TRANSFORMING AGRICULTURE TOWARDS A FOOD AND NUTRITION SECURE ZAMBIA

High-level Meeting Policy Forum on
“Revitalizing Agriculture in Zambia Towards the 2014 AU Year of Agriculture-
Changing the way we Do Agric in Zambia”

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BACKGROUND

- 2014 AU year of Agriculture
- Critical opportunity to transform agriculture in Africa

What we have done right

- Strong economic growth in the last decade
- GDP growth 6% and agricultural growth 7% per year >CAADP target.
- Year to year bumper harvests. 3.3 million MT expected from 2013/14
THE PROBLEM........

1. Growth not translated into substantial poverty reduction.
   ~ 80% rural Poverty
   • a 1% increase in per capita GDP is associated with a paltry 0.2-0.3% decline in the poverty rate.

Source: CSO/IAPRI various years.
2. Low food and nutrition security
   - More than 50% of the rural HHs experience inadequate food for at least 2 or more months
   - High child malnutrition – Stunting levels 45% (Africa average, 42%)

3. Low agricultural productivity
   - Maize yields stagnant around 2MT/ha (2014 increase from 1.86MT/ha to 2.26MT/ha for Smallholders)
Recommendation no. 1:

- Further increase budgetary allocations to the agricultural sector
  - at least 10% of the national budget (2003 Maputo Declaration).
Government Spending

Source: IAPRI Agricultural Budget Analysis for 2014
Spend on effective agricultural investments that support smallholder farmers and private sector investment - infrastructure, transport, storage, research and extension services.

Budget Allocation to MAL, 2013

- Poverty Reduction Programmes: 49.2%
- Recurrent Departmental Charges: 9.2%
- Grants and Other Payments: 0.7%
- Capital Expenditure: 5.4%
- Agricultural shows: 0.4%
- Personal Emoluments: 15.0%
- Arrears: 3.1%
- Agricultural Development Programs: 17.0%

Source: IAPRI Agricultural Budget Analysis for 2013
PRP ALLOCATIONS

% of Poverty Reduction Programs (2013)

- Strategic Food Reserves: 35%
- Farmer Input Support Program: 58%
- Other: 7%

% of Poverty Reduction Programs (2014)

- Food Strategic Reserves (FRA): 64%
- Farmer Input Support Program (FISP): 32%
- Other: 4%
- R&D: 0.2%

Source: IAPRI Agricultural Budget Analysis, 2014
Recommendation no. 2:

- Strengthen land governance and security of tenure rights
  - 75% of the rural population cultivate on 2.5 ha or less of land
  - put in place mechanisms to allow the smallholder households to obtain land title
  - Adopt guiding principles on large scale land based investments
Recommendation no. 3:
Reduce Barriers to Intra-Regional Trade

- Provide Zambian producers and exporters an opportunity to access regional market
  - Do away with import and export bans
- Streamline the process for procuring export permits in order to encourage private sector investment in maize marketing
Recommendation no. 4:

- Accelerate implementation of agriculture plans and attract additional financing
  - Zambia has completed the NAIP through the CAADP process
    - Challenge – fully finance and implement the plan
  - NAIP had a finance gap of US$ 605 million. $31.12 million sourced from GAFSP through ADB
- Accelerate the drafting and enactment of the climate change policy – to guide implementation of NAIP climate change recommendations
Recommendation no. 5:

- Foster an enabling environment for smallholder integration, private sector investment, and stronger value chain market linkages.
  - Creating incentives for private investment in processing (as well as on-the-farm processing)
  - Consistent maize marketing policies.
  - Reform FISP and administer it through an electronic voucher system
    - encourage private sector participation in the provision, delivery, and distribution of inputs and farm implements.
Recommendation no. 6:

- Eliminate the gender gap in agriculture
  - Female-headed households cultivate smaller pieces of land compared to MHH (IAPRI, 2013)
    - Increase access, ownership, and control of productive resources especially land
    - implement land titling for female-headed households
    - provide gender-specific interventions to maximise returns on those resources.
Recommendation no. 7:

- Enact pending legal frameworks.
  - Enact the Agricultural Marketing Bill
    - Provides for establishment of an agricultural marketing council
    - Clarification of the role of FRA
    - Management of public storage to encourage use by private agricultural investors
    - Harmonization stand-alone commodity Acts
  - Operationalize the Agriculture Credit Act in order to improve private and public agricultural marketing and credit activities in Zambia.
    - Provides for the establishment a Commodity Exchange
Recommendation no. 8:

- Adopt nutrition-sensitive agricultural production policies that support diversified crop and livestock production.
  - lack of investment in the promotion of other crops other than maize has resulted in low crop diversification
  - promote production of and market linkages for high-nutrient crops, such as legumes, orange-fleshed sweet potatoes and other tubers
Many Thanks for your attention

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