# ASSESSMENT NOT GASSESSMENT OF WOMEN FARMERS' CREDIT NEEDS IN IMBULPE DS DIVISION IN SRI LANKA

**S D D Rathnachandra**

Department of Agribusiness Management, Faculty of Agricultural Sciences, Sabaragamuwa University of Sri Lanka, P.O. Box 02, Belihuloya, Sri Lanka.

*dilinirathnachandr92@gmail.com*

**Abstract:** *The study was conducted to identify the role of women farmers' credit needs, using Imbulpe (Divisional Secretariat) DS Division in Sri Lanka. As the sample size of study 238 women farmers were selected from seven selected (Grama Niladhari) GN divisions of the study area. This study was conducted to identify the areas and level of credit needed by women farmers. And also, the agricultural credit sources was identified.. Women farmers were selected by using the simple random sampling method. Questionnaire Survey was used as the data collection method from March to July 2019. Descriptive statistics was used for the data analyzing process and the result showed that, 59.7 % of the women farmers were observed within the middle ages (40-59 years), most of them were married, and 4-5 members within their family. 64.3 % of women farmers were studied up to secondary level education. Majority of the women farmers were noted that they need credit facilities for the application of agrochemicals and fertilizers. In Addition to that, utilization of modern farming technologies, transportation & marketing of agricultural products and purchasing improved seeds & livestock related credit neediness most important for them. And also, they were showed a less interest regarding the credit neediness for pre-planting activities, irrigation facilities and harvesting activities. Most of the respondents were indicated high level of credit neediness for the application of agrochemicals and fertilizers and utilization of modern farming technologies while moderate and low level of agricultural credit neediness regarding the pre-planting activities, irrigation facilities and harvesting activities within the study area. Majority of the respondents were showed savings from the previous agricultural earnings and other family member or fellow women as their major credit sources of agricultural activities. Private money lenders act as the least important credit source for agricultural activities in the study area.*

## INTRODUCTION

Gender equity is act as the one of the key driving force to achieve the sustainable development of a country in the globe (UNITED NATIONS-UN., 2020; UNDP, 2017; KHAN et al., 2017). Researchers provide evidences from their previous studies, about the invisibility of women contribution to the social development of the particular country. That is the root cause for assess the contribution of farm women for the development of country through identifying their credit needs on food production activities (GLAZEBROOK et al., 2020; FAO., 2011).

In developing countries, majority of women farmers are engaging with the traditional farming practices of planting, weeding, harvesting and post-harvest management related activities. Therefore rural women dominate within the subsistence farming operations rather than the commercial farming. When considering about the developed nations in the world, their agricultural operations are mechanized and considerably low level of women involvement is more conspicuous (RATHNACHANDRA and MALKANTHI.,2020; IBHARHOKANRHOWA., 2016; MALKANTHI., 2016).

Men upgrade their capabilities related to their education level, modern farming accessibility, agricultural information access and also the credit neediness (FAO, 2018). Credit neediness of the agricultural sector is act as a key component in improving small-scale agricultural production and linking them to the agricultural markets, thus upgrading the status of the rural livelihoods, more quality yield and food security of the global population (FAO., 2020).

The demand for agricultural credit facilities are prevalent by the economic and social factors in most of the rural areas of developing countries. Access to credit facilities are allow for low income farmers to afford to use fertilizer on food crops is a major problem in virtually all of the developing countries (MUSEMBI., 2019).

Women empowerment can be achieve by allowing them to take decisions within the household, having proper social networks, having proper access to financial and economic resources, more bargaining power with their husbands within the family and having considerable freedom of mobility (RATHNACHANDRA and MALKANTHI.,2020; IBHARHOKANRHOWA.,2016). However, women still suffering from various difficulties for the access of such kind of credit facilities. The major case of lower accessibility of credit facilities, the rural women has low level of literacy and dependent on their husbands for the agricultural inputs (UN., 2018; IBHARHOKANRHOWA., 2016). Agricultural credit obtain with the several credit vehicles for financing the agricultural transactions, including loans, notes, bills of exchange and bankers acceptances etc. These types of financing methods are adapted to the specific financial needs of farmers, which are determined by planting, harvesting and marketing operations. In other words credit is regarded as a major factor for both agricultural development and rural development (UKWUABA et al., 2020; IJIOMA and OSONDU., 2015). Therefore, proper agricultural credit system is an essential requirement to obtain a significant improvement in food production (ASGHAR and SALMAN., 2018). The government is motivating to bloom the overall development through a viable and sustainable financial system for the agricultural sector. This situation cause to build-up an improvement in the accessibility of credit and other financial services (including banking) to the rural farmers (WORLD BANK., 2020; ASIAN DEVELOPMENT BANK., 2017).

In Sri Lanka, about 14.4% of the economically active women is represent from the rural sector. (MADURAWALA., 2018; ANNUAL LABOR FORCE REPORTS, 2017).

Women contribution in farming activities is gradually uplift the national economy of Sri Lanka. Rural women are contributed their effort for the agricultural sector rather than service sector (ANNUAL LABOR FORCE REPORTS, 2017).

Imbulpe DS Division consists with the agriculture sector rather than service sector and women support for the farming activities behind with men (CENSUS AND STATISTICS OF AGRICULTURE BASE REPORT –RATHNAPURA DISTRICT, 2013/14). Therefore, most of the women are engaged in farming activities within the study area. Based on the statistics of the Imbulpe divisional secretariat office, average monthly income of the household is about LKR 20, 000- 30,000 and also agricultural related activities are support to fulfill their financial requirements.

But there is no proper identification of the agricultural credit needs of women farmers in the study area. Sources of agricultural credit facilities is involve to build up higher women farmer capacity and directed to empower them. This study conducted to identify the rural women farmer's agricultural credit needs and level of agricultural credit needs of women farmers in the study area. In addition to that, to identify the sources of agricultural credit sources in Imbulpe area.

## MATERIALS AND METHODS

Imbulpe DS Division is situated in Rathnapura district in Sabaragamuwa province of Sri Lanka. Agricultural activities are more prominent within the study area. And also, considerable share of men are working in urban areas. Therefore, majority of women are contributing their effort in farming activities.

Imbulpe area consists with fifty GN divisions and only seven representing GN divisions of the study area namely Halpe, Seelogama, Kinchigune, Puwakgahawela and Muttettuwegama, Imbulpe and Karagastalawa were used to select the respondents of the study. These GN divisions represent the large amount of women farmers who registered under the Agrarian Service Center of the study area than the other GN divisions. 238 women farmers were selected through the simple random sampling method as the sample and a pilot study was conducted to make sure the requirement of enough amount of primary data for the further analyzing process of the study. Pre-tested, interviewer-administered questionnaire survey was used as the primary data collection method from March to July 2019 and the data analysis was done by using descriptive statistics. A list of selected areas of agricultural credit needs were presented to the women farmers in the study area. They determined their required level of credit neediness by ranking their credit needs as very high (5), high (4), moderate (3), low (2) and very low (1). Weighted mean was calculated to identify the areas of credit needs for the agricultural activities and level of credit needed by women farmers in the study area. In addition to that, to identify the sources of credit for the agricultural activities was analyzed through the ranking of provided list of selected agricultural credit sources based on the findings of the pilot study

## RESULTS AND DISCUSSION

### Socio-economic factors of the respondents

Socio-economic factors of women farmers were demonstrated in Table 1.

As per the results of the table 1, 62.6% of respondents were showed that in between 40 -59 years as their age. It conclude that most of the women farmers are represent the economically active population and there is a considerable potential to enhance their credit accessibility to upgrade the level of food production of them. 90.3% of respondents were married and 64.3% of them were showed Junior Secondary education as their level of education (GCE Ordinary level). A significant level of education has created a proper guidance to access and adopt new technologies that can improve their agricultural production, credit facilities and also the agricultural information accessibility. Majority of the respondents were reported that they have 4-5 members within their families. 0.84 acre was showed as their average farm land size and they were showed about 15 years as their farming experience. While 65.5% of women farmers were showed LKR 20,001 – 40,000 as the monthly income, 25.6%

**Table 1: Socio-economic factors of respondents (n=238)**

| Factor | Category | Frequency | Percentage(%) |
|---|---|---|---|
| Age | 20-39 Years | 40 | 16.8 |
| | 40-59 Years | 149 | 62.6 |
| | > 60 Years | 49 | 20.6 |
| Marital status | Single | 09 | 3.8 |
| | Married | 215 | 90.3 |
| | Widowed | 14 | 5.9 |
| Educational level | No Primary education | 08 | 3.4 |
| | Primary education | 68 | 28.6 |
| | Junior secondary education (O/L) | 153 | 64.3 |
| | Senior secondary education (A/L) | 09 | 3.8 |
| Monthly income (LKR) | Less than 20,000 | 61 | 25.6 |
| | 20,001 – 40,000 | 156 | 65.5 |
| | 40,001 – 60,000 | 21 | 8.8 |
| Number of family members | less than 4 | 79 | 33.2 |
| | 4 - 5 | 128 | 53.8 |
| | more than 5 | 31 | 13.0 |

**Source: Field survey March to July 2019**

of them were reported their monthly income is below LKR 20,000. Low level of monthly income express the importance of agricultural credit neediness within the study area.

## Agricultural credit neediness of women farmers in the study area

The areas of agricultural credit neediness were presented in table 2.

**Table 2: Areas of agricultural credit neediness of the respondents (n = 238).**

| Areas of credit neediness | Frequency | Percentage (%) |
|---|---|---|
| Purchasing improved seeds & livestock | 114 | 45.1 |
| Labor requirements | 080 | 33.6 |
| Utilization of modern farming technologies | 140 | 55.3 |
| Pre-planting activities | 044 | 18.6 |
| Irrigation facilities | 054 | 22.5 |
| Transportation & marketing of agricultural products | 112 | 47.0 |
| Application of agrochemicals & fertilizers | 146 | 57.7 |
| Harvesting activities | 030 | 12.7 |

**Source: Field survey March to July 2019**

Based on the findings of the table 2, majority of the women farmers (57.7%) were showed that they need credit facilities for the application of agrochemicals and fertilizers. In Addition to that respondents were noted utilization of modern farming technologies (55.3%), transportation & marketing of agricultural products (47%) and purchasing improved seeds & livestock (45.1%) related credit neediness more necessary for them.

But they were showed a less interest regarding the credit neediness for pre-planting activities (18.6%), irrigation facilities (22.5%) and harvesting activities (12.7%). Most of the women farmers were spent largest amount of credit for application of agrochemicals and fertilizers. Therefore, majority of the respondents were engaged chemical farming rather than the organic farming and conspicuous level of modern farming technology utilization observed. And also, transportation and marketing of agricultural products was showed conspicuous level of credit neediness. Because, Imbulpe area is a rural farming area and they have to transport their agricultural products into the market places of the urban areas.

## Level of agricultural credit needs of women farmers

Table 3 showed about the level of agricultural credit needs of women farmers in the study area.

**Table 3: Level of agricultural credit needs of the respondents.**

| Level of need | Frequency | Percentage (%) |
|---|---|---|
| Very high | 42 | 17.6 |
| High | 102 | 42.9 |
| Moderate | 71 | 29.8 |
| Low | 17 | 07.1 |
| Very low | 6 | 02.5 |
| Total | 238 | 100 |

**Source: Field survey March to July 2019**

According to the results of the table 3, 42.9% of the respondents were indicated high level of credit neediness for the application of agrochemicals and fertilizers and utilization of modern farming technologies while 29.8% and 7.1% had moderate and low level of agricultural credit neediness regarding the pre-planting activities, irrigation facilities and harvesting activities within the study area.

## Agricultural credit sources of women farmers

The agricultural credit sources were presented in table 4.

**Table 4: Agricultural credit sources of women farmers (n = 238).**

| Credit source | Frequency | Percentage (%) |
|---|---|---|
| Savings from the previous agricultural earnings | 114 | 47.9 |
| Bank loans & loan providing institutions | 12 | 05.1 |
| Funds from the farming societies | 37 | 15.5 |
| Other family member or fellow women | 69 | 29.0 |
| Private money lenders | 6 | 02.5 |

**Source: Field survey March to July 2019**

As per the results of the table 4, majority of the respondents were showed savings from the previous agricultural earnings (47.9%) and other family member or fellow women (29%) as their major credit sources of agricultural activities. In addition to that, funds from the farming societies were reported by the 15.5% of the respondents and private money lenders act as the least important credit source for agricultural activities in the study area.

## CONCLUSION

Majority of the women farmers were showed that they need credit facilities for the application of agrochemicals and fertilizers. In Addition to that respondents were noted utilization of modern farming technologies, transportation & marketing of agricultural products and purchasing improved seeds & livestock related credit neediness more necessary for them.

And also, they were showed a less interest regarding the credit neediness for pre-planting activities, irrigation facilities and harvesting activities. Most of the women farmers were spent largest amount of credit for application of agrochemicals and fertilizers. Therefore, majority of the respondents were engaged chemical farming rather than the organic farming and conspicuous level of modern farming technology utilization observed. And also, transportation and marketing of agricultural products was showed conspicuous level of credit neediness. Because, Imbulpe area is a rural farming area and they have to transport their agricultural products into the market places of the urban areas.

Most of the respondents were indicated high level of credit neediness for the application of agrochemicals and fertilizers and utilization of modern farming technologies while moderate and low level of agricultural credit neediness regarding the pre-planting activities, irrigation facilities and harvesting activities within the study area.

Majority of the respondents were showed savings from the previous agricultural earnings and other family member or fellow women as their major credit sources of agricultural activities. Private money lenders act as the least important credit source for agricultural activities in the study area.

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