

GREAT Women Project



Brewing Growth for Women's Ginger-based Enterprises Gender-Responsive Value Chain Analysis of Badiangan's Ginger Brew Industry



March 2013

Brewing Growth for Women's Ginger-based Enterprises

Gender-Responsive Value Chain Analysis of Badiangan's Ginger Brew Industry

Abstract This case study highlights the role of as well as challenges faced by women and men in the ginger brew industry of Badiangan, Iloilo. The GREAT Women Project supported the Municipality of Badiangan to create a local enabling environment responsive to ginger brew producers.

Background Badiangan is a fifth-class municipality in the province of Iloilo, composed of 31 mostly rural barangays. It is predominantly an agricultural area, with 80% of its land area devoted to major crops like rice, sugar cane, corn, coffee, banana, mungo, coconut, ginger, sweet potato, cassava, mango, buyo, bamboo and assorted vegetables and fruits.

Women are generally involved in traditional trades of weaving, bolo-making and instant tahu (ginger brew) preparation.

The Ginger Brew Industry of Badiangan

Many individual and enterprise-based farmers grow ginger for produce and brewing. Ginger brew is deemed as a health drink or as first aid medicine for simple head or stomach ache, muscle pains, and dizziness. In 1960, community-based ginger farmers formed a cooperative and consolidated its resources to make ginger brew a market-ready product for the local consumers. The cooperative secured a patent for Badiangan Tahu to continue the mass production of ginger brew.

The Badiangan Ginger Planters and Producers Cooperative (BGPPC), on the other hand, was formed in 1996. This cooperative organized local ginger farmers to revive the pro-

duction of ginger brew and promote the development of the ginger industry in Badiangan. It is based in an agrarian reform community (ARC) composed of seven barangays - Catubig, Linayuan, Astorga, Budiaue, Bitaoan, Iniligan and Sianon (CLABBIS), whose resident farmers are involved in ginger production. The cooperative has 85 active members, 53 of which are female, working to bring ginger brew to the national market. Today, BGPPC is one of the leading manufacturers of ginger brew in Iloilo.

Other major manufacturers of ginger brew in Iloilo include the Badiangan Tahu, Tess Instant Tahu from Tigbauan, and Rozils Instant Tahu from Guimaras.

Ginger brew production peaked and soon, ginger brew was recognized as Badiangan's One Town, One Product (OTOP) in 2003. Since then, BGPPC received various technical and financial assistance from the municipal



Brewing Growth for Women's Ginger-based Enterprises

Gender-Responsive Value Chain Analysis of Badiangan's Ginger Brew Industry

government and several government agencies such as Department of Trade and Industry (DTI), Department of Agrarian Reform (DAR), Department of Agriculture (DA) and Department of Science and Technology (DOST)

Badiangan ginger brew is distributed nationwide and sold widely - from sidewalk vendors to sari-sari stores, supermarkets, convenience stores, coffee and tea houses, hotels and restaurants, resorts, discount clubs and pharmacies.

Local ginger planters and producers are the major providers of ginger rhizomes to BGP-PC. During planting season, the cooperative loans ginger seeds to its members through a "Plant Now, Pay Later" Program. Women are usually the ones engaged in planting ginger, as they are said to yield more and better produce since they provide more care in ginger farming than men.

Upon harvest, the cooperative buys ginger rhizomes from its members, usually PhP 5 higher per kilo of native ginger and PhP 3 higher per kilo of non-native ginger, compared to prevailing market prices. The cooperative also buys brown sugar from Janiuay, Cabatuan, Sta. Barbara and Pototan. Procurement of raw materials is done almost every two days or, at most, weekly due to the limited shelf life of raw ginger rhizomes and the lack of warehouse storage facilities. Raw materials are stored in the cooperative's warehouse in Barangay Iniligan.

Production of ginger brew starts with the washing and cleaning of ginger rhizomes brought in by the suppliers to the manufacturing plant. Washing takes several minutes to an hour depending on the volume of rhizomes. After washing, the cleaned rhizomes are cut into small pieces using an ordinary knife and then placed in the grinding machine. Ground ginger is then placed in a container and dried under direct sunlight, usually for two days.

Brown sugar is then mixed with ground, well-dried ginger. The mixture is placed in a huge container and cooked for about two hours or more. Cooking ginger brew at constant temperature is necessary to keep the desired brew quality. The current method of cooking using fire wood, however, is a hazard-prone method for women and men workers alike. Men, in particular, are into transporting sacks of rhizomes from farm land to processing plant, washing, cleaning and cooking of ginger into ginger brew.

*Ginger Brew
Production
Process*

Brewing Growth for Women’s Ginger-based Enterprises

Gender-Responsive Value Chain Analysis of Badiangan’s Ginger Brew Industry

The finished product - ginger brew - is then placed in a wide aluminum table for cooling, packing in plastic sachets and jars and weighing. Packed ginger brew are accounted and recorded in the log book and stored in the warehouse. Ginger brew is packaged in 1 kilogram, 500 gram, 200 gram, 100 gram , 10 grams sachet polypropylene bags and in plastic jars in 320 grams, 300 grams, 180 grams, and 160 gram weights. Ginger brew variants (i.e. classic, lemon grass and pandan) retail at Php 56 to Php 70 per pack.

The cooperative’s delivery transport delivers the packed ginger brew from the warehouse to wholesale and retail stores, supermarkets and coffee and tea houses in nearby municipalities and cities. Sales are mostly made through direct orders and trade fairs. Walk-in buyers, usually from nearby localities, are also major sources of revenue.

Men and women are both involved in word-of-mouth marketing, distribution of product brochures and other marketing strategies employed to widen the market base of ginger brew products. Sales services are also extended to customers such as product replacement as well as directions for retailers and customers to use, handle and store the products.

Ginger brew’s price, type of brew (e.g., sweet/dry), color, packaging and promotional activity are its highly-rated attributes while sustainability of production, front label, weight of the package and organic materials are the least-rated.

Gross ratio (or the ratio of gross profit percentage to net sales), and net profit is estimated at 40 percent as ginger brew only requires low-cost raw materials such as gin-

*Roadblocks
Confronting
the Ginger Brew
Industry
of Badiangan*

Actors in the Badiangan Ginger Brew Value Chain

Actors	Female	%	Male	%	Total	%
A. Operators						
Ginger Farmers	53	60	32	45	85	53
Ginger Suppliers	28	32	15	21	43	27
Ginger Brew workers	5	6	4	6	9	6
Suppliers of Other materials	0	0	5	7	5	3
Wholesalers/Retailers	2	2	15	21	17	11
Total	88	100	71	100	159	100
B. Enablers						
Technical Experts	5	5	2	3	7	4
Financing Institutions	0	0	5	6	3	3
Total	93	100	78	100	171	100

Brewing Growth for Women's Ginger-based Enterprises

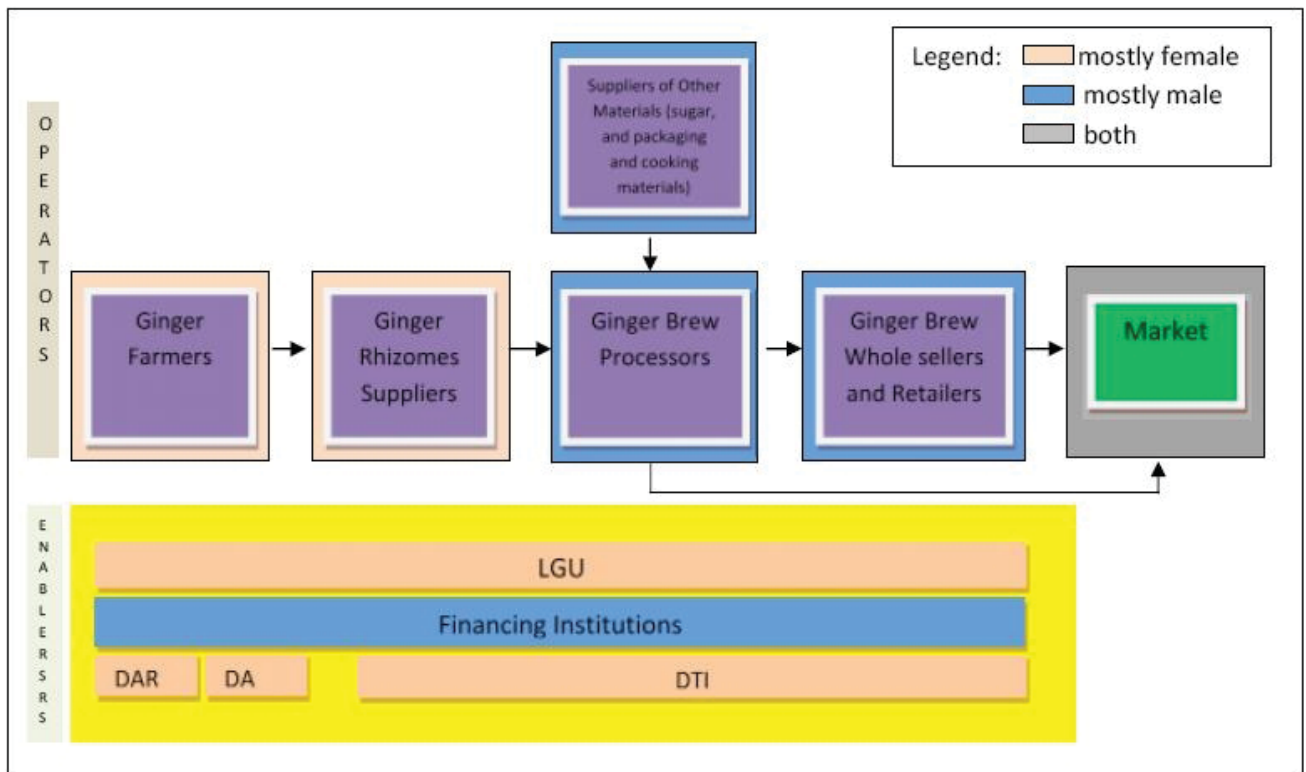
Gender-Responsive Value Chain Analysis of Badiangan's Ginger Brew Industry

ger, sugar, water, firewood, plastic for packaging with minimal overhead for production costs. Administrative and marketing costs account for other enterprise expenses.

Women dominate the upstream or supply sections in the value chain as ginger farmers, small suppliers, enablers and workers are mostly female while operation and downstream sections composed of microentrepreneurs and traders are predominantly male.

While traditional ginger farming depended on water irrigation and use of heavy farm chemicals, supply of ginger rhizomes can still be unpredictable. Women ginger farmers should then develop capabilities for agro-enterprise development to support off-season productive activities.

Badiangan Ginger Brew Value Chain



Brewing Growth for Women's Ginger-based Enterprises

Gender-Responsive Value Chain Analysis of Badiangan's Ginger Brew Industry

There is also a need to improve the equipment and safety gears used in the production process, specifically in the cutting of rhizomes and the drying, mixing, and cooking of ginger brew to meet industry standards for quality beverages. Ways to improve ginger brew shelf life should likewise be adopted and more ginger brew should be produced when ginger rhizomes are in large supply. Business development services are then needed to develop the ginger brew industry.

Ginger brew also needs to compete with other herbal teas and beverages in the market. Its producers and suppliers should tap into increasing demand for organic food and beverages through market research, product innovation and more aggressive marketing.

BGPPC also have to obtain Good Manufacturing Practice (GMP) certification to enable them to market ginger brew to large hotels and restaurants, hospitals, resorts and clubs that require government-approved quality certifications.

Through the GREAT Women Project, the municipal government of Badiangan organized a multi-agency partnership with the Philippine Commission on Women, Department of Agrarian Reform and Japan International Cooperation Agency (JICA) to train 52 female BGPPC members on ginger production and tahu product development to comply with the requirements of the Food and Drug Administration (FDA). The municipality likewise forged partnership with the Department of Science and Technology (DOST) to provide assistance to women's groups to enhance ginger making technology.

Badiangan LGU, furthermore, continuously encouraged women microentrepreneurs to participate in local governance processes and established mechanisms dedicated to enterprise development. It likewise allocated a significant percentage of their GAD budget for services supportive of women in microenterprises, in cognizance of their six-year gender-responsive Comprehensive Development Plan (CDP). It also has a technical advisers' pool that assesses the gender-responsiveness of proposals for approval by the local chief executive.

About The Project

The Gender Responsive Economic Actions for the Transformation of Women (GREAT Women) Project is a governance and capacity development project that aims to promote and support a gender-responsive enabling environment for women's economic empowerment, particularly those in microenterprises.

The Philippine Commission on Women (PCW), the national machinery for the advancement of women in the Philippines, is the lead executing agency for the Project.

The Commission forged partnership with key national government agencies involved in micro-, small- and medium-scale enterprise (MSME) development and select local government units to create a gender-responsive enabling environment for women's economic empowerment. This project receives technical and financial support from the Canadian International Development Agency (CIDA).

GREAT Women Project
Management Office
Philippine Commission
on Women

1145 J. P. Laurel St., San Miguel, Manila
1005 PHILIPPINES
Tel. No. (+63-2) 734-1731
735-1654 loc. 123
Fax No. (+63-2) 736-4449
Website: www.pcw.gov.ph