

# Engendering Value Chain Development

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## The Value Chain Approach

Promoting income generating activities and micro enterprises is an important strategy for improving mountain people's livelihoods and reducing poverty. Although mountain communities are often involved in the production of high value products and services, their potential is limited by remoteness combined with lack of road infrastructure and other services. This limits not only their capacity to access markets, but also to obtain financial services and information, which would help develop their capacities and increase their benefits.

The value chain approach is progressively being integrated into pro-poor development programmes to increase the benefits to producers. Value chain analysis provides information to identify where the producer can add value to the product or service in order to increase the benefits. Value chain development is a sequence of activities that creates more value in a product. This includes activities such as design, production, marketing, and distribution, as well as support services to these activities. The mountain perspective in value chain analysis has only recently been piloted in the Hindu Kush-Himalayan region and presents interesting perspectives for mountain people. However, the social and gender dimension of value chain development is still rarely acknowledged or addressed.

This guideline examines how to integrate a gender perspective into value chain analysis and development.

## Why gender matters in value chain development

In the Hindu Kush-Himalayan region, an increasing number of governmental and non-governmental organisations have developed programmes and services specifically to encourage women to develop and manage their own income generating activities. Their objective is not only to contribute to poverty reduction at the household level, but also to empower women. However, women entrepreneurs often face additional challenges compared to men. They usually have to combine the work in their enterprise with household responsibilities and farm production. They have less opportunity to access financial

### A significant difference

The value chain approach implemented by the Federation of Community Forestry Users of Nepal (FECOFUN) in collaboration with ICIMOD in a project in Udayapur, Nepal has contributed to more than doubling of household incomes – from 3,300 to 7,000 Nepalese rupees – in one year. Women have used the increased income to improve the living conditions of their households, investing mainly in food, clothes, and the education of their children, notably of girls. They have also used the money to invest in a share of the community cooperative.

services, information, and markets than men, because of social barriers, notably in the cultural context where there is a strong exclusion of women from public spheres. Therefore, the social dimension and gender perspective must be investigated in relation to value chain analysis and development. More importantly, gender issues must be addressed and women's potential promoted in order to increase the potential for them to receive an equitable share of the benefits. So far, most value chain development efforts have focused on economic aspects, overlooking the social dimension and gender perspective.

It is essential to take into account the gender perspective in each step of the value chain development of any enterprise, from production, processing, and marketing, to the distribution of benefits. Engendering the value chain does not benefit only women, but enhances the contribution of the entire enterprise to local livelihoods. An engendered value chain can also contribute to the ecological sustainability of the resources of production as gender sensitive value chain development recognises both women's and men's knowledge and skills in managing resources in a sustainable way.

## **Gender analysis of the bay leaf value chain**

An analysis of the gender division of labour and workload in the bay leaf value chain in Nepal showed that women and children perform over two-thirds of the activities. Women's involvement is greater than men in five major activities: separating leaves from twigs, drying, bundling twigs, transportation, and sale of the product in the market centre. Analysis of the workload reveals that 45 per cent of the overall work is done by women, 32 per cent is done by men, and 23 per cent is done by children (Bhattarai et al. 2009).

A gender analysis of the value chain can provide information about extra-market factors such as power relations, division of labour, and control over resources. Gender sensitive value chain analysis helps make visible the differential contributions and potentials of women and men in a particular economic activity, thereby providing the basis for developing strategies and actions for promoting equitable benefits from the production process. Moreover, it provides information about women's and men's roles in the production, processing, and marketing processes; this information can be useful in developing programmes for enhancing the skills and upgrading the knowledge of both women and men to increase efficiency in the production process and improve the quality of the product, and, hence, to extract more benefits. Thus, gender sensitive value chain development can be economically profitable, both at the individual level and the sectoral level.

An analysis of the gender division of labour and workload in bay leaf value chain showed that women and children perform more than two-thirds of the work (see box). Once this information is known, it is easier to decide who to include in capacity building related activities for the respective enterprise and to address gender (and child labour) issues.

## **Guidelines for integrating a gender perspective in value chain development**

Mainstreaming gender in value chain development requires paying constant attention to the gender perspective at every step, from production to the sharing of benefits, and not only in relation to products and services in which women are dominant. It is not unusual for women

to play a key role in the production or processing of a product, but for their contribution to remain unacknowledged because their work is unpaid. In some social contexts, men market the products and are often seen as the key players, even when their involvement in production is limited. Men are often the main recipients of capacity building initiatives and financial support, while the main producers – the women – have limited access to such resources. Integrating a gender approach into value chain development should contribute to identifying the proper support to offer to the different people involved in the process. Here are some considerations for integrating the gender perspective into value chain development.

### **1. Carry out gender analysis**

The gender analysis must support the decision-making processes in terms of which stakeholders to work with, what kind of support is needed and by whom, and where to invest to ensure equitable access to and share of benefits. Towards this, gender analysis examines the position of men and women in each value chain; the nature of the work and working conditions of women and men; who dominates which chain and why; what technologies are used and in which steps of the chain; who owns and uses the technologies; the level of benefits received by men and women as compared to the final price paid by the final consumer; and what needs to be improved for the equitable sharing of benefits (Mayoux 2003, p.16).

### **2. Select products and services in which women are involved**

Taking into account the feminisation of the rural economy in some mountain areas, it is important to select products about which women have knowledge and skills or products that women would like to be more involved with in order to address poverty. This choice affects the level of benefits that both women and men can access.

### **3. Integrate gender while mapping all steps of the value chain**

Due to traditional gender roles, men and women usually perform different activities in the value chain. In general, women are involved in the collection and production of the primary products, often in their own locality with no or limited monetary gain. Men are usually more involved in activities that are linked with monetary transactions such as the processing and trading of products in distant locations. Value chain mapping helps to determine the involvement of men and women in different steps of the value chain. It also provides information on women's and men's involvement and contribution at each level. This information is useful in developing programmes targeting and working with women and men to upgrade people's capacities by adding value to the product.

**4. Ensure appropriate representation of women and men in formal and informal institutions of value chain development**

The appropriate representation of both women and men in the decision-making bodies of institutions working in the value chain is very important. These bodies are a forum for both men and women to put forward their concerns and to make their voices heard which helps to make the value chain more inclusive and beneficial to all involved. For this purpose it is also important to develop mechanisms to ensure the meaningful participation of women in negotiation and decision-making processes.

**5. Offer capacity building programmes that address the needs and interests of both women and men**

Despite the large number of women employed by enterprises, women normally occupy a subordinate position within the value chain pyramid in most enterprises. Exposing women to market information about the goods they produce, developing their skills, and providing access to equipment and technology for production and processing are key factors, which not only enable women, but also empower them to produce quality products and obtain a fair price for their products.

**6. Promote technologies for value addition that are appropriate for women**

The introduction of women friendly technologies can play a key role in maximising the benefits to women, without increasing their drudgery. As more women are involved in the lower levels of the value chain, it is important to introduce technologies that could contribute to improving production, reducing drudgery, and increasing benefits for women.

**7. Support alliances of women producers**

In many cases, a large number of women are involved in the production of a product, but they sell it separately, which results in low prices because of the low volume of supply. Through the promotion of alliances, such as cooperatives, women producers can gather their products in one place, which gives them collective bargaining power and enables them to obtain better and fair prices.

**8. Build the capacity of support organisations to address gender issues in value chain development**

Numerous social and cultural factors affect women’s capacity to be involved in economic activities and to obtain proper benefits for the work they perform. These factors also greatly affect productivity and the quality of products. Therefore, it is important to acknowledge and contribute to addressing gender issues in order to successfully support producers. The ability of service providers to address gender issues helps them to effectively integrate the gender perspective into value chain development.



Photo: Bishnu Hari Pandit

## Checklist for Gender sensitive value chain

1. Carry out gender analysis.
2. Select products and services in which women are involved.
3. Integrate gender while mapping all steps of the value chain.
4. Ensure appropriate representation of women and men in formal and informal institutions of value chain development.
5. Offer capacity-building programmes that address the needs and interests of both women and men.
6. Promote technologies for value addition that are appropriate for women.
7. Support alliances of women producers.
8. Build the capacity of support organisations to address gender issues in value chain development.

## Additional reading

Bhattarai, B; Leduc, B; Choudhary, D; Pandit, BH (2009) *Engendering the value chain: The case of community-based bay leaf enterprise in Nepal*. Kathmandu: ICIMOD

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