



Sourcing Gender

Gender Value Chains for Productivity in Sustainable Sourcing Strategies

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in collaboration with IIED

Introduction

Designing trading relationships and business models that reach and benefit women in agriculture can be a challenge for practitioners. Women constitute the majority of farmers and producers yet face a significant number of gender-specific constraints that restrict their productivity. Creative approaches to investing in women will mean maximising productivity across the entire workforce and through the value chain. As part of a series of topic briefs on the New Business Models for Sustainable Trading Relationships (NBMSTR) project, *Sourcing Gender: Gender Value Chains for Productivity in Sustainable Sourcing Strategies* describes the business opportunities of working with women in agriculture and provides an action-orientated set of recommendations.

The full paper can be found at
www.iied.org/pubs/pdfs/G02864.pdf

Women's productivity and sustainable sourcing strategies

Three-quarters of all farmers and food producers are women. Women play active roles as traders, processors, labourers and entrepreneurs – roles for which they are largely unrecognised. The main factors that restrict women's productivity are (1) an increased work burden and poor working conditions, (2) a limited access to education and financial products and (3) a lack of economic and social power in making income-generating investments and becoming managers and supervisors. Constrained productivity across a supplier base will have negative effects throughout the value chain, and, a project that does not fully address the factors that affect women's productivity will not produce a strong financial return. Costs may be higher, adaptation to new technologies will be slower, lead times may be longer, quality may be lower and more goods may be discarded. Sourcing strategies need to avoid simply increasing the numbers of women involved and instead improve the level of women's productivity.

How do we invest in women?

The NMBSTR project has identified a set of principles for building inclusive business models for procuring from smallholders. The paper applies an overall gender lens to these principles. The recommendations in this paper are informed by the business competitiveness and worker productivity debate (Micheal Porter) and the women's empowerment debate (Amartya Sen). Practitioners must identify the key success factors in women's development that will support the businesses core objectives. Using the 'gender-sensitive value chain' approach we can make the following recommendations.

1. The Institutional Setting

- a. Develop women-specific and household-level indicators and reporting documents to measure success.
- b. Keep funds focussed on the core business activities. To earmark gender and sourcing funds, reallocate funds between 'cost centres' such as corporate social responsibility and code compliance, philanthropy, press and public relations, market research and development and skills development and training.
- c. Mobilise funding and support from the charity or third sector to reduce implementation costs and ensure healthy project returns. There are women's organisations that work on the issues 'on the ground', for example, in the sectors of microfinance and women's land and labour rights. Also, there are research and policy institutions and development consultancies that can support in the operationalisation of strategies.
- d. Adapt to local community needs, and use local village development groups and co-operatives to overcome transaction costs and limited infrastructure. For example, producer co-operatives plug the gap between the farmers and the market, and women's groups in village development associations and management associations mobilise local resources, such as labour, and manage common property resources, such as water and forests.

2. Logistics and Operations

- a. Formalise farming practices in which women are most ubiquitous. Improve product quality and yield. As seen in the case study included in the paper, in Tanzania, USAID have worked on projects with women coffee-growers to improve bean quality and increase yields.
- b. Formalise recycling practices, protect the environment, reduce waste and cost and increase yield. In Malawi, women livestock carers add food scraps to the manure from their pigs, chickens and goats to produce a very high-quality compost for crops.
- c. Create service-based groups to improve economies of scale and develop future leaders. In India, women formed a village procurement centre to increase bargaining power.
- d. Facilitate setting up of cash crop groups to use excess land and increase yield variety. In Mexico, Starbucks have worked with women on growing shade-grown coffee.

3. Technology and Innovation

- a. Invest in women's health to reduce absenteeism and employment turnover and develop a healthy and strong workforce. Marie Stopes International, a women's health non-governmental organization (NGO), runs mobile testing and medicine clinics and outreach projects.

- b. Provide labour-saving technologies to decrease work burden and improve morale. In Kenya, Practical Action have popularised stoves that use agricultural waste as a fuel source.

4. Marketing and Sales

- a. Support the development of local markets and develop new customers. In 2008, Unilever reported a turnover of 38.9m Euros; 50 per cent of which was driven by sales in Asia, Africa and Latin America.
- b. Create trade facilitation experts (see the 'market queens' of Ghana) and ensure a more secure supply of goods.
- c. Create new products and new brands, develop the product portfolio and increase profits. In South America, the 'Café Femenino' label showcases specialist coffee produced by women.
- d. Provide agribusiness training to improve women's administrative skills and eventually build self-esteem and take up managerial and supervisory positions. In Peru, agribusiness training helped women farmers increase milk quality and output.

Ultimately, removing the 'glass ceiling' that can make women feel unfit for high-ranking positions will encourage women to graduate up to managerial or supervisory roles. This will ensure that funds invested to develop the capacity of women now will also generate the best long-term returns possible.

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