



Value chain actors providing inputs and services to fodder producers in SNNPR and Amhara regions of Ethiopia: potential avenues to support women's empowerment

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Background

Ethiopia is increasingly highly vulnerable to climate change, and farmers across the country are dealing with climate variability and weather risks more and more. Adapting small-scale livestock and fodder production to climate change, through small-scale irrigation, is an option to increase the climate resilience of livestock keepers and, in some cases, transform their livelihoods.

In this regard, the Feed the Future Innovation Lab for Small-scale Irrigation (ILSSI) Project has been working on irrigated fodder development in the mixed farming system of the Ethiopian highlands since 2018. The ILSSI project seeks to validate and promote sustainable small-scale irrigation technologies such as labour saving water lifting technologies and forage genotypes, that fit well in the smallholder farming systems. The aim is to enhance

production of irrigated fodder in the smallholder farmer systems and help to alleviate the seasonal feed shortages often experienced. Opportunities and mechanisms to improve access to small-scale irrigation technologies as well as markets by women and men farmers are ongoing. A key study question is 'Which segment of the irrigated fodder value chain benefits and empowers women most and the least'?

To contribute to answering this question, the study team decided to start by understanding the livestock value chains business environment in the Southern Nations, Nationalities, and Peoples' (SNNP) and Amhara region. Key informant interviews were implemented with selected business owners in both regions. The study focuses on the performance of the businesses, their relationships with livestock/

small-scale irrigation farmers, the perceptions of men and women value chain actors on climate change, and the role of irrigated fodder in climate change adaptation and resilience. This will aid the identification of areas for development investments and policy interventions that empower women and men through small-scale fodder irrigation and enhance their resilience in the face of climate change. In addition, the results will inform the successful scaling of irrigated fodder technologies under the prevailing climatic, socio-economic, and environmental conditions.

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Farmer Mognenet Fente feeding her cows with green fodder (photo credit: ILRI/Fikadu Tessema).



Habebo Dairy Cooperative employees on milk collection and processing duty (photo credit: ILRI/ Tigist German).



Methodology

Key informant interviews with six traders

A qualitative study was conducted using key informant interviews among respondents from Amhara and SNNP regions of Ethiopia. Data collection was done in July 2021 led by a female researcher with the assistance of a research associate who took notes. The respondents were male and female value chain actors engaged in livestock inputs and output trading at different nodes of the value chain. Specifically, six key informants were interviewed, four from SNNP and two from Amhara. There were two female and two male respondents from SNNP and two male respondents from Amhara. These were identified and mobilized through the help of a site coordinator who also facilitated the obtaining of the necessary permits from the local leaders and offered logistical support to the team.

The interviews were along 13 thematic areas as outlined on a key informant guide as follows: i) background information, ii) capital, iii) location of sales and physical access to markets, iv) seasonality and price considerations, v) gender barriers, vi) payment methods, vii) price determination, viii) credit access, ix) sales and value addition, x) market structure, xi) associations and groups, xii) climate change, and xiii) coping, adaptation and mitigation. The interviews were recorded using both field notes and audio recorders in the local languages. After the data collection, transcription was done into English and the transcripts then loaded into NVIVO 1.5.2 (946) (1999–2021) for analysis. Coding was done by qualitative research analysts at the International Livestock Research Institute (ILRI) along the aforementioned thematic lines. Coding queries were then ran on the software and the queries synthesized to answer the overall research question.

Synopsis of the key informant findings

Result 1: There is a range of traders at different scales that are moving livestock products from the small-scale Irrigation/other livestock farmers.

The study identified 6 traders, 2 from the Amhara region and 4 from the SNNP region. There were 4 males and 2 female value chain actors. They ranged from sole proprietors trading in small volumes of butter that is sourced directly from individual women farmers, where prices are negotiated at the point of sale, to a largescale farmers' union whose membership is 61 livestock farmers cooperatives across about eight woredas, with relational structures for input and output selling and set prices. The businesses trade in livestock inputs (forages, feeds, livestock medicines, live animals) and also different types of livestock outputs (milk, milk products, live animals). Table 1 outlines the summary of the characteristics of the key informant traders interviewed for this study.

Table 1. Summary of the characteristics of the six traders interviewed in SNNPR and Amhara regions of Ethiopia

Key informant code	Type of key informant	Gender of key informant	Region	Startup capital (in ETB)	Products sold	Mode of aggregating products
1	Sole proprietor	Female, 27 years old	SNNP	2,000 (raised through family gifts)	Butter	Going to buy from farmers in different trading centres
2	Chairlady of milk cooperative	Female, 60 years old	SNNP	5,300 (raised through membership)	Fresh milk, curd, yoghurt, cheese, butter	Women farmers delivering milk to the cooperative and milk collection centres
3	Program officer – seconded to the union by ATA Multipurpose Farmers Union	Male, 32 years old	SNNP	95,000, raised from the members	Wheat flour milling/ production of animal feeds (poultry, milking cows etc.)	61 member cooperatives spread in 8 woredas (used as product distribution and aggregation centres)
4	Sole proprietorship	Male, 32 years old	SNNP	Capital raised from the family (converted to loan later?), 290,000, in total (190k from selling an asset and 100k from the family)	Animal feeds processor (including hay) and dairy milk processing/trading	Works with commission agents for market surveillance and input supply too. Collects milk from over 90 suppliers (50% women)
5	Shareholding of four owners	Male, 36 years old	Amhara region	Share contribution of 15,000 each (total 60,000)	Dairy product processing	Buying milk from the dairy cooperatives
6	Chair of dairy cooperative	Male, 60 years old	Amhara region	Membership fees from 260 members (83 are women)	Dairy products processing and selling of forage seeds to farmers	Men and women farmers delivering milk to the cooperative

Result 2: There are gender differences in ability of men and women to participate in different types/scales of livestock businesses.

Although livestock inputs and output business are lucrative and have the potential to economically empower both women and men, women seem to tap on and benefit less from these business opportunities. Women are more in the small-scale businesses. There are about 5% of all suppliers/traders dealing with the farmers union, one of the largest businesses interviewed in this study. Women participate on the lower nodes of the value chains (supplying milk and milk processed products and in much smaller scales) compared to the men traders. Gender barriers and an individual's prowess emerged as key barriers limiting women. These include: Reproductive roles of women: Women are limited by their socially constructed gender roles especially the unpaid care and reproductive roles, which are highly valued by the community, but which keep them engaged and limits their mobility, affecting how they would respond to business/entrepreneurial opportunities. Women have limited access to finance and credit facilities: Women face hurdles in accessing startup capital. One of the women traders in the interviews obtained her startup capital from her brothers. This stems from intrahousehold power relations where

women do not usually control family finances, which remain a domain for men and so have to negotiate for the resources they can access. In addition, women were said to be risk averse compared to men who have the privilege of making risky choices, because of their power in decisionmaking. Men explore and pursue varied financial options including seeking credit from financial institutions while women hold back and shy away from institutional credit. This gives the men an edge to engage in and prosper in entrepreneurial activities. The study found that most businesses pay women in cash for their supplies (maybe because they do not have bank accounts, especially the older women) while the men farmers are paid by cheque through a bank account. While this may be a noble approach to dealing with the current challenge, it has the unintended consequence of enabling only men to have a credit history while the women lack it and hence cannot negotiate for an institutional credit facility.

Paradox of 'milk as a women's product': The norms of milk ownership in the SNNP region indicate that milk belongs to women. For a long time, fresh milk was not traded but rather used at home for the sick, the lactating mothers and the young children. While milk is emerging as a tradable good, the role that women play in its

trade is mostly confined to the production/homebased processing of milk and milk products, respectively. When the milk value chain advances to the higher nodes of aggregating, packing and redistributing milk and milk products, then the norm seems to relax and the big business shifts into the domain of men.

Women's non aggressive negotiation of milk/product prices: Even when men and women engage in the same business, such as milk supply to a processor, men are considered to have better/higher negotiation skills and abilities than women, which enables them to fetch better commodity prices compared to women. This limits the potential benefits a woman can reap from a business venture, which lessens their potential to get economically empowered through engagement in the value chains. This was clarified by one man from SNNP region as follows, 'men are tough, and they exert maximum effort to get the best price they can, but women are open minded and are reasonable and easy to negotiate with.'

Women are trusted for quality deliveries: On quality attributes, the study shows that traders trusted women to deliver superior products in terms of quality compared to men. Women often trade in smaller quantities, but men handle larger quantities. This means that women have an opportunity to prosper in feed and milk businesses since they are likely to be trusted by customers who are keen on products quality. This was clarified by one key informant from SNNP who said 'women supply more quality products than men.... My company rewards women who supply good quality and quantity milk.'

Result 3: Business owners/traders have a general appreciation for the uniqueness of the challenges that women livestock producers face.

There was a report that when women have to deliver milk to the dairy cooperatives, some of them walk very long distances and coupled with a high demand for time to take care of other roles, most women opt to not take their milk to the collection centres. To support consistent engagement of the women livestock farmers with the cooperatives, the latter open milk collection satellite outlets in the remote areas. One trader explained that they appreciate that women are constrained for time due to domestic chores and are sometimes unable to deliver milk early in the morning when it is very fresh. When they arrive late to the cooperatives, they are not turned away (avoiding wastage, income loss and disappointment of the women farmers) but their milk is used for processing other products such as cheese. The milk cooperatives provide loans to their suppliers (men and women) to enable them purchase feeds. This is recovered from their income at the end of the month. This enables the farmers to keep being productive and maintain their supply.

To maintain quality the of milk, some traders provide the male and female farmers with aluminum containers free of charge. The cooperatives are also acting as a hub for knowledge and technologies access for the male and female farmers. Being organized into farmer cooperatives has enabled the communities to access government services and support in new technologies that enhance milk productivity, and the cooperatives are an avenue for improving quality for goods supplied to consumers and a platform for negotiating for output and input prices.

Result 4: Small-scale irrigation for fodders holds promise for mitigating the impacts of climate change at production and business scales.

The traders' appreciation of climate change was linked to prolonged periods of drought that are more common in recent times, and how this affects the input and output prices, and the spillover effects of these on living costs. During drought, there is a general shortage of pastures and forages for livestock. When there is food shortage due to droughts; because the women are primarily responsible for food preparation, they bear a bigger burden in engaging in menial labour sales and petty trading to be able to buy food for their families and household diets are compromised in terms of quality and volume.

When farmers have to depend on commercial feeds or forages for feeding their livestock, the costs of obtaining them usually is very high. Farmers will most likely sell off big portions of their herds and the productivity of milk is usually much lower. This causes the milk supply to the business to be low and the costs of aggregating adequate amounts of milk from many more farmers much more expensive. Prices go up at every node of the supply chain, and the consumers are affected the most as they ultimately bear these costs. Consumption of milk and milk products may reduce as the prices go up. This was well summarized by one of the key informants: 'Volumes of butter traded are reduced (because of low supplies) and the profit margins for the traders are reduced (as the buying prices are higher but the products are fewer) and the secondary buyers can't afford to buy much...primary traders may be pushed out of business.' A respondent from one of the cooperatives indicated that they receive 500–600 litres per day during the normal seasons, but during drought periods, they often get only 300 litres of fresh milk daily.

One of the avenues offering hope for mitigating these impacts and enhancing resilience is through the milk cooperative hubs where men and women farmers are encouraged to develop small-scale irrigation schemes and grow fodder under irrigation, among other crops. As one informant from a cooperative explained, 'during

drought, we respond by increasing the price to our suppliers, training members on caring for sick animals and producing forage using small-scale irrigation schemes.'

If scaled out, the impacts of small-scale irrigation that enhance fodder production during the drought periods will not only be at the individual farmers herd level, but will also be felt by the livestock products businesses at all scales, leading to stabilization of prices and impacting consumers abilities to maintain reasonably healthy diets.

Further questions

This study has provided the traders perspective on how they engage with the men and women livestock farmers as they sell livestock products and supply livestock production inputs. The next steps are to get the perspectives of the individual men and women farmers, in a household survey, on their engagement with the livestock value chains.

There is a shift in the norms of milk ownership in the Amhara region from the hands of women to men as the value chain grows in value and scale. We would want to assess this to understand the views of the individual women farmers on this issue. We would also like to compare our findings with those from the SNNP region where milk/milk products are socially protected as a 'women's product'.

This study provided anecdotal evidence that the traders are responding in an accommodative way to the challenges women face in engaging with the market for milk and milk products deliveries in the two regions of Ethiopia. We are, however, not able to tell if indeed this leads to empowerment. In the next round of data collection, insights into empowerment will be a key consideration. The traders interviewed did not give insights into selling irrigation inputs, for example. In the next iteration of the study, we will focus on understanding where individual farmers source irrigation inputs from.

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Photo credit

Cover: Farmer Alemu Demewos, irrigating his fodder plots using a solar pump to lift water from a handdug shallow well (ILRI/ Fikadu Tessema).

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