Organisational Structures, Gender and Upgrading Strategies for Smallholders in Local Value Chains

AYOBAMI ADETOYINBO, VERENA OTTER

University of Goettingen, Dept. of Agricultural Economics and Rural Development, Germany

Abstract

Numerous smallholders in local value chains (LVC) still face the challenge of effectively coordinating their activities and remaining competitive, especially in dualistic sectors. In order to enhance smallholders’ gain, there is a need for further upgrading and development of LVCs. We contribute to this by distinctively depicting LVC and its characteristics, assessing the role of complete governance typologies and hidden gender-roles in shaping and driving it, and deriving concrete strategies for smallholder upgrading. The qualitative analysis builds on Global Value Chain framework and uses data obtained from three focus group discussions and 21 interviews with key informants to further the understanding of LVC organisational structures in the Nigerian shrimp and prawn sector. We further extend the framework to include gendered value-web which was developed to capture disaggregated gender-roles and power-relations. The general result highlights that competitive traders- the lead actors- drive and ensure the functioning of the LVC. However, further in-depth analysis shows that hidden and strategic mutual reliance between the production and processing/marketing segments which are coordinated through relational governance and the activities of female-processors are crucial for the proper functioning of the LVC at the supply base. The result indicates a paradigm shift in the inter-relationship between small-scale producers and processors in LVCs and confirms the eruption of a new segment at the supply base of this case. Although there are potentials for smallholders’ upgrading and overall LVC development, the study warns against several constraints which inhibit smallholders’ process and product upgrading which consequently result in inequitable benefit distribution to them. To overcome these constraints, managerial and policy implications need to simultaneously consider segments that are mutually dependent and based on differentiated gender-roles.

Keywords: Gender, global value chain, Nigerian shrimp and prawn, organisational structures, smallholders

Contact Address: Ayobami Adetoyinbo, University of Goettingen, Dept. of Agricultural Economics and Rural Development, Heinrich-Düker-Weg 12, 37073 Goettingen, Germany, e-mail: adetoyinbo@gwdg.de