

Agricultural value chain development: Threat or opportunity for women's employment?

Agricultural markets are rapidly globalizing, generating new consumption patterns and new production and distribution systems. Value chains, often controlled by multinational or national firms and supermarkets, are capturing a growing share of the agri-food systems in developing regions. They can provide opportunities for quality employment for men and women, yet they can also be channels to transfer costs and risks to the weakest nodes, particularly women. They often perpetuate gender stereotypes that keep women in lower paid, casual work and do not necessarily lead to greater gender equality.

DID YOU KNOW?

- National and international buyers of food products are becoming more concentrated: nearly 40% of the world's coffee is traded by 4 companies and 80% of Latin American banana exports are controlled by 3 firms.¹
- The number and size of modern value chains, and thus jobs, will increase in developing countries with economic growth; already in more prosperous transforming and urbanized countries, the industries and services linked to agricultural value chains often account for over 30% of GDP.²
- Modern agricultural value chains usually offer wage and self employment with better pay and working conditions than in traditional agriculture. Although women constitute only 20-30% of agricultural wage workers worldwide (though more in some Latin American and African countries)³, they often predominate in high-value industries for export or domestic supermarkets, such as fresh fruits, vegetables, flowers, poultry and seafood (Table 1).⁴
- In both traditional and modern agricultural value chains, women often face less favourable employment conditions than men:
 - Women are commonly hired as temporary or casual workers (Table 1) while men predominate in permanent positions. In the Senegal tomato sector, for example, 2% of female workers and 28% of male workers have permanent contracts.⁵
 - Women are mainly hired for labour-intensive, relatively unskilled manual tasks, while men's jobs often involve operating machinery. For example, in Kenya's fruit and vegetable export businesses, women constitute 80% of the workers in packing, labelling and bar-coding of produce.⁶
 - Women workers usually receive lower wages than men although in some modern value chains their wages are similar to men's (e.g. French bean and tomato industries in Senegal⁷ and Thailand's Sun Valley poultry company).⁴
 - Women predominate in unstable and flexible jobs that lack social security and other benefits, and are often the first to lose their jobs during economic downturns.⁸

WHAT ARE THE ISSUES?

Modern agricultural value chains grow and become more sophisticated as countries industrialize and strengthen their position in global markets. Although such value chains are changing the gendered structure of employment and better educated women often compete fairly well with men for quality jobs, gender stereotypes that keep poor and uneducated women in lower paid, less skilled and more insecure work within the value chain still persist. The challenge is to ensure gender equality throughout the chain and to prevent traditional patterns of gender discrimination from being repeated.

1. Gender inequalities in modern agricultural value chains

- In modern value chains, men are concentrated in higher status, more remunerative contract farming since they generally control household land and labour, while women predominate as wage labourers in agro-industries.
- Women workers are generally segregated in certain nodes of the chain (e.g. processing and packaging) that require relatively unskilled labour, reflecting cultural stereotypes on gender roles and abilities.
- Such gender-biased segregation is often used to legitimize the payment of lower wages to women even with exceptions for some non-traditional agricultural exports (NTAEs).⁵ Women's wages are 50% of men's wages in Pakistan in sugarcane production, but reach 80% of men's in the Mexican flower industry, and are similar to men's wages in modern horticulture supply chains (French beans or tomatoes) in Senegal.
- Segregation and the casual or temporary nature of contracts limit women's opportunities to acquire new technical and entrepreneurial skills, increasing the risk of redundancy if their jobs are automated or if men are favoured in technical training.



TABLE 1 Employment in sample agricultural value chains

Value chain	Country	Total employment (men and women)	Women as share of workers	Female casual workers
Flowers	Kenya	40.000	75%	65%
	Colombia	110.000	65%	-
	Zimbabwe	27.000	70-87%	42%
Vegetables	Peru	60.000	70% (field) 95% (processing)	-
Fruit	South Africa	283.000	53%	65-75%
	Chile	336.739	45%	55-70%
Poultry	Brazil	10.502	90%	majority
Shrimps	Bangladesh	600.000	36% (62% in processing)	90%

Source: Adapted from FAO 2009 (Fontana M. with Paciello, C) and World Bank, FAO and IFAD, 2009

- Laws and regulations against gender discrimination and sexual harassment are often inadequate or not effectively enforced. However, many multinational and national firms have a good record in applying international labour standards and codes of conduct that improve working conditions and wages in agro-industries.
- Women workers, especially in the informal sector, often do not belong to labour unions and thus have little opportunity to fight for their labour rights.

2. Women farmers and entrepreneurs face higher entry barriers than men in modern value chains

- Women nearly always have less access than men to assets, credit, services, markets and information on new technologies, consumer preferences and export trade requirements. This reduces their chances of entering into contract farming agreements.
- When differences in inputs are controlled for, there are no significant differences in male and female farmers' productivity.⁹
- Small producers, especially women, are often excluded from higher value domestic and export markets because

they lack the transportation, cold stores, processing facilities, communications and information. While cooperatives and producer organizations are increasingly providing these services, relatively few women are members because of costs or social constraints.

- Both men and women often have difficulty in meeting the rigorous quality standards and deadlines of contractors, particularly for perishable products. Women are further constrained by competing demands on their time. West African women growing perishable vegetables often harvest late in the morning, after their domestic and child care work, with negative impacts on quality.¹⁰
- Unequal intra-household power relations can undermine women's benefits from and incentives to engage in value chains if this involves providing unpaid labour in family farms managed by husbands or male relatives. Opportunities to grow their own crops for sale or work as wage labour in an agro-industry can improve their bargaining position so they can reduce this unpaid family work or secure a share of the income.
- In countries with inadequate safety nets, social services or insurance, poverty and vulnerability to shocks (due

to climate, family illnesses or death, or trade liberalization and market instability) discourage poor men from committing to high input agriculture in modern value chains. Women tend to be even more risk averse, and subsistence agriculture, with small sales in the local market, often remains their only fall-back option.

- Rural infrastructure weaknesses (roads, transport, water, electricity, sanitation) disproportionately increase the burden of women's unpaid domestic and caring tasks, reducing the time they can devote to paid work outside the home.

3. Women farmers and entrepreneurs in traditional value chains

- Although men are increasingly moving into food crops as returns to export crops fall, women often remain the main drivers of traditional value chains in local markets for fresh or processed foods such as vegetables, fruits, grains, tubers, dairy products and fish. As the returns are often low and all producers need support to increase productivity and incomes, women are in particular need as they tend to have poorer access to inputs, extension and markets.
- Growing urban or export demand for certain food crops traditionally produced and sold by women, often results in men taking over these crops (e.g. groundnuts in Zambia, irrigated rice in The Gambia, and leafy vegetables in Uganda).⁷
- Interventions to improve productivity and income in some value chain nodes can increase workloads for men or women. Problems can arise if women's workloads are increased but the benefits (income) go to men.
- The expansion of NTAEs can push smallholders, especially women, into less fertile land or displace them to cities and tourist zones (e.g. the Philippines).⁷

BOX 1 Definition

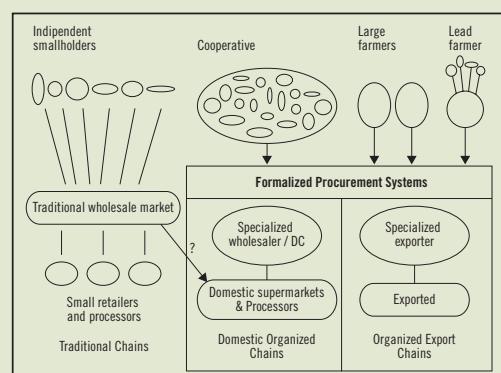
A 'value chain' in agriculture identifies the set of actors and activities that bring a basic agricultural product from production in the field to final consumption, where at each stage value is added to the product. A value chain can be a vertical linking or a network between various independent business organizations and can involve processing, packaging, storage, transport and distribution. The terms "value chain" and "supply chain" are often used interchangeably.

Traditional agricultural value chains are generally governed through spot market transactions involving a large number of small retailers and producers.

Modern value chains are characterized by vertical coordination, consolidation of the supply base, agro-industrial processing and use of standards throughout the chain.

Source: Adapted from FAO, 2005.

FIGURE 1 Traditional / modern value chains in food systems



Source: E.B. McCullough, P.L. Pingali and K.G. Stramouli, eds. 2008, *The transformation of Agri-Food Systems*, FAO and Earthscan, London, p. 17.

4. Women need special support to participate in value chain development

- The time women spend in productive work can impact negatively on child care, health and nutrition, and increase the incidence of child labour and children dropping out of school to take over their mother's domestic or care work, unless labour-saving equipment and child care facilities are introduced.
- Women's market access is often restricted by lack of child care or sanitary facilities in market places and cultural limitations on travel outside their communities.

WHAT ARE THE POLICY OPTIONS?

To ensure that rural women and their communities benefit fully from value chain employment opportunities, a combination of measures should be considered by governments, international agencies, the private sector and civil society:

BOX 2 “Café Femenino”, a Peruvian Women’s Coffee Production Cooperative

Café Femenino is a brand of organic coffee created, grown, processed and owned by women in Northern Peru, and sold in the US and Canada as fair trade. These women's efforts have inspired women in other Latin American countries to begin their own Café Femenino programmes. Supported by a North American non-profit Café Femenino Foundation, they benefit from projects that strengthen self esteem and leadership capacity, and generate income that women control. With the help of organic and fair trade premiums, much progress has been made to improve conditions in coffee-growing areas, including better nutrition, improved sanitation, new wet-processing mills, and many miles of new roads

Source: www.coffeegan.org



Women sorting coffee at a cooperative in the Puno District, Peru

Overarching policies

1. Create an appropriate enabling environment to promote agricultural value chains with a focus on the poor

- Integrate gender equality goals into the provision of core public goods including rural infrastructure, an improved investment climate, better natural resource management, and the design and enforcement of labour legislation in the agricultural sector.²
- Ratify and implement ILO conventions relevant to female agricultural workers, educate women on their employment rights, and enforce labour laws and codes of conduct in agriculture, including for temporary and migrant workers.
- Ensure that regional and bilateral agricultural trade agreements provide for the enforcement of adequate, gender-sensitive labour standards throughout the chain.
- Expand gender-sensitive occupational health and safety measures for informal agricultural and agro-industrial workers, in partnership with producer and worker organizations and the private sector.
- Improve women's access to land (e.g. preferential treatment in land titling or land reform programmes), and raise awareness on women's customary or legal rights to inherit, buy or use land.
- Introduce affirmative action for women workers and entrepreneurs (jobs, training, credit, child care, representation in decision-making processes, legal rights to own property and engage in legal acts without a male relative's signature, fiscal or other incentives).

2. Promote good practices

- Analyse on-going changes in existing and emerging value chains at local, national and international level, and their gender impacts on farmers and workers (including power relations governing relative returns at each node), and identify policies/actions to improve gender equality.³
- Research and disseminate results on good practices, in collaboration with private sector and civil society organizations.
- Support private sector initiatives such as corporate social responsibility, fair trade, organic, ethical or conservation labelling, with a focus on promoting gender equality.
- Support NGO and public actions in raising consumer concern over the working conditions and remuneration of small producers, especially women, in poor countries.

3. Foster women's participation in producer and worker organizations and decision-making processes

- Provide incentives to enhance women's participation in producer and worker organizations and capacity-building training for women leaders, taking account of their workloads and cultural constraints.
- Work with women's or mixed stakeholder groups to analyse the constraints in each value chain and identify ways of addressing these to promote gender equality.
- Involve women in farmer, worker, home-worker or micro-entrepreneur study groups, provide them training in technical and negotiation skills, and help them to network amongst women and with men.
- Support women's participation in agricultural policy and trade negotiations through their membership in collective organizations.
- Strengthen women's cooperatives through support to improve the development, branding, quality and marketing of their products, labour standards and price negotiation.
- Assist women to develop their own strategies to cope with constraints and maximize opportunities, taking account of the different needs of different socioeconomic groups.
- Arrange meetings at times and places that accommodate women's multiple responsibilities and travel constraints. If men are present, use facilitation methods that encourage women to speak, challenge cultural prejudices and misconceptions and help negotiate improvements in women's positions in value chains.

Specific policies

1. Reduce gender inequalities in modern agricultural value chains

- Introduce and enforce legislation against gender discrimination, sexual harassment and gender wage inequalities.
- Encourage rural women to seize opportunities for education and training and develop their experience and skills to improve future job prospects.
- Encourage agro-industries to give women workers training and promote them to more skilled or managerial jobs.
- Enforce ethical standards, labour rights, codes of conduct and decent work provisions in agro-industries with special attention to women.

BOX 3 Improving women's olive oil production and marketing in Morocco

Supported by United Nations Industrial Development Organization (UNIDO) and national ministries (Agriculture, Industry, Commerce and Communications), women entrepreneurs in Chefchaouen learnt better methods for harvesting olives, controlling the oil quality, and organizing a marketing system (packaging, labeling, storage, promotion). Over 300 women and 50 men were trained to produce better olive oil that could command a higher price. Productivity increased by up to 40% and selling through kiosks in town, rather than "at the farm gate", has helped to increase sales by at least 85%. Overall earnings have doubled.

Source: www.unido.org



Women cleaning and selecting olives in Morocco

2. Reduce entry barriers for women farmers and entrepreneurs in modern value chains

- Improve women's access to land, technology, knowledge and certification of product quality and safety, markets, price information, credit and insurance to enhance their ability to work as contract farmers.
- Ensure that policies and actions to develop value chains take account of the different gender responsibilities for whole value chains or nodes within chains, gender-specific agro-ecological knowledge and gender power relations.
- Promote gender-sensitive extension services, recruiting local female extension workers or training male staff to work effectively with women.
- Train women in entrepreneurial skills to strengthen their businesses, increase their confidence and reduce their risk aversion.

3. Improve women's returns in traditional value chains

- Improve small farmers' productivity and product quality through better training, technologies, inputs and storage, with special attention to women.

- Promote niche markets for women's traditional products (e.g. fair trade coffee, silk, wild herbs).

- Encourage women to form or join cooperatives to improve their access to transportation, storage, markets and processing for value-added.

4. Reinforce agricultural transformation with social strategies

- Improve social policies to protect poor farmers and workers, especially women, from the negative effects of market liberalization and privatization.
- Develop rural social services such as health and child care, improve access to water and fuel, and upgrade infrastructure including market areas reserved and equipped for women with children, to reduce women's burdens and improve their lives.
- Promote labour-saving technologies to ease women's workloads.
- Provide basic training including literacy and bookkeeping for small farmers, entrepreneurs and workers, especially women.

Endnotes

1 FAO. 2003a. *The World Banana Economy 1985-2002*. FAO, Rome.

2 World Bank. 2007. *World Development Report 2008. Agriculture for Development*. Washington D.C.

3 FAO, ILO & IUF. 2007. *Agricultural Workers and their Contribution to Sustainable Agriculture and Rural Development*. ILO, Geneva.

4 World Bank. 2003. Dolan, C. & Sorby, K. *Gender and*

employment in high-value agriculture industries.

Agriculture and Rural Development Working Paper, No. 7. Washington D.C.

5 FAO-IFAD-ILO. 2009. Maertens, M. & Swinnen, J.F.M. *Are African high-value horticulture supply chains bearers of gender inequality?* Workshop on Gaps, trends and current research in gender dimensions of agricultural and rural employment: differentiated pathways out of poverty

poverty, Rome, 31 March-2 April 2009. Rome.

6 Dolan, C. & Sutherland, K. 2002. *Gender and employment in the Kenya horticulture value chain*. Globalisation and Poverty Working Paper. Overseas Development Group, University of East Anglia, Norwich.

7 FAO, 2009. Fontana, M. with Paciello C. *Gender dimensions of rural and agricultural employment: differentiated pathways out of poverty*. A global perspective. Overview

paper for the FAO-IFAD-ILO Workshop on Gaps, trends and current research in gender dimensions of agricultural and rural employment: differentiated pathways out of poverty, 31 March-2 April 2009. Rome.

8 FAO. 2003b. *Agriculture, Trade Negotiations and Gender*. Rome.

9 Quisumbing, A. 1996. *Male-Female differences in agricultural productivity: Methodological issues and empirical evidence*. World Development, 24 (10): 1579-1595.

10 World Bank, FAO & IFAD. 2008. *Gender in Agriculture Source Book*. Module 5. Washington D.C.

TOOLS

- FAO. 2005. *Addressing marketing and processing constraints that inhibit agrifood exports. A guide for policy analysts and planners*. FAO Agricultural Services Bulletin 60, Rome.
- ILO. 2009. Ameratunga, S. & Kawar, M. *Guidelines on Gender in employment policies. Policy Brief 8, "Value chain development"*. Geneva.
- ILO. 2007. Mayoux, L. & Mackie, G. *Making the strongest links. A practical guide to mainstream gender analysis in value chain development*. Geneva.
<http://www.ilo.org/public/english/region/afro/addisababa/pdf/makinglinks.pdf>
- World Bank, FAO & IFAD. 2009. *Gender in agriculture sourcebook*. World Bank, Washington D.C.
- FAO-ILO-IFAD. Technical Expert Workshop *Gaps, trends and current research in gender dimension of agricultural and rural employment: differentiated pathways out of poverty* - Rome (31 March-2 April 2009) - For more information about this FAO-ILO-IFAD programme launched in 2008 on gender dimensions of rural employment: <http://www.fao-ilo.org/more/workshop/en/>

CONTACTS

Food and Agriculture Organization of the UN (FAO)
Andre Croppenstedt: andre.croppenstedt@fao.org

International Fund for Agricultural Development (IFAD)
Rosemary Vargas-Lundius: r.vargaslundius@ifad.org

International Labour Office (ILO)
Merten Sievers: sievers@ilo.org

This brief was prepared by by Daniela Bolzani, Soline de Villard and Jennie Dey de Pryck (FAO), with inputs from Peter Wobst (FAO)

Editor: Soline de Villard (FAO)

Coordination: Eve Crowley (FAO), Rosemary Vargas-Lundius (IFAD), and Loretta de Luca (ILO).