ADDIS ABABA CHAMBER OF COMMERCE AND SECTORAL ASSOCIATIONS

Final Report

On

Value Chain Analysis for Weaving Products

August 2015

Addis Ababa

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Ref. No

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Acronyms/Abbreviations

AACCSA	:	Addis Ababa Chamber of Commerce & Sectoral Associations
ALERT	:	All African Leprosy Education, Rehabilitation and Training
BoA	:	Bureau of Agriculture
BoI	:	Bureau of Industry
BoT	:	Bureau of Trade
BoCT	:	Bureau of Culture &Tourism
BoWE	:	Bureau of Water and Energy
CSA	:	Central Statistics Agency
EARI	:	Ethiopian Agricultural Research Institute
E.C	:	Ethiopian Calendar
EU	:	European Union
ECPGEA	:	Ethiopian Cotton Producers, Ginners & Exporters Association
ETIDI	:	Ethiopian Textile Industry Development Institute
FGD	:	Focus Group Discussions
GTP	:	Growth and Transformation Plan
IDS	:	Industrial Development Strategy
KIs	:	Key Informant Interviews
MFIs	:	Micro Finance Institutions
MOA	:	Ministry of Agriculture
MoCT	:	Ministry of Culture and Tourism
MoI	:	Ministry of Industry
MoT	:	Ministry of Water and Energy
MSE	:	Micro and Small Enterprises
MSEA	:	Micro and Small Enterprises Agency
PLC	:	Private Limited Company
TWI	:	Traditional weaving Industry
UNDP	:	United Nations Development Programme

EXECUTIVE SUMMARY

This final report on Traditional Weaving Products Value Chain Analysis, in which the comments from AACCSA is incorporated and prepared by ITAB CONSULT PLC, based on the agreement dated 24 February, 2015.

The study was made in Addis City Administration, specifically in Gulale, Addis Ketema, Bole, Yeka and Kolfe Kerranyo Sub-Cities. Much of the focus was made in Shiro Meda, Addisu Gebeya, Markets (Shema and Dir Tera), and Bole Medihane–Alem, Bole Road areas where most of the actors of Traditional Weaving Products are operating.

The methodologies used in the study included document review, focus group discussions, key informant interviews, survey on some of the actors and field observation. Full-fledge survey questionnaires, checklists and Key informant interview questions were developed and used for the data collection.

Moreover, a number of key organizations pertinent to traditional weaving products value chain analysis were also visited. In addition, a number of individual and enterprise actors were consulted. Accordingly, actors such as weavers, spinners, input providers, boilers and strengtheners of Yarn/"Dir, individual and enterprise level licensed traders, tailors & sewers, etc were consulted and data were collected from them.

On the support side, institutions like the Ministry of Industry, Ministry of Culture and Tourism, Central Statistics Agency, Textile Industry Development Institute, Gulalae Sub-City Bureau of Micro and Small Enterprise, Gulale Sub-City Industry and Trade Department, Offices of Industry and Trade of Woreda 3 & 8 in Gulale Sub-City, Woreda 10 of Trade and Industry Office of Addis Ketema Sub-City etc were visited and adequate data were collected. In addition, Ethiopian Cotton Producers and Ginners Association, big companies like Muya Ethiopia and Trio Craft engaged in hand weaving and exporting were also visited. Selected individual designers and traders of hand woven cloths located at Shiro Meda, Bole Medhane-Alem, Bole Road and Shema Tera in Merkato were among some of the visited ones. Addis Credit & Saving S.C branch office at Gulale Sub-City was also consulted. Physical observations were made on operational activities at different sites and marketing of hand woven cloths at the open market held at Shiro Meda on every Sunday were incorporated in this report. This report portrays detail information of the traditional weaving products value chain analysis with view to provide major findings and recommendations which would support future development and upgrading endeavours.

The report is organized into Eight Chapters excluding the executive summary. The introductory chapter contains background to the study, brief explanation of the objective of the study, its scope and methodologies employed to gather information and undertake the analysis.

The introductory chapter is followed by discussion on traditional weaving industry sub-sector. This chapter provides discussion on traditional weaving in Ethiopia and particularly in Addis Ababa. Chapter two, which discusses the mythology used is followed by chapter three in which the main part of the value chain analysis that provides what value chain is all about conceptually; the value chain map that presented to clearly show the synergy between and among the different micro actors and useful analysis was made using and with the support of the map presented. Meso and macro level institutions that provide support with their specific roles and responsibilities were presented in the same chapter. In chapter four, price and cost structure of the traditional weaving products is presented. Constraints & opportunities that exist in the traditional weaving products are presented in chapter five; and cross cutting issues on gender and environment, and traditional weaving value upgrading issues were respectively presented in chapter six and seven, respectively. The final chapter of the report, chapter eight, provides conclusion and recommendations. The major recommendations that emerged from the study are:

- The promotion of the establishment of different Associations that may include (Weaver's, Inputs Supplier's, Yarn Boiler and Strengtheners', Spinner's, Fashion Designer's, Hand Woven Product Trader's and Knitter's, Sewer's, Tailor's and Twister's) for networking, lobbying and making negotiations on challenges encountering hand weaving products and creation of smooth relationships among the different actors.

- The promotion of the establishment of a forum for Networking Traditional Weaving Products Producing & Marketing with membership of the above stated Associations for overall networking and lobbying for all actors in general. The Ethiopia Cotton Producers, Ginners and Exporters (CPGE) Association and big enterprises/PLCs licensed and engaged in the production, processing and finishing of hand woven cloths for export, after establishing their own association could also be associate members of the Forum.

- Giving attention to those actors engaged in Traditional Weaving Products Producing at their respective houses and supporting them with adequate assistance in organizing and building their capacities so that they could also benefited from the value chain development.

- Creation of coordination and integration among the different supporting stakeholders for increased production of cotton in the country through awareness creation.
- Shortening the prolonged process of weaving inputs supply.
- Technology development for boiling Yarn/"Dir" from that of the traditional one.
- Promotion of Coloured Threads/"Tilet" production in the country.
- Development of quality control mechanism on inputs supply and standardization of hand woven products quality.
- Reorganization and revitalization of cooperatives engaged in the production of hand woven cloths products.
- The promotion of big companies (PLCs) in the hand woven cloths production for exporting in volume and quality, and
- Development and promotion of research to increase domestic demand and use of hand woven cloth products.

1. INTRODUCTION

1.1 Back ground

The handloom weaving sub-sector in Ethiopia is derived from the cotton sub-sector and is an example of a traditional-based and home grown activity. Handloom weaving is a simple activity and is pivotal in the cotton sector as it binds both the rural and urban households together and is grown from the home-based traditional handcraft industry. Handloom weaving was established to meet household need and demand for clothing, and then gradually grew to be an additional source of income as an off-farm activity. In fact, handlooms (informal operators) are the major demanders of raw cotton, and who are engaged in weaving and preparation of traditional fibers, especially woven cloths that are popular both at the rural and urban centers, exported to Ethiopians living in foreign countries and other foreigners.

The major products of the handloom sector can be divided in to semi-finished fabrics and finished products. While the semi-finished fabrics are usually channeled to the domestic garment factories for further processing, the finished products are divided into traditional clothing categories like "Kemis", "Netela", "Gabi, "Buluko" etc, which are sold mainly in the domestic market and other users living in foreign countries and hand woven textiles, destined to the international market (Abdella and Ayele 2008).

There are several aspects of the handloom weaving sector that can be explained: First, it is the most important non-agricultural source of income in the country (CSA 2003a). Across the country, over eight times as many people generate their livelihoods from micro-enterprises and small scale manufacturing industries than from medium and large scale industrial establishments (CSA 2002).

As weaving activities can fall under either category, the sector's importance to this category of livelihood generation is clear. Second, it is one of the few non-agricultural sectors with a discernable presence in both urban and rural areas. In both urban and rural areas, there are strong patterns of geographically clustered handloom activities. In Ethiopia, hand-weaving is a particularly important sub-sector, being the most important employer of rural families after agriculture (Abdella and Ayele 2008).

According to the CSA's 2003 Cottage/Handicraft Manufacturing Industries Survey, the textiles industry has the second highest number of establishments in the cottage and handicraft manufacturing industry (221,848), representing 23% of the total number of cottage and handicraft enterprises, with almost 55% of these located in rural areas. Across the nation, the textile industry employs the second highest number of people among the cottage and handicraft manufacturing industries, following food products and beverages. This industry accounts for 23% of the total employment in the cottage and handicraft manufacturing industries, and 20% of the rural employment in the cottage and handicraft manufacturing industries. Weaving enterprises make up 73.2% of the textile industry in number of establishments, and 42.8% in total number of workers. Table 1 presents figures on the other types of non-farm, small-scale industries (CSA 2003b).

Traditional Weaving Industry (TWI) in Ethiopia has been a key home industry activity in both rural and urban areas. Shiro Meda, located in the Northern part of Addis Ababa, at the foot of the Entoto hills is home to some of Ethiopia's most respected weavers[1]. Over the last 60 years, several weavers have migrated from the Southern part of the country to Shiro Meda and Addisu Gebeya area being the centre of traditional weaving in Addis Ababa.

The Traditional Weaving Industry is categorized by the Central Statistical Agency (CSA) as Cottage/Handicraft Manufacturing Industry, and Cottage /Handicraft Industries are defined as manufacturing establishments, where goods are produced for sale, which predominantly do not use power driven machines during the manufacturing process and where employment is limited to the owner and in some cases may extend to family members.

Usually these establishments are located in households or small workshops. Such establishments are mainly household type enterprises. As per the CSA survey report of 2003, the number of Cottage /Handicraft Manufacturing Industries' business enterprises in Ethiopia is estimated to be 974,676 of which 63.27% are rural based while the rest (36.73%) are urban based.

With regard to the weavers, the CSA report for 2003 indicated that there were 221,848 weaving establishments in Ethiopia in 2002. The number of such establishments has showed significant increase over time, and in 2010 the number of such establishment were estimated to be 330,341 for the whole country. Similarly, during that time, the numbers of weavers in Addis Ababa City Administration were estimated to be 66,068 and their weaving establishments were 49,214. Currently, it is expected that the number of weavers as well as their establishments is greater than the previous years' corresponding to population growth and increased demand for hand woven cloths.

Despite the different challenges and constraints that encounters, it is well recognized that Micro and Small Enterprises (MSEs) to which the Traditional Weaving Industry is a part and a means for income and employment generation and a breeding ground for entrepreneurship development. Limited market access, low level of knowledge and skill to compete in the available market are among the critical challenges faced by micro and small businesses. The low level of capacity, limited business relations and communication with the different actors that plays a significant role in traditional weaving value chains are critical factors that limit productivity and competitiveness.

Thus, for ensuring the competitiveness of small enterprises aimed at increasing their contribution to development and poverty reduction is necessary to enhance their performance and productivity by facilitating a system of effective development of value chain analysis which examines what chain actors and supporting institutions can do to improve their competitive advantage, while at the same time providing better value to their consumers. The traditional weaving production value chain analysis can provide a comprehensive roadmap towards promoting as well as addressing the challenges of traditional weaving products sub-sector.

In view of supporting its members in general and small businesses in particular, Addis Ababa Chamber of Commerce and Sectoral Associations (AACCSA) in partnership with the European Union (EU) supported the study of this Traditional Weaving Products Value Chain Analysis as one of its activities that it implements from the "Empowering Non-State Business Actors Project".

1.2 Objectives of the Study

The objective of the Traditional Weaving Products Value Chain Analysis is to promote the competitiveness of the weaving products sub-sector by enhancing their production capacity and creation of marketing efficiency through developing effective flow of information, resources and technology at each stage of the value chain.

1.3 Scope of the work

The scope of work for the value chain analysis included:

- Collecting secondary data from relevant institutions, organizations, Small and Micro Enterprise Agency(SME) Bureau, Woreda level Offices etc, on policies, plans, strategies etc, and performances reports on weaving sub-sector ;

- collecting quantitative and qualitative data using structured questionnaires from the different actors on traditional and modern weavings;

- Undertaking focus group discussions(FGDs) and key informant interviews(KIIs) with relevant stakeholders that included organized weavers, individual weavers, big companies(PLCs) engaged in modern weaving, input providers for hand weaving products, Yarn("Dir) boilers and strengtheners, spinners, hand woven product traders of different categories, government and non government supports to hand woven products, designers and tailors of hand woven cloths and middlemen traders of hand woven cloths.

- Conducting physical observations at the supply of inputs for weaving at Merkato Shema Tera, Dir Tera, Cotton Tera, weaving premises at Gundish and Addisu Gebeya, spinning areas, open marketing outlets of Shiro Meda, Bole Madihane Alem, Bole Road etc.,

- Collecting primary data from 80 individual traditional weaving actors (weavers, hand woven product sellers/traders, spinners, input providers, boilers and strengtheners of Yarn etc) through the survey conducted. and

- Analyzing the data by using conventional tools of data analysis and producing draft and final report.

II. APPROACHES AND METHODOLOGY OF THE STUDY

2.1 Analysis Approach

The approach used in the analysis was both qualitative and quantitative data. Qualitative data were generated by using instruments developed by the consulting firm and collected from different actors including organized and traditional weavers, input providers, spinners, weaving products sellers and supporting institutions/stakeholders. Available secondary documents on traditional weaving were reviewed; relevant quantitative data were collected from all sources of reports.

2.2. Analysis Methodology

2.2.1 Initial Discussion with the Client

The initial discussions were conducted with the project holder (client) at the head office, Addis Ababa Chamber of Commerce and Sectoral Association (AACCSA) and at its project office in Lay-Lay Building, Merkato near Tekle-Haymanot. Major remarks on the importance of development of Traditional Weaving Products Value Chain were given and consensuses on what is expected to come out from the study were reached on. The General Manager of AACCSA, Project and Program Development Manager of AACCSA and Project Office Head and Gender Expert, ITAB CONSUL PLC General Manager and consultants engaged in Traditional Weaving Products Value Chain Analysis have participated in the initial discussions held.

2.2.2 Document Review and Secondary Data Collection

Document review and secondary data collection was one of the method used in collection information sources for the study. A number of relevant and related documents were collected from Project Office, Ministry of Industry, Bureau of Micro and Small Enterprise Agency(MSEA) Ministry of Culture and Tourism, Woreda level offices of MSEs in Gulale Sub-City , Addis ketema Sub-City, Hand Weaving companies(PLCs) like MUYA Ethiopia, Trio-Craft, Ethiopian Textile Industry Development Institute(ETIDI), Ethiopian Cotton Producers, Ginners and Exporters Association(ECPGEA), Central Statistics Agency (CSA) and other relevant document like "Dorze Weaving", "Weaving in Ethiopian and Apparel_ Value_ Chain were reviewed. Quantitative data collected were analyzed and used in the preparation of this document. The quantitative data collected were triangulated with the qualitative data collected through using FGD, KIIs and physical observation methods. A list of documents reviewed is attached on Annex 1.

2.2.3 Focus Group Discussion

The FGDs were conducted with different weavers organized into different weaving enterprises ("cooperatives", joint venture, team based), spinning cooperative members, hand woven cloths traders organized into enterprises both at Shiro Meda Gundish site and Addis Gebeya site in Gulale sub-city and support provider government institutions at woreda and sub-city levels. In the discussions held, various groups of persons with various sizes have participated and were able to express their views and opinions on different constraint issues of the traditional weaving, weakness of the organized weavers and their strengths. Semi structured questionnaires and checklist prepared prior to the commencement of the assessment were used. Overall, 17 FGDs were conducted and 205 persons have participated in the discussions. Detail FGD participants list is attached on Annex 2.

2.2.4 Key Informant Interviews

Key informant interviews carried out involved interviews with chairpersons of weaving enterprises, spinners, hand woven cloths traders, inputs(Yarn/"Dir", "Mag", coloured threads/"Tilet") suppliers ,designers and tailors, weaving products sellers at their respective shops, selected companies/ PLCs like Trio-Craft, MUYA Ethiopia, Geni, Government stakeholders staffs like Ministry of Industry, Ministry of Culture and Tourism, MSE Addis Ababa Bureau and Gulalae Sub-City etc.

Overall, the consulting team made 57 KIIs with actors and supporters of the traditional weaving sector. The list of these participants is attached on Annex 3.

2.2.5 Physical Observations

The consultant team has also undertaken personal/physical observations on the traditional weaving sector that include working areas of different actors, like raw cotton ginners, weavers using both traditional and modern loom, boiling of Yarn/"Dir" for strengthening and whitening, sales shops, open market place for traditional hand woven cloths every Sunday. During the physical observations made, the consulting team has taken various pictures and photo graphs that indicate the current physical situations of the traditional weaving sub-sector. Some of the selected photographs are attached at the Annex.

2.2.6 Limitations of the study

Even though various tools including household survey, focus group discussion ,key informant interview, physical observation and consultation were used to extract data from the various actors in the value chain, it has not been possible to collect credible purchase and sales prices of inputs from providers, output marketing at different levels due to lack of transparency among all. Current data on the number of weavers, particularly, engaged in weaving at their respective houses were not possible to obtain. The current overall data on traditional weaving sector could not also be found from concerned agencies. Due to this and similar factors detailed economic analysis could not also be made.

III. AN OVERVIEW OF THE TRADITIONAL WEAVING SECTOR

Weaving production in Ethiopia has traditionally been a key home industry activity in both rural and urban areas. Shiro Meda, in Gulalae Sub-City and the northern part of Addis Ababa, at the foot of the Entoto Hills is home to most respected weavers in Ethiopia. As some studies indicated, over the last 60 years, several weavers have migrated from the southern part of Ethiopia, Gamo-Gofa area to currently known as Shiro Meda in Gulale Sub-City of Woreda, 1, 2 and 3. Other group of traditional weavers have migrated to from different places to the currently known area of Addisu Gebeya and Ketchane area in the same Sub City of Gulale. Currently, Shiro Meda (Woreda 1, 2, and 3) and Addisu Gebeya areas including Ketchene are as the main centre for traditional weaving in Addis Ababa. Some weavers are also found in pocket areas of Kolfe Keraniyo, Addis Ketema and Yeka Sub-Cities.

The traditional weaving industry is categorized by Ethiopian Central Statistical Authorities (CSA) as Cottage/Handicraft Manufacturing Industry. Cottage /Handicraft Industries are defined as manufacturing establishments: where goods are produced for sale; which predominantly do not use power driven machines during the manufacturing process; where employment is limited to the owner and in some cases may extend to family members.

Usually the Cottage/ Handicraft establishments are located in households or small workshops. Such establishments are mainly household type enterprises. The current number on Cottage/Handicraft Manufacturing is not found from CSA and the data used in this part of the analysis is that of the 2003.

As per the Ethiopian Central Statistical Authority (CSA) survey on Cottage /Handicraft Manufacturing Industries (CSA Report, Addis Ababa, Sept., 2003, pp.6) during that time, the number of Cottage/Handicraft businesses in Ethiopia was estimated at 974,676 of which 63.27% were in rural areas and the rest (36.73%) in urban areas in 2002.

With regard to the weavers' demographics in Ethiopia, in the CSA 2002 report, it was indicated that in 2002 there were 221,848 weaving establishments in the country. Assuming the increase in number to be half of population growth (2.7%), the number of weavers in 2005 was expected to be 230,000. The number of weaving establishment may increase by half of the population growth or 1.35%. Urban weavers (both male and female) are estimated to constitute 45% of total weavers in the country whilst the rest, 55%, are situated in rural areas. The female representation in the sector is 39%.

When its growth trend is seen, number of weavers as well as weaving establishments, both nationwide and in Addis, was increasing till the present. The following table shows the trend of traditional weaving industry in nine years time, though it is in its traditional form.

In general, most traditional weavers are within the in-formal sector. They are almost all self-employed and operate from homes, have no formal training, do not pay taxes and have almost no access to modern finance in whatever form.

Table 1: Trends of Weaving Industry in Ethiopia and Addis Ababa for the Period 2002 to 2010

Years	No of weaver	No of weaver			NO of Establish-ments in ADDIS
	ETH	ADDIS Ababa			ADDIS
	Total	Female	Male	Total	Total
2002	296,737	23,145	36,202	59,347	44,207
2003	300,743	23,458	36,691	60,149	44,804
2004	304,803	23,775	37,186	60,961	45,409
2005	308,918	24,096	37,688	61,784	46,022
2006	313,088	24,421	38,197	62,618	46,643
2007	317,315	24,751	38,712	63,463	47,273
2008	321,599	25,085	39,235	64,320	47,911
2009	325,940	25,423	39,765	65,188	48,558
2010	330,341	25,767	40,302	66,068	49,213

Source: CSA, Report on Cottage /Handicraft Industries, 2011

Traditional weaving has a long history in Ethiopia with diverse traditional handloom products. It absorbed so many employments and is a significant source of livelihood income for a large number of people both in rural and urban areas of Ethiopia.

The handloom weaving cluster has economic and development importance in terms of very high employment potential and linkages with agriculture and other sectors of the economy. Potential for producing more cotton in the future, availability of traditional weaving skills, increasing global market for niche hand woven home furnishings products and conducive environment for export led weaving products promotion and support are existing.

Out of the estimated number of about 66,068 weavers in Addis Ababa, majority of them are living in Gulele sub-city. In general these weavers could be broadly classified as: weavers who are working in their own houses on individual basis and those weavers who are organized into different forms of enterprises ("cooperative" type, joint venture and team based) and working at the Condominiums constructed by the government and provided to the different enterprises including the weavers on monthly base rent.

The working premises were arranged by the City Administration, and 12 multi-storied blocks (G+4 each) capable of accommodating many handlooms were constructed at two locations, Shiro Meda/ Gundish and Adisu Gebeya sites both in the Sub City of Gulele. Weavers, spinners, hand woven traders, weaving input suppliers, tailors and sewers etc, organized into different enterprises were provided with the working places at the premises of the multi-stored blocks (G+4) on rent base. The weavers and other actors like spinners, input providers, weaving products traders, tailors and sewers etc were organized into different forms of enterprises with the support of MSE Agency. The weavers organized into different forms of enterprises ("cooperatives", joint venture, and team based) were facilitated by the city administration to acquire the improved loom in which many of the weavers have replaced the old one with wooden handloom frame by metallic one (metal frame). Currently many of the weavers are using the modern metallic frame which is easy to dismantle, reassemble and move from one place to another place. Except the frame, there are no technical improvements to enhance productivity and design diversity.

The weavers organized into different forms of enterprises ("cooperatives", joint venture and team based) and those individual weavers at their houses and engaged in weaving use three kinds of inputs for producing weaving products. The inputs are Yarn/ "*Dir*," a factory produced for warp, "*Mag"* for weft and coloured threads/"Tilet", factory product used for decorating borders of the hand woven cloths. The weavers mainly engaged in productising weaving products/cloths like "*Kemis*" that is usually worn together with "*Netela"*. The latter is a shawl, which may also be worn with other types of clothing. Nowadays, "Kemis" made from Yarn*/"Dir"* and "*Mag*" produced by factory is much preferred and it is named "Menen" (irs- bersi"). "*Kemis*" could also made from Yarn/"*Dir*" and hand spun cotton "Mag" for weft. This type of "Kemis" is heavier than the "Menen" one. The former is preferred by women because it is lighter and whiter. The other type of hand woven cloths produced is named "*Gabi*," a large cloth worn by both women and men in bed or in cold weather. *"Gabi"* is made from Yarn/"Dir" for warp and "Mag" for weft that is spun by women from ginned cotton named "Amalmalo". The other type of cloth that is produced by weavers is named "*Bulluko".* It is made Yarn/"Dir" and "Mag" for weft that is spun by women. The thread that is used is spun by hand and it is much thicker. "Bulluko" is bigger and longer than the other hand woven cloths. It is used by older people in highland areas and can also be used as a blanket in bed in urban areas. The production of "Bulluko" in Addis Ababa is very much limited and the bulk of it is produced around Chench area in Gamo Gofa. Using similar cotton yarn/"Dir" and "Mag", weavers produces scarves, curtains, shawls, cloths used for making hand woven bag, bed sheets etc, based on contractual agreement made between weavers and other weaving companies/PLCs.

All weavers, whether organized into different forms of enterprises or on individual base, they buy the inputs required from retailers in Kechen and Merkato (retailers and re-retailers) areas. Market linkage among the different suppliers and weavers is loose *(*raw cotton suppliers-spinners-weavers-tailors/designers-shoppers/exporters*)*. Inputs supply for weavers (Dir, Mag, Coloured threads/ "Tilet" etc.) has its own problems (both in quantity and quality). Prices for the raw materials increase and fluctuate from time to time. Quality of inputs supplied to weavers is not tested and weavers complain that it is below standard.

Most of the weaving products of the weavers are sold at the open market held on every Sunday. If they were not able to get buyers on Sunday, they tend to go away from their respective working premises (weaving areas) in search of buyers of their products on any working days. This is true for all of the wavers whether organized or not. Weavers are price takers rather than price makers because, for the products they produce- they tend to sell the weaving products at whatever prices come from the traders, middlemen or brokers. Weavers complained that that the lion share of their weaving products is taken by middlemen and traders owning big shops. Overall, local demand for traditional hand woven cloths are determined by occasions like holidays (X-Mass, Ester, Ethiopian New Year etc) and ceremonies like weddings and celebrations.

However, there is an indication that shows demand for hand woven products are becoming important in the international markets. It is due to this that relatively big weaving enterprises/companies registered as PLCs like, Yonis, Garment, Don Door Handi, Muya Ethiopia, Sammy Ethiopia, Sabahar, Trio Craft etc have engaged in producing hand woven cloths, and have also started to establish linkages with some of the weaving enterprises located at Shiro Meda Gundish and Addisu Gebeya sites. The initiation and interventions made by the PLCs have contributed to improved quantity and quality of productivity of the weaving enterprises and increased income of the weavers practiced the system of production.

The two groups of traditional weavers, [those who were organized into different forms enterprises("cooperatives," joint venture and team based)] with the support made to them by MSE Agency and those who are not yet organized but engaged in weaving at their respect houses do not have created their own association. Whether the organized ones in a form of enterprises and those weavers engage in weaving on an individual level do not have the means for lobbying and their voices to be heard since they do not have their own institutions. Those enterprises called by the name of "cooperatives" are not functioning on cooperative principals and also not guided by cooperatives proclamation.

In addition to shortage of inputs supply for weavings, the organized weavers into different forms of enterprises are not able to produce weaving products as an independent institution on their own initiatives and sell to the market unless and otherwise they enter into an agreement with big PLCs who are able to receive from them. Even if those weavers who were working at the premises provided by the government were considered to be organized as enterprises, all of them are engaged weaving for individual self and what they have in common is very much limited.

Majority of the weavers' income obtained from the traditional weaving remained low and only substance. Many of the traditional weavers produce on an individual level, and at least a weaver has to sell one product by Sunday, on the open market that held, and obtain an income on which his/her family sustain until the coming Sunday market. Our finding indicates that weavers are living on subsistence economy and that is the reason why many of them want run away from weaving. Lack of provision of capacity building trainings on traditional weaving skills, lack of overcoming problems of shortage of inputs supply and long process in distribution, unavailability of quality control mechanism both at the inputs and product outputs levels, low prices for their weaving products determined by traders and middlemen at the open market held every Sunday etc are some of the burning issues of the weavers.

IV. WEAVING VALUE CHAIN MAPPING

4.1 Introduction to Value Chain Concept

Value chain is the sequence of related business activities (functions) from the provision of specific inputs for a particular product to primary production, transformation, and marketing and up to final consumption. Or, it is the set of enterprises that perform these functions, i.e. the producers, processors, traders and distributors of a particular product. Value chain can also be defined as a business model for a particular commercial product using a particular technology and a particular way of coordinating production, processing and marketing. There are three main sets of reasons why value chain analysis and development is important in the current era of globalization. These are:-

- With the growing division of labour and the global dispersion of the production of components and systematic competitiveness has become increasingly important,

- Efficiency in production is only a necessary condition for successfully penetrating global markets, and

- Entry into global markets which allows for sustained income growth- that is making the best of globalization –requires an understanding of dynamic factors within the whole value chain.

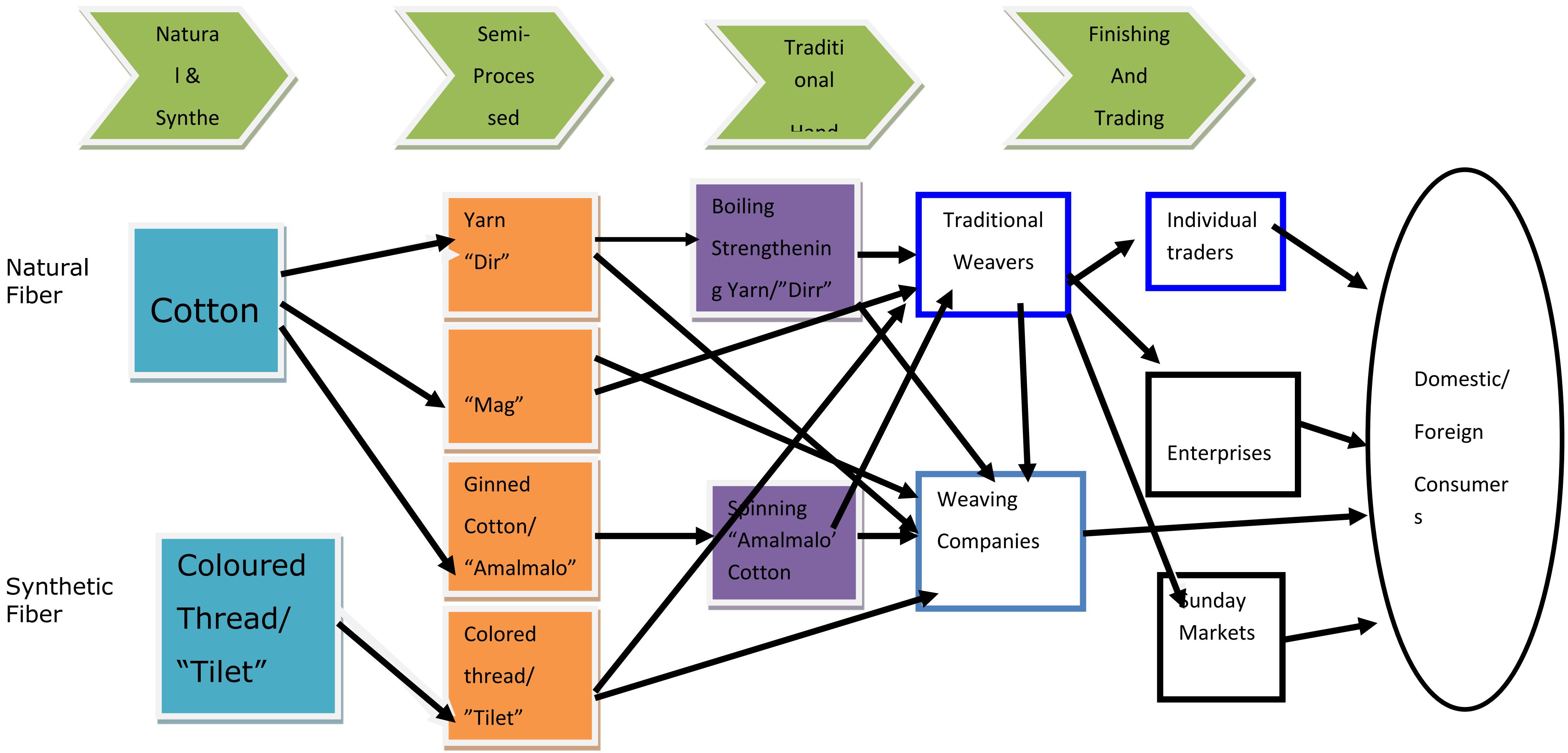
Value chain analysis overcomes a number of important weaknesses of traditional sectoral analysis which tends to be static and suffers from the weakness of its own bounded parameters. For in restricting itself for secotral analysis, it struggles to deal with dynamic linkages between productive activities that go beyond that particular sector, whether they are of an inter-sectoral nature or between formal and informal sector activities. Value chain also goes beyond the firm-specific analysis of much of the innovation literature. By its concentration on inter linkages it allows for an easy uncovering of the dynamic flow of economic, organizational and coercive activities between producers within different sectors even on the global scale.

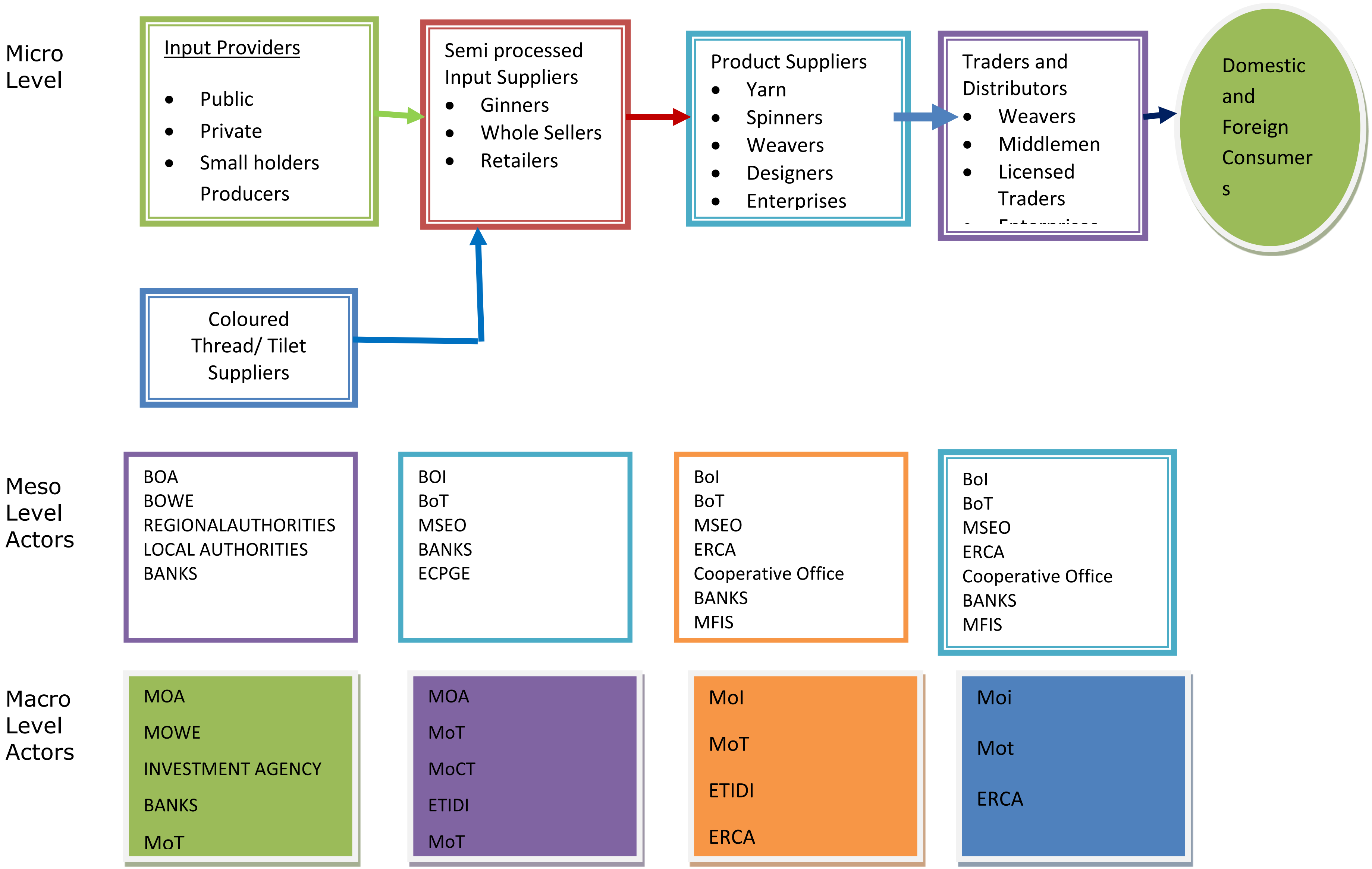
Furthermore, value chain analysis is particularly useful for new producers including poor producers and poor countries – who are trying to enter global markets in a manner which would provide for sustainable income growth. Finally value chain analysis is also useful as an analytical tool in understanding the policy environment which provides for the efficient allocation of resources within the domestic economy, notwithstanding its primary use thus far as an analytic tool for understanding the way in which firms and countries participate in the global economy.

Based on this theoretical concept, traditional weaving products value chain analysis and development in Addis Ababa is presented.

To start with, Traditional Weaving Products Value Chain Map for weaving sector in Addis Ababa is shown below.

TRADITIONAL WEAVING PRODUCTS VALUE CHAIN MAP




Micro Level
Input Providers
Public
Private
Small holders Producers
Semi processed Input Suppliers
Ginners
Whole Sellers
Retailers
Product Suppliers
Yarn
Spinners
Weavers
Designers
Enterprises
Traders and Distributors
Weavers
Middlemen
Licensed Traders
Domestic and Foreign Consumers
Coloured Thread/ Tilet Suppliers
Meso Level Actors
BOA
BOWE
REGIONALAUTHORITIES
LOCAL AUTHORITIES
BANKS
BOI
BoT
MSEO
BANKS
ECPGE
BoI
BoT
MSEO
ERCA
Cooperative Office
BANKS
MFIS
BoI
BoT
MSEO
ERCA
Cooperative Office
BANKS
MFIS
Macro Level Actors
MOA
MOWE
INVESTMENT AGENCY
BANKS
MoT
MOA
MoT
MoCT
ETIDI
MoT
MoI
MoT
ETIDI
ERCA
Moi
Mot
ERCA

4.2 Value Chain Micro Actors

4.2.1 Cotton Producers and Suppliers

In Ethiopia, cotton is produced by public, private enterprises and individual smallholder farmers. According to the information obtained from Ethiopian Cotton Producers, Ginners and Exporters Association(CPG EA), 65 percent of the cotton that are locally produced come from large enterprises(public & private) , while the remaining 35 percent of the cotton come from smallholder farmers.

Similar data obtained from CPGEA indicated that cotton produced by smallholder famers are mainstreamed to textiles and garment manufacturing sector through 23 licensed traders engaged in buying cotton from smallholder farmers and selling to ginners.

In terms of domestic cotton supply, CPGEA reported that the demand for cotton is quite high and still increasing due to proliferation of textile and garment manufacturing companies ranging from medium to large scale in the areas of Ginning, Spinning, Weaving, Finishing and Garmenting. The number of such companies currently stands to be about 217 according to the data obtained from Ethiopia Agricultural Investment Land Administration Agency.

The increased demand created for cotton due to proliferation of textile and garment manufacturing companies' necessitated the purchase and importation of about 35,000 tons of cotton annually from abroad according to the information obtained from CPGEA.

According to the data obtained from the Ministry of Agriculture (MoA) for the year 2006(E.C) the country has 2,575,810 hectares of fertile land that is ecologically conducive for the production of cotton. Out this, only about 6,252(0.3%) hectares of land was used for cotton production during the last five years(2003-2007EC). In terms of cotton production, the total production of cotton on average per year for the last five years was about 152,956 tons. Some of the major constrains for low cotton production in the country are identified to be: traditional farming practices with smallholder farmers, lack of availability of quality cotton seed, inadequate research on cotton production and technical support for smallholder and commercial farmers for cotton production, lack of appropriate market linkage between cotton producers and ginneries, inadequate extension service provision for cotton production sub-sector, shortage of chemicals supply required for pest control, limitation in infrastructural development facilities (road, electricity, water supply, etc) in cotton producing areas by commercial farmers, financial constraints for commercial farmers engaged in cotton production in some regions due to land holding system, shortage of cotton ginners in some of cotton producing areas like South Omo and Gabela, lack of coordination among the different actors involved in raw cotton production etc. These and other limiting factors have hampered engagement by many commercial farmers in cotton farming.

The assessment made with traditional weavers/"shemane" in Addis Ababa City Administration of Gulale, Addis Ketema, Bole and Yeka Sub-Cities indicated that traditional weavers encountered challenges in getting quality and quantity of Yarn/ "Dir" used for weft, ''Mag'' used for warp for producing "Menen" cloths. ("Menen is the name given to "Kemis "and "Netela" made from "Dir" and "Mag" produced at the factory level and is also called "irs-bersi").

In terms of availability of ginned/ and raw cotton that is cleaned and spun by hand and sold to weavers to produce cloths like *''Gabi'', "Buluko"* etc..., some individual spinners and raw cotton suppliers interviewed reported that there is shortage of raw cotton supply in the market. As to the quality of "Amalmalo" cotton ginned at factory level and supplied to spinners to produce "Mag" 78 percent of the interviewed spinners reported that its quality is very poor. Spinners with whom FGD was conducted also reported that the quality of "Amalmalo" cotton used for sinning is poor.

4.2.2 Suppliers of Yarn/"Dir"& "Mag"

As stated above, raw cotton producers are public, private enterprises and smallholder framers. Most of the cotton produced by commercial enterprises(public and private) and smallholder farmers are sold or transferred to ginners and spinners to produce cotton fibre Yarn/ "Dir" and "Mag". Both Yarn/"Dir" and "Mag" are produced at factory level and the Yarn/"Dir" produced to be used for weft winded or packed at the factory level and sold by the factory owners either at their own respective sales shop or sold to wholesaler traders mostly located at Markato (big market centre) named “Dir Tera”. The Yarn/”Dir” then sold to boilers for strengthening and whitening before it sold to weavers to be used. Currently, this is taken as a normal process, and there is no major step taken to improve the prolonged process of supply of Yarn/”Dir” and “Mag” to weavers.

4.2.3 Boilers, strengtheners and whiteners of Yarn/”Dir” and “Mag”

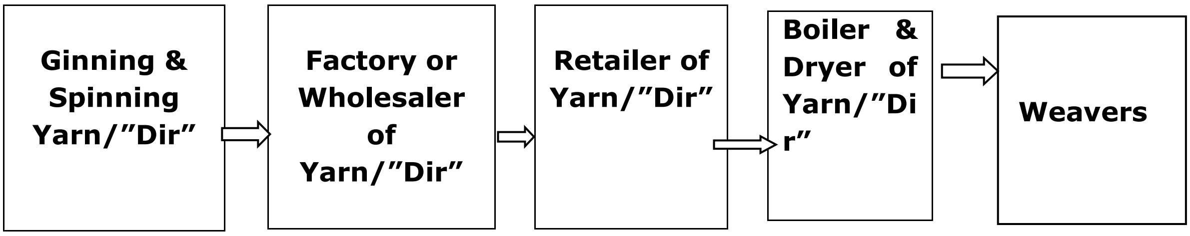
Boilers, strengtheners and whiteners of Yarn/”Dir” and “Mag” are individuals engaged in different activities like boiling, putting on sunlight for drying after which it strengthened and become more white. The boilers buy the Yarn/”Dir” form either retailers or wholesalers depending the mechanism created among the wholesaler or the retailers. Selling of Yarn/”Dir” to the boilers could be is either on credit or on cash.

The process of boiling the Yarn/”Dir” and “Mag” for strengthening and whitening is manually done by skilled traders/boilers mostly located in an area/community called Ketchene. The process of boiling, drying and selling to weavers takes about three consecutive days. During boiling the Yarn/”Dir”, chemicals like “soda”, “wheat flour”, “hydrogen” and other adhesives are added for strengthening and whitening it. Boiling the Yarn/”Dir” and “Mag” is manually done. It seems that researches and development studies conducted by Universities have not yet explored the sector. Cost that covers purchase of the required chemicals and other inputs like fuel wood, water for boiling and labour for managing the boiling, washing and putting in the open air for drying in sun heat and taking care of it until it dries up and packed for sale is covered by the boiler. It is after all these process of boiling, washing, putting in the sun heat for drying and packing of Yarn/”Dir” is completed that it is sold to weavers. The total cost of Yarn/”Dir” per unit or locally named “Tuba” including the input costs is determined by boilers.

The main boiling area/centre of Yarn/”Dir” is Ketchene community, and it from this community that the boiled Yarn/”Dir” it is distributed to all major weaving areas/sites of “Shiro Meda”, “Addisu Gebeya” and “Ketchane” itself and other localities in Addis Ababa Sub-Cities.

The long process the Yarn/"Dir" take to reach weavers to produce weaving products is reported to be one of the serious issues. The process it takes is shown on the diagram 2 below.

Diagram 2: Yarn / "Dir" supply Process



In addition to the long process and time it takes to reach weavers, the price for a unit of Yarn/"Dir" locally named "Tuba" is reported to be increasing all along the steps starting from the wholesaler, retailer and boiler/dryer. In addition to the increased price per unit of Yarn/"Dir" of "Tuba", weavers complained that sometimes it is difficult to get the amount of quantity wanted of Yarn/"Dir". Many of the weavers interviewed or consulted assumed and reported that hording of Yarn/"Dir" to increase price per unit of "Tuba" occurs. However, evidences were not found because transparency on telling actual selling prices at all level is not a custom.

Weavers consulted also complained that quantity of Yarn/"Dir" bought from boilers per unit or what they call " Tuba" reduced after boiled, dried and repacked again for selling. It was reported that there are manipulations in the process of repacking after boiling and minimizing the quantity. This indicates that there is regulatory gap in controlling the quantity of "Tuba" sold to weavers. However, evidences for justification such report were not found. It was also found out that there is no responsible agency from the government side to control the quality and quantity of Yarn/"Dir" sold to weavers.

Boiling of Yarn/"Dir" is done of individual level. Boilers of Yarn/"Dir" are individuals, and they do the boiling with the skill and knowledge they have acquired from their parents or developed the skill and knowledge through time. The boilers are not supported with technical trainings on boiling and drying Yarn/"Dir". The Yarn/"Dir" boilers are not organized in any form of enterprises or associations. Whatever they do, they do on an individual level at their respective houses.

The Yarn/”Dir” boilers encounter challenges like lack of appropriate place for boiling Yarn/”Dir”, shortage of water supply and fuel wood required for boiling, space to dry the boiled Yarn/”Dir” and place to dispose wastes.

4.2.4 Spinners and Suppliers of Ginned Cotton:

As stated above, most of the raw cotton produced by enterprises and smallholder farmers are transferred to cotton ginners. Therefore, the ginning factories produce ginned cotton that is spun into Yarn/”Dir” and “Mag”. Some portion of the ginned cotton usually called “Amalmalo” (cotton refined/ separated from seed and cleaned at factory level through ginning and then used for spinning by hand or manually spinning machine) is supplied /sold to wholesalers, and from the wholesalers it is sold to retailers and finally to spinners who produce hand spun “Mag” for weft.

“Amalmalo” cotton spinners are categorised into two groups. These are those who are organized into spinning cooperatives by the support of some NGOs and others who are spinning on individual level at their respective houses.

Those spinners organized into cooperatives were initiated and supported by NGOs both in the provision of technical training and support with start up capital, and hand used machineries used for spinning. MSE identified them as spinning cooperatives and engaged in business enterprise.

The organized spinning cooperatives are spinning at the premises constructed by Addis Ababa City Government located at Shiro Meda/Gundish and Samaritan sites, near Addisu Gebeya. The spinners pay rent for the premises they use.

According to the data obtained from Gulale Sub-City, Micro and Small Enterprise (MSE) Agency, two women spinning cooperatives have been organized with a total membership of 104 members and engaged in producing spun “Mag” used for weft. Similarly, the assessment made at All African Leprosy Education, Rehabilitation and Training (ALERT) centre has organized spinners who are engaged in spinning “Mag” used for weft. The spun cotton at ALERT centre is used for weaving products produced at the centre and some are sold for big companies like Trio-Craft PLC.

It is also found out that spinning is carried out by women on individual level around Shiro Meda and Ketchene. The survey conducted on some of the women spinners around Shiro Meda and Ketchene areas indicated that there are many women engaged in spinning cotton by hand on a traditional level at their respective houses. As to the number of women engaged in spinning on an individual level, even if the precise number could not be found at the MSE level individual spinners interviewed indicated that their number are numerous . The survey also indicated that most of the women engaged in spinning are between the age of 35 and 65. The assessment finding indicated that 57 percent of the women engaged in spinning have been in it for over 12 years.

Most of the hand spun cotton "Mag"(for weft) products produced by women spinners (as an individual and in a form of cooperatives) are used for producing cloths like "Gabi", "Buluko", "Netela", "Danteil", Scarves, "Gambale", sweaters etc. The warp for such cloths are Yarn/"Dir produced at factory level while the "Mag" for weft is hand spun cotton by women. In this regard, women are plying the major part in producing "Mag" for weft in producing cloths like "Gabi", special kind of "Netela", "Dantiel" Bulluko", "Gambale", "Bag" etc.

Women engaged in spinning cotton (as an individual and in a form of cooperatives) are challenged with various problems like lack of getting quality ginned cotton usually called "Amalmalo" (*Amalmalo means cotton ginned at factory level and sold to be spun by hand*) for spinning, price fluctuation for "Amalmalo" from time to time, lack of market for spun cotton produced by organized cooperative spinners.

In the case of getting quality of "Amalmalo" the ginners' sale to the wholesalers low quality of "Amalmalo" and again the retailers sale to the spinners similar low quality of "Amalama" that the spinners produce. The case in point is "Serto Meshashal" Spinning Cooperative produced "Mag" for weft could not be sold to weavers due to low quality of "Amalmalo" used during spinning, and "Mag" produced is still retained in the store of the Spinning Cooperative at Gundish Site in Shiro Meda.

The other problem encountering the spinning cooperatives is the soaring up of “Amalmalo” cotton. On average the price of one kg of “Amalmalo” cotton from the retailer is Birr 62.00. The spinning cooperatives make a mark up of Birr 30.00 on one kg of spun cotton “Mag” when selling. This was reported to be too low because it takes a woman to spin one kg of “Amalmalo” about four days and in such case a woman income on average is Birr 7.50/day, which is too low.

This is due to lack of creation of market linkage with weavers who could buy the “Mag” produced to be used as an input for producing “Gabi”, “Buluko” etc.., with preferable price. Therefore, spinners organized into cooperatives are forced to sell the “Mag” they produce at the price determined by a buyer or any user as appropriate.

On the other hand, finding on individual spinners engaged in producing “Mag” for weft at home level and attached to individual client weavers sell at better price the “Mag” produced from one kg of lint/ “Amalmao” cotton. In the case of individual spinners, the finding indicted that attachment made and client based relationship created between individual spanners and weavers fetches more value/price than selling in open market.

4.2.5 Colored Threads/”Tilet” Suppliers:

Different types of coloured threads/”*tilet”* like and named “work-zebo”, “saba” etc..., are required for producing traditional weaving products. Most of these coloured threads/”Tilet”) required for producing traditional cloths are imported from countries like China, India etc... Importers/ wholesaler sell to the retailers the coloured threads/”tilet”, and again the retailers sell to weavers the required type of coloured threads/”tilet” that are used for decorating the boarders of the hand woven cloths.

On the issue of the supply of coloured threads/”tilet”, 67 % of the suppliers interviewed during the assessment reported that there is shortage of coloured threads/”tilet” in the market. Weavers participated in focus group discussions (FGDs) and key informant interviews (KIIs also reported that there is shortage of supply of coloured threads/”tillet” for any type of hand woven cloths. 67% of the respondent engaged in coloured threads/”Tilet” supplying reported that there is shortage of "tilet in the market and due to this 100% of them also reported that the price is always fluctuating.

4.2.6 Traditional Weavers

Traditional cloths weavers in Addis Ababa could be classified into two major groups. The first group is those ones organized in forms of enterprises ("cooperative" , joint venture and team based), and engaged in weaving at the premises constructed by the government both at Shiro Meda and Addisu Gebeya; and the second group is those ones who are not organized but engaged in weaving at their houses on individual base.

Majority of both the weavers that are engaged in weaving at their houses and those ones are organized into different forms of enterprises are found in Gulale Sub-City of Shiro Meda and Addisu Gebeya areas. In particular, the organized weavers into different forms of enterprises are dominantly concentred in Shiro Meda area of Gundish and Addisu Gebeya sites.

4.2.6.1 Weavers in forms of enterprises

According to the data obtained from Gulale Sub-City MSE Agency in April 2015, a total of 92 enterprises with the total membership of 1606 have been organized and engaged in traditional weaving. The forms of weaving in which they are organized and their members in each type of the enterprises are shown on table 2 below.

Table 2: Forms of Weaving Micro Enterprises and Members Organized

Forms of weaving enterprises	Number	Members			Sites
		Male	**Female**	**Total**	Aragawean, Mela Engineering, Addisu Gebeya & Gundish
"Cooperatives"	57	976	3	979	
Joint Venture	28	434	21	455	
Team based enterprise	7	153	19	172	
Total	**92**	**1563**	**43**	**1606**	

Source: Gulale Sub-City, MSE Agency, April 2015.

The forms of weaving enterprises indicated above are for formality only and actually there is no functional difference among all of them. Most of them are engaged in weaving on individual base and most of the products produced are sold on individual level. If at all their functions were different, those 57 ones registered as "cooperatives" should have been organized based on cooperative Societies Proclamation No.147/1998 and could have also functioned based on "Cooperative Principles ". It may be because of this fact that the Cooperative Promotion Agency at Gulale Sub-City level reported that it does not recognize them as cooperatives.

The 92 enterprises stated above with 1606 members have their own weaving premises as a group and also as an individual. Premises rent per month and related costs like electricity and water are paid by each enterprise form common fund contributed or paid by individual members.

In most cases the members of all the three enterprises are engaged in producing traditional weaving products on an individual bases. Purchase of all the required inputs, Yarn/"Dir" for weft, "Mag" for warp, coloured threads/"tilet" and designing of the type to be produced are performed by the individual weaver. The individual weaver also sell his/her product on the open market held every Sunday at Shiro Meda once in a week starting from 6.00Am up noon, or sell to a middleman/licensed cloth trader who could be his/her client. There are cases in which, clients buy products from the individual weaver and again resell it to other traders directly, or sell the product to customers after knitting, sewing or tailoring and finishing all the required parts.

There are cases where weavers and retailers/traders client relationship has been established based on the quality of weaving products produced, delivery of products on time, capacity to produce and supply the quantity and quality of products required on time. Those individual weavers who have established and developed such system are guaranteed to produce weaving products on a regular base and sell their products to their clients. Of course, the prices for the weaving products and the quality of the product produced are mostly determined by the client trader/ retailer rather the weaver/ producer.

In rear cases, some of the enterprises(cooperative type, joint venture and team) entre into contractual agreement with government agencies, private companies, etc.., to produce special weaving products like scarves, curtains, hand woven cloths, etc that are required to be used for special occasions or for exports by companies. When such contractual agreement is made with an enterprise let it be with "a cooperative society", "a joint venture" or "team based enterprise", all the registered members of the enterprise participate in the production of the weaving products required. The inputs required for the production of such cloths are purchased by the enterprise in bulk or provided by companies/PLCs for the production of the cloths. The benefits obtained from production of such cloths are shared among all the members equally based on their bylaws and agreement made prior to the production of the cloths. In some of the enterprises, the benefit obtained is accumulated as a capital of the enterprise.

Overall, whatever weaving products produced by any type of enterprise at the premises by the name of enterprise is remained to be the property of the enterprise, and the benefits gained through such system is remained to be the property of all members who have participated in the production of the products. Similarly, whatever weaving product is produced by an individually weaver, it is owned by and individuals and the benefit gained accrues to individual ownership. The working premise owned by the name of the enterprise is remained to be the property of all members, and any payment to be for the premises is shared among all the members of the enterprise.

4.2.6.2 Individual and home based weavers

The home based weavers are those individuals who are engaged in weaving and producing weaving products at their houses on an individual base. Unlike those who were organized into different forms of weaving enterprises and engaged in weaving at the premises , individual weavers hand loom is laid in the same living/ dining room of the weaver and individual weaver sits in a prepared pit and the loom is mounted above that helps him to produce the product. The different part of inputs required for weaving (like spinning, twisting, etc..,) could be prepared in the same room and weaving is carried out in the same room.

Individual weaver engaged in weaving traditional cloths at their house buy inputs like Yarn/"Dir" for weft," Mag" for warp and coloured threads/"Tilet" etc.., from retailers in open markets just like other weavers organized into enterprises. There is no distinction between the individual weaver at his home and those organized into different forms of enterprises in getting/buying the required inputs for weaving and also selling the products to users/consumers. The difference is that those organized at as enterprises are weaving at the premises constructed by government while the others are weaving at their houses.

As to the total number of weavers in Addis Ababa, the current figure could not be found. However, Diagnostic Study Report (Daft) of the UNIDP produced in 2006 "Unleashing the Potential of MSMEs in Ethiopia" indicated that there were over 66,068 weavers in Addis Ababa City Government. It is from these weavers that the 1606 individual weavers indicated above on table one were organized into different forms of enterprises and engaged in producing weaving products at the premises arranged by the government.

Overall, majority of weavers in Addis Ababa City Government are concentrating in Gulale Sub-City, and all of them are s classified within the informal sector, self employed and depend on generating income for their subsistence from producing and selling weaving products.

3.2.7 Big weaving enterprises/companies (PLCs)

The traditional hand woven products are becoming important in domestic and international markets. Similarly, the country's industrial development policy and strategy designed supports the promotion of export orientated manufacturing with a special focus on textile and garment products.

Taking into considerations the existing and enabling environment created in the promotion of textile and garment manufacturing, some bigger enterprises are emerging and getting established into private limited companies (PLCs). Some of such companies engaged in modern weaving include Sabahar, Trio-Craft, Muya Ethiopia, Sammy Ethiopia, Yoas Tibeb, ALERT etc...These companies/PLCs produce and also receive traditional hand woven cloths products from their clients organized into different forms of enterprises or from individual weaver. Then the companies sell the products to local users/consumers or use for export after finishing the required design, knitting, tailoring, twisting etc process. In addition to cloths, many of the companies produce bed spreads, table wear, carpets, curtains, scarves, decorated woven fabrics, shawls, bag, throws, pillow covers runner etc that are used for export.

In addition to receiving hand woven cloths from their clients, the companies have their own employed designers, weavers, knitters, tailors etc.., who produce traditional hand woven cloths that are used both for export and local consumption. For receiving traditional hand woven cloths from their clients some of the companies/PLCs have developed system of outsourcing for the production traditional cloths with those weavers organized into MSEs' and weaving at Shiro Meda and Addisu Gebeya.

The companies engaged in production of traditional weaving products get the benefit of buying inputs like yarn/"Dir" for weft and "Mag" for warp directly from factories producing the inputs. Similarly, the companies benefit from importing coloured threads/"Tilet" required for producing traditional weaving products. Weavers entered into agreement with big companies to produce traditional weaving products for them are provided with inputs required by the companies.

Overall, the linkages established between some of the big companies and weaving MSEs for the production of hand woven products based on the agreement made is encouraging and need to be promoted.

4.3 Traditional Weaving Products Marketing Outlet

As stated above, traditional weaving products produced by weavers organized into enterprises, individual weavers and big companies sold to consumers through different market outlets that include individual licensed traders, weaving products traders organized into enterprises, individual salesmen, individual weavers and big companies.

4.3.1 Individual Licensed traditional weaving products traders

Licensed traditional weaving products traders are those who buy clothes from traditional weavers at the open market held every Sunday at Shiro Meda, or those who buy clothes from their clients, make designs of their own, knit, sew, tailor and finish all the necessary parts of the clothes and sell the product to users/consumers at their shop. The licensed traders determine the quality and the price of the traditional cloths when they buy from weavers. After adding costs for the design, knitting, sewing, tailoring and making all the finishing part of the product, the licensed trader sells the product to user or consumer. Licensed traditional weaving products traders at Merkato, "Shema Tera" sell sometimes in bulk the traditional cloths products to other retailers who come from the different national regional states of the country.

In terms of their geographical location, licensed traditional weaving products sellers are mainly located in Shiro Meda, Addisu Gebeya, Merkato Shema Tera, Marketo Market Centre, Bole Road, Haya Hulet Mazoria, around Bole Medhane Alem and Shola Gebeya areas. Even though not on large scale, traditional weaving products are sold at different market centres in Addis Ababa.

4.3.2Weaving Products Enterprise Traders

Micro and small enterprise weaving products traders are the other group organized into forms of cooperative or joint venture enterprises to sell weaving products. Such enterprises are organized and promoted by Micro and Small Enterprise Agency.

Like individual licensed traders, the enterprises organized into different forms ("cooperatives", "joint venture" or "team based") are engaged in trading weaving products. The licensed enterprises engaged in trading of weaving products are provided with premises that are used for selling shops that is located at Gundish site in Shiro Meda. The organized enterprises and engaged in trading of weaving products, buy the products from weavers at the open market held every Sunday at Shiro Meda, make their own designs, knit, sew and make all the finishing parts and sell the cloths to consumers at their shops.

Just like individual licensed traders, the organized enterprises in selling weaving products determine the price and quality of the hand woven products they buy from individual weavers in the open market.

In the case of the enterprises organized to buy hand woven cloths from weavers on the open market and sell to consumers at their shops, their shops are located on the ground floor of the condominiums at Gundish site, Shiro Meda in Gulale Sub-City.

4.3.3 Individual Weaving Products Salesman (Middleman):

Individual traditional weaving products Salesman is the one who buys traditional weaving products from weavers at any time, and keeps/stores the cloths until he/she gets better price for the cloths. Such Salesman also sells the cloths products he/she bought to licensed individual trader or big companies/PLCs of his/her clients. In selling the products, the Salesman travels from place to place to sell to his/her clients. The Salesman also determines the price and quality of traditional hand woven cloths produced by weavers. The Salesmen are not licensed and weavers consider them as they are the ones who are getting maximum income.

4.3.4 Individual weaver seller

Individual weavers engaged in producing traditional weaving products sell their produce to anybody who buys from them. Such buyers include Salesmen, any consumer, licensed cloths traders and clients if owned. The most selling place for hand woven products is the open market held every Sunday at Shiro Meda. All Weavers in Gulale Sub-City (individuals or weavers organized into different forms of enterprises) sell their hand woven products at the open market held every Sunday at Shiro Meda.

In the case of productivity of hand woven products, weavers have to produce at least one hand woven product per week. This product has to be sold to cover living cost of a family for a week because many of the weavers live on substance economy. Unless a weaver produces at least one hand woven product per week and sells it would be difficult for the family of a weaver to survive. Therefore, most of the weavers have to produce at least one hand woven cloths product and sell it on the Sunday market held at Shiro Meda to upkeep the family till the coming week.

In such case, whatever hand woven product produced by a weaver has to be sold to any buyer at the price determined by the buyer, whether, she/he is a Salesman/Middleman, licensed traditional cloths trader or big companies engaged in trading hand woven products. This is because appropriate market linkage for selling weaving products is not created. Reports made by weavers indicated that that “Bazars” are arranged to fill the gap created in lack of marketing, but weavers complain that it is not found to be the best option.

Regarding purchasing of required inputs for producing traditional weaving products, weavers indicated that appropriate linkage for buying required inputs like Yarn/”Dir” for weft and “Mag” for warp and coloured threads (“tilet”) is not yet created.

4.3.5 Consumers

Consumers/users of traditional hand woven products can be classified into two groups. These are domestic and foreign consumers/ users.

4.3.5.1 Domestic consumers

The major parts of the traditional hand woven product are used or consumed domestically. The traditional weaving product cloths are not usually used as casual clothes, but mostly used during occasions like religious holidays, public holidays, and wedding ceremonies, different festivities etc. Wearing of traditional hand woven cloths is attached to culture of using it and mostly used during ceremonies. Even though detail study is not made on who is using and when it is used traditional hand woven products are mostly used by women.

4.3.5.2 Foreign Consumers

Big weaving enterprises/companies stated above and engaged in producing, receiving from other weavers, processing and finishing hand woven cloths for export and local consumption. Most of these companies export the traditional hand woven cloths to countries like Europe, USA, Canada, Germany, France, UK, Finland, Australia, Japan, South Africa, Ghana etc. The data/information obtained from Ministry of Industry indicated that these companies/PLCs engaged in exporting hand woven traditional cloths are benefiting from importing the inputs they require for producing weaving products and also exporting them directly based on country’s industrial development strategy that shines light on export-oriented manufacturing with a special focus textile and garment production.

4.4 Institutional Actors in Support of the Sector

4.4.1 Meso Institutions

Meso level institutions engaged in provision of support in traditional weaving products value chain all along the linkage starting from raw cotton production up to the end user include the following:-

4.4.1.1 Regional Level Bureau and Woreda Level Office of Agriculture

The regional level bureau of agriculture is the responsible organ to follow up and provide appropriate extension services for production of cotton, particularly, to the private enterprises and smallholder farmers. The bureau and the woreda offices are responsible for follow up, supervision and monitoring the implementation of the different policies and strategies designed by the Federal MoA for the production of cotton.

4.4.1.2 Regional level bureau and woreda office of Water and Energy

When the production of cotton is based on irrigated farming, the regional level bureau and woreda office of Water and Energy are responsible for the implementation of polices and strategies developed by the Federal Ministry of Water and Energy in using water and other sources of energy for the production of cotton and its management.

4.4.1.3 Banks and Micro Financial Institutions

Banks play very important role in the production of raw cotton, ginning and production of hand woven traditional cloths all along the value chain. Such facilities could be facilitated at any level be it at the federal or regional level suitable for enterprises engaged in cotton production except in some regional states where commercial farmers could not facilitate loan for cotton farming due land holding system.

In the case of provision of credit services to weavers organized into enterprises ("cooperative", joint venture and team based), Addis Credit and Saving(ADCSI) MFI is established at each of the Woredas where weavers organized into enterprises to provide credit service for those who can fulfil the set the criteria. However, the number of weavers engaged in taking credit for weaving from ADCSI MFI is limited. The finding indicates that there is no demand for credit. But such opportunity does not exist for those who are not organized and not producing traditional weaving products on enterprise base.

4.4.1.4 Micro and Small Enterprise Agency

Micro and Small Enterprise Development Agency (MSEA) is the responsible organ for organizing, guiding and providing technical support for those who are organized in different forms weaving enterprises ("cooperative", joint venture and team based).The weaving enterprises established are registered and licensed by Trade and Industrial Development Bureau.

4.4.2 Macro Organizations

The macro level actors which create enabling business climate in traditional weaving products value chain are identified to be Ministry of Agriculture, Ministry of Trade, Ministry of Industry, Ministry of Culture and Tourism, Ministry of Water and Energy, Ethiopian Investment Agency and local authorities. These actors are working on regulation, policy and other issues along the traditional weaving products value chain. The detail roles and responsibilities of each of the above agencies are described below.

4.4.2.1 Ministry of Agriculture

The Ministry of Agriculture is the responsible organ that permits farm land required for production of cotton both by the public and private enterprises. The MoA approves fulfilment of basic criteria that include feasibility study and project document, preparation of environmental and social management framework etc. The MoA follows up, supervise and monitor the production of cotton.

4.4.2.2 Ministry of Water and Energy

When the production of cotton is based on irrigated farming, the Ministry of Water and Energy (MoWE) is the responsible organ for permitting the use and the amount of water required for the production of cotton production and its management.

4.4.2.3 Investment Agency

Investment agency is the one that gives investment license particularly for private enterprises engaged in cotton production. The agency overlooks and follows up the implement of the investment scheme according to investment law, guidelines and manuals. It also provides required support

4.4.2.4 Ethiopian Agricultural Research Institute

Ethiopian Agriculture Research Institute (EARI) has the responsibility of conducting research and studies on the challenges of cotton production in terms of high yielding varieties, application of pesticides, and technical management of production of cotton.

4.4.2.5 **Ethiopian Textile Industry Development Institute**

Ethiopian Textile Industry Development Institute (TIDI) is the responsible organ to evaluate polices strategies, plans, studies and researches that would foster the development and marketing of cotton and the development of textile and apparel industries. In addition, it is tasked to support and develop the sector along all the value chains to accelerate the development and competitiveness of the textile manufacturing for both export and domestic consumption. TIDI provides investment focused supports and services like collecting, analyzing, documenting and disseminating of information in regard to the sector's investment, conducting feasibility studies, provide consultancy services in the technology selection and negotiation, construction, installation, provide training services, laboratory testing and inspection, research and development (R&D), certification of quality standards, market oriented supports and services that include secure input supply and strengthening intra-industrial linkages for input supply, market skill capacity building through training and consultancy, expansion of market destination of the industry through Market Research & Development promotion and facilitation of import and export items .

4.4.2.6 Ethiopian Cotton Producers, Ginners and Exporters Association

The Ethiopian Cotton Producers Ginners and Exporters (CPGE) Association was established in 2001 E.C. Its main objectives are lobbying for the increased cotton production, overcoming challenges encountering Producers and Ginners, conduct researches and studies on how to promote ECPG's objectives and design strategies for implementation of its objectives, compile data and information of the association etc.

4.5 Price and Cost Structures (economic Analysis)

Conventionally the price of a given product is determined based on the cost of production, competitors' price, buyers' capacity to pay, producers margin and other factors. But in the case of almost all of the individual weavers, weavers organized into different forms of enterprises ("cooperatives", joint venture, team based) engaged in handloom weaving practice, it is found to be difficult to observe such a practice exercised in determining the prices for inputs and outs. There is absolutely no structured pricing system for their products whether on an individual and enterprises ("cooperative, joint venture and team based) production system. It could be concluded that in the case of traditional weaving almost all is preformed on an individual level where the costs for production and sells are recorded taking into consideration producers' margin for profit.

Consequently, most of the individual and enterprise based productions do not have a clear strategy applied for pricing their products. Weavers whether engaged on an individual level or in a form enterprises are price takers, which means, most of the time the weavers simply take the price that the any buyer, individual user, sub-contractor or any other buyer of the hand woven products offer to them. Due to this reason there is a wide range of price fluctuations as observed during the assessment.

For example, the survey conducted with weavers producing "Netela" revealed that 33.4% of the respondent reported that they sell "Netela" from 55-90 Birr, 33.3% responded reported that they sell "Netela" for 100-105 Birr and the remaining 33.3% depicted that they sell the same product for 120- 200 Birr.

Similar survey conducted with traditional cloth licensed traders revealed that 25% of them sold to a user/consumer a “Netela” for 60-90 Birr, 41.7% of them sold “Netela” for 100 - 120 Birr , and the remaining 33.3% of them sold “Netela” for 130-150 Birr.

In the case of relatively well organized weaving enterprises, like Trio Craft design, manufacturing & marketing PLC, MUYA ETH PLC etc, it can be understood that there is clear pricing system and strategies in price setting for each traditional handloom products.

V. CONSTRAINTS & OPPORTUNITY ANALYSIS

5.1 Constrains

The main constrains in the traditional weaving products value chain analysis can be looked from the perspective of the supply of inputs, distribution mechanisms of the semi processed products, production of the weaving products and marketing of the products.

5.1.1 Inputs supply side

- **Cotton**

Cotton is one of the primary raw inputs required in the traditional weaving sector. Even though the potential for cotton production in the country is very much, the data obtained from ECPGE Association indicated that due to raw cotton production in the country, Ethiopia imports about 35,000 tons of cotton annually from abroad. This has resulted in shortage of supply of Yarn/”Dir” for weft and “Mag” for warp in the market sometimes. Availability of raw cotton from which its seed is cleaned by hand, spun by hand to be used for “Mag” that is used for making quality “Gabi”, “Buluko”, “bag” etc is in short supply in Addis Ababa.

As stated above under 4.2.1, cotton production in the country is encountered with problems like lack of coordination among the different actors on cotton production, proper research and development in the sector, lack of cotton extension services for commercial and smallholder farmers, lack of adequate support in a coordinated way from concerned stakeholders.

- **Coloured Threads/ "Tilet"**

Different types of Coloured Threads/ "Tilet") named locally, "Saba" "Worke-Zebo" "Har" etc, are imported and could not be found in the open market as required. Shortage of Coloured Threads/"Tilet" in the open market creates increased prices in the open and also hampers production of hand woven products. The assessment made did not find any area where coloured threads/" Tilet" is produced in the country.

- **Prolonged distribution mechanism**

Semi processed inputs required for the production of hand woven products like Yarn/"Dir" for weft, "Mag" for wrap and Coloured Threads/"Tilet" passes through different stages until it reaches weavers. Ginners produce Yarn/"Dir" natural fibre and sell to wholesalers. The wholesalers sell Yarn/"Dir" to retailers. Again, the retailers sell the Yarn/"Dir" to boilers for strengthening and whitening. This process takes longer time until Yarn/"Dir" reaches weavers. In addition to this, profit margin made, loading unloading costs and boiling for strengthening and whitening costs are added on Yarn/"Dir" until it reaches weavers. All the weavers, whether organized into enterprises or engaged in weaving on an individual level face the same problem in getting Yarn/"Dir". During the assessment, it was reported by the weavers consulted that different studies were made to shorten the prolonged chain of distribution of Yarn/"Dir" and " Mag" but practical application of shortening the mechanism has not yet been developed and realized.

In the case of supply of Coloured Threads/"Tilet", most of it is imported, and importers sell to wholesalers; wholesalers sell to retailers; and retailers sell to weavers. The process is similar to Yarn/"Dir" distribution system and it takes long process. Marginal profit and others costs are added on until it reaches weavers.

5.1.2 Domestic demand for hand woven product

The large portions of traditional weaving products are used for domestic consumption. The domestic demand for hand woven products depend on occasions/seasons that they are required like during public holidays, wedding ceremonies, festivities and different occasions. Traditional hand woven cloths are not worn as casual cloths and the demand for it is limited. Interviews made with individual licensed traders and enterprises licensed and engaged in trading of hand woven cloths reported that some cloths could stay in shops for more than two years. Design and other innovative practices made to encourage domestic use is not adequate.

5.1.3 Limitations in hand woven cloths exporting

In spite of opening up of global markets for hand woven products in Europe, the USA, Asian countries and Africa to export textile products free of duty and without quota based on the multilateral trade agreement made with Ethiopia, the number of companies engaged in exporting hand woven textiles officially are limited to "Don Door Hand Craft, Muya Ethiopia, Sammy Ethiopia, Sabahar, Trio Craft and Yohas Tibeb" PLCs.

Even though, detail studies made on the demand side for hand woven cloths outside of Ethiopia has not been made, licensed traders and exporters of hand woven cloths interviewed during the assessment indicated that demand for hand woven cloths are coming up. This has to be supported with research and development in the future.

5.1.4 Unequal benefit sharing on the value added on hand woven cloths

Any hand woven product price and quality is determined by the buyer whether he/she is a salesman (middleman), licensed cloth trader, or a licensed enterprise engaged in cloth trading. The major market centre for buying and selling of hand woven cloths is at Shiro Meda open market held every Sunday. Except very few weavers who have their own clients, most of the weavers sell their cloths produces at the open market held every Sunday. And in getting benefit from marketing of hand woven cloths, traders and middlemen get the lion share.

For example, finding obtained from the assessment of buying and selling a ”Kemis “ with a “Netela” was reported to be from Birr 500.00 to 700.00 for buying while for selling it was reported to be from Birr 1500 to 2500.00 This was on average Birr 600.00 for buying from a weaver and Birr 2000 for selling to a user/consumer. In fact, the licensed trader puts in additional cost for the design, knitting, sewing, tailoring, twisting finishing and selling the product. The gross profit made on buying and selling of a”Kemis” with “Netela” is about Birr 1400.00(233)

5.1.5 Lack of transparency on costs of inputs among the chain actors

Prices of inputs (Yarn/”Dir”), “Mag” and coloured threads/”Tilet) required for weaving at all levels including at the wholesaler, retailer, boiler of Yarn/”Dir” for strengthening and whitening is not transparent. Similarly, hand woven products prices at the salesman/middleman, licensed trader/enterprise responsible for the design and finishing up the process till selling the hand woven product to the end user is not transparent. All actors add up their own marginal profit as they wish and there is transparency among them. Therefore, there is no structured pricing system for all the inputs added on at different levels. In the case of buying hand woven products from weavers, the price of any kind of hand woven product is determined by the buyer but not by producer.

5.1.6 Lack of specialization in weaving products

Most of the traditional weavers are engaged in producing hand woven products like “Kemis, Netela, Gabi”, etc that fetches them immediate income. This is because most of them depend on the weaving product that could be sold by the end of the week, Sunday, and used for purchasing basic needs their family up keeping. Due to this, most of the weavers engaged in producing any kind of hand woven products from which they can earn income rather than focusing on specialization.

5.1.7 Lack of quality control management system

Quality control system for any kind of traditional weaving products does not exist. Weavers produce hand woven products and buyers determine both the quality and the price. ESM Agency that provides support to the weavers in organizing and following up is not technically in position to determine the quality of the hand woven cloths. Lack of hand woven cloths quality standardization is the problem of both individual weavers and enterprises engaged in different forms of enterprises. Enterprises or/ and even to individual user.

5.2 Opportunities

There are some opportunities that could be strengthened to enhance the development of traditional weaving products value chain. These include:

5.2.1 Existence of big enterprises

The coming up of big enterprises engaged in producing improved and modern hand woven cloths that are used for export is one of the opportunities for growth and development for traditional weaving sector. Some of the these big enterprises have started linking up with individual and organized enterprise weavers from which they receive hand woven products and process it for export or local use . The big enterprises have started to take the weaving products from the weavers and after adding designs, knitting, sewing and finishing parts etc.., they export the hand woven products. The creation of client relationship among the existing individual weavers and weavers organized into different forms of enterprises with big companies/PLCs for producing hand woven products that could be used for export is an opportunity for growth. This experience will help other big enterprises/PLCs to come up and engaged in exporting of quality cotton products that could fetch additional income

5.2.2 Increasing demand for hand woven cloths for export

Even though, further and detailed studies have to be made on the demand side of the trend for export of household and homemade furnished textiles for abroad, it seems that the demand is increasing.

n the case of the local demand for hand woven products, FGDs and KIIs made with weavers indicated that there is increasing demands for hand woven traditional cloths like scarves; national/regional based traditional and cultural cloths for the celebration of different festivities, etc. Such demands created during the past years have opened market opportunities for hand woven products produced based on regional based. It is expected that the demand for the production of regional/cultural based cloths will be increased in the future, and opportunity for weavers to produce more hand woven cloths will be increased.

5.2.3 Individual weavers to be mobilized

As stated above about, 1606 traditional weavers have been organized into different forms of weaving enterprises ("cooperatives", joint venture and team based), and engaged in weaving at the premises constructed by the government. Apart from these, there are a lot of individual weavers engaged in traditional weaving at their respective houses particularly in Shiro Meda and Ketchane areas of Gulale Sub-City. There are also individual weavers in different parts of Addis Ketema, Yeka and Kolfe Keraniyo etc.., sub cites. If these individuals are organized into weaving enterprises, and adequate facilities like working premises are fulfilled for them, appropriate supply of inputs is arranged, and marketing of the weaving products are developed and upgraded in value chain system, production of weaving products both in quality and quantity will be increased. This will contribute to the overall objective of achieving improved living standard of the weavers and their families at large from earning additional income from the sale of hand woven products.

5.2.4 Hand loom technology development

The hand loom technology development made so far has contributed to improved weaving conditions and increased productivity of hand woven cloths. The improved hand loom has also avoided throwing the shuttle horizontally by using both their right and left hand and this has saved time to produce more. It also improved safety and health of the weavers. Due to such improvements made in hand loom technology development motivation of the weavers to be stayed in the sector has increased.

5.2.5 Financing traditional weaving

Weaving enterprises organized into different forms (cooperatives, joint venture and team based) have the opportunity to take the amount loan they require from Addis Credit and Saving Institute (ADCSI) Micro Finance Institution (MFI) are ready to provide credits to those who are organized as enterprises of weavers as far as the they qualify the criteria set for getting credit. ADCSI branch offices are also opened at all the woredas of the sub cities to give credit to those who require it as far as the criteria set is fulfilled.

5.2.6 Potential for cotton production

Shortage of raw cotton production in the country was reported to be one of the constraints. However, data obtained from ETIDI indicated that Ethiopia has over three million hectares of fertile land for cotton production out of which only 6.7 percent is cultivated. The availability of large area of land that can be used for cotton production is an opportunity for cotton production growth.

VI. CROSS –CUTTING ISSUES

6.1 Gender

Raw cotton cleaning from its seed at home manually, spinning and twisting is mostly done by experienced women. If not in Addis Ababa, men participate in spinning in some regions. Generally separating seed from cotton and spinning dominantly taken the work of women. As indicated above, it was realized that women participate in separating seed from cotton, spinning, weaving, boiling of Yarn/"Dir" for strengthening and whitening, providing different inputs (Yarn/Dir" "Mag" and Coloured Threads/("Tilet"), design, kittening, sewing, tailoring, twisting, finishing and trading.

Women engaged in working in the different parts of the weaving sector at the premises provided by the government (Gundish site in Shiro Meda area and Addis Gebeya site) are organized into different forms of enterprises("cooperatives, joint venture and team based) through which they are working. Some of women are organized independent of women while others are mixed. In the case of where men and women mixed, as such there is gender discrimination. In most cases, whatever members do they perform on individual level and income obtained from the different activities is owned by individuals. The number of women organized into the different forms of enterprises and engaged in the weaving sector at the two sites (Gunish and Addisu Gebeya) are smaller than the men. For example, among the organized weavers and working at the two stated above premises, the percentage of women are only three. In the case of spinning cooperative all of them are women.

Apart from those organized into different forms of enterprises and engaged in working in the weaving sector. A lot of women, (mothers and aged one) who are at home and not organized in any form of business are engaged in cleaning cotton seed, spinning, twisting, knitting etc and playing part in the production of hand woven products.

Overall, the consults observation indicates that majority of the participants in spinning, boiling of Yarn/"Dir" for strengthening and whitening, knitting, tailoring, twisting, packing and trading of hand woven cloths are women. The possibility of organizing and providing upgrading technical skills to those women who have back ground knowledge on the weaving sector and increasing their contribution and participation in the different finishing parts of hand woven cloths that will be used for local consumption and export is very high if proper intervention is made.

6.2. Working Conditions and Environmental Issues

Women engaged in working on the different parts of the weaving sector and provided with working premise arranged by the government; and also provided with improved Handlooms on credit, which most of them have paid the credit for the Handlooms, are enjoying preferably better than weavers working at their houses. It is expected that the working premises provided to the weavers, spinners, tailors and knitters, twisters etc.., engaged in finishing works of hand woven cloths might have economically contributed to increasing the efficiency of the work and productivity. It has also contributed to changing of working attitude to start the work at fixed time, having break time for lunch and finishing the daily work.

Apart from the different benefits obtained from the premises, weavers complained that the premises is not conducive to operate inside particularly those who are at the 4^{th} floor because it becomes easily hot during sunny times of the day and too cold during the rainy seasons. This is mainly due to lack making appropriate cornice at the top of walls in the Condominium Houses.

Shortage of water for hygiene and sanitation at the premises provided by the government created unhealthy and unsafe environment for working smoothly and women are affect more. Similar to this problem, women who are provided with working areas particularly on the, 2^{nd}, 3^{rd} and 4^{th} floor are encountering challenges of walking up and down. In particular, pregnant and lactating mothers and women with older ages are encountering problems in walking up and down, when going to wash rooms, during breaks and coming from home and going back to home.

In general, the hand weaving sector is found to be environmentally friendly all persons working in it.

VII. WEAVING VALUE CHAIN PROMOTION & UPGRADING

For the promotion, development and upgrading of traditional weaving products value chain, intervention in the following areas very much detrimental.

7.1 Critical success factors

- **Improving income of weavers:**

In Addis Ababa, Weavers engaged in the production of traditional hand woven products earn the lowest share according to the data obtained from the survey. For example, *"Kemis" and "Netela"*, the most popular product sold in the market by a Weaver on average is about Birr 600.00.The end user/consumer buys on average at Birr 2200.00 from a trader. The added value that is shared and distributed among the salesman, and the trader and his co- workers who perform the design, knitting, sewing, tailoring, twisting and packing is about Birr 1600.00 (267%). In the case of "*Gabi",* it is sold by a weaver at Birr 300.00 on average and the trader sells on average at Birr 550.00 for the end user. The gross income obtained from the sale of a "*Gabi"* is about Birr 250 and this about 83.3% that is to be shared among the traders and his co-workers.

The payment made to weavers by big companies/PLCs engaged in exporting hand woven cloths could be similar to that of the above. The difference could be that weavers who are engaged in producing hand woven cloths for big weaving companies/PLCs) who receive the hand woven products are paid based on the contractual agreements made between the two (weaver and hand woven cloths receivers) per unit of hand woven cloths. Taking into considerations all the above stated facts, arrangement on how to go about for fair share of payment among all the stakeholders engaged in the production, processing, finishing and trading of hand woven cloths has to be made based on detail study to be made in the future.

- **Quality improvement of export oriented products**

Some of the big enterprises engaged in weaving traditional cloths have created linkages with micro enterprises organized to produce hand woven cloths. These big companies (PLCs) receive traditional hand woven cloths from micro enterprises and process it (design, knit, tailor, sew etc) and use for export.

The relationship created among the traditional cloths weavers and big enterprises/companies registered with PLCs and engaged in exporting of traditional cloths seems to be loose and need to be strengthened to promote innovations, customization of the products and quality production that fulfil demand of users/consumers. To achieve this, provision of appropriate skill trainings required to client weavers on how to produce quality hand woven cloths and strengthening the value chain relationship initiated among all actors of export oriented cloths producers and receiver (exporter) should be enhanced.

- **Order wining and producing quality cloths product**

Many of the licensed hand woven cloths traders identified during the assessment that client weavers do not provide hand woven products on time and to the level of expected standard. Due to this trust between weavers who produce hand woven cloths and receiving licensed traders receiving hand woven cloths has not yet well developed. On the side of the wavers, even if some kind of client-relationship has started, they still think and reported that the big companies organized into PLCs and engaged in exporting hand woven cloths are making a big profit from their hand woven cloths. On side of the hand woven cloths traders, they complain that traditional hand woven cloth producers are not producing quality cloths and do not up keep with their promise to deliver on time. Added to this traders complain that dalliances in fulfilling the order taken with weavers were reported to be some of the issues that have never been resolved.

The assessment made also indicated that there were practically realized value chain system developed among the traditional hand woven producers and the licensed traders of hand woven cloths. Delegation of clear responsibility in the producing quality hand woven cloths on time, provision of capacity building trainings to the weavers to be engaged in producing the required hand woven cloths and creation of trust among the chain actors have to developed and strengthened.

- **Standardization of the quality of hand woven cloths**

Most of the weavers, whether they organized into different forms of enterprises or not, and working at the premises constructed by the government or at their respective houses and engaged in producing hand woven traditional cloths, they are producing the cloths for themselves. Most of the hand woven cloth products are also produced mainly to be sold at the open market held every Sunday at Shiro Meda area. "Producing of hand woven products for open market and producing for a client" has different connotations. If a hand woven cloth is produced for an open market, weavers may not give attention to produce quality hand woven products. But if it is for a client more attention is given to produce quality product. Therefore, in order to improve the quality of any weaving products, the attitude of wavers themselves have to be changed to be able to produce quality weaving products. This has to come through the provision of continuous technical training which could be motivated and implemented with the support of the envisaged "Weavers Association" to be established. MSE

Agency responsible for the promotion the different forms of weaving enterprises established or expected to be established in the future.

As observed at the premises where weaving of traditional cloths are carried out and also reported by some of the weavers, MSE Agency is not a position to standardize the quality of the product of hand woven cloths. So, currently, the quality of any hand woven product is determined by those buyers like the salesmen/middlemen, hand woven cloths traders and big companies engaged in exporting hand woven cloths.

Therefore, building the capacity of those MSE staffs engaged in proving technical support for the enterprises organized and engaged in the production of weaving products. As stated above, formation of Weavers Association (WA) who would support their weaving members organized into different forms of enterprises and engaged in producing hand woven cloths in building capacities of weavers on how and why to produce quality weaving products in the future should be promoted.

The Weavers Associations to be established at least at Shiro Meda and Addisu Gebeya areas should include those individual weavers engaged in weaving being at their respective houses so that they should be also benefited from the capacity building trainings to be given on how to produce quality hand woven cloths and others related.

- **The process of upgrading effective value chain**

Prior to entering to the upgrading of the value chain, laying the foundation for establishing "Traditional Weaving Products Value Chain" has to take place. After that it will be easy to enter into "process upgrading" (giving emphasis on increasing the efficiency of internal process), "product upgrading" (upgrading and improving old production system faster than other producers (rivals) through changing product features or designs, branding etc), "functional upgrading"(increasing value added by changing the mix of activities), "market upgrading"(deepening markets, developing new markets, conducting market research, motivating marketing strategies etc),"chain upgrading and/strengthening" (mixing together new value and more effective chain that promote more competitiveness. The upgrading strategies stated above should be implemented step by step.

7.2 Policy issues

The Industrial Development Strategy (IDS) and the first and the second Five Years Growth and Transformation Plans (GTP) have immense impetus in speeding up economic growth and social development. As traditional weaving sector is taken as part and parcel of the economic growth and social development aspect, the government is playing important role in promoting the sector.

In this regards, Addis Ababa City Government has constructed multi-storied blocks of G+4 both at Shiro Meda (Gundish site) and Addisu Gebeya site and availed working premises for the different types of enterprises engaged in micro and small enterprises. Among the different enterprises benefiting from the premises, weaving enterprises organized into different forms of enterprises organized into different forms are one.

MSE Agency responsible for the promotion and regulation of the micro and small enterprises have organized the weavers into different forms of enterprises ("cooperatives", joint venture and team based), and has also created facilities like "Bazar" at which the weavers are able to sell their weaving products. The agency follows up and provides technical support to the weavers. But weavers indicated that they are not satisfied with the support provided to them by the staff of ESM who do not have technical know and skill on traditional weaving and associated issues.

Many of the weavers consulted also reported that they were not satisfied with the arrangements made by MSE to have as much as possible "Bazars" for selling hand woven products because they considered it to reduce the value of hand woven cloths.

As stated above, all the three forms of weaving enterprises ("cooperative" type, "joint venture" type and "team based") are treated in a similar manner. But in principal, the cooperative type of enterprises should have been treated by the Cooperative Societies Proclamation No.147/1998. They should have benefited exempted from income tax and received government assistance as stated on Article 31 of the Cooperative Society Proclamation sated above. If those enterprises classified as "cooperatives" were not cooperatives, they should not have used the name "cooperative". If they are taken as cooperatives their functional activities, management system, payment of taxes, net surplus distribution etc. should have been based on Cooperative Societies Proclamation.

7.3 Infrastructure issues

Weavers organized into different forms of enterprises are using the premises constructed by the Addis Ababa City Government as a regular working place. Weavers preferred the premises because of the created conducive working place; regulated normal working hours as office hours based on agreement made, created better access to market, created possibility of learning from each other etc. However, in convinces are observed due to poor hygiene and sanitation because of shortage of water for all the weavers and particularly for pregnant, lactating mothers and old persons, difficulty of walking up to 4th floor for some of the weavers like women and old persons, shortage of electric supply some times.

7.4 Institutional issues

Different actors engaged in the production of hand woven cloths both at the premises constructed by Addis Ababa City Government and working at their respective houses.

Among the different actors who are working at enterprises provided by the government, Weavers, Tailors, Hand Woven Cloths product Sellers, Spinners, Designers & Knitters and Input Suppliers are some. These groups are organized into different forms of enterprises and many of them are licensed. But they are not are not organized into associations of their own that could lobby and negotiate with concerned stakeholders on the issues and challenges encountering them in input supply, marketing of the output, price of hand woven products, quality and standardization etc.

The other group of actors who are engaged in similar activities of the weaving sector and working at their respective houses are not either organized in any form of their own enterprises or in any association.

Both groups of actors (working at the premises and working at their respective houses) in the traditional weaving sector are not jointly or independently organized into associations that could negotiate and lobby for overcoming challenges encountering them in traditional weaving sector.

Therefore, for better networking, lobbying and making negotiations on challenges encountering hand weaving products and creation of smooth relationships among the different actors, the establishment of different associations that include the following may be necessary for promotion of the sector. These are:

- Weavers Association
- Inputs Suppliers Association
- Yarn Boilers and Strengtheners Association
- Spinners Association
- Fashion Designers Association
- Hand Woven Products Trader Association, and
- Knitters, Sewers, Tailors and Twisters Association

The detail functions, roles and responsibilities of each the association with its organizational structure will be developed. Furthermore, Forum for Networking Traditional Weaving Products Producing & Marketing will be established, and details functions, roles and responsibilities of the Forum with its organizational structure will be developed.

Ethiopian Cotton Producers, Ginners and Exporters (CPGE) Association which is already established could be associate member of the Forum. The big enterprises/PLCs licensed and engaged in production and processing of hand

VIII. MONITORINGTHE IMPLMENTION ACTIONS

All value chain actors and supporters (Government stakeholders and NGOs) at all levels are entitled to expect report on the performance of the Traditional Weaving Products Value Chain Development. All concerned stakeholders are expected to provide technical and martial support for the promotion and development the value chain as a whole. Actors and supports including institutions to be established should have commitment to the principal of accountability and transparency, and should provide all the stakeholders with regular reports regarding implemented activities towards value chain development.

Traditional Weaving Products Value Chain development and its upgrading plan should be taken as a tool for measuring its success within the next five years to come. To this end, the 'Forum' to be established for networking, lobbying, coordinating and facilitating the implementation of the different "ISSUES " stated below on table 3 will be the responsible organ. Performance of the issues indicated could be used as checklist for measuring the achievements made in the value chain development.

The networking aspect to be developed among different actors and supporters could be another measure for the success of Traditional Weaving Products Value Chain. If the Value Chain Analysis and Development aspect designed is able to operate effectively, it will establish collaborative relationships with all actors and supporters at all levels namely Micro, Meso and Macro as identified in the value chain mapping. Once the Value Chain is realized, it must regularly review and adapt itself to remain effective to the prevailing circumstances.

Below on table 3 major issues to be implemented for the effectiveness of Traditional Weaving Products Value Chin are identified and responsible institutions for the implementation of each are also indicated.

Table 3: Monitoring and Evaluation Matrix for the Implementation of Issues identified

	Key Issues	Activities	Indicators	Responsible Organization/Institution
1	Establishment of associations for negotiation, lobbying and networking for improvement in supply of inputs & output marketing	Organize:- Weavers, Yarn Boilers& Strengtheners, Spinners, Fashion Designers, Cloth Traders, Knitters, sewers, tailors & Twisters	All identified associations established, Networking strengthened, Negotiation capacity increased and voices of members heard, Changes in supply of inputs & output marketing improved, Income of all actors fairly distributed	Sub City level MSE Agency, Cooperative Promotion Office, BoLSA, BoCT AACCSA,
2	Establishment of Forum that coordinates all actors and supporters in weaving sector	Facilitates, coordinates and creates Forum for consultations and discussions for overcoming challenges among the different actors & supporters	Smooth relationships among the different actors and supporters of weaving sector improved Challenges encountering the weaving sector minimized	MSE, BoT, BoI, BoLSA, Coopertive Promotion Office, AACCSA

3	Minimize cotton shortage	Coordinate and facilitate for cotton production, Design strategy for the production of cotton by different actors	Availability of adequate cotton production realized, Raw cotton, Yarn and 'Amalmalo' cotton distribution to all actors in need is realized	MoI, MoT, MSE, MoA, MoWE, BoI, BoT, Regional & Local Governments
4	Boiling, Strengthening & Whitening Technology Development for Yarn	Promote engagement of Science and Technology Universities & other Research Institution in the development of boiling, Strengthening and whitening technology for Yarn	Boiling, Strengthening and Whitening of Yarn used for Traditional Weaving produced by the end of by 2020	Addis Ababa University Science &Technology Faculty; others Institutions with AACCSA facilitation
5	Coloured Threads/'Tilet' production in the country	Conduct research and studies & able to produce Coloured Threads used for producing hand woven products	Adequate Research and Studies conducted; Ability and capacity of producing Coloured Threads/'Tilet' in the country developed	Addis Ababa University Science &Technology Faculty; others Institutions with AACCSA facilitation
6	Quality control mechanism on inputs supply and products output of weaving developed	Conduct research & studies ; develop standardization for inputs and outputs of Weaving Products	Problems of standardizations for the different inputs required for hand weaving and marketing of hand weaving products are minimized by 2020	AACCSA, MoI, MoT, Standardization Authority and Consumers' Right Protection Authority
8	Reorganizing and revitalizing cooperatives	Reorganize and revitalize Cooperatives engaged in weaving Cloths;	Effective and efficient cooperatives based on Internationally accepted Principals were organized and	MoT, MoI, Cooperatives promotion Agency, Sub – City level concerned

	engaged in Weaving	Organize Unions of weaving Associations and other type of Cooperatives	revitalized; Other type of cooperatives engaged in weaving sector strengthened; and Unions of different cooperative types were organized by 2020.	Departments and Offices at location administration levels
9	Promotion and legalization of more big weaving companies	Promote more big companies to be engaged in weaving and facilitating linkages among weavers to produce more hand woven cloths to be used for export	The number of big companies engaged in weaving and created linkages with traditional weavers to export more hand woven cloths increased and foreign currency earning in US Dollars increased	MoI ,MoT, MSE, MoCT, Forum for Networking and Lobbying for the promotion of hand weaving products
10	Build technical and skill capacity of stakeholders engaged in weaving sector	Improve the technical and skill capacity of all stakeholders engaged in weaving sector through formal and on job trainings	Technical and skill capacities of people engaged in weaving sector improved and changed	MoI, MoT, MSE, Cooperative Agency, University and others
11	Promote the Non Organized people engaged in weaving sector	Support the non organized people engaged in weaving through provision of different technical and skill support	The non-organized people engaged in weaving sector were organized, capacitated developed, achieved more benefits etc and their living standards improved by 2020	MoI, MoT, MSE, Cooperative Agency,
12	Increase domestic use and volume of export of Hand	Conduct Research & Studies on how to increase domestic & foreign export demands on Hand	Volumes of domestically usage and demand for export of Hand Woven Cloths increased by 2020	MoI, MoT, MoCT, AACCSA, Forum and Associations

	Wove Cloths products	Woven Cloths		
13	Upgrading Traditional Weaving Value Chains	Increase the **Internal Efficiency** of weaving through capacity building and reorganizing production system; **Upgrade weaving products** through changing its features in designing, branding etc based on tastes and preferences; **Functional Upgrading** changing the mix of production or specialization; **Deepening Markets** developing new market areas in terms of location either locally or export wise through research and studies to be made	The current existing Traditional Weaving Value Chain strengthened, upgraded and become full flagged one by 2018	Forum for Networking and Lobbying, MoI, MoT, MoCT, Unions to be established

IX. CONCLUSION & RECOMMENDATIONS

9.1 Conclusion

Traditional hand weaving in Ethiopia has been a key home activity both in rural and urban areas. In the case of Addis Ababa, Shiro Meda, Ketchane Medhane-Alem and Addisu Gebeya in Gulale Sub-City are the home Ethiopia's most respected weaving centres. Most of the inputs for hand weaving cloths come from Merkato, Addis Ketema Sub-City. Shortage of inputs, particularly, cotton for weaving traditional cloths usually occurs. In the case of cotton, as indicated above, the country has potential land of about three million hectares that can be used for cotton production. But during the last five years (2003-2007 EC), the country utilized only about 6252 hectares of land on average for cotton production, and cotton produced per year during the same period was about 152,956 tons on average. The demand for cotton in the country is higher than what has been produced, and it is due this reason that cotton is imported every year. Some of the bottlenecks like lack of coordination among the different actors in cotton production, in adequate extension services, lack of adequate research and development in cotton production, poor infrastructure particularly in cotton producing areas, marketing problems etc.

The distribution mechanism of Yarn/"Dir", "Mag" and Coloured Threads (Tilet) takes a long process from Ginner, Wholesaler, Retailer, Boilers and finally to Weavers. Similarly, the lint cotton/"Amalmalo" supply goes from Ginners, Ginner, Wholesaler, Retailer, Spinners who produce "Mag" used for and then reaches Weavers. This process also takes prolonged system of distribution. In all cases Weavers and Spinners do not have the means of getting the inputs they require for weaving.

In the case of Coloured Threads /Tilet required for decoration of hand woven cloths, the supply is from imports and hence there is limitation. No attempt has so far been made to produce in the country.

Weavers engaged in the production of hand woven cloths are performing two levels, i.e., at the premises constructed by the Government and provided to weavers on rent base and those weavers working at their respective houses. The major part of the hand woven cloths is produced on individual base, with the exception of some that are produced for big companies on enterprise level and few individuals. In addition to what they receive from enterprises and individuals, the big companies are also engaged in producing, processing, finishing and exporting hand woven cloths. All of those who are engaged in weaving of traditional hand woven cloths, organized enterprises and individuals are not linked up and whatever the weaving products they produce are on independent basis.

As to the marketing of the traditional weaving products, hand woven cloths produce by weavers are mostly sold at the open market held every Sunday. The buyers are salesmen/middlemen, individual licensed hand woven cloths traders, hand woven cloths traders organized into enterprises and individual user. The price and the quality of any hand woven cloths are determined by the buyer. Weavers perceived that they are not getting the lion share of their produces and instead, traders engaged marketing of the hand woven products are benefiting.

In the case of Boilers of Yarn/"Dir" for strengthening and whitening to sell to Weavers, they use traditional method of boiling and strengthening which requires fuel wood, water and other chemicals for whitening and strengthening. The inputs required are not available as required and boilers are challenged with the process it has to go through and traditional way of dining it. So far attempts have not been made by researchers to develop new technology of boiling for strengthening and whitening Yarn/"Dir" used for weaving.

The effort made by MSE Agency for organizing weavers, spinners, traders of hand woven products and suppliers of inputs is appreciated. These different enterprises organized are not linked up. In the case of weavers organized into "cooperatives", joint venture and team based there is no different in their objectives, functional activities and management system. Those weavers organized as cooperatives should have been operated according to cooperative principles and cooperative proclamation Number 147/1998

Lack of quality control mechanism on lint cotton/"Amalmalo" sold to Spinners to produce "Mag", Yarn/"Dir" and "Mag", Coloured Threads sold to weavers to produce hand woven products and determining its quality are some of the challenges encountering the sector. The responsible government organ for performing quality control in the waving sector is not clear and this is one challenges of the sector including determining price.

According to the data obtained from Gulale Sub-City MSE Agency, the total number of weavers organized into different forms enterprises is about 1606 out of which 43 are female. It is assumed that many of the weavers in Gulale Sub-City, let alone those in Addis Ababa City Administration are not yet organized into different forms of weaving enterprises. These group weavers which are not organized are not benefiting from the services that the government is providing.

Apart from those organized into different forms weaving enterprises and those ones which are not yet organized but engaged in weaving, a limited number of big weaving companies licensed engaged in weaving, producing and designing, finishing and exporting hand woven cloths. As stated above, strong market relationships among them is not yet established. The potential for expanding export of hand woven cloths through increasing the number of traditional cloths exporters are not exploited.

Domestic demands for traditional hand woven cloths products are usually dependent on occasions and seasons like public holiday, wedding ceremonies, festivities, special meetings and workshops, special public gatherings etc. Attempts made to use traditional cloths for casual work at office and other similar work activities are limited. Research and development made to come up with innovative way of using traditional cloths as casual clothes is also limited.

Actors engaged in production of traditional weaving products and traditional weaving sector supporters all along the value chain starting from cotton production up to the end use of hand woven product are not well coordinated and functioning at the same pace. Cotton Farmers, Ginners, Weavers whether organized into different forms of enterprisers, Spinners, Input Suppliers, Boilers, and Traders do not have the means of getting together and lobbying, negotiating and voicing their problems on the challenges encountering them in the production of hand woven cloths.

As indicated above, production of traditional hand weaving cloths is complicated with a number of limiting factors that include, shortage of input supply, inputs prices fluctuations, weak distribution system of inputs, low price for hand woven product, lack of coordination among different actors and supports, limited research and development within the sector etc.

The different challenging and constraints issues stated above should be properly addressed if "Traditional Weaving Products Value Chain" is to evolve and realize its potential for high employment that could generate income for the improvement of the livelihood of those who would be engaged in the sector both in its forward and backward linkage with agriculture. Based on this premises the following recommendations are made.

9.2 Recommendations

The recommendations made to enhance Traditional Weaving Products Value Chin include the following:

9.2.1 Promote the establishment of different associations

As stated above, the primary actors in the weaving sector are scattered and their voices to overcome the challenges encountering them in the weaving sector is not heard.

For better networking, lobbying and making negotiations with all the different actors in weaving sector and those in the non weaving sectors all of the different actors need to have their own associations. Since each of the actors has its own challenges and therefore, they need to establish independent associations of their own that include:-Weavers, Inputs Suppliers, Yarn Boilers and Strengtheners, Spinners, Fashion Designers, Hand Woven Product Traders and Knitters, Sewers, Tailors and Twisters. In this regard attention should be also given to those individual weavers not organized into any form of weaving enterprises and engaged in weaving at home. For organizing these associations the involvement of bureaus likes, MSE, Labour and Social Affairs, Culture & Tourism, Women, Youth and Child Affairs and technical support from AACCSA is vital.

9.2.2 Promote the establishment of Forum for Networking & Lobbying

In addition to establishing different associations' respective of their area of operation for lobbying and networking to overcome the different challenges and problems facing the weaving sector in their respective areas, establishing a Forum for Networking and Lobbying for the overall promotion of Traditional Weaving Products and Marketing is required to be established. The main function of the Forum expected to be formed will be Lobbying, Networking and overcoming challenges encountering the Traditional Weaving Sector all along the value chain starting from cotton production up to the end use/consumer. Therefore, the members of this Forum should include all the concerned stakeholders including the above identified Associations under 8.2.1, Ethiopian Cotton Producers, Ginners & Exporters and the big companies/enterprises/PLCs engaged in the production, processing, finishing and exporting hand woven cloths. Concerned government sector offices providing support and working with Traditional Weaving sector required to be attending meetings of the Forum.

9.2.3Overcoming shortage of cotton production

For overcoming shortage of cotton production in the country paying attention to research and development of cotton production, provision of extension services for smallholder cotton farmers, provision of technical support to the local cotton farming enterprises coming up, development of infrastructures in cotton farming areas, building the capacity of cotton producing enterprises in human resources and financial aspects and overall support in integrated manner from the government is required. In overcoming the problems stated above, primarily, ETIDI, MoA, (particularly Ethiopian Agricultural Investment Land Administration, Extension Department), Ethiopian Agricultural Research Institute, MoWE, MoI, MoT etc.., and particularly investors engaged in the production of cotton in fulfilling their roles and responsibilities is very vital.

9.2.4Shortening the prolonged process of weaving inputs supply

Establishing different associations (Weavers, Spinners, Input Suppliers, and Boilers) and creating a network so that each could come together and realize with problem with long process of input distribution/ supply after a thorough discussion and consultation should be the first action. Based on this process of awareness creation and arriving at overcoming the problem should be promoted.

The responsible organization for the implementation of such process should include the Sub-City MSE, Cooperative Office & Trade& Industry.

9.2.5Technology development for boiling Yarn/"Dir"

Yarn/"Dir boilers for strengthening and whitening are still using traditional method of boiling, and knowledge and practices that they have been using for centuries. The process of doing it encounters challenges of getting required inputs, time taking and long process. Research and development made to change and improve the methodology and developing appropriate technology has not yet started. Therefore, Universities and ETIDI responsible for manufacturing sector should pay attention for conducting research in the development technology that could be used for boiling Yarn/"Dir for strengthening and whitening

9.2.6 Promotion of Coloured Threads/"Tilet" Production in the Country

Most of the Coloured Threads/"Tilet" used for decoration of hand woven cloths are imported. Attempts made to produce quality Coloured Threads/"Tilet" in the country is very much limited and it is due such reality that the country is depending of importation of Coloured Threads/"Tilet" particularly from China and India. Research and development in the area of producing quality Coloured Threads/"Tilet" should be promoted by ETIDI.

9.2.7 Development of quality control mechanism for hand woven products

There is no independent institution responsible for controlling the quality of hand woven products. It is due this fact that any hand woven cloths product quality is determined by trader/buyer. The trader/buyer then determines the price of the product and this process results in low price payment for the weaver. For the creation of fair price payment for any weaving product independent institution that could standardize the cloth and also determine the price of any weaving product based on its quality should be instituted.

9.2.8 Reorganization and Revitalization of cooperatives

The data obtained from Gulale Sub-City MSE Agency for April 2015 indicated that 57(62%) of the enterprises organized into weaving of traditional cloths are

"Cooperatives". According to the assessment made, all of them do not qualify to be called "Cooperatives" and were not organized based on Cooperatives Proclamation 147/1998. Reorganizing and revitalizing them into cooperative societies and supporting them to be benefited from getting organized into cooperatives should be realized. If these "cooperatives" are reorganized and revitalized, and also able to form their own Union, the primary problems of thos weavers organized into cooperatives like shortage of required input supply, marketing of hand woven cloths products, financial problems, lack of networking and lobby etc, could have been minimized. Therefore, reorganizing and revitalizing the existing" cooperatives" should be given attention. The Cooperative Promotion Office of the Sub- City in collaboration with the MSE Agency will be the responsible organ.

9.2.9 Promotion of big companies engaged in exporting traditional cloths

As indicate above, the number of big companies (PLCs) engaged in weaving, receiving (hand woven products from individual and enterprise weavers) designing, finishing all other parts of the process and exporting hand woven products are very much limited. Providing adequate technical support for these big companies (PLCs) to increase their volume of export and also promoting others to come up should be given attention. In this regard the responsibility of ETIDI is very much vital.

9.2.10Increase stakeholders/supporters awareness on the weaving sector

The roles and responsibilities of the different stakeholders/supporters on the weaving sector should be clearly spelt out, redefined and each should be able to fulfil its roles and responsibilities. The major stakeholders/supporters are MoA, MoI, MoWE, MoT, MoCT, MoLA, Agricultural Investment Land Administration Agency, EARI, and Cotton Farmers, Ginners Association.

For the implementation of this recommendation, coordination and linkage among the different supports and stakeholders and their awareness on the weaving sector starting from raw cotton production, Ginning, Yarn/"Dir" supply process, boiling Yarn/"Dir" for strengthening and whiting, spinning, weaving, hand woven product marketing, designing and finishing up to selling to domestic user or exporting to foreign users have to be increased. This should be facilitated by ETIDI and adequate support from AACCSA should be provided.

List of References

Apparel Value Chain

Cotton Production and Research in Ethiopia

Cotton Production in Ethiopia

Cotton-Textile-Apparel Value Chain Report for Ethiopia

Dorze Weaving in Ethiopia- A model for education for Sustainable Development

Value Chain Methodology

Weaving in Ethiopia

Annex-1

List of Persons Contacted

S/N	Name	Telephone	Location/Kebele	Engagement
1	Selammawit Engida	0911668856	Bole- 18	Shop seller & designer
2	Fetil Tibeb	0934787272	Bole- 18	Shop seller
3	Blen Tizazu	0911672354	Bole - 18	Shop seller
4	Bililign Adane	0911198924	Bole - 17	Shop seller
5	Aynalem Ayalew	0910815999	Bole - 17	Designer & shopper
6	Yishak Tekle	0911756580	Bole - 17	Designer & tailor
7	Geni Eda-Tibeb(Tiras kasaye)	0924115291	Bole-Olympia	Designer, taller & shopper
8	Kidist design- Rahel	0911227073	Bole- Olympia	Designer and seller
9	Tryi Craf-Elsabet Owner	0911641949	Bole - Olympia	Designer, manuf/, tailer & seller
10	Mekonen Gule (Tryo Craft)	0911679359	Saris	Designer, manuf/, tailer & seller
11	Gedebo Golga	0910500934	Shiro Meda	Production & seller
12	Alemu Awash –Tena Adam	-	Shiro Meda	Production & seller
13	Meselech Goncho	0938258689	Shiro Meda	Production &d seller
14	Nigat Game Chairman	0912190062	Shiro-Meda	Spinners
15	Fekadu Alemu	0913221891	Markato	Raw cotton seller
16	Gizachew Abaje	0933158896	Markato	Dir supplier
17	Meheret Debru	0913294002	Markto	Threads supplier
18	Fantu Alemayeh	0923 108586	Shiro Meda	Cloths trader
19	Nur Husien Hasen	0911477948	Shiro Meda	Cloths trader
20	Dagimaw Demisie	0920720807	Shiro Meda	Weaver
21	Deferu Daka	0934487796	Shiro Meda	Weaver
22	Kuta Balta	0911260419	Shiro Meda	Spinner
21	Tbiza Yidengitu	0911475950	Dir Boiler	Ketchane
22	Kasahun Shewarge	0912888564	Weaver	Ketchane
23	Fasil G/Silassie	091123262	Bole Road	Trader(cloths)
24	Husien Ahimad	0920673020		
25	Kadija Jida	0939851406		
26	Henock	0911 863986	Gulale sub-city	MSE Expert
27	Asmerom	0913827474	Gulale sub-city	MSE Expert
28	Berhanu Bajo	0911068964	Shiro Meda	Cloths trader
29	Dawit Folo	091106827474	Shiro Meda	Cloths trader
30	Semaheng Shanko	0911255267	Shiro Meda	Cloths trader
31	Asfaw Disha	0913834364	Shiro Meda	Cloths trader
32	Fekadu Balango	0912686750	Shiro Meda	Cloths trader
33	Yonas Beyne	0910715817	Addisu Gebeya	Weaver

33	Sintayehu Bisrat	0911 762785	Addisu Gebeya	Weaver
34	Ejigu Manaye	0912368431	Addisu Gebeya	Weaver
35	Asnakech Kumsa	0923256496	Addisu Gebeya	Weaver
37	Bekelech Teshome	0920659282	Addisu Gebeya	Weaver
38	Seman Gizaw	0936114843	Addisu Gebeya	Weaver
39	Asha Abate	0911 687216	Addisu Gebeya	Weaver
40	Ermias Shiferaw	0913646039	Addisu Gebeya	Weaver
41	Abaye Mamuye	0913002550	Addisu Gebeya	Weaver
42	Asfefa Meresa		Gulale sub-city	ACSI MFI
43	Asefa Aga'a		Legahar	CGEA Manager
44	Mekides Abeba	0921638828	Shir0 Meda	Tailor & Designer
45	Kasahun Hailu	0910295439	Shir0 Meda	Tailor & Designer
46	Miheret	0111234019	6Kilo	Muya Ethiopia
47	Enawgaw Nigussie	0911738701	TIDI	Directorate
48	Alataye Husien(Gulale		Shir0 Meda	Tailor & Designer
49	Teferi Tafasie	0913173877	Shir0 Meda	Coop expert
50	Yitbark G/Medhin	0910 456529	Addisu Gebeya	MSE- Exper
51	Shibru Berga		MoI	Advisor to the State Minister
52	Yisma Tsige	0912020220	Head Office	Mo C& T
53	Yemane Sakata	0911854656	Gulale sub city	Expert MSE
54	Zelalem Hailegiirgis		CSA	Directorate
55	Abera Mulate	0916823022	Directorate General	Ethiopian Agricultural Investment land Administration Agency
56	Dr. Workafes	0921 14 59 82	Directorate	Ethiopian Agricultural Investment land Administration Agency
57	Hadish	0911 40 16 41	Cotton Farmer	V/Chair of ECPGE