

MARKET CHAIN AND KEY ACTORS FOR COMMON BEAN IN HUAMBO PROVINCE, ANGOLA

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INTRODUCTION

After the peace process in 2002, Angola is still reconstructing different sectors of its development among which agriculture, the natural reserve industry is the corner stone of economic development. Knowledge on marketing system in general is one of the prerequisites for stable and remunerative process to market keys intervenient. Market organization can enhance assurance to intervenient and create incentives to farmers to increase production. Common beans are a major crops in key zones of the Planalto Region of Angola. The present study is an attempt to identify commercial canals and constraints in "common bean" marketing system in the Province of Huambo, Angola.

METHODS

Common beans are produced and commercialized in many areas of Huambo province either in large quantity or smaller proportion. Two areas, namely Londuimbali and Bailundu were considered in this study because of high presence of common bean in the markets. It is believed that the two areas produce about two third (2/3) of the common bean of the province.

Surveys were conducted in the two localities and questions were administered at random to producers, intermediates, consumers and others interested local people in order to have ideas about growth and constraints of common bean market, distribution of income to marketing agents and state of common bean food security in terms of surplus vs shortage. In general, 19 questions were administrated to 31 producers, 15 questions to 31 intermediates, 9 questions to 31 resellers and 3 questions to consumers. Data were captured in a spreadsheet and a descriptive analysis was carried out using *Statistix8* © to determine frequency of occurrence, averages and standard deviations. It should be noted that accessibility to market areas and use of local idiom were limiting factors in some remote areas.

Figure 1 Angolan Map

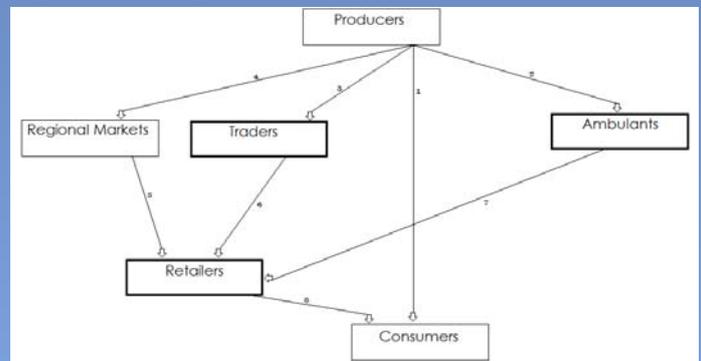


Transport Constraints



Quality Constraints:
Mixed quality, Damage due to pests

Figure 2 Marketing Channel Maps



Source: Authors' research. *Ambulantes* are traveling traders who move from market to market according to season and availability, usually with no marketing assets other than a cellphone and financial capital.

Table 1

Statistics	Producers	Intermediates	Retailers	
Number	16	16	16	Wholesalers have 24% of Consumer price
Mean	72.2	106.3	141.3	Retailers make 24% of Consumer price
SD	18.4	39.2	21.9	Farmers get 52% of consumer price

RESULTS

Figure 2 shows the Marketing Channels in the Common Bean value chain, demonstrating the small number of stops in the channels. Circuits were classified in three levels of commercialization. The first level consisted of producers – *ambulantes*; producers – traders (bulk); producers – consumers and producers – regional markets. The second level comprises of regional markets – retailers; traders – retailers; *ambulantes* – retailers and the third level was constituted by retailers – consumers.

The study shows that the key actors in the market chain are *ambulantes*, traders and retailers (Figure 1). They are corner stone in commercialization process; they manipulate marketing operations such as quantity and quality of product that can result in scarcity of common bean availability and create food insecurity. They are winners in income distribution from commercial circuits. It is suggested to encourage the circuit producers – consumers in the target localities to enhance incentives to producers that allow increase in quantity and quality offered.

Ambulantes, in particular, are very efficient in Londuimbali and Bailundu; they commute using light means of circulation such as bicycles, motorcycles. They can reach remote areas where access limits trader movement. They supply the markets with common bean and speculate on price, offer and demand.

Unlike farmers in subsistence agriculture, today this type of agriculture per-se has less influence because farmers produce, sell and purchase food in the rural markets; that means they know and react to price changes in the markets. Farmers tend to market their dried beans quickly, locally, rather than store them, and they have little access to market information, other than that from neighbors and traders..

Retailers provide goods directly to consumers. Their market information is also limited to that from other traders in the market. Wholesalers and retailers have similar gross price margins yet retailers have far lower costs (Table 1).

CONCLUSIONS AND RECOMMENDATIONS

- Common beans are an important cash crop in the Planalto of Angola..
- Smallholders have little to no access to market information, a key investment that is needed
- Smallholders do not have access to efficient storage; technology to avoid bruchids and other pests would enable farmers to take advantage of seasonal price shifts
- Common bean value chains are relatively short and at the farm level unlikely to be competitive
- Transport constraints are still important factor in farmers not taking advantage of regional markets
- Seed system development would contribute to higher grain quality in the markets

