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*New Business Models  
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**Author:**  
*Anoushka Boodhna in  
collaboration with IIED*

Paper:

# Sourcing Gender: Gender productivity and sustainable sourcing strategies

A woman in traditional, colorful clothing is walking through a field of tall green crops. She is carrying a large, heavy bundle of harvested crops (possibly corn or similar) balanced on her head. The background shows a hazy mountain range under a blue sky with some clouds. The overall scene is rural and agricultural.

This paper is part of a publication series generated by the New Business Models for Sustainable Trading Relationships project. The partners in the four-year collaboration -- the Sustainable Food Laboratory, Rainforest Alliance, the International Institute for Environment and Development, the International Center for Tropical Agriculture, and Catholic Relief Services -- are working together to develop, pilot, and learn from new business models of trading relationships between small-scale producers and formal markets. By working in partnership with business and looking across a diversity of crop types and market requirements -- fresh horticulture, processed vegetables, pulses, certified coffee and cocoa -- the collaboration aims to synthesize learning about how to increase access, benefits, and stability for small-scale producers while generating consistent and reliable supplies for buyers.

For further information see:  
[www.sustainablefoodlab.org/projects/ag-and-development](http://www.sustainablefoodlab.org/projects/ag-and-development) and  
[www.linkingworlds.org](http://www.linkingworlds.org)

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# Sourcing Gender: Gender productivity and sustainable sourcing strategies

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# 1

## Introduction

*“Designing trading relationships that reach and benefit small-scale producers in a sustainable way can be a challenge for practitioners who engage directly with women in agriculture.”*

Designing trading relationships that reach and benefit small-scale producers in a sustainable way can be a challenge for practitioners who engage directly with women in agriculture.

In agriculture, women constitute the majority of farmers and producers and thus a significant part of the supply base. Yet women suffer many gender-specific constraints when participating in market-based activities. Long hours, poor nutrition, lack of hygiene and sanitation facilities, and the strains of child rearing can negatively affect women’s productivity. Limited access to education and credit facilities restricts women’s ability to absorb new labor-saving technologies or move into new value-adding activities. As such, women also find it difficult to take on managerial and supervisory positions.

Creativity in approaches to investing in women can address power and access issues to train women in food production and build their capabilities as service providers. This actually means maximizing productivity across the whole workforce and all along the value chain.

As part of a series of topic briefs on the New Business Models for Sustainable Trading Relationships (NBMSTR) project, this paper will describe the business opportunities that are available when working with women in agriculture (see Box 1). In so doing, this paper adds a new dimension to understanding trading relationships with smallholders by segmenting the producer base and understanding the implications of vulnerability and power relations on application of the NBMSTR principles. To analyse the problem and develop an action-orientated set of recommendations, a gendered approach to value chain analysis will be carried out.

This paper is targeted at businesses and practitioners who want to engage with producers and farmers and develop more sustainable sourcing strategies. It aims to provide a deeper understanding of gender-specific features of the value chain. This paper does not advocate the exclusion of men. Rather, the interventions focused on women will support the performance of the whole value chain and bring benefits to the entire community.

# 2

## Women's productivity and sustainable sourcing strategies

A 2009 report from the International Fund for Agricultural Development (IFAD) and the World Bank describes the extent of women's role in agriculture.<sup>1</sup> According to this research, three-quarters of all farmers and producers are women. Women play active roles as traders, processors, laborers and entrepreneurs – roles for which they are largely unrecognized and in which they face many gender-specific constraints. A survey of the literature on women in agriculture has shown that the main factors restricting women's productivity are decent work, access issues and power issues.<sup>2</sup>

- **Decent work**

Women tend to be subsistence, smallholding farmers with the primary role of providing food for the family. Women's 'reproductive' roles can often undermine their 'productive' roles, as they are obliged to support men's primary income-generating activities. Women who then try to integrate into the labor market often find themselves with a hugely increased work burden. This amplifies health issues. The long hours of productive plus reproductive work, consuming foods with poor nutritional value, the lack of hygiene and sanitation facilities and the strains of childbearing and rearing can take its toll.

- **Limited access**

Women have limited access to education and financial products, especially in rural areas. Often this is because of the 'capture' of services by more powerful groups, such as men. Surveys carried out by organizations such

as the World Bank and the United Nations (UN) show that in Africa women farmers receive less than 10 per cent of agricultural extension services – services historically designed to improve productivity.<sup>3</sup>

Furthermore, limited access to training and finance, coupled with limited access to new technologies can affect 'upgrading' for women producers. This prevents them from moving on to more rewarding activities and from making products that have greater invested value.<sup>4</sup> This also affects women's capacity to earn economies of scale, and also acquire the training needed to meet the standards and output quantities of international supply chains.

- **Limited power**

Women tend to have little to no control over household incomes, assets (such as housing or livestock) and land. In Africa, less than 2 per cent of women own the land they work on.<sup>5</sup> This also affects their ability to use these assets as collateral to purchase machines and upgrade into off-farm activities like agro-processing or manufacturing. In addition, in many societies women are seen as powerless dependents, unable to make decisions about their own lives, and thus are considered subordinate to men.<sup>6</sup> This lack of economic and social power and the perception of women as 'inferior' inhibits their ability to be the agents of their own productivity. This affects self-esteem and the ability to be confident and be leaders and represents a 'glass-ceiling' on women's ambition to pursue managerial or supervisory positions.<sup>7</sup> This can

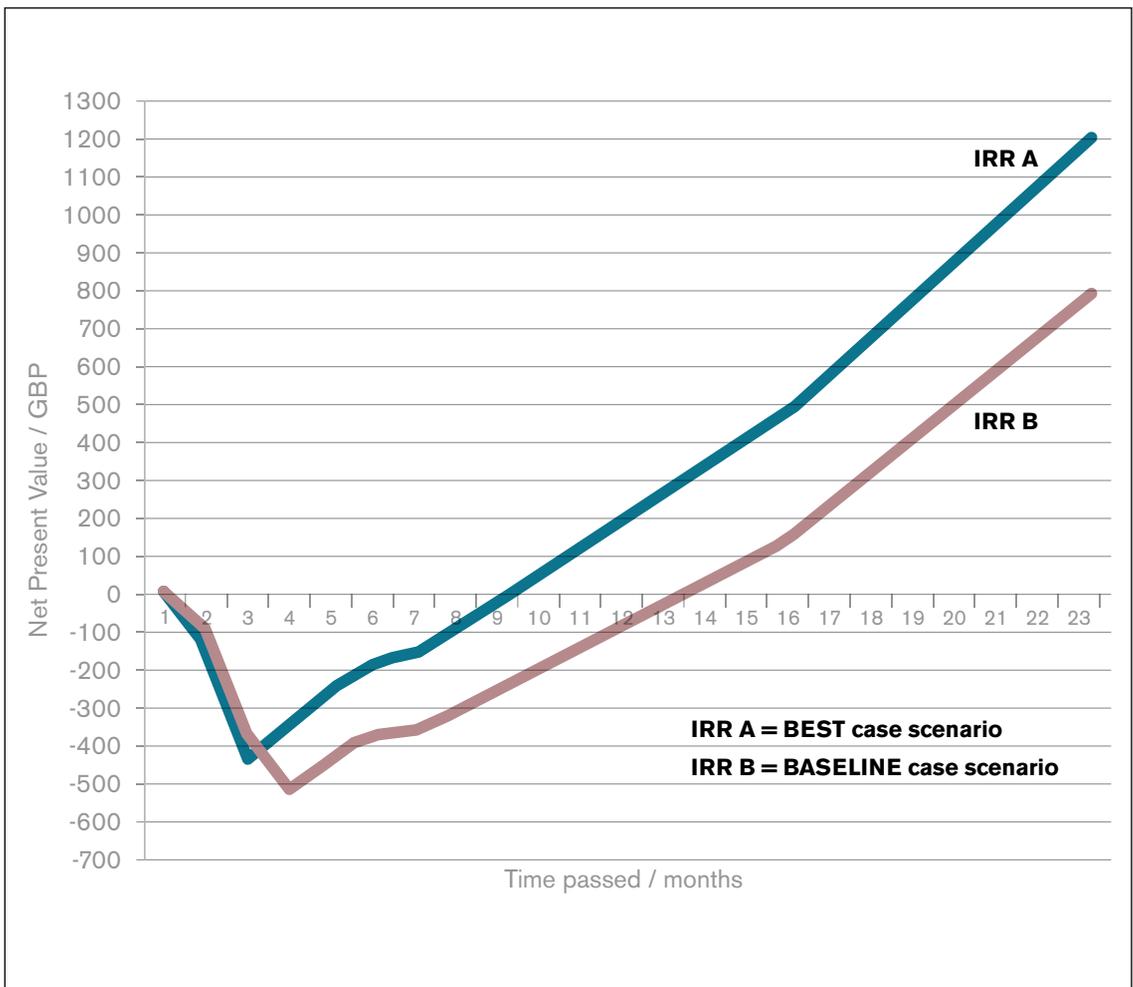
further impact negatively on women’s ability to make long-term investments.

Constrained productivity across a supplier base will have negative effects throughout the value chain – a point made in the recent Oxfam 2010 report ‘Think big. Go small. Adapting business models to incorporate smallholders into supply chains’.<sup>8</sup>

**What support is currently available for practitioners who engage directly in the development of women in agriculture?**

There is certainly a large amount of information available on codes and decent work criteria. For example, a survey of ‘The Portal for Responsible Supply Chain Management’, an online directory for standards and codes, shows that there is substantial support available for buyers on

**Figure 1: Returns on investment – baseline case and best case scenarios**



monitoring and compliance activities, on implementing occupational health and safety measures, working hours directives or environmental climate policies.<sup>9</sup> However, there is little to no information on improving women's access to services and developing the managerial skills and capabilities of women.

### **So, what happens when supplier development projects are designed and a gender component is added?**

First, outputs tend to be restricted to simply increasing the numbers of women involved as opposed to improving the quality of women's participation and improving the overall productivity of women. Second, project costs tend to increase; funds are allocated to adhering to standards and codes that do not adequately address the underlying problems of decent work, access and power.

The findings of an assessment of the impacts of the Ethical Trading Initiative (ETI) by the Institute for Development Studies in 2006 also found that: "Although codes had led to some practical improvements for women workers (such as provision of post-natal benefits), they had done little to address basic inequalities such as unequal access to employment, promotion and training".<sup>10</sup>

So, a project that does not fully address the factors that affect women's productivity will not produce as strong a financial return as one that does.

*"A project that does not fully address the factors that affect women's productivity will not produce as strong a financial return as one that does."*

The graph opposite illustrates this.<sup>11</sup> In this example, the Y-axis shows the Net Present Value (NPV) – or the monetary value of a project – in GBP pounds. The X-axis shows how much time has passed in months. Finally, the Internal Rate of Return (IRR) – a way of measuring the profitability of a project, depending on how well (or how badly) profits absorb project costs and risks – is shown as the blue and green lines.

In the best case scenario (the blue line), the costs of the project have been minimized: for example, a training activity may have been designed to deliver new production and quality techniques to women farmers so that in the long run fewer goods are discarded because of poor quality, less time is needed to realize project outcomes, and new technologies have been introduced to save time and cost.

The green line illustrates that the project would have been less profitable without these additional investments.

# 3

## How do we invest in women?

### a. NBMSTR principles

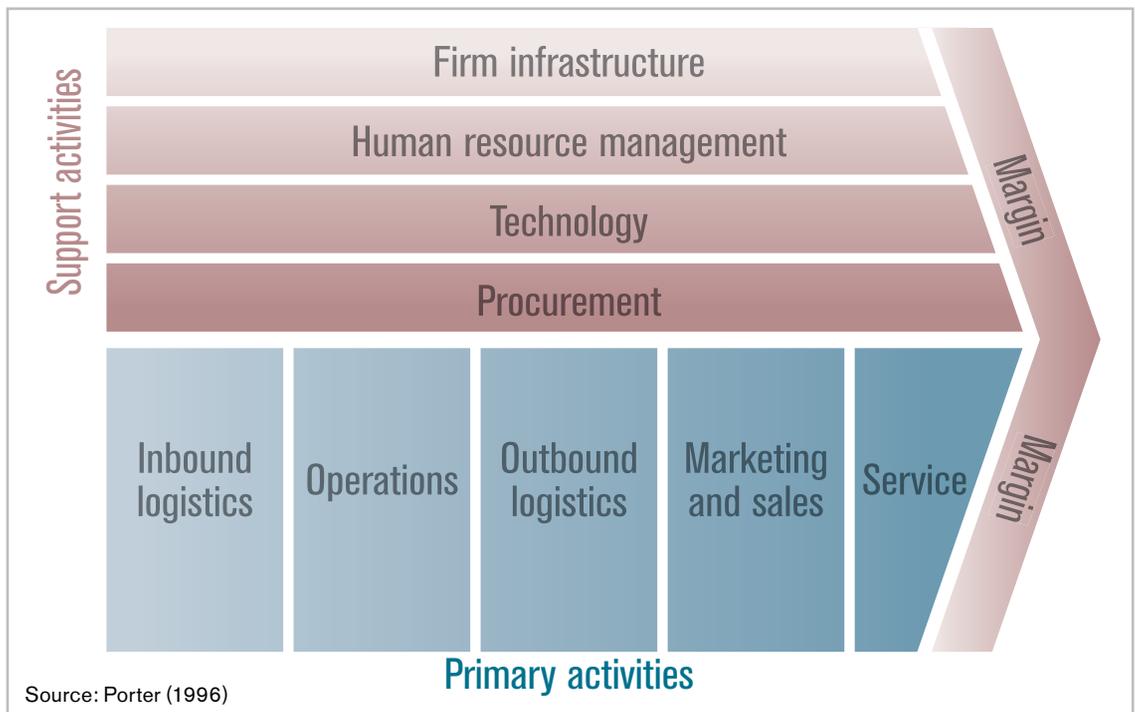
The NBMSTR project has identified a set of principles for building inclusive business models to overcome some of the challenges of procuring from smallholders (See Box 1).

This paper will apply an overall gender lens to these principles thereby adding new analytical dimensions that take into account key issues of power, access and decent work when identifying solutions for smallholder market access.

### b. Conceptual framework

This debate sits at the nexus where the perspectives on strategy for business competitiveness and women's empowerment for pro-poor development intersect. From a competitiveness perspective, Michael Porter's 'shared value' framework<sup>12</sup> describes how corporate success and social welfare are interdependent. Developing the health and education levels of a workforce nourishes the

Figure 2: Michael Porter's value chain



mind and body and helps develop learning and skill capacity.<sup>13</sup> From an gender empowerment perspective, the framework on capabilities and entitlements, formulated by the 2005 Nobel prize winner Amartya Sen describes how entitling women to services, the market, group-formations and the 'power' to develop the 'inner- self' can have economic, social and political benefits.<sup>14</sup>

### **c. Methodology – Setting objectives and carrying out a gendered value chain analysis**

The questions that practitioners need to consider are threefold:

1. How do business models take into account the constraints faced by women in agriculture?
2. How do they consider power, access and decent work?
3. How do they include women in development policies without eroding the core business?

To answer these questions, practitioners must identify the key success factors that will ensure that the core business objectives – i.e. the most essential profit-making activities – are maintained and develop an analytical framework relevant for women and agriculture.

- To identify the key success factors - Link the issues of women's power, access and decent work to the key success factors for improved productivity in the agriculture and food supply chains. This means women and improved quality, innovation, efficiency and stability of supply.<sup>15</sup> Therefore, the main objective for business models and practitioners will be to develop the skills and capabilities of women at multiple points in the value chain: (a) to produce quality inputs, (b) to absorb new technologies and (c) to upgrade to new marketing activities.

#### **Box 1**

##### **New Business Models for Sustainable Trading Relationship (NBMSTR) principles**

*The NBMSTR project combines theory- and action-based research to develop current thinking in market-based development and agricultural value chains for smallholder producers. A key aim of the project is to identify a set of principles to guide the development and assessment of trading relationships that achieve more sustainable inclusion of smallholder producers. These principles are built on extensive study of existing knowledge as well as developing knowledge in action research in four value chains (smallholder flowers from Kenya, smallholder beans from Ethiopia, fine flavor cocoa from Ghana and Rainforest Alliance certified cocoa from Cote d'Ivoire). Five principles have thus been identified.*

1. Chain collaboration
2. Effective market linkages
3. Fair and transparent governance
4. Shared risk and rewards
5. Equitable access to services

*See further [www.sustainablefoodlab.org](http://www.sustainablefoodlab.org)*

- To develop the analytical framework – First, Porter's view of shared value means that businesses must invest in the development of its people. This requires adapting certain key business practices to the new agenda. We will explore in more detail how this can be done in the next section 4a. Recommendations for the institutional setting. Second, for analysis, the value chain analytical tool formulated by Michael Porter is used (see Figure 2 opposite).

**Box 2**

**Key additional features of a gendered value chain analysis**

*Women may be more highly concentrated at a particular stage of the value chain, e.g. in unskilled, low wage roles. Also, women may capture less of the profits yet bear more of the costs.*

| Analytical perspective            | Gender-differentiated approach   |
|-----------------------------------|--|
| <i>Roles and responsibilities</i> | <i>Find the per cent of women in each activity; understand their specific roles and rewards, individually or with other women</i>  |
| <i>Skills-upgrading</i>           | <i>Disaggregated by gender, understand skill levels, upgrading to managerial positions, in products, processes and inter-chain</i> |
| <i>Power and governance</i>       | <i>Disaggregated by gender, understand governance structures and the access to profits and non-financial benefits</i>              |
| <i>Monitoring and evaluation</i>  | <i>Design gender-sensitive indicators and monitor throughout implementation of strategy</i>  |

*Agri-ProFocus (2009)*

The methodologies available can be combined. The most significant is the ‘pro-poor perspective’ of Porter’s value chain analysis. This has been designed specifically to take into account the needs of poor farmers and producers<sup>16</sup>. But, to get a specifically gender-sensitive perspective, ‘gender-sensitive’ value chains should be explored in detail. This is important because donor value chain projects have been shown to be more successful where the beneficiary groups are clearly segmented and targeted.<sup>17</sup>

This approach has already been implemented in the analysis of certain agricultural sectors such as the horticulture sector in Kenya, shrimps sector in Bangladesh and artichokes sector in Peru.<sup>18</sup> This approach does three main things in supporting an analysis of the value chain. It highlights:

(a) women’s concentration in particular stages of the value chain, (b) the costs women face in trying to capture the value, (c) women’s limited access to skills upgrading and (d) societal power issues. Box 2 above summarizes the additional analytical perspectives involved in a gendered value chain analysis.<sup>19</sup>

In Section 4, we will use the approach described to make recommendations on the following issues.

- a) The institutional setting
  - Allocating funds
  - Measuring success and developing women-specific indicators and reporting documents
  - Mobilizing public/third-sector resources and the ‘co-investment’ principle
  - Designing fair, equitable, and effective business models by adapting to local community needs
- b) Logistics and operations
- c) Technology and innovation
- d) Marketing and sales

In Section 5, we will summarize these recommendations in a scorecard of recommendations.

# 4

## Recommendations

### a. Institutional setting

#### Allocating funds for women's development

A simple re-allocation of funds between 'cost centres' – these are business activities that do not directly contribute to the bottom line – will mean that funds do not need to be diverted away from the core business. This means that the core business activities of successful business

models do not need to suffer from a drop in funding. Businesses already incur indirect costs, for CSR and compliance, corporate philanthropy, press and public relations and market research and development. Businesses also already invest in the training and development of their own home-based workers. Therefore, businesses have many partnerships with training and



### Box 3

#### Interview with Kate Ives, Research Manager at AccountAbility

##### Could you give me more information about the work that AccountAbility engages in?

*“AccountAbility is a global, not-for-profit organization. At the core of our work is the AA1000 series of standards for the building of trusting and accountable relationships between buyers and suppliers. AccountAbility has also worked on global indexes to promote responsible competitiveness. AccountAbility also undertakes in-depth research and implements practical market-driven solutions to increase revenue, manage risk, and enhance brand and reputation.”*

##### What projects do you work on at AccountAbility?

*“I joined AccountAbility in September 2008 to work on the Responsible Competitiveness research program. I lead sector initiatives for agro-exports in Chile, meat-packing in Jordan and textile supply chains in Asia, Mexico and Lesotho. I am also working on the MFA-Forum, to develop meaningful dialogue between Buyers and NGOs.”*

##### Do you believe that there is a ‘case’ for gendered analysis of supply chains?

*“Within both the development and the corporate sectors it is a ‘given’ and ‘essential’ that a positive impact on gender should be seen. For business, gender is a good value-addition to the brand. Importantly, it also challenges the notion that businesses are so rigid that they cannot appreciate gender-sensitive issues.”*

##### How does gender reflect itself in the programs you work with?

*“In general, there is a lot of gender-focused training incorporated into projects. Also, we work with a large variety of intermediaries, such as development NGOs and export agencies to get women’s co-operatives into the market.”*

##### What more could be done for gender and responsible sourcing?

*“There is a gap between women’s smaller co-operatives say 20-strong, and international supply chains. There is certainly untapped potential in terms of integrating the two. In addition, there are women’s co-operatives that produce the highest quality product, for example, coffee in Ethiopia. There is potential to take this further and have women develop a unique product that businesses will come looking for.”*

##### What is the best way get the private sector involved in issues such as responsible sourcing and gender-sensitivity?

*“Focus on cost reductions and efficiency gains. Ultimately, the bottom line impact must be taken into consideration.”*

*Anoushka Boodhna: 26 July 2010*

development and mentoring and coaching professionals. CSR professionals may therefore create a ‘gender development for sustainable sourcing’ fund from these cost centres.

#### **Measuring success and developing women-specific indicators and reporting documents<sup>20</sup>**

The most successful indicators for women-orientated projects will be those that measure a

change specific to women. Therefore, reporting documents must disaggregate their data according to gender. More robust gender data could stimulate better gender programming, improving log frame design and project planning thus strengthening agricultural output.<sup>21</sup>

Moreover, an investment in women does not mean that men are excluded. In fact, an investment in women means that whole

**Box 4****Types of women's groups in agriculture**

- **Producer associations and co-operatives:** *owned and managed by farmers to specialize in marketing, input supply, or savings and credit.*
- **Self-help group:** *10 to 20 members, solving their common problems through mutual help.*
- **Rotating savings and credit associations (ROSCAs):** *six to 12 individuals who make regular contributions to a common fund.*
- **Women's groups in village development associations (VDs):** *renovation of school buildings and health centres, provision of irrigation and piped water etc.*
- **Women's groups in management associations:** *produce public goods and externalities associated with non-excludability. They mobilize labor for community projects and manage common property resources, such as forest protection committees, seed distribution committees, and water and soil conservation projects.*
- **Women's groups in agricultural extension field schools or farmer research groups:** *promote learning about women-relevant production technologies or to contribute to the development of innovations.*

*World Bank/FAO 2009*

households and communities benefit. This, therefore, also feeds the capacity for men to engage in upgraded activities too and pulls men and women from the informal, low-wage, unskilled sector into formal, skilled and well-paid decent work. Therefore, indicators that measure changes at household level and community level should be included. A list of possible indicators is given in Section 5. Scorecard – Recommendations.

### **Mobilizing public/third-sector resources and the 'co-investment' principle**

There are funds available for women's development outside of the private sector. In the third sector, there is a multitude of women's organizations that work on the issues 'on the ground'. Finding the right organization to work with and undertaking co-investment can be a good way of addressing the constraints faced by women in agriculture.

For example:

- Microfinance services are financial services designed especially for low-income women, trickling finance down to the very poor to support microenterprise development. Information and data on microfinance and microenterprise institutions can be found on the Mix Market web portal. This website provides data and analysis on about 1,800 microfinance institutions. Sponsored by the Bill and Melinda Gates Foundation, IFAD, Citibank and Deutsche Bank, MIX's products are designed to encourage more practitioners to enter the microfinance sector<sup>22</sup>.
- Grassroots organizations that lobby for women's rights in decent work, access to education and healthcare, and political representation and participation can be found in most countries: for example, in India with the Self-Employment Women's Association (SEWA), in Uganda with the Women of Uganda Network (WOUGNET), and globally, with Marie Stopes International, for the provision of healthcare, or WomanKind Worldwide, for the securing of women's access to property/land rights.
- Research and policy institutions can help by sharing publications on new innovations in the field, carrying out a needs-based analysis, creating 'logical frameworks', operationalizing training strategies and increasing outreach to

more marginal stakeholders. For example, The Pathways of Women’s Empowerment program funded by The Department for International Development (DFID) brings together tools needed by academics, activists and development practitioners in women’s empowerment projects. The Capturing the Gains program, funded by DFID, the Chronic Poverty Research Centre and the Economic and Social Research Council (ESRC), provides new ideas for the cooperation of the private sector, civil society, national governments and international organizations in securing real gains for poorer workers and producers in the South.<sup>23</sup>

- Many international development consultancies provide support for multinationals wishing to upgrade their value chains and engage in more sustainable sourcing practices. (see Box 3). Collaborating with these institutions will provide additional resources in project implementation, financial evaluations and sector-wide research.

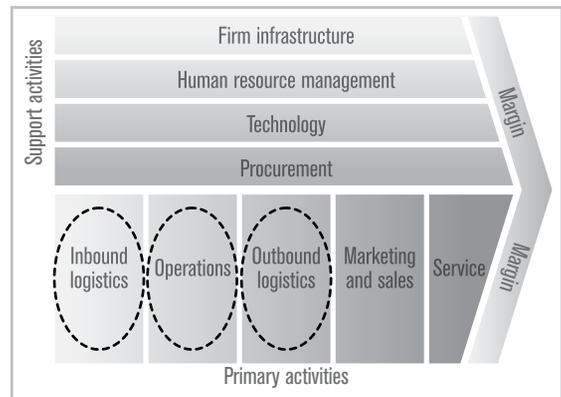
**Designing fair, equitable, and effective business models by adapting to local community needs**

Within rural communities there are a number of village groups that can help facilitate planning, decision-making, and project execution. This infrastructure exists for community groups to overcome high transaction costs and can be used by businesses. Doing this will mean that (a) the costs of project implementation will be reduced and (b) projects will be more successful as they will be linked more closely to local community needs and be more successful in the long-term.

Box 4 summarizes the different types of groups that exist. Producer co-operatives are managed by farmers to transform, package, market and distribute their produce, plugging the gap between the farmers and the market. Self-help groups (SHGs) and rotating savings and credit

associations (ROSCAs) promote savings among its members, and each member is able to take out a loan from a common fund. As a result, each member has an informal banking facility and an opportunity to access finance when needed. Women’s groups in village development associations and management associations mobilize local resources, such as labor, and manage common property resources, such as water and forests.

**b. Logistics and operations**



**Formalize farming practices:** In order to improve product quality, business models need to provide access to services in an equitable way. This means ensuring that women are getting access to training in the activities in which they are the most ubiquitous.

For example, United Nations Agency for International Development (USAID) has been working with small-scale women coffee farmers in Tanzania. In the past, the drying of coffee beans, traditionally done by women, could last up to 14 days and could cause women to become housebound. USAID introduced improved coffee processing technology to help ensure that a consistent quality of bean was being produced and reduce the time taken for processing. This freed time allowed women to get access to more training such as in good husbandry and veterinary services.<sup>24</sup>

A partnership between the United Nations Development Program (UNDP) and Nestle provides the teaching of veterinary skills to women in rural Pakistan, where women are traditionally the primary livestock caretakers. They are now able to look after their own livestock and provide services to other villagers and independent entrepreneurs, such as animal feed suppliers and village milk collectors for various companies.<sup>25</sup> This further helps to bring women into the formal labor economy.

**GAINS: Increased quality (of inputs) and increased productivity (increased yields), improved protection of livelihood assets.**

**Formalize recycling processes:** In domestic and farm work, women tend to use wood, local flora, and by-products from animals and the soil, regularly.<sup>26</sup> For example, some women re-use the debris from crop production, such as corn husks or palm fibres, and re-process them into large baskets for use in fruit and vegetable picking. They may also sell the dried palm kernels to a blacksmith for fuel; charcoal made with the inner kernel shells is in fact very clean and burns hotly, and so is very popular with blacksmiths.<sup>27</sup>

The women members of Kuapa Kokoo, a farmer co-operative in Ghana, behind the Divine chocolate brand, have set up a project making soap from the potash produced from burnt cocoa husks. This soap is then sold, generating additional income – especially during the off-season when cocoa is growing – from the waste cocoa materials.

In general, recycling is more cost-effective and resource-efficient. Linking the market for waste management and the market for production will also mean women and businesses both lose less to waste. Formal recycling processes will enable women to re-use or re-process more unwanted waste (known as ‘closing the loop’ in the industrial ecology field<sup>28</sup>) to keep costs low and reduce the negative impact of waste on their natural environment.

In Malawi, women livestock carers add fermented food scraps to the manure from their pigs, chickens and goats to produce a very high-quality compost for crops.<sup>29</sup> In cases such as this more can be done by providing women with access to training services. For example, training in using biogas for energy usage would provide the whole farm with access to a new energy source.

A project to produce biogas and compost from organic waste collected from local city vegetable markets is being implemented by the Colombo Municipal Council in Sri Lanka. The waste produces approximately one cubic metre of biogas per tonne per day. This translates to a total of 7,500 kilowatt hours of electricity each year (enough to potentially power a turbine generator) and also yields 300 tonnes of saleable fertilizer each year.<sup>30</sup> In cases where women are the primary carers of livestock, this can provide a direct opportunity for women to earn additional revenues.

**GAINS: Reduced cost (through waste management) and increased productivity (increased yield quantities).**

**Create service-based co-operatives:**

Women’s groups can be linked to the market through microfinance. For rural women, there are associations, co-operatives, SHGs, ROSCAs and sub-groups of local village development schemes (see Box 4 in section 4a). However, to take into account the power and capacity-building issues that women face, women’s rural groups can be scaled up to form a group that not just procures resources but actually provides services to the community. These are known as service-based groups. For example, women-led service-based co-operatives can help (a) disseminate training on new technologies in new bio products and veterinary services to livestock carers, (b) purchase and lease large production facilities, such as husking mills, water wells or irrigation systems to other farmers, or (c) form

buying co-operatives to earn economies of scale, such as in seed procurement. Service-based groups can be a good way for women to improve their bargaining power in a patriarchal society.

In 2003, the Andhara Pradesh Rural Poverty Reduction Project, in India, helped SHGs form a 'village procurement centre' to provide women producers with a better bargaining position towards local traders. This centre, run by trained women, offered other women farmers and producers credit, support in quality control, product aggregation and links to the market – 'extension services' normally reserved for men.<sup>31</sup> The centre provides women with (a) access to resources that improve product quality and supply and (b) a channel for more ambitious women to graduate to a position with more decision-making responsibility.

**GAINS: Increased productivity and decreased costs (increased economies of scale), developing women's leadership skills.**

**Facilitate setting up of cash-crop groups:**

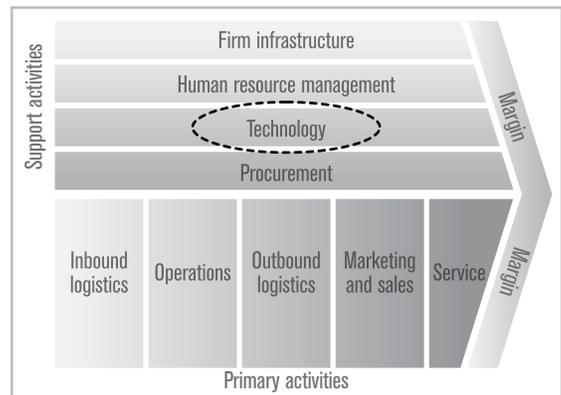
To effectively link women to the market, new business models can be introduced based on the service-based co-operative model and sharing land across women's unused farm and home space. This would enable women to grow crops, breed honey bees, and grow olives on vines etc. for the market.<sup>32</sup> This can be an opportunity for women as historically they have been excluded from this activity where 'cash-cropping' has often been the domain of men.<sup>33</sup> For example, since 1999 Starbucks have been working on a joint project with Conservation International (CI) around the El Triunfo Biosphere Reserve in Chiapas, Mexico, to encourage women to grow shade-grown coffee. With the main aim of addressing deforestation, this scheme also enables women to increase the productivity of unused land available on farms by growing coffee plants to co-exist with fruit trees and other shade-tolerant crop-yielding plants.

Moreover, the final product retails one-third more expensive than regular coffee at \$12 for a small 30 gram packet.<sup>34</sup> This high-quality and organically grown niche product line demands a large and healthy margin and shows that there are opportunities to develop new products that have a unique place in a wide product portfolio.

**GAINS: Increased outputs, increased revenues (wider product lines).**

Cash-cropping can provide additional benefits to women as it allows food crops to be cultivated on the land kept for household consumption. This can ensure a more secure supply of food for the home. Linking these initiatives to service-based co-operatives and other group procurement vehicles allows economies of scale to be achieved and scaling up to occur. Over time, women will acquire the capability and power to buy land and seeds and produce more crop varieties at higher yields. Taking the long-term view of investing in women in agriculture, formalizing farming practices and recycling processes and developing the cash-crop sector will bring good returns to both businesses and rural women.

**c. Technology and innovation**



**Invest in women's health:** A major factor that can diminish women's productivity is illness caused by lack of access to basic healthcare. The United Nations Development for Women

(UNIFEM) research describes how women (and girls) predominantly lose out in access to clean drinking water, safety clothing at work, adequate sanitation facilities, and medical care during child-bearing years.<sup>35</sup> Also, during a girl's menstrual cycle the lack of sanitation facilities can mean missing up to one week of school once a month.<sup>36</sup> Over one year, a girl can therefore clock up around 80 days of absence due to health issues.

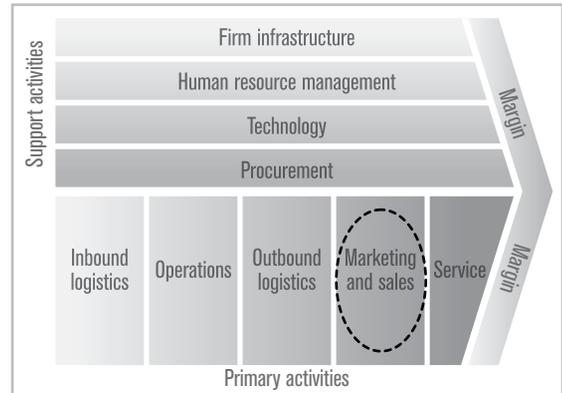
With this in mind, there are 'quick-wins' to be made in facilitating the access of women to healthcare services particularly when working in conjunction with the multitude of third-sector organizations in the field.<sup>37</sup> Marie Stopes International runs mobile testing and medicine clinics and outreach projects, specifically in rural areas, providing worming medicines, contraceptives, vitamins and midwifery services.<sup>38</sup>

**GAINS: Reduced 'absenteeism' and 'employment turnover.'<sup>39</sup> physically stronger workforce, increased productivity.**

Provide labor-saving technologies: Women assume a greater responsibility for farm work, yet lack the access to credit, training or technology that would help reduce the physical burden.<sup>40</sup> Furthermore, women's reliance on easy-to-reach biomass fuels, such as wood and oil, can cause illnesses such as respiratory disease.<sup>41</sup> Consequently, there are more 'quick-wins' to be had in facilitating the access of women to domestic labor-saving technologies. Practical Action have been running a project in Kenya to design stoves that cut the use of fuel-wood by half by using agricultural waste as fuel sources. This has also released women from the gruelling journeys to gather firewood every day and improved the availability of energy around the homestead.<sup>42</sup>

**GAIN: Increased time dedicated to income-generation, decreased burden and increased morale, increased productivity**

## d. Marketing and sales



### Support the development of a local market:

Women tend to be the main 'distributors', 'sellers', 'buyers' and 'users' of agricultural produce.<sup>43</sup> Women are invaluable when learning about consumer behaviours in local markets, i.e. what is being bought, at what prices, in what quantities, why, where, etc. So, to link the product closer with its 'customer', businesses must listen to the needs of women's groups and include them in new strategies that respond to market dynamics. For example, traditional staple foods eaten at home can be produced in larger quantities to sell on the open market. For example, in selected rural villages in the Bendel State of Nigeria, women can produce one to three kg of flour per woman per hour using typical methods. Now, the processing and sale of *gari* (a flour made from cassava root, fundamental to much of African cooking) has been helped by the introduction of *gari* processing technologies on an intermediate and industrial scale. Women can now make *gari* for both home and the market, thus increasing their incomes.<sup>44</sup>

The scope for local market growth in developing countries is huge. In 2008, Unilever reported a turnover of 38.9m Euros, over 50 per cent of which was driven by sales in Asia, Africa and Latin America.<sup>45</sup> Unilever developed their local

markets by a) increasing the nutritional value of the products it sells, b) providing finance to women to purchase bikes and sell Unilever products door-to-door and c) sourcing 50 per cent of raw materials in developing countries and raising incomes and demand for their products. Women were targeted in this strategy as women made up the majority of Unilever's producers, distributors and customers.

**GAINS: Increased sales and increased revenues (new products, new customers).**

**Create 'trade facilitation experts':** Including local women in product and market development also means getting more women involved in upstream value-chain activities. This means using women's intrinsic knowledge about the market as a foundation and providing them access to training in marketing principles to take this knowledge further. In this way, some women can be converted to 'trade facilitation experts'. They will be able to liaise with farmers and commercial organizations to ensure the product meets the price, quantities, standards required. This benefits businesses; strengthening women's role in the marketplace as a 'broker' helps control for variables that can cause supply to fluctuate and affect just-in-time responses.

The 'market queens' of Ghana run many of Ghana's markets for fresh vegetables. Yet market queens can suffer from information asymmetries and as a result often struggle with accurate price-setting. They typically work as traders in tomatoes, fish, and other perishables. They negotiate wholesale prices with farmers and cart the produce to markets in towns and cities. Doing so provides the link to the market that the farmers need. However, some argue that market queens need training to better use their position as brokers for example to: 1) organize production amongst individual farmers, (2) introduce/rotate new crops when necessary, (3) find production linkages in the value chain (i.e. manure from chicken coops made into fertilizer

for vegetable growing), (4) employ ecologically aware initiatives based on current research initiatives, (5) organize economies of scale, and (6) facilitate large purchases of resources such as refrigeration equipment or mechanised mills.<sup>46</sup> Doing this may mean that farmers could increase yields quickly and at a low cost and ensure a more secure supply of their produce.

**GAINS: More secure supply, increased revenues and reduced costs.**

**Create new products:** Including women at the product development stage can have a positive impact. For example, in most African countries women are largely responsible for food processing. In Africa and Asia, markets in smoked fish emerged and began to grow as women began to preserve the fish to take on the journey to more distant, specialized markets.<sup>47</sup>

In Prahalad's book 'The fortune at the bottom of the pyramid', there is evidence of 'inclusive innovations', such as small unit quantities of cosmetics from Unilever, highly nutritional milk and yoghurt from Unilever and Grameen-Danone and iodised salt<sup>48</sup> from Hindustan Unilever Ltd. Because of women's roles in home-making and child-rearing, they have a deep, intrinsic relationship with cooking. Their knowledge of foods, recipes and locally-sourced flavors (capabilities that cannot easily be appropriated by men or foreigners) is unique. Moreover, as commodity prices are fixed by the market, and economic fluctuations drastically erode women's power as traders, these new and differentiated products would be a way in which women could actually sell their goods at prices they set themselves.<sup>49</sup>

A survey of recipes in popular food and culinary magazines and web portals aimed at industrial buyers – such as Unique Flavours & Fragrances Ltd, a supplier of quality flavors, fragrances and colours from Ghana<sup>50</sup> – suggests that there are opportunities in working with commodity producers to (a) extract and package unique

flavors (such as in local cheeses, spices, wines, liquors), (b) extract and package speciality extracts (such as local herbs/fruit/vegetable flavorings, local flower fragrances), (c) produce speciality products (such as local curry sauces, marinades etc.), and (d) produce speciality health products (sugar, wheat, dairy alternatives, fruit juices, salads).

**GAINS: Increased revenues (increased product portfolio, increased market share).**

**Create new brands:** New products developed in conjunction with women can be developed and marketed with a new branding strategy. Within the product portfolio, they may position themselves as high-margin, premium products. Many agricultural standards and brands have been established over the last few years, such as

Fairtrade, 'Organic', UTZ or Rainforest Alliance. Fairtrade products in general continue to grow in popularity. Between 2007 and 2008, Fairtrade sales grew by 50 per cent in the UK alone. Globally, customers spent a massive £1.6bn on Fairtrade certified products of which approximately 20 per cent was spent just on coffee.<sup>51</sup>

The 'Café Femenino' label, active in eight countries (Peru, Brazil, Bolivia, Dominican Republic, Guatemala, Nicaragua, Mexico and Colombia), is a coffee brand produced by women through 'specialty coffee' certifications, organic farming and Fairtrade marketing channels. In Peru, the label was created to enable female coffee producers to control their share of benefits from coffee growing. By



creating a unique 'women's only space' within an existing mixed-gender pro-poor producer organization, women have generated their own unique trademark.<sup>52</sup>

**GAINS: Increased revenues (strong brand value, product diversification, penetration of niche markets).**

**Provide agribusinesses training:** Education is often captured by more powerful groups and agribusiness training is no different. Providing access to women farmers and producers on agribusiness will support how effective new initiatives will be. The Andhara Pradesh village procurement project (see 4b. Create service-based co-operatives) required that women managers be integrated into farmer field schools so that the women could be trained in book-keeping, quality control, planning resource needs, budgeting working capital and stock inspection protocols.

The core teaching principles generally needed in women-managed dairy farms are: the right breeds to use, how to feed cows, how to care for cows, how to diversify production and still provide enough milk for consumption, how to obtain financial support and invest wisely and how to engage in product marketing. In Peru, an intervention by a small local development

institution in a milk project and a joint initiative between UNDP and Nestlé in Pakistan for 2,600 women farmers helped increase milk quality and output by providing exactly this type of training.<sup>53</sup>

Furthermore, the administrative demands of signing up for certifications and standards will require training, such as how to register land in women's names, how to meet the requirements of receipt verification, how to manage audits and inspections, how to keep good records of meetings, how to carry out sound financial budgeting, and how to learn about new market trends<sup>54</sup>. This type of training can engender good habits in running a business.

Importantly, women who suffer under oppressive structures often need self-esteem building, to help instil the confidence required for effective leadership.<sup>55</sup> Removing the 'glass ceiling' created by social structures that can make women feel unworthy of high-ranking positions, will encourage women producers to graduate up to managerial or supervisory roles. Ultimately, this will ensure that funds invested in the short-term to develop the capacity of women to be leaders can also expect the best long-term returns possible.

**GAINS: Reduced costs (ease of 'doing business'<sup>56</sup>).**

# 5

## Scorecard – recommendations

Below is an easy-to-use scorecard which helps facilitate the implementation of women's development program for sustainable sourcing strategies.

|               | <i>STRATEGIC APPROACH</i>   | <i>ACTIVITIES</i>  | <i>INDICATORS</i>  |
|---------------|---|--|--|
| <b>MODULE</b> | <i>Women in agriculture</i>   | <ul style="list-style-type: none"> <li>• Increase women's productivity</li> <li>• Increase women's opportunities in value creation</li> </ul>  | <ul style="list-style-type: none"> <li>• Determine baseline productivity (B) and expected productivity (E)</li> <li>• Determine the scale of ease of doing business</li> </ul>   |
| <b>A</b>      |   | <ul style="list-style-type: none"> <li>• Re-allocate cost centres</li> </ul>   | <ul style="list-style-type: none"> <li>• CSR</li> <li>• Press</li> <li>• Market research</li> <li>• Training and development</li> </ul>  |
| <b>B</b>      |   | <ul style="list-style-type: none"> <li>• Develop reporting indicators</li> </ul>   | <ul style="list-style-type: none"> <li>• For women</li> <li>• For household</li> </ul>   |
| <b>C</b>      |   | <ul style="list-style-type: none"> <li>• Connect with external resources</li> </ul>  | <ul style="list-style-type: none"> <li>• Development consultancies</li> <li>• Village development groups</li> </ul>  |
| <b>D</b>      |   | <ul style="list-style-type: none"> <li>• Connect with local community groups</li> </ul>  | <ul style="list-style-type: none"> <li>• Field-based women's organizations</li> </ul>  |
| <b>E</b>      | <i>Value chain enhancement:</i><br><br><i>Logistics and operations</i><br><br><i>Technology</i><br><br><i>Marketing and sales</i> | <ul style="list-style-type: none"> <li>• Formalize farming practices</li> <li>• Formalize recycling processes</li> <li>• Create service-based groups</li> <li>• Facilitate setting up of cash crop groups</li> <li>• Invest in women's health</li> <li>• Provide labor-saving technologies</li> <li>• Support the development of local market</li> <li>• Create trade facilitation experts</li> <li>• Create new products</li> <li>• Create new brands</li> <li>• Provide agribusiness training</li> </ul> | <ul style="list-style-type: none"> <li>• % increased in productivity</li> <li>• # of new product lines</li> <li>• # increase in revenues</li> <li>• # increase in quality</li> <li>• # increase in harvest/yield quantities</li> <li>• # decrease in costs</li> <li>• # decrease in waste</li> <li>• # increase in savings from economies of scale</li> <li>• # savings from decreased waste</li> <li>• # savings from increased security of supply</li> <li>• # increased ease of doing business</li> </ul> <p># = number</p> |

# Endnotes

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