# Interviews on non- farming by males in Somodo, Jimma

## Trade

### Facts about trade

The crops that are sustainably traded out of the community are coffee and chat. The peak period for coffee cherry is from October –December and from December onwards up to June is dry coffee period. Chat is traded throughout the year and stops where there is no rain. The number of people involved in trading coffee and chat has increased over time. The profitability is also good but for coffee this varies following the demand of international market which also affects the market price.

The large coffee traders (those who have direct contact with investors) in Somodo are four. Of these large traders, two of them also trade eucalyptus and grain for the community consumption. All traders get information about price and other though phone from their contact.

In coffee trading there is high competition among large traders to have more clients under them who provide coffee to them. This may be done by giving a tip for collectors and lending money for farmers before harvest season in critical times. There are also periods when we discuss among us (traders) to buy with the same price but it is not practical. Each of us buy based on the information/ order from our investors.

The farmers always feel as we exploit them however, they sell with the price we give them which is determined by our investors who order us to buy with a fixed price which changes over time following the world price of coffee. The price to farmers also rises with market inflation. With the coffee price increase both farmers and investors benefit, and they are harmed upon decline. We always get a commission whether the price of coffee increases or decreases.

There is variation of the price of coffee over time. For instance, the last two years the price declined and many investors were bankrupted. Sometimes the local traders who collect for us feel as we exploit them because of inability to audit the cost and expense process.

I buy tree (eucalyptus) from farmers on the farm gate and sell to Jimma for profit for those who are on construction and who retail in Jimma community.

There are part-time cattle and shoat traders. They buy them from Dido (area around Jimma) and sell it in Bilida market and Jimma Abattoirs enterprise (for cattle). There are also a very few part-time traders who sell chicken during holiday but it is not common. However, there is no middleman involved in the sale of milk, butter, egg, bees and honey.

The number of women engage in trading activities is relatively increasing over time. But almost all of them engage in small-scale trading (ex selling fruits on the market, enset etc). In the same manner the number of young men involved in trading of particularly coffee and chat is higher than in 2008.

## Cash crops

### Most important cash crop sold by big trader

Coffee is one of the first important cash crops for the community as well as for me. There are no problems in relation to collecting, storing and distributing it. This is because I directly collect the crops form farmers and the investors transport it to coffee washing plant on the same day. The collection of the coffee is carried out in two main ways. Either the farmer directly brings for sale or we have a kind of middlemen, usually youngsters who collect from the farmers and give it to me on a commission basis (for instance, I have more than 20 individuals who collect coffee from farmers at different coffee collection sites). To collect the coffee from the farmers and middle men the investors give me money and I sell it to them on a commission basis. Hence, we collect from the farmers based on the price we get from our investors. The crops is collected from different sites in the same day using animals and trucks to my site and on the same day the investors come and take it to the washing area using trucks. Then after processing they take it for national and international market. I permanently sell to the same investor who gives me money and a bean-balance to collect the coffee. All of the traders have permanent investors with whom they have long-standing relationships in this business. However, in rare cases when my investor fails to give me equal commission as others do, I sell it for those other investors who pay me more.

### Second most important cash crop sold by big trader

Chat is the second most important crops traded by the community. There is no problem in related to collecting, storing and distributing. Because this crop is bought on the farm gate and transported through carrying it to the road (collecting point) and on the same day it is transported to retailers found in Limu Genit and Kenteri using minibus. The chat traded is carried out in two ways. First the traders and the retailers equally contribute the finance for buying the chat and at the end of the day they equally share the profit and loss. Second the traders finance all the money needed to buy the chat and give it to retailers to sell for consumers and at the end of the day the owner gets 80% of the profit while the retailers get 20% of the profit. The farm gate chat buying price is based on negation with the farm owners depending on the months of the year. The price is very expensive in the month of March and low from June onwards (when the rainfall will be high). The chat is directly collected from farm and sent to the market without any process (improvement in quality). There is no such problem but sometimes when the chat is not sold on the same day as harvesting to customers, the price will decline as its quality deteriorates over time. I give chat to my permanent client (retailer) and he retail to consumers and after all chat is sold we will share its profit.

### Big trader’s activity

I do not trade other crops and livestock. For all of my business I didn’t get any support from the government. I was getting money from my elder brother when I needed it especially during coffee harvest. In the last 12 months I got a benefit from coffee of about birr 70,000 and shared equally with my elder brother who assisted me with money and work as partner with me. I have been trading since2002 E.C. I do not have business licence and do not pay tax for it as usually the business is seasonal. Since then (start) my business has been changed and developed over time. For instance when I started I didn’t have clients who provided me coffee and middlemen who collected from the farm but currently I am able to hold many farmers who constantly sell coffee to me and have more than 20 middlemen who collect the coffee from different directions.

In addition to trading I also engaged in planting coffee and chat for the last 12 months and still I am simultaneously working on cultivating these crops through hiring labourers who assist me seasonally. In fact, I had a labourer that I employed on a permanent basis but we couldn’t agree on payment. Hence, now I always call for daily labourers when the need arises for the farm activities (weeding, slashing, planting etc).

My business will improve and develop when I start to send my own farm product for market. This is because when I sell coffee and chat of my own farm it will assist me to accumulate more money which will serve to buy more coffee and other traded products for profit.

### Most important cash crop sold by middle trader

I engage in trading of coffee since 1993 E.C. I trade seasonally during the harvest period (November-December). There is no problem in collecting and transporting the coffee to large traders. I have many middlemen at different sites and farmers who sell to me and on the same day the investors come with truck and collect the crops from all sites for processing. The buying is also financed by the investors who give me some money to collect the crops for him. I buy from different farmers but I provide for one large trader (investor) who gives me money and a beam-balance to buy the coffee. The price of the day is determined by the investors who inform me to adjust the price regularly following the national market.

Last year I got about birr 6000 profit which is very low. In other years the profit was much better. This is because last year the harvest was not good. The problem in trading is that it needs large capital to buy it. Sometimes the investors withhold our money while theirs is also withheld due to different reason at the bank. When this happens I do not have my own deposit to buy the coffee as I am dependent on investors’ money. Hence, having one’s own money would make me more productive than what I do now.

### Second most important cash crop sold by middle trader

N/A

### Middle trader’s activity

With crops I engage only in coffee trade which is the most profitable. I also do not trade livestock. The price of coffee is adjusted by the investors and whether the coffee price increased or decreased I always have a commission of 50-75 cents per kg. During the coffee harvest and collection periods, the woreda provide us information about the quality of coffee, what kind of barriers we have to buy, in what type of container we have to put etc. They also assign DAs at each collection site to control its quality. I have about 15 individuals who collect coffee during the harvest season from different collection sites and I pay them a commission of about 25 cents per kg.

I also engage in farming and shop trading simultaneously with seasonal coffee trading. Since I started the business is good and developing. However, the problem of lack of money is a bottleneck that has negative impact on the business. Hence, if I get large amount of money I will be able to do more than I do now.

### Most important cash crop sold by small trader

I engage in trading of coffee since 2000 E.C. I have been trading this crop for five years seasonally during the harvest period (November-December). There is no problem in collecting and transporting the coffee for investors. I myself collect the crop from the farmers and give it to a large trader for whom I work on a commission basis. And on the same day the investors come with truck and collect the crops from the traders and take it for processing. The buying is financed by the investors who give me some money indirectly though the trader for whom I collect the crops.

I buy from different farmers but I provide for a local large trader who trades it to the investors, and gives me money and a beam balance to buy the coffee. The price of the day is determined by the investors who inform to all buyers to adjust the price regularly following the national market.

Last year I got about birr 2000 profit which is very low. In other years the profit was much better. This is because last year the harvest was not good. I do not trade any other crops and do not pay tax as I work on a commission basis and seasonally. Last year I was student and couldn’t involve in other economic activities. Since this year I will try to engage in other economic activities as I completed grade 10. There is no problem in trading.

### Second most important cash crop sold by small trader

N/A

### Small trader’s activity

I do not trade other crops and livestock except coffee. I think coffee is most profitable than all others crops traded in the community. The price of coffee is adjusted by the investors and whether the coffee price increases or decreases I always have a commission of 25 cents per kg. During the coffee harvest and collection periods, the woreda provide us information about the quality of coffee, what kind of barriers we have to buy, in what type of container we have to put etc. They also assign DAs at each collection site to control its quality. Last year, I made a profit of birr 2000. I did not employ anyone. Last year education and lack of finance were bottlenecks preventing me from engaging in other economic activities. However, this year I plan to engage in different business activities as I completed grade 10 and failed to pass to the next class.

### Most important cash crop sold by self-trader

I trade coffee. From September-December which is the coffee harvest period, I trade coffee beans and in the rest of the year I also sell dry coffee. I started this activity five years ago. Over the last five years the number of individuals engaged in this trading activity has increased. I sell the coffee cherry in Somodo for collectors and the dry coffee in Bilida for merchants. I do not face transportation problem since I have my own mule to transport the crop to the market centres. I do not pay market tax and have no license. The last year roughly I earn about 4000-5000birr even more profit from it.

The improvement in the trade is directly related with the improvement in price. Hence, the trade is improved if the price does not frequently fluctuate, but this is usually unpredictable.

### Second most important cash crop sold by self-trader

I also sell chat following the rainy period usually two times a year with a peak period in March. Usually when there is rain the chat tree grows new shoots which serve for market. I start trading of chat two years ago. Since then many individuals joined the business, but I also improved my activity and got myself introduced to the clients. There is no transportation problem as I usually sell at farm gate. There are many individuals who knock at the door to collect chat to take to Limu Genti and Kentery (the nearby areas). However, I don’t cover all of the costs that I spend in growing the chat because I started very recently. Moreover, I do not exactly know how much gross income I earned in the last 12 months because the money is immediately used for consumption. The trading of chat is improved if the price is increased.

### Self-trader’s activity

I don’t have more crops for trading. Coffee is more profitable than other crops for trading. The price of coffee is usually fixed by the investors who collect the coffee from self traders, middlemen and others. They order the middle men to buy coffee at a certain fixed price depending on the international price of coffee. The price of coffee was very good before last year but since last year it declined and it is unfair. However, the price of chat is determined based on negotiation between the owner and the collector from the farm. Usually the collectors of chat influence us because if they are not willing to buy the chat at certain period, all the chat that should be harvested will be out of use and no more suitable for market. For fear of this we do not reject the price the collectors give us.

I did not get money for my business. I work by my own. Over the last 12 months I earned approximately more than 7000birr. I also cultivate other cereal crops over the last 12 months for family consumption. My agricultural activities do not affect my trading activities because I trade my own crop during harvest periods.

## Livestock trading

In the last 12 months I sell a number of local cattle that I cannot count. I worked throughout the year on a part-time basis i.e., two or three times a week following the demand. I bring (buy) oxen from the market of Dedo Woreda (few km away from Jimma town and the market day is on Sunday) and sell it on the market of Bilida (the market day is Tuesday) and Jimma in abattoir enterprise (the market day is on Friday). Many buyers use the oxen either for slaughtering or some for farming.

The price and demand vary throughout the year. During the coffee harvest period (September-December is the peak time for coffee berry collection and December onwards for collection of dry coffee) and holidays, the demand for oxen is increasing and the price also, accordingly. However, from March onwards the demand for oxen decreases and the price also drops. For tax I pay birr 15 per cattle per market days. This has to be paid whether the cattle is sold or not. If it is sold it is paid when the cattle leaves the market, thus by the buyer. In the last year I don’t know how much profit I made.

I did not buy and sell shoats in the last 12 months. I usually work on cattle buying and selling.

I have some money by my own to buy 2-3 oxen and also borrow from friends in case of problem. Sometimes especially during coffee harvest period when the demand for cattle is high, there is a need to have money to buy more cattle. During this period I face a challenge to get sufficient money to finance the business and I opt to buy only 2-3 cattle at a time.

I do not have a business license and do not employ anyone on a permanent basis but there are individuals (usually male) who drive the cattle to and from the market centre and I paid them per cattle as labourer. Apart from livestock trading I also farm and grow cereal crops and coffee on my land. I start livestock trading two year ago. Since then I got better experience and knowledge on how to work in the business. Moreover, the number of cattle I buy and sell per market days has also increased over time. For instance during my first year I was not familiar with the business and only bought and sold a maximum of two cattle but know I have gotten experience how to do it and I am able to buy and sell more than 2 cattle per market days.

The main problem in my business is I am failing to run this business simultaneously with the farming activities due to the lack of good labourers in the area. When I go for the market, the farm activity is disrupted due to lack of labour. As a result, I usually give priority for farming activities over the trading one. To run the two activities side by side I am still looking for a labourer who would work on the farming activities but I couldn’t find a good one. Hence, if I found one my trading activities will be improved better than I do now and I could also give much time for the activities.

## Livestock products

### Male traders in livestock products

The selling of livestock products such as milk, butter, honey etc selling is not common except for very few individual women who might sell their own products only to cover some home expenses.

### Interview with livestock trader

N/A

## Micro, small and medium enterprises

### MSME facts

N/A

### Skilled production

There are about 10 fulltime and 20 part-time carpenters who mainly work on house construction and very few on furniture production. However, there are no potters, blacksmiths, tanners, weavers, block makers, basket makers and no one who make wool products and spinning in the area. In earlier time there were pottery workers, black smiths and tanners. However due to discrimination and discouraged by the society’s attitude e.g. labelling potters locally called ‘Fugi’, the generation who used to make these passed away and the new generation didn’t acquire the knowledge to do it. Hence, the community in the area get the services from the nearby kebeles.

### Livestock and products production

There are a few people who engage in selling cattle and shoat for slaughtering and/or farming purpose but their target is not to distribute to other people to fatten as they sell on the market centre. Moreover, there are no individuals or co-operative engaged in fattening cattle and shoat for the market in large quantity. No individuals or cooperative is involved in commercial production of livestock products in the area.

### Local drinks and food production

I couldn’t find a male who is involved in production of local drinks and food.

### More detail on areki production

N/A

### Non-farm male producer co-operatives

There are three stone producing male cooperatives (namely Mulina, Wajin Gudana and Abidi Boru cooperatives) established about two years ago. Mulina stone cooperative was established in 2002 E.C and had 16 founding members. However, currently the cooperative has only 7 active members; the rest migrated to Sudan and some found other job. Wajin Gudena stone cooperative was established in 2001E.C with 20 founding members. However, only 10 members are currently active and the rest found other jobs and left the cooperative. Abidi Boru is the oldest one, which was established in 1996E.C with 12 founding members. However, only 5 of the members are active and the other migrated to Sudan.

None of the cooperatives have employees but there are youth who work on a commission basis to load the stones on truck upon sale and also in rare cases there are middle men who are involved in the process of selling the stone for clients. The product is directly sold at the gate for those who construct houses. Usually the clients come from Jimma town.

The problem in the cooperatives is the dropout of founding members which negatively affect the proper portioning of the cooperative. From this cooperative there are individuals who really changed their life. Some were able to construct their own house, there are also individual who were able to save birr 10,000 at the bank and also there are individual who were able to buy motorcycle.

The price of 1 truck (a capacity of about 7m3) is birr 600. Of this 150 is paid for labour (loading) and birr 450 is for the cooperative (of this money 25% is shared among members and 75% is deposited on the account of the cooperative for further development)

### Natural resource sale

Not applicable for male members of the community for women please see Buzayehu’s report of this section.

### Petty production

N/A

### Service enterprises

Many of the following service enterprises listed below are found in the kebele. There are grain mills; tea houses, shops, shoe shining and mobile phone repair. However, private health service (except the one on the way to be established) and leisure service are not found in the kebele.

### Food-processing services

There are five grain mills but no any other food processing services in the kebele.

### Hospitality services

There are no medium sized hotels or restaurants but there are eight tea houses. Many of them sell tea, coffee, ‘Biskut’. Of them two also sell food. There are two local drinking houses where ‘Arake’ is sold and during coffee harvest there will be beer in the bars. One of the tea houses hires one servant and one baker while in the others bars and tea houses no people are employed.

### Health services

There is no clinic but one newly clinic is on the way to be operational. There are about five traditional medical service providers who work on reference bases. They work on health problems such as ‘tonsile’, Herp zoster, ‘coldness’ and also male circumcision.

In the kebele there is no drug shop for veterinary medicine but farmers access drugs either through the DA who is available in the kebele or they buy from Jimma.

### Shops

There are 32 shops. All of them sell different consumable products including sugar, salt, oil, soap, exercise books, and other products. Five years ago there were 3 shops but now the number has increased over time to about 32 and even more counting those in the remotest areas of the kebele.

### Leisure services

In the kebele there are no leisure services including table tennis, bar football, play station, billiards, and chess boards. However, in many households and tea houses there are TVs and individuals who do not have TV watch from those who have.

### Petty services

There are three teenagers who provide shoe-shining service on part-time basis and one mobile phone repair and one radio repair shop. However, there are no individuals who sell second hand clothes and shoes. The community get such service from Bilida (nearby kebele about 4km away)

### Transport services

There are about 50 individual who provide transportation service using donkey during agricultural harvest period especially coffee harvest. However, they do not regularly provide transportation except the harvest period. There is also one individual who provides transport using a horse-drawn cart. Moreover, there is an individual who have minibus car and provide transpiration in the area.

## Government support for non-farm activities

So far the government does not provide any credit service, training, land or any other inputs for these activities but there is credit service as long as the individuals are organized. Except the shop owners who pay tax and have business licenses, other individuals who engage in the above mentioned activities (tea house, shoe shining, mobile phone repairs etc) do not pay tax and have no business license as they are working on part-time basis and their capital is very low.

There is partly electricity in the kebele. As a result the grain mills that were working with fuel now were changed into the type of grain mills which work with electricity.

## Non-farm employment

In the kebele there are a total of 38 individuals who have formal government jobs in the kebele. It includes 3 DAs, 1 cooperative worker, 31 teachers, 1 HEW, 1 kebele manager and 1 community police officer.

There are also a total of 34 (5 females and 29 males) people from the kebele who have Diploma and above and are employed further away. In addition there are 7 people of the kebele who did not complete school but have a job further away in positions of guards.

One male person is working in NGO outside the kebele. However, there is no NGO in the kebele.

There are 3 guards (2 school guards and one kebele compound guard) paid by the community.

Moreover, there are 10 people who are employed in the grain mills houses. However, no individual is permanently employed in productive or service enterprise and no any other non-farm opportunity in the kebele.