

# AGRICULTURAL TRANSFORMATION AMONG ZAMBIA'S SMALL FAMILY FARMERS: AN INNOVATIVE APPROACH

**An innovative approach to combating poverty and hunger in Sub-Saharan Africa is making its way into international development discourse. This involves bringing together agricultural and social protection interventions to support small family farmers in taking part in, and contributing to the process of agricultural transformation in Zambia.**

**Poverty reduction** is a big challenge in Zambia and is very much a rural and agricultural phenomenon. Poverty is concentrated in rural areas among small family farmers - in Zambia 83% of small family farmers are poor. This is an astonishing figure, given the economic growth the country has experienced recently, and given that the agricultural sector is a major contributor to the country's gross domestic product and the large investments made in agriculture.

Economic growth, especially in agriculture, can drive down rates of hunger and poverty, but alone it is not enough because it often excludes the poorest people. In Sub-Saharan Africa, including Zambia, efforts at reducing poverty must focus on small family farmers and on increasing their productivity. In this way, they will be able to contribute to the process of agricultural transformation, and towards more commercially oriented agriculture.

When agricultural interventions are targeted towards small family farmers they can address structural constraints that limit access to land and water resources, inputs, finance, insurance, extension services and markets. However, more is needed to support farmers in investing in their agricultural activities and in engaging in more productive livelihoods. Often, small family farmers are unwilling to take on the risks associated with adopting new agricultural technologies or are not able to afford inputs, even when these are subsidised or they face challenges in accessing markets.

This is where social protection interventions come into play.

The Food and Agriculture Organization of the United Nations (FAO), with the financial support of the European Union and the Department for International Development of the United Kingdom (DFID), in collaboration with UNICEF, has generated evidence on the impacts of social protection interventions in seven Sub-Saharan African countries. The evidence shows that in Zambia and other countries, social protection supports agricultural and economic development among small family farmers and their surrounding economies. Social protection is an investment since it generates economic returns.

The government of Zambia is increasing its investment in social protection programmes; by the end of 2015, the Social Cash Transfer Programme reached around 185,000 households in 50 districts and coverage continues to increase. Evidence from impact evaluations of this programme show that even relatively small cash transfers, when regular and predictable, can relieve liquidity constraints and serve as insurance against risks that deter poor households from pursuing higher return activities. For example, beneficiaries of Zambia's Child Grants Programme (CGP), which reached households with working age adults, increased the amount of land dedicated to crop production by 36%. Together with increased expenditures on seeds, fertilisers and hired labour, this led to a 36% increase in the value of production and most of this was sold on local markets.

Ownership of chickens and goats also increased, as did savings and food security. While the Multi-Categorical Grants Programme, which targets labour constrained households continues, the CGP has been discontinued. It is important to re-activate the CGP which has proven necessary for unleashing the productive potential of poor but viable households.

Social protection interventions can usefully complement agricultural interventions. They provide liquidity and certainty for poor small family farmers. This allows them to invest more in agriculture - which is their main source of livelihoods, to re-allocate labour to on-farm activities, to foster human capital development which increases labour productivity and to better manage risks.

Currently there is limited but improving coordination between agricultural and social protection interventions. This means that there is space for doing more. "We must do more - business as usual will not reduce poverty and we need to make much more effective use of precious resources" - stated George Okech, FAO Representative in Zambia during the Social Protection Week held by the Government of Zambia between 16th and 20th May 2016.

During the Social Protection Week, in a session titled "Pro-poor agricultural development: agricultural interventions and the complementary role of social protection", officials from the Ministry of Agriculture, the Ministry of Fisheries and Livestock, the Ministry of Community

Development and Social Welfare, civil society organisations, research institutions and development partners involved in supporting small family farmers in Zambia met. They explored options for supporting pro-poor agricultural development by establishing stronger complementarities between agriculture and social protection in Zambia.

The event was characterised by a collaborative and inquisitive spirit. Some of the options proposed include improving the pro-poor focus of major agricultural programmes (e.g. Farmer Input Subsidy Programme) by using the targeting mechanisms of social protection programmes; complementing existing agricultural programmes such as the conservation agriculture programme with a cash transfer intervention, so as to enable small family farmers to take-on the risk associated with adopting new agricultural technologies; developing an institutional coordination mechanism; and extending social insurance to informal agricultural workers.

The discussions and concrete proposals for moving forward are a clear sign that the benefit of bringing the two sectors closer together is being accepted. Now action needs to be taken to bring together agriculture and social protection to support agricultural development among small family farmers.

Together agriculture and social protection can unleash the productive potential of small family farmers.