



## PAFO-COLEACP INNOVATIONS SERIES: Innovations and successes of African farmer-led businesses and SMEs

### SESSION N°9

#### Successes from women-led agribusinesses in Africa

26 April 2022, 12:00-14:00 (GMT)

Online ([Zoom](#))

*English-French interpretation available*

#### 1. Context: Women are key drivers of the agrifood sector

Women make significant contributions to agriculture and the rural economy in all regions of the world.

They are a significant entrepreneurial force as owners of farms, input supply stores, service delivery businesses, and export firms whose contributions to local, national, and global economies are far reaching. Women comprise, on average, 43 percent of the agricultural labour force in developing countries. This average share ranges from 20 percent in Latin America to 50 percent in Eastern Asia and sub-Saharan Africa. Their contribution to agricultural work varies even more widely depending on the specific crop and activity.<sup>1</sup>

Women entrepreneurs running small and medium-sized enterprises (SMEs) play a significant role in contributing to economic development by creating jobs, boosting economic growth, and harnessing the productive capacity of women.

It is estimated that globally there are roughly 9.34 formal million women-owned SME in over 140 assessed countries, which is approximately one third of all formal SMEs.<sup>2</sup>

Many women around the world are making a significant impact, despite barriers in the system that impact growth opportunities. The pandemic had an enormous impact on women entrepreneurs due to their smaller-than average business size, being in vulnerable industry

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<sup>1</sup> FAO 2010-11 edition of [The State of Food and Agriculture report](#).

<sup>2</sup> IFC. [Women-owned SMEs: A business opportunity for financial institutions](#). 2021. International Finance Corporation. [Women-Owned SMEs: a business opportunity for financial institutions](#). 2014.



sectors, and their higher burden of family demands. Despite many challenges, many women entrepreneurs have successfully adapted to the disruptions and new market realities caused by the pandemic.<sup>3</sup>

Despite the key role women play in the agrifood sector, they face barriers in accessing productive resources, inputs, tools, equipment and technologies, agricultural services and training, as well as finance.

## 2. Barriers to women's economic growth

On average women spend 85–90 percent of their time each day on household, food preparation, childcare and other household chores. Women's triple work burden in the productive, reproductive and social spheres, limits their potential to take advantage of new opportunities.<sup>4</sup> Hence rural women often find themselves in particularly vulnerable employment situations, given limited access to resources, infrastructure and markets, as well as diversified sources of income.<sup>5</sup>

To find jobs in the formal economy or to start and develop businesses, women face more challenges than men due to lack of policies and programmes to support and encourage entrepreneurial activity, excessive norms and regulations, and restricted access to credit.

Women face barriers to **access markets** and participate in larger-scale and more remunerative value chains which require specialised vocational and technical skills in fields such as food safety, food conservation, packaging and product certification. They often lack knowledge on trade standards needed to expand their business, especially phytosanitary standards which implicates specialised knowledge which limit their involvement in more lucrative market segments. Distribution, transportation and marketing of agricultural products are traditionally male dominated making more difficult for women to access. Therefore, women are often found in lower-margins activities or informal sector. Evidence suggests that there may be systematic gender differences in the **prices** received by men and women for the same output. Women may sell more of their produce at the farm gate, if their time is limited by household responsibilities that reduce their ability to travel to the market or because they are selling smaller quantities. Social structures may make it more difficult for women to bargain effectively with male traders for higher prices.<sup>6</sup>

Low rates of female **land ownership** can hinder access to financial assets that are necessary to set up a business. Inequalities in rights and entitlements limit women's access to and control over resources that are crucial to starting and consolidating a sustainable enterprise.

Women entrepreneurs face multiple difficulties in **securing funding** mainly due to lack of collateral in the form of land and other tangible assets and a high-risk perception and lack of appropriate products, information, understanding of their needs and collateral.<sup>7</sup>

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<sup>3</sup> Global Entrepreneurship Monitor (GEM) 2020/21. [Women's Entrepreneurship: Thriving Through Crisis report](#).

<sup>4</sup> FAO. [Rural Women's Economic Empowerment](#). 2014.

<sup>5</sup> Gayatri Koolwal. [Improving the Measurement of Rural Women's Employment. Global Momentum and Survey Research Priorities](#). Policy Research Working Paper. World Bank Group 2019.

<sup>6</sup> Doss CR. [Women and agricultural productivity: Reframing the Issues](#). *Dev Policy Rev.* 2018;36:35–50.

<sup>7</sup> The credit gap for formal women-owned SMEs across all regions is roughly \$2872 billion, which is 30 percent of the total credit gap for SMEs looked at in isolation from the other barriers which heavily impact women-owned enterprises. IFC. [Women-owned SMEs: A business opportunity for financial institutions](#). 2021.



Entrepreneurs require **access to capital** for initial investments to start businesses but also ongoing access to capital to operate and expand their businesses. The lack of capital and credit support makes it difficult for women farmers to buy quality seed and fertilizer, access farmland, which in turn reduces agricultural productivity. Women often do not possess the financial literacy they would need to acquire financial products or services.

There is a mismatch between women's skills and labour-market demands which accounts in part for their low economic participation. Women have limited access to **extension services, skills and business development** compared to their male counterparts.

**Low productivity** continues to be a challenge. According to the World Bank,<sup>8</sup> women farmers produce 30% less than their male counterparts, primarily because they have access to poorer inputs, poor quality land and limited support. Providing women with the same resources as men could increase their individual yields by 20-30 percent, which would improve agricultural production in the developing world by between 2.5 and 4 percent. Such an investment in women's agricultural capacity would reduce the number of people living in hunger by 100-150 million globally.<sup>9</sup> Women have **low decision-making power** about agricultural production due to culture, norms and tradition.

There is still a decent work deficit for rural workers and difficult working conditions for women (rights, health and safety at workplace).<sup>10</sup> Women waged agricultural workers account generally for 20 to 30 percent of the waged workforce, rising to 40 percent in Latin America and the Caribbean. They are also less likely to engage in wage employment than men, and, when they do, they are more likely to hold part-time, seasonal and/ or low-paying jobs in the informal economy.<sup>11</sup>

Men and women may have different access to tools and machines, and this may affect both their choices of crops and the techniques of cultivation. Mechanisation and technological upgrading can facilitate more equitable participation when technologies are culturally appropriate, when they address gender-specific barriers or constraints, and when women have sufficient skills and are not affected by gender-blind capacity-building policies. The introduction of **new technologies and mechanisation** along value chains can contribute toward empowerment through increasing women's assets and freeing up women's time from agricultural work as well as facilitating women's entry into new value chains.<sup>12</sup>

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<sup>8</sup> The World Bank. ONE. [Improving opportunities for women farmers in Africa](#). 2014.

<sup>9</sup> The FAO's 2010-2011 State of Food and Agriculture (SOFA) Report, Women in Agriculture: Closing the Gender Gap for Development.

<sup>10</sup> UN Women, IFAD, FAO, WFP. Expert Group Meeting '[Challenges and opportunities in achieving gender equality and the empowerment of rural women and girls](#)'. 2017.

<sup>11</sup> ILO. [Decent and Productive Work in Agriculture](#). 2019. FAO/IFAD/ILO: Gender dimensions of agricultural and rural employment: Differentiated pathways out of poverty Status, trends and gaps, Rome, 2010.

<sup>12</sup> Without gender friendly approaches, mechanisation can have an adverse effect: in historically female-dominated value chains, new technologies have often displaced female producers and small-scale processors, when machinery replaces their labour. Ihalaine, Markus; Shaikh, Sumer; Mujawamariya, Gaudiose; Mayanja, Sarah; Adetonah, Sounkoura; Tavenner, Katie; and Elias, Marlène. 2021. [Promise and contradiction: Value chain participation and women's empowerment. In Advancing gender equality through agricultural and environmental research: Past, present, and future](#), eds. Rhiannon Pyburn, and Anouka van Eerdewijk. Chapter 4, Pp. 147-186. Washington, DC: International Food Policy Research Institute (IFPRI).



### 3. Leveraging opportunities for women's participation in agribusiness

Sub-Saharan Africa has the highest rate of entrepreneurship in the world, with approximately 42 percent of the non-agricultural labour force classified as self-employed or employers. Yet most female-led agribusinesses are unable to grow their businesses beyond small-scale subsistence operations, they struggle to sustain and scale-up their agribusinesses into well-organised profitable enterprises.<sup>13</sup>

With targeted support, African women entrepreneurs can benefit from favourable policies and opportunities that the Africa Continental Free Trade Area (AfCFTA) will generate. Africa is strongly committed to gender equality through various policies that address gender issues in agrifood systems. The 2030 Agenda for Sustainable Development, adopted in 2015, promotes a transformative agenda for gender equality and the empowerment of women in agriculture and value chains, food and nutrition security, and in the management of natural resources in the context of climate change. The 2014 Malabo Declaration orient the agricultural investment framework to incorporate specific objectives to enhance women's participation in agribusiness and value chains and ensure that at least 20 percent of the rural women are empowered in terms of access to productive resources and decision-making positions at different levels. The new African Union (AU) Gender Strategy 2017–2027 emphasizes a transformative approach to empower women economically, build their resilience, nurture a gender-enabling environment and reinforce women's agency.

At the same time, the data show that women are deeply involved in all phases of agricultural production. Their labour at the plot level accounts for about 40 percent of the total field work in crop agriculture in Africa<sup>14</sup> and we still lack data on women's participation in other areas of farming, including seed selection and management, input purchasing, output marketing, processing and animal care, not to mention food preparation and cooking. In some settings, men may be moving out of agricultural work into other sectors that provide better opportunities. This may leave women with greater responsibility for agricultural production, or it may alter the basis on which joint activities are organised.

There is an urgent need to turn educational gains into increased participation in the labour force and stronger government commitments to adhere to international labour standards aiming to enhance gender equality in the world of work to boost opportunities in the labour market for women.

There is a need to encourage women investors and increased investment in women-owned firms<sup>15</sup> such as the organisation of women's business angel networks, where women are learning to invest in the kinds of product and business that they value; impact investing and women-focused investing. All three types of investment trends are well suited to the types of high-growth, high-potential firms that women tend to start — those that address important social needs and are communicated in ways that may speak more to what is needed in the market than to what may be most profitable.

Women are clearly an important part of the agricultural labour force, but agriculture and agricultural value chains are equally important to women as source of employment. When

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<sup>13</sup> World Bank Group. 2019. [Profiting from Parity : Unlocking the Potential of Women's Business in Africa](#). World Bank, Washington, DC.

<sup>14</sup> Palacios-Lopez, A. , Christiaensen, L. , & Kilic, T. (2017). [How much of the labor in African agriculture is provided by women?](#) *Food Policy*, 75, 52–63.

<sup>15</sup> Global Entrepreneurship Monitor (GEM). [2020/21 Women's Entrepreneurship: Thriving Through Crisis report](#).



more than half of a country's potential labour force is not used efficiently, competitiveness with other countries is negatively affected. It is urgent to create an enabling environment for rural women's empowerment and entrepreneurship in the agri-food sector and promote gender equality and women's empowerment to achieve the 2030 Sustainable Development Goals and the African Union's Agenda 2063.<sup>16</sup> This requires gender-sensitive and gender-targeted activities in food security, nutrition, and resilience.

A gender approach to value chain analysis and development allows for the consideration of groups and individual man's and woman's access to productive activities, differential opportunities for upgrading within the chain, gender-based division of activities and how gender power relations impact economic rents among actors throughout the chain. Reforming collateral-based loan policies and practices has become a part of many policy agendas and financial institutions are encouraged to design women-friendly financial products, for example, non-collateral-based lending, asset leasing, or embedded financial services in buyer contracts.

When women control additional income, they spend more of it than men do on food, health, clothing and education for their children. This has positive implications for immediate well-being as well as long-run human capital formation and economic growth. Therefore, closing the gender gap in agriculture would generate significant gains for the agriculture sector and for society at large.

## 4. The way forward

Achieving gender equality and empowering women in agriculture is crucial for agricultural development and food security and can contribute to lessen gender gap, boost per capita income growth, and generally reduce poverty.<sup>17</sup> Policy interventions can help close the gender gap in agriculture and rural labour markets. Governments, the international community and civil society should work together to eliminate discrimination, promote equal access to resources and opportunities, and make women's voices heard as equal partners for sustainable development.

Rural women increasingly run their own enterprises, yet their entrepreneurial potential remain largely unrecognised and untapped. Enabling gender responsive policies, services and business environments are crucial to stimulate the start-up and upgrading of women's businesses and thereby help generate decent and productive work.

Women's economic empowerment also means voice and representation in decision-making, participation in policy and institutional change processes and strong business networks. Training and skills upgrading are needed to strengthen women entrepreneurs' business management, marketing and technical skills, with an emphasis on growth sectors, green technologies and safe and sustainable farming and agro-processing practices (standards, safety measures). It will contribute to upgrade clusters/sectors to support the transition of women-led enterprises from informal to formal status as well.<sup>18</sup> More investments need to be done on strengthening data collection and analysis efforts to better understand and address the constraints that women farmers face in specific value chains.

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<sup>16</sup> FAO and AUC. 2020. [Leaving No One Behind – A Regional Outlook on Gender and Agrifood Systems](#).

<sup>17</sup> FAO 2010-11 edition of [The State of Food and Agriculture report](#).

<sup>18</sup> FAO. [Rural Women's Economic Empowerment](#). 2014.



## Key points for discussion on promoting women-led SMEs and businesses

- What are the drivers of success of women-led SMEs in the agrifood sector: what innovations, technologies, knowledge and finance do they attract and need?
- How to upscale women-led investments and rural women enterprises?
- What incentives can be provided to attract and retain women-led SMEs and smallholders in value-addition in local and export markets?



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### Agenda

**12:00-12:10** **Introduction:** *Emmerance Tuyishime, Acting CEO, PAFO*  
**Welcome:** *Kolyang Palebele, President, PAFO*

**Moderator:** *Isolina Boto, Head of Networks and Alliances, COLEACP*

**12:10-13:00** **Panel: Women-led successful SMEs and businesses**

- *Yvonne Otieno, Director, Miyonga Fresh Greens ENT, Kenya*
- *Salma Abdulai, Co-Founder & CEO, Amaati Group, Ghana*
- *Marie-Andrée Tall, Founder & Director, Fruitales, Senegal*
- *Clémence Kougbla, Director, AS Green, Benin*
- *Gaëlle Laura Kenfack, Founder, KENZA MARKET, Cameroon*

**13:00-13:20** **Discussants**

- *Anna Summer, Project Manager, SheTrades West Africa, International Trade Centre (ITC)*
- *Annie Kamala, CEO, AGRO BIBI, RDC and member of YPARD*
- *Denyse K. Uwera, Agricultural Branding Expert, Rwanda*

**13:20-13:50** **Debate**

**13:50-14:00** **Key takeaways and conclusion**

- *Jeremy Knops, General Delegate, COLEACP*



The PAFO-COLEACP Innovations Series focuses on innovations and successes of African farmer-led businesses and SMEs. These activities are supported by the Fit For Market SPS programme, implemented by COLEACP within the Framework of Development Cooperation between the Organisation of African, Caribbean and Pacific States (OACPS) and the European Union.