# Value Chain Analysis of Wheat in Tuli Guled Woreda of Fafen Zone, Somali Region, Ethiopia.

Mahamud Mohamed Musa

E-mail address: mahamudmusa6@gmail.com,

Telephone: +251940271074

Somali Region Pastoral And Agro-Pastoral Research Institute (SoRPARI)

***ABSTRACT***

*This study focused on the analysis of the wheat value chain in the Tuli Guled District of Fafen Zone with specific objectives of analyzing the market structure-conduct-performance of wheat markets; identifying the value chain of wheat supply to the market and market outlet choice of wheat producers, and wheat value addition at different stages of the marketing chain. Primary data were collected from 90 farmers and 30 wheat traders using structured questionnaires. Descriptive statistics were used to analyze the collected data. Results show that the study area's main wheat value chain actors are input suppliers, farmers/producers, assemblers, wholesalers, processors, retailers, and cooperatives. Results from the functional and institutional approach of value chain analysis showed that input providers, producers, cooperatives, collectors, wholesalers, retailers, and processors were found to be important wheat value chain actors. According to the survey results, only 15.8% only from the total sample households had access to credit and the remaining 84.2% had no access to credit. Cooperatives, Somali microfinance credit, and saving institutions, traders, and families/relatives are the sources of credit in the study area. The results of the study Woreda, indicate that the major wheat production constraint includes lack of stability, high input costs, shortage of rainfall, shortage of seeds of improved varieties, less awareness of farmers about improved crop management practices, the spread of weeds, and difficulty of saving pure seeds from farmers' harvest in combine harvested areas, and high cost of combine harvesting are among constraints reducing the productivity, production and return from the crop. Therefore, policies aiming to increase farmers' awareness of producing value-added wheat produce to enhance value creation are recommended to strengthen chain development.*

**Keywords:** wheat, value chain Analysis, value chain actors, margin, market channel.