Investing in Digital Technology to Increase Market Access for Women Agri-preneurs in Guatemala

July 2020
Context
Family agriculture and nutrition in Guatemala

- Agriculture employment: 30% of the population.
- **Dualism**: large export-oriented agribusinesses vs. smallholders producing for domestic market and self-consumption.
- Low access to finance and markets, dependence on *intermediaries*.

- The 6th highest rate of *chronic malnutrition* in the world, the highest in LAC
- 47% children aged 5- stunted; 58% indigenous children; 66% children in lowest income quintile.
- 77% families have **poor or inadequate diet**; 50% infant and young children receive minimum acceptable diet.
The School Feeding Program (*Programa de Alimentación Escolar*)

- **School Feeding Law – Decree 16-2017**

- **Objectives**: promote healthy school feeding, promote health and sanitation, empower small agricultural entrepreneurs, and increase access to education.

- **Budget for school meals tripled** from 1.11 Quetzales (USD 0.15) per student per day to 3.00 Quetzales (USD 0.41) – further increased to 4.00 Quetzales (USD 0.54) in 2020.

- Development of varied, nutritious, safe, and culturally appropriate school menus.

- 50% of schools’ food from local family farming.
An opportunity for family farmers

- Increased access to a stable market, with fair prices and no intermediaries.
- Contribute to productive planning and more efficient supplies.
- Contribute to the nutrition and safety of school food.
An opportunity for women agri-preneurs

Women generally have access to less profitable activities than men:
• Small-scale production
• Informality
• In charge of managing home duties
• Less attention from extension services.

Why are women uniquely positioned for the SFP?
• Production of fresh produce in high demand from schools.
• Important role in nutrition.
• Safer and more profitable investment in terms of development and reduction of poverty.
School Feeding Program: Bottlenecks

- Parent Organizations have limited information on agricultural producers’ supply and capacity.
- Parent Organizations have limited ability to purchase food according to SFP guidelines.
- Smallholder farmers have limited information and capacity to plan their future production to supply the SFP.
- Smallholder farmers lack information, capacity and incentives to register for family agriculture and fiscal registries.
- Smallholder farmers suffer substantial postharvest losses and face high product rejection rates due to low food quality and safety standards of their produce.
- Market concentration and lack of transparency.
Objective

Developing digital technologies to facilitate market access for women agricultural entrepreneurs in the department of San Marcos, so they can supply the School Feeding Program in a profitable, efficient and sustainable manner.
Activities

1. **E-commerce platform**
   developed in partnership with the WFP;

2. **Digital extension videos**, in collaboration with the FAO;

3. **Impact evaluation**, with WBG LAC Gender Innovation Lab
Activity 1: E-Commerce platform

- **For producers:**
  - Transparent sales with no intermediaries
  - Network with other producers
  - Feedback on product quality
  - Price information

- **For schools:**
  - Specific shopping lists for official menus of the SFP and number of students.
  - Updated registry of certified local producers

- **For institutions:**
  - Mapping of local supply and capacity
  - Monitoring of processes, sales, other indicators
Activity 1: E-Commerce platform

• Based on mapping of the food procurement process for the School Feeding Program and existing bottlenecks.

• Iterative process with local actors and government authorities to ensure transferability and ownership.

• Possibility of adding new modules:
  – Digital and mobile payments
  – Supply and demand of additional services (transport, machinery, etc.)
  – Automated SMS notifications
Activity 1: Platform features

http://aegua.app
Activity 2: Digital extension videos

- **Objective:** disseminate information on the school feeding market and good agricultural practices through extension videos aimed at women agri-preneurs.

- **Scope:** The videos will be broadcasted through various channels (Youtube, WhatsApp, community screenings, extension agents)

- **Language:** in Spanish and in Mam, the most prevalent Mayan language in San Marcos.
Activity 2: Digital extension videos

Themes:

1. Information about the **School Feeding Law**, including benefits for the local economy, child nutrition, and community development.

2. **Legal and practical guidance** for women smallholder farmers to access the **School Feeding Market** efficiently.

3. **Good post-harvest practices** to reduce food loss and waste and ensure food safety.
How these technologies can help support the food chain’s COVID-19 response

Local e-commerce:
• The platform can be adapted to function at a larger scale, to address the current mismatch between food supply and demand, as:
  – Suppliers can access a broader network of customers;
  – Improved market information allows for more efficient crop planning.

Food security:
• A comprehensive database of agricultural producers supports the government’s emergency programs with a reliable source of secure and nutritional foods.

Food and producers’ safety:
• E-extension videos allow for socially distanced learning on basic safe food practices, including guidelines on safe handling, processing, packaging and storage, as well as efficient and healthy use of water for food preparation.
Responding to Covid-19: Modern and Resilient Agri-Food Value-Chains
Agri-food complexities in COVID-19 times

- Limitations on the movement of people and goods within the country.
  - Pressure on the agri-export system, especially for small producers.

- Shutdown of the hospitality industry.
  - Surplus produce of specialized harvests and livestock.

- Reduced operation and even closure of marketplaces.

- Informality.
  - Difficulty to access the government’s emergency programs.
Project name & ID: Responding to Covid-19: Modern and Resilient Agri-food Value Chains (P173480)

Project Objective: to contribute to improved food system efficiency and increased beneficiary resiliency in select value chains.

Total Amount: USD 211M (USD 150M IBRD – USD 11M IFAD)
### RESPONDING TO COVID-19: MODERN AND RESILIENT AGRI-FOOD VALUE CHAINS

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RESPONDING TO COVID-19: MODERN AND RESILIENT AGRI-FOOD VALUE CHAINS

Component 1.2: Skills development for greater employability and labor skills-matching

Digital Platform to match skills and labor:

- Connecting formal and informal labor to businesses looking for workers
- Online registration and technical support
- Leveraging current system of skills matching from INTECAP
- Inspired by Uruguay example, Zafrales
Zafrales

Zafrales es la mejor plataforma digital para contratar personal temporal de forma fácil, rápida y eficiente.
Component 1.3: Consumer awareness campaigns for changes in nutrition:

- Guatemala has the sixth-highest rate of chronic malnutrition in the world, with almost half of children under five years old affected.
- Hunger and undernutrition cost Guatemala more than eight million US dollars per day, which, in 2017, constituted more than 4% of Guatemala’s GDP.
- Consumer awareness campaigns using digital tools will support improved consumption of nutritious foods.
Collaboration between International Institutions

Direct partners:

Other synergies:
THANK YOU!

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