

## DOING IT TOGETHER: IT WORKS

**Author: Pedzisai Mufara**

**Country: Zambia**

**Sector: Agriculture**

Two previous cases on rice in Zambia have chronicled the developments from the modus operandi in the command economy structure of the early independence to early 1990s era. This was based mainly on Government driven cooperative system. Liberalization in the early 1990s ushered the era of private sector led initiatives in the sub-sector and the rest of the economy. The early years to the 2000s were characterized by stagnation and in some cases decline. SNV intervention starting in 2007 created new impetus in the rice value chain and new developments have seen the rallying of stakeholders culminating in national level initiatives.

*"If I remember the way SNV started to lead these initiatives at district level in 2007, I have difficulties believing that in such a short time the whole nation is now talking the same language with so much zeal. I really commend you for having identified this opportunity for the nation and even carrying it further with such force and conviction"* Michael Chishimba of Great Northern Rural Development Consultants (a Local Capacity Builder) during the Zambia National Rice Strategy Development Multi-Stakeholder Meeting in Lusaka. Indeed there has been remarkable movement that is acknowledged at every level. The story of how it happened in the subject of this case.

### CHALLENGE

#### **The Stakes**

Rhetoric abounds of how small scale agriculture can cause development but action has always been piece-meal and prescriptive. There has been very little consultation. The 'experts' just take the lead in 'bringing' development to the small holder farmers. The SNV experience is different. As part of value chain development methodology SNV believes in taking aboard all actors, mainstream and peripheral. The methodology is inclusive and advocates for joint action rather than isolated activities. In SNV Zambia lingo, the strategic question is "who else is out there?" This simply refers to stakeholder mapping which was done at district, provincial, national, regional and international level in 2007. This was followed by a baseline study whose results were widely shared in 2008. The emerging stakes from all actors were very clear. Government looks at food security and socio-economic development; NGO assist government in pursuit of the same objectives; private sector value chain actors including farmer groups, traders, processors, wholesalers, retailers and all service providers spell their stakes clearly as profit. Because of the diversity of stakes it looked initially like it would be difficult to work together. This was until MSPs were facilitated to demonstrate how it was possible for each stakeholder to satisfy their needs by actually ensuring that the others' are met. For instance, the Government could gain (through taxes) by promoting those pursuing profit through provision of quality services; farmer groups could enter into win-win contract farming arrangements with traders and processors; NGOs could work with all groups to meet their objectives. In the case of SNV, the impact desired is increased production employment and incomes for small holders.

### METHOD / SNV INTERVENTION

#### **The Stakes**

Rhetoric abounds of how small scale agriculture can cause development but action has always been piece-meal and prescriptive. There has been very little consultation. The 'experts' just take the lead in 'bringing' development to the small holder farmers. The SNV experience is different. As part of value chain development methodology SNV believes in taking aboard all actors, mainstream and peripheral. The methodology is inclusive and advocates for joint action rather than isolated activities. In SNV Zambia lingo, the strategic question is "who else is out there?" This simply refers to stakeholder mapping which was done at district, provincial, national, regional and international level in 2007. This was followed by a baseline study whose results were widely shared in 2008. The emerging stakes

## OUTCOME

from all actors were very clear. Government looks at food security and socio-economic development; NGO assist government in pursuit of the same objectives; private sector value chain actors including farmer groups, traders, processors, wholesalers, retailers and all service providers spell their stakes clearly as profit. Because of the diversity of stakes it looked initially like it would be difficult to work together. This was until MSPs were facilitated to demonstrate how it was possible for each stakeholder to satisfy their needs by actually ensuring that the others' are met. For instance, the Government could gain (through taxes) by promoting those pursuing profit through provision of quality services; farmer groups could enter into win-win contract farming arrangements with traders and processors; NGOs could work with all groups to meet their objectives. In the case of SNV, the impact desired is increased production employment and incomes for small holders.

### **The rice development web spreads**

The initial information resources used to come up with the Zambia National Rice Development Strategy (ZNRDS) were predominantly from work led by SNV. The strategy also seeks to tap into regional and continental initiatives under Africa Rice Centre, Coalition for African Rice Development (CARD) Alliance for a Green Revolution in Africa (AGRA), Food and Agricultural Organisation (FAO) and others. These developments were presented at a National MSP in 2009, this time arranged by the Agri-ProFocus (APF). Agri-ProFocus is a partnership of Dutch donor agencies, credit institutions, companies, training and knowledge institutions, with the goal to promote farmer entrepreneurship in developing countries. SNV is an active member among 25 others. The MSP was a specific country focus for Zambia discussing among other products, rice. Key areas of attention identified included dealing with the fragmented market, access to better agronomic practices and improving sector coordination at national level. In response, the stakeholders have now facilitated the formation of the Zambia Rice Federation. It comprises all MSPs from district level. The unique feature is its inclusiveness. While it is normal for national association to come up first and then create district chapters, in the ZRF case it is the district associations that came first and they decided to convene a national voice. The voice was clearly heard as ZRF made a major contribution to the Zambia National Rice Development Strategy (ZNRDS) at a meeting arranged for stakeholders in 2010. ZRF has also been identified by Government as a legitimate strategic partner who will contribute to realizing the rice development vision.

Initiatives have been taken to get Zambia to join the East African Grain Council (EAGC) which is now expanding to Southern Africa. The council is a membership-based organization registered in Kenya through the efforts of, key stakeholders in all three sections of the grain value chain; producers, traders and processors. Service providers are associate members. It operates as a non-profit organization, which prepares, disseminates, and promotes the exchange of information on matters affecting the regional grain industry. Rice Value chain has also gained from the International Fund for Agricultural Development (IFAD) support under Enhanced Market Access and Knowledge Management in Eastern and Southern Africa (SCAPEMA). SCAPEMA is a regional programme, designed to support market linkage initiatives through improved knowledge management and capacity building. It is funded by IFAD and SNV. The emerging web will afford Zambia immense information and practice exchange opportunities to propel the rice value chain to further heights. It seems it can only happen if we do it together

Most of the above are processes. They provide lessons on how it is done. It is also important to know what the processes have produced as results. Some of the results have already been stated along with processes. However in terms of the effect on the value chain itself specific key results have been as follows:

### Rice Marketing Systems

Stakeholders have sought to re-build private sector Marketing Systems through contracting between farmer groups and processors, Bulking/Warehouse Receipting Systems and SACCOs. The selling contracts in the districts resulted in a more than 100% increase in price for farmers. Traders have always bought at ZMK20,000/50kg bag but contract processors started to buy at ZMK65,000/50kg



bag in 2009. Formal trade of paddy rice from small holders through their associations rose from less than USD 50,000 worth in 2008 to more USD 234,000 (from 900 MT) in 2009. The income per farmer is estimated at

USD600 in 2010 up from USD 237 in 2007, a 253% increase. Besides Mongu Rice in SPAR, Kasama Rice has now been introduced to Melissa supermarket chain through a middleman thereby starting to profile the local brand.

### Access to finance

The stakeholder web has seen some of them adopting the role of value chain financing (VCF) with USD 300,000 brokered for rice to improve milling plants, brand and as trade finance as well as infrastructure (warehouse in Chavuma District and ZCSMBA warehouses in Chinsali and Mpika Districts) developed for producer groups. With support for SNV and local capacity builders as well as registration facilitation by MACO, 15 Savings and Credit Cooperatives established (SACCOs) with 100 members each with savings of USD15,000 mobilized so far.

### Production and Quality



As stated earlier on, ZAMSEED is now multiplying NERICA. Another private Indigenous Seed Company piloted seed multiplication in Chambeshi. In 2009 USAID Profit partnered with SNV in Western province to promote small holder rice seed cultivation of NERICA, Zambia Agricultural Research Institute with SNV in 2008 and 2009 in training local extension

workers and lead farmers in rice agronomy extension. The practices learnt are now being compiled into an extension booklet. There are more concerted efforts from Government and private sector to make inputs (especially pure seed available).

### Inclusive Processes

The formation of Zambia Rice Federation (ZRF) has created voice to champion the cause of rice stakeholders in the country.

### Policy Support

The working together of MACO and ZRF has provided a public-private framework of support to each other. Rice has now been elevated to a designated crop attracting specific Government support.

#### IMPACT

The major success of the methodology is the creation of a complete link that connects producers to the rest of the chain up to the consumers. The chain also includes chain facilitators and all work as stakeholders with each recognizing their role and committing to it in various ways. This has alleviated challenges to do with production, processing, marketing, financing and services provision to the sector.

#### LESSONS LEARNED

Working together requires each stakeholder recognizing the role of another without prejudices. The elevation of farmer groups to equal stakeholders has increased the scope of corporation as they are not just recipients of services but a vital cog in both the value chain and the total constellation. From the work done in the rice sector it is clear that diverse interest can be fulfilled through working together and encouraging equity and inclusiveness. Working as a group of stakeholders requires total buy in and recognition of the role of each stakeholder. By understanding each other through dialogue facilitated by MSP, accountability among stakeholders is enhanced; this improves results focus.

#### STANDARD DATA

- Start and end date of contract
- Consistence of team: SNV-staff/LCBs and external consultants
- Number of PP-days already invested and planned to be invested per category (staff/LCB/external consultant)
- Involved partnerships
- Financial resources invested
- Client satisfaction and enhanced capacity