

Mission Report #1

Trade at Hand for Liberia's Market Women INT/W4/128A

Liberia, 19- 26 Nov 2008

Background

The project is undertaken as part of ITC's involvement in the preparations for the International Colloquium on Women's Empowerment, Leadership Development, International Peace & Security (March 7-8, 2009) to be held in Monrovia, Liberia.

Objectives

The objectives of the Mission #1, 19- 26 Nov 2008 included field research in the form of observations and interviews with regards to:

- trade practices, particularly practices in the trade of agricultural produce
- information needs encountered by traders on both, the supply and demand side of the agricultural produce market
- the role of market women within the agricultural supply chain

In addition, the mission was aimed at the introduction of representatives of the local mobile telecommunication companies to the project, in search of their subsequent support and cooperation.

Findings

Markets

During the course of the mission to Liberia were approached women acting as market retailers from all market departments (dry goods; meat and fish; vegetables, spices and seasonings; grains; and greens) at markets in Monrovia and Buchanan. The practices of the women observed and interviewed involved the recurrent procurement of goods suitable for retail from wholesale agricultural markets such as the Red Light Market in Monrovia, or from bulk size retailers of imported and/or manufactured goods, these wholesalers were anecdotally referred to as "stores".

Typology of Market Businesses

On superficial observation, the types of market businesses women appear to be involved in span the spectrum of re-sellers (of locally produced and imported goods) from the wholesale to the retail level. Additionally, women are involved in the provision of services coupled with food products e.g. cassava leaf grinder business, fufu preparation business etc.

The table below is based on observations at central daily markets and anecdotal statements by local contacts with respect to local periodic markets.

Figure 1: Typology of market businesses

	Wholesale	Retail
Central Daily Markets (fixed location traders)	Buy from producers arriving on incoming transport and re-sell to retail traders	Buy from wholesale traders, repackage and re-sell to consumers in smaller quantities.
Local Periodic Markets (migrant traders)	Women sell-pay intermediaries	Buy from producers or sell-pay intermediaries at local markets (instead of from wholesalers), move goods to the next periodic location and re-sell

Products

Liberian markets are organised into departments according to the decisions of the market superintendents (representative of the Liberian Marketing Association) who coordinate these decisions with representatives of market traders. The departments and the products sold in them were found to be roughly consistent among the visited markets in Buchanan and Monrovia. Superintendents reported that decisions about which products to be carried in each department vary depending on space constraints and the number of traders.

Figure 2: Products and departments

Dry goods

Candles
Pots
Grinders
Kerosene
Shoes
Clothes
Soap
Charcoal
Starch
Utensils
Lamps
Medicines

Meat and Fish

Fish
Catfish
Spare ribs
Chicken feet
Pig feet
Dried meat/fish
Smoked meat/fish

Vegetables

Cassava
Bird eye Chilli pepper
Bitter ball
Ketile
Aple
Okra
Green beans
Sweet potato
Eddoes
Cabbage
Aubergines
Cucumbers
Potatoes (imported)
Tomatoes (imported)
Onions (imported)
Avocado
Cherry tomatoes (local)
Pumpkin

Fruit

Banana
Plantain

Pineapple

Palm nut
Kola nut
Peanuts
Watermelon
Grapefruit
Limes
Coconut

Spices and Seasonings

Beneseed
Red oil
Vegetable oil
Sugar cane
Dried pepper
Dried okra
Beans

Spices and Seasonings - Imported

Red pepper
(repackaged)

Black pepper
(repackaged)
Peanut butter
(repackaged from
plastic containers)
Tomato dust/puree
(repackaged from cans)
Garlic
Butter (repackaged)
Sugar (repackaged)
Salt (repackaged)
Soup stock cubes
Pasta (repackaged)

Lentils
Grains
Rice (imported and
local)
Brown wheat
White wheat
Corn
Oats
Cassava dust
Fu fu
Wheat flour
Faringa (gari)

Cornmeal
Cocoa dust
Greens
Potato green
Cassava leaf
Palava sour leaf
Fever leaf
Water green
Sawa-sawa leaf
Careless green
Lettice

Services

Some market traders were involved in the provision of added value services complementing their main marketable products. The individuals involved in the provision of these services were observed to possess considerable entrepreneurship and initiative. Generally services were attached as value added services to low value products such. Greens are a case in point. They are very perishable, low level products. Consequently, entrepreneurial individuals are able to procure them without need to access credit. Subsequently, they add the value of the cassava leaf, or cutting the fever leaf. The added value service provision at Liberian markets suggests that there is potential for encouraging these individuals to evolve their businesses towards the provision of “fresh ready meals”.



Figure1: Services

Other services encountered at Liberian markets were services providing for the needs and interests of market attendees. These include the provision of fresh meals, the provision of entertainment, child and adult education services, finance services (Ecobank counters), foreign exchange services.

Packaging and Measurements

Little distinction between packaging and measurement units was observed at Liberian markets. Generally packaging is the adopted measurement system whereby quantities are evaluated in terms of bags, buckets and cups of different sizes. Arguably, packaging has been established as a system of quantity measurement units because it provides a system of units relevant to the transportation of goods.



Figure 3: **Measurements: bags, buckets, cups, containers, bottles**

Food retailers were observed to procure wholesale units of product (e.g. bags of rice, cartons of fish etc), repackage and re-sell them. Goods exhibited on market stalls are arranged in piles of different sizes whereby each size has a fixed price in Liberian dollars. Liquids are poured from wholesale containers (20 l) in used bottles of different sizes (1 l, 500 ml). Non-divisible goods such as seasonings, butter, tomato puree, peanut butter etc are repackaged from wholesale units into plastic sachets of various sizes, each size being associated with a fixed monetary value.



Figure 4: **Packaging: 1 LRD sachets, 5LRD sachets, piles**

In general, traders appear to be in agreement with regards to the meaning of the different measurements relevant to specific products. They also appear to be in agreement with regards to measurement conversions (6 cups of rice are equivalent to 1 bag, etc). Still the functioning of the measurement system appears to be contingent on the immediate, in-person interaction between the buyer and the seller in the presence of the goods in question. The informal measurement system has the potential of creating opportunities for misunderstandings and conflicts when buyers and sellers exchange information and make trading arrangements remotely.

Supply Side

During the mission Mira Slavova was able to realise contacts with representatives of the supply side of the agricultural market by meeting a focus group of bird eye chilli pepper producers in Buchanan, Grand Bassa. She was also able to visit villages at locations participating in the Nokia Village Phone programme and talk to their residents.

Bird Eye Chilli Pepper Producers (Farmers)

The farmers in Buchanan who participate in the ITC bird eye chilli pepper programme reported their experience from last year (2007). Their experience featured substantial disincentives to the production bird eye chilli pepper for export because of the lower prices offered internationally for chilli pepper, relative to the local prices in Liberia. Last year farmers reported being offered \$1.50 per kilo of export, while locally they could realise their produce at a price of \$1.00 per cup¹. Consequently, the farmers in the focus group were questioned about their established practices for the local marketing of their produce, and their experiences from the realisation of the chilli pepper production from the previous year.

¹ 1 kg is equivalent to 6 cups. A price of \$1.50 per kilo is equivalent to \$1.50 per 6 cups, or \$0.25 per cup.

The producers reported that usually after having harvested their produce, they seek to market it locally in the nearest significant market town. The distance of the market town from the farm gates and the quantity of the harvested produce influence farmers' decisions with regards to the pursuit of market opportunities in different towns. In the presence of considerable quantities, farmers travel to town and arrange transport on individual basis. In the presence of modest quantities, farmers carry the produce from the farm to the nearest available road and there seek transportation from passing traffic. Producers reported that after arriving at a daily market, the sale of their crops can take up to a whole week. That delay and the lack of appropriate market storage facilities can cause deterioration in the quality of the harvest and reduce its value. Farmers from Ben's Town- Main reported using the bird eye chilli pepper wasted during the transportation of the crops to market, in order to replant pepper. An alternative harvest realisation mechanism involves the use by the farmers of sell-pay intermediaries. These intermediaries enter into arrangements through which they acquire the pepper from the farm gates and pay for it in full, albeit at lower-than-market prices.

Farmers reported that in the absence of international buyers they would consider sun drying the pepper before marketing it because when sun dried the pepper becomes less perishable. Depending on the season, it takes between one week and ten days to dry the pepper in the sun. Subsequently, the dried pepper is stored in bags, and transported to market. Mould was reported as a common problem at this stage.

After attending markets and selling their produce, farmers reported using the acquired cash in order to purchase manufactured goods or food products unavailable through their own farming practises, e.g fish, rice, salt, clothes, slippers, kerosene, candles.

Farmers were asked to express preference between two kinds of mobile information systems:

- An information system which would enable individual producers to get in touch with small scale buyers and would provide them with entrepreneurial support such as support in the organisation of transport.
- An information system which would provide information about larger scale buyers through institutional bodies such as farmer's unions and/or cooperatives.

The focus group expressed a preference for a mobile system enabling cooperatives to get in touch with buyers of larger quantities who could provide their own transport. Farmers were confident that they could organise themselves for the provision of the full needed quantity. Moreover, mobile phones were deemed beyond the financial means of many farmers. Access to electricity for the use of the mobile phones was considered problematic. Consequently, the use of a mobile information system through an information intermediary such as a union or cooperative representative was considered more appropriate.

Even though at the focus group meeting in Buchanan approximately half of the bird eye chilli pepper growers were women, they did not share their experiences growing chilli pepper and marketing it. Even when women farmers were explicitly approached for commenting, they declined to do so. This observation has

implications for the social position of women in rural communities. It suggests that accepted social norms and behaviours might pose a challenge to the adoption of a mobile information system targeted explicitly at women. Expanding the target audience of the system to include men as well as women, might increase its direct impact on rural welfare, thereby additionally increasing its indirect impact on women's livelihoods.

Villagers

During the mission were visited the villages Ben's Town – Main and Nor-You which are 2 of the 3 proposed locations for the Nokia Village Phone project, also included in the International Colloquium. Residents at Ben's Town – Main attested that the Main village has about 300 residents. The journey to Ben's Town included road travel to one of its four annex villages and a short walk (approximately 10 minutes), including the crossing of a monkey bridge. Ben's Town has a total population of 3000 people. The productive activities carried out in the villages involved farming, the production of palm oil and charcoal.

Guides to Ben's Town testified that approximately more than 10 mobile phones were owned by villagers. Inhabitants of Ben's Town – Main were questioned with regards to their access to mobile communication and its usefulness towards their existing productive and trading activities. Villagers reported using mobile communication in order to solicit potential buyers of their produce to visit their village, as well as to get in touch with relatives and acquaintances owning phone in nearby Monrovia. Mobile phones were reported useful in village life, as well. Villagers reported using mobile phones to raise alarm when they notice the presence of thieves or criminals.

In both villages, Ben's Town and Nor-You, have schools. Asked, "Who knows their ABC?", villagers were generally reticent in responding. Few people confirmed being literate. Generally, the impression was that the young people present at the meetings probably were.



Figure 5: Rural livelihoods

Market Microstructure

Transport and Roadside trade

Transportation appears to be a significant obstacle for both buyers and sellers of agricultural produce in Liberia. Producers were observed arriving at the Red Light market in Monrovia (a wholesale market) as passengers accompanying loads of produce. There they sought to sell their produce to market women, who in turn re-sell it to market women acting as retailers. Neither producers, nor market women (wholesalers or retailer) were observed to own their own transportation. Additionally, driving was found not to be a widely accepted role for a woman.

Roads in Liberia serve not only as trade flow arteries, but also as significant market venues. Inhabitants at roadside villages on the road between Monrovia and Buchanan were observed to be offering for sale charcoal, palm oil, red oil, river fish, bananas, plantain, baskets, wooden furniture (chairs, benches).



Figure 6: Transportation

Susu

The *susu* are clubs which form a recognized informal social support system. *Susu* are present at markets to the benefit of market women. According to the Liberian Markets and Marketers Survey² the *susu* “serve as a savings mechanism for marketers, which allows them to make daily or periodic deposits of funds.”

During the mission to Liberia was able to collect little information and evidence for the functioning of the *susu* clubs. Still, they are considered a microstructure relevant to the interplay between social and exchange networks at Liberian markets.

² Liberian Markets and Marketers Survey, 2007, Subah-Beleh Associates.

Sell-pay

Sell-pay are intermediary agents who are used on the one side by farmers averse to the risks involved in taking their own produce to market or do not have means of transportation. On the opposite side of the market *sell-pay* intermediaries are used by retail traders who do not have the means to finance the purchase of wholesale units of quantity. *Sell-pay* intermediaries pay the farmers in full at the farm gate, and pass on the pepper to market women under a credit arrangement. Subsequently, having sold the products at retail, market women pay back to the *sell-pay* intermediaries.

The services of *sell-pay* intermediaries are generally used by producers and traders involved in the trade of agricultural produce of more significant value. For example, traders of relatively inexpensive greens did not report use of intermediaries. They reported use of mobile phone communication in order to find out from producers when the greens (i.e. cassava leaf) are ready for harvesting. Having received such information traders of greens pass it on via mobile phone to colleagues involved in the same sort of trade.

Liberian Mobile Communications

Mobile Phone Use³

Mobile telephony is widely used in Liberia. As in most places, in Liberia city dwellers tend to encounter multiple unforeseen circumstances which interfere with their ability to keep prior arrangements. Thereby, mobility can be seen as a leading reason for their use of mobile phones. By contrast, in rural areas the communication capabilities provided by mobile phones are a more prominent reason for their use. In addition, fixed line telephony is not a viable substitute to mobile telephony in Liberia. Even though the presence of fixed line telephony was observed in Liberia, its use was not observed during the mission.

Literacy is a major challenge to the use of ITCs in Liberia. Voice is the preferred mode of mobile telephony. Short text messaging (SMS) is not popular an established mode of mobile communication because of literacy problems encountered by the users and because of delivery delays due to the incompleteness of the mobile phone coverage.

Mobile phone services in Liberia were found to be facilitated by small enterprises providing a variety of services. These enterprises are known as “phone booths” and the services they offer include:

- national and international mobile phone calls
- sale of top-up mobile phone cards
- transfer of mobile phone credit (for the companies Cellcom and Lonestar)
- battery charging of mobile phones for users who do not have their own access to electricity
- foreign exchange⁴

³ Findings with regards to mobile phone use were established by casual observation. In order to make more informed observations and document mobile phone use more extensively, additional missions to Liberia would be required.



Figure 7: Mobile phone use

Summary of findings

- Exchange in Liberia relies on a coincidence of time and place and on immediate interaction. Internationally recognised measurement scales are hardly in use..
- Transport is sporadic and occasional.
- Liberian markets are VERY informal. There is no formal safety net for the traders, nor reliable centrally organized services e.g. transportation.
- The informal market system imposes trust between the actors, by contrast there is potential for misunderstandings and their escalation.

Next steps

- Negotiations regarding the possible introduction TAH Market Alerts module in Liberia.
- Follow-up feedback on proposed system designs from representatives of government and non-government women's organizations. Opportunities for future collaboration in the process of training and capacity building for the adoption and use of the mobile business matching system.
- Sensitising the design of the mobile business matching system to the needs and practices common among Liberian marketers. Follow-up feedback on proposed system designs from representatives of marketing organizations.
- Intended follow-up for user feedback on the proposed designs of the mobile business matching system. The constraints imposed by the problems with the

⁴ Although no explicit reason for it has been established, in Liberia foreign exchange services are considered compatible with communication services.

availability of credit and transportation expressed by traders are to be taken into account in the design of the system.

- The design of the mobile business matching system is to take into account the market practices divulged by rural dwellers, as well as their problems with regards to mobile phone use.
- The design of the mobile business matching system is to take into account the problems with regards to transportation, storage and marketing expressed by bird eye chilli pepper producers.
- Alignment of the design for mobile business matching information system with the capacity of the local telecommunications infrastructure. Follow-up feedback on proposed system designs from representatives of the telecommunication companies.