

Awan-Afrika Building Resilience Of Women Msmes In Agriculture Amidst The War In Ukraine And The Impact Of Covid-19

The face of current food security in the world and Africa

According to the International Monetary Fund (IMF)'s Managing Director Kristalina Georgieva, IMF's projections show that the impact of the war in Ukraine on fuel and food prices threatens progress made by African economies in recovering from the pandemic. Africa is affected by the higher fertilizer and food prices, which is pressurizing households dependent on agriculture. This situation is worsening the food security Africa has been trying to progressively achieve for a long time. With fuel prices hitting record highs, families in rural areas are being affected, and malnutrition is increasing. The big question of how we can attain The Africa we want as per the Agenda 2063 is even louder with this current crisis.

Challenges in Building resilience in Agri-MSMEs.

The Food and Agriculture Organization (FAO) in their assessment of the impact of COVID-19 on food and agriculture identified the most vulnerable groups as small-scale farmers, pastoralists, and fishers who might be hindered from working on their land, caring for their livestock, or fishing. This is in addition to facing challenges accessing markets to sell their products or buy essential inputs.

Before COVID-19, women were already disadvantaged by gender-discriminating policies, institutions, prevailing laws, regulations, and norms that prevent them, directly and/or indirectly, from accessing finance, markets, and digitalization, therefore, making them unable to engage fully in entrepreneurial activities (World Bank, 2015). This situation has been exacerbated by three consecutive shocks in the last three years; the Fall Armyworm in 2018, the desert locusts in the Horn of Africa in 2019, and now COVID-19 in 2020. Most women and youth agribusinesses fall in the small-scale enterprises category that is most impacted by the pandemic. Although some countries have provided stimulus packages to vulnerable families, millions were left exposed and could be the next vulnerable groups. The most affected are women, and because of this pandemic, the gains made in women's economic empowerment in the last decade are at risk.

Loss of income due to the COVID-19 pandemic has raised the poverty rate in many African countries and led to a reduction in food demand. Before the COVID-19 pandemic, we estimated that the annual turnover of the 1600 AWAN-AFRIKA women-owned MSMEs across the continent was over \$100 Million (100 Million USD). In 2020 we conducted a survey on 200 members. 91 percent of the respondents lost revenue, 16 percent reduced their food production activities, and 45 percent experienced post-harvest losses. The combination of the above and panic-buying resulted in a net reduction of food stocks which drove food price increase on local markets.

During the Covid-19 pandemic, the **digital gender gap** widened as many of AWAN-AFRIKA's members lacked digital skills. Only 4 percent of which 90% were under 30 were able to use digital platforms to curb the losses otherwise met by their counterparts who had no digital skills knowledge.

AWAN AFRIKA'S urgent recommendations

AWAN AFRIKA (African Women Agribusiness Network) is championing rural transformation through women's economic empowerment in agribusiness. Founded in 2018, and currently with membership in 44 African countries, with 2500 registered businesses, this Pan African non-profit organization aims to impact 15 million youth and women-owned agribusinesses by December 2025. Its approach is simple. To link their targeted audience: 1) To access Affordable and Flexible Finance and navigate the financial sector 2) Access to Markets, 3) provide Trade information, so as to seize opportunities in AFCFTA, and 4) Agro-technology through our digital platforms to advance agriculture transformation. This is in line with the United Nations' Sustainable Development Goals 8,5,2, and 1.

Women small-scale farmers carry out the day-to-day family subsistence, and in comparison to men, they have more challenges in gaining access to resources. Land, agriculture inputs, credit facilities, and education through training are limited in their access. AWAN AFRIKA's four-pillar vision of Women's economic empowerment is changing the narrative.

As AWAN-AFRIKA, we are calling upon the international and bilateral organizations, governments, and private sector to **be ambitious, bold, and intentional** in implementing inclusive solutions to respond to the challenges and develop tools to empower MSMEs. We need to produce more food of good quality, and most of all, we need access to flexible and affordable finance for MSMEs. Digital transformation will be one of the game changers to reduce the gender gap. All in all, Africa must be serious in addressing gender inequality.

Recommendation 1- We need a **Rescue Facility Fund (RFF)** for Women in Agri-MSMEs that will provide access to finance. This will enable the beneficiaries to obtain the requisite cash flows to meet their working capital needs. Liquidity is very crucial for the survival of any business, more so the small enterprises.

Recommendation 2- The RFF will strengthen the existing vulnerable value chains & Supply Chains and will increase the participation of women-owned agribusinesses in the digital economy and in digital marketing and E-commerce.

Recommendation 3- Grants for capacity building for women producers and traders in basic skills in trading and financial literacy, market access, digital marketing, and entrepreneurship skills are needed to reduce gender inequalities.

Recommendation 4- At the global level.

In order to mitigate the risk caused by the war in Ukraine.

- We need to keep trade open for food, fuel, and fertilizers.
- Strengthen market transparency and dialogue between the public and private sectors.
- We should urgently support vulnerable groups by providing humanitarian assistance.
- We need to coordinate responses to the current global food crisis and avoid export restrictions.

In Africa, 80 percent of the food we eat is produced by women. Unless all the stakeholders change their mindset and intentionally provide financial resources to economically empower those women in a very significant manner, we will not achieve food security, reduce malnutrition, and attain zero hunger.

“The Africa we want must overpower the Africa we don’t want.” Beatrice Gakuba - Executive Director, AWAN-AFRIKA. To learn more about AWAN-AFRIKA, and its focus on women and youth agricultural MSMEs, visit this link awanafrika.org.