Current Global Context Informing Soroptimist International’s Position:

It is widely recognised that the current food production system is unsustainable and will fail to end hunger unless radically redesigned. A report commissioned by the UK Government, published in January 2011, found that over the next 20 years, the world’s population will increase to 8.3 billion people, with over 65% predicted to live in towns and cities by 2031. The report concludes that the world has 20 years to find a way to produce 40% more food and 30% more fresh water. Crucially, it is not only the quantity which matters but also the manner of food production. Sustainability is vital.

Recent research has found small scale farming to be a very efficient, responsible and responsive use of land. It is amongst the better farming methods when it comes to responding to change such as climate change or fluctuating markets. Rural women play a significant role in small scale farming in developing countries yet the role of women within the sector is underappreciated and under resourced, suffering from a chronic lack of investment over the past two decades. It is increasingly acknowledged that policy needs to do much more to support small scale farming, particularly in encouraging investment.

The 2010 World Economic Forum Global Risks Report identifies the chronic underinvestment in infrastructure – especially in energy and agriculture – as among the pivotal areas of risk over the coming years. Investing in small scale farming, particularly through women, is a vital step towards meeting the challenges of food production in the future.

- On a global scale, women cultivate more than 50% of all food grown.
- Despite representing the majority of the agricultural workforce and production, women are estimated to have access to/control 5% of land globally.
- Women account for 70% of the world’s hungry and are disproportionately affected by malnutrition, poverty and food insecurity.
- 25% of rural households are female-headed.

Governments are not living up to their international commitments to protect women from discrimination, as the gap between de jure equality and de facto discrimination persists (2010 OHCHR).

Rural women find it more difficult to get access to a range of resources such as credit, land, agricultural inputs and extension services and employment, with obvious consequences for their food security (ESCAP 2010 p3). Land ownership is a particular issue for women. The 66th Session of the OHCHR Advisory Committee found that women’s access to control and ownership of land or property are crucial if the security and livelihood of women is to be enhanced. Furthermore, it is important to understand the influence of social factors such as local inheritance traditions/law and marital status which favour men over women.

The situation in many developing countries where a woman cannot inherit land separate from her father, brothers or husband, or can be evicted with little or no legal protection persists. The insecurity surrounding land ownership discourages long term investment by women as it is not seen to be worth the financial risk. Such male bias impedes women’s access to land "by virtue of their gender at the level of individual,"
community and nation” (OHCHR 2010). Fundamental institutional change is required if the position of rural women is to be permanently improved.

Soroptimist International Position:

Soroptimist International is committed to the achievement of world food security and supports interventions which protect and promote the human right of everyone to adequate food, with particular emphasis on women and girls. Women produce the majority of food in developing countries and half of the world’s food, yet they have limited access to resources, a lack of recognition of their labours, insufficient purchasing power, and social, economic, and cultural barriers which threaten their own food security.

Food production and financing, land use, ownership and sustainability of farming methods within the agricultural sector are important issues. Women have a crucial role to play in adapting to and rising to these challenges. However, they must be supported through more innovative and targeted financing, including microfinance, and through a more robust legal system which recognises and actively protects female ownership of land.

Soroptimist International recognises that targeted credit, particularly the microfinance model, can be used successfully as a mechanism for enhancing rural women’s existing socio-economic conditions. It can help to channel much needed financial resources into a smallholding in order to make it into a profitable business, thus enhancing the status of women as valuable and knowledgeable agricultural economic actors.

However, increasing micro credit is not a solution if taken in isolation. Enhancing well-being and economic security, even if it does result in more sustainable and yield efficient food production, does not in itself challenge the complex political and economic relations which keep rural women from exerting their influence in a more productive way. For this reason, food and agriculture in the context of gender equality must move up the political agenda internationally, nationally and sub-nationally.

Soroptimist International urges governments to:

• increase investment in agriculture and incentives to farmers, particularly women farmers in developing countries;
• ensure women’s rights to property, land and inheritance as well as their access to credits and loans;
• ensure women’s rights to own land;
• liberalise trade rules in agriculture and ensure that women farmers receive fair financial compensation for their work;
• ensure the right of women and girls to obtain all forms of education and training, including vocational skills which teach women and girls to farm, fish, and produce food;
• ensure rural women’s equal treatment in land reform and access to agricultural extension services, technology, credit schemes and marketing facilities;
• reconsider the use of food-based bio-fuels, aimed at reducing competition between food and fuel for scarce land, water and other resources;

Soroptimist International Position Paper
Rural Women and Agriculture: Micro Finance and Land Tenure
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Soroptimist International Union Suisse

credit

Ensemble pour réaliser vos projets.
Responding to the challenge of at least three of the eight objectives of the UN Millennium Development Goals, the Swiss Union of Soroptimist International set up a microcredit project in partnership with the Swiss Association MSS "Microcredit Solidarity Switzerland". As members of Soroptimist International, a NGO dedicated to the welfare and improvement of women, the Swiss Union inevitably turned its attention to the needs and aspirations of women who, because of their impoverished status, were unable to meet with the loan requirements of banks or lending institutions. It may well be that Switzerland as a nation doesn't come under the group of least developed countries with special needs but we need to face the fact that poverty exists just as much in highly developed countries and that there as well poverty issues, with all their inherent repercussions, need to be addressed.

MSS was inspired by the initiative of Muhammad Yunus who, in 1976, founded the Grameen Bank in Bangladesh in order to provide banking for the unbankables. Grameen, which signifies rural, was a phenomenal success. Extending a credit of barely $20 exclusively to very needy women for self-employed projects generating income, with no guarantee required, was a programme that swiftly spread throughout Asia and Africa but also in numerous countries in other continents. The terms and conditions governing such microcredit loans were, and still are, flexible and easy to understand so that even illiterate, or semiliterate women can grasp what is being offered.

This in itself is an ambitious and even revolutionary programme in the fight against poverty even if, in comparison to the bigger than life financial institutions, it is admittedly not a spectacular one. "Small is beautiful". Here is a slogan that seems to have been forgotten, or archived as something of the past. Here are small, for some insignificant, businesses that allow women and men in extreme poverty to generate income and thus care for themselves and their families which as a result contributes to breaking the cycle of poverty.

Generally speaking, women have by far more difficulty in accessing credit without substantial guarantees and yet, they are the ones who are more concerned about the welfare and well-being of their families. Consequently, giving such women the possibility to start their own, very modest, very small, businesses, is a manna that can change their lives and the lives of their loved ones.

MSS was started by Georges Aegler, a Swiss industrialist founded in 2000 the non-profit foundation ASECE (Action Solidarité et Création d'Entreprises). Under the name of "Microcredit Solidarity Switzerland", the activities of this organisation of public interest have today been adopted by the three linguistic regions of Switzerland. In the 10 years of its existence, MSS has financed 150 small businesses for over 2.3 million Swiss Francs, generating more than 200 jobs and an annual turnover of over 20 million francs. Who said that solidarity doesn’t rhyme with financial success?

With its 58 clubs and dedicated members, the Swiss Union of Soroptimist International of Europe, in partnership with MSS, undertook the mission of promoting and supporting the autonomy of women in the business world, albeit in small scale/small size businesses that can nonetheless successfully generate income and so provide welfare and well-being to themselves and to their families.

But how does one adapt the Muhammad Yunus's microcredit inspiration to the Western World where a $20 loan cannot be expected to take one very far and can certainly not contribute in fighting unemployment whatever the qualifications or entrepreneurial skills of the applicant may be. So inevitably loans had to be measured accordingly, and qualification standards had to be adjusted.

Microcredit is recognised today throughout the world as a means of fighting poverty, reducing unemployment, providing jobs for the jobless, but the criteria and means have had to be changed from one country to another by identifying and clearly defining the basic requirements in that particular environment that would lead to success. The formula undoubtedly became more complex and inevitably more sophisticated than what was originally applied and the by now well-known 3Cs of credit came to the fore "Character - Capacity - Capital".
MSS and the Swiss Union of SI have worked out a specific programme to which applicants must respond evidencing primarily the 3Cs. A second stage is that of analysing the viability of their project and the potential of their success while considering their situation within society and how, should they obtain a microcredit, this would evolve into a long-term business that would indeed secure employment for them and for others. Candidates are offered assistance to fill in their application and have interviews with qualified staff and expert analysts who will follow them through the entire procedure and, if they are accepted, assist them in setting up and implementing their project. Of course, securing the repayment of the credit is undoubtedly a formidable factor in the decision-making process. I shall not take you through the whole procedure which more often than not is a lengthy one, but let me say that for those who finally achieve their goal the satisfaction of success goes well beyond just one individual: it has an impact in society itself and sends out a message to all women who have the aspiration, the determination, the perseverance and the ambition to change their lives for the better.

MSS credits may vary from Swiss Francs 2'000 to a maximum of 30'000, offered to women who cannot, under normal banking practices, obtain a loan for setting-up their own business and who, even if they were able to secure such a loan, would not have had the expertise and know-how of qualified persons to help them achieve their goal.

Here are the portraits of two of the women who, with the support of MSS, were able to take their destiny in their hands, start their own businesses and find their way to fulfilment.

Veronique Burkel, today a successful wine-grower worked initially in a bank in Geneva specialising in marketing. At the age of 25 she decided to go back to her roots and dedicate herself to wine-growing, a speciality of the canton of Valais but also a predominantly male occupation. It required a lot of perseverance and determination on her part to start her own cellar, introduce to the region the Liquidambar vines, apply for and receive a microcredit from MSS and expand her business. Awarded the 1st prize of the popular magazine Fémina she was elected female micro-entrepreneur 2010! Emilia Keller, florist, owns and runs the boutique Anne-Flore in Bulle, a densely populated city of the canton of Vaud. She is today 49 years old and a mother of three.

Since a very young age her dream was to own her own flower shop and with this in view she attended special courses to gain the necessary background and know-how. She however encountered difficulties in setting up her own business, and more precisely financial ones. She was at the time 44 years old and starting from scratch. She needed an initial funding in order to get started but when she applied for a bank loan she was rejected as not offering sufficient guarantee. She then turned towards MSS for a micro-credit and a year later, presto, she opened her own flower shop. Since then things have gone from good to better and she has now paid back her micro-credit (25'000 Swiss francs) and has two employees. After being an employee herself since the age of 16, she believes she has gone a long way with a thriving business of her own. Without the micro-credit she would most probably have never succeeded.

Marie-Jeanne Bosia
Past President of Soroptimist International