T20 Policy Brief



Task Force 04

TRADE AND INVESTMENT FOR SUSTAINABLE AND INCLUSIVE GROWTH

"Rightfully HERS"- Inclusion of Women in Formal Agriculture Supply Chains

Neha, Senior Manager, Gender, Solidaridad Network Asia Ltd (India)

Md Abdul Muyeed, Senior Consultant, International Maize and Wheat Improvement Center (CIMMYT) (Bangladesh)

Nitin Rao, Asia Lead for Planning and Innovation, Solidaridad Network Asia Ltd (India)





Abstract

Globally, women constitute 37 per cent of the agricultural labor force; however, they have been systematically excluded from deriving the benefits of their participation (OECD-FAO 2021). This inequality and marginalization stems from a number of factors. First, most government policies in G20 countries recognize farmers based on land ownership. Despite producing up to 80 per cent of food in developing countries, less than one in five landholders worldwide is a woman (United Nations 2023). Second, the lack of transport infrastructure in developing countries restricts the mobility of women—a problem compounded by the prevalence of regressive social norms (Bellmann, Polack, and Ypma 2020) Third, public and private procurement systems are non-inclusive (1 per cent of the \$11 trillion spent annually on public procurement is awarded to women-owned businesses, and there is no available data for private-sector spending) (Nam 2021).

With the global demand for food projected to increase massively by 2050 (anywhere between 35 per cent and 56 per cent, compared to 2010 levels), it is evident that women are indispensable to the production, distribution, and processing segments of the agricultural sector (Morley et al. 2021). The evidence further indicates that if women had the same access to useful resources as men, they could increase yield on their farms by 20 to 30 per cent, raising total agricultural output in developing countries by 2.5 to 4 per cent (FAO 2011).

This paper calls on the G20 to promote gender inclusivity in agricultural supply chains by taking policy steps that will provide an enabling environment to ensure the inclusion of women in the larger, formal economy. We propose the following key recommendations:

1. G20 countries redefine who a farmer is, without linking it solely to land ownership, in their agriculture, trade and finance policies.



- 2. G20 countries establish a quota for women in public and private procurement systems and direct cash transfer is made to the bank account of women.
- 3. Create a G20 fund for the inclusion of women in the market system.
- 4. Amendment of the Corporate Social Responsibility (CSR) Section under the Companies Act of the G20 member countries to allow companies to allocate 20 per cent of their CSR funds for the inclusion of women in supply chains.
- 5. Establish a 'Research and Learning Center for Agriculture Products and Services for Women Farmers', the operations of which will be directly under the command of the central government, and which will work with an objective to innovate, design and develop agriculture and allied products, services, tools, machinery specifically for women farmers.



Diagnosis of the issue

According to the World Bank, there are 525 million farmers with land of less than 2 hectares in size (International Finance Corporation 2013). These farmers, categorized as smallholder farmers, produce one-third of the world's food (FAO News and Media 2021) Ironically, only less than 15 per cent of the 500 million farmers are women, mostly because farmers are largely defined based on landholdings (FAO 2018). The report by FAO suggests that women participate in most agricultural activities, but are excluded when it comes to availing economic benefits—be it engaging with formal supply-chain actors, or accessing subsidies and incentives of the government or in the public procurement systems (Doss and the SOFA Team 2011). The systems of economic exclusion (both private and public) in agricultural supply chains are, therefore, inspired by and are a reflection of the society dominated by participation of men.

The issues stem from various reasons. First, most government policies in G20 countries (for example, India and South Africa) recognize farmers based on land ownership (Bedi 2018; Kapuya and Sihlobo 2018). Their recognition as farmers is solely dependent on the land titles—and, given the patriarchal fabric of society, women are systematically and structurally excluded. Second, the lack of transport infrastructure in low- and middle-income countries restricts the mobility of women, which is further compounded by the prevalence of regressive social norms. The third issue is the prevalence of non-inclusive public and private procurement systems—only 1 per cent of the \$11 trillion spent annually on public procurement is awarded to women-owned businesses, according to a World Bank estimate, and there is no available data for private-sector spending.



With the global demand for food projected to increase exponentially by 2050—anywhere between 35 per cent and 56 per cent, compared to 2010 levels (*Nature Food*, 2021)—it is evident that women are indispensable to the production, distribution, and processing segments of the agricultural sector. Furthermore, if women had the same access to useful resources (land, input, training, market) as men, they could increase yields on their farms by an estimated 20 to 30 per cent, raising total agricultural output in low- and middle-income countries by 2.5 to 4 per cent which will have a significant impact on global food security (FAO, *The state of food and agriculture, 2010-2011*).

Intricately tied to agricultural productivity and food security is climate change and its impact. While climate-induced migration of male smallholders is well-documented, women left behind to deal with managing farms and bearing the brunt of the changing climate are hardly discussed (Faleiro and Yashwant 2021; UN Women 2022). Without being included in formal supply chains, there is no system for women to be engaged in climate adaptation and mitigation actions.

UN Women and UN Department of Economic and Social Affairs (UN DESA), in their report, *The Progress on the Sustainable Development Goals: The Gender Snapshot 2023*, state that if economic disparities persist, 340 million women and girls will still live in extreme poverty, and about 25 per cent of them will face moderate or severe food insecurity by 2030 (UN DESA and UN Women 2023). Most of the women in the developing countries are engaged in agriculture as their main income-generating activity (Ministry of Statistics and Programme Implementation 2023; Bangladesh Bureau of Statistics 2023). Working towards a more inclusive agricultural supply chain is, therefore, imperative to support these women in getting them out of extreme poverty.

The G20, under the presidency of Brazil, has adopted the slogan of "Building a just world and a sustainable planet". It is, for the first time, holding discussions on gender



inequality under a separate Empowerment Working Group. Equality and Autonomy, and Climate Justice are the two among the three priorities set for this Working Group. Further, the Task Force on leveraging trade and investment mechanisms to achieve the Sustainable Development Goals (SDGs) intends to put forward innovative ideas not only for the Trade & Investment Working Group, but also for the Working Groups on Agriculture, Environment and Climate Sustainability, Women's Empowerment, Digital Economy, and Employment in the Sherpa Track, as well as the Task Force on fighting poverty and hunger. These efforts are a step forward from the resolution passed in New Delhi in 2023 when member countries committed to reducing the gap in labor-force participation and enabling inclusive access to employment opportunities.

In line with these commitments and the outlook on women-led development, this Policy Brief highlights the barriers faced by women in agriculture, which exclude them from formal supply chains and prevent them from accessing markets. It also proposes actionable recommendations promoting women's integration into the formal supply chain, and recognizing their contribution to global economic growth.



Recommendations

1. Redefine a "farmer": The land title-based economic classification has excluded more than 400 million women¹ globally from participating in the public and private supply chains. We call on the G20 countries to redefine the term "farmer" in their agriculture, trade and finance policies.

The recommendation is to build consensus on drafting a policy in the G20 countries to adopt a progressive, yet pragmatic and inclusive, approach by considering "participation" for defining the farmer. This would mean both women and men are eligible to be considered as farmers from the same household, tagged to a common farm, to ensure uniqueness and avoidance of duplicity. This shift would allow women to participate in the formal agriculture economy, allowing them to benefit from it and also get recognized for their significant contributions to the sector.

2. Public procurement quota: The G20 countries must adopt a quota for public procurement from women farmers, and ensure direct cash transfer to the bank accounts of women. Economic inclusion in the public procurement system will trigger transference of land to women for availing the benefits. The passage of such a policy will have a cascading impact on the social, economic and environmental fronts, with the recognition benefitting women psychologically as well.

By considering an equal number of women in agriculture and discounting for possible non-participation in some cases, it is estimated that around 400 million women are excluded.

This estimate does not include women who equally participate in agricultural activities.

¹ According to the World Bank, there are approximately 525 million smallholder farmers.



- 3. A G20 fund for women's inclusion: We advocate for the creation of 'The G20 Fund for Women in Market System'. It will be an annual fund managed by the country which gets the presidency. A specially constituted working committee will have the responsibility of operationalization of the funds. The contributions of the G20 members will be hosted with the World Bank. There are examples of such funds being managed, like the Global Fund and the Global Climate Fund. Each year, the G20 member countries will pass a resolution to determine the extent of GDP contribution to this fund. This fund will be used in countries where the gender-inclusion gap in the market system is large. The funds will be transferred to the governments of G20 countries who, in effect, will execute the program.
- 4. CSR policy amendment: We call for a policy amendment of the Corporate Social Responsibility (CSR) Section under the Companies Act of the G20 member countries. The CSR Section, as it stands today, does not permit companies to use the CSR funds in their supply chains. Therefore, for companies to invest in the inclusion of women, sustainability funds are the only option for deployment. Given the competing priorities, allocation of sustainability funds for women's inclusion is generally sidelined. To provide impetus to the efforts to include women in the market system, we advocate for an amendment in the CSR law to allow companies to invest 20 per cent of their CSR funds towards inclusion of women in the/their supply chains. This would provide adequate focus and much-needed funding to boost inclusion efforts. The amendment should also direct the companies to disclose and report on the utilization of the funds, and a verified impact of application of the CSR funds.
- **5. Establishment of a Research and Learning Center:** We urge G20 members to establish a 'Research and Learning Center for Agriculture Products and Services for Women Farmers' in their respective countries. This Research and Learning Center will



directly function under the central governments and will work with an objective to innovate, design and develop agriculture and allied products, services, tools, machineries specifically for women farmers. The funding for the Research and Learning Center can be garnered through the imposition of a 'Women Inclusion Surcharge' on the direct taxes levied from companies for a period of five years. Consequently, the companies demonstrating the achievement of goals (pertaining to the inclusion of women in supply chains) at a desired level will be provided a rebate on the surcharge.



Outcome Scenarios

- 1. The current system simply acknowledges and recognizes one person as a farmer in the public and private records, thus making for well-defined, clear-cut transfer of benefits from the government, and farmers' engagement in supply chains. With the adoption of the policy to recognize women as farmers, there may be possibilities of duplication of government-aid beneficiaries. Addressing this will require investments in technology, digitization of land records and unique land-identity numbers. The policy change will also trigger debates and disputes on how to define and measure participation, which can change on a regular basis, given the requirements of families.
- 2. The burden of household chores and caretaking on women has been highlighted in several studies, to the extent that models on care economy are being discussed. The G20 countries still have a higher degree of obsolete, but oppressive and prevalent, social norms that continue to subjugate women and her rights. With the acceptance of the policy, it is plausible that women may still carry a greater burden of drudgery in the near future, till the time household-care services are divided equally (between genders), and social norms and behaviors change.
- 3. The policy note suggests changes in CSR rules to allow the use of CSR funds for greater inclusion of women in the supply chains of companies. However, this might result in the exploitation of exceptions, and can create a possibility of promoting the company's business in the garb of inclusion of women in the supply chain. The adoption of this policy might also result in the exclusion and non-recognition of other oppressed communities in the modified CSR laws. Furthermore, these laws might be applied only in the supply chains of the companies, defeating its purpose of enactment.



References

Bangladesh Bureau of Statistics. *Labour Force Survey 2022*. Dhaka: Bangladesh Bureau of Statistics Press, 2023.

https://www.fairrecruitmenthub.org/sites/default/files/2024-04/QLFS%202022.pdf.

Bedi, Bani. "The Centre Is Barely Serious About Recognising Women as Farmers." *The Wire*, July 30, 2018. https://thewire.in/women/women-farmers-agriculture-rights. Bellmann, Frieda, Diana Polack, and Lieke Ypma. "Women move differently - what everyone working in mobility should know." *World Economic Forum*, January 9, 2020. https://www.weforum.org/agenda/2020/01/mobility-in-2020-a-female-perspective/.

Doss, Cheryl, and the SOFA Team. "The role of women in agriculture." *ESA Working Papers*, no. 11-02 (2011). https://www.fao.org/3/am307e/am307e.pdf. Faleiro, Jessica, and Shailendra Yashwant, eds. *Climate-Induced Displacement and Migration in India: Case studies from West Bengal, Maharashtra, Odisha, Uttarakhand & Bihar*. New Delhi: Climate Action Network – South Asia, 2021. https://cansouthasia.net/wp-

content/uploads/2021/02/Migration India 20 02 2021.pdf.

FAO. The gender gap in land rights. Rome: FAO, 2018.

https://www.fao.org/3/i8796en/I8796EN.pdf.

FAO. The state of food and agriculture, 2010-2011: Women in agriculture: closing the gender gap for development. Rome: FAO, 2011.

https://www.fao.org/4/i2050e/i2050e.pdf.

FAO News and Media. "Small family farmers produce a third of the world's food." *FAO*, April 23, 2021. https://www.fao.org/newsroom/detail/Small-family-farmers-produce-a-third-of-the-world-s-food/en.



International Finance Corporation. Working with Smallholders: A Handbook for Firms Building Sustainable Supply Chains. Washington, DC: IFC Sustainable Business Advisory, 2013.

https://documents1.worldbank.org/curated/en/284771480330980968/pdf/110543-Handbook-Working-with-Smallholders.pdf.

Kapuya, Tinashe, and Wandile Sihlobo. "The Role of Women in Agriculture." *AgBiz*, October 5, 2018.

https://agbiz.co.za/uploads/AgbizNews18/181004_ABSA_DPS%20Celebrating%20Women%202018.PDF.

Ministry of Statistics and Programme Implementation. *Annual Report, Periodic Labour Force Survey 2021-22*. New Delhi: Government of India, 2023.

Morley, Tom, Marie Luise Rau, Yashar Saghai, and Michiel van Dijk. "A meta-analysis of projected global food demand and population at risk of hunger for the period 2010–2050." *Nature Food* 2 (2021): 494–501. https://doi.org/10.1038/s43016-021-00322-9.

Nam, Nicholas. "Gender and equality in public procurement." *World Bank Blogs*, February 18, 2021. https://blogs.worldbank.org/en/governance/gender-and-equality-public-procurement.

OECD-FAO. *Integrating a gender perspective into supply chain due diligence*. Paris: OECD Publishing, 2021. https://mneguidelines.oecd.org/Integrating-a-gender-perspective-into-supply-chain-due-diligence.pdf.



UN DESA, and UN Women. *The Progress on the Sustainable Development Goals: The Gender Snapshot 2023*. New York: United Nations, 2023. https://bit.ly/gender-snapshot-2023.

United Nations. "Securing Women's Land Rights for Increased Gender Equality, Food Security and Economic Empowerment." *UN Chronicle*, June 15, 2023. https://www.un.org/en/un-chronicle/securing-women%E2%80%99s-land-rights-increased-gender-equality-food-security-and-economic.

UN Women. "Explainer: How gender inequality and climate change are interconnected." *World Economic Forum*, June 16, 2022.

https://www.weforum.org/agenda/2022/06/explainer-how-gender-inequality-and-climate-change-are-interconnected/.





Let's rethink the world





