

Empowering Women through Agricultural Finance

Testing innovations in sustainable linkages to markets and finance in Mozambique

The Challenge: Women have lower access to farming information and resources than men which limits their potential.

Our Action Research: Opportunity is implementing an action research pilot to innovate ways of sustainably linking women farmers to agricultural services, markets, and finance. One year in, this action research initiative has engaged more than 800 rural women farmers in commercial agricultural transactions through microenterprise intermediaries known as Farm Business Advisors.

Results To-Date:

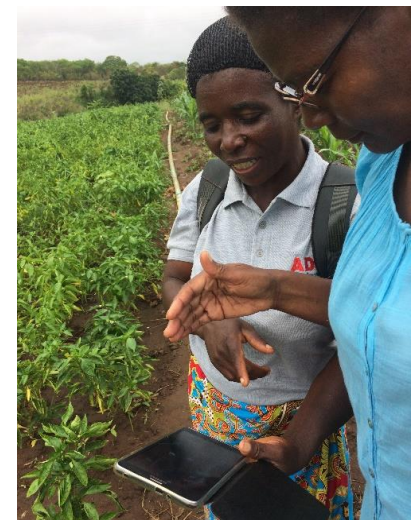
- 74% of farms participating in the pilot are managed or co-managed by a woman;
- 77% of women participants have recommended the services to another farmer;
- 44% of the trained, Farm Business Advisors are women—similar programs in Mozambique report only 10-25%.

RESEARCH CONTEXT

Although women provide half of all farm labor in sub-Saharan Africa, they are often excluded from lucrative commercial markets because of poverty, traditional gender roles, and modern discrimination. If women had the same access to productive resources as men, they could increase yield on farms by 20-30%, thus increasing total agricultural output in developing countries by up to 4% and reducing the number of hungry people in the world by up to 17%.¹ The Beira Growth Corridor in Mozambique has high agricultural potential. Women in the region are relatively autonomous and very much engaged in farming, but remain under-represented in agricultural initiatives that link farmers to markets.

THE PROJECT

In 2016, Opportunity began partnering with the ExxonMobil Foundation on an action research initiative to increase women's empowerment through agricultural finance in Mozambique, implemented in partnership with International Development Enterprises (iDE). iDE, like Opportunity, works to strengthen the private sector to sustainably include larger numbers of smallholder farmers. This project is developing innovative strategies to help women take advantage of productive agricultural resources by engaging women managing their own farms, along with men and women working their family farms together. To reach farmers, the program trains Farm Business Advisors (FBAs)—men and women already working in the agricultural market—to deliver a comprehensive package of agricultural inputs, irrigation equipment, financial services, market linkages, and practical training to farmers. This increases the productivity and quality of common vegetable crops in high demand. The FBAs operate as sustainable microenterprises, since they provide these services to farmers in addition to their existing roles in the market as crop traders and input suppliers.



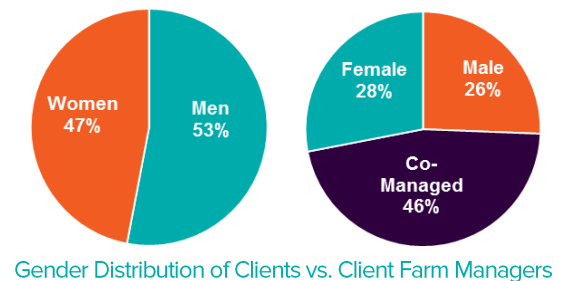
Staff member Lena (right) trains FBA Morina on tablet use

RECRUITING AND SERVING WOMEN FARMERS

Most market-based agricultural development initiatives reach more men than women. This project is testing and comparing multiple strategies for marketing to women. Because the initiative operates in rural areas with low access to modern technology, it focuses on grassroots outreach rather than mass media or mobile phone messaging. One strategy involves inviting farmers through traditional, male-dominated agricultural outreach—channeling information

¹ FAO. "The State of Food and Agriculture 2010-2011: Women and Agriculture." <http://www.fao.org/docrep/013/i2050e/i2050e.pdf>

through village leaders, farmers groups and government agricultural officers. What is unique is a simple message to promote women’s inclusion: the project is described as a women’s empowerment initiative working with both men and women to improve financial returns for farming. A second strategy reaches women through community channels that typically engage more women—rural savings and loan groups (organized by an NGO), a national women’s empowerment association, church groups, and health initiatives.



To determine the results of these outreach strategies, Opportunity began measuring not only the number of women clients served, but also the number of clients who co-manage a farm with their spouse—creating a way to determine how many women will benefit from increased farm productivity and income—even if their husband is the one registered with the program. Of farms participating in the pilot, 74% are managed or co-managed by a woman.

COMMUNICATING FARMING AS A FAMILY BUSINESS



A Picture FBAs Use to Stimulate Discussion

This project uses “Farming as a Family Business” (FaFB), a financial education approach developed in Kenya to integrate improved farm management with the empowerment of women and young farmers on family farms typically managed by the male head of household. Male farmers are open to the concept of FaFB because they want to improve their farm income and consider themselves family farmers. The training is delivered informally while FBAs conduct business with farmers. FBAs explain to male family heads how farms are more productive when family members working on the farm are informed, trained and consulted.

In this conflict-affected area of Mozambique, families are also motivated by risk messages: everyone in the family should know how to handle the farm in case something happens to the father. Additionally, family members work harder and smarter when they contribute to key farming decisions, such as how farm income is spent. The training provides a family budgeting tool and guidance to support the message that all family members working on the farm should have a voice.

A useful new gender analysis tool gathered information about how men and women in the program decided to purchase and use agricultural support services. This tool demonstrates the necessity of marketing to women, gives FBAs a starting point for talking to male farmers, and highlights that training needs to be delivered to men and women because they both use inputs and advice extensively. In most commercial farming programs, the men are the primary customer, and women are often invisible. Tools like this are helping staff to see, understand and serve women better.

ENGAGING WOMEN FARM BUSINESS ADVISORS

Previous research shows that women farmers respond better to women extension agents in both public and private sector programs. Hence, this pilot project specifically worked to recruit women FBAs by reaching out to women farmers who are leaders in their communities. At the end of year one, roughly half (44%) of active and certified FBAs were women. The focus going forward will be on strengthening female FBAs (and the way male and female FBAs work together) to intensify the transactions and agricultural support that female FBAs deliver to farmers.

