

Gendered Implications of Food Trade Regulations in Kisumu City, Kenya

Loice Loo^{1,*}, George Wagah¹, Noora-Lisa Aberman²

¹Urban and Regional Planning, Maseno University, Kisumu, Kenya

²Global Alliance for Improved Nutrition, Rhode Island Ave NW, Washington DC

*Corresponding author: loiceloo@gmail.com

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Abstract The aim of this study is to link governance and gender in the informal food markets which have been overlooked by research and global policy agendas. Specifically, the study sets out to establish the effect of regulations on men and women trading food in the main informal markets of Kisumu City Kenya. Cross-sectional study was employed in Kibuye and Jubilee Markets from June - September 2019. A total of 366 traders were interviewed. Data was collected electronically using Kobo-Collect then analysed using Microsoft Excel to generate chi square analysis. The study found a skewed distribution of men and women in management with men dominating at 61%. In addition to male dominance, men in authority enforce regulations differently for women through intimidation and negative attitudes. A chi square analysis where $P = .001$ confirms that women significantly spend more time than men when meeting regulations. The study concludes that women bear the brunt of regulations that are not gender sensitive necessitating sensitization efforts towards the same. Informal food markets are critical for urban food security and female livelihoods therefore revitalization of the regulations governing them is key to urban food security.

Keywords: food corridor, informal markets, time, food security

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1. Introduction

The United Nations Conference on Trade and Development [1] states that women's participation in food trade is hampered by regulations. Reference [2] reiterates this intimating that food regulations by World Trade Organization have served as barriers of trade. Ironically, women constitute 70% of food retailers [3]. Food retailing is the largest category of traders (58%) in comparison to farmers, transporters, wholesalers and brokers [4]. Yet it is reported that women food traders face more discrimination from officials than their male counterparts [5]. This implies that regulations governing food trade affect men and women differently. Integration of a gender perspective in policy reform is therefore necessary [6].

In developing economies like those of Africa, fair trade efforts have seen to the adoption of a gender sensitive approach by focussing on gender equity in the bid to support producer and organization empowerment [7]. The gender mainstreaming efforts have resulted in feminization of labour. However, for modern food supply chains in Senegal, gender mainstreaming efforts have resulted in stringent regulations which are capital intensive thereby locking out women participation [8]. Mainstreaming gender alone is therefore not a panacea to

the problems in food trade. Rather it should be cognisant of the factors of each setting in order to ensure participation of women is fostered.

According to reference [9] informality is one such factor that characterises food trade in the developing countries such as Kenya and Uganda. It further states that its complex dynamics are poorly understood and it is only now that the informal sector is beginning to receive attention from scholars and policy makers. However, the significance of informal trade to food security is highlighted by [3] who observes that 75% of food consumed in Kisumu city (western Kenya) is obtained from informal traders. Nevertheless, the informal traders are often at loggerheads with municipal authorities [3]. The significance of informal markets to food security cannot be overemphasized yet food traders are continuously viewed as nuisance and illegal by local authority because informality is associated with poor regulation. Informality provides opportunities for inequality. The study therefore sees a need to undertake a detailed analysis on the operations of these markets.

Dominance of women in food retail [3] coupled with the fact that regulations have been blind to the needs of women in food trade [10] makes the informal food markets of interest to this study. More so because these informal workplaces are characterised by low quality and precarious lack of access to legal protection, modern

capital markets, formal training and official social security systems [3]. Analysis of gendered impacts of regulations on food traders in the informal sector has remained outside research and policy agenda hence its focus.

The National Food Safety Policy [11] indicates that there exists some form of regulations governing informal food trade. However challenges related to discrimination of women traders have arisen due to the need to meet with officials face to face when complying with regulations. Other studies posit that processes of complying with regulations can have a major impact on efficiency and delivery time of commodities; thereby affecting customers' willingness to consider buying due to cost and quality [12]. These studies imply that regulations affect men and women differently. Implication of regulations on the operations of men and women in food trade is therefore of significance to this study as it has not been explicitly explored in the studies reviewed. The study therefore sets out to establish the effect of regulations on men and women in food trade. The results will be significant to policy makers like the Kenyan government whose food trade systems are characterised by inadequate coordination among institutions creating inefficiencies resulting in undesirable consequences [11].

2. Methodology

2.1. Study Area

The study targeted the main food corridors delivering food to Kisumu city. Corridors included in the study were; Kisumu - Nandi, Kisumu - Kericho and Kisumu - Kitale as indicated in Figure 1 below. Focus was paid to food sources from Western Kenya. The corridors were preselected based on the nature and volume of food flows [13].

2.2. Study Design

The study commenced with Focus Group Discussions (FGDs) targeting middlemen in each of the main markets supplying Kisumu city with food i.e. Kibuye and Jubilee market. Participants representing the Food Corridors highlighted below were selected with the aid of the market superintendents. Willing participants were engaged in Key informant interviews, semi-structured interviews and surveys. For surveys and semi structured interviews, respondents were targeted at the end of the corridor i.e. in Kibuye and Jubilee market.

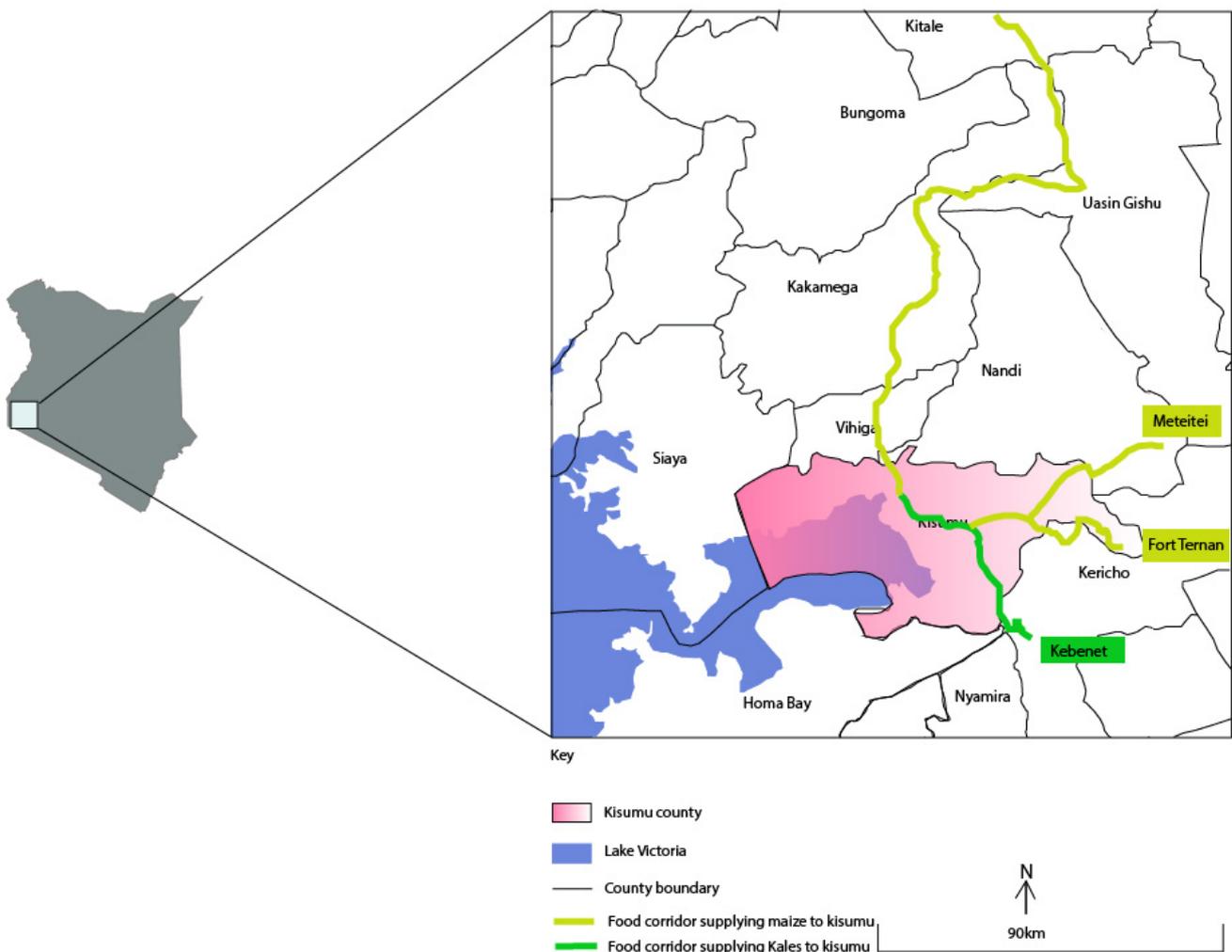


Figure 1. Food corridors supplying Kisumu City (Source: Author (2020))

Key informants aided the study in purposively identifying drivers ferrying food into the wholesale market i.e. Kibuye market via Lorries or pickups (along the three study sites). Focus was placed on Lorries and pickups as they were likely to originate from one clear origin and head for one clear destination. The drivers then linked the study to the wholesalers whom they supply. The wholesalers in turn linked the study to retailers whom they supply. Snow balling was then used in each category of traders to get the desired number of respondents before purposively moving to the next category.

2.3. Study Population

A study population of 7480 consisting of retailers, wholesalers, middlemen and lorry drivers ferrying food to the main markets was adopted as guided by [6,14]. These were referred to as business persons and form the unit of analysis for this study. Business persons were sought from the main food entry points of Kisumu city i.e. Kibuye and Jubilee Markets. Key informants included market superintendents.

A study sample of 366 was drawn from the study population of 7480 using an online sample size calculator (<https://surveysystem.com/sscalc.htm>) Creative Research Systems (2012). The sample size was calculated at a confidence level of (95% = 1.96) and a confidence interval of (0.05 = ±5). The sample was proportionately distributed amongst the different business persons within the three food corridors as guided by [4]. The Table 1 below displays the sampling frame for the study.

Table 1. Sampling frame

Categories	% of population	Number of respondents	clusters
Retailers	58%	213	Jubilee and Kibuye market
Wholesalers	22%	80	Kibuye market
Middlemen	14%	51	Jubilee and Kibuye market
Drivers	6%	22	Kibuye market
Totals	100%	366	

Source: Author (2019).

2.4. Data Collection and Analysis

Market superintendents from Kibuye and Jubilee market were contacted for KIIs where they aided the study in identifying middlemen operating along the Food Corridors of choice. The middle men were then engaged in SII until saturation point was reached at the thirty sixth respondent. The SII captured business persons' narratives about the regulations required for moving food from farm to retail market. Quantitative information regarding the time duration for meeting regulations was also captured through surveys.

Secondary data was collected from the following formal government memos and institutional reports; Food and Agriculture Organization, Horticulture Crops Development Authority; Ministry of Trade and Industry; Services and Standards Department at the National Level; Kenya Revenue Authority; Ministry of Agriculture and Ministry of Transport. Through chi square analysis the

study sought to test whether regulations affect journey time between men and women food traders significantly.

3. Results and Discussion

3.1. Regulations Governing Food Trade in Informal Markets

In Kenya there is a range of trade licenses and business permits that an entrepreneur is expected to have in order for their business to be considered legitimate [15]. According to this study, traders have a total of seven regulations to be met in order for them to participate in food trade within the Food Corridors of western Kenya. Remarkably, the study finds that regulations governing market operation are largely executed by men - 61%. Yet, an analysis of the study findings indicates that majority of food traders are women - 57% as illustrated in the figure below. The male dominance observed in management is synonymous with findings by [16] which state that 97% of council officials in markets are men. Kibuye and Jubilee markets in Kenya therefore show a better representation of women in management.

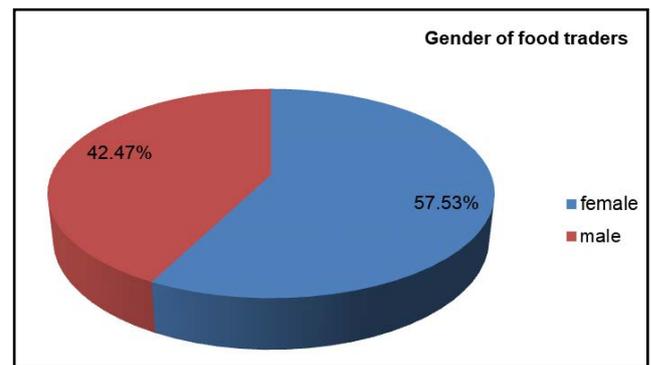


Figure 2. Gender of food traders (Source: Author (2019))

In line with the study findings the Table 2 below displays regulations that have to be met by food traders in order for them to participate in food trade. These include Cess, Transport operator business permit, Driving licence, Health test, Trading licences, Market Entry fee and Municipal tax. The study sees redundancy as retailers and wholesalers already paying rent and daily taxes are required by law to further pay for trading licenses as outlined in the County trade act [17]. As highlighted by reference [10], such redundant regulations imply added costs for traders. The brunt of this will be borne by the women in food retail [10] as they constitute 70% of food retailers [3].

Some regulations necessary for participation in food trade are often flouted by food traders in Kibuye and Jubilee markets e.g. trading wholesale license, trading retail licence and health tests. This oversight could be the reason why revenue from the informal sector is so low that [18] does not include it among key sources of revenue for Kenya like Value Added Tax, Pay As You Earn and Corporate tax. The oversight could be attributed to the supposition that at 58%, retail takes the largest population of actors along the Food corridor [4] representing women who have access to small start-up capital [10].

Table 2. List of Regulations that food traders are expected to meet

Regulations	Validity	Year of introduction	Implementing authority
Cess	1 trip only	1986-revised 2012	County finance department
Transport operator business permit	1 year	1979-revised 2012	Transport licensing board
Driving license	1 year	1979-revised 2012	National transport and Safety Authority
Health test	1 trip	1998	County health officers
Trading license	1 year	2015	County licensing authority
Market entry fee	Per entry	1990	County department of finance and economic planning
Municipal tax	Daily	2015	County department of finance and economic planning

Source: Author 2019.

Additional transaction costs in the form of regulations or penalties for flouting regulations to the tune of ten thousand shillings [17] will increase burden of conducting business and increase food prices rather than ease the flow of foods as is the aim of food security initiatives [19].

3.2. Cost of Regulation for both Men and Women in Food Trade

The table below shows the cost of regulations that food traders have to comply with.

Table 3. Cost of regulations that food traders have to comply with

Regulations	Cost
Cess	400
Transport operator business permit	2000
Driving license	600
Health test	160
Trading license	6850
Market entry fee	100-500
Municipal tax	30
Stall rent	650

Source: Author 2019.

Farmers pay cess of 400 Kenya shillings per trip at specified locations along food corridors. This mostly occurs at weigh bridges at the source of food and also at the destination. Weight is estimated by counting bags of maize and multiplying by recommended weights. The study finds that in order to pay Cess, transport business permits, driving license, health test and trading license, food traders have to go to the authorities responsible for this. Cost and time duration for meeting each regulation differs as shown in the table below.

In Jubilee market where traders have been categorized as stall members and non-stall members, stall members pay a form of monthly rent at 650 Kenya shillings while non-stall members pay a daily tax of 30 Kenya shillings which stall owners are exempted from. County officials are responsible for collecting the daily taxes, monthly rents and market entry fee for commodities getting into the market. They walk around the market collecting the money and issuing receipts.

According to Kisumu County Trade Licencing Act [20] tax reliefs have been afforded to farmers. As such they are not required to acquire trading licences when selling their own produce. Though this is a good initiative towards reducing production costs, the National Agricultural Statistics Department [21] indicates that 70%

of farmers are men. Considering that the Kenyan national index shows that men income levels - 30,000 Kenya shillings - are higher than that of women - 20,000 Kenya shillings - [22]; a tax waiver in favour of men as found in the study contravenes gender mainstreaming initiatives aimed at levelling the work environment for full participation of both men and women traders [10].

Reference [5] highlights that participation of women in food retail is further hampered by the mode of tax remittance which the study found to be manual. The author describes the direct contact with tax collectors as a situation that is ripe for discrimination against women. Yet, the manual system persists despite efforts by the County Government of Kisumu to Launch an electronic trade licensing system in 2016 [14].

3.3. Temporal Implications of Regulations for Men and Women in Food Trade

The study analyses the time spent when meeting regulations and finds that women spend more time than men when complying with regulations as indicated by the blue trend line in the Figure 3 below. This is because traders have to queue for periods ranging from five minutes to forty five minutes to make an application upon which they wait an extra two to ninety days for issuance of licences [19]. Interestingly, in instances where electronic systems have been introduced, it has been done to enhance accountability, transparency and efficiency rather than to address gender related biases and is therefore not sensitive to such.

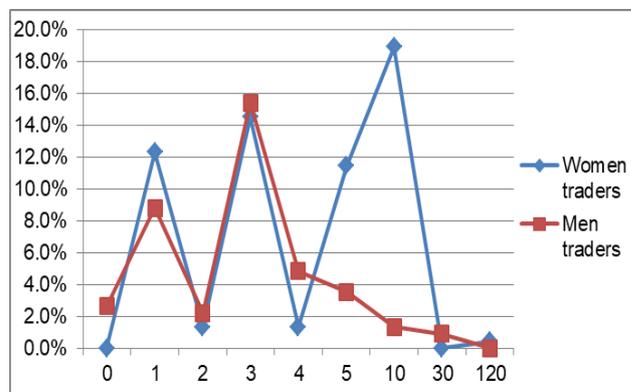


Figure 3. Time spent by men and women when meeting regulations. Source: Author (2019)

The modal time spent in meeting regulations as indicated in the table below is 3 minutes (30%) making this the most likely time spent when meeting regulations.

Table 4. Average time spent by men and women when meeting regulation

Time taken to meet regulations (in Minutes)	Women traders	Men traders	Grand Total	
			percentage	Count
0	0.0%	2.6%	2.6%	9
1	12.3%	8.8%	21.1%	77
2	1.3%	2.2%	3.5%	13
3	15.0%	15.0%	30.0%	110
4	1.3%	4.9%	6.2%	23
5	11.5%	3.5%	15.0%	55
10	18.9%	1.3%	20.3%	74
30	0.0%	0.9%	0.9%	3
120	0.4%	0.0%	0.4%	2
Grand Total	60.8%	39.2%	100.0%	366

Source: Author 2019.

As indicated in the Table 4, 15% of these are women traders while 15% are men; an equal distribution of time between men and women food traders. However, the highest popular response of 10 minutes represented 20% of all the respondents 18.94% of which were women. Time here is skewed in favour of men. Chi square analysis of the cross tabulated data on the Table 4 was calculated on Microsoft Excel. It shows that the differences seen are statistically significant as $P = .001$.

Reference [23] highlights time poverty as a key challenge faced by women in food trade. Despite the challenge of time poverty, the study establishes that women spend more time than men when complying with regulations. Standardization of revenue collection processes will thus need to factor in time management and fair interactions with the authorities in its design. Fair interaction with the authorities is important due to suppositions [16] that majority of council officials which are male enforce regulations differently for women through intimidation and negative attitudes.

Nevertheless, reference [10] and [3] posit that women dominate the food retail sector and have significantly longer tenure in the sector, suggesting a permanent livelihood activity as opposed to a temporary survivalist engagement. Jubilee market having observed this has responded by categorising retailers into stall members and non-stall members. Stall members pay a monthly fee of 650 Kenya shillings while non-stall members pay daily tax of 30 Kenya shillings which is a temporary arrangement. However, like other informal work places [3], Kibuye market and Jubilee market lack access to legal protection and social security systems.

Mothers working in the market therefore have no formal labour protection such as maternity leave and have to continue to work or pay stall rent/ daily taxes in order to maintain trading post. Since 58% of the women are of childbearing age [24] they stand to lose income or health under the current working conditions. In this regard non stall members who pay daily taxes upon setting up are better off than the stall owners who have to forfeit a whole month's rent should they stop operation.

“Our stalls here in Kibuye are reallocated to new persons if daily taxes are not made for a period of roughly one month”

“Stall members pay a monthly fee and failure to pay does not warrant eviction. The market managers can

tolerate up to 5 years if reason is valid though one has to clear the accrued areas”

4. Conclusion

Regulations governing trade of informal markets are numerous and managed from different offices so much so that redundancies and failure to comply is overlooked in some instances leading to revenue loss which would have been critical for developments in the food corridors.

Having numerous regulations has more implications to it than just added revenue. Regulations increase transaction costs thereby increasing burden of conducting business more so for women who dominate food retail (70%) and have access to meagre capital.

Worse still, initiatives aimed at reducing trade barriers along the Food Corridors are blind to gender implications as tax waivers introduced to farmers (70% male) further skew gender income gaps.

The most common forms of revenue paid by traders in the market are monthly and daily taxes. Failure to which one's operation is null and void. With 58% of food retailers being women of childbearing age (15-49); lack of social security systems like maternity leave creates a harsh working condition where mothers have to go to work with their children or risk losing business premises.

Finally, revenue collection processes as well as processes of complying with regulations like license application need to be standardized so as to; reduce revenue loss, reduce face to face intimidation of female traders by male dominated authorities (61%); and reduce time spent when complying with regulations more so for women.

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