

Issues in the Agricultural sector

Livingstone, Zambia May, 2009

ACF/ FSRP Research/Outreach Team
Presented by Hyde Haantuba and Nawiko Masiye, ACF
& Antony Chapoto and Michael Weber FSRP

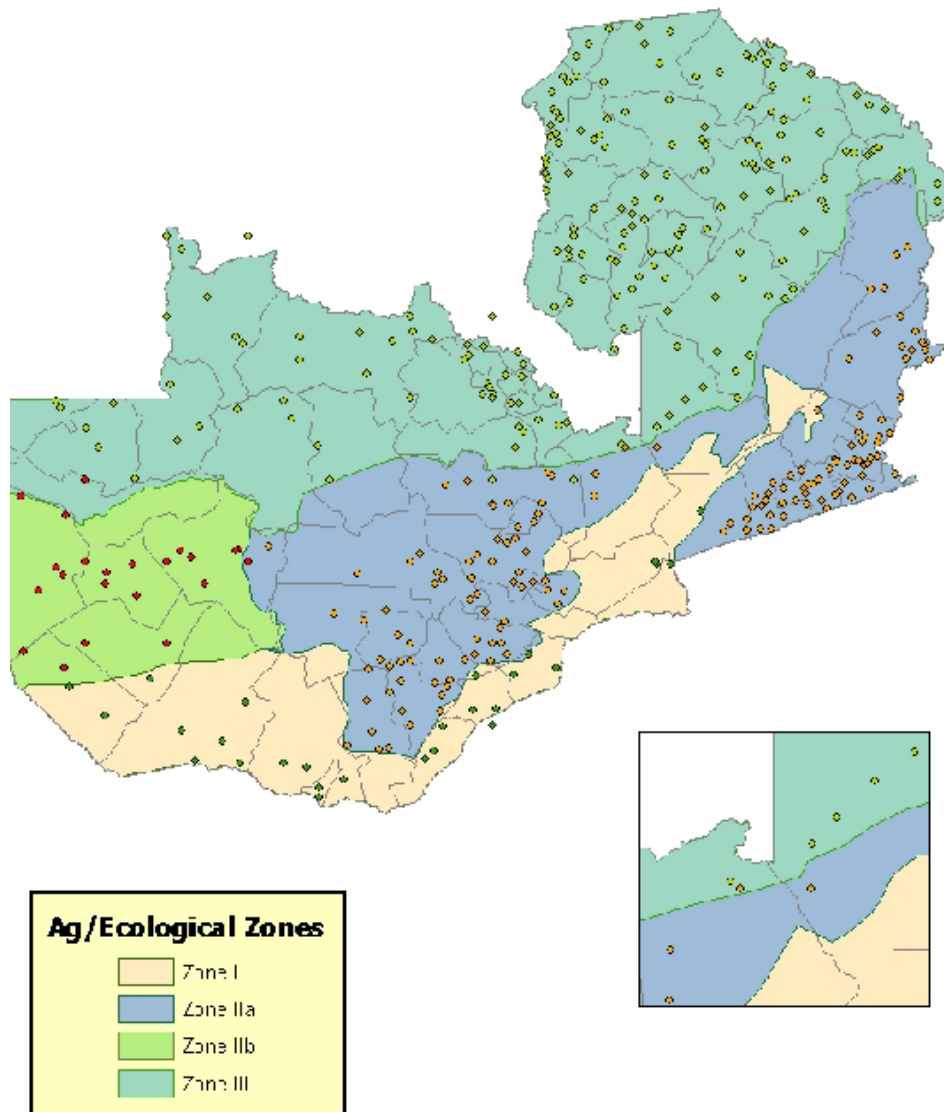
Research and Outreach Activities Supported By:

FSRP/MATEP



The Agricultural Consultative Forum

Empirical Data on Smallholders in Zambia – Nation Wide Random Surveys



Map of Central Statistical Office Statistical Enumeration Areas (SEAs) Sampled in the CSO/MACO/FSRP Post Harvest and Supplemental Surveys in 2001, 2004 and 2008 by Zambia's Agro-Ecological Zones

Summary 1. – Key Study Tour & Stakeholder Recommendations on FSP

- Change FSP to Farmer Input Training Support Programme
- Implemented through a Voucher Scheme (smart subsidy) starting in the 2009/2010 agricultural season.
- Use the study team to help with guide redesign
- Programme should have a foundation of strengthened links to training & extension in order to benefit farmers
- Programme should have agro-dealer training in yield enhancing technologies such as conservation farming technologies and appropriate input application practices.
- Programme should employ a flexible (electronic) Input Voucher System to help implement targeting
- Its implementation should be immediately (2009/2010 agricultural cropping season).

Summary FSP 2.

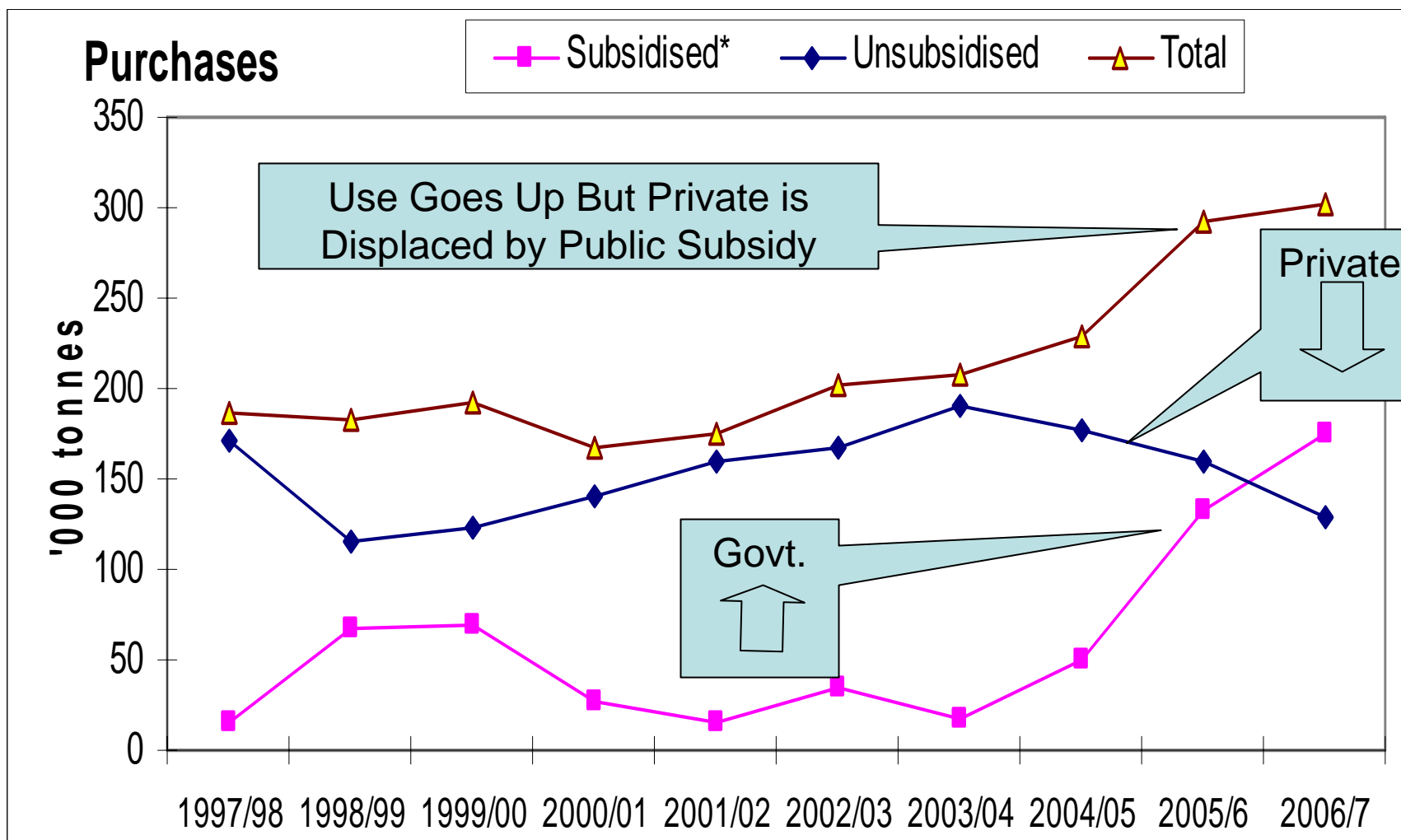
- Pack size should start at ½ hectare and a farmer can access up to two packs. Diversify later.
- Selection/targeting of farmers at the community level using the farmer register, clear criteria and MACO camp officers.
- 2 consecutive seasons only, and the subsidy is to start at 50% for first season and reduce to 25% in the second season.
- New entrants benefiting in subsequent years will follow the same subsidy structure.
- Graduation from the reformed FSP is based by improved farmer knowledge and better payoff to the farmers own investment in improved input use.
- Linkages are also to be encouraged to credit agencies
- Improved M/E is needed to determine effects and to make mid-course adjustment to better achieve objectives, which has lacked in FSP implementation

Summary 3. Background Concepts

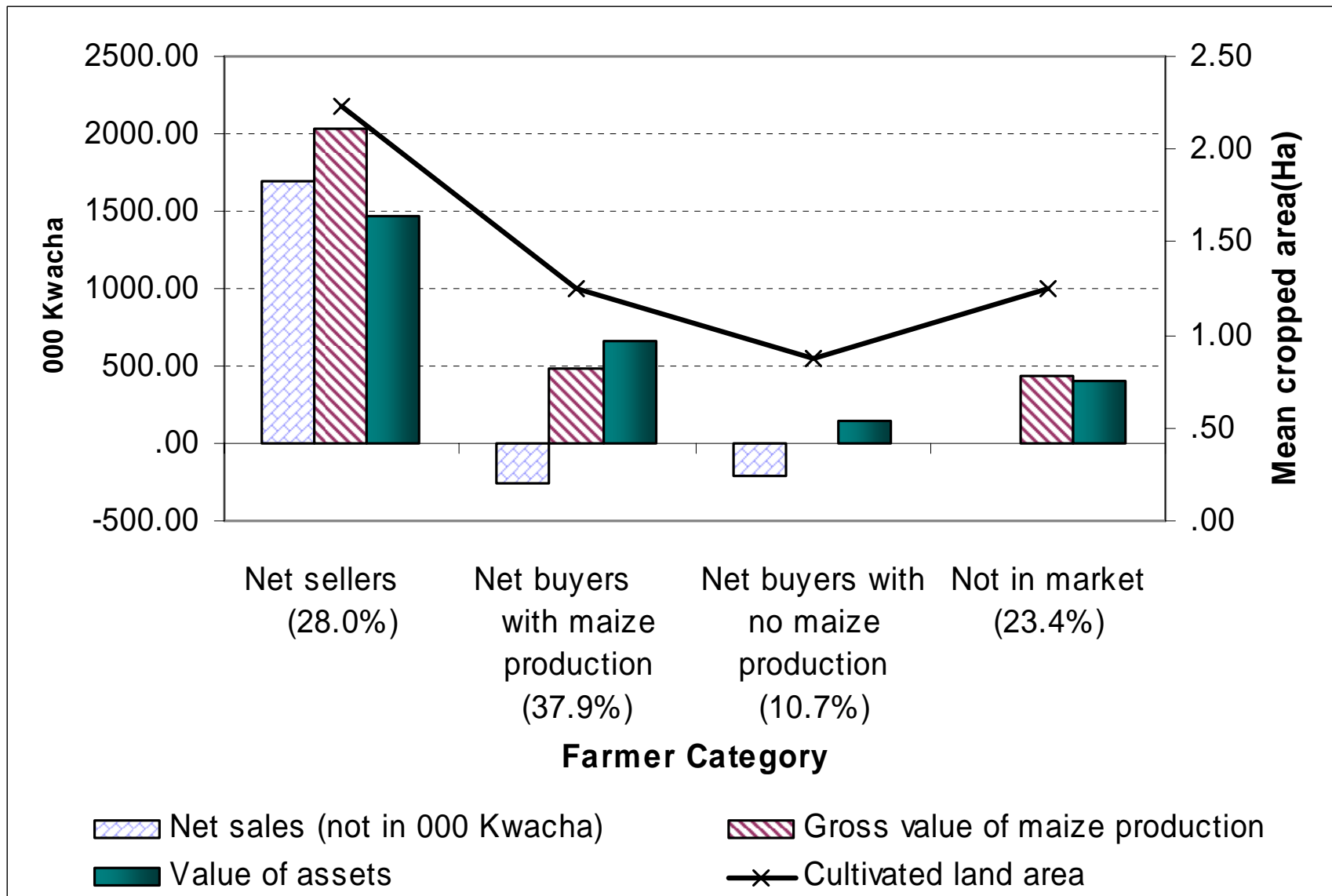
- For growth in overall input use, GRZ needs to encourage and especially avoid displacement of private investment
- Sustainable use of fertilisers & other cash inputs depends on raising productivity (research & ext)
- Targeting - which small and medium-scale farmers does GRZ which to assist affects displacement as well as farmer dependency patterns
- Basic types of small and medium-scale farmers
- Who is using the current FSP & their household asset positions

Illustrating Displacement

Farmer fertilizer purchases, Malawi



Big Picture Empirical Results – Characteristics of Small & Medium-Scale Farm Households (Production, Sales and Assets all Linked)



2008 (07/08 Crop Marketing Season)

Targeting Findings – 2008 SS (07/08 Marketing Season)

Indicators/Attributes	Means for Household Quintile Categories Ranked by Household Per Capita Farm Size Cropping HHs (Cultivated + Fallow)					Overall Small-holders
	1 Low	2.	3. Mid	4.	5. High	
HH PC Land Hold Size ha/hh	.08	.16	.26	.41	1.01	.38 ha/hh
Number of smallholders	279,581	326,945	289,117	298,862	298,692	1,493,197
% smallholders	18.72	21.90	19.36	20.01	20	100 %
Average HH Assets 000 ZMK	1,362 k	1,378	2,227	2,763	6,008 k	2,749 (000 ZMK)
Land size per HH ha/hh	.54	1.03	1.53	2.18	4.21	1.90
FSP As Source of Fertiliser	4,026 mt	7,049 mt	7,907 mt	15,881 mt	26,385 mt	61,248 mt *
FSP HHs Value of HH Assets	2,176 k	2,104 k	3,122 k	6,857 k	10,622 k	6,077 (000 ZMK)
Commercial Purchase Source	8,521 mt	12,414 mt	13,106 mt	15,371 mt	45,626 mt	95,039 mt
Pur. HHs Value of HH Assets	2,876 k	2,558 k	5,345 k	3,891 k	13,725 k	6,290 (000 ZMK)
PAM Food Security Pk Source	209 mt	110 mt	228 mt	315 mt	432 mt	1,294 mt
PAM HH Value of HH Assets	547 k	503 k	353 k	1,220 k	1,124 k	797 (000 ZMK)
Non-Fertiliser Users Assets	1,269 k	1,314 k	1,640 k	2,071 k	2,830 k	1,808 (000 ZMK)
Zambia Total Fert. Used mt	12,774	18,840	20,438	30,578	64,144	146,774 mt ₈

* FSP records show that 84,000 mt of fertiliser we distributed for this production year

Targeting Findings – 2004 SS

Indicators/Attributes	Means for Household Quintile Categories Ranked by Household Per Capita Farm Size Cropping HHs (Cultivated + Fallow)					Overall Small-holders
	1 Low	2.	3. Mid	4.	5. High	
HH PC Land Hold Size ha/hh	.09	.18	.28	.44	1.06	.41 ha/hh
Number of smallholders	247,612	248,805	249,769	250,949	246,675	1,243,811
% smallholders	19.91	20	20.08	20.18	19.83	100 %
Average HH Assets 000 ZMK	1,362 k	1,378 k	2,227 k	2,763 k	6,008 k	2,743 (000 ZMK)
Land size per HH ha/hh	.65	1.21	1.72	2.32	4.05	1.90
FSP As Source of Fertiliser	2,152 mt	2,974 mt	4,412 mt	7,553 mt	11,865 mt	28,956 mt
FSP HHs Value of HH Assets	658 k	2,075 k	2,382 k	2,556 k	4,917 k	2,886 (000 ZMK)
Commercial Purchase Source	5,262 mt	4,937 mt	10,460 mt	10,583 mt	19,505 mt	50,746 mt
Pur. HHs Value of HH Assets	850 k	824 k	1,606 k	1,805 k	3,833 k	1,968 (000 ZMK)
PAM Food Security Pk Source	398 mt	645 mt	974 mt	1,234 mt	1,056 mt	4,307 mt
PAM HH Value of HH Assets	147 k	1,146 k	1,478 k	718 k	3,276 k	1,278 (000 ZMK)
Non-Fertiliser Users Assets	1,245 k	1,059 k	908 k	909 k	1,059 k	1,040 (000 ZMK)
Zambia Total Fert. Used mt	8,937 mt	8,710 mt	16,639 mt	18,873 mt	33,245 mt	86,405 mt ₉

Table 1 Annex. Comparison of Small & Medium Farm Source of Acquisition of Fertilizer - Mostly for Maize

	Crop Forecast Survey/SS – Main Source of Fertilizer Identified as FSP		FSP Data on Program Accomplishments		CFS/SS Main Source –of Fertilizer Identified as Private/Commercial Purchase	
Year	# Small-holders	Metric Tons Fertilizer	# Small-holders	Metric Tons Fertilizer	# Small-holders	Metric Tons fertilizer
02/03 SS	102,450	28,956	120,000	48,000	207,080	50,476
03/04 SS	101,139	33,034	150,000	60,000	171,274	41,507
03/04 CFS	49,824	13,461	150,000	60,000	131,598	24,937
06/07 SS	164,229	61,248	210,000	84,000	303,697	95,169
07/08 SS	140,612	43,596	125,000	50,000	286,514	89,951
07/08 CFS	56,271	14,706	125,000	50,000	259,717	59,366
08/09 CFS			200,000	80,000		

Farmers' declarations FSP fertilizer received

FSP Records of fertilizer distributed to farmers

Farmers' declarations of open mkt purchases