SOME KEY FACTS ABOUT ZAMBIA’S AGRICULTURAL SECTOR

Antony Chapoto, PhD
Meeting with Zambian National Assembly on Accelerating Gains In Agricultural Sector
17 March, 2018, Lake Safari Lodge, Siavonga
Agriculture is critical for Employment, Economic development, and Food & nutrition security.

Policy matters

MEGA TRENDS

- Rapid population growth
- Rising land scarcity
- Labor force exit from farming
- Rise of 'investor farmers' / changing farm sizes
- Rapid growth in food demand, diet change, and diversification of protein diet
- Large-scale capital intensive investments
- Rapid urbanization and rising incomes
- Artificial system transformation (supermarkets, processing, etc.)
Lots of Opportunities for Inclusive Agricultural Development and Growth
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AU-MALABO DECLARATION, 26-27 JUNE 2014

To uphold Maputo declaration of allocating at least 10% of public expenditure to agriculture

To sustain annual agricultural GDP growth of at least 6%

To end hunger and cut poverty in half by 2025

To accelerate agricultural growth by doubling current agricultural productivity levels by 2025

To halve post-harvest losses by the year 2025

To triple agricultural intra-African trade by 2025

To eliminate child under-nutrition by bringing down stunting to 10% and underweight to 5% by 2025

Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods
The buzz words in all: ‘Agriculture will be private sector-led, transparent and predictable’.
POLICY STABILITY?
DID YOU KNOW?
MANY SMALLHOLDER HOUSEHOLDS ARE LAND CONSTRAINED

Source: RALS 2015
Nearly 39% of rural farm HHs are net buyers of maize

- More than 50% of rural farmers do not sell maize

Source: RALS 2015
2-5% of smallholder farm households account for 50% of marketed maize.
EXPORT BANS AND TRADE RESTRICTIONS DO NOT STOP TRADE FROM OCCURRING

- **Effect:**
  - depress prices for farmers
  - raise costs for consumers
TOO LITTLE TO KEY DRIVERS OF AGRICULTURAL GROWTH

- Quality of expenditure?
- Key drivers of agricultural growth
  - Agricultural R&D
  - Extension services
  - Livestock production and disease control
  - Rural infrastructure i.e. feeder roads
  - Irrigation

2016 Budget allocation

Allocation to PRPs K1,793m

FISP 56%
FRA 42%
All Other 2%
### Subsidies Not in the Top Three in Terms of Returns of Investment in Poverty Reduction

<table>
<thead>
<tr>
<th>Investment Category</th>
<th>China</th>
<th>India</th>
<th>Thailand</th>
<th>Vietnam</th>
<th>Uganda</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural R&amp;D</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Roads</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Education (Agricultural Extension Services)</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>3</td>
</tr>
</tbody>
</table>

If government could increase its spending, what do you think should be the top three priorities for this additional investment/spending?

Priority 1: Education

Priority 2: Improved agricultural Extension & Training

Priority 3: Health Care

Ranking by MPs – Siavonga 25 March 2017
If you were given a million dollars to spend in your constituency, what would be the top three priorities you would spend this money on?

<table>
<thead>
<tr>
<th>Priority 1</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority 2</td>
<td>R&amp;D Fisheries &amp; Livestock</td>
</tr>
<tr>
<td>Priority 3</td>
<td>Health Care</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Roads and bridges</td>
</tr>
<tr>
<td>3</td>
<td>Security, like the police and military</td>
</tr>
<tr>
<td>4</td>
<td>Health care</td>
</tr>
<tr>
<td>5</td>
<td>Water and sanitation</td>
</tr>
<tr>
<td>6</td>
<td>Rural electrification etc.</td>
</tr>
</tbody>
</table>
Livestock revolution taking place

- Population growth, urbanization, increasing incomes
- Increase demand for livestock/livestock products
- Consume more high protein foods derived from livestock
- Evidence - as people emerge from poverty, consumption patterns change

Projections of Zambia’s total meat/milk demand from 2012 to 2027 show that
- (120 to 600) thousand tonnes of meat
- (260 - 1200) million litres of milk

Fish Production and Consumption

- Total Annual consumption: 130,000 mt
- Deficit: 35,000 mt

Fishery Production and Consumption

- Total Annual consumption: 130,000 mt
- Deficit: 35,000 mt

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Hindrances to change and growth:

- Not so progressive agricultural policies
- Low productivity
- Price Volatility
- Trade barriers
- etc.
Adoption of system
Implementation
ZERO HUNGER STRATEGIC REVIEW

SDG 2: Zero Hunger
- 100% access to adequate food all year round
- ZERO stunted children less than 2 years
- ALL food systems are sustainable
- 100% increase in smallholder productivity and income

SDG 12: Responsible Consum & Prod
- ZERO loss or waste of food

HUNGER CAN BE ELIMINATED IN OUR LIFETIMES
We cannot solve our problems with the same thinking we used when we created them.

Insanity: doing the same thing over and over again and expecting different results.

Anyone who has never made a mistake has never tried anything new.

Resisting Innovation