

Trip Report: Community / Regional coordinators oversight visit

Locations: Monze, Kabwe and Mkushi

Dates: February 15th -February 19, 2011

Grant participant: **Mathew Chisakuta**

Purpose for the Trip: Small scale farmers' primary mechanism for selling their products, is to the small holder traders and to the governments 'Food Reserve Agency'. The FRA, which typically sets a limit to their purchases each year, had last year bought over 80% of the total tradable maize in the country and at a higher market price than the private commercial grain buyers. The buying activities of FRA discouraged the private sector from effective participation on the small holder maize marketing hence the perception by small scale farmers that price set by FRA was the national floor price of commodity.

This year's marketing season spells the same trend due to the fact that it's an election year and the Government will have to be seen to purchase the crop regardless of how uneconomical the commodity price will be. Most commercial buyers spoken to are very skeptical to venture into the maize market this year.

Due to the challenges on the grain marketing experienced on ZAMACE last year and the anticipated uniqueness of this years' marketing season, I made the trip to TA to create awareness to Regional coordinators, warehouses operators and cooperating partners like MACO, ZNFU and smallholder traders on the goals and strategy of smallholder engagement in 2011 marketing season which ZAMACE will employ. These are;

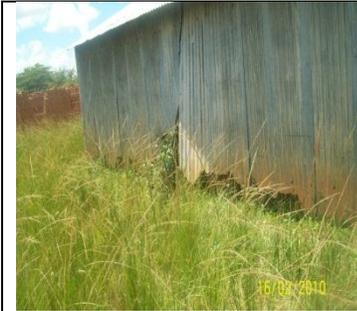
- Venturing into commodities such as soya beans, sorghum, sunflower and mixed beans with more potential output market and set up a forward- contract with buyers.
- ZAMACE procuring polypropylene empty bags at a discounted rate and sell to co operatives, farming communities at a small margin while passing on the discounted benefits in comparison to the local retail market as a way of encouraging them to use the exchange
- Look at the possibility of creating a demand driven loan based community aggregation shed rehabilitation programme to the deserving cooperative/farming community.

Summary: My big takeaway of ZAMACE's approach is that it will not only provide market for alternative crops but also offer a rotational crop for enhanced soil fertility. The successful participation of small scale farmers on the marketing of alternative crops this year on ZAMACE platform will prime them for future use of ZAMACE when the Governments FRA revert back to procure maize for only strategic reserves.

Expanded key Takeaway

- 1. FRA purchased maize at well above market price and had not placed a limit on their purchases (whereas past years have had a clear quota).** They also have carried over stocks from last year. This year being an election year for the country, FRA will equally not set limits and may offer a high price as last year but the risk will be that farmers may not be paid until after the elections. Therefore marketing of an alternative crop over ZAMACE may offer a financial cushion until after revenue from maize sells will be realized.
- 2. Focus on districts with an assured output markets - potentially setting up forward contracts with buyers.** ZAMACE coordinators were requested to conduct crop survey on the potential volume of alternative crops i.e. legumes in Monze, Kabwe and Mkushi districts so that ZAMACE consolidate their resources and focus on the commodities with more potential output markets .My visit focused on ensuring that Regional coordinators were guided to meet with cooperating partners such as MACO, warehouse operators, cooperatives/farming communities, ZNFU, smallholder traders and disseminate the correct information.
- 3. Rehabilitation of Sheds .**A visit to community aggregation shed was made to look at the possibilities and modalities of identification of community sheds for rehabilitation which will be demand driven by deserving cooperatives/farming communities
The southern region of the country particularly Monze have community sheds that were constructed in the early 1970s but have not been rehabilitated since. I visited two community sheds in MUJIKA community and BASANJE COMMUNITY that successfully aggregated maize last year and made preliminary assessment on their condition .The northern region of the country still is deficient in community sheds therefore, would require more investment in construction thus requiring more funding.
- 4. Procurement of Bags.** ZAMACE in collaboration with WFP will procure poly propylene bags at a discounted rate and sell to co operatives, farming communities at a small margin while passing on the discounted benefits in comparison to the local retail market. Last marketing season there was a critical shortage of grain bags on the market therefore, regional coordinators were tasked to consolidate orders for empty grain bags and forward them to ZAMACE for procurement.

Snapshots of Specific Field Visits



Left: Mujika community shed in need of rehabilitation - Monze



right: view from inside Mujika community shed



Left: Basanje community shed - Monze



right: Bottom part of the iron sheets worn out. Community want to not only rehabilitate but also expand shed capacity to double



I held sensitization meetings at MACO'S Department of marketing and cooperative development - Monze, on the goals and strategies of ZAMACE in 2011 marketing season

Specific Follow-up Items

Marketing Information through ZAMACE radio programmes on Community radio. For any meaningful decision to be made on what crops to grow, the smallholder farmer needs to have an idea on what price he or she can get for their commodity. The source of such information and more importantly, the mode of transmission of the market information are important.

Potential Market buyers: information on buyers was mainly obtained from the radio (29.9%), extension worker (19.5%), family and friends (14.9%), cooperatives (18.4%) and to a lesser extent television, farmer group, and crop buyers. Draft GMEP Baseline study, 2011

Therefore an intensive community sensitization through radio programmes should be conducted aggressively this year.

Training programmes: offering farming community trainings in Finance and business and also bringing brokers to training. Convene regular stakeholder meeting as a continuous monitoring tool.

Recommendation for GMEP.

Emerging Farmers should play more of an important role in our strategy. They can provide valuable services for smallholder farmers and often smallholders look up to them when considering uptake of new approaches or technologies. ZAMACE would like to see a more thoughtful inclusion of them in our strategies as a means to an end.