

Gender, Value Chains and MSMEs in Africa: Exploring Primary Survey Data for the Agribusiness Sector

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ABSTRACT

This Trade Report explores the nature of the agribusiness sector in Africa specifically from the perspective of medium, small and micro enterprises (MSMEs), utilising a new set of primary field survey-collected data. This is done by firstly considering the background relating to value chains at the global and regional chains in general, the current, post Covid-19 context and importance in terms of the AfCFTA process. Thereafter the paper directly explores the data by profiling its dimensions and then analysing patterns of enterprise female ownership, trade relationships and trade direction, as well as patterns of self-reported value chain 'position' in terms of the most important dimensions in the data.

Keywords: Value chains, Agribusiness, MSMEs, Data analysis

About the Author

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Gender, Value Chains and MSMEs in Africa: Exploring Primary Survey Data for the Agribusiness Sector

By John Stuart¹

Introduction

The agribusiness value chain in Africa, which is one of the value chains identified as priority by the AfCFTA (AfCFTA 2021)², is a complex and multifaceted sector, crucial for the continent's economy and food security. Agribusiness in Africa involves a wide range of activities, spanning from the production of agricultural goods to their processing, distribution, and retailing. The value chain encompasses various stages, each contributing to the overall value addition and economic growth of the continent.

Regional Value Chains (RVCs), as seen in Africa and South-East Asia, are a localised form of Global Value Chains (GVCs), where countries within a specific region collaborate in creating a final product through value addition at various stages. In Africa, the participation in value chains is predominantly 'forward', focusing on exporting raw materials for processing elsewhere, which leads to a loss of potential economic benefits like growth and diversification. To shift from merely exporting raw materials to adding more value, it is crucial to identify the potential of specific sectors or industries, leveraging resources, labour, capital, and infrastructure. This involves not only developing underutilised RVCs but

¹ I am grateful to Trudi Hartzenberg for valuable feedback on an earlier draft.

This trade report is one of four exploring the same theme, focussing respectively on the broad agricultural/agro-processing sector, the clothing, textile and leather sector, the pharmaceutical sector and the cosmetics & personal care sector. These papers consequently share certain content.

I would like to thank the Enterprise Analysis Unit of the Development Economics Global Indicators Department of the World Bank Group for making their data available.

² Due to differences in aggregating sectoral industrial data, the sector has been defined as 'the broadly-defined agribusiness sector'. The aggregate contains data for agri-business production, defined as 'economic activities derived from or connected to farm products' (BBVA 2022) and agro-processing, defined as 'the sub-sector of the manufacturing that beneficiates primary materials and intermediate goods from agricultural, fisheries and forestry based sectors' (DTIC 2022).

also designing policy to create new horizontal value chain connections, while not neglecting the needs of the MSME and female-owned contingents of the industries.

This paper explores the nature of the agribusiness sector in Africa specifically from the perspective of medium, small and micro enterprises (MSMEs), utilising a new set of primary field survey-collected data. This is done by firstly considering the background relating to value chains at the global and regional chains in general, the current, post Covid-19 context and importance in terms of the AfCFTA process. Thereafter the paper directly explores the data by profiling its dimensions and then analysing patterns of enterprise female ownership, trade relationships and trade direction, as well as patterns of self-reported value chain 'position' in terms of the most important dimensions in the data: inter-sectoral comparison, female ownership, entity size and REC membership.

Global and regional value chains for African development: potential, current context, AfCFTA context and gender considerations

The potential of global and regional value chains for development

Global and regional value chains (GVCs and RVCs) offer significant benefits to developing countries, primarily in fostering economic growth, diversification, and industrial development. Participation in these chains can lead to technology transfer, as companies from developed countries often bring advanced technologies and management practices to their operations in developing countries. This, in turn, can improve the productivity and competitiveness of local firms (Taglioni and Winkler 2016).

Additionally, integration into GVCs and RVCs can provide access to international markets, allowing developing countries to benefit from economies of scale and to specialise in specific stages of production where they have a comparative advantage (World Bank 2020a). This specialisation can lead to an increase in value-added activities and, consequently, higher income levels.

Furthermore, GVCs can stimulate job creation and skill development, as local workers gain experience in various aspects of production and international business practices (UNCTAD 2013). Moreover, RVCs, specifically, play a crucial role in promoting regional integration and cooperation, which can be pivotal for smaller economies in accessing larger markets and negotiating trade agreements (African Development Bank Group 2014). However, it is important to note that the benefits of GVCs and RVCs are not automatic and depend on the ability of a country to effectively engage and upgrade within these chains.

Threats to GVC development in a post Covid-19 world: de-globalisation

In the post-COVID-19 landscape, Global Value Chains (GVCs) are facing significant disruptions and transformations. One of the primary threats is the rising trend of 'de-globalisation', characterised by a shift towards more protectionist trade policies by several countries. This shift challenges the traditional model of GVCs, which relies on the free flow of goods and services across borders (Baldwin & Evenett 2020). Additionally, there's a growing inclination towards 're-shoring' and 'near-shoring', as companies aim to reduce their dependency on distant suppliers and minimise supply chain vulnerabilities exposed by the pandemic. This involves bringing production processes back to the home country (re-shoring) or moving them to geographically closer countries (near-shoring), thereby shortening and simplifying supply chains (UNCTAD 2021b).

Another emerging concept is 'friend-shoring', which entails relocating supply chains to politically stable and friendly countries to mitigate risks associated with geopolitical tensions (Financial Times 2022). These trends collectively signify a move away from the highly integrated, cost-driven GVCs of the past, towards more regionally focused, resilient, and politically stable supply chain structures. While this shift could lead to greater supply chain resilience, it also poses challenges in terms of potentially higher costs and reduced efficiency due to the loss of scale and specialisation benefits that traditional GVCs offer (World Economic Forum 2021).

The African context: the AfCFTA as a framework for African industrialisation

The AfCFTA sets the stage for promoting and expanding regional value chain (RVC) development. As Africa is on the brink of embracing free trade and heightened economic integration in various areas, there is a need to focus on enhancing and deepening value chain trade among member states. These efforts could address several key issues (Stuart 2023a):

1. Counteracting Africa's deindustrialisation, characterised by a steadily declining share of manufacturing value-added in total value-added. Over the last thirty years, African economies have increasingly relied on primary and services production, hindering their ability to enhance their industrial activities. RVCs allow for a level of specialisation that individual countries might find challenging to achieve alone, as evidenced by the industrialisation of South East Asian countries in the last century. While that model of industrialisation has become more challenging, the approach through RVCs remains viable for African countries.

2. Minimal intra-African trade, which currently stands at about 14% of Africa's total trade (ITC Trade Map 2022). Despite being integral parts of global value chains, primarily as forward-linked primary producers, African countries have limited integration among themselves. Several factors contribute to this, including the low complementarity of African economies. Nevertheless, intra-African trade liberalisation under the AfCFTA, geographical closeness, active industrial and trade policies, and public-private cooperation could alter these dynamics. Value chain relationships, which are robust in economically similar regions like Europe and South East Asia, hold similar potential for African economies.

Furthermore, the involvement of the private sector, particularly the engagement of larger firms, is essential. This is because the most effective value chain configurations often involve cross-border, intra-firm value transfers (UNCTAD 2015).

3. Gender disparities in business ownership and leadership within African economies. By analysing sector-specific variations, policies can target industries where training and capacity building for female entrepreneurs and workers can help increase their participation and compensation. Concurrently with the promotion of high-potential value chains, female enterprise participation and ownership can be enhanced (see Stuart 2022).

The final point above is expanded on in the next sub-section.

The potential of RVCs for women entrepreneurs

Participation in Regional Value Chains (RVCs) can offer significant benefits to female-owned and managed businesses in developed countries, particularly in terms of enhanced market access, increased competitiveness, and opportunities for business growth. Engaging in RVCs enables these businesses to tap into new markets within their region, which can be less daunting and more accessible compared to global markets, due to geographic proximity, shared cultural and regulatory environments, and existing regional trade agreements (European Commission 2020). This access can lead to increased sales and revenue growth.

Moreover, RVC participation can drive competitiveness for female-led enterprises. It encourages these businesses to adopt higher standards in quality, efficiency, and innovation to meet the demands of regional markets, thereby improving their overall competitiveness (OECD 2019). Participation in RVCs

also often involves collaborations with other regional businesses, which can facilitate knowledge and technology transfer, vital for business modernisation and development (World Bank 2020b).

Furthermore, RVCs provide opportunities for scaling up. Female entrepreneurs can leverage the networks and partnerships formed within RVCs to scale their operations and diversify their products and services, crucial for long-term sustainability (UNCTAD 2021a). Importantly, engaging in RVCs can also empower female entrepreneurs by providing them with a platform to overcome traditional gender barriers in business, enhancing their visibility, and enabling them to contribute more significantly to economic growth and development in their regions (International Trade Centre 2020).

Exploring African MSME primary survey data for value chain and gender insights

The tralac MSME gendered value chain survey 2023

Overview of the survey process and purpose

The primary objective of the survey was to maximise respondent participation within the limits of available resources and budget. The survey was spearheaded by two main field researchers, with Beru Lilako overseeing the Kenyan segment and Nana Banyin managing the survey in Ghana. An important aspect of the survey design was the use of an online form, which eliminated the need for face-to-face interviews, thereby enhancing efficiency and reach.

The survey was conducted in two distinct phases. Initially, it focused exclusively on Kenya and Ghana, but the scope was subsequently broadened in the second phase to encompass a total of 21 countries across East, South, and West Africa. To ensure inclusivity and a wider reach, the survey was made available in both English and French. The French version garnered 53 responses from countries like the Democratic Republic of Congo, Cameroon, Mauritius, Senegal, and Uganda, while the majority of the responses, 506 out of the total 559, were collected through the English version.

Comparison with similar recent surveys

When compared to other recent surveys, several distinctions become apparent. For instance, the World Bank Enterprise Surveys (World Bank Enterprise Surveys 2022), which have been ongoing for over two decades since 2002, encompass 162 countries, including 44 in Sub-Saharan Africa and 5 in North Africa. These surveys offer a comprehensive analysis of various business dimensions, particularly the

challenges posed by the business environment, but they do not address constraints related to the utilisation of Preference Trade Areas (PTAs).

The Intracen non-tariff measures (NTM) surveys (ITC 2023), with responses from around 30,000 participants in 70 countries, explores the experiences of companies with NTMs. However, these surveys have a different focus compared with the survey conducted for this research.

Additionally, there is the ACBI Pilot Project from 2020 (ACBI 2020), which initially covered Zambia and Cameroon before expanding to seven countries. This survey examined the business environment, Free Trade Agreement (FTA) usage, and challenges related to FTA utilisation, including some questions relevant to value chains.

Lastly, the survey conducted by Stuart and MacLeod in 2021 (Stuart & MacLeod 2021) under the auspices of UNECA also warrants mention. This study focused on PTA utilisation and the business environment, offering insights into areas similar to the current survey's objectives and methodology.

Main demographic features of the survey

Geographic and REC coverage

Figure 1 is a map of the coverage of the field survey, comparing the coverage of the agribusiness sector with the balance of the sectors. The location of the bubbles over country locations reflects the origin of the responses and the sizes of the bubbles on the maps are proportional to the number of responses. Each bubble is divided between agribusiness response numbers and the rest of the sectors in total.

As is evident, certain countries that are known to have significant agricultural export capacity are well represented in the survey in terms of agribusiness sector response coverage. Some of these are Kenya, Ethiopia, Uganda, Malawi and Cameroon. However, certain countries that are specialists in other export sectors also have a healthy population of agribusiness sector responses. Examples are the Democratic Republic of Congo, Nigeria and Namibia³.

³ While Namibia has no significant agricultural exports in the traditional sense, it does have significant exports in the fish & crustaceans category, which is included in the broad agriculture & fishing sectoral classification.

Unlike the other significant sectors, there are no countries that do not have some representation in the agribusiness sector, making it the best-represented sector in the survey. Table 1 provides a breakdown of responses by main REC membership⁴.

Table 1: REC Distribution of agribusiness responses

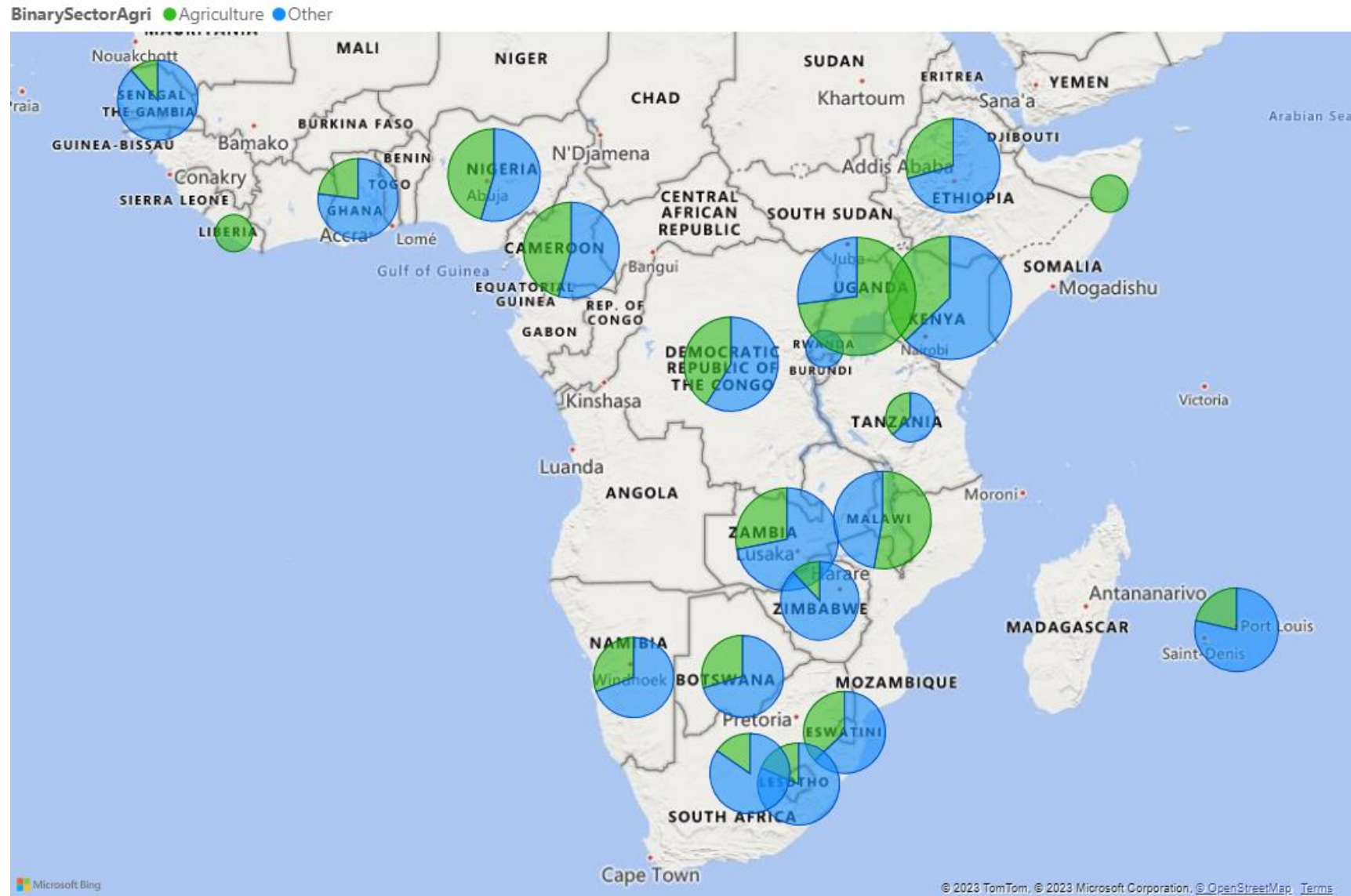
REC	Agriculture	Other	Total
SADC	30%	70%	100%
EAC	53%	47%	100%
ECOWAS	29%	71%	100%
ECCAS	46%	54%	100%
COMESA	29%	71%	100%
CENSAD	100%	0%	100%
All	35%	65%	100%

Source: Author's calculations based on tralac gendered value chains primary database

The data indicates that the agribusiness sector is marginally under-represented in SADC, relative to all RECs, while it is very well represented in the EAC, being the most important sector. ECOWAS' agriculture sector representation is below the sample average, but this is consistent with the regional comparative advantage patterns for West Africa.

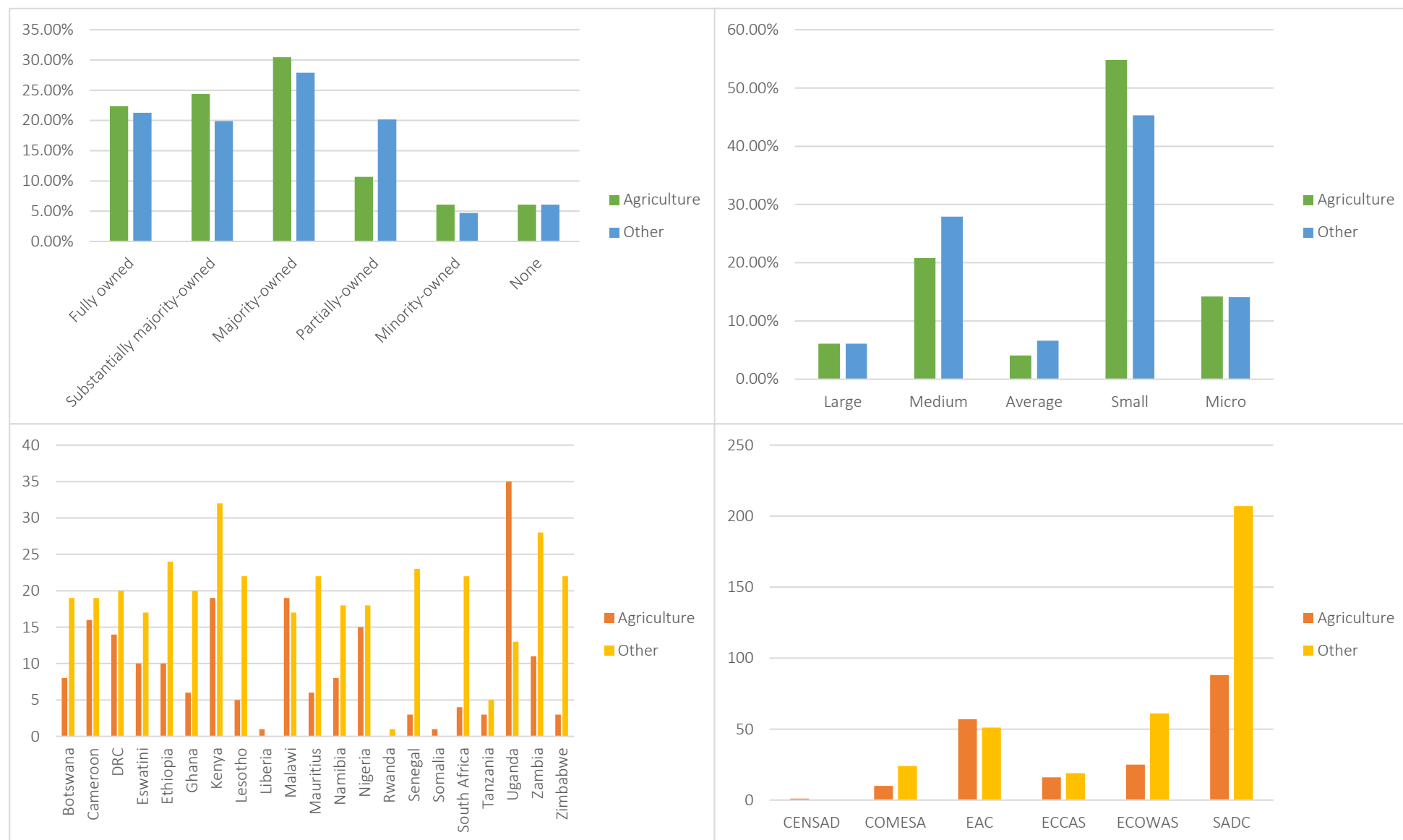
⁴ Due to overlapping REC memberships among many of the represented countries, each country was assigned a 'main REC' membership, where the choice was driven by the extent of integration offered by the REC.

Figure 1: Geographic distribution of responses: Agribusiness sector



Source: Author's construction based on tralac gendered value chains primary database

Figure Group 1: Demographics clockwise from top left: female ownership, entity size, REC distribution, country distribution



Source: Author's construction based on tralac gendered value chains primary database

Female ownership, entity size distribution and country distribution

Two very important dimensions that were captured for each responding enterprise were the extent of female ownership – captured as a percentage ownership but utilised as a categorical variable too – and entity size. The latter is usually interpreted as follows:

1. Very large: more than 250 employees
2. Large: 100 to 249 employees
3. Medium: 20-99 employees
4. Small: 5-19 employees
5. Micro: 1-4 employees

In addition, respondents were allowed to choose the category ‘average’ if they were unable to categorise their entity size any other way. The category ‘average’ is therefore somewhat ambiguous but fortunately is not a very large category in the sample. It has been ranked between ‘small’ and ‘medium’ for the purposes of the visualisations.

Female ownership percentage responses were classified by the author to the following categories:

1. 100% owned: fully owned
2. 75-99% owned: substantially majority owned
3. 50-74%: majority owned
4. 25-49%: partially-owned
5. 1-24%: minority owned
6. 0%: none

Figure Group 1 contains four charts, respectively female ownership, entity size, REC distribution (which has already been discussed above) and country distribution. What is evident is that female ownership in the agricultural sector exceeds the sample average in all three of the upper categories for female ownership, suggesting that the responses from this sub-sample are particularly relevant for policy action intended to address gendered enterprise development issues.

For the size distribution aspect, the most common entity size classification was ‘small’, with the proportion for the agribusiness sector exceeding that for the sample as a whole. If ‘medium’ and ‘average’ are considered together, this is the second largest size category by some margin, with the least respondents categorising their enterprises as ‘large’, but with the agribusiness size distribution in this category and the ‘micro’ category reflecting the aggregate.

The country distribution of responses reveals some interesting insights. The agribusiness sector is over-represented (either in absolute or relative terms) in Uganda, Malawi, Kenya, Nigeria and Cameroon, but under-represented in Lesotho, South Africa, Mauritius, Zimbabwe and Senegal. Given the relative economic diversification of most of those countries, this is not unexpected, however in the case of Zimbabwe this is possibly also due to structural change that has moved the economy away from some of its traditional agricultural strengths. It also does not have access to AGOA.

Agriculturally-strong countries such as Zambia and Ethiopia seem to reflect an expected level of significance for the agribusiness sector.

Trade relationships and trade direction

The primary survey questionnaire contained a question relating to the trade partners of the responding entity:

“Which African and non-African countries do you trade the most with? (list maximum 3 for each, in order)”

Each respondent had the option to return up to three trade partners, while many listed as many as five. There was no aspect to the question that required the specification of a trade direction, that is, whether the relationship with the listed countries was an import or export relationship. However, when cross-referenced with other questions, such as whether the respondent utilises preferential trade areas (PTAs) and what the respondent entity’s position is in the value chain, it is possible to gain further insights on the trading nature of the respondent entity.

In order to assess the relative predominance of trade relationships among the respondents, the trade partners were ranked in the order they were returned and each rank turned into a weight. These weights were then aggregated for countries and sectors; the calculated data for the Agribusiness sector is provided in the Appendix. This data could then be used to construct ‘network’ type diagrams, showing

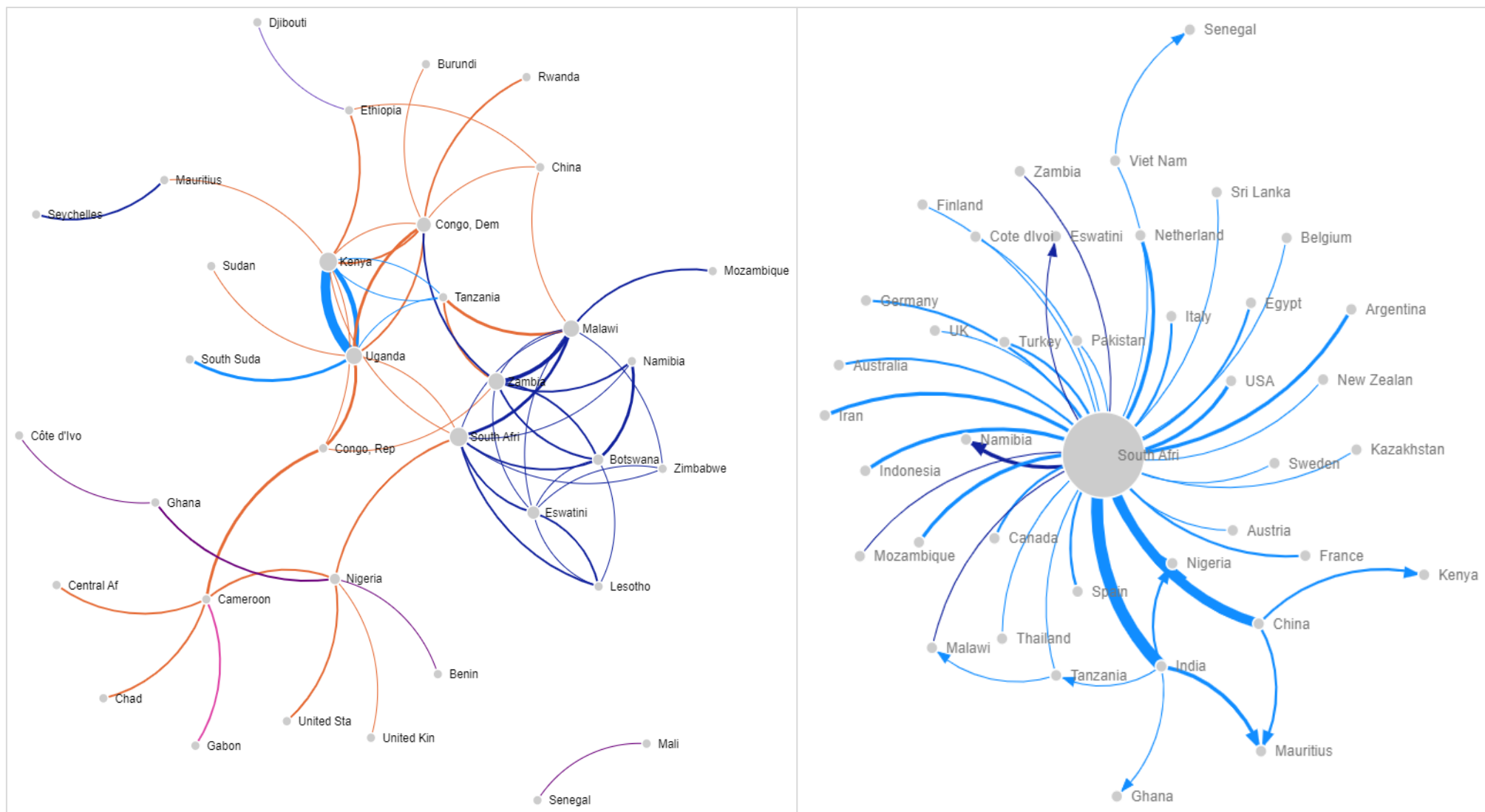
the trade connections between countries in the survey. The left hand chart in Figure Group 2 visualises this data. No ‘arrowheads’ are included in the link between the country nodes because the direction was not specified by the respondent. However, the thickness of the link reflects the weight, or predominance of the link in the survey. In addition, the colour of the link reflects whether there is a mutual REC membership between the two trade partners⁵.

Comparison with Eora directional value chain data

The right hand side chart in Figure Group 2 overleaf is a directional trade chart constructed using tralac’s directional value chain database, which is derived from the UNCTAD-Eora value chain database (UNCTAD 2022). This visualisation features arrowheads on the links, indicating trade direction. The country with the arrow pointing away from it is the value originator and the value receiving country is the value exporter. The survey MSME data therefore reflects trade relationships in general, whereas the aggregate value chain data strictly reflects the directional relationships between originator country (base of arrow) and exporter country (arrowhead).

⁵ Due to overlapping REC memberships among many of the represented countries, each country was assigned a ‘main REC’ membership, where the choice was driven by the extent of integration offered by the REC.

Figure Group 2: Trade relationships visualised: LHS - survey-derived trade relationships, RHS - UNCTAD-Eora derived directional trade relationships (value truncated)



Source: Author's construction based on tralac gendered value chains primary database (LHS) and author's construction based on tralac directional value chains database (RHS)

The same data used in the visualisations is also summarised in Table 2, where the main regions' trade relationships are ranked in order from top to bottom. This data aids the understanding of the relationships depicted in the charts.

One striking difference between the trade relationship visualisations is the extent of intra-African trade within the survey's MSME (and mostly small) respondents. Intensive relationships are observed within SADC (purple arrows) and the EAC (light blue arrows). Indeed the dominant relationship is between the EAC members Kenya and Uganda. There are relationships between SADC island members Mauritius and Seychelles as well as interconnected relationships between ECOWAS members Ghana, Cote d'Ivoire, Nigeria and Benin, and bilateral relationships between ECOWAS members Senegal and Mali.

Table 2: Comparison of trade relationships by main region: survey MSMEs (LHS) and aggregate value chain data (RHS)

Region of relationship	Weight	Region of value originator	Exports
Sub-Saharan Africa	84%	East Asia and Pacific	25%
Europe	6%	Europe	22%
East Asia and Pacific	3%	South Asia	20%
North America	2%	Sub-Saharan Africa	19%
South Asia	2%	Latin America & Caribbean	6%
North Africa	2%	North America	3%
Arab States	1%	North Africa	2%
CIS	0%	CIS	1%
Latin America & Caribbean	0%	Arab States	1%
Total	100%	Total	100%

Source: Author's calculations based on tralac gendered value chains primary database (LHS) and author's calculations based on tralac directional value chains database (RHS)

Orange arrows represent non-REC partner relationships and these include African countries that are not in a trade relationship as well as non-African countries. Among the MSMEs in the survey, trade relationships with extra-African countries are in the minority, as the data in Table 2 reflects. This suggests that MSMEs are more involved in intra-African trade than larger businesses, an important insight for policy and strategy relating to trade facilitation and small enterprise support.

The aggregate data in the RHS of Figure Group 2, however, *which is ‘top-sliced’ and therefore reflects the dominant flows only*, presents a different picture. South Africa is the dominant hub as an exporter of imported agricultural intermediate value originating primarily overseas. India and China are important value originators to both South Africa as well as Mauritius, Kenya, Nigeria, Ghana and Tanzania. A host of other extra-African countries also originate value exported by South Africa, of the notable African examples are SADC partners Zambia and Malawi. South Africa originates value exported by SADC partners Namibia and Eswatini.

It should be noted that the patterns in the RHS chart are not the total, only the dominant patterns. The trade relationships cited in our survey would fall below the threshold for that chart, providing the main reason for the stark differences in the two charts. However, it does make plain that strategies to facilitate intra-African trade and integration should not neglect the role and importance of MSMEs.

Relative position in the value chain

The ‘position in the value chain’ refers to the whether the enterprise is primarily a producer of raw materials, intermediate goods (in a variety of beneficiated states) or finished goods for final consumption. The product states that lead to value chain trade are strictly speaking those that will require further processing in a different country, but for our purposes we are interested in all relative positions in the value chain, for the potential insights into trade and industrial policy that they can yield.

While the survey featured multiple questions relating to import and export value chain participation, for this final section on relative value chain participation we are focusing only on the following one:

“If you import, what is the best description of the beneficiation state of products that you import?”

The answer options given were as follows:

1. Finished goods – Africa
2. Finished goods – non-Africa
3. Intermediate goods – Africa
4. Intermediate goods – non-Africa

We therefore regard an entity that imports finished goods as the ‘final’ stage in the value chain. This entity may or may not add packaging (if the items are in bulk) but there is the possibility that only

services value will be added to the products. For example, business services, financial services, transport services and ITC services (for example if the items are traded through a website). Nevertheless, the adding of services to the value of the product still represents a late stage (or ‘upgraded’) stage in the value chain.

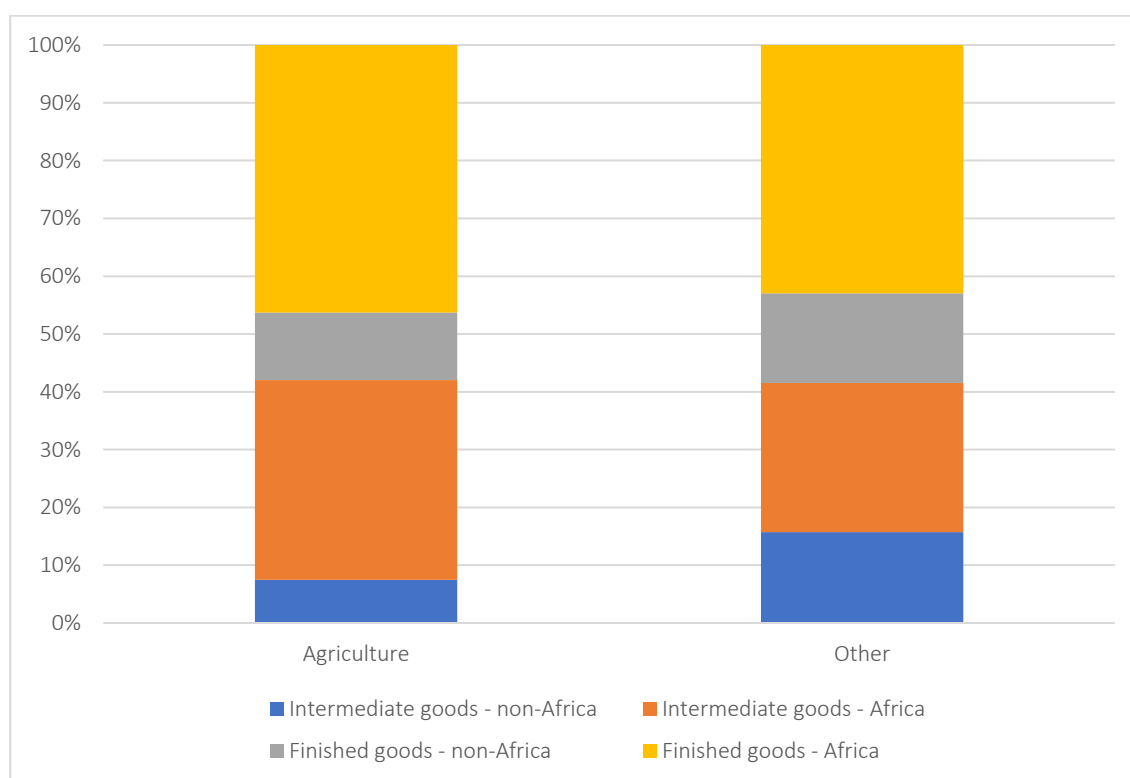
On the other hand, if an entity imports intermediate goods it will presumably do one of two things:

1. Further beneficiate the products and sell them locally or cross border as more processed intermediates
2. Further beneficiate the products and sell them local or cross border as finished goods.

Value chain position vs other sectors

Figure 2 and the associated data in Table 3 allow comparison of the relative value chain position of the agribusiness sector compared with the balance of the sectors.

Figure 2: Position in value chain: agribusiness sector vs other sectors (graphical)



Source: Author’s construction based on tralac gendered value chains primary database

Table 3: Position in value chain: agribusiness sector vs other sectors (tabular)

Sector	Intermediate goods - non-Africa	Intermediate goods - Africa	Finished goods - non-Africa	Finished goods - Africa	Total
Agriculture	7%	35%	12%	46%	100%
Other	16%	26%	15%	43%	100%
ALL	13%	29%	14%	44%	100%

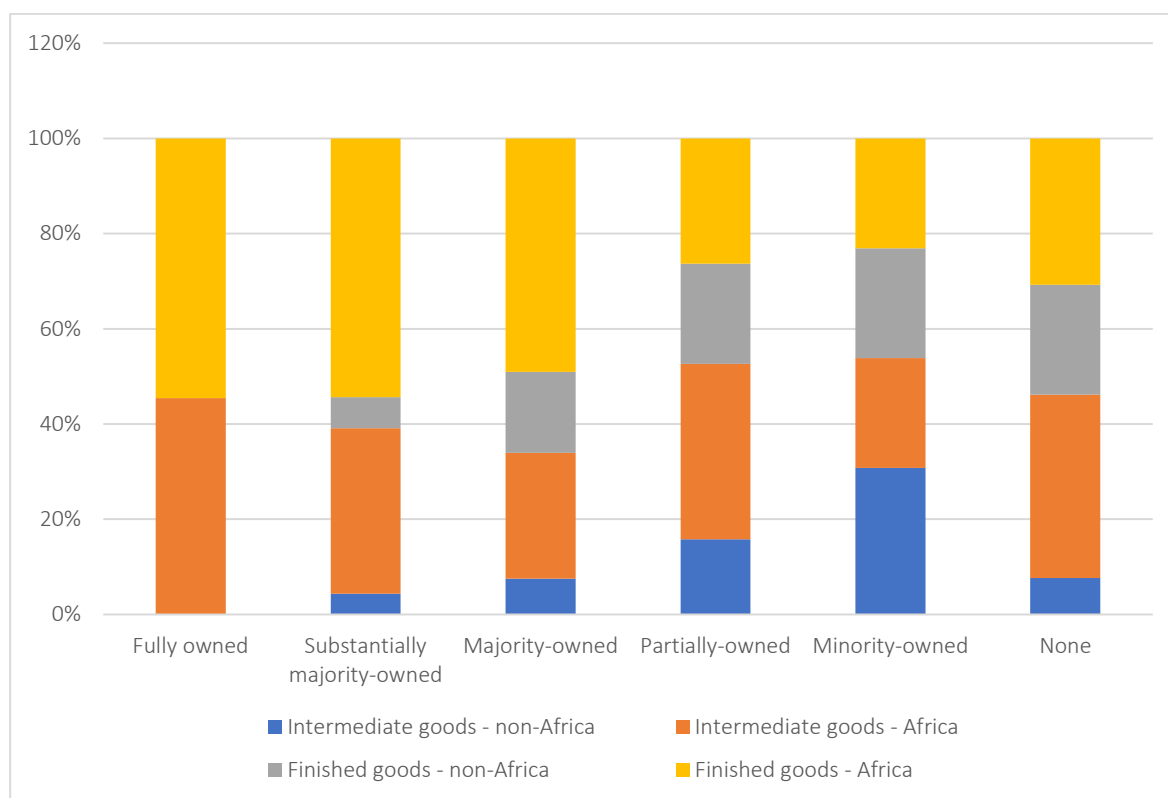
Source: Author's calculations based on tralac gendered value chains primary database

It is immediately evident that the agribusiness sector is more reliant on intra-African trade than the aggregate for sectors. This is especially the case for intermediate product, with the sector only importing only about 20% of its intermediate product from non-African sources. While the total for intermediate imports is the same as the total for all sectors – 42%, a far greater proportion of this is sourced regionally, for the agribusiness sector. One explanation for this may be the non-durability of many agricultural products but there could be other explanations as well. Further tralac research will cross-reference this pattern with market accessibility feedback from respondents.

Value chain position and gender

The same data analysed by gender reveals some interesting insights (Figure 3 and Table 4). Fully female-owned businesses in the agribusiness sector, of which there are a significant amount, import exclusively from African sources. There is a positive association between female ownership and intra-African import extent, with rising intra-African involvement as female ownership increases. The corollary also holds quite well, that there is decreasing non-African trade involvement as female ownership decreases.

Figure 3: Position in value chain: gender dimensions (graphical)



Source: Author's construction based on tralac gendered value chains primary database

Table 4: Position in value chain: gender dimensions (tabular)

Female Ownership	Intermediate goods - non-Africa	Intermediate goods - Africa	Finished goods - non-Africa	Finished goods - Africa	Total
Fully owned	0%	45%	0%	55%	100%
Substantially majority-owned	4%	35%	7%	54%	100%
Majority-owned	8%	26%	17%	49%	100%
Partially-owned	16%	37%	21%	26%	100%
Minority-owned	31%	23%	23%	23%	100%
None	8%	38%	23%	31%	100%
All	7%	35%	12%	46%	100%

Source: Author's calculations based on tralac gendered value chains primary database

The same data holds a further insight: female-owned businesses, which we have already noted tend towards the smaller end of the scale, are less involved in intermediate goods trade and more involved

in final goods trade. This could mean these businesses are importing primarily for resale, and the strong similarity of this data to the size distribution of value chain position (Table 5) seems to confirm this.

Table 5: Position in value chain: size dimensions (tabular)

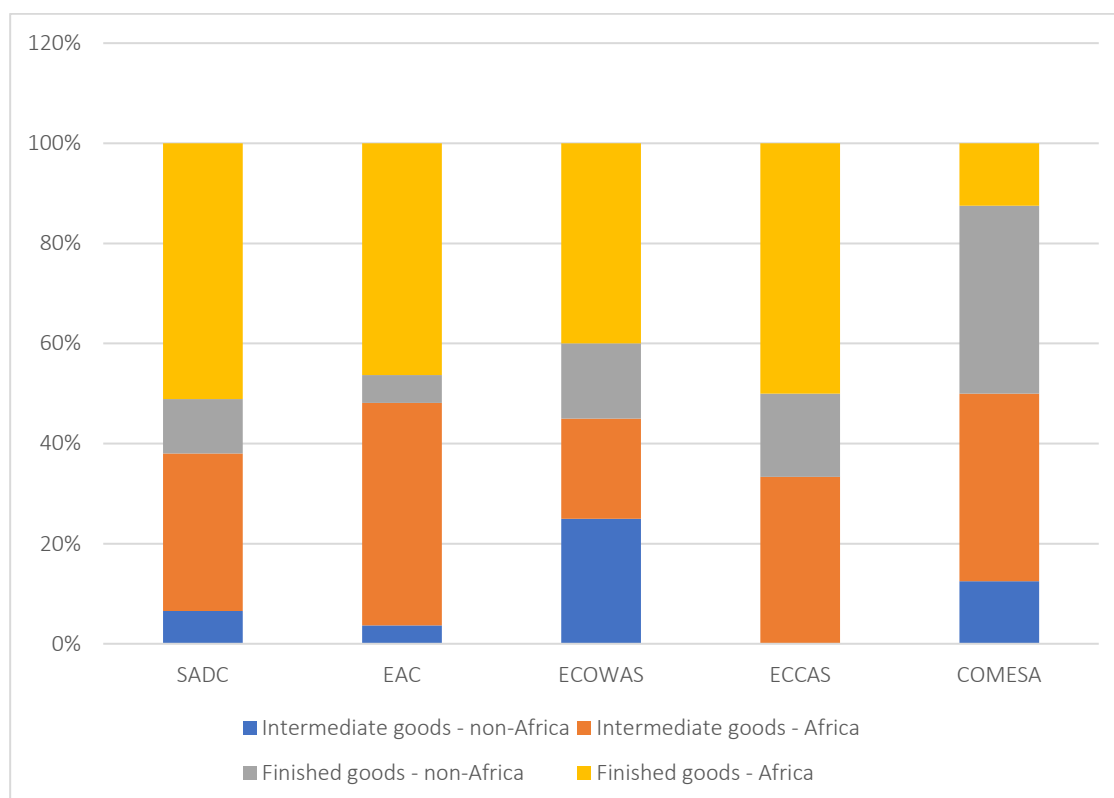
Entity Size	Intermediate goods - non-Africa	Intermediate goods - Africa	Finished goods - non-Africa	Finished goods - Africa	Total
Large	9%	27%	36%	27%	100%
Medium	12%	29%	12%	46%	100%
Average	17%	33%	17%	33%	100%
Small	6%	36%	11%	48%	100%
Micro	3%	41%	3%	52%	100%
All	7%	35%	12%	46%	100%

Source: Author's calculations based on tralac gendered value chains primary database

Value chain position and main REC membership

Finally, it is possible to analyse value chain relative position for the REC dimension as well, where each country is assigned one main REC membership. This data is presented in Figure 4 and Table 6. The data tells us that the EAC is the most Africa-integrated in total, at 91% of the total. It is also the most integrated for intermediate products from Africa, which doubtless reflects its status as the only customs union among the group, thereby obviating rules of origin requirements (ROO) for intra-REC trade.

Figure 4: Position in value chain: REC dimensions (graphical)



Source: Author's construction based on tralac gendered value chains primary database

Table 6: Position in value chain: REC dimensions (tabular)

REC	Intermediate goods - non-Africa	Intermediate goods - Africa	Finished goods - non-Africa	Finished goods - Africa	Grand Total	Total - Intermediate
SADC	7%	32%	11%	51%	100%	38%
EAC	4%	44%	6%	46%	100%	48%
ECOWAS	25%	20%	15%	40%	100%	45%
ECCAS	0%	33%	17%	50%	100%	33%
COMESA	13%	38%	38%	13%	100%	50%
All	8%	35%	12%	47%	100%	

Source: Author's calculations based on tralac gendered value chains primary database

SADC has the second highest degree of total intra-Africa integration, although it is only fourth most integrated at the intermediate level. It is surely the case that the high level of integration of the SACU members of SADC that is driving its overall level of intra-African integration. Again, SACU being a customs union means less border friction than is the case for ROO-requiring free trade areas.

Finally, ECOWAS has the lowest level of intra-African intermediate trade integration among the five RECs, and this is even greater when the metric considered is the extent of intra-African intermediates integration relative to extra-African intermediates integration. This could relate to lower levels of PTA utilisation formally observed for this REC (see for example Stuart and MacLeod, 2021).

Conclusions and recommendations

This paper explored the nature of the agribusiness sector in Africa specifically from the perspective of medium, small and micro enterprises (MSMEs), utilising a new set of primary field survey-collected data and with a focus on gender and value chains. Three main topic areas were covered, the dimensions of the survey respondents, aspects of trade direction and aspects of relative position in the value chain.

Certain interesting patterns were observed in the data. In the case of trade direction, when comparing the extent of intra-African trade by the survey's MSME (and mostly small) respondents with that of the aggregate Eora-derived value chain data, the primary data shows that MSMEs and by implication from our data demographics, female-owned businesses, are more involved in intra-African trade than larger businesses.

Value chain directional data revealed that the agribusiness sector is more reliant on intra-African trade than the aggregate for sectors, but it also provided additional valuable insights. One of these was that there is a positive association between female ownership and intra-African import extent, with rising intra-African involvement as female ownership increases. An additional gender-related conclusion is that female-owned businesses, which tend towards the smaller end of the scale, are less involved in intermediate goods trade and more involved in final goods trade.

Finally, value chain positional data shows that the EAC is the most integrated into African value chains of the RECs covered. SADC has the second highest degree of total intra-Africa integration, although it is only fourth most integrated at the intermediate level. ECOWAS has the lowest level of intra-African intermediate trade integration among the five RECs, a finding that is consistent with other research finding lower levels of PTA utilisation in this FTA.

The agribusiness value chain in Africa presents both significant challenges and opportunities. Addressing the infrastructure gaps, improving access to finance and technology, and enhancing market linkages are essential for unleashing the full potential of the agribusiness sector in Africa. This sector's development is crucial not only for economic growth and industrialisation but also for achieving food

security and poverty reduction on the continent. However, the findings of this paper also suggest that support for agribusiness MSMEs in general and female-owned MSMEs in particular, is pro African integration and African value-chain development. This support would involve prioritising MSMEs in industrial policy strategy and also addressing the requirements of female-owned businesses, which tend to be found on the smaller end of the scale. Trade facilitation efforts, which are already a part of the action plans of many African trade promotion agencies, should also prioritise the MSME and female-owned MSME sectors.

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Appendix

Table 7: Trade relationship weighted data plus REC assignment: agribusiness sector

Source	Destination	SourceREC	DestinationREC	Weight
Botswana	Eswatini	SADC	SADC	4
	Lesotho	SADC	SADC	10
	Namibia	SADC	SADC	5
	South Africa	SADC	SADC	24
	Zambia	SADC	SADC	16
	Zimbabwe	SADC	SADC	6
Cameroon	Belgium	ECCAS	ROW	5
	Central African Republic	ECCAS	CENSAD	25
	Chad	ECCAS	CENSAD	23
	Congo, Rep.	ECCAS	COMESA	32
	Côte d'Ivoire	ECCAS	ECOWAS	4
	Gabon	ECCAS	ECCAS	23
	Guinea	ECCAS	ECOWAS	3
	Mali	ECCAS	ECOWAS	3
	Nigeria	ECCAS	ECOWAS	28
	Rwanda	ECCAS	EAC	2
	Turkey	ECCAS	ROW	4
Congo, Dem. Rep.	Belgium	SADC	ROW	5
	Burkina Faso	SADC	ECOWAS	5
	Burundi	SADC	EAC	10
	China	SADC	ROW	10
	Côte d'Ivoire	SADC	ECOWAS	4
	France	SADC	ROW	4
	India	SADC	ROW	3
	Italy	SADC	ROW	5
	Kenya	SADC	EAC	22
	Nigeria	SADC	ECOWAS	3

	Russia	SADC	ROW	5
	Rwanda	SADC	EAC	26
	Tanzania	SADC	EAC	8
	Turkey	SADC	ROW	5
	Uganda	SADC	EAC	23
	United Arab Emirates	SADC	ROW	4
	United States	SADC	ROW	5
Eswatini	Botswana	SADC	SADC	10
	Lesotho	SADC	SADC	20
	Malawi	SADC	SADC	13
	Mozambique	SADC	SADC	8
	South Africa	SADC	SADC	26
	Zambia	SADC	SADC	14
	Zimbabwe	SADC	SADC	10
Ethiopia	Cameroon	COMESA	ECCAS	5
	China	COMESA	ROW	10
	Djibouti	COMESA	COMESA	14
	Germany	COMESA	ROW	8
	India	COMESA	ROW	4
	Japan	COMESA	ROW	7
	Kenya	COMESA	EAC	19
	Nigeria	COMESA	ECOWAS	4
	Norway	COMESA	ROW	3
	Saudi Arabia	COMESA	ROW	6
	Somalia	COMESA	CENSAD	4
	South Africa	COMESA	SADC	3
	Sudan	COMESA	COMESA	3
	United Arab Emirates	COMESA	ROW	7
Ghana	Brazil	ECOWAS	ROW	5
	Cameroon	ECOWAS	ECCAS	5
	Côte d'Ivoire	ECOWAS	ECOWAS	9

	France	ECOWAS	ROW	5
	Germany	ECOWAS	ROW	5
	Netherlands	ECOWAS	ROW	5
	Senegal	ECOWAS	ECOWAS	3
	South Africa	ECOWAS	SADC	4
	United Kingdom	ECOWAS	ROW	8
	United States	ECOWAS	ROW	3
Kenya	Australia	EAC	ROW	5
	Bahrain	EAC	ROW	5
	Burundi	EAC	EAC	5
	Congo, Dem. Rep.	EAC	SADC	9
	Congo, Rep.	EAC	COMESA	10
	Egypt	EAC	COMESA	5
	Ethiopia	EAC	COMESA	4
	France	EAC	ROW	5
	Germany	EAC	ROW	4
	Kuwait	EAC	ROW	4
	Libya	EAC	COMESA	4
	Oman	EAC	ROW	3
	South Sudan	EAC	EAC	8
	Tanzania	EAC	EAC	13
	Turkey	EAC	ROW	3
	Uganda	EAC	EAC	55
	United Kingdom	EAC	ROW	4
	Zambia	EAC	SADC	3
Lesotho	Botswana	SADC	SADC	5
	Eswatini	SADC	SADC	10
	Mozambique	SADC	SADC	5
	Namibia	SADC	SADC	4
	South Africa	SADC	SADC	17
	Tanzania	SADC	EAC	3

Lesotho	Zimbabwe	SADC	SADC	8
Liberia	Nigeria	ECOWAS	ECOWAS	5
Malawi	China	SADC	ROW	10
	Eswatini	SADC	SADC	5
	Lesotho	SADC	SADC	4
	Mozambique	SADC	SADC	23
	South Africa	SADC	SADC	39
	Tanzania	SADC	EAC	33
	Zambia	SADC	SADC	47
	Zimbabwe	SADC	SADC	11
Mauritius	Congo, Dem. Rep.	SADC	SADC	4
	Kenya	SADC	EAC	10
	Madagascar	SADC	SADC	4
	Rwanda	SADC	EAC	8
	Seychelles	SADC	SADC	18
	Tanzania	SADC	EAC	4
Namibia	Angola	SADC	SADC	5
	Botswana	SADC	SADC	34
	Congo, Rep.	SADC	COMESA	4
	Lesotho	SADC	SADC	4
	Malawi	SADC	SADC	4
	South Africa	SADC	SADC	14
	Tanzania	SADC	EAC	3
	Zambia	SADC	SADC	16
	Zimbabwe	SADC	SADC	6
Nigeria	Benin	ECOWAS	ECOWAS	9
	Canada	ECOWAS	ROW	7
	China	ECOWAS	ROW	5
	France	ECOWAS	ROW	4
	Gambia	ECOWAS	ECOWAS	5
	Germany	ECOWAS	ROW	5

	Ghana	ECOWAS	ECOWAS	24
	Kenya	ECOWAS	EAC	8
	Mozambique	ECOWAS	SADC	8
	Namibia	ECOWAS	SADC	5
	Niger	ECOWAS	ECOWAS	5
	Rwanda	ECOWAS	EAC	4
	Sierra Leone	ECOWAS	ECOWAS	3
	South Africa	ECOWAS	SADC	17
	Togo	ECOWAS	ECOWAS	7
	Turkey	ECOWAS	ROW	1
	United Kingdom	ECOWAS	ROW	11
	United States	ECOWAS	ROW	24
	Zambia	ECOWAS	SADC	2
Senegal	Gabon	ECOWAS	ECCAS	5
	Ghana	ECOWAS	ECOWAS	5
	Mali	ECOWAS	ECOWAS	13
	Nigeria	ECOWAS	ECOWAS	7
South Africa	Ghana	SADC	ECOWAS	5
	Kenya	SADC	EAC	9
	Malawi	SADC	SADC	9
	Namibia	SADC	SADC	4
	Nigeria	SADC	ECOWAS	3
	Rwanda	SADC	EAC	5
	United States	SADC	ROW	3
	Zambia	SADC	SADC	4
	Zimbabwe	SADC	SADC	3
Tanzania	Burundi	EAC	EAC	5
	Kenya	EAC	EAC	10
	Uganda	EAC	EAC	8
Uganda	Congo, Dem. Rep.	EAC	SADC	35
	Congo, Rep.	EAC	COMESA	40

	Germany	EAC	ROW	5
	Kenya	EAC	EAC	127
	Rwanda	EAC	EAC	3
	South Africa	EAC	SADC	10
	South Sudan	EAC	EAC	32
	Sudan	EAC	COMESA	11
	Tanzania	EAC	EAC	15
Zambia	Botswana	SADC	SADC	20
	Burundi	SADC	EAC	5
	China	SADC	ROW	5
	Congo, Dem. Rep.	SADC	SADC	17
	Congo, Rep.	SADC	COMESA	10
	India	SADC	ROW	4
	Kenya	SADC	EAC	3
	Malawi	SADC	SADC	14
	Nigeria	SADC	ECOWAS	4
	Saudi Arabia	SADC	ROW	3
	South Africa	SADC	SADC	4
	Tanzania	SADC	EAC	19
	Zambia	SADC	SADC	3
	Zimbabwe	SADC	SADC	3
Zimbabwe	Mozambique	SADC	SADC	5
	South Africa	SADC	SADC	14
	United Arab Emirates	SADC	ROW	4
	Zambia	SADC	SADC	6

Source: Author's calculations based on tralac gendered value chains primary database