, fulfilling lives.

## Dismantling Gender Barriers

The biggest obstacle for women in the DRC’s coffee industry is the pervasive dominance of a male-oriented system. Women frequently encounter state-sanctioned and cultural hardships that undermine their opportunities, abilities, and worth.

An outlier as a woman leader in the DRC’s male-dominated coffee industry, Marcelline is often criticized by men for challenging traditional gender roles and for encouraging women to assert independence from male authority figures, including their husbands.

## Overcoming Early Challenges and Securing Financing

Despite challenges early on, Marcelline worked diligently to secure financing and implement good business practices for RWH so that the cooperative could grow and provide more community support for its farmer members. After a long search, Root Capital emerged as the perfect partner to meet their financial and advisory needs, enabling them to strengthen and establish solid foundations. In 2019, the cooperative received its first loan, which totaled \$150,000, from Root Capital. Thanks to this financing, the business thrived. The following year, RWH successfully established an affordable maternity center. This center is dedicated to providing assistance and resources to women who previously lacked access to such vital support. The cooperative also received a \$14,000 resilience grant from Root Capital in 2021, which they used to reconstruct a coffee washing station destroyed by rainwater in a strong storm.

RWH has flourished under Root Capital's credit plus capacity model. In early 2023, RWH began receiving Root Capital's advisory services, including business management and agronomic training. Thanks to on-site training workshops, RWH has streamlined their accounting, taxation, and financial processes, thereby improving overall operational efficiency.

## The Keys to RWH's Success

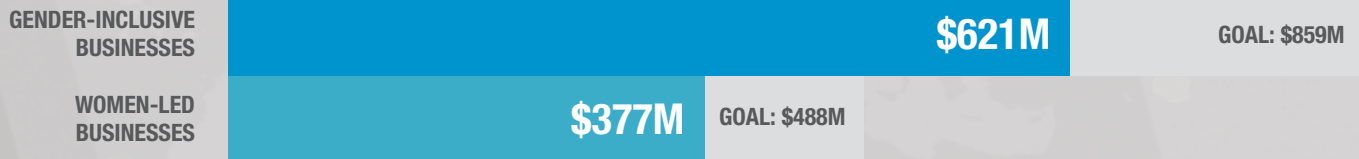
RWH now works directly with buyers from the U.S., Europe, and Asia, which enables the cooperative to provide their high-quality coffee to a global market. A key principle of their approach is ensuring that when a kilogram of coffee is sold, the money earned from the sale is given directly to their farmers. This transparent and fair practice empowers the farmers and enables them to reap the rewards of their hard work. Marcelline's strong leadership skills have propelled RWH to new heights. Her efforts to promote women's rights in Idjwi have been recognized by many prestigious international awards, including the Public Peace Prize and the French Republic Human Rights Prize.



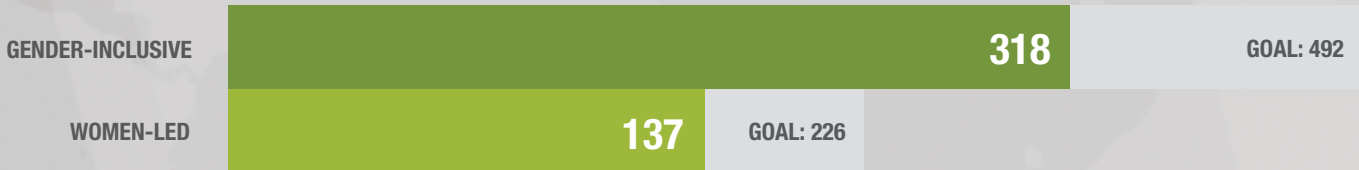
Reconstructed drying beds at Rebuild Women's Hope (RWH).  
Photo credit: Root Capital

# PROGRESS TOWARD 2025 GOALS THROUGH Q2 2023

## LOAN DISBURSEMENTS



## BUSINESSES REACHED



## GENDER EQUITY ADVISORY CLIENTS



## RURAL WOMEN REACHED BY LENDING



This work is made possible by Root Capital's dedicated philanthropic and investor WAI partners. With special thanks to:

Visa Foundation  
Wagner Foundation  
Walmart Foundation



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 and to support this work, visit [rootcapital.org](https://rootcapital.org) or email [giving@rootcapital.org](mailto:giving@rootcapital.org).