



CENTRAL BANK OF KENYA

Food Systems Summit Dialogue

Strengthening and Amplifying the Voices and Leadership of Women in Food Systems

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As Prepared for Delivery

Excellencies, Good morning! I am delighted to join you this morning for this important dialogue. At the outset, let me express my gratitude to the organizers for the invite, to share the platform with representatives from such distinguished institutions. I am sure that all of us will this morning make valuable contributions to inform the forthcoming United Nations Food Systems Summit, 2021. The Summit seeks to awaken the world to the fact that we must all work together to transform the way the world produces, consumes and thinks about food. As you are aware, the Summit will launch bold new actions to deliver progress on all 17 Sustainable Development Goals (SDGs). Not surprisingly, all the SDGs rely to some degree on healthier, more sustainable and equitable food systems.

Globally, we are at a critical juncture, just over a year since the eruption of the coronavirus (COVID-19) pandemic. The pandemic has adversely impacted the global implementation of the SDGs threatening the vision of shared prosperity for all by 2030. Recent World Bank assessments indicate a reversal in the global fight against poverty following the pandemic. An estimated 130 million people could slip into extreme poverty by 2030, if concerted global action is not urgently taken. Women and children are bearing the brunt of the adversities occasioned by the pandemic.

Getting back to the focus of today's dialogue, SDG 2 seeks to ensure zero hunger by 2030. Significant effort is required to achieve this target as close to 700 million people were estimated to be malnourished by the end of 2019. COVID-19 has exacerbated this situation and over 100 million people could be pushed into chronic hunger, if we do not act now. The effects of malnutrition are particularly severe on children, potentially leading to stunted growth that adversely affects their health and future socio-economic prospects. It is our collective responsibility to remediate these negative effects as we "*build back better*" after the pandemic.

Most of the world, particularly the developing and emerging countries remains under the grip of COVID-19 with the uneven pace of vaccination. However, we must seize this moment to review the resilience of our food systems, if we are to have a sustainable recovery from the pandemic. Fortunately, this is a journey that had started before the pandemic. In Kenya, food security is a critical pillar of the transformative Big-4 Agenda launched by the Kenyan government in 2017. We need to build on the progress in enhancing the resilience of our food systems while tackling the challenges and gaps that remain.

One of the significant gaps of concern is financing of the agricultural sector. While progress has been made, financing to agriculture by the Kenyan banking sector is below 5 percent of the total bank credit. Drilling down further, there is a gender gap skewed against women in access to finance. One of the pertinent questions this morning is how do we enhance access to finance for women in agriculture? Allow me to offer three broad reflections..

First, digitalization offers significant opportunities in closing this gap. Women in particular with their numerous responsibilities are constrained in accessing financial services offered through the conventional "brick and mortar" models. Beyond the physical distance to the physical financial services locations, there is also the opportunity cost of time spent away by women from important responsibilities. *Anytime anywhere* financial services provided through digital channels therefore provide an opportunity to onboard more women farmers and agri-entrepreneurs.

Second, providers of financial services must become more customer centricity.

Kenyan financial institutions are increasingly tailoring their products and services to the needs of their customers. In this regard, we have seen a growing number of banks rolling out women-centric products. Though this is a welcome move, much more remains to be done. Further segmentation is required for instance to understand deeper the financial needs of women in agriculture and tailor appropriate products. I challenge Kenyan banks to focus much more on this segment given the multiplier effect on food security leading to enhanced lives and livelihoods.

Third, finance alone is not enough and other *finance-plus* services are critical.

Finance must be supplemented with advisory services on good agricultural practices that maximize yields and returns to women farmers. We are not short of initiatives in this area. One of the organizers of this dialogue, the Association of Women in Agriculture Kenya (AWAK) comes to mind. In particular, AWAK in 2020 initiated the Resilient Recovery Programme for vulnerable mothers living in urban slums. The programme involves the training of the mothers on easy sustainable and affordable ways to grow their food and generate an income. This project cited by His Excellency the President in his 2020 Jamhuri Day address has the potential to transform the outlook on food security and empowerment in urban slums.

As I draw to a close, the scale of the problem of food insecurity is clear particularly for women and children and dire amplified by the COVID-19 pandemic. The risks of inaction and delayed action are evident and could roll back the significant gains that have been made on the road to shared prosperity for all by 2030. We must therefore all in unison globally act now, to avoid slipping into the precipice of hunger and malnutrition that is *hungrily* staring at us. The task at hand today in this dialogue is monumental and I challenge you all to exercise your minds as we contribute to the broader global conversation. But this is a marathon and we must be ready for it. In the words of a proverb, “*If you want to go fast, go alone. If you want to go far, go together.*”

I wish you fruitful deliberations and look forward to the outcomes of this dialogue.

Thank You!