## INDABA Review of Policy Recommendations

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| **FISP budget is too big and unsustainable. It crowds out other key drivers of agricultural growth.** | a. There is need to realign budget allocations for the Ministry of Agriculture and Livestock;  
b. The type of support should include strengthening the extension services, more especially those services that can enhance productivity;  
c. There is need to engage the private sector e.g. banks, as they can provide financial support to the farmers; | **Short term (0-18 months)**  
Implement a well calculated and costed Flexible E-voucher covering 241,000 beneficiaries (savings-agriculture diversification). CASU (Dept. of Agriculture and FAO) currently servicing 315,000 beneficiaries;  
**Medium term (18-36 months)**  
Identify and support emerging commercial farmers up to 5 hectares  
**Long term (More than 36 months)**  
Consider removing FISP altogether. Funds from FISP to be channeled to key drivers of growth in agriculture such as Extension, R&D, Irrigation Development, |
| **FISP has operated as both a social welfare program as well as an economic program, when one of its original objectives was to make farming a viable business. Farmer support has centred around maize production. Investment in other support services has been very low.** | a) Ministry to prioritize farmer registration  
b) Targeting of farmers should be made a priority. FISP should only target farmers that need business support while social welfare programs such as FSP should be addressed by MCDMCH  
c) FISP graduation mechanism should be re-introduced  
d) A new generation of cooperatives that are business | Farmers should be categorized into two groups those who need: a) **social welfare support** and b) **business oriented support**  
**Short term (0-18 months)**  
Target farmers cultivating 0.5 to 2 ha (after 18 months, this category to be covered under social welfare program)  
**Medium term (18-36 months)**  
Target viable farmers (greater than 5 ha, and/or livestock/poultry criteria) |
<p>| <strong>Input Markets for Private Sector</strong>&lt;br&gt;Side selling is hindering private sector investments in input provision to smallholder farmers. | a. Harness private sector involvement. Government needs to protect private sector who are involved in the provision of farmer support through Out-grower schemes;&lt;br&gt;b. Thus, there is urgent need to provide a legal framework that will protect the private sector from rising incidences of side selling to people/companies that did not pre-finance production (mostly in tobacco and cotton); | Enforcing the relevant legislation to ensure industry players comply |</p>
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| The FRA is sitting on over 1,000,000 metric tonnes of maize. This maize has taken up all available storage space. Over 300,000mt of storage space is being rented from the private sector | 1. In order to limit Government to Government maize transactions, the private sector should be given the mandate to export maize in the region.  
2. FRA should auction the grain to the highest local bidder across different storage locations rather than set a uniform price across the whole country  
3. To create transparency, FRA should establish a mechanism for buyers to buy maize from strategic depots rather than only transacting from Lusaka. | Short term (0-18 months)  
Medium term (18-36 months)  
Long term (More than 36 months) |
| Government expenditure on FRA is crowding out the private sector and putting a huge financial strain on other key priorities in the agricultural sector | 1. Maize policies and decisions should be de-politicized;  
2. There is need to develop synergies in storage facilities between government and the private sector. Private sector would only invest with clear policy direction;  
3. FRA should buy at export parity price so that Zambia’s maize is competitive on the international market. The enactment of the Agriculture Marketing Bill and creation of the National Agricultural Marketing Council should be part of this process;  
4. FRA should only buy in areas where the private sector does not reach; | Short term (0-18 months)  
1. Government should strictly limit its level of strategic reserves to 500,000mt  
2. FRA will buy at market prices  
3. Borders should remain open  
4. Review the draft Agriculture Marketing Bill  
5. ZAMACE to Implement the Warehouse receipt system  
6. Restructure the FRA to make it more efficient and responsive to current challenges  
7. FRA should buy from outlying areas |
| International Trade Policies for maize, bran and other maize products are inconsistent and unpredictable | 1. Trade policies should be transparent, consistent and predictable;  
2. Borders should always be kept open; | **Short term (0-18 months)**  
1. Government should maintain an open border policy on maize exports  
2. Government should maintain consultations with the private sector on trade in agricultural commodities |
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| Zambia’s agriculture is dominated by policies that favour the production of maize. There is under-investment in other crops, livestock and fisheries | Investment in the promotion of the following profitable enterprises:  
1. Sunflower, cotton, tobacco, groundnuts, soya beans, mixed beans, cassava, rice, wheat, barley, sorghum, millet, horticultural crops and cashew nuts;  
2. Fish production  
3. Small livestock (goats, chickens, pigs etc.);  
4. Beef and Dairy farming;  
5. Tree crops e.g. oranges, avocado etc  
6. Promote crop, trees and livestock integration  
7. More funding to be directed to R&D rather than FISP  
8. Promote youth & women involvement in agricultural value chains  
9. Develop markets for agricultural products | **Short term (0-18 months)**  
1. Implement policies such as the E-voucher that favour agricultural diversification  
2. Increase budgetary allocation to Livestock and fisheries development  
3. Recruit more Agriculture extension officers (Fisheries, Livestock and Crops)  
4. Promote Conservation agriculture |

**Medium term (18-36 months)**  
1. Invest in R&D & specialized extension;  
2. Update and develop new curriculum for Agriculture Training Institutions as well as specialized In-service training  
3. Increase funding to Agricultural Training Institutions  
4. Create and stimulate agro-processing industries & value addition  
5. Promote the use of new and improved mechanization technology among smallholder farmers  
6. Enhance security of tenure for land, especially for smallholder farmers |

**Long term (More than 36 months)**  
1. Increase resource allocation to the training of farmers;  
2. Strengthen the link between research, extension and farmers;
| The environment concerning out-grower relationships between the private sector and farmers is not well regulated | 1. Create an enabling environment that will encourage the private sector to provide market opportunities for smallholder farmers;  
2. Promote private sector financing of out-grower production  
3. Strengthen the skills of farmers to negotiate and bargain for better producer prices | **Short term (0-18 months)**  
1. Review legislation on specific commodities such as cotton and tobacco  
2. Implement and enforce the Agriculture Credits Act  
3. Facilitate the creation of farmer groups to improve collective bargaining skills  

**Medium term (18-36 months)**  
Develop strategy documents for specific commodities |