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ARTICLE INFO
Fatai Abiola Sowunmi, Adewumi Oyewunmi Oyebanjo, Osarobo Cecil Omigie and Zakariyah Olayiwola Amoo (2018). Demand for charcoal among petty traders in Oyo state, Nigeria: a paradox of survival and environmental degradation. Environmental Economics, 9(2), 36-46. doi:10.21511/ee.09(2).2018.03

DOI
http://dx.doi.org/10.21511/ee.09(2).2018.03

RELEASED ON
Monday, 25 June 2018

RECEIVED ON
Friday, 09 March 2018

ACCEPTED ON
Wednesday, 20 June 2018

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JOURNAL
"Environmental Economics"

ISSN PRINT
1998-6041

ISSN ONLINE
1998-605X

PUBLISHER
LLC “Consulting Publishing Company “Business Perspectives”

FOUNDER
LLC “Consulting Publishing Company “Business Perspectives”

NUMBER OF REFERENCES
65

NUMBER OF FIGURES
1

NUMBER OF TABLES
8

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Demand for charcoal among petty traders in Oyo state, Nigeria: a paradox of survival and environmental degradation

Abstract

Striking a balance between human survival heightened by mass unemployment and the environment is crucial to the sustainability of the natural resources. The role of petty trader is important in ensuring that the excess supply during harvest is processed into the forms (roasted maize, yam, plantain, meat and chicken) appreciated by consumers instead of being a loss to farmer. While average daily income of 2670.79 Nigerian naira (₦) was assured, substantial quantity of charcoal (46786.3 kg) was utilized per week by petty traders. This is equivalent of 20.6 hectares of wood. The per capita charcoal utilization per week for suya, roasted yam and plantain sellers were 178.7 kg, 85.2 kg and 145.8 kg, respectively. These were obtained from clearing 0.8 ha (suya), 0.4 ha (roasted yam) and 0.6 ha (plantain) of wood. Age of respondents, experience in petty trading and hours of trading per day have a positive influence on the quantity of charcoal utilized per day, while frequency of purchase (charcoal) and rainy season have a negative relationship with quantity of charcoal used per day. Considering the appreciable quantity of charcoal utilization among petty traders and its negative effect on the environment, government should go beyond collecting taxes from charcoal producers. Also, the need for control over exploitation of trees and mobilization of staff of the Ministry of Forestry for prompt tree planting are required.

Keywords: charcoal, petty trader, deforestation, farm production, environment.

JEL Classification: Q21, Q23, Q56.

Received on: 9th of March, 2018.
Accepted on: 20th of June, 2018.

Introduction

Small scale business occupies a unique position in the economy of any nation. It constitutes the cornerstone of any competitive economy and by far outnumber the large-scale business. As a result of easy entry into the market, small-scale business springs up all the time keeping the competition environment lively, a phenomenon that leads to productivity gains and real economic growth, Small scale business is closer to the grass root and it gingers rural development. They are less capital intensive and do not require gigantic infrastructure for their operation (Hiproject, 2017). Small business is crucial for economic growth, poverty alleviation and wealth creation (Capenter, 2001). Petty trading falls into this category of economic activities. According to Mbisso (2012), petty trading can be referred to as an economic activity that involves selling (and buying) goods and services in small scale, ranging from agricultural produce to locally produced and imported consumer goods. Petty trading constitutes a collection of individual sellers with small capital and buyers operating in a group of small spaces. It is a prevailing socioeconomic activity serving a multitude of the low-income population in rapidly developing countries (United Nation Habitat, 2009). Most people involved in petty trading do their business transactions in stalls, open space, road side and sometimes in make shift stores (Anyamba, 2006). The capital required to set up such business is meagre as low as ₦2000 equivalent of $5.6 at the current exchange rate of $1 to ₦356. It is an integral part of informal sector of the economy, which is usually not recognized, regulated, or protected by legal or regulatory frameworks (Amin, 2002; ILO, 2002, 2003). The informal sector accounted for 57.9 percent of Gross Domestic Product (GDP). Also, the informal sector contributes 80 percent of the labor force in Africa (UNDP, 2014; Datamania Consult, 2014).

Retail trading has increasingly received attention as one of the most important activities in urban development processes. The Enterprise Baseline Survey report (2012) revealed that there are 17 million small and medium scale enterprises in Nigeria, employing 32.4 million persons and contributes of about 46.5 percent to the Nigerian GDP (Elebeke, 2012). Trading in the processing of agricultural produce such as roasted plantain, maize, yam and meat (suya) in markets and along the major roads of urban and rural areas is a very common small-scale enterprise in Nigeria. However, as a
result of the seasonality of agricultural products, petty traders often change the products they sell from time to time for continuity in business. Petty trading is basically a major source of employment (approximately 60 per cent of urban jobs) and income to poor and low-income households. With high level of unemployment attributed to infrastructural decay, the role of petty trading in providing jobs for the low-income members of the population estimated to be 182.2 million in 2015 (National Population Commission, 2016) cannot be overemphasized. With the economic recession, the unemployment rate stood at 14.2% as at the fourth quarter of 2016 (using NBS new methodology). This means that 28.58 million persons were unemployed.

Baring the myriads of basic problem facing agriculture, it has, the potential to employ 70 percent of the country’s labor force. However, the problem of storage and perishability of food crops are peculiar across the six agro-ecological zones of Nigeria; most especially, the seasonal food crops (maize, yam and plantain) whose supply usually exceeds the demand during harvest. Nigeria loses over 60 percent of farm produce annually due to lack of storage and agro-processing facilities (Oketola, 2016).

The petty trading play a significant role in taking up the excess supply and process them in different forms (such as roasted plantain, maize, yam and meat) acceptable to consumers using charcoal as the source of energy. These are local snacks consumed by Nigerians: regardless of income status. Charcoal produces little or no flame; it is portable and has better energy efficiency; charcoal contains double energy of ordinary firewood and burns faster; it adds flavor, color and texture to food (Waters, 2015; Eweoya, 2006; Ajao, 2011; Kunnibe et al., 2013; Adepoju et al., 2012; Onoja & Idoko, 2012; Nyembe, 2011) concentrated on charcoal production and efficiency of charcoal production. Also studies on the demand for charcoal only considered household utilization. The belief that the charcoal utilization by petty trader is in significant might have contributed to the dearth of research on demand for charcoal among petty traders that this study setout to address. The study did not only determine the average quantity of charcoal (kg) used per day by petty traders to process agricultural produce, but also estimated the equivalent quantity of wood required to produce the charcoal used in the study area. The study identified factors influencing charcoal utilization per day in the study area.

### 1. Theoretical framework and literature review

The theory of land degradation states that annihilation of forested areas, wetlands, grasslands, etc. arises because of the difference between the discount rate of the individual and the society as a whole (Meyeres, 1985).

The demand for woodfuel (charcoal) like other economic goods among petty traders has a negative relationship with the price. However, as the price increases, the cost implication is born by the final consumer of the products (examples are roasted plantain, yam and corn) who are expected to pay more for the same product. This depends on the status (necessity or luxury) of the finished product to the final consumer. The cost of woodfuel (charcoal) is primarily determined by the following factors: time, labor, capital and technological advances (Samuelson & Nordhaus, 2005). Among the petty traders engaged in roasting yam, maize, plantain and suya by the road side, there is no substitute to charcoal as source of energy for their business. Hence, availability of substitute is not a factor influencing the demand for charcoal. The existing literature on charcoal is on production,
production efficiency and household utilization (Adedeji & Aiyeloja, 2014; Anang et al., 2011; Jelili et al., 2015; Eweoya, 2006; Ajao, 2011; Kunnie et al., 2013; Adepoju et al., 2012; Onoja & Idoko, 2012; Nyembe, 2011). Sufficient interests have not been shown by researchers to studies on charcoal utilization by petty traders who roast yam, maize, plantain and soya by roadsides of urban and rural areas in most parts of Nigeria. While descriptive analysis was commonly used in charcoal production studies, other different analytical tools have been used on household utilization of charcoal. These included LA-AIDS, logistic regression, tobit regression, two-stage least square and probit regression. However, restrictions of LA-AIDS model reveal simultaneity bias problem. While Adepoju et al. (2012) revealed that as per capita income increases, expenditures on charcoal increases. Also, Nyembe (2011) found that as per capita expenditure of household increases, the probability of using charcoal as source of energy at home increases at a decreasing rate. Studies (Nyembe, 2011; Ajao, 2011; Kunnie et al., 2013) affirmed that the higher the education a household head possesses, the lower the probability of consuming charcoal would be. Babanyara and Saleh (2010) posited that rural-urban migration, poverty and hikes in price of kerosene were critical factors influencing demand for woodfuel (charcoal and firewood) in urban Nigeria.

Demand for woodfuel (charcoal or firewood) in the rural areas of developing countries is usually higher than in urban areas. One of the main reasons for this is inability of the households to have access to other fuels, such as gas and fossil fuels in the energy mix of the urban areas (Egeru, 2014; FAO, 1993; Brouwer & Falcão, 2004; Luoga et al., 2000a).

The bulk of charcoal wood is clear-cut from secondary and, in some cases, primary forest (Brandley, 1991). Emissions during charcoal production are significant and contribute heavily to global climate change impact. The charcoal oven emission ratios of CO, CH4, NMHC, and NH3 to CO2 are larger with much higher global warming potential. Apart from exposing the soil to agent of denudation, Adedeji and Ayeloja (2014) posited that charcoal production impacts negatively on the survival of the honeybees’ colonies and population.

Jelili et al. (2015) found that large percentage of the wood used in the production of charcoal is obtained from trees deliberately felled for the purpose of charcoal production. Only a few proportions of such woods are obtained from trees that die naturally. This revealed high rate of deforestation tendency without any effort towards afforestation.

Charcoal production efficiency varies between 10% and 25% (Awodele et al., 2014; Lew & Kammen, 1997; Okello et al., 2001; Stassen, 2002, Pereira & Joaquim, 2001; Falcão, 2005).

2. Methods

The study was carried out in Oyo state, Nigeria. Five of the major towns in Oyo state known for petty trading (roasting of yam, maize, soya and plantain) were considered for the study. These are Ogbomosho, Oyo, Iseyin, Eruwa and Ibadan; the capital of Oyo state. These towns are known for farming in arable crops (yam, maize and plantain), which serve as raw material for further processing by petty traders into the forms acceptable by consumers. According to NPC (2006), Oyo state has a population of 5,580,894 with Ibadan metropolis alone having 73.9% of the total population (2,550,593). The towns/cities are major centres for trade in agricultural and non-agricultural products. With high unemployment rate in Nigeria (21.1%), 15% in Southwest Nigeria and 8.8% in Oyo state (NBS, 2010), petty trading is seen as a temporary way of earning means of livelihood among the populace in major cities in Nigeria dealing with different commodities, including roasting of seasonal agricultural food crops, such as maize, yam, plantain and suya (grilled meat) by the roadside.

Multi-stage sampling was used to select respondents in the study area. Five subtowns with substantial population and historical links to petty trading in processed agricultural products were purposively selected from the list of towns in Oyo state. The selected subtowns were thirty three (33) in Ogbomosho, the subtowns were Apake, Olude layout, Omererin, Oke Ado and Sabo motor park; in Oyo, the subtowns were Agunpopo, Araromi, Ilaka, Isale Oyo, Labindodo, Oke Apo, Oke-Ebo, Oramiyan and Owode, Ibadan Metropolis, the subtowns were Bodija, Sango, Mokola, Sabo, dugbe, Ojo, Beere, Oje, Molete and Idi-Areere, while Abugaga, Adewuyi, Ajagbadi, Ajoin, Ado Awaye, Apa Tapa, Aboris and Osugun were considered in Iseyin and Eruwa. Twenty (20) respondents were randomly selected from each of the towns in Ibadan Metropolis giving a total of 200 respondents, while 10 respondents were selected from other subtowns outside Ibadan Metropolis (230). The disparity in the number of respondents was as a result of large population of Ibadan Metropolis, which encouraged large number of petty traders (roasting of maize, yam,
plantain and beef). Data were collected using structured questionnaire. The choice of questionnaire was because it ensures uniformity of data from respondents. Data were collected on the socioeconomic characteristics of respondents (age, household size, educational status), daily sales, daily expenditure on charcoal, frequency of charcoal purchased per week, the agricultural produce the traders deal with, years of experience in the trade, among others. Out of 430 questionnaires administered, 385 were good enough for analysis.

Data were analyzed using descriptive statistics to profile the socioeconomic characteristics of the petty traders, as well as to obtain the equivalent of hectares of wood to the charcoal utilized for roasting yam, plantain, maize and suya by petty traders in the study area. The average charcoals utilized among different groups of petty traders were compared using ANOVA (Analysis of Variance), while multiple regression analysis was used to determine the factors influencing the quantity (kg) of charcoal used per day by petty traders in the study area. The expected summary of the ANOVA is shown in Table 1.

| Source of variation | Sum of squares | Degree of freedom | Mean squares | F-ratio |
|---------------------|----------------|------------------|--------------|---------|
| Between groups (roasted yam, maize, plantain and suya sellers) | $SSB = \sum_{j=1}^{k} \sum_{i=1}^{n_j} (X_{ij} - \bar{X}_j)^2$ | $k-1$ | $MSB = \frac{SSB}{(k-1)}$ | $F = \frac{SSB}{(k-1)}$ |
| Within groups (roasted yam, maize, plantain and suya sellers) | $SSW = \sum_{j=1}^{k} \sum_{i=1}^{n} (X_{ij} - \bar{X}_j)^2$ | $n-k$ | $MSW = \frac{SSW}{(n-k)}$ | $F = \frac{MSW}{MSW}$ |
| Total | $SST = \sum_{j=1}^{k} \sum_{i=1}^{n} (X_{ij} - \bar{X}_j)^2$ | $n-1$ | | |

where:
- $SSB$ represents sum of squares between groups (yam roasters, plantain roasters, maize roasters and suya roasters);
- $SSW$ represents sum of squares within groups (yam roasters, plantain roasters, maize roasters and suya roasters);
- $SSE$ represents sum of squares within groups;
- $SST$ represents sum of squares for total;
- $MSEB$ represents mean square error between groups;
- $MSEW$ represents mean square error within groups;
- $n$ represents sample size;
- $k$ represents number of categories.

The model for the multiple regression model is represented by:

$$QUNTCHA = \beta_0 + \beta_1 AG + \beta_2 GD + \beta_3 MA + \beta_4 RH + \beta_5 HS + \beta_6 TE + \beta_7 FR + B8R + \beta_9 DRY + \beta_10 T + \beta_11 S + \varepsilon$$  \hspace{1cm} (1)

where:
- $QUNTCHA$ represents quantity (kg) of charcoal used by the respondents per day;
- $AGE$ represents age (years) of respondents;
- $GD$ represents gender of the respondents;
- $MA$ represents marital status of the respondents;
- $RH$ represents household size of the respondents;
- $TE$ represents years of trading experience (year);
- $FR$ represents frequency of purchasing charcoal per week;
- $B8R$ represents rainy season (Yes = 1, No = 0);
- $DRY$ represents rainy season (Yes = 1, No = 0);
- $T$ represents average trading hours per day;
- $S$ represents daily sales income (N) of respondents;
- $\varepsilon$ represents error term.
3. Results and discussion

3.1. Socioeconomic characteristics of respondents. Figure 1 shows that majority (29.4%) of the respondents were within the age bracket of 31-40 years, while only 9.4% and 1.9% were between 61-70 and 71-80 years, respectively. The average age of respondents was 42.1 years, while the skewness was positive (0.49) indicating that majority of the respondents were below 42.1 years (average age). The disaggregation of the results showed that the average ages of the petty traders dealing in roasted yam, roasted plantain and maize were 34.2, 46.3 and 36.3 years, respectively. This shows that those engaging in petty trading were in their economic active ages. Table 2 shows that petty traders involved in roasting of agricultural products (yam, maize, plantain and meat) were dominated by married females (75.6%), with the exception of suya, which is dominated by male (24.4%). Specifically, the study showed that the average household size was approximately 6.0 (5.9), with most respondents having household size of less than 6. Furthermore, the study revealed that most of the respondents (30.6%) had been in petty trading business between 6-10 years with an average year of trading experience of 12 years. The flexibility of this business allowed traders to change from one agricultural produce to the other depending on the season, which might have contributed to the long span of operation. Almost all the respondents (97.5%) used charcoal to process agricultural produce into eatable form, while other respondents used electricity (microwave) and gas as sources of energy to complement the use of charcoal for grilling beef, chicken and fish only. The breakdown of the petty traders based on the trading agricultural produce revealed that most respondents (20.3%) were dealing in roasted suya, while 16.3%, 14.4% and 16.3% were trading in roasted maize, yam and plantain, respectively (see Table 6).

![Fig. 1. Age distribution of respondents](source: Field survey (2016)).

Table 2 shows that 31.3% of the respondents had no formal education, while 65.1% had at most primary education. Only 29.4% of the respondents had secondary school education. The distribution shows that petty trading in processed farm produce was common among populace with low level of education.

| Variable          | Frequency | Percentage |
|-------------------|-----------|------------|
| Gender            |           |            |
| Male              | 94        | 24.4       |
| Female            | 291       | 75.6       |
| Marital status    |           |            |
| Single            | 5         | 1.3        |
| Married           | 344       | 89.4       |
| Widowed           | 36        | 9.4        |
| Household size    |           |            |
| 1-3               | 82        | 21.4       |
Table 2. (cont.) Socioeconomic characteristics of respondents

| Income group    | Respondents | Percentage |
|-----------------|-------------|------------|
| 4-6             | 154         | 40.0       |
| 7-9             | 119         | 31.0       |
| 10 and above    | 29          | 7.6        |

Educational status

| Level                                                                 | Respondents | Percentage |
|-----------------------------------------------------------------------|-------------|------------|
| No formal education                                                   | 121         | 31.3       |
| Primary education                                                     | 130         | 33.8       |
| Secondary education                                                   | 113         | 29.4       |
| Ordinary national diploma/National certificate in education           | 7           | 1.9        |
| Higher national diploma                                              | 5           | 1.3        |
| B. Sc                                                                | 5           | 1.3        |

Years of trading experience

| Experience    | Respondents | Percentage |
|---------------|-------------|------------|
| 1-5           | 96          | 25.0       |
| 6-10          | 118         | 30.6       |
| 11-15         | 46          | 11.9       |
| 16-20         | 72          | 18.8       |
| 21-25         | 29          | 7.5        |
| 26-30         | 12          | 3.1        |
| 31 and above  | 12          | 3.1        |

Source: Field survey (2016).

3.2. Respondents’ expenditure and returns on charcoal utilization. The average frequency of charcoal purchase per week by the traders was 4.8 (≈ 5 times). The negative skewness (-0.65) indicates that most of the traders bought charcoal more than 5 times in a week. The result showed an average expenditure of ₦1882.05 per week (₦376.41 per day) per trader on charcoal. Also from the result, most of the traders spent less than ₦376.41 per day on charcoal (positive skewness). Table 3 shows that the value attached to the food determines the individual daily sales revenue regardless of the amount incurred on charcoal.

Table 3. Average quantity (kg) of charcoal utilized, expenditure on charcoal and sales revenue of traders per day

| Produce | Quantity (kg) of charcoal | Average expenditure on charcoal (₦) | Average sales (₦) |
|---------|---------------------------|-------------------------------------|-------------------|
| Yam     | 21.48                     | 273.91                              | 1946.13           |
| Maize   | 21.81                     | 272.12                              | 2272.22           |
| Suya    | 42.44                     | 504.69                              | 5529.54           |
| Plantain| 35.88                     | 444.23                              | 2328.52           |
| Maize and plantain | 23.13 | 280.43 | 2573.08 |

Source: Field survey (2016).

Daily sales revenue, quantity and expenditure on charcoal for suya (roasted meat or chicken) were the highest. Sales of suya is not seasonal unlike other produce that were sold at specific months of the year. The table shows that the suya sellers had the highest average daily sales; this was followed by combination of maize and plantain. Table 4 shows that 82.5% of the respondents earned at most ₦4000 per day, while 4.4% earned between ₦8001 and ₦12000. Only 0.6% of the respondents recorded ₦16001–₦20000. Almost all the respondents who earned at least ₦8000 per day were suya sellers. An average daily sale was ₦2670.79, while most respondents earned less than the average daily sales (positive skewness). With the average household size of 5.9, the average per capita daily income of petty trader in the study area was ₦452.68. This is far below the national average per capita income per day of ₦2867.43 (https://tradingeconomics.com/nigeria/gdp-per-capita), an indication of poverty among the petty traders in the study area.
Table 4. Distribution of daily sales (₦) among respondents

| Sales income (₦) | Number of respondents | Percentage |
|------------------|-----------------------|------------|
| 0-4000           | 318                   | 82.5       |
| 4001-8000        | 41                    | 10.6       |
| 8001-12000       | 17                    | 4.4        |
| 12001-16000      | 7                     | 1.9        |
| 16001-20000      | 2                     | 0.6        |

4. Equivalent hectares of wood to the charcoal utilized per day

Table 5 shows the per capita charcoal utilization per week by the different groups of petty traders (roasted yam sellers, roasted maize sellers, suya sellers, roasted plantain sellers and roasted maize and plantain sellers) in the study area. The breakdown shows that on average, suya sellers have the highest per capita charcoal utilization of 178.7 kg. This was followed by plantain, maize and yam. The equivalent quantity of wood to charcoal utilized was computed using 1 kg of charcoal equal to 10 kg (Stassen, 2002; Habermehl, 2007; GIZ HERA, 2016). This was based on traditional method of charcoal production adopted by major production areas in Southwest Nigeria (Imeko/Afon local government area of Ogun state and Iwajowa local government area of Oyo state). This has implication on the size of forest area, cleared in order to produce the required quantity of charcoal.

Table 5. Per capita charcoal utilization per week by the different categories of traders

| Groups of petty traders | Number of respondents trading in each produce | Total quantity of charcoal utilized (kg) per week | Per capita charcoal utilization (kg) per week | Equivalent quantity of wood (kg) from charcoal per week | Ranking based on per capita charcoal utilization |
|-------------------------|-----------------------------------------------|--------------------------------------------------|---------------------------------------------|--------------------------------------------------------|-----------------------------------------------|
| Yam                     | 70                                            | 5962.1                                           | 85.2                                        | 852                                                    | 5th                                           |
| Maize                   | 77                                            | 6918.0                                           | 89.8                                        | 898                                                    | 4th                                           |
| Suya                    | 91                                            | 16260.3                                          | 178.7                                       | 1787                                                   | 1st                                           |
| Plantain                | 77                                            | 11225.2                                          | 145.8                                       | 1458                                                   | 2nd                                           |
| Maize and plantain      | 70                                            | 6420.7                                           | 91.7                                        | 917                                                    | 3rd                                           |
| Total                   | 385                                           | 46786.3                                          | 121.5                                       | 1215                                                   |                                               |

Source: Field survey (2016).

Moreover, the equivalent quantity of wood cleared in the forest to produce the per capita charcoal utilization of each trader is calculated based on 25 tons of wood per ha (FAO, n.d.; Pari, 2000). The 25 tons of wood per hectare are equivalent to 22727.27 kg of wood per hectare. This implies that the suya sellers consumed approximately 7.2 hectares of wood per week, roasted yam sellers consumed 2.6 hectares of wood per week, while roasted plantain sellers utilized 4.9 hectares of wood per week in the course of their business. Moreover, all the respondents (petty traders) consumed 20.6 hectares of wood per week. Sedano et al. (2016) posited that fuel wood collection is mainly consumed in rural areas; charcoal production is driven by urban demand for petty trading and household uses. Both the producers of charcoal and the petty traders are less concerned on the destruction of the forest as long as they are earning money. Once the trees are exhausted in one part of a forest, they move to the other parts with enough trees without replacement for the cut trees.

Table 6. Distribution of respondents by the choice of the roasted foods being sold

| Food                | Frequency | Percentage |
|---------------------|-----------|------------|
| Yam                 | 55        | 14.4       |
| Yam, maize          | 2         | 0.6        |
| Goat meat           | 2         | 0.6        |
| Maize               | 63        | 16.3       |
| Suya                | 77        | 20.0       |
| Plantain            | 63        | 16.3       |
| Maize, plantain     | 55        | 14.4       |
Table 6. (cont.) Distribution of respondents by the choice of the roasted foods being sold

| Food                  | Frequency | Percentage |
|-----------------------|-----------|------------|
| Yam, maize, plantain  | 24        | 6.3        |
| Chicken               | 10        | 2.5        |
| Yam, plantain         | 31        | 8.1        |
| Maize, plantain, groundnut | 2  | 0.6        |
| Total                 | 385       | 100        |

Source: Field survey (2016).

Furthermore, the result of Analysis of Variance (see Table 7) shows that there was significant variation in the average daily expenditure on charcoal among the petty traders selling various processed farm produce (p < 0.05). This is expected bearing in mind different time frame required to process each of the produce to the form acceptable to consumers. Also, the trading hour per day differs from one petty trader roasting one farm produce to the other. While traders selling roasted yam, plantain and maize mostly restricted their trading hours to day time, suya sellers targeted evening and night.

Table 7. Analysis of Variance result for comparing daily expenditure on charcoal by petty traders

| Source of variation | SS         | Df  | MS        | F         | P-value | F crit |
|---------------------|------------|-----|-----------|-----------|---------|--------|
| Between groups      | 1367198    | 4   | 341799.5  | 4.10      | 0.004   | 2.44   |
| Within groups       | 22911644.3 | 275 | 83315.07  |           |         |        |
| Total               | 24278842.3 | 279 |           |           |         |        |

Source: Field survey (2016).

5. Factors influencing average quantity of charcoal used by petty traders per day

Table 8 shows the result of multiple regression analysis for determining the factors influencing the quantity of charcoal used per day in the study area. The diagnostic result showed that 66.4% ($R^2 = 0.6643$) of the variation in the quantity of charcoal utilized per day in the study area was attributed to the independent variables (age of respondents, experience in petty trading, frequency of purchase, season and hours of trading). The reported F-value (12.78) shows that there was overall significance of the model (p<0.05). The significant coefficients were age (p<0.10), experience in petty trading (p<0.01), frequency of purchase (p<0.05), and hours of trading (p<0.01) were significant. Coefficients of age, experience in petty trading, dry season and hours of trading had positive relationship with the quantity of charcoal utilized per day in the study area. Conversely, frequency of purchase (charcoal) and rainy season had negative relationship with quantity of charcoal utilized per day. Specifically, the result shows that as trader gets older, the quantity of charcoal used per day increases. This may be attributed to commitment to the family needs among older petty traders. The disruption of trading activities during the rainy season may be attributed to the negative relationship with quantity of charcoal used. The level of disruption depends on the duration of rainfall, as well as the intensity. Petty traders are generally affected by rain since their trading is done in the open, close to the main road. Also, the result showed that the longer trading hour associated with dry season brought about increased in the quantity of charcoal used by petty trader. Generally, traders roasting plantain, yam and maize stayed longer than the suya sellers that trade in the evening. The average trading hour for roasted plantain, maize and yam sellers was 8.7 hours (mostly from 10:00 am – 7:00 pm), while suya sellers’ average trading hour was 4.4 hours (mostly from 7:00 pm – 11:30 pm).

Table 8. Result of multiple regression analysis

| Independent variables | Coefficient | Standard error | t-value | P-value |
|-----------------------|-------------|----------------|---------|---------|
| AGE                   | 0.403*      | 0.216          | 1.87    | 0.064   |
| GNDR                  | 5.020       | 7.195          | 0.70    | 0.487   |
| EDUC                  | -3.361      | 4.556          | -0.74   | 0.459   |
| MARST                 | 6.885       | 12.890         | 0.53    | 0.594   |
| TEXP                  | 0.589***    | 0.213          | 2.77    | 0.007   |
| HHS                   | -1.616      | 2.727          | -0.59   | 0.555   |
| FREQP                 | -2.292**    | 1.157          | -1.98   | 0.048   |
Table 8.(cont.) Result of multiple regression analysis

| Independent variables | Coefficient  | Standard error | t-value | P-value |
|-----------------------|--------------|----------------|---------|---------|
| RAISEA                | -1.452***    | 0.553          | -2.63   | 0.009   |
| DRYSEA                | 2.478**      | 1.305          | 2.06    | 0.039   |
| TRAHR                 | 4.334***     | 1.229          | 3.33    | 0.000   |
| SALRE                 | 0.0017       | 0.0012         | 1.49    | 0.137   |
| _cons                 | 42.974***    | 13.513         | 3.18    | 0.002   |

F (7.137) = 12.78, p-value = 0.0000

R^2 = 0.6642

*** Significant at 1%, ** Significant at 5%, * Significant at 10%.

Source: Field survey (2016).

Conclusion

The study examined the demand for charcoal among petty traders (roasted yam, maize, plantain and meat/chicken) in Ibadan Metropolis. The study revealed that petty trading was dominated by female (75.6%) and common among the populace that are not well educated (65.1% had at most primary school leaving certificate) with most respondents within the age bracket of 41-50 years. Expenditure on charcoal per day was the highest among the suya sellers, while average expenditure on charcoal per day was ₦376.41 among the respondents. There was a significant difference in the average daily expenditure on charcoal. The average daily income and per capita daily income were ₦2670.79 and ₦452.68, respectively. The study affirmed that substantial quantity of charcoal (19,460 kg) was utilized per week by respondents in the study area. This is equivalent of 0.86 hectares of wood. The per capita charcoal utilization per week for suya, roasted yam and plantain sellers were 178.7 kg, 85.2 kg and 145.8 kg, respectively. These were obtained from clearing 0.7 ha (suya), 0.4 ha (roasted yam) and 0.6 ha (plantain) of wood. Age of respondents, experience in petty trading and hours of trading per day have a positive influence on the quantity of charcoal utilized per day, while frequency of purchase (charcoal) and rainy season have a negative relationship with quantity of charcoal used per day in the study area.

The substantial quantity of charcoal used by the petty trader as revealed by the study has strong implications on deforestation. However, this can be reduced with improved economy, which may draw out some participants to other economic activities other than roasting farm produce. However, in order to reduce the negative effects of demand for charcoal, which promotes deforestation (although some scholars disagree: Arnold and Persson (2003); May-Tobin (2011), government should go beyond collecting taxes from charcoal producers. The need for control over exploitation of trees and mobilization of staff of the Ministry of Forestry for prompt tree planting, where intensive deforestation has taken place, is imperative.

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