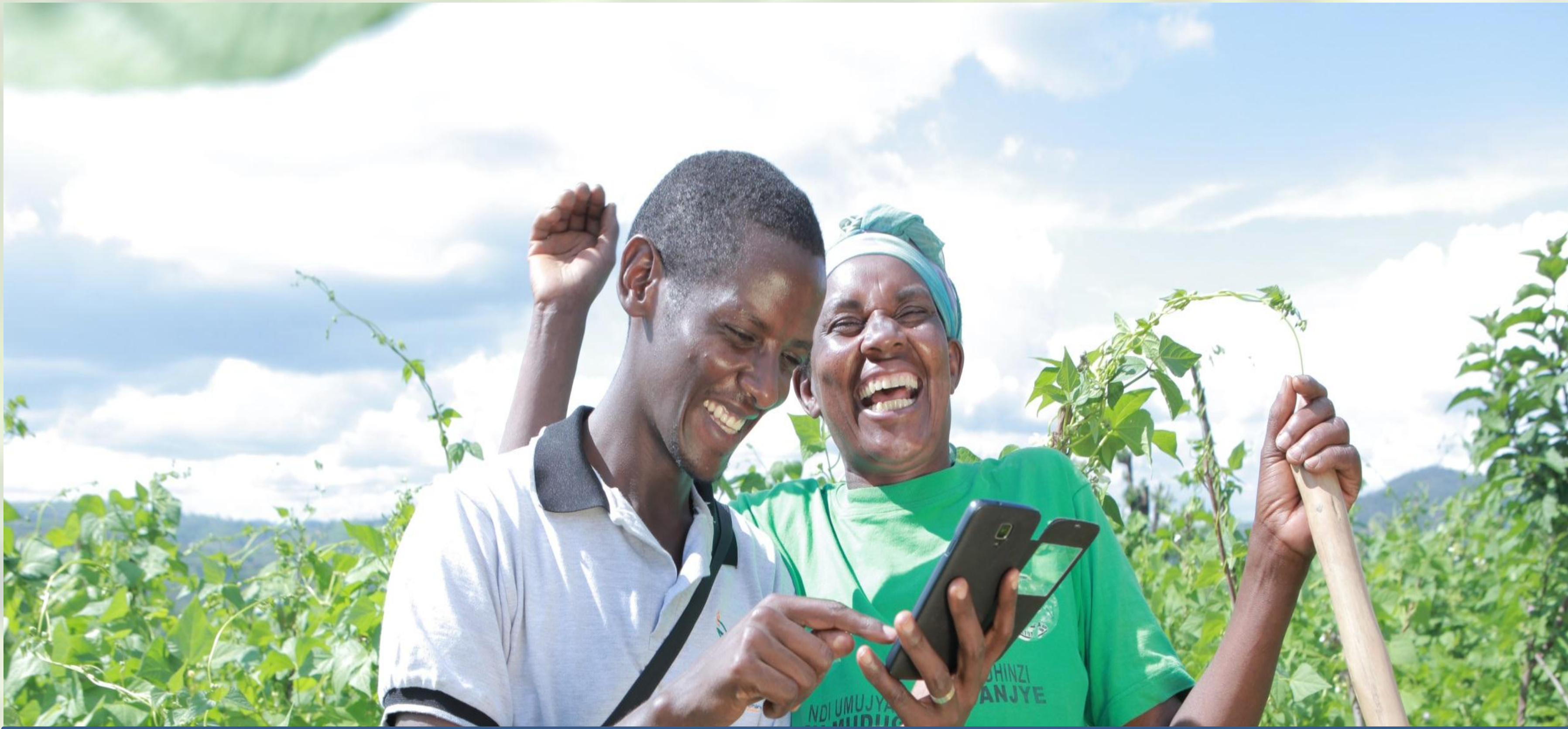
Re-thinking Business Models for inclusion of Women & Youths in Sweetpotato Value Chain

Case for Ethiopia, Uganda &Tanzania



Why is it Important?

- **Gender disparities in labour markets have important economic implications and impact on the state of family and household income.**
- **Increasing the earnings of women, either by closing the gender gap in earnings with men or by facilitating the entry of women into productive markets, will increase household income and family wellbeing.**

- An annual economic loss exceeding $60.00 billion for Africa excluding North Africa.
- Annual Africa food Import Bill USD 50 Billion
- Employment and Incomes are global questions for youths

- 382 Million Africa's Workforce
- 42% employed outside Agriculture

- By 2020….122 million more workers
- 128 million consumers up from 90 million in 2011

- By 2020, a greater of 48% will have secondary or a tertiary education

- Stable jobs(Business owners& stable wage paid employees)
- Vulnerable employment-subsistence Agriculture/informal sector

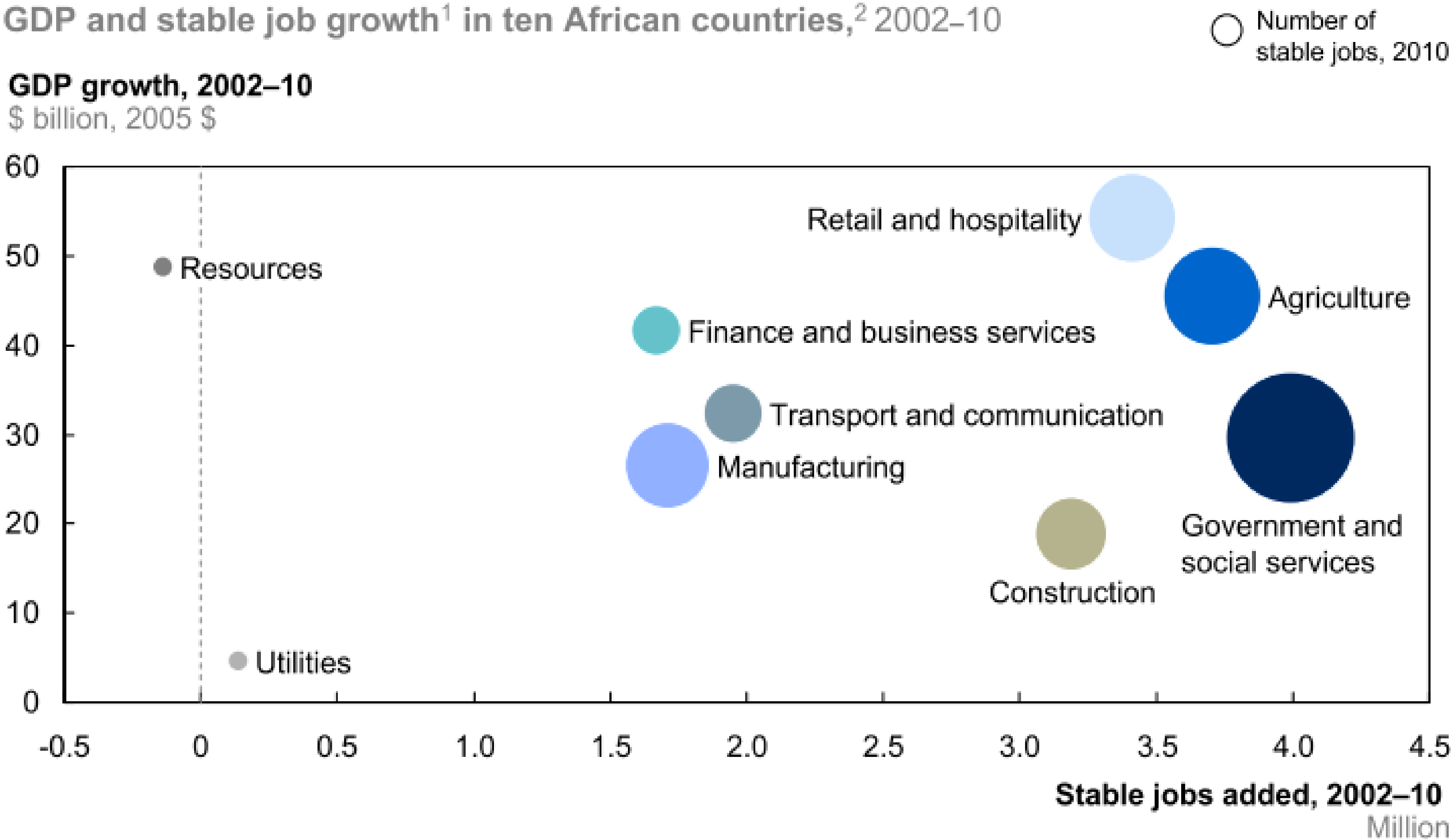
- A business model seeks to define what value will each value chain player deliver in the market place and what value they get paid for.

- Segmenting the chain into profitable units seeks to evenly distribute value to all players hence sustainable efforts

- All inclusive growth approach is when all members of the household derive value along the chain segment as opposed to isolated decisions of income utilization and labour services

Sectors that drive GDP growth do not always create the most jobs

GDP and stable job growth[1] in ten African countries,[2] 2002–10

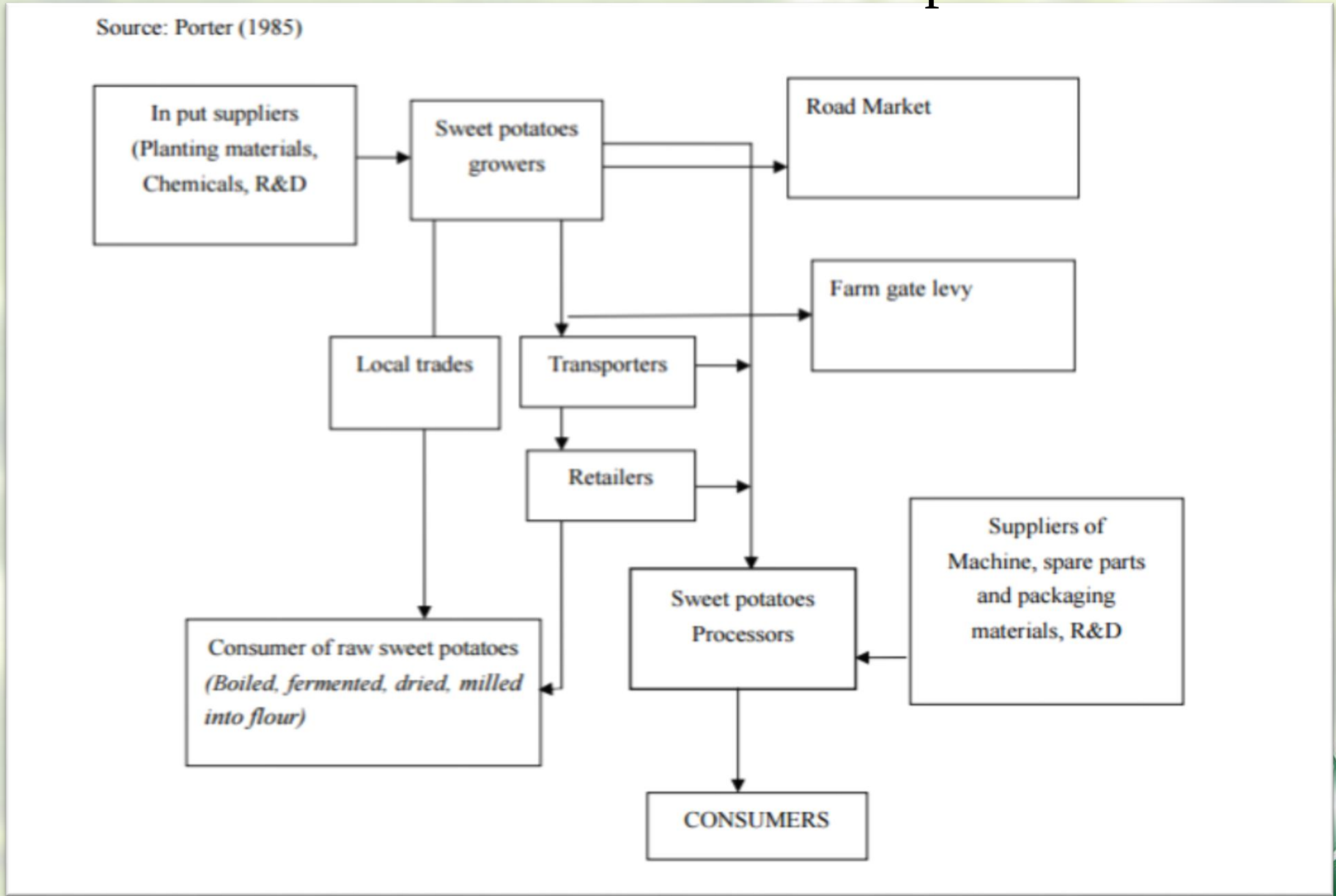


1 Stable employment includes wage and salary employees and business owners; vulnerable employment includes subsistence farming, informal self-employment, and work for a family member.

2 Countries included are Algeria, Angola, Egypt, Ethiopia, Kenya, Morocco, Nigeria, Senegal, South Africa, and Uganda. These countries accounted for 70 percent of Africa's GDP in 2010.

SOURCE: Global Insight; McKinsey Global Institute analysis

The Value Chain Concept



Annual SeFaMaCo Rapid Market Appraisal:

- A total of 706, 459 and 384 household respondents were interviewed through the household questionnaires in Tanzania, Uganda and Ethiopia respectively.
- In addition, guided key informant interviews were conducted to capture information from government officials, market traders, seed multipliers and other stakeholders.
- Focus Group Discussions (FGD) were also used to enrich the information gathered through other survey instruments

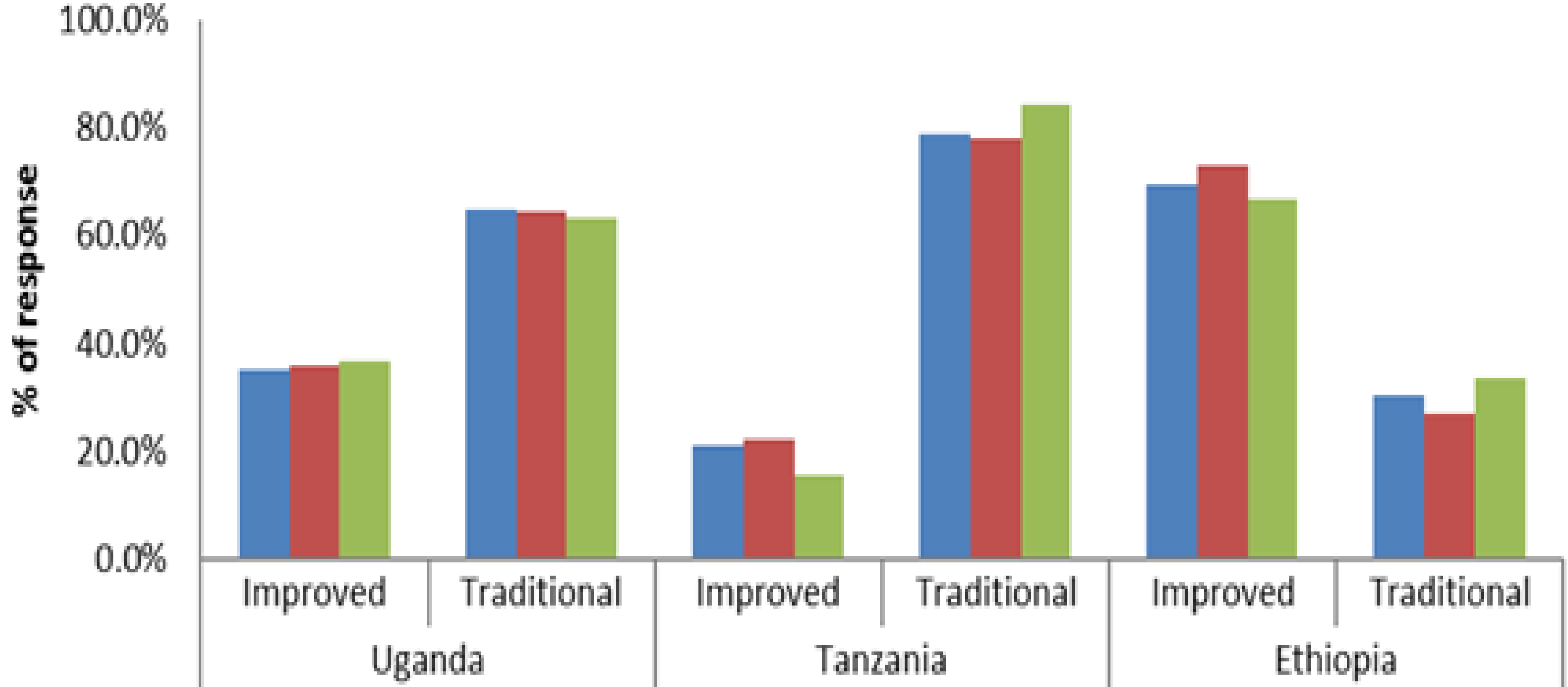
Socio demographic characteristic of farmers in Uganda, Tanzania and Ethiopia

			Country	
Variable	**Description**	**Uganda**	**Tanzania**	**Ethiopia**
Gender of Household head	1= Male	85.2%	87.9%	89%
Age of Household head	Years	45.1	46.71	41.91
Household size	Number	6.98	5.83	6.01
Marital status	1. Married	79.1%	81.1%	92.4%
	2. Widowed	12.2%	7.7%	4.5%
	3. Single	4.3%	6.5%	2.6%
	4. Divorced/Separated	4.3%	4.7%	0.5%
Education	➢ None	14%	8%	30%
	➢ Basic education	4%	9%	27%
	➢ Primary education	48%	68%	33%
	➢ Secondary education	26%	13%	7%
	➢ Post-Secondary Education	8%	2%	3%
Group membership	1=Yes	47.6%	57.9%	79.6%

Source: Farm Concern International, 2015

- Women have significantly lower yields as compared to that of men due to the fact that women have less access to productive resources and opportunities than men.
- In addition, women have less power in the decision-making process in spite of their significant role in agricultural production (Hwang et al., 2011).

Extent of use of improved and traditional Sweet potato seed varieties in Uganda and Tanzania by gender

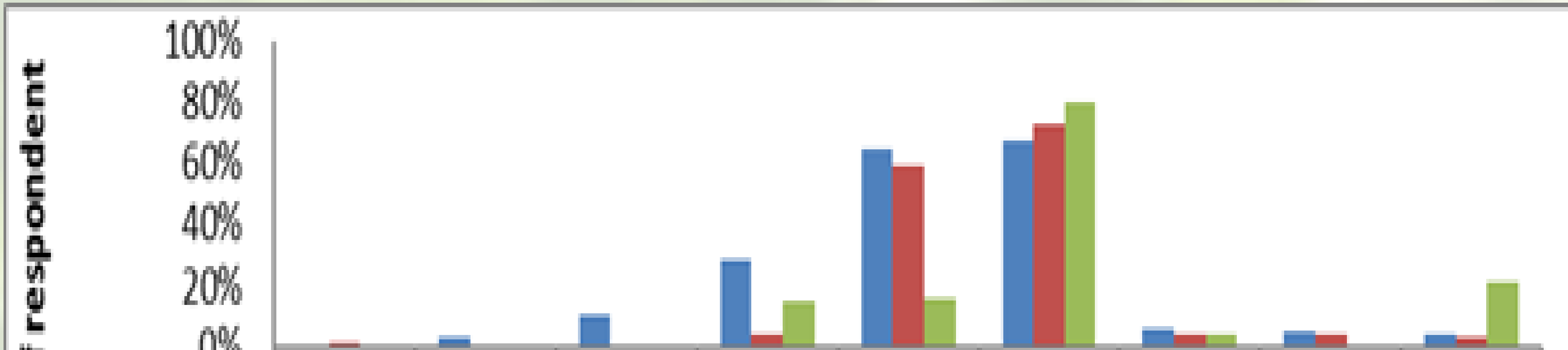


	Uganda Improved	Uganda Traditional	Tanzania Improved	Tanzania Traditional	Ethiopia Improved	Ethiopia Traditional
Male	35.2%	64.8%	21.0%	79.0%	69.6%	30.4%
Female	35.6%	64.4%	22.0%	78.0%	73.0%	27.0%
Overall	36.7%	63.3%	15.7%	84.3%	66.7%	33.3%

Source: Farm Concern International, 2015

- Well-equipped SP vine multipliers could potentially handle variations in supply of quality planting material by use of simple irrigation technology

Source of SP seeds in Uganda, Tanzania and Ethiopia



	Agricultural shows	Seed enterprises	Local multipliers	Local market centres	Neighbors	Own Farm	Research Institutes	Organizations	Government
Uganda		3%	11%	28%	64%	68%	6%	5%	5%
Tanzania	1%	1%		4%	59%	73%	4%	4%	3%
Ethiopia	1%	0.3%		15%	16%	80%	4%		21%

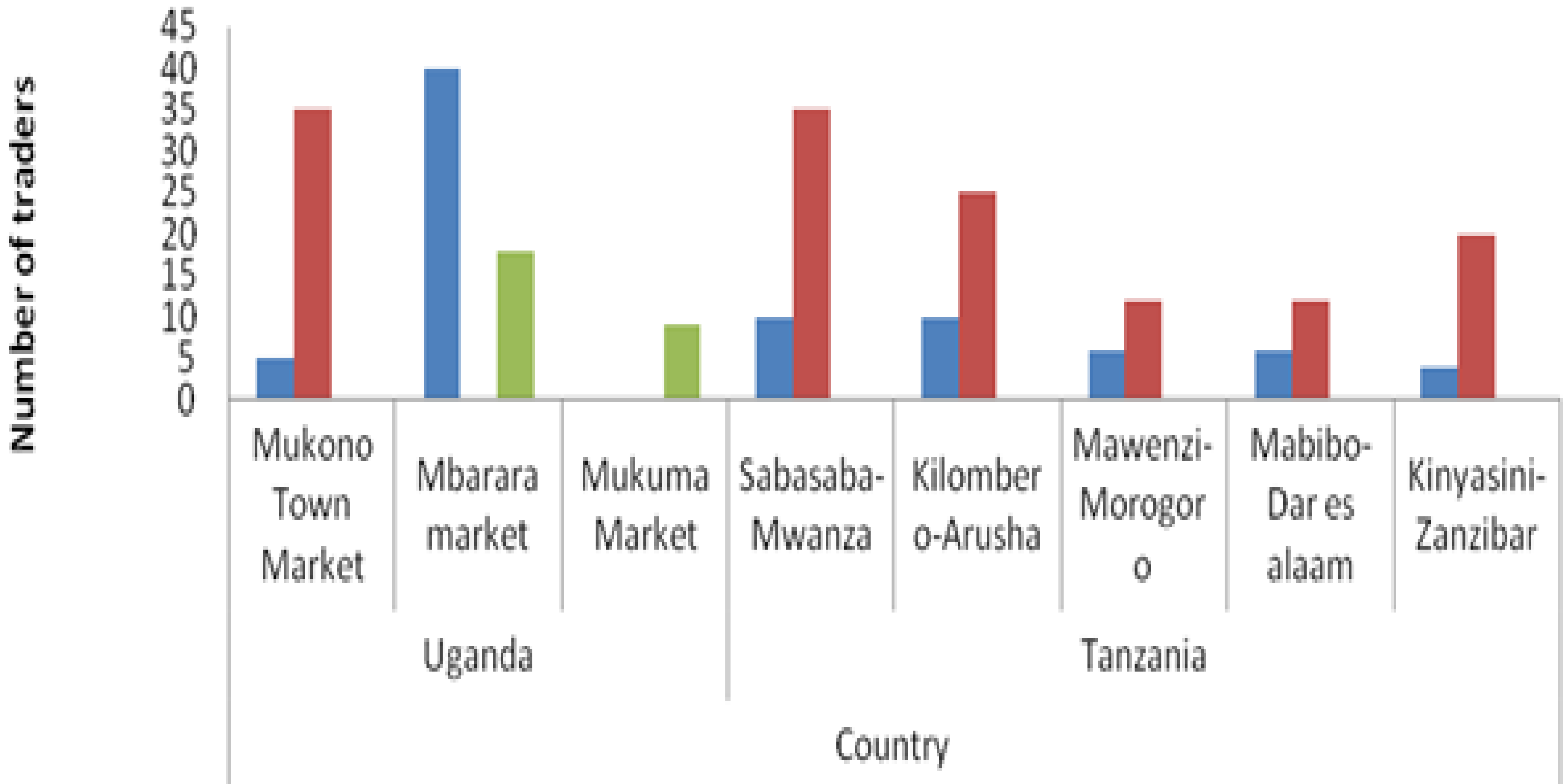
Source: Farm Concern International, 2015

- The opportunity cost of farmers using improved varieties to the traditional variety is estimated at 70% due to reduced yield, diseases or loss of market opportunities thereby reducing household incomes**.**
- Sweetpotato price stability is a key decision factor in commercialization
- Commercialization decisions are made in relation to input use and market partnerships

Commodity Price Analysis

Country	Market	Commodities	Peak period		Off-peak period		Annual	
			Price/kg (USD)	Volume (Kg)	Price/kg (USD)	Volume (kg)	Volume (Kg)	Value (USD)
Uganda	Nakasero	Sweet potato	0.13	1,625,000	0.22	975,000	2,600,000	13,464.14
		Banana	0.37	11,302,200	0.43	4,843,800	16,146,000	194,955.35
	Owino	Sweet potato	0.12	3,575,000	0.19	1,787,500	5,362,500	24,188.09
		Banana	0.32	11,720,800	0.40	7,367,360	19,088,160	207,927.47
Tanzania	Kiloleli- Banana	Banana	0.12	11,466,000	0.67	3,276,000	14,742,000	96,388.70
	Bukoba Central Banana	Banana	0.18	7,956,000	0.50	3,276,000	11,232,000	87,725.63
	Mabibo soko la ndizi	Banana	0.28	18,200,000	1.08	2,574,000	20,774,000	250,833.78
	Kinyasini	Banana	0.11	3,240,000	0.38	2,196,000	5,436,000	1,174.40
	Kwasadala	Banana	0.20	1,944,000	0.63	1,260,000	3,204,000	1,182.25
	Kilombero	Banana	0.12	2,038,400	0.67	1,128,400	3,166,800	24,355.91
	Saba Saba	Sweet potatoes	0.11	1,014,000	0.26	494,000	1,508,000	6,631.77
	Kilombero	Sweet potatoes	0.17	4,504,500	0.53	1,825,200	6,329,700	49,050.46
	Mawenzi	Sweet potatoes	0.26	145,600	0.64	254,800	400,400	4,383.68
	Mabibo Garment	Sweet potatoes	0.32	3,120,000	0.94	6,240,000	9,360,000	134,048.48
	Mwanakwereke	Sweet potatoes	0.29	46,800	0.83	182,000	228,800	2,834.66

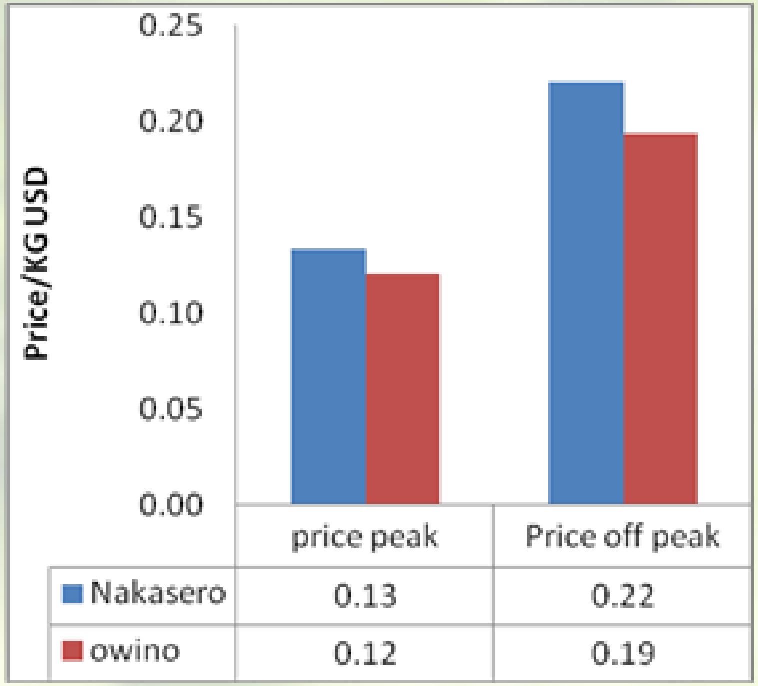
Distribution of traders in different markets in Uganda and Tanzania



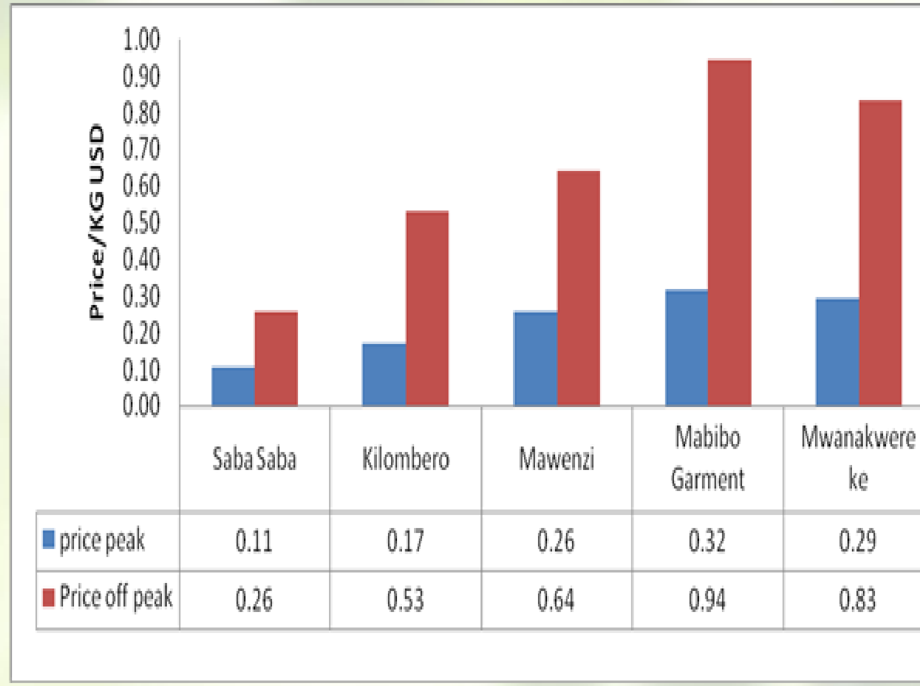
	Mukono Town Market	Mbarara market	Mukuma Market	Sabasaba-Mwanza	Kilombero-Arusha	Mawenzi-Morogoro	Mabibo-Dar es alaam	Kinyasini-Zanzibar
Wholesalers	5	40	0	10	10	6	6	4
Retailers	35	0	0	35	25	12	12	20
Broker	0	18	9	0	0	0	0	0

Source: Farm Concern International, 2015

Price Variations of sweet potatoes traded in selected markets in Uganda

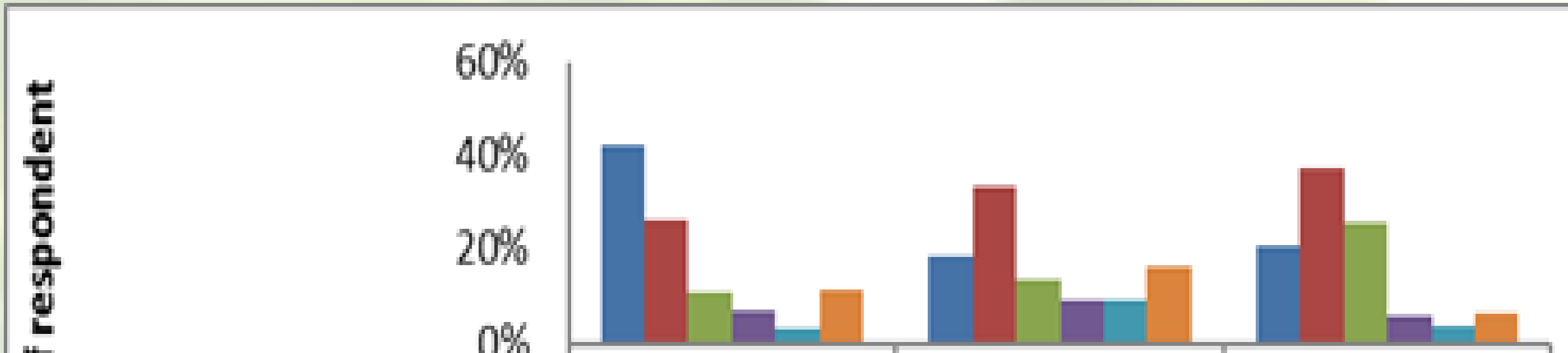


	price peak	Price off peak
Nakasero	0.13	0.22
owino	0.12	0.19



	Saba Saba	Kilombero	Mawenzi	Mabibo Garment	Mwanakwereke
price peak	0.11	0.17	0.26	0.32	0.29
Price off peak	0.26	0.53	0.64	0.94	0.83

Consumption frequency of sweet potato per household

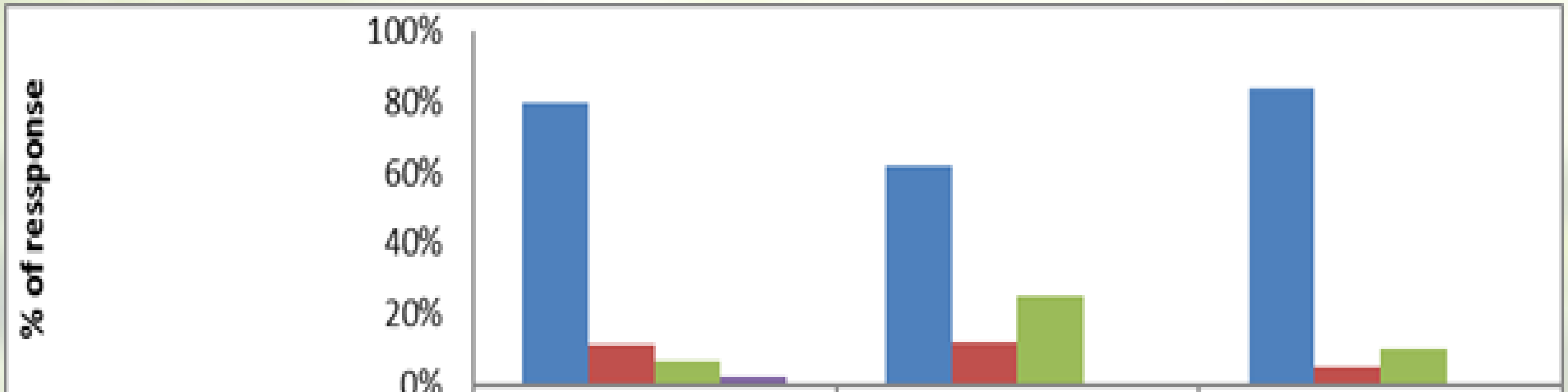


	Uganda	Tanzania	Ethiopia
Daily	42%	19%	21%
Around three days a week	26%	33%	37%
Once a week	11%	13%	26%
Around twice a month	7%	9%	6%
Once a monthly	3%	9%	4%
Never	11%	16%	6%

Source: Farm Concern International, 2015

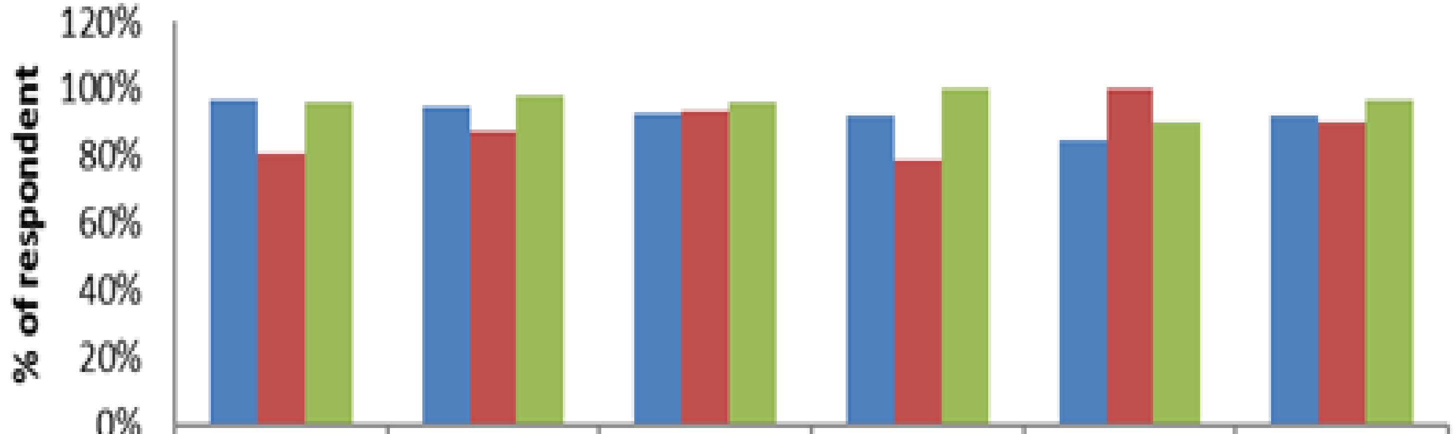
- A high consumption frequency could mean overreliance hence lack of diversification. It is therefore necessary to consider consumption of other staples.

<u>Source of sweet potato consumed</u>



	Uganda	Tanzania	Ethiopia
Own farm	80%	62%	84%
Neighbour	11%	12%	5%
Open air market/grocery	7%	25%	11%
Supermarket	2%	0%	1%

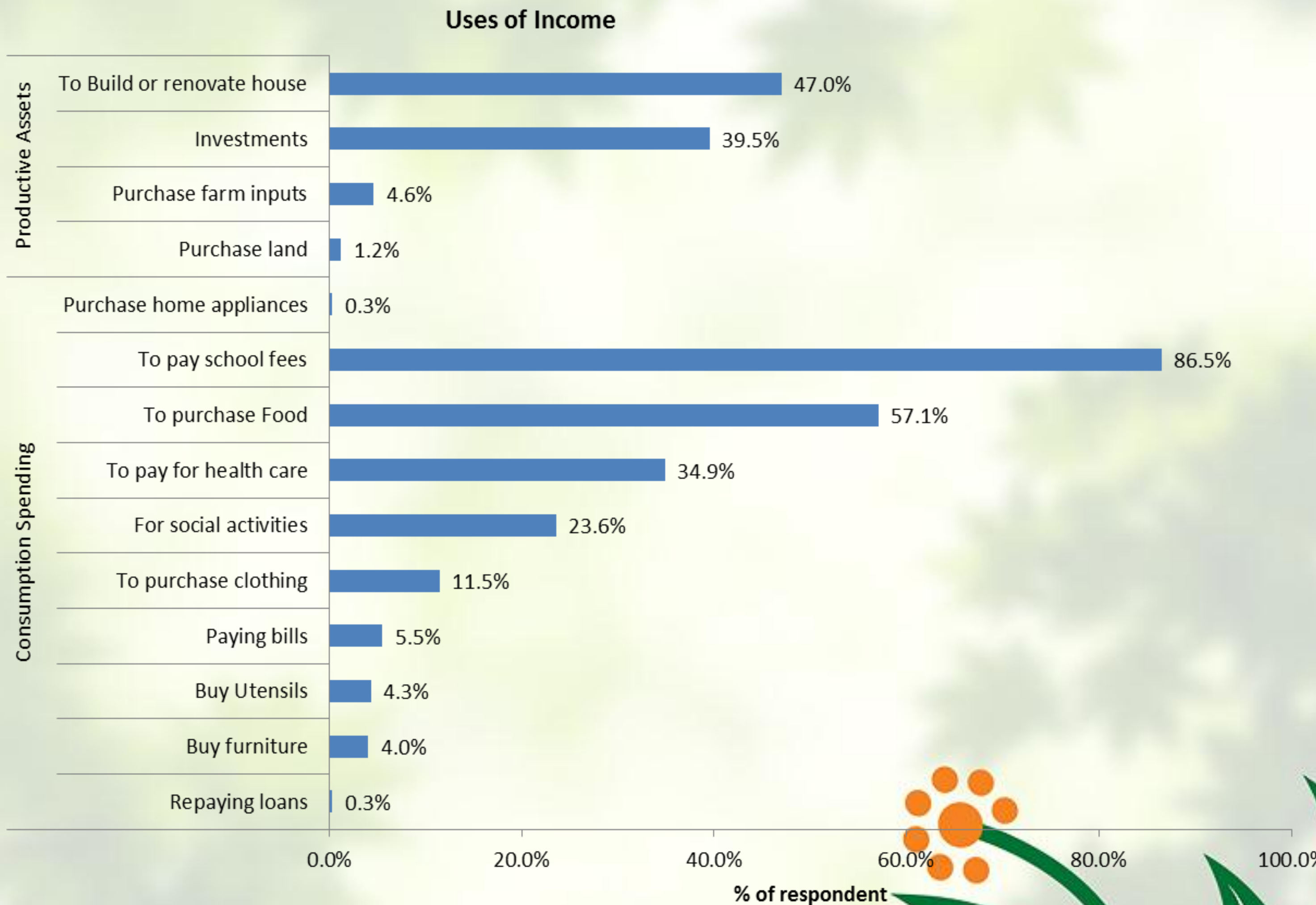
Sweet potato consumption by education



	None	Basic education	Primary education	Secondary education	Tertiary	Overall%
Uganda	97%	95%	93%	92%	85%	92%
Tanzania	81%	88%	94%	79%	100%	90%
Ethiopia	97%	98%	96%	100%	90%	97%

Source: Farm Concern International, 2015

Tanzania Multiple Income Use By Households



Thank you!

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