

Insights from SilverStreet

#4

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In the fourth and final interview of this series, I talk to Julia Wakeling, Head of Impact and ESG at SilverStreet Capital. Julia and her team have been adding value to SilverStreet's gender equality work by teaming up with the IFU, the Danish Development Finance Institution, on gender lens investing using the Small Enterprise Assistance Fund's (SEAF) Gender Equality Scorecard (GES).

SilverStreet Capital LLP (SilverStreet) is a UK-based investment advisor to two African agricultural funds (the Silverlands funds) that operate across the agricultural value chain in eight countries in Southern and East Africa. SilverStreet's objectives are to achieve a positive, long-term social impact whilst making attractive returns for its investors.



Julia Wakeling
Head of Impact and ESG,
SilverStreet Capital

SilverStreet's gender lens investing journey

Julia starts by outlining the SilverStreet strategy to develop commercial hubs that work with smallholder farmers. *"Within this strategy, gender equality and inclusion has been intrinsic to our model since inception and is core to how we think and invest. Our impact to date has been significant. Last year, an estimated 340,000 people economically benefitted from our operations, earning a combined increased income of \$112 million per annum."*

Julia goes on to provide context to gender and agriculture. *"Most of the people in rural areas focusing on agriculture are women. So, for us, by working in agriculture we naturally work with women. Unfortunately, these farmers often focus on low-value, staple crops and achieve poor yields. To improve, farmers need the right inputs, training in the best agricultural methods and markets for higher-value crops."*

"As reported by the UN's Food and Agriculture Organization, most of the approximately 850 million undernourished people worldwide live in developing countries. So, we have a huge opportunity to improve nutrition, because women are primarily involved in small-scale food production and are responsible for nutrition at a household level. We invest in agriculture in developing countries where women need access to markets, inputs and training."

Julia notes, *"Improving lives and livelihoods is important for SilverStreet. We focus on women and believe that getting money into the hands of women builds sustainable economies and healthier, better educated families."*



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SDG 5
BLOG SERIES

INSIGHTS ON 2X'ING GENDER LENS INVESTING AS WE CONSIDER A 10X CHALLENGE

This insights series aims to unpack a possible 10X gender lens investing opportunity by reflecting on the experiences of investors who have embodied gender equity as 'business as usual'. We look at challenges and solutions to doing more, better. This series identifies approaches for a wider market transition to gender mainstreaming. The questions around what comes next and how we 10X gender lens investing are timely, and these insights are even more pertinent given the success of the 2X Challenge in mobilising \$4.5 billion of capital for women's economic empowerment.

Julia comments on the 2X Challenge. *“We have strong gender diversity with 40 per cent female employees across our portfolio. In some unique businesses this is as high as 80 per cent. However, for SilverStreet, gender is so much more than counting, it is about ensuring that people have equal opportunity and feel safe and protected at work.”*

She goes on, *“As part of the 2X work, we were approached by the IFU to pilot the recently launched SEAF GES, which provides an overall rating score for a company, based on six gender equality performance vectors. We piloted the toolkit with one investment and are about to roll this out across the portfolio”.*

“Using the GES has added value to our gender work. It helps a business understand where they are with gender equality and provides a baseline that enables objective conversations on developing a gender strategy and action plan.”

“It is a useful benchmarking, due diligence and gender lens investing tool. The GES does not just include employees but stakeholders in the upstream and downstream value chains too.” She adds, *“This is useful and important for a business when you are taking gender equality to the management and board of a portfolio business.”*

Steps in the journey

Julia outlines key steps in the SilverStreet gender lens investing journey.

#1. Senior buy-in is essential

“Our Chief Investment Officer (CIO) and founder, Gary Vaughan-Smith, recognises the importance of gender diversity in both SilverStreet and our Silverlands operations, so this is led from the top, as is our impact and ESG. Having this mandate is essential when implementing this important work at portfolio company level and helps get senior management and board buy-in.”

#2. Women in senior management

Julia adds, *“As a result of Gary’s commitment to gender equality, he has ensured that we have women in core senior roles in our SilverStreet team. Gender diversity creates balance, is good business and provides role models for others, both in our team and across the portfolio.”*

#3. The SilverStreet business case for gender equality

“There are numerous examples of how gender-balanced businesses make more money, have better longevity and are more robust.” She adds, *“We see the benefit of employing women at portfolio company level.”*

Julia goes on to provide several examples across the SilverStreet portfolio.

Fruit & nuts



“We find that women take more care when handling fruit which bruises easily, so this careful handling improves profitability as you have a higher-quality product and less waste.”

Equipment use



“We have some amazing women tractor and forklift drivers who take better care of their equipment (reducing maintenance costs) and are more cautious than men, leading to less accidents.”

Seed maize



“We employ a majority of women in the production of seed maize as it is careful work requiring attention to detail. Women are careful and methodical which is critical in this work.”

Macadamias



“In our Macadamia business, women are far more diligent when it comes to grading, sorting and harvesting work.”

Poultry



“Women are very involved in the poultry business as they are gentle in handling day-old chicks, mature birds, and eggs. They are also precise and diligent in the lab and feed mill.”

Gender equality initiatives in SilverStreet's portfolio

Julia walks me through some of SilverStreet's gender inclusion initiatives where applying a gender lens has led to improved equality and income generation for women in the portfolio business and related value chains.

#1. Ladies' Forums

Julia outlines, "We set up 'Ladies' Forums' for women to speak freely to other women about things that are important to them. This enables women to air concerns that are difficult to raise around men. The forum provides a safe channel to do so."

#2. Grievance mechanisms

"We developed comprehensive grievance mechanisms to ensure we cater for people working in different levels of the businesses, from in the field to senior management. Any employee can reach out to a senior female in management (or myself as an external female) in a safe way."

#3. Identifying barriers to women's progress

Julia notes, "It is important to identify barriers to women's progress and what kind of training is needed. For example, in some regions, women might need training on being empowered to speak up or make comments in a meeting, as culturally this may be difficult."

#4. Understanding people's needs

"As many smallholder farmers are women, we need to provide services to suit them. For example, we know that for many women in rural settings it is not possible to travel far from home, as they have children to care for and domestic chores. So, we have developed training programmes where the extension officers travel and provide training within the village."

#5. Improving incomes for women

"We found that women are disproportionately excluded from some areas of agricultural production as they cannot get away from home to attend training or buy inputs. So, we look at how to boost opportunities for women to improve incomes. Our surveys show that women tend to spend their profits from agriculture on education, nutrition and healthcare for the family. We have recognised that there are areas of production that disproportionately benefit women."

Julia provides examples.

Enabling improved incomes for women

1. Poultry

"This is an income-generating opportunity as women can keep the birds at home, and it is culturally acceptable for women to rear poultry and keep the money from sales."

Last year, our poultry operation in Tanzania benefited 56,000 poultry farmers (~80 per cent women), and 9,000 grain farmers (~ two thirds women)."

2. Soya and Sunflower

"Men tend to focus on maize whereas soyabeans and sunflower are often grown by women."

Soyabeans are a high-value, nitrogen-fixing crop and Silverlands Tanzania has kick-started the soyabean value chain in Tanzania by providing a market. Our new sunflower varieties have more oil and higher yields.

These initiatives are improving incomes for many thousands of women."

3. Climate Smart Crops

"At Silverlands Ranching in southern Zambia, during training in conservation agriculture, we introduced climate smart crops, such as sunflower and sorghum. Many of the farmers benefiting are women."

We also help link the farmers to a sorghum market and the Ranch buys the sunflower for cattle feed. We have also facilitated the roll-out of mobile banking for payments."

4. Small Livestock

"We facilitate dipping for 30,000 smallholder cattle around Silverlands Ranching in southern Zambia. In this dry area, cattle do well but it is a male-dominated business."

Women often keep goats and smaller livestock. So we built a goat dipping station specifically to help women. Run by a 100 per cent female committee, 77 female farmers dip 2,000 goats monthly, reducing mortality and raising incomes."



#6. Demonstration through Gender Champions

"We promote gender champions and found that this provides a powerful demonstration of what is possible to others in the workplace and beyond."

Julia provides some case studies.

"We have seen significant cultural shifts through demonstration of women's empowerment. Commercial agriculture, particularly in remote areas, is male dominated. It seems that having just one woman in a key role can break the ice and lead to many more women in skilled and management positions throughout the business. We have many examples of women champions in typically male roles."

"Prior to having a female tractor driver, no-one on the farm would think that it is possible. You just need one to shift the mentality of everyone in the business."

"I have heard of a man saying that it is inspiring to see a woman in a management role as it makes him see what is possible for his grand-daughter."

"Silverlands Ranching employed a female livestock extension officer to train men in neighbouring communities about cattle-management. Initially, the men were enormously sceptical, but once they saw her skills they opened up to the concept. Driving around rural areas on her motorbike, she is a great role-model for other women and girls in the community."

The challenges

Julia outlines four gender lens investing challenges.

#1. Understanding pay equity

Julia notes, *"This is a more challenging aspect of understanding gender equality in a business due to confidentiality. In the GES one can anonymise information and just use ratios so sensitive information does not need to be shared."*

#2. Time consuming process

"Completing the GES scorecard takes time. However, the process of working through it with the teams is a helpful training and sensitisation exercise that adds value to the business," says Julia.

#3. Patience to develop skills

"For us, as is the case for many, more women are engaged in seasonal or temporary positions and we have more women in junior than senior positions. Building skills takes time and businesses need to be in it for the long haul. It is also not that easy to find female board members in agriculture."

#4. Board and senior management buy-in

"A vital first step, as we roll out the GES across the portfolio, is to get buy-in from the board and management of those businesses. Having the mandate and drive from our CIO definitely helps, along with good data."



SilverStreet's gender-sensitive COVID-19 response

"We are very fortunate because our businesses have not been as impacted as other industries," Julia says. "Even during the strictest lockdown in South Africa, our operations continued and maintained jobs. COVID-19 arrived later in Africa, so we could learn from the earlier experiences elsewhere and develop policies, systems and training in preparation."

Julia notes that (at the time of writing) there have been few cases in the portfolio of nearly 7,000 employees. She says, "We are fortunate that our businesses typically operate in remote areas where transmission is lower, and we also work with young and typically healthy populations". She adds that, "In one operation, with many female employees, pregnant women (particularly those in their third trimester) and anyone with a chronic disease, were given paid leave, and mothers could work flexible hours."

The Silverlands operations ensured that their clinics and those in surrounding communities were COVID-19 ready.

Julia's final comment on COVID-19 is on a positive impact.

"In some areas sanitation has been improved with easier access to clean water, which has increased health and wellbeing and also reduced women's chores."

Julia's thoughts on a potential 10X challenge

#1. Start somewhere, even if it is just with one change

"Gender mainstreaming is a journey. You might not get things right the first time. You have to start, adapt and change as you learn, build capacity and get buy-in. Start with one thing, get a win to show off and build from there."

#2. This takes time

"It is important to understand that you are not going to move from an all-male board to 50 per cent female board immediately, so it is important to just start the process and recognise that this takes time."

#3. Get buy-in from different angles

"It is important that gender equality is on the agenda for board and senior management meetings alongside ESG. Board buy-in is a key step, but work all angles. Use the scorecard to provide objective data, find a champion on the board or in management, and create competitiveness between portfolio businesses through benchmarking."



#4. Move beyond counting to systems change

"You have to move beyond counting and the SEAF GES is great in helping to understand all of the areas you need to work on around gender equality. For example, implementing policies and procedures that help your whole system develop."

#5. Investment is needed to build capacity

"You have to invest in building capacity. Consultants should not do all of the work. The business must own this work for it to be successful in the long term. Grant funding for capacity building and training would be helpful."

#6. Do not silo gender

Julia's final recommendation on 10X'ing gender lens investing is to ensure that gender does not get siloed. "Gender has to be included within the human resources and ESG work. You also have to be inclusive of men and take care of their needs too."

SilverStreet Capital

Frank Impact was founded in 2017 by Siobhan Franklin when she acknowledged she was not achieving her own impact mandate. Since then, we have worked on high impact innovative initiatives, investments and projects with catalytic individuals, leaders and communities.

We believe in the power of gender lens investing, it's not an easy undertaking and we felt it important to develop this insights series to help others on their gender lens investing journey, and the market to articulate what comes next, and for developing whole of market solutions to do more better. We would like to thank the insights series participants for making this possible.

We look forward to forging new relationships with others who have a similar impact mandate, passion for what they do, and who believe in working for a better world.