

OFFICIAL FEEDBACK FORM

DIALOGUE DATE	Thursday, 8 April 2021 14:00 GMT +02:00
DIALOGUE TITLE	Catalyzing finance for women food entrepreneurs
CONVENED BY	AGRA, the Agripreneurship Alliance, the Global Agribusiness Alliance, the International Agri-Food Network, the International Fund for Agricultural Development, Nourishing Africa, One Young World, the FSS Gender Lever, and SAFIN
DIALOGUE EVENT PAGE	https://summitdialogues.org/dialogue/7508/
DIALOGUE TYPE	Independent
GEOGRAPHICAL FOCUS	No borders

The outcomes from a Food Systems Summit Dialogue will be of use in developing the pathway to sustainable food systems within the locality in which they take place. They will be a valuable contribution to the national pathways and also of interest to the different workstreams preparing for the Summit: the Action Tracks, Scientific Groups and Champions as well as for other Dialogues.

1. PARTICIPATION

TOTAL NUMBER OF PARTICIPANTS

126

PARTICIPATION BY AGE RANGE

8	0-18	23	19-30	54	31-50	28	51-65	1	66-80	0	80+
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PARTICIPATION BY GENDER

31	Male	95	Female	0	Prefer not to say or Other
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NUMBER OF PARTICIPANTS IN EACH SECTOR

57	Agriculture/crops	1	Education	2	Health care
2	Fish and aquaculture	5	Communication		Nutrition
6	Livestock	4	Food processing	1	National or local government
2	Agro-forestry	0	Food retail, markets	0	Utilities
5	Environment and ecology	6	Food industry	0	Industrial
1	Trade and commerce	17	Financial Services		Other

NUMBER OF PARTICIPANTS FROM EACH STAKEHOLDER GROUP

14	Small/medium enterprise/artisan	1	Workers and trade union
1	Large national business	10	Member of Parliament
0	Multi-national corporation	1	Local authority
8	Small-scale farmer	5	Government and national institution
5	Medium-scale farmer	1	Regional economic community
0	Large-scale farmer	17	United Nations
12	Local Non-Governmental Organization	3	International financial institution
22	International Non-Governmental Organization	8	Private Foundation / Partnership / Alliance
1	Indigenous People	0	Consumer group
7	Science and academia	0	Other

2. PRINCIPLES OF ENGAGEMENT

HOW DID YOU ORGANIZE THE DIALOGUE SO THAT THE PRINCIPLES WERE INCORPORATED, REINFORCED AND ENHANCED?

The event was organized with a specific focus on multi-stakeholder participation. Panels and group discussions were properly designed to enable women, food entrepreneurs and investors, to voice their views and experiences in person, and facilitating exchange on concrete propositions and solutions.

HOW DID YOUR DIALOGUE REFLECT SPECIFIC ASPECTS OF THE PRINCIPLES?

DO YOU HAVE ADVICE FOR OTHER DIALOGUE CONVENORS ABOUT APPRECIATING THE PRINCIPLES OF ENGAGEMENT?

3. METHOD

The outcomes of a Dialogue are influenced by the method that is used.

DID YOU USE THE SAME METHOD AS RECOMMENDED BY THE CONVENORS REFERENCE MANUAL?

☒

Yes

☐

No

4. DIALOGUE FOCUS & OUTCOMES

MAJOR FOCUS

This Independent Dialogue focused on catalysing finance for women food entrepreneurs at different scales, including micro and SME level. It was hosted by IFAD, curated by the SAFIN Secretariat, and co-convened with AGRA, Agripreneurship Alliance, GAA-EL, IAFN, Nourishing Africa, One Young World, and the Gender Lever of the UNFSS. The approach taken in this dialogue was to review the game changer proposals from the “first wave” that are relevant to the theme at hand, and assess them – considering strengths and weaknesses and proposing ways to enrich them or new solutions – particularly from the perspectives of women entrepreneurs.

The event was structured around a public segment, with keynote interventions and a moderated panel of women entrepreneurs and investors, and a closed segment with facilitated dialogue groups. Facilitators for each session were selected due to their strong expertise in the sector and were briefed before-hand on process and the need to focus on concrete, actionable solutions (i.e vs. discussing problems).

ACTION TRACKS

✓	Action Track 1: Ensure access to safe and nutritious food for all
	Action Track 2: Shift to sustainable consumption patterns
	Action Track 3: Boost nature-positive production
✓	Action Track 4: Advance equitable livelihoods
✓	Action Track 5: Build resilience to vulnerabilities, shocks and stress

KEYWORDS

✓	Finance		Policy
	Innovation		Data & Evidence
	Human rights		Governance
✓	Women & Youth Empowerment		Trade-offs
			Environment and Climate

MAIN FINDINGS

In general, there was a sense that the game-changer proposals already on the table after the first wave are getting to a lot of the issues that women entrepreneurs face in accessing finance, but at the same time are lacking in a number of areas, including making specific provisions for innovative ways to design and deliver financial products for women entrepreneurs (e.g. to include options such as collateral-free lending and in-kind repayment) and addressing the specific needs of women who manage “nano businesses” with one or more dedicated de-risking and financing facilities. The need to consider context specificity and to design context-responsive solutions was emphasized throughout the event, suggesting that any solutions that are high-level and global in scope may be difficult to make locally significant and/or will require a lot of work to be implemented in ways that respond to different local needs and opportunities.

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OUTCOMES FOR EACH DISCUSSION TOPIC - 1/4

Discussion topic 1: Building women's entrepreneurship and capacity for innovation: what are the game-changing models in education, business development services, mentorship and peer support?

The discussion around this topic considered proposals made in the first wave concerning localized support to women who process/market underutilized nutritious crops, a global innovation hub for small entrepreneurs, and a commitment by at least 50 countries to gender-transformative programmes in food systems. These were viewed positively, but participants recommended:

- Being more explicit about the need/intention to make each proposal context-specific in design, at implementation and in tracking results and impact. This point was made with particular emphasis concerning the idea of a global agri-SME platform
- Being more explicit about the need for women's empowerment across different areas, given that obstacles to entrepreneurship can stem from different factors of inequality and different constraints not directly related to women's business activities
- Being more explicit about how each proposal can/will facilitate women's access to markets
- Avoiding an overly generic focus and prioritizing value chains where women are most directly involved or likely to become involved as entrepreneurs
- For proposals that have financing components, ensuring close integration between access to finance, training and/or mentoring, and adequate focus on the provision of seed capital
- For those components, consider also encouraging financial institutions to pay successful women entrepreneurs to support in assessing women's loan requests and in mentoring
- Integrating support to the formation of women entrepreneurs' groups into the "match-making" function of the proposed SME platform.

Participants recommended assessing the success of the proposals made in terms of:

- Increased number of women engaged at leadership levels within the sector, and confidence of women to taking leadership positions in SMEs.
- Increased agency of women within the agriculture and agribusiness sector
- Increased visibility of women in agriculture as "bankable" and investible
- More capacity building and training delivered to women in food and agriculture
- Increased presence of women in formal market chains and in the more lucrative, decision-making aspects of the value chain

Participants also made an additional proposal for a global programme to set up local technical assistance hubs for women farmers and entrepreneurs, with particular focus on strengthening their business skills. The important role that farmers' organizations and local SMEs can play in delivering or channelling business development support, facilitating peer learning and mentoring for women entrepreneurs was emphasized. Similarly, participants stressed the need to strengthen the digital infrastructure for information sharing among both women entrepreneurs (or aspiring entrepreneurs) and financial institutions.

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OUTCOMES FOR EACH DISCUSSION TOPIC - 2/4

Discussion topic 2: Investing in food systems with a gender transformative lens: how to build capacity and commitment at scale across the financial sector?

The main focus of this discussion across breakout groups was the proposal of a de-risking facility for agri-SME finance providers made under AT1 during the first wave. Participants reflected on the proposal and validated in particular the idea of establishing a sizeable pool of highly patient capital, while recommending considering non-grant options. They further recommended giving adequate attention to strengthening the capacity of recipient financial intermediaries (funds, banks, non-bank financial institutions) to invest in start-ups and in women-led businesses. For the technical assistance component of the facility (which also targets financial intermediaries and investors), participants recommended including training modules that intermediaries can then use to facilitate capacity building for women entrepreneurs, including in some areas – like financial literacy – where some types of financial intermediaries may be well placed to contribute. They further recommended engaging farmers' organizations and institutions working on gender and financial inclusion among the local providers of technical assistance to be facilitated through the TA component of the facility.

For the facility to ultimately help achieve positive impact on women entrepreneurs, the metrics it is expected to use and to encourage recipient financial intermediaries to adopt should include gender-focused metrics. Examples to be considered include a "gender equity/quality scorecard" mentioned during the panel discussion by Agnes Dasewicz of SEAF, focusing both on performance by financial intermediaries and on performance by their investees or clients. For gender-transformative implementation, the facility should also model full participation of women in leadership and in decision-making at different levels- both in the facility itself and in the recipient financial intermediaries - given evidence that women are more likely to finance women, and also support efforts in collateral-free product design and delivery. Far from least importance, effective implementation will also require identifying enabling or hindering policy factors in the countries where the facility will operate and seeking to engage with governments in participating countries on a gender-transformative agenda in agri-SME finance, not only at the level of policy design but also at the level of policy implementation and enforcement.

Also under this discussion heading, participants recommended identifying synergies among the different game changer proposals and ensuring the presence of some key elements in all proposals of a financial nature – such as the recognition of the need for concessional capital to de-risk/complement/increase financial flows towards women food entrepreneurs.

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OUTCOMES FOR EACH DISCUSSION TOPIC - 3/4

Discussion topic 3: 3. Strengthening information systems to empower women entrepreneurs to navigate the financial sector: how to bring a gender lens to existing and new information platforms?

Under this heading, participants found particular transformative potential in first wave solution proposals 4.12 (Global Matching Investment Fund for Small Scale Producers' organisations), 4.13 (Invest in the future – Making Food Systems Finance accessible for Rural People) and 4.16 (Agri-SME Business Development Platform). Their recommendations to make these proposals more likely to be effective at implementation stage included:

- Close(r) interaction between financial institutions and women clients
- Training and capacity building in financial and investment literacy for women
- Ensuring that women know what data to collect and how to present it to financial institutions, and that financial institutions have a good understanding of women's constraints and possibilities in relation to data collection and tracking.

In general, success for all these proposals appears to participants to hinge upon close coordination and new partnerships among governments, investors, financial institutions, development partners, women's entrepreneur groups and farmers' organizations. Another key success factor for all the proposals is progress in addressing the digital gap in rural areas and for women – including digital literacy. Finally, participants emphasized the need to design each of the solutions with a clear financial sustainability model and plan from the very outset.

One of the groups discussed in particular detail a proposal for a global (or multiple local) business development hubs for women entrepreneurs, building on the opening panel, as this was seen as innovative and potentially transformative. The hub would be designed to bridge the current information gaps between financiers and women entrepreneurs. For such a hub to improve women's capacities while also encouraging more financial institutions to invest in women, participants suggested that it should be:

- a hub of information and knowledge resources that helps financiers understand women's entrepreneurship and the business of agriculture
- accessible across different countries and in different languages
- digital and accompanied by efforts to bridge the digital divide (also on a gender basis) and to improve women's digital and financial literacy - especially among nano and micro businesses
- gender inclusive rather than women-only in focus
- providing women with information about existing initiatives that can support them to grow as entrepreneurs
- able to provide or link women to training programmes
- able to facilitate aggregation among women's entrepreneurs (supporting the formation of clusters and/or, depending on context and type of business, cooperatives).

Participants also considered how such a hub may help nurture, aggregate, and/or render visible to investors potential "pipeline" of women-led enterprises. Should such a hub be developed with a regional focus on Africa, participants reckoned that a number of organizations currently working on closely related initiatives may support it. This could include AGRA, Nourishing Africa, the Value4HER platform and other platforms currently emerging.

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OUTCOMES FOR EACH DISCUSSION TOPIC - 4/4

Discussion topic 4: 4. Designing financial products and services for women food entrepreneurs: where are the critical gaps and highest potential impact areas of innovation?

One group addressing this theme discussed existing game changer proposals under the headings of a Catalytic SME financing facility; Global matching investment fund; and Making food system finance available for rural communities. To improve on these proposals, participants recommended to:

- Leverage existing studies on financing women to influence mind-set change among lenders, noting that studies demonstrate profitability and low risk in lending to women, but only 10% of financial institutions use gender disaggregated data to inform tailored products.
- Increase gender lens lending appetite through incentives to funds and institutions that prioritize impact financing, green finance and finance to enterprises that contribute to the SDGs. This will also influence entrepreneur prioritization of sustainable food production systems and nutrition.
- Frame the narrative to financial institutions as gender lens finance rather than focus it narrowly on agriculture, as gender lens finance is proven to be less risky across sectors.
- Continue to emphasize the importance of women's groups and portfolio aggregation in finance.
- Focus technical assistance around nutritious and high development impact products and combine support to women entrepreneurs with actions to develop markets and finance for these products.
- Keep in mind that women entrepreneurs need a full suite of financial products not just credit.
- Leverage technology and big data to reduce information asymmetry and perceived risk.
- Expand the collateral base to include technology-based collateral, group guarantees etc.

Participants also made specific suggestions for measuring success around these proposals, including:

1. % of the credit gap to women reduced
2. % increase of financial institutions lending to women
3. Number of new women tailored financial products on the market
4. % change in cost of credit

To realize the proposals, participants emphasized the need for an ecosystem approach incorporating the financial institutions and other investors, governments, enablers and other stakeholders.

With more specific focus to each of the existing proposals, participants considered the following.

- The proposed de-risking facility is more likely to be relevant to women entrepreneurs if it supports financial institutions both to design more products with women in mind and to communicate about them in ways that are clearly intelligible for women without formal finance or business training. The TA component of the facility should help inform financial intermediaries about the range of options they can consider to reach more women entrepreneurs (including highly innovative models such as loans with in-product repayment, as adopted by some institutions in Canada).
- The proposed global matching fund for investments by agri-SMEs can be more relevant to or focused on women entrepreneurs' needs if it provides not only for grants or soft loans but also for in-kind finance (especially via equipment) and technically assistance around its use.
- The proposed rolling out of digital solutions among rural financial intermediaries and FSPs can be made more relevant to women by also including revolving funds and local savings and credit associations among the types of institutions that can benefit from automation and/or use of digital data and systems.

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AREAS OF DIVERGENCE

Since discussions focused on solutions, no clear areas of divergence emerged.

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