

# EMPOWERING PASTORAL WOMEN PRODUCERS AND TRADERS IN THE KENYA CAMEL MILK VALUE CHAIN: THE ANOLEI WOMEN'S CAMEL MILK COOPERATIVE

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## CONTEXT

There is a growing interest for camel milk and related products, particularly in the Horn of Africa including Kenya. This is due to the impact of climate change and droughts that are threatening the livelihoods of disadvantaged groups within pastoral communities in arid and semiarid areas (ASALs), particularly women and youth. The camel breeds kept by pastoralists in subsistence production systems are very reliable milk producers during dry seasons and drought years when milk from cattle, sheep and goats is scarce. At such times, camels can contribute up to 50% of the nutrient intake of the pastoralists. Camel milk has further triggered interest not only as a food security strategy but increasingly as a health product due to its nutritional value<sup>1</sup>.

In this regard, the Kenyan government, non-governmental organisations (NGOs) and the private sector increasingly recognise the strategic value of the camel sector and there is growing interest to participate in and support its growth. To sufficiently scale up commercialisation of the camel sector, however, there is need to clearly demonstrate what camel milk means as a business venture and furthermore provide strategic guidance the types of support the sector requires and the necessary investment for it to reach optimum growth. Insecurity in northern Kenya also poses a major challenge in the production and marketing of camel milk. During the insecurity incidences, the camels migrate to safer places, which might not be accessible through roads and therefore delay supply and volumes of milk transacted.

"Camels are better than cows because they can survive when there is drought, but the cows cannot, so I can make a profit even during the dry season"

Halima Hussein, member of Anolei women's cooperative

Isiolo district currently accounts for more than 90% of marketed camel milk reaching national urban markets (mainly Eastleigh in Nairobi). Various reasons can be given for this unusual contribution. These include the proximity to Nairobi (about 300 km), a good tarmac road, as well as the market orientation of the Somali segment of the population, both in Isiolo and Nairobi. It is estimated that daily camel milk production in the district is about 40,000 litres, of which about 5,000 litres (12.5%) is supplied to the main market in Eastleigh, Nairobi [SNV VCD 2008].

*Camel population and production trends [Source: District Livestock Production Office, Isiolo]*

YEAR	2005	2006	2007	2008	2009
Population	32500	33900	37900	39100	40300
Slaughter	307	379	473	722	824
Av. Daily milk Exports (Lt)	4000	4600	5300	5400	5200
Camel milk prices (Ksh)	24	28	32-35	37-40	40-70

This case study highlights the experiences of a pilot intervention facilitated by SNV Netherlands Development Organisation (SNV) in Isiolo District of North-Eastern Kenya. Implemented in cooperation with the UN Food and Agriculture organisation (FAO), the pilot initiative was among the first interventions in the camel milk market in Kenya (<http://edition.cnn.com/2011/WORLD/africa/08/05/kenya.camel.milk/index.html>).

<sup>1</sup> Camel milk experts claim that camel milk boosts immunity and treats juvenile diabetes, autism etc

## Women in the camel milk value chain



The diagram above depicts the key actors in the camel milk value chain and the percentage of women involved at each level of the chain. Women are mostly active at the intermediary and micro-processing stages while men are predominantly responsible for production (herding and milking).

The diagram further shows that the majority of women are currently active in the least profitable segments of the chain. However, there is great potential to upgrade their role, hence reinforcing women's economic empowerment. Camel-owning cultures in Northern Kenya traditionally position men as the camel owners, while women are in control of the milk. This in itself offers a business opportunity for women to participate in the market. However women in Northern Kenya have not managed to adequately tap this opportunity because of a number of challenges.

The first relates to difficulties in accessing financial services due to a lack of collateral and financial products that are *Islamic sharia* compliant. This has inhibited women entrepreneurs from growing their businesses due to lack of investment opportunities.

Secondly, due to low levels of the exposure the camel milk market was not well developed. Female traders would use public transport to supply milk to the wholesalers in Nairobi who, in turn, would enclose the money in an envelope and give it to the driver to bring back to the the supplier. With time, thugs began to target the couriers and on various occasions stopped the buses and looted women's milk earnings. Overall insecurity in the production areas of Isiolo also interfered with the volumes of milk supplied as in some cases herders get killed.

The third challenge was the poor quality of camel milk, which required involving male pastoralists in improving hygiene standards, as they are primarily responsible for camel herding and milking.

A key objective of the SNV intervention was to enhance commercialisation of the camel milk sector in order to strengthen the socio-economic position of pastoralist women, thereby promoting their leadership in enterprise development in agricultural sector. It also sought to strengthen women's organisations and enterprises, foster market linkages and private sector involvement within the sector, promote efficient use of technologies, develop and disseminate knowledge for replication of good practices in-country and across the region, as well as contribute to a policy environment that was conducive to the commercialisation of camel milk.

SNV applied a systemic value chain development (VCD) approach and facilitated market based solutions that enabled women to engage in commercial production and trade. Among the specific actions taken were:

- Strengthening the organisational capacity of the women's group by training members in cooperative management and linking them to small-scale dairy processors in Nairobi (the group subsequently evolved into the Anolei Women's Camel Milk Cooperative);
- Providing training to about 300 women and men (herders, transporters, traders) on improved quality standards and hygiene, such as the introduction of aluminium rather than plastic cans;
- Facilitating exposure visits of the women group to advanced dairy (cow) business hubs in other parts of the country to trigger establishment of the cooperative and enable them to learn about hygienic practices;
- Introducing members of the women's cooperative to the use of mobile money transfers (Mpesa) – a technology developed in Kenya - to prevent further losses from raids on the buses and enhance more efficient transactions;
- Undertaking gross margin analysis along the chain to identify areas in which the cooperative could reduce costs. For instance, based on a gross margin analysis, the group is saving to buy its own truck and hence reduce the cost of transportation;

## INTERVENTION APPROACH

- Linking the women’s cooperative to Sharia-compliant financial institutions such as Equity and First Community Bank to enhance access to financial services and enable members to open bank accounts.
- As it became better organised, the women’s group began to evolve into a business entity that moved away from hawking milk at the household level into bulking and supplying camel milk to wholesalers and small scale processors.



## OUTCOMES

A major outcome of the intervention was the strengthening of Anolei Cooperative. The membership base expanded from 33 to about 100 registered women members. The volume of milk supplied to the market also went up from 3,000 to 5,000 litres per day. Adoption of aluminium cans by milk producers is on the rise, which has enhanced the hygiene of the camel milk marketed. Currently, 50% of containers used from the production to bulking sections of the chain are made of aluminium.

The project has also achieved some results at the household level, with a growing trend of re-investing the income generated to buy more camels to increase household production and incomes. Other women have diversified their livelihood streams by opening new businesses (clothing and food shops) to cushion their household incomes either during insecurity situations or adverse drought. This has enhanced women’s contribution to food security, payment of school fees and hospital bills.

“I feed my 12 children with the income from the camel milk business.”

Safia Kulow, Chairperson of Anolei women’s cooperative

Another positive outcome of the intervention has been the gradual upgrading of women’s participation along the camel milk value chain. Halleeb, a women-led, small-scale processor group is now processing camel milk supplied by the cooperative. This is an emerging opportunity to build more women-led camel milk businesses along the value chain. . SNV is currently supporting other facilitating partners, such as Care Kenya, to upscale the emerging model in other districts in the region i.e. in Wajir, Garrissa and Marsabit.

## LESSONS LEARNT

One interesting development has been in the area of financing. With its predominantly Muslim membership, the Anolei women camel milk cooperative can only accept *Sharia*-compliant loans for business. The issue is further compounded by the fact that in most cases women do not own land, livestock or other resources that can serve as collateral for bank loans. A significant development in this regard, is the emergence of *Sharia*-compliant banks that are specifically targeting female camel milk traders and processors, for instance the First Community, Gulf and Equity banks.

Finally, the women's cooperative has successfully adopted new technologies especially the use of the mobile money transfers. This has greatly improved the efficiency of camel milk transactions between the cooperative, wholesalers and small-scale processors, ensuring that women traders no longer lose their money "in the envelopes."

While the majority of pastoralist women in the district hardly play profitable roles along the value chain, this pilot intervention demonstrates that significant progress can be made by focusing on the strengthening of women's entrepreneurship capacities. Among the specific lessons learnt are:

- **Always let the principal partner to be in control of the process:** As a development organisation, SNV's role was to help the Anolei cooperative to develop a range of scenarios to enable members to choose what would work best for them. For example, following an initial list of possible strategies for commercialising camel milk that were discussed with the group at the start of the intervention (such as exposure visits established dairy (cow) hubs, participating in milk fair and linking them with established camel milk processors) members decided that they needed to start with organisational strengthening of their group to turn it into an effective marketing cooperative.
- **Start small and facilitate growth of a chain:** Although SNV engagement started at the micro level it allowed us to better understand the entire chain and facilitate the upgrading of the group into a marketing cooperative
- Involvement of private sector actors such as processors, transporters and financial institutions is critical in the growth of the camel milk sector;
- The role of the media is critical in creating awareness of a product and process. For example, due to the coverage of the camel milk story by amongst others CNN, DW-TV, RTL, there has been a lot of interest from donors and private sector in the camel milk value chain.

## SUSTAINABILITY

SNV picked Isiolo district for its pilot intervention in order to deepen understanding of the camel milk chain. However upscaling of the model will require a two-pronged approach: continuing to facilitate the strengthening of women's participation along the chain and supporting replication of the approach in three new hubs in northern Kenya. A key challenge in this will be attracting private investment in Kenya's arid and semi-arid areas to ensure sustainability of the sector. Due to a high level of insecurity in northern Kenya, private sector players will require an incentive to invest. The challenge for SNV and its partners will therefore be to develop innovative models that will interest investors.

It is important to further note that as women increase their incomes they start taking up responsibilities that were initially the responsibility of men, for example paying school fees and buying more livestock. The implication is that the men will therefore have more savings which if not well invested might be detrimental to family wellbeing, such as alcohol consumption, divorce and marrying more wives. Therefore development organisations supporting gender integration in value chains should design projects that have a holistic approach. To support this process of developing an integrated programme, there is need to regularly undertake action research that targets both men and women to get their views on changing gender roles and how to best manage these changes for more inclusive and sustainable development.

More information:

[http://www.snvworld.org/en/makingadifference/Pages/camel\\_milk\\_kenya.aspx](http://www.snvworld.org/en/makingadifference/Pages/camel_milk_kenya.aspx)