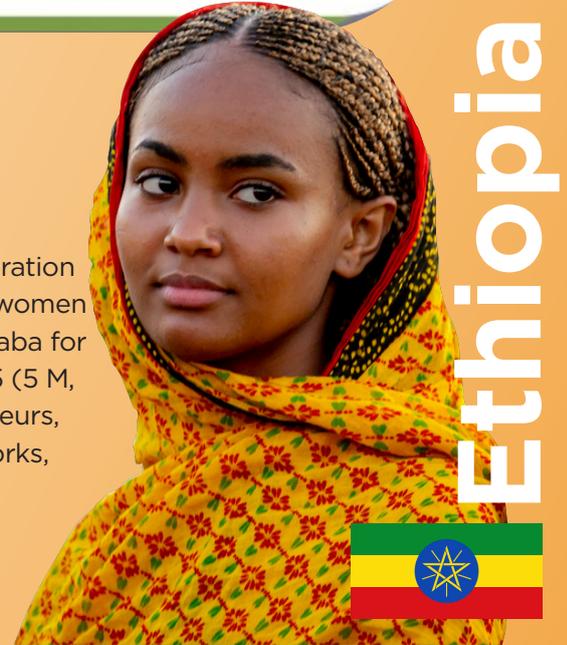


SYNTHESIS REPORT

VALUE4HER

On March 19, 2021 the AGRA country office in Ethiopia in collaboration with the Ethiopian Women in Coffee, a member of international women in coffee organization convened a networking event in Addis Ababa for the VALUE4HER program. The hybrid event brought together 55 (5 M, 50W) participants including leading Ethiopian women entrepreneurs, private sector actors, leaders of women’s associations and networks, policy makers and development investors. The meeting sought to foster stronger networks, identify needs and opportunities to strengthen women’s involvement in agribusiness and increase awareness of the VALUE4HER program.



Background

Agriculture is the backbone of Ethiopia’s economy. Agri-products represent 80% of all export revenues and 21% of total government revenues¹. Women account for 29% of agricultural labor² but their labor contribution in the production of specific crops such as fruits, vegetables, permanent and non-edible crops is estimated at 32-38%. Since the 2000s, the Ethiopian government has prioritized women and youth led small and medium enterprises (SMEs) as part of its strategy to create jobs. The country’s main development strategy document, the Growth and Transformation Plan (GTP II) emphasizes support to agriculture and agri-SMEs. Like elsewhere in Africa, women entrepreneurs in Ethiopia lag behind men. Most women start micro or small businesses in the informal sector as a way of providing for the household economic needs. According to a World Bank study, female majority owned firms make up about 16% of businesses with up to 10 employees and slightly over 20% of firms with 101-500 employees.

While the agribusiness sector has the potential to drive Ethiopia’s economic growth, relatively few women are involved in this sector. Only 2% of clients serviced by the Women Entrepreneurship Development Project (WEDP) operated agribusinesses.³ Women’s low involvement in agribusiness reflects not only the challenges they face in accessing markets, credit, productive resources and technical information, but also constraints and barriers conditioned by how women are socialized and how society perceives them.

Underlying constraints and barriers to women’s involvement in agribusiness

Low business aspirations, acumen and confidence: Ethiopian women are generally not perceived as agricultural producers, and with the exception of female heads of households, have little decision-making power within and outside of their households. The “double duty” involved in balancing domestic and care responsibilities with business activities limits the time women have to

¹ Strubenhoff, Heinz, 2021. “Can agriculture be Ethiopia’s growth engine?” Brookings Institute blog, February 24, 2021. <https://www.brookings.edu/blog/future-development/2021/02/24/can-agriculture-be-ethiopias-growth-engine/>

² Palacios-Lopez A, Christiaensen L, Kilic T. 2017. How much of the labor in African agriculture is provided by women? *Food Policy*. 67:52-63.

³ Alibhai, Aly Salman; Achew, Mengistu Bessir; Strobbe, Francesco; Coleman, Rachel Dawn. 2020. Designing a Credit Facility for Women Entrepreneurs: Lessons from the Ethiopia Women Entrepreneurship Development Project. World Bank, Washington, DC. <https://openknowledge.worldbank.org/handle/10986/34013>

manage their businesses. Furthermore, women's business aspirations, confidence and willingness to take risks are negatively impacted by socialization and cultural values which undermine their economic empowerment.

Low levels of formal education and limited technical skills: Women, particularly in rural parts of the country, often have low levels of literacy and numeracy (44% of adult women were literate in 2017⁴) which makes it difficult for them to access information, markets, technologies, financial and business support services.

Lack of access to assets and resources: Despite legislation that guarantees women's rights to property and assets, many Ethiopian women face significant challenges in accessing productive resources particularly land, improved seed, inputs, and post-harvest technologies.

Access to credit: Significant progress has been made in providing credit to women entrepreneurs, but gaps still exist specifically around meeting the financial requirements of women agribusiness owners. In a context where 70% of women-owned enterprises in the formal sector are underserved by financial institutions, an even higher proportion of informal enterprises struggle to access affordable credit. Most women agripreneurs are not aware of financing programs, cannot meet the stringent requirements like collateral, business plans and lack the confidence to apply to formal institutions. Young women find it difficult to get loans and women owners of medium and large enterprises are not well served by either microfinance institutions or commercial banks.

Limited access to networks and information: Organizing women into groups and cooperatives is one of the strategies being used to strengthen female entrepreneurship in Ethiopia. However, many of these collectives have low capacity in terms of resources and leadership and lack networks with regional and international markets to help their members grow their business. Additionally, Ethiopia's low internet penetration (19% in 2017⁵) and low smart phone ownership restricts the use of digital resources in agribusiness.

Opportunities

Multiple projects and programs exist in Ethiopia to support women's involvement in the business sector. Opportunities in this area include:

- Political commitment to boosting commercial and resilient agriculture and strengthening female entrepreneurship
- Existence of various development projects focusing on women

What needs to be done?

Capacity development: Use multiple approaches such as training, mentoring and follow-up targeted support to develop the capacity of women agripreneurs in technical, business management, and "soft" skills.

Improve access to ICTs: Develop programs to promote women's digital literacy, access and use of digital tools and services in agribusiness.

Increase accountability for investments towards women's empowerment: Develop accountability mechanism that would ensure women agri-enterprise empowerment initiatives are followed through to ensure women's maximum benefit. Create strong platforms of women entrepreneurs to strengthen voice and advocacy to enhance accountability.

⁴ World Bank, 2020. Literacy rate, adult female, Ethiopia. <https://data.worldbank.org/indicator/SE.ADT.LITR.FE>.

⁵ World Bank, 2020. Individuals using the internet, Ethiopia. <https://data.worldbank.org/indicator/IT.NET.USER.ZS?locations=ET>

Develop women friendly technologies and mechanization: Design agri-tech tools and equipment that are gender friendly and meet the needs of the Ethiopian women agripreneurs.

Create collaborative networks: Develop partnerships and collaborative networks that work towards reducing gender gaps in agri-entrepreneurship

Scale gender responsive finance and business support systems: Develop financial services and products that meet the needs and growth aspirations of women Agripreneurs.

#VALUE4HER

VALUE4HER is AGRA's continental initiative, aimed at strengthening women's agribusiness enterprises and enhancing voice and advocacy across Africa. The initiative is powered by [VALUE4HERConnect](#), Africa's first Women in Agribusiness digital marketplace, offering integrated business solutions to women companies, to enable them to build visibility, business networks, and collective capital across the continent while facilitating easier connections with buyers, financiers, and other service providers. To join this growing community of women agribusinesses, CLICK on the link <https://value4her.hivebrite.com/signup>

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