

Craft Supply Chains in Africa: Consolidating Our Findings



By Chris Bonner

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This document brings together, consolidates and interprets information contained in four unpublished research reports commissioned by HomeNet Africa (HNA) and WIEGO. Noleen Chikowore authored the overview report. Owusu Boampong (Ghana), Boitumelo Matlala (South Africa) and Joseph Sanna (Kenya) authored the country reports. We thank them for their valuable contributions to our understanding of craft supply chains in Africa.

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Key Points

- In Africa, craft production is an important source of livelihoods for home-based workers, especially women. However, craft supply chains in Africa are not well understood.
- Craft making is labour intensive and is based on indigenous knowledge and skills. Despite their significant contribution to domestic and export earnings, craft products and craft makers are undervalued.
- Craft supply chains in Africa are complex and varied. Products pass through a series of intermediaries, with export chains typically longer than domestic chains.
- Craft makers face many challenges that limit their earning potential. These include product design limitations, difficulty in accessing raw materials, low productivity and quality, and dependence on intermediaries for work, information and linkages.
- Craft making provides a means of livelihood and agency for women. However, power often remains with men who capture or hold higher value occupations and more powerful positions in the chain.
- To effectively engage with supply chain actors and governments, home-based craft workers need to better understand the supply chains they are part of. Building strong organizations of home-based workers is a prerequisite for such engagements and for improving home-based workers' economic and social situation.

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Introduction

“Craft production is rooted in Ghanaian culture,” notes Owusu Boampong in his report on the Ghanaian craft value chains (Boampong 2023: 4). The indigenous knowledge, traditions, creativity and skills encapsulated in the crafts we find across Africa give them an intrinsic value that no industrial production can match. But is that value recognized, and are the craft makers – many of whom are women home-based workers – recognized along the supply chain and fairly rewarded? Boitumelo Matlala in her report on the South African craft supply chain thinks not.

“This failure to recognise the local and indigenous knowledge of craft producers deprives the sector of the opportunity to deepen it and strengthen craft producers’ standing in the supply chain.”

(Matlala 2023: 31)

Craft producers or craft makers¹ –“the real workers” – are at the bottom of the craft supply chains. Unlike those in the garment sector, where researchers and human rights groups have focused much of their attention, craft supply chains in Africa are opaque. As we know from the reports and engagements with home-based craft workers, their knowledge of the global supply chains to which they belong is limited, and usually ends with the immediate purchaser or intermediary with whom they have direct contact. Indeed, it is not only the craft makers who have limited knowledge, but as Joseph Sanna notes in his report on Kenya value chains:

“The majority of exporters weren’t familiar with what happens in the importers’ value chains and how their products were distributed beyond delivery of shipments to importers.”

(Sanna 2023: 14)

The importance of, and dependence on, craft supply chains,² for the livelihoods of home-based craft workers, was highlighted at a workshop with HomeNet Kenya (HNK) participants in July 2021, as was their lack of information (WIEGO and KEFAT 2021). This provided the impetus for HomeNet Africa (HNA), in partnership with WIEGO, to embark on a process to unpack the complicated chains, their many actors and challenges. This, with a view to increasing home-based workers’ knowledge of craft supply chains in Africa; for them to use the knowledge to strengthen their organizations and to help build their capacity to engage with the actors, and ultimately begin to improve their livelihoods.

They commissioned a desktop literature review/scoping of craft supply chains in Anglophone Africa (Chikowore 2022). Thereafter three countries – Kenya, Ghana and

¹ I use the term “craft makers” or “home-based craft workers” to separate the “real workers” from organizations or companies that produce crafts and are also called “producers” in literature and practice.

² “Supply chain” and “value chain”: country reports use both terms. In this report, “supply chain” is used. “Whereas supply chains are about the flow of goods from supplier to customer, value chains start from the customer to the supplier...This dual focus on production and consumption as starting points makes supply and value chains interchangeable”(Matlala 2023: 14).

South Africa – were selected for more in-depth research, which included key informant interviews and focus groups with home-based craft workers. Due to limited resources and time, it was not possible to hold focus groups with home-based workers in all countries. However, there are plans for further activities to expand on the knowledge gained and to use this in various capacity-building engagements with home-based craft workers.

The Country Reports

The three country reports provide us with insights into the nature of craft supply chains and the craft industry in Africa, the actors involved and the challenges faced by home-based craft workers as well as various intermediaries.

Kenya

The research in Kenya was the first to be launched. There was already a basic knowledge about the craft industry and supply chains, particularly those linked to fair trade organizations. Additionally, the researcher had the support of HNK, a national network of home-based workers' groups/organizations launched in December 2020. He was able to interview 18 key informants, including marketers, exporters, importers, government agencies and non-governmental organizations (NGO). He held four focus groups with home-based craft workers, and also had the opportunity to present his findings to HNK members and receive their inputs.

Ghana

In Ghana and South Africa, the studies were more limited and served as a preliminary look at the craft supply chains in those countries, through literature reviews and a small number of key informant interviews. In Ghana, the researcher had previously carried out a study on the craft industry and used it as a base for this research, providing us with interesting historical as well as current information. In addition to a literature review, he interviewed three key informants, including a support organization providing trade facilitation and business services, an association of handicraft exporters with the informant himself an exporter, and a private export business.

South Africa

We had little information about the craft supply chains in South Africa, apart from figures contained in the Chicowore report that showed significant earnings from the export of crafts. The researcher focused on reviewing academic literature and government reports. She interviewed four key informants, two from retail outlets, one from an NGO and one from a hybrid non-profit/profit enterprise.

This report attempts to consolidate the key findings of the research in Ghana, Kenya and South Africa and draws on the initial scoping report. It provides a comparative overview of the craft sector, supply chains and actors in the three countries, highlighting similarities and differences. It looks at some of the salient issues that affect the livelihoods of home-based craft workers, and the power relationships and challenges along the chain. It makes recommendations on activities that may, over time, begin to improve the economic position and social standing of home-based craft workers in Africa.

Given the small size of the study and that it was done with limited resources and different starting points and depth of research in each country, the opinions expressed in this report should be taken as tentative and as pointers for further research and action.

Difficulties in Defining Crafts

Craft makers in the three countries produce a diverse range of products, using a variety of techniques. Some are common, such as baskets and jewellery. Some are more clearly linked to a particular country, such as Kente cloth from Ghana. And others are from a particular region within a country, such as soap stone carvings from Kisii County, Kenya. Reasons for these area linkages include tradition, availability of raw materials, the presence of a tourist market, or a combination of these and other factors.

Matlala and Chicowore both discuss the difficulties of providing a commonly accepted definition of crafts, given the multi-faceted nature of this sector and its overlap with other creative outputs.

“While the broad classification of crafts and pairing with other creative outputs highlights the overlap of these products with other forms of creative expressions, it blurs the distinct nature of crafts and further flattens their tacit features.”

(Matlala 2023: 8)

They quote a number of alternative definitions. Both refer to the brief working definition provided by Rogerson (2010), “[a] product that is at least 80% handmade from different materials, including clay, natural fibre, beads, recyclables and textiles”, and a longer one provided by UNESCO (1997).

“those produced by artisans, either completely by hand, or with the help of hand tools or even mechanical means, as long as the direct manual contribution of the artisan remains the most substantial component of the finished product... The special nature of artisanal products derives from their distinctive features, which can be utilitarian, aesthetic, artistic, creative, culturally attached, decorative, functional, traditional, religiously and socially symbolic and significant.”

(ibid: 7)

This discussion has a bearing on the ability to establish clear and comparative figures on the contribution made by craft products and craft makers to the economies of countries in Africa, and to define supportive and consistent policy positions by governments.

Value of Crafts

“How do we influence the consumers in Kenya and globally? For craftwork, this is difficult as consumers always want to pay less for crafts because they are not valued as much as other products.”

(Home-based worker, in WIEGO and KEFAT 2021: 10)

As the home-based worker states, the value of crafts (and the work of craft makers) is not fully recognized domestically or internationally. The South African report notes that domestic consumers do not appreciate the value of the crafts and are reluctant to pay appropriately. Consumers prefer cheaper products, often imported from China. As

one respondent says, “locals require a mind shift and an awareness of the value of craft production to understand the cost of the products” (Matlala 2023: 28).

We have no information from the studies on the final price paid by consumers for exported craft products. However, we know that each link in the chain adds to costs and profit. We also know that, in European countries, the United States and other countries, some crafts command high retail prices, playing on their uniqueness and handmade qualities. However, this does not translate into craft makers receiving the full value. An example that seems to contradict this is quoted in the Kenya report where the US-based, international NGO Heavenly Treasures says that it pays 100 per cent of the products’ selling price to the craft makers. This model needs further exploration.

Economic Contribution

Crafts are defined, and classified in trade statistics, in different ways within and across countries. This makes it difficult to get clear figures on their economic contribution. Classification of crafts as a separate category based on a common definition would be important in establishing the value of exports or domestic sales, the contribution to GDP or to the tourist industry, and so on. Importantly, it could help establish the economic contribution made by the craft makers, as well as the real value of the crafts.

What we do know is that craft exports bring substantial revenue into all three countries. Chicowore reports that the value of Kenyan craft exports in 2021 was USD15 million; Ghana, USD30,6 million (2021) and South Africa, USD446,5 million in 2018 (Chikowore 2022: 5). In the country reports, Ghana showed an increase in craft exports from USD3.5 million in 2011 to USD45.1 million in 2021; in South Africa exports of “cultural goods” stood at USD316,46 million in 2020, declining from USD448,86 million in 2018; and in Kenya, a table of the “Top 30 Handicrafts Products Exported by Kenya” showed an increase from USD 22,964 million in 2016 to USD39,410 million in 2021.

Up-to-date information on the value of domestic sales is not generally available.

“Although there is physical evidence of significant trading of handicrafts in the domestic market, there is no readily available and reliable data to support this fact and to inform other necessary interventions.”

(Sanna 2023: 24)

Matlala quotes from a 2007 report showing that domestic sales in South Africa far exceeded the value of exports, with local markets accounting for 7 per cent of sales, tourist craft markets 68 per cent, tourist boutique shops 17 per cent and exports only 8 per cent. While these figures are outdated, they give an indication of the importance of the domestic market.

Further research on the sales patterns, income and economic contribution made to the GDP of the countries through export or domestic sales could help highlight the value of the craft products and those who make them, and provide information on which markets to target.

Effects of COVID-19 Crisis on Exports

The drop in South African exports is attributed to the effects of the pandemic. However, Kenya showed a marked increase in craft exports from 2016 to 2021. Similarly, in Ghana,

“The data from 2020 to 2021 does not suggest any significant impact of COVID-19 on craft export revenue. In fact, products such as cane furniture, basket wares, ceramic products, hides/skins, beads, paintings/drawings and statuettes recorded increases between 2021 and 2022.”

(Boampong 2023: 8)

The information from the ground suggests a very different picture. In Kenya, the report notes, “supply chains in the crafts sector are fragile. For this reason, these chains quickly collapsed during the Covid pandemic.” Home-based craft workers reported that, “their incomes were severely affected by the difficult business environment due to supply chain disruption... and are barely surviving” (Sanna 2023: 18). Although the other two country studies did not explore the impact of COVID-19 on home-based craft workers, WIEGO’s multi-city research into the effects of the pandemic shows that home-based workers were the group of workers in informal employment most severely affected by COVID-19 and its related lockdowns (WIEGO 2022).

Why the situation on the ground has not translated into a drop in export figures in Ghana and Kenya needs further interrogation.

Craft Supply Chains: Overview

“The term supply chain describes the system and the practices through which products move from conceptualisation to the customer” (Matlala 2023: 14). Craft supply chains in Africa are composed of multiple products and actors, overlapping roles, differing practices and routes, making it complicated and difficult to make clear comparisons. Each country also has its own particularities, and often uses different terms to describe similar actors or processes.³

We can, however, draw out the basic and common steps in the chains, which may be simpler and shorter in the case of domestic chains, or longer and more complex when reaching international customers.

Figure 1: Simplified supply chain



Source: SACO 2019 (Matlala 2023: 15).

In this simplified version, the supply chain begins with the design of the products by the craft maker, or by actors higher up the chain. The craft maker acquires the production inputs, including raw materials and accessories, tools and equipment and provides her labour. Craft makers – including self-employed, sub-contracted home-based workers or

³ See Appendix for list of terms.

employees – produce/make the crafts in many different ways. Distribution takes place by direct sale to the consumer or through a string of intermediaries before reaching retail outlets and consumers, who may be local, regional or international.

Although the flow of the supply chain described above is from craft maker to consumer, the research indicates that craft supply chains have different starting points: bottom up, top down or a mix of both. The craft makers may initiate the chain by offering their products that are largely self-designed and made with local raw materials. Or consumer demand for particular products may be the driving force, with design heavily influenced by buyers or intermediaries. To some extent, this reflects the market for the products, with local consumers more likely to purchase familiar, traditional and lower-end products, and international consumers or tourists those at the higher end.

Along the Chain: Actors and Activities

There are a myriad people, groups, organizations and companies making up the links in the chains. From our perspective, the most essential link in the supply chains is that of the craft makers, especially home-based craft workers. However, without the assistance of various intermediaries, craft workers would have limited access to different markets. So, despite power and value being unevenly distributed along the chains, often resulting in exploitation of the craft makers, they are for the most part dependent on the intermediaries.

“Marketing intermediaries have significant power and control over distribution of crafts products. Some intermediaries operating in the mainstream markets take advantage of their superior knowledge on market dynamics to exploit HBWs [home-based workers] who make the crafts.”

(Sanna 2023: 21)

The Suppliers

Matlala notes that, “access to inputs is pivotal in production volumes and a producer’s ability to supply. It is essential to have it as an explicit stage in the supply chain” (Matlala 2023: 14). All the reports note the challenge for craft home-based workers of accessing regular, cost-effective raw materials and other inputs. Those who grow and harvest their own or use local organic materials have a cost advantage. Supply, however, is not always sufficient. It is affected by declining volumes resulting from overuse or the effects of climate change. In Ghana, for example, wood for carving is becoming scarce due to depletion. As one respondent notes,

“Wood, it is becoming very difficult to get one, the right type of wood, the quality. Because when you harvest them young, it affects the quality. By the time you’re done producing, it has warped.”

(Boampong 2023: 17)

Where craft producers are dependent on outside suppliers the costs are high. Sanna points out that, in Kenya, the supply chains for raw materials are “fragile” as there are a limited number of suppliers. Additionally, some materials are imported, making them expensive. Recyclable materials are another source of raw materials. Matlala notes that wire, plastics and paper are used in jewellery making. From experience, we know that

this is not uncommon. What we do not know from the report is how these raw materials are acquired and at what cost. This is an important area to explore further.

In some cases, the intermediary supplies the raw materials for production. As one respondent reports, this is advantageous to the home-based craft makers.

"When sourced in bulk, the organisation can negotiate discounts. In contrast, if each producer had to source the materials themselves, they would have less negotiating power and incur costs of getting the material, such as transport... This also helps sole/informal producers because they do not have to have money for the necessary material."

(Matlala 2023: 19)

The Craft Makers

All the country reports identify a range of craft makers with varying work arrangements. Home-based work is widespread. It may take place in homes or collective spaces, in small workshops at the side of the road, in the premises of a coordinator of production⁴ or exporter, and so on. A combination of home and other workspaces is common.

"The women weavers are self-employed and they could either work from home or a dedicated workshop provided by the Foundation depending on the type of order. They work from home if orders from buyers are regular product designs they are familiar with and demands minimal supervision... However, when they had to produce orders which are completely new designs then they work as a group at a common workplace provided by the Foundation to ensure compliance with quality standards."

(Boampong 2023: 18)

The home-based craft makers are self-employed, sub-contracted on piece rates or other payment arrangements, or combine different work and pay systems. They work as individuals or they may be part of a collective, such as a cooperative, association or self-help group. They may work together on a project or be employees of a small enterprise or a large mainstream company. However, a "lack of organization is prevalent" (Sanna 2023: 3). This is despite the success of HNK in building a national organization of home-based workers. HNK brings groups of various sizes together, providing a national voice and working towards greater market opportunities.

Within the community of craft makers, class divisions or hierarchies exist. In Ghana,

"master craftspeople, acting as lead subcontractors, hire other artisans and craftspeople to execute orders on a piece rate basis either in the workshops of the exporters and export agents or in groups in the craft villages."

(Boampong 2023: 12)

Also, gender segmentation is common, with some crafts primarily the domain of women, such as beading in the Maasai and Samburu communities in Kenya; and others of men,

⁴ Used in the Kenya report to describe organizations that coordinate production with/contract home-based workers. They may also play other roles, such as marketing.

such as Kente cloth weaving in Ghana. Where both men and women are involved with the same craft product, there is often a division of labour, with men making the product (with higher income) and women doing the finishing work. Wood carving in Ghana is an example, where the men carry out the design and carving, and women sand and polish the products.

The craft makers sell to (or produce for) intermediaries, who, directly or through a chain of intermediaries, move the products to the final consumer.

The Distribution Intermediaries

“Distribution is a critical step in the supply chain because it starts the flow of products from producers to customers” (Matlala 2023: 23). This is the most complex part of the chain and includes a host of different players.

“They include international and domestic buyers, export agents, traders or vendors, exporters (medium sized exporting companies)... These actors are involved in the flow of the craft products and ultimately link these products to clients either in the domestic or the West market.”

(Boampong 2023: 8)

Figure 2: Simplified value chain, Ghana



Source: Boampong 2023: 13

The artisans (or craft makers more generally) in Ghana may be contracted or work in-house for exporters who sell to the buyers. As well as buying crafts for export, the exporters often have their own production facilities. The craft makers may also contract with or sell to export agents who are local representatives of international buyers. These agents provide marketing, quality assurance and logistical services including coordinating orders and shipping. There are also agents, traders, vendors and other intermediaries who link the craft makers to export agents or who sell in domestic markets. The latter usually deal in lower-end craft products for the mass market.

Kenya shows a similar range of players in the distribution of crafts, such as for-profit companies and non-profits and NGOs, including many fair trade organizations. As in Ghana, some play multiple roles. For example, “coordinators of production” may also produce the crafts, or provide marketing and export services as well as support and training for the craft makers. The role of providing training and support is common among the many NGOs and fair-trade organizations in the Kenyan craft sector. They may sell on to local retailers, or to wholesalers or wholesale importers, based in the country, who play a similar role to the Ghanaian export agents, i.e. they ensure export orders reach their international destinations, which could be wholesale distribution centres or retail outlets.

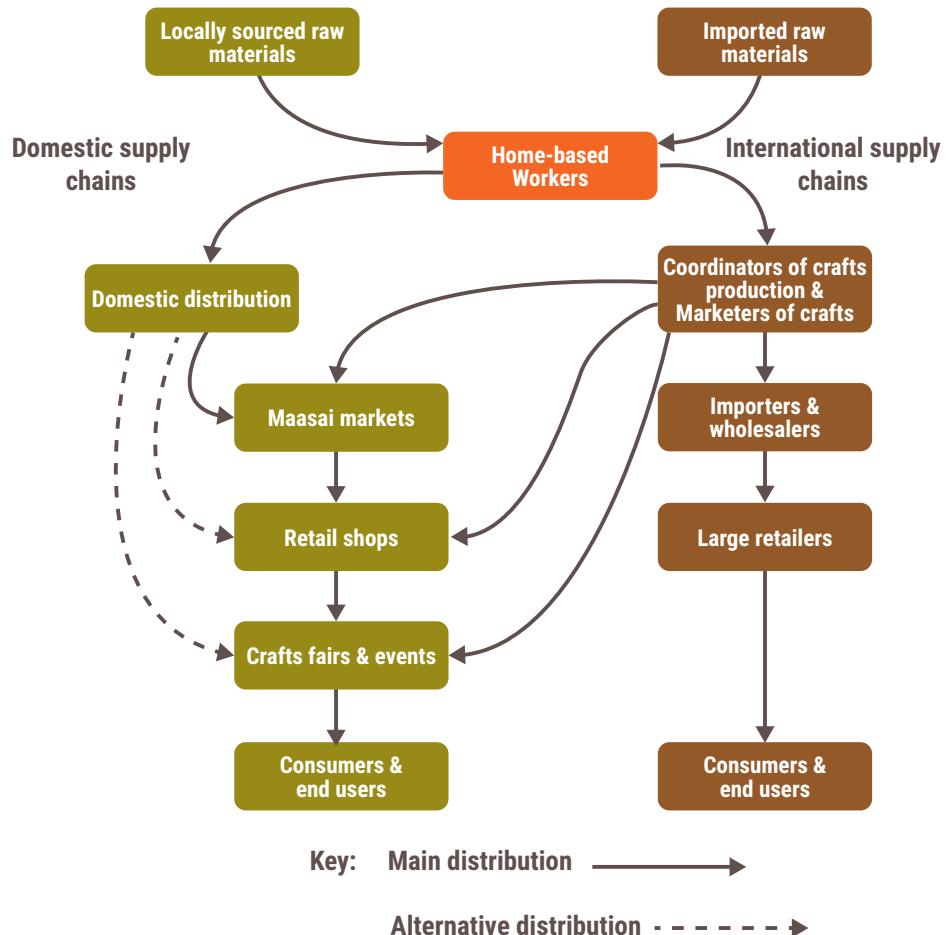
As in Ghana, Kenya has many small-scale agents, traders and brokers acting as intermediaries between the crafter makers and the local markets.

“HBWs that sell their crafts in Maasai markets mentioned the presence of agents or ‘brokers’ who act on their behalf to hawk their products within the precincts of the market to shoppers. The ‘brokers’ sell these products at whatever price they want and make handsome profits over and above the price HBWs want to sell their products at.”

(Sanna 2023: 20)

The diagram below shows the different distribution channels and chains, domestic and international, in Kenya.

Figure 3: Crafts distribution, Kenya



Craft Distribution Chains, Kenya (ibid: 15)

All three reports mention the importance or potential of internet distribution channels. This is changing the nature of supply chain operations. In Ghana, many exporters now conduct their trade online. One informant indicated that established export agents have been forced to close. And, as an exporter himself, he now has less work.

Concerning the effects on craft makers, Sanna notes that,

“Most producers of crafts [craft makers] have limited visibility online. Producers are largely dependent on marketers of crafts who can also be referred to as intermediaries for online market access.”

(ibid: 12)

But he also noted that, “younger home-based workers from pastoralist communities are engaging online platforms for sales and marketing” (ibid: 22). Young craft makers entering the market are likely to utilize the internet for marketing and sales.

The Buyers, Retailers and Consumers

Domestic

Domestic markets are important for craft makers’ livelihoods in all three countries. Lower-end products – including pots, baskets and other utilitarian items and products for traditional functions, such as musical instruments – are commonly sold at local informal markets and on roadsides, among other places. Medium to high-priced products, such as home décor and jewellery, are found in tourist shops, arts centres, upmarket hotels and restaurants, national retail outlets, in corporate premises or in the homes of middle-class residents and expatriates.

Kenya, Ghana and South Africa have their own unique local and tourist markets, such as those in the craft villages in Ghana, and the popular Maasai markets in Kenya. Sanna notes, “revenues are high when tourism is vibrant, but dip when the tourism sector suffers from low visitor numbers” (ibid: 13), as was the case during the COVID-19 pandemic in Kenya. Fairs and exhibitions provide additional domestic outlets, but are not always readily accessible for individuals or small groups, as “exhibitors are prequalified through competitive selection criteria with a bias towards strong established brands” (ibid:12).

Regional and international

All three countries export crafts to other countries in Africa, especially those in closest proximity, as well as international destinations. Table 1 captures the key regional and international export markets identified in the reports.

Table 1: Export Markets and Products

| Country | Export Destinations | Product Examples |
|--------------|---|--|
| Ghana | USA, Holland, Italy, Germany, Japan, Burkina Faso, Togo, Benin | Ceramic products, basketware, beads, hides and skins, paintings and drawings, statuettes and traditional musical instruments |
| Kenya | Ethiopia, Rwanda, Uganda, DRC, Tanzania, South Sudan, USA (no. 7), Germany (no. 9), UK (no. 15) | Basketware, soap stone and wood carvings, textiles, jewellery, home décor, metal crafts |
| South Africa | USA, European Union countries, South African Development Community countries | Jewellery, beaded products, baskets, textiles, home décor |

Source: Country reports

The Ghana report provides information on international buyers and retailers.

“The international market for the Ghanaian crafts is segmented. There are niche American and European buyers or the retail/small buyers who patronize functional, low volume and good quality home décor. There are also the “big box” buyers such as Pier 1 Import and AMC group of buyers who purchase simple, large volume handicraft and relatively low priced pieces for the American market.”

(Boampong 2023: 8)

The Kenya report acknowledges that informants were not familiar with the supply chain once goods enter the receiving countries. However, it gives examples of international fair-trade organizations with a presence in Kenya that import from several countries and distribute in Europe and/or the USA. For example, Eza Fairer Handel, an Austrian company and member of the World Fair Trade Organization, “maintains 3 retail shops and also sells through a network of 90 retail outlets under the brand name ‘World Shops’ that sell only fair trade products” (Sanna 2023: 14).

The Ghana and Kenya reports note the importance of international trade fairs as spaces where exporters and marketers meet and gain orders from international buyers. But they also note that access is difficult and expensive, putting attendance at such fairs out of range for many.

“The Ghanaian craft sector failed to build sustainable relationships with these buyers over a long period of time because it is too expensive for individual exporters to participate in international trade fairs or organize trade exhibitions locally to attract international buyers. The government of Ghana through the Ghana Export Promotion Authority is under resourced to invest in buyer contact exhibitions.”

(Boampong 2023: 9)

Key Challenges

In this section, we expand on some of the key challenges and salient issues for craft makers, as well as the constraints along the supply chains and how these affect the different links.

Design and Production

All the reports note that craft makers have difficulty in adapting their products to meet customer demands. Designing craft products is influenced by who the customers are, the quality required and other factors. The craft maker holds the traditional designs and skills, which are at the heart of craft production. But trends change and customers have changing needs.

“The tension is one between designs, especially of traditional crafts, that are informed by people’s heritage and cultural practices on the one hand: and the demand for innovation that could result in modern products that appeal to a broader market on the other.”

(Matlala 2023: 17)

In Kenya, the craft makers rely largely on intermediaries to bring innovation into their designs, as they are not well informed of market trends. Coordinators of craft production and exporters, in turn, rely on importers, marketers and agents for the design of products as they have a better understanding of customer needs. They may also appoint lead artisans who show creativity and high skill levels as designers. However, Sanna records,

“HBWs from pastoralist communities that specialize in production of traditional crafts such as their colourful jewellery made from beads comprising necklaces, bangles and earrings play the lead role in designing their authentic products.”

(Sanna 2023: 22)

Technology is used in design. In Ghana,

"The internet has also become the source of gaining an understanding of design trends and as well is used by exporters (who can afford) to attract buyers in the absence of consistent state support for participation in trade exhibitions."

(Boampong 2023: 10)

As crafter makers become increasingly digitally literate, tapping into readily available information on trends should bring greater confidence and skills in adapting designs.

As discussed earlier, access to raw materials is a major challenge for the craft makers due to declining, availability or high costs. This has impacts along the chain, with intermediaries affected when orders cannot be fulfilled. From his interviews, Sanna records that, "access to material is a key consideration by large producer groups [coordinators of production] and exporters prior to issuing orders or contracting HBWs" (Sanna 2023: 10). In other words, those who have easy and plentiful access to raw materials, or those whose financial standing allows for purchase of expensive materials, are more likely to obtain orders.

Productivity and Quality

Because craft production is labour intensive, it is extremely difficult for craft makers to respond to large orders. "This limits the potential revenues and incomes earned" (ibid: 9). Women home-based workers, especially, struggle with balancing their work and home responsibilities. While home-based craft work allows women to attend to other livelihood and domestic activities, such activities can also disrupt production and affect production targets. Several other factors affect productivity, such as poor home infrastructure (e.g., scarcity of electricity and water), inadequate transport, poor internet connection, and poverty, which can lead to alcoholism and drug addiction.

Craft makers also experience difficulties ensuring that their products meet the standards required by the buyers. The factors that affect productivity also affect the quality of products. In addition, where prices are unfairly low, the craft makers have to cut costs, thus compromising quality.

Craft makers, exporters and others in the chain suffer losses when products are rejected for poor quality. One Ghanaian respondent reported that "charge backs" were common for exporters supplying products that do not meet buyer quality requirements. As he explains, "we had a serious charge back because most of the wood we sent to them last 2019, grew mould. So there's a charge back of about 12,000 dollars that we have to pay them" (Boampong 2023: 16).

Craft makers frequently face the problem of rejected products. In another case from Ghana, buyers "seized" products not up to their quality standards. This means that the craft maker does not have the opportunity to sell the rejected products, and so her labour is unpaid.

Intermediaries attempt to prevent products being rejected by controlling the quality. They do this by ensuring supervision of the production process and often require the craft makers to work in-house, rather than in their own homes, especially for custom

and high-end orders. Or they put in place quality assurance mechanisms with clear specifications based on agreed samples.

Market Constraints

Markets are central to livelihoods. Simply put, without sales there is no work, no production and no income. Finding channels to sell products – or having access to markets – is therefore a major concern for home-based craft workers. In Kenya, these workers emphasize that improving market access is a high priority.

The various domestic and international markets, and challenges for home-based craft workers, have already been explored here. Drawing from the focus groups discussions, Sanna summarizes some of the main constraints faced by home-based craft makers and intermediaries. In the global markets, Kenyan crafts are not competitive. Weak and inconsistent market access is the main cause of this, he says, noting that home-based craft workers have limited access to market information and skills and so are unable to adapt their designs or create new ones, which would result in more competitive products. This is also the case in South Africa.

“They often lack an understanding of what the market needs and are, therefore, unable to come up with competitive products and marketing strategies... Knowing their market would help craft producers know what products are in demand and guide them in adapting their production accordingly.”

(Matlala 2023: 26)

Sanna also notes that the intermediaries have limited financial resources and lack the skills to identify and target markets. Their lack of market research results in the development of products that are not sufficiently valued.

On the issue of competition, all the reports mention the challenge of competing with cheap imports, especially from China.

Power and Agency

“The role of intermediaries in the crafts supply chain is contentious for various reasons. The one is the asymmetrical power relations between them and craft producers not benefitting much from their products compared to the profits that intermediaries make from them.”

(ibid: 24)

This is a constant theme in the literature and from respondents in the studies. The craft makers justifiably complain that they are exploited by some intermediaries. In Kenya, some intermediaries in the mainstream markets take advantage of the craft makers by “concealing information from [them] that would expose unfair practices”, and by only dealing with those who offer the lowest prices (Sanna 2023: 21).

However, most craft makers do not have the knowledge or means to reach buyers further up the chain. They are dependent on intermediaries to market their crafts, link them to supply chains and provide services such as logistics. This dependency is difficult to break.

“While HBWs recognize the important role played by intermediaries in the supply chains, they also complain that the intermediaries in the mainstream market aren’t normally fair to them in terms of the prices they pay them for their products.”

(ibid: 20)

The dependency does not always lead to hostile relationships, nor are the relationships always intentionally exploitative. Many close intermediaries support the craft makers and play a developmental role, assisting them in various ways including with capacity building to improve products and better manage their businesses, and with supporting their organizing efforts.

Women and Men

The reports show that craft work is a crucial income source for women. “Research has established that women dominate the crafts industry, this is despite the creative industry being biased towards men.” While it may not be the primary source of income for the family, a 2007 report notes that, “70% of crafters ranked crafting as their second most important source of cash income, showing that crafting is generally a crucial livelihood source for participants in the trade, rather than being merely a casual hobby” (Matlala 2023: 21).

Often NGOs or social enterprises support and work with women, and intermediaries may prefer to work with women’s groups, for practical or developmental reasons. In Kenya, Sanna reports that intermediaries such as marketers prefer to work with women’s groups. “The reason provided was that women are more likely to use the income from orders productively compared to men” (Sanna 2023: 8).

Still, we have seen above that women are not always able to participate in the most value-added craft making activities. They are excluded due to tradition or for cultural reasons, such as in Ghana where women are not allowed to touch the Kente cloth weaving looms and are confined to finishing tasks. Moves toward change have been reported though, with some women breaking the cultural barrier and engaging in Kente weaving.

Boampong cites other examples of exclusion.

“Traditionally, basket weaving has largely been the occupation of women in the Upper East Region of Ghana but, as they reported, the presence of a Canadian businessman who sells baskets in the global market has triggered increased participation of young men in basket weaving. And this has ‘opened doors for young men while restricting opportunities for women’.”

“Young male weavers have better access to smartphones which enable them to receive information from Off taker, explore opportunities for buyer contacts and advertise their product using social platforms such as Facebook and Instagram. These advantages obviously position the young men to move up the value chain whereas women weavers’ limited access to electronic devices constrains their access to lucrative nodes of the basket value chain.”

(Boampong 2023: 12)

Boampong also refers to a situation where men set up NGOs and use these as platforms to mobilize women weavers for the export market. The women have no other access to these markets.

"The concern is that through this intermediary arrangement the 'men control the weaving... [and are] living off the women.' This suggests a seeming exploitation of the female weavers by the men who control the NGOs."

(ibid: 19)

This suggests that, while craft making provides a means of livelihood and agency for women, power often remains with men, who capture (or by tradition hold) higher value occupations and more powerful positions in the chain.

Payment and Price

Home-based craft workers are paid in different ways. For sub-contracted workers, piece-rate payments appear to be the most common across the countries, but:

"This form of payment resulted in inequitable pay as it favours faster or more skilled HBWs who end up earning more than those who are slower or less experienced even if they are producing products of similar quality."

(Sanna 2023: 9)

Deposits and part advance payments, direct sales to customers, wages and consignments are other major payment methods. With consignments, the retailer agrees to sell a product in exchange for a percentage of the sale price. The craft worker receives payment once the articles are sold. This method of payment, according to home-based craft worker respondents in Kenya, is the least popular because retailers give unfavourable terms.

Regardless of the method of payment, the amount paid is clearly influenced by the final selling price. Thus, the consumer's influence, while often remote, is key. This cascades down the chain, ultimately affecting the price that the craft makers can command. Sanna presents estimates on some of the mark-ups along the Kenya chain, covering costs and profits. How much of this reflects costs to the intermediaries, such as personnel, rental, packaging or shipping, and how much is profit taking, is not entirely clear.

"Their profit margins range between 20-50% on average when dealing with buyers and exporters applying Fair Trade principles... Buyers or exporters then sell to importers with a mark-up of 30-60% on average depending on the type of products and volume of orders. Importers add their margins... by a factor of between 4-6 to establish the prices to offer their retailers and end-consumers in source markets."

(ibid: 10)

As a respondent in Ghana observes,

"So it's very, very difficult to pinpoint who is making the most money because no buyer would give you what you deserve. They'll only give you what you bargain for or what you are able to negotiate."

(Boampong 2023: 14)

From a bottom-up perspective, a Ghanaian respondent maintains that artisans are able to set prices but that they underprice products, which has a cascading effect on exporter profits and the price paid to artisans. While the artisans strongly assert their power in the supply chain, with the attitude, “I’m the one who has made you successful. I am the one who gets a job for you to also get something to sell.” in reality there is “the general feeling that the leading exporters unfairly treat the artisans, which has caused most artisans to exit the industry” (ibid: 14).

Setting prices, piece rates and consignment fees is a complex process. As we see from the Ghanaian examples, artisans do negotiate with their direct intermediaries, but the price margins are limited by the ultimate selling price, and costs and profit taking along the chain. In South Africa, one respondent describes price setting as a “tango”.

“Each time there’s an order we sit them down, we work through the sample. And we then come up with a fair wage, you know, based on the amount of work that goes into it, because we try and cover the cost of everything else, from the materials to their transport coming to do, then to fetch and deliver.”

(Matlala 2023: 24)

Asserting the right to negotiate, and having the skills to do so, allows the craft makers a sense of agency. The reports suggest that organizing into collectives is necessary to increase craft makers’ negotiating power, together with negotiating skills training.

Support for the Industry and Craft Makers

Government: Policies and Practices

The reports indicate that governments do appreciate the importance of the craft industry for livelihoods and for export earnings, although they are weak on implementation.

“The birth of craft production as direct earner of export revenue coincided with government policy to promote non-traditional export during the implementation of Structural Adjustment Programmes (SAPs) in the 1980s and 1990s,” notes Boampong (2023: 4). In 1992, a trade mission to the USA by the Ghana Export Promotion Council (GEPC) and Commonwealth Secretariat resulted in major buyers entering the craft market. Unfortunately, citing lack of resources, the GEPC and other government agencies do not provide the necessary support.

In South Africa, the sector has been the subject of research and support for many years. Entities such as the Arts Council and provincial craft development agencies have been set up and programmes put in place. It would be useful to explore how successful these have been and to assess if, or how, the involvement of different government departments, with differing goals and perspectives, is useful.

Matlala raises an important point regarding the formalization of the sector. She notes that, “there is a relentless insistence for all craft producers to formalise.” In her view, for women the informal nature of the work is essential, allowing them “to participate in other income-generating activities or continue to manage household roles” (Matlala 2023: 32). It also avoids the costs associated with formality.

The Kenya report refers to government agencies that support the craft industry, including the Kenya Export Promotion & Branding Agency, a state agency providing trade advisory services and product development support, and the Kenya Tourism Board. The Board, which is already involved in craft sector support programmes, expressed a willingness to engage with home-based craft workers and other actors, “with a view to improving visitor tourism experiences through purchases of crafts as memorabilia” (Sanna 2023: 17).

More detailed information on the policies and institutions affecting the livelihoods of craft makers, and the success or failures of such, will be increasingly important as the home-based craft workers get organized, and ready to engage with government departments and agencies.

Civil Society Organizations

The craft industry is characterized by a large number of supportive civil society organizations, such as non-governmental organizations, charitable and religious organizations, fair trade organizations and social enterprises. In addition, some private companies work with craft makers as part of their corporate social responsibility activities, as described by respondents in South Africa.

In other words, the craft supply chain in Africa is not wholly based on the profit motive and, in part, has a clear developmental aspect and approach. For fair trade organizations, “their commitment to the FT principles impacts their productivity and profitability at the expense of their business growth” (Sanna 2023: 12). This raises the question as to whether craft supply chains differ from garment supply chains, which are renowned for highly exploitative conditions.

Recommendations

Two of the reports provide recommendations towards empowering craft makers, which, over time, could enhance the livelihoods of the home-based craft makers. Those with more general, rather than local, applicability are summarized below.

Organize

Collective organizing is essential for information sharing and finding opportunities for markets; enhancing voice and power to negotiate with intermediaries and buyers on value and price; and engaging with government and advocating for the protection and promotion of home-based craft workers. It also enables access to the benefits that support organizations can provide, such as capacity building, and for worker solidarity. The Kenya and South Africa reports both recommend building on existing networks, and Sanna explicitly recommends that, “A greater focus should be placed on recruiting non-members to join HomeNet Kenya” (ibid: 25).

Improve Production and Marketing Capacity

The Kenya and South Africa reports emphasize the importance of building the skills and productivity of home-based craft workers, especially around design and product development. Matlala stresses the need to shift focus from entrepreneurial skills training to production and markets. Sanna recommends that strategic partnerships with

training institutions, and with “value-adding” marketing intermediaries and government agencies, be pursued to provide support and relevant training.

As we have seen, the use of technology is changing supply chain processes. Increasing the capacity of the craft makers, especially women, to work in a digital world could bring customers closer to the workers and begin to “shorten the chain”. Training is needed, along with support for adequate internet connection, electronic devices and data.

Matlala makes the point that the advantages that could accrue by building on local knowledge, skills and technologies are generally ignored, and she suggests that enhancing these could “give craft producers an advantage in the market as part of mitigating the asymmetrical power relations” (Matlala 2023: 31).

Increase Knowledge

Sanna makes several suggestions on how to build the knowledge of craft makers (and some intermediaries) to improve their ability to market and sell their products. These include regular market and supply chain research and having access to better information on sales, e.g. domestic and export data, targeted product information, and so on.

Negotiate Policy

Through their organizations, home-based craft makers should be involved in negotiations on policies that affect them. Sanna notes, “This should focus more on reviewing policies and regulations impacting the crafts industry with a view to incentivising and supporting and protecting home-based workers” (Sanna 2023: 25).

Conclusion

While the research is limited in its scope, it allows us to better understand the craft supply chains in Africa and the challenges and constraints faced by home-based craft workers, and others along the chains. However, there are considerable gaps in our understanding, especially as we move up the chain. Detailed case studies, following a particular product from craft maker to consumer, would allow us to unpack where the power lies, who profits most and open up new points of leverage.

Applying the information, insights and recommendations in the reports to better the livelihoods of home-based craft workers will require building solid home-based worker networks, including home-based craft workers, in each country and on the continent. It will also require concerted efforts to support and empower women craft makers to gain equal opportunities for making higher value crafts, and to have more lucrative roles within the chain.

Changing the mindsets of actors along the chain, in particular the retailers and consumers, so that they appreciate and value the special nature of the craft products and the skills and time needed to produce them – and thus the cost – will require organization and visibility, and the support of governments and civil society organizations, among others. It will also require more and better research, statistics and solid data to demonstrate the true value of crafts and the economic and social contributions made by home-based craft makers in rural and urban areas, within their homes and families, and within the wider society.

Appendix: Glossary of Terms Used

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| Craft makers | Workers who directly make the crafts, including home-based craft workers. This includes the production of articles, such as carving, as well as finishing processes such as polishing. |
| Artisans | Also craft makers. Artisan is used in the literature and some of the reports to mean those craft makers who are highly skilled, producing the crafts mainly by hand or with simple tools. |
| Producers | Used in the literature and in country reports. In this report "producer" has been replaced with "craft maker" to distinguish the worker who makes the crafts from those intermediaries who have dual roles, e.g. coordination and contracting, or companies with in-house production facilities. |
| Intermediaries | The range of people, companies, NGOs providing links in the chain between the craft maker and the consumer. |
| Coordinators of Craft Production (Kenya) | Organizations that focus on coordination of production with home-based craft makers. They may also make crafts, or contract production to home-based workers, and/or market crafts. |
| Marketers (Kenya) | Market and sell the products to domestic wholesalers and retail outlets or exporters and wholesale importers (international). |
| Wholesale Importers (Kenya) | Based in the country. They distribute products to the international buyers. They may be direct agents of the buyers or distribute to several buyers. Responsible for logistics etc. |
| Export agents (Ghana) | Based in the country. Act as agents for the international buyers. Coordination of orders, logistics, quality control, marketing etc. |
| Exporters (Ghana and Kenya) | Buy or make crafts for export. |
| Buyers | The final link in the chain prior to retailing to the consumer. The buyer may be a domestic or international organization and sell on to retailers or may itself be a retailer. |
| Agents, traders, vendors, brokers (Ghana, Kenya) | Small scale or individual intermediaries, often buying from craft makers to sell in local markets. Some sell to export agents. |

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About WIEGO

Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network focused on empowering the working poor, especially women, in the informal economy to secure their livelihoods. We believe all workers should have equal economic opportunities, rights, protection and voice. WIEGO promotes change by improving statistics and expanding knowledge on the informal economy, building networks and capacity among informal worker organizations and, jointly with the networks and organizations, influencing local, national and international policies. Visit www.wiego.org.