INTRODUCTION

Smallholder farmers are responsible for most of the world’s food production and most of the investments made in agriculture. These farmers operate largely in a range of local and national markets that are known as “territorial markets”. The vast majority of food transactions occur in these markets (CFS, 2016) and they are therefore crucial not only in ensuring that smallholders can access markets and sustain their livelihoods, but also in providing employment opportunities to food processors and food retailers.

Despite their importance however, territorial markets are very often neglected in economic development plans – usually due to information gaps or a lack of understanding of their potential and of their importance to the livelihoods of retailers, processors and smallholders. To address this, the Food and Agriculture Organization of the United Nations (FAO) developed and published a comprehensive methodology for the mapping of territorial markets (FAO, 2022). The methodology was used to conduct mapping processes of territorial markets in several countries – including Malawi, Paraguay and the United Republic of Tanzania – which led to the identification of entry points for improving economic inclusion.

The data collected through these mapping processes was used to analyse specific dynamics across food retailers and consumers in the territorial markets involved. In particular, the analysis sought to gather information on the volume and diversity of foods on offer, the business environment and length of supply chains, the socioeconomic characteristics of retailers, and existing gender gaps. As such, it helped reveal the potential of territorial markets to provide opportunities for economic inclusion among retailers (and producers) from marginalized groups – particularly women – who still struggle to fully benefit from their participation in food markets and value chains.

1 Territorial markets are local or national food markets that are embedded in territorial food systems, in which the majority of products sold are produced within the same territory.
THE ROLE OF WOMEN IN TERRITORIAL MARKETS

A lack of data on women’s market operations creates significant challenges for a comprehensive understanding of the various gender-based constraints\(^2\) that prevent women from fully benefiting from their participation in markets (FAO, 2016). While there is a growing field of guidance for improving data collection and analysis on women’s access to productive resources and markets, it is largely focused on the access that female agricultural producers have to markets in order to sell their products; information on women’s participation in markets as traders, processors, vendors, transporters and wholesalers is instead limited. Moreover, fresh produce markets are generally not included in national data on food market operations; hence there is no official, national-level data on this particular sector that can be disaggregated by sex and other characteristics.

As seen from the mappings conducted by FAO however, women make up a significant share of retailers in territorial markets. For example and as shown in Figure 1 – in the case of Malawi, Paraguay, and the United Republic of Tanzania – they represent a clear majority, ranging from 57 to 81 percent.

Figure 1. Distribution of retailers, by sex

![Distribution of retailers, by sex](source: Authors’ own elaboration.)

CHALLENGES TO WOMEN’S INCLUSION

The data collected through the mappings of territorial markets show a major gap between male and female retailers in terms of net take-home income. In Paraguay and the United Republic of Tanzania for example (as seen in Figure 2), the average net take-home income for men is more than double that of women, while in Malawi, the gap is slightly smaller but still significant. This indicates that businesses run by women tend to have lower turnover than those run by men, and that women face more systematic barriers in scaling up their businesses.

These findings are further confirmed in Figure 3, which compares the volumes of products sold by men and women retailers. On average and with very few exceptions, men sell higher volumes for all the considered food groups across the three countries.

Figure 2. Average net take-home income of retailers, by sex, in national currency

![Average net take-home income of retailers, by sex](source: Authors’ own elaboration.)

\(^2\) Gender-based constraints (GBCs) can be defined as “restrictions on men’s or women’s access to resources or opportunities that are based on their gender roles or responsibilities” (FAO, 2016).
As these data illustrate, closing the gender gap is therefore critical to ensuring that territorial markets meet their potential and provide opportunities for economic inclusion and gender equality. Addressing the various gender-based constraints and discrimination faced by women retailers including in terms of their mobility, time, bargaining and decision-making power, as well as their access to productive resources and business services, is essential for ensuring they have the capacity to scale up their businesses.

**Figure 3. Estimated average volumes of products sold, by food group, disaggregated by sex**

*Source: Authors’ own elaboration.*
TURNING POTENTIAL INTO IMPACT

Targeted microfinance interventions and business development services that are specifically designed and developed for women (in this case, female retailers operating in territorial markets) offer a well-established and recognized approach for addressing existing gaps and enabling women to scale up their businesses and to fully benefit from their participation in territorial markets. Examples of strategies and entry points that are often provided as part of microfinance and microcredit programmes include: building the capacity of service providers to target small-scale women entrepreneurs; ensuring that technical and management training programs also help to build soft skills and life skills that enable women to compete in male-dominated sectors; facilitating networking opportunities among women entrepreneurs; and promoting the use of ICTs to facilitate women’s access to price information, mobile money and financial literacy (FAO, 2018).

Solutions in action: Empowering women market vendors in the Pacific

In 2014, UN Women initiated a Markets for Change (M4C) project to increase the economic activities of women operating across twenty market sites in Fiji, Solomon Islands and Vanuatu, with a view to making the markets safer, more inclusive and non-discriminatory. The project focused on:

1. Increasing voice and participation for women market vendors – by empowering them to organize and participate in marketplace governance and decision-making as a unified community.
2. Improving socioeconomic security – by partnering with the United Nations Development Programme (UNDP) to assess and respond to the rights, needs and interests of market vendors and to deliver appropriate services, training and interventions.
3. Ensuring gender-responsive local government and market management – by working with both sectors to build capacity and draft, adopt and implement bylaws, policies and budgets that ensure safe and secure market infrastructure, adequate amenities and services, and transparent revenue collection and expenditure.
4. Creating accessible and gender-responsive market infrastructure – by working with relevant stakeholders to improve marketplaces by making them safer and more accessible, more sustainable, and more resilient to disaster risks and climate change.

As a result of the project, 649 market vendors (86 percent of whom were women) participated in “Getting Started” workshops in all three countries; five new market vendor associations were set up (with women in 50–80 percent of elected leadership positions); 278 market vendor association members (88 percent women) participated in follow-up workshops on communications, leadership and strategy skills; and 1 465 market vendors (89 percent women) were trained in financial literacy.


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3 Microfinance is defined as the provision of financial products and services (e.g. savings, credit and loans) to low-income clients or solidarity lending groups who lack access to more traditional banking and financial services.

4 Business development services refer to the range of non-financial services (e.g. advice, training, and technical and marketing assistance) provided by diverse institutions and suppliers to micro, small and medium-sized enterprises (MSMEs), to support and facilitate their operations, performance and growth.
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