

Proceedings of the Presentation on

**Resource Allocation for Agriculture**

to the

**Parliamentary Committees on Agriculture and Lands  
and Economic Affairs and Labour**

by the

**[Food Security Research Project](#)**

Held at Gemister Enterprises, Rhodes Park, Lusaka. February 1, 2006

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## SCHEDULE OF ACTIVITIES

<i>Time</i>	<i>Activity</i>	<i>Responsibility</i>
09.00 Hrs.	Welcome Remarks	FSRP
09.15 Hrs.	Introduction To FSRP	Dr. Anthony Mwanaumo
	Resource Allocation To Agriculture	Dr. Jones Govereh
	Fertilizer	Dr. Jones Govereh and Professor Thomas Jayne
	Maize	Mr. Ballad Zulu and Professor Thomas Jayne
	Returns To Agricultural Investments	Professor Steve Haggblade and Dr. Jones Govereh
	Key Findings And Scope For Future Work	Professor Thomas Jayne and Dr. Anthony Mwanaumo
<b>10.30 Hrs.</b>	<b>Tea Break</b>	<b>All</b>
10.45 Hrs	Discussions	All
12.15 Hrs	Wrap-up	FSRP
12.30 Hrs	Statement By A Representative Of The Honourable Members Of Parliament	
<b>12.45 Hrs</b>	<b>Lunch</b>	<b>Courtesy Of FSRP</b>

## LIST OF ACRONYMS

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## WELCOME REMARKS

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The In-Country Project Coordinator, Dr. Anthony Mwanaumo, opened the meeting by welcoming every one, especially the Honourable Members of Parliament (MPs), to the gathering. After self re-introductions, he reiterated that it was a great honour to the project for MPs to find time in their busy schedule to come and hear what research findings the project had to share with them.

He encouraged the participants to actively debate/discuss issues raised in the presentation as this was the essence of the sharing of the research findings. "The findings are based on a sample of 8,000 small and medium farm households across the country from which data was by the Central Statistical Office (CSO) and the Ministry of Agriculture and Cooperatives (MACO) with financial and technical assistance from the project and are thus representative", he added.

## INTRODUCTION TO FSRP

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By Dr. Anthony Mwanauo

The Food Security Research Project (FSRP) is a collaborative partnership between The Ministry of Agriculture and Cooperatives (MACO), the Agricultural Consultative Forum (ACF), and the Michigan State University (MSU), and is funded by the United States Agency for International Development (USAID).

The project's activities revolve around economic analysis in support of agricultural sector policy making and implementation. The objective of the project is to improve agricultural policy making in Zambia through the availability of empirically based analysis. The overall focus is on strategies that are aimed at:

- Reducing poverty by increasing smallholder agricultural productivity and income growth, and
- Reducing household and national level food insecurity.

Its specific activities include:

1. Empirical research to monitor the impact of changes in the agricultural policy environment, through studies on selected topics,
2. Capacity building in the design and implementation of data collection, and in data analysis for policy design and planning, mainly through in-service training of collaborators, and
3. Outreach activities to liaise with public and policy making groups and stakeholders, which include parliamentarians.

The project has undertaken a lot of activities whose publications are available at the project offices and can be downloaded from its website. However, the focus for this presentation is on:

- Resource allocation for the agricultural sector,
- Promoting cost-effective use of fertilizer,
- Insights into the maize sector, and
- Returns to investments in agriculture.

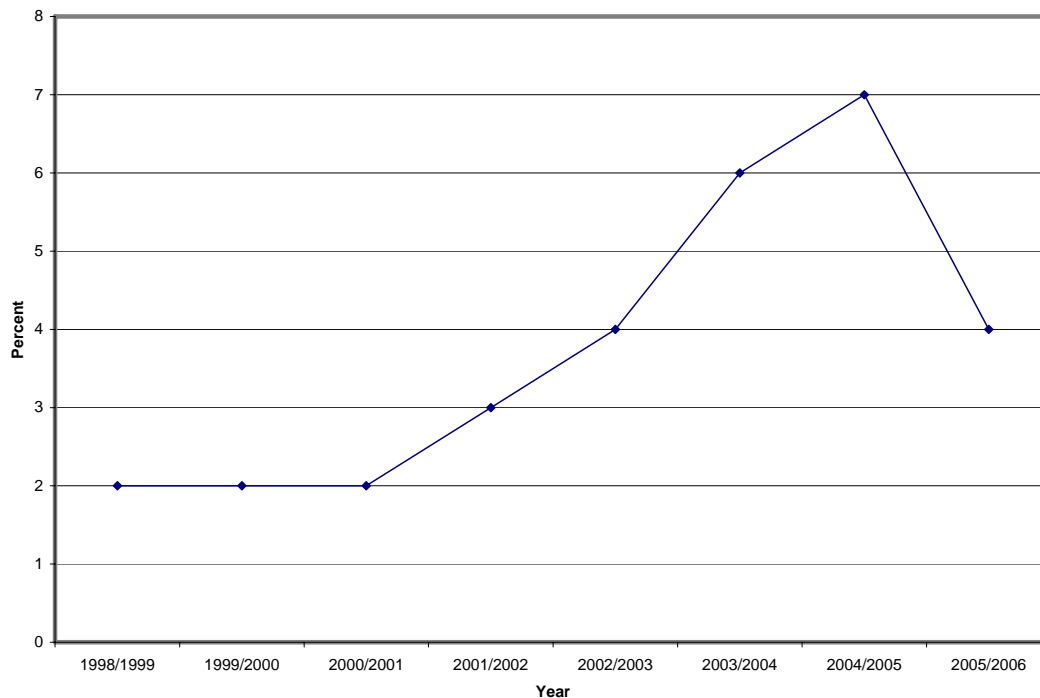
## RESOURCE ALLOCATION TO AGRICULTURE

By Dr. Jones Govereh

Sources of resources for investment into the agricultural sector are public (taxes and other Government revenues) or private (companies and farmers). The focus in this presentation is public resources as apportion from the national budget on a yearly basis.

Generally, the share of the national budget devoted to the agricultural sector has been from about 2% in 2001 reaching its peak of 7% in 2004 but declining to about 4% in 2005 (see **Figure 1** below). In spite of this increase, the proportion of the allocation to the sector still falls short of the target 10% of the national budget.

**Figure 1. Agricultural sector share of the national budget: 1997 - 2005**



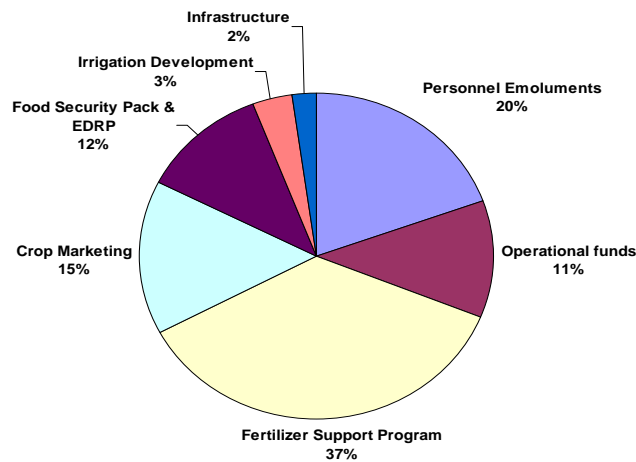
Much as the level of agricultural development that can be achieved depends on the amount of resources invested in the sector, it is highly depended on the intra-sector allocation to different sub-sectors. According to the Fifth National Development Plan (NDP), the sector's development priorities are stated as:

- Irrigation,
- Agricultural infrastructure and land,
- Research – crops, livestock & fisheries,
- Extension – crops, livestock & fisheries, and
- Animal health.

The question one may ask is, "Are resources within the sector in line with these priorities?"

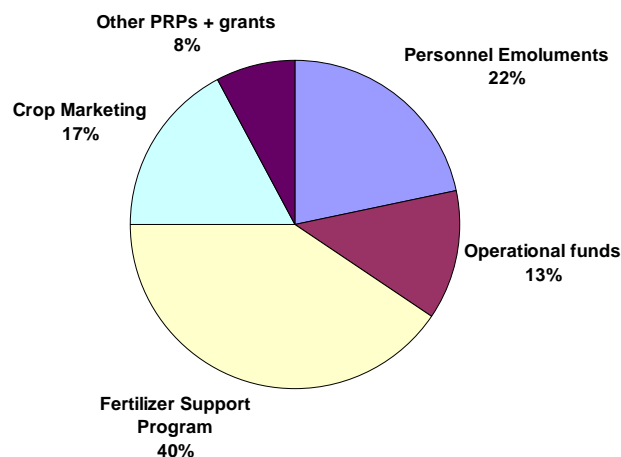
Examination of the budgetary resource allocation to the agriculture sector in 2005 shows that the bulk of the resources are channelled towards the Fertiliser Support Programme (FSP) and the crop marketing under the Food Reserve Agency (FRA). These two accounted for more than half of the total allocation, while productive sectors such as irrigation and infrastructure development were allocated a paltry 3% and 2% respectively. Operation costs under which research and extension fall were allocated about 11% (*Figure 2*).

**Figure 2. Resource allocation to agriculture: ZMK 465 billion in 2005**



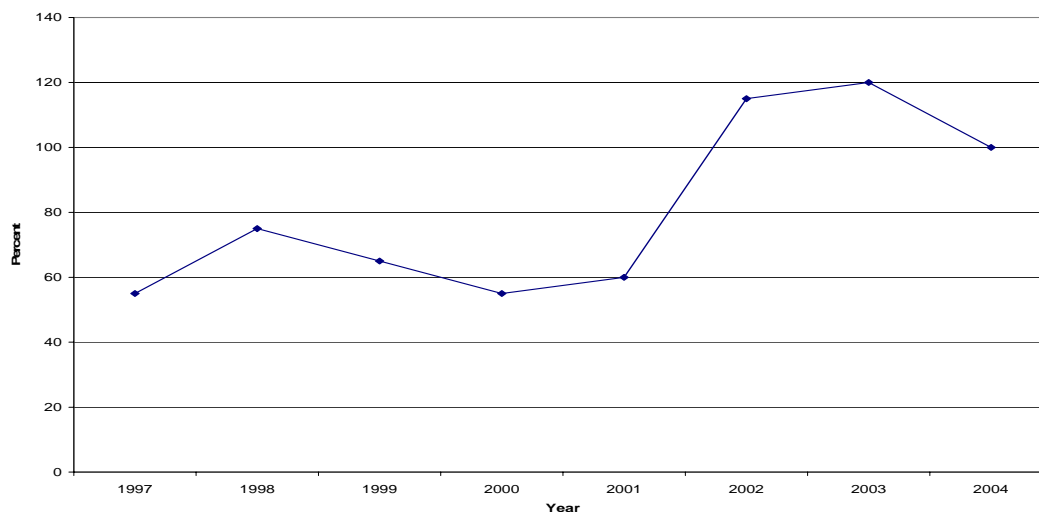
Within MACO, the FSP and crop marketing account for 57% of the allocations (*Figure 3*). Thus, it can be said that fertiliser is the budget priority number 1 and maize the priority number 2 since over 90% of the fertiliser is used in maize and most crop marketing support activities are tailored towards the maize sector. Insights into these sectors will be provided later.

**Figure 3. Resource allocation to MACO: ZMK 346 billion in 2005**



In addition to the amount and quality of budgetary allocation, development of the sector depends on the actual amount of resources received to the sector as compared to the allocations. **Figure 4** shows that actual releases of resources to the sector have increased from 60% in 2001 to over 100% in 2003 and stood at about 100% in 2004.

**Figure 4. Resource releases to MACO as percent of budget (1997 – 2004)**



Releasing about 100% of the allocation to MACO is in itself a good sign of commitment to agricultural development. However, further examination of these improved releases, for 2004 for example, shows that releases were more than allocated to the FSP while it was almost halved for recurrent developmental charges under which research and extension fall (**Table 1**).

**Table 1. Budget provision and funding for MACO in 2004**

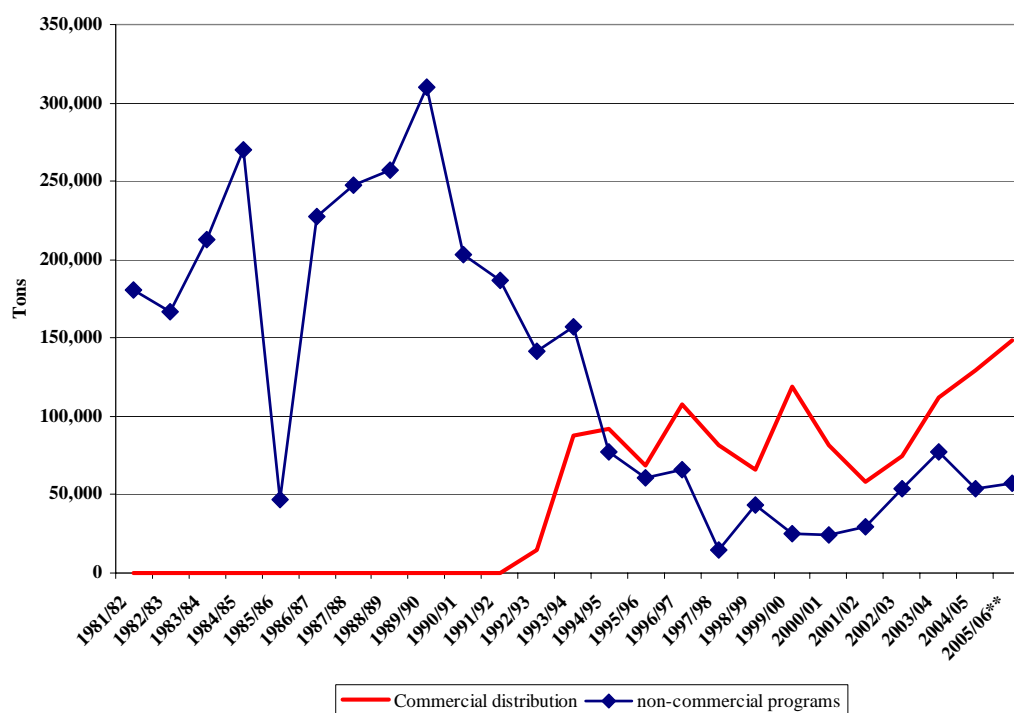
Budget Line	Amount in ZMK 'Billion	
	Provision	Funding
Personnel Emoluments	68	57
Recurrent departmental Charges	19	10
Grants and Other Payments	9	6
<b>Poverty Reduction Programmes/HIPC</b>	<b>141</b>	<b>162</b>
Fertiliser Support Programme	70	96
Strategic Food Reserves	47	47
Other PRP Programmes	24	18
<b>Total</b>	<b>239</b>	<b>236</b>

## FERTILISER (Budget Priority Number 1)

By Dr. Jones Govereh and Professor Thomas Jayne

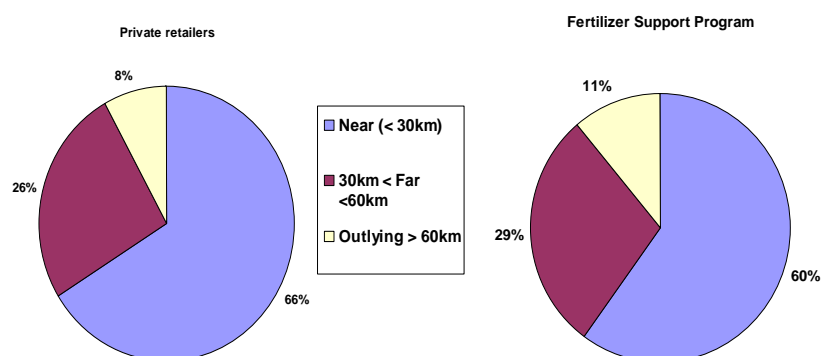
Though most of the resources allocated to the agricultural sector are devoted towards supporting fertiliser provision to smallholder farmers, research results show that actually the majority of these smallholders do not use fertiliser at all. In the 2002/2003 season, only about 29% of the smallholder farmers actually acquired fertiliser. For those that did, about 36% acquired it from the FSP, 5% from free Government distribution and the remainder (59%) acquired it through private dealers. This shows that the private sector plays an important role in fertiliser distribution. Actually the role of the private sector has been increasing in the last decade (see *Figure 5*).

Figure 5. Distribution trends for public and private channels



There is a notion that FSP supplies fertilisers to smallholder farmers in outlying areas which are hardly serviced by the private sector. Research findings, however, show that the distribution pattern of FSP fertiliser is similar to that of the private sector (*Figure 6*). As the case with the private sector, only a small proportion of the recipients of the FSP fertiliser are in outlying areas. This means that the FSP is crowding out private sector participation.

**Figure 6. Distribution pattern for FSP and private retailers in 2002/03**



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One may wish to know the characteristics of smallholder farmers that access FSP fertiliser and compare these with those of households that do not. **Table 2** shows the characteristics of smallholder households acquiring fertiliser from FSP and private traders resulting from analysis of the 2002/2003 season data.

**Table 2. Characteristics of smallholder households acquiring fertilizer from FSP and private traders**

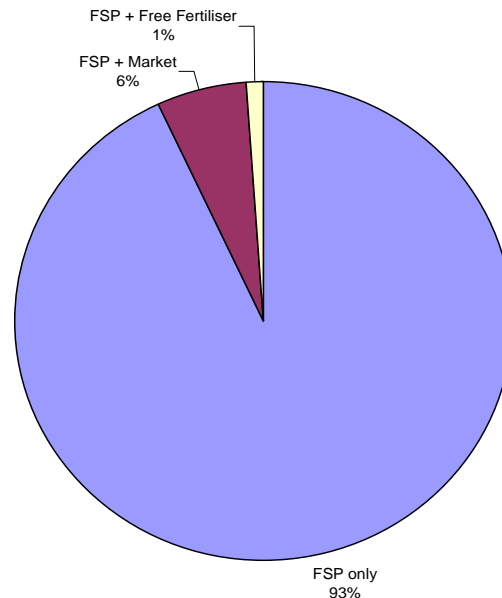
Attribute	FSP Recipients	Acquire from Private Trader	Non-Users
Income (ZMK'000)	804	774	266
Assets (ZMK'000)	425	342	173
Land Planted (ha)	2.22	1.81	1.11
Maize Area (ha)	1.33	1.12	0.71

As can be seen from the table, FSP fertilizer recipients have as much income as those that access fertilizer from the private traders which means that they would be in a more or less same position to buy from the private traders if they did not receive the subsidized fertilizer. Their asset base including land planted is higher than that of households that buy fertilizer from the private traders and much more than those who do not acquire any fertilizer at all. They margin plant more maize area (0.21 ha) than the households that buy fertilizer from the private traders. In fact, the research's key findings are that:

- Households acquiring fertilizer from private dealers have higher incomes and wealth, are close to tarmac roads and district center, and have higher education; and
- Households acquiring fertilizer from FSP have higher incomes and wealth, are close to tarmac roads and district center, and more likely to have civil service employees.

Another assumption underlying the FSP is that the programme helps smallholder farmers acquire fertilizer for 1 ha, after which they would source on their own the additional requirements. Research findings show that recipients of FSP fertilizer rarely buy any additional fertilizer at all (*Figure 7*).

**Figure 7. Fertiliser purchasing behaviour of FSP recipients**

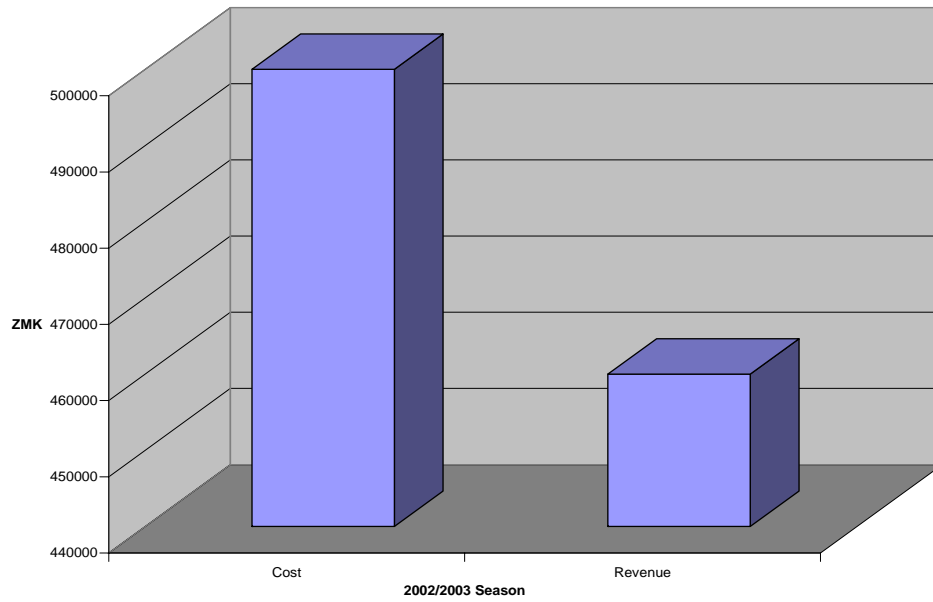


Additional findings in smallholder farmer fertiliser use showed that:

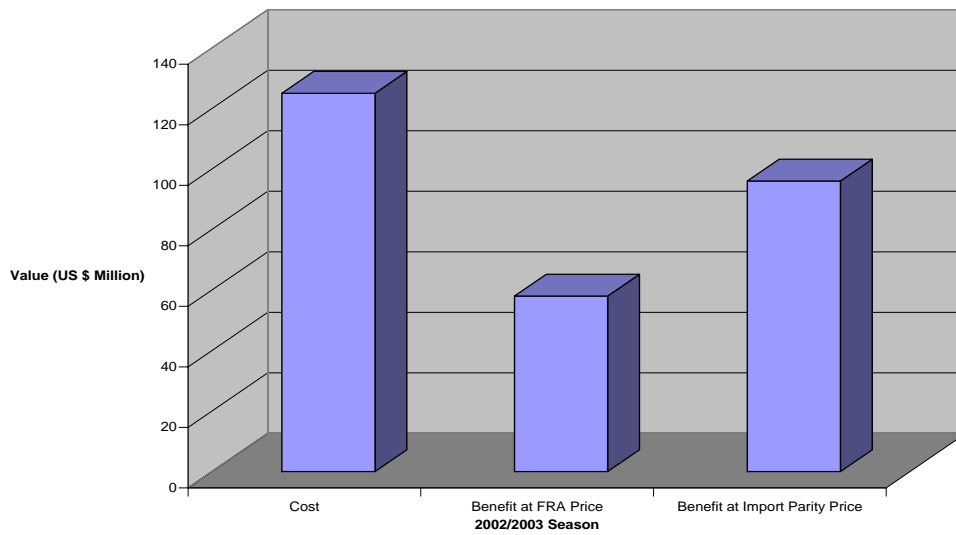
- Actual yield gain (2002/03) was 1.6kg of maize per kg of fertilizer, and
- Potential yield gain is 3 to 12kg of maize per kg of fertilizer.

Based on these, *Figures 8* and *9* show the cost benefit analysis of the FSP to farmers and the nation respectively. Farmers get negative returns but these would be positive if they were to sell at higher prices through exports. The returns are also negative for the country even when using import parity price of maize instead of the FRA price.

**Figure 8. Financial outcome of the FSP to farmers**



**Figure 9. Costs and benefits of FSP to Zambia**



## MAIZE (Budget Priority Number 2)

By Mr. Ballard Zulu and Professor Steve Haggblade

The insights in the maize sector will focus on maize marketing, processing and diversification away from maize. First and foremost, with regard to smallholder marketing of maize, it has been found out that:

- Only 28% of the households sell maize
- 2% of the rural Households (25,000 farms) account for 50% sales of maize
- FRA price support focuses on these 2% of rural households

This 2% of the rural households which sells about 50% of the maize relatively better off than the rest of the maize sellers (26% of the rural households) and far much better than the non-maize selling households in terms of land holding, value of farm assets and total household income (Table ).

**Table 3. Characteristics of maize selling and non maize selling households**

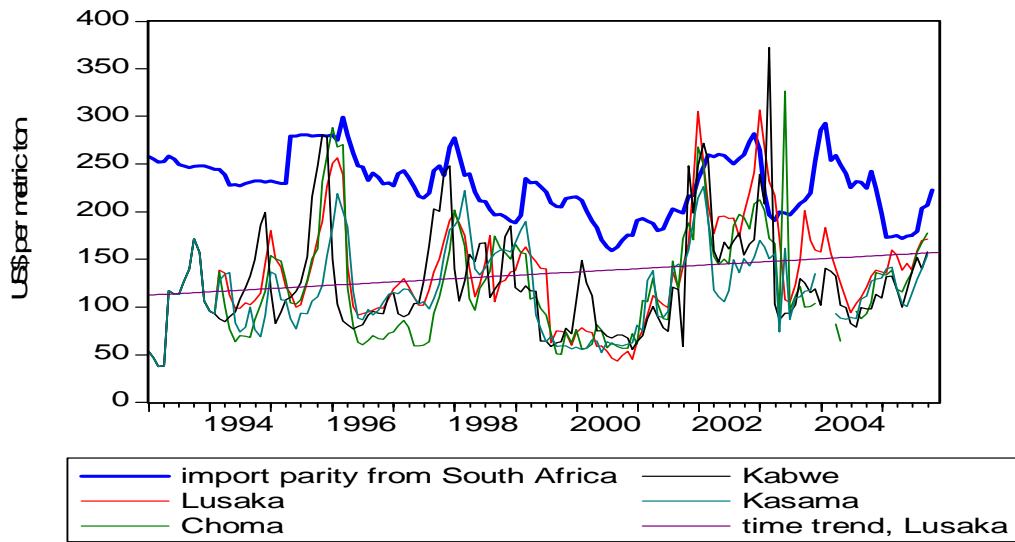
Attribute	Households Selling Maize		Households Not Selling Maize
	2% of Households Accounting for 50% Sales	26% of Households Accounting for the Rest of the Sellers	
Landholding Size (ha)	6.00	3.91	2.79
Value of farm assets (US \$)	1,558	541	373
Total household income (US \$)	2,282	514	291

Insights into the processing sector include the following:

- Large-scale millers
  - Up to 60% share of total mealie meal consumed,
  - Of this, 70% of the maize they mill is supplied by small holder farmers;
- Hammer mill channel
  - market share of at least 40% of mealie meal,
  - Mugaiwa is 20% cheaper than breakfast meal,
  - The poor primarily consume mugaiwa; and
- Important for Government to nurture small milling sector, since the poor rely on it.

Over the past decade, following market liberalization, the wholesale price of maize in the country has increasingly moved closer to the import parity prices following the forces of supply and demand (**Figure 10**), which implies that regional trade has increasingly become an important aspect of food security in the country.

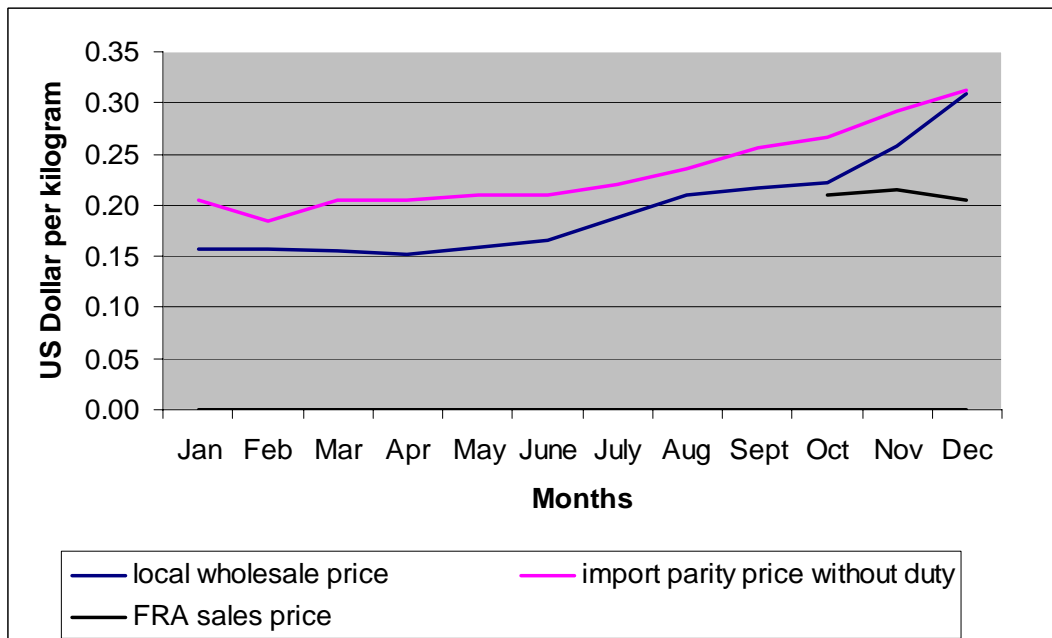
Figure 10. Importance of regional maize trade



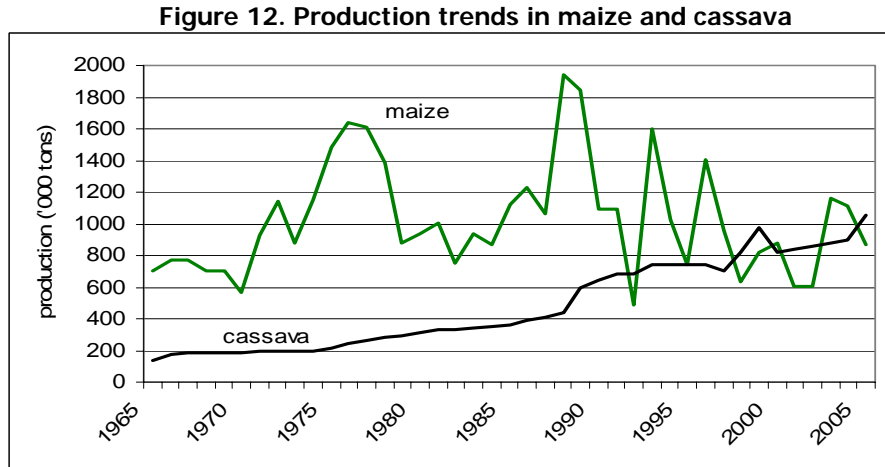
In spite of the above, the following stop and go policies discouraged private maize import in 2005:

- Maize import duty raised, then rescinded,
- Slow issuance of import permits,
- New sanitary and phytosanitary requirements introduced,
- Cheap FRA maize sales to millers discourages commercial imports (*Figure 11*), and
- Import delays cost Zambia consumers as the price of maize had increased by the time the decision to import was made.

Figure 11. The millers' decision: import or buy from FRA?

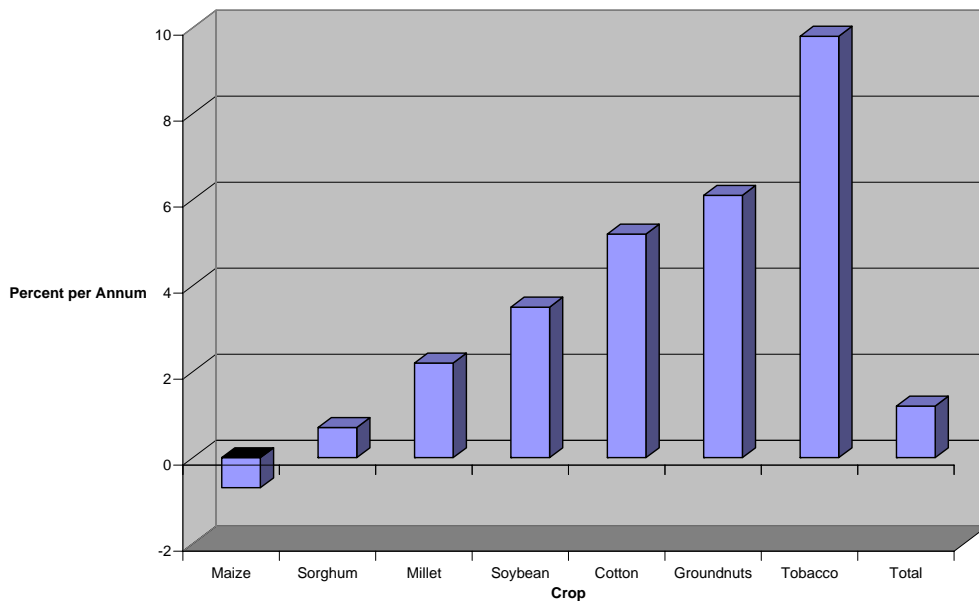


Maize is still the major crop in Zambia. However, trends in production have been declining and that of other crops such as cassava, cotton, tobacco among others have been increasing. **Figure 12** shows the production trends of maize and cassava since 1965.



Actually maize is the only crop with a negative annual growth rate in spite of the massive support it receives from the public sector (**Figure 13**). The growth of other crops is encouraging despite limited Government support. A number of them including tobacco and cotton have significant private sector participation which has facilitated this growth. Overall, crop production is growing at an annual rate of 1.2% per annum.

**Figure 13. Annual crop growth rates**



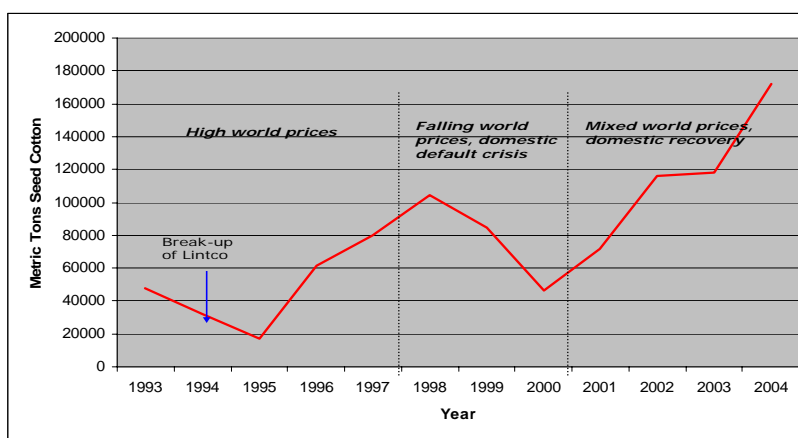
Looking at cotton which is the most important cash crop for smallholders, production has been increasing since the entry of a number of private firms in the sector following the demise of the Lint Company of Zambia (LINTCO) and further growth

has been stimulated by increasing world prices (*Figure 14*). Recently, however, this growth is being threatened by the appreciation of the *Zambian Kwacha*.

With regard to staple food crops, cassava a very important food security crop especially in the Northern high rainfall parts of the country. It has increasingly become so following the withdrawal of agricultural subsidies and declines in the maize sector. In addition to this, the Government has invested in more than 10 years of research developing more improved varieties which are more productive. It is little wonder households in most of these cassava producing areas rarely require food aid.

The question one may ask is, "Can cassava also be grown in the drier central and southern parts of the country which are prone to erratic rainfall and quite often drought?" The answer is yes. Research findings show that cassava does well in these areas and its productivity is much higher than that of maize even in good years (*Table 4*).

**Figure 14. Seed cotton production in Zambia, 1993 - 2004**



30

**Table 4. Is cassava a good food security crop in central Zambia? YES**

Characteristic	Cassava	Maize	
		Good Year	Bad Year
Yield (Tons/ha)	30	3	1
Calories/ha/year	11,000	9,200	3,000
Calories/day worked	193,000	60,000	23,000



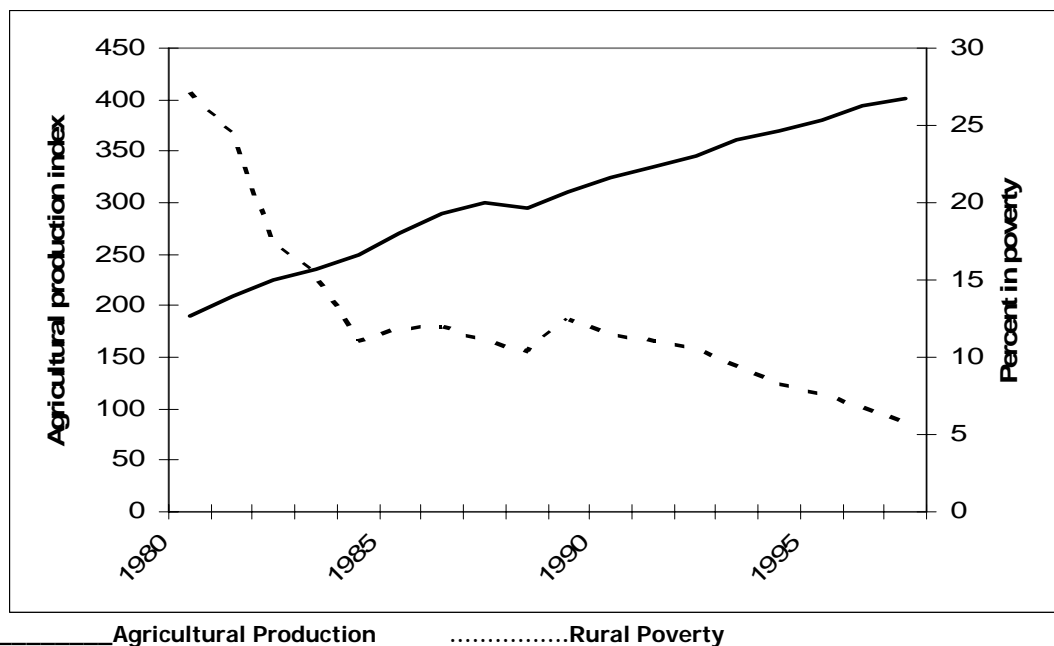
*Cassava produces good yields in central Zambia, even in an erratic rainfall year*

## RETURNS TO ALTERNATIVE INVESTMENTS IN AGRICULTURE

By Professor Steve Haggblade

One may ask, "Why spend on agriculture?" It is important to spend on agriculture because it is a powerful poverty fighter. In fact, experience has shown that no country has ever achieved mass poverty reduction without a prior substantial boost in agricultural productivity. It is in this vein that Zambia is signatory of the Maputo commitment (CAADP) stipulating that at least 10% of budget is spent on agriculture. In other parts of the world, including the new world, poverty reduction was preceded by massive increase in agricultural productivity. Figure 15 shows the degree of poverty reduction that was achieved in China following massive increase in agricultural productivity.

Figure 15. Agricultural growth and poverty reduction in China



We have seen earlier that the amount of resources invested in agriculture in itself can not lead to increase in productivity. What is even more important is in what sectors those resources are invested. Due to the limited nature of resources, decisions have to be made where more resources are allocated. There are several options into which resources in the sector can be allocated. These include subsidies, investment in research and extension, development of infrastructure, and irrigation among others. Investing in these different areas yields returns. Many years of research the world over, in addition to our earlier demonstration on the FSP, show that returns to resources spent on subsidies are often negative whereas investing in research and extension and other productive areas such as irrigation always yield positive and high returns (*Table 5*).

**Table 5. Returns to investments in agriculture**

<b>Sector</b>	<b>Returns</b>
Subsidies	Negative to 12%
Investments	
• Research & extension	35% to 70%
• Roads	20% to 30%
• Education	15% to 25%
• Communications	10% to 15%
• Irrigation	10% to 15%

In view of the above, what are the key budgetary implications for Zambia?

- Why does Zambia focus the most resources on subsidies, which provide the least profitable forms of agricultural spending?
- Should GRZ spend greater share of its budget on
  - Agricultural productivity R&D,
  - Extension,
  - Rural infrastructure development, and
  - Irrigation?

## PLENARY DISCUSSION

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Following the presentation, the participants views on issues presented were invited and these were discussed in the form of a plenary session. A number of issues were raised and are reported below.

### **Issue**

It has been appreciated that the project collaborates with MACO, but have these findings been shared with the ministry? If so what has been the reaction?

### **Reaction**

All research findings are first shared with the ministry. In fact, quite often, the work of the project is done in conjunction with the ministry. A good example is the Maize Policy Synthesis which was earlier distributed to the participants. In developing the paper, the project greatly interacted with the ministry and exchanged views before finally disseminating it.

### **Issue**

The notion of substituting maize consumption with cassava is worrying. There is need for a lot of changes in the production, processing and marketing chain in order to meet the necessary volumes to satisfy needed requirements for the nation.

### **Reaction**

Government invested in about 15 years of research and development which led to the development of improved varieties. The processing and marketing is already being done by the private sector. Even cassava based feeds are being tested by milling companies and small and big commercial farmers. The use of cassava in stock feeds would release available maize for human consumption.

### **Issue**

Cassava production is concentrated in the northern high rainfall areas of the country. Is it insensitive to climatic conditions and can be grown in any part of the country? Are there any differences in production?

### **Reaction**

Cassava is drought tolerant and can grow under diverse climatic conditions. The only difference is that it takes longer to mature in the central and southern parts of the country. Otherwise the yield potential remains the same.

### **Issue**

The presentation seems to be advocating against subsidies. Why is this so when there are subsidies all over the world including the developed countries? Perhaps the research should have concentrated on finding out why smallholder farmers in Zambia get 1.6 Kg of maize per Kg of fertiliser used when the potential is 3 to 12 Kg?

**Reaction**

Subsidies in other countries are also draining resources. The country should not follow the mistakes of other countries. In fact, the developed countries make considerable provisions in their budgets for research and development. For example, improved varieties are developed almost every 3 years and farmers benefit from this. The critical issue is to improve small scale farmers' productivity through more investment in research and development and extension.

Regarding below potential yields, there are normally variations among farmers. Some get yields as high as 8 Kg from a Kg of fertiliser used. Such farmers tend to be larger, have animal draught power, have good soils, are located in areas with favourable rainfall patterns and have good crop management practices. Some farmers in opposite circumstances get extremely low yields and this makes the average yields to be as low as the research findings.

**Issue**

An impression has been created that 93% of the FSP beneficiaries do not acquire fertiliser from the private sector after receiving the 8 bags of fertiliser because they are satisfied. Experience from the field in constituencies is that farmers have significant areas of uncultivated fields because they lack fertiliser. In fact the farmers are forced to spread the 8 bags of fertiliser across fields larger than the recommended 1 hectare.

**Reaction**

A wrong term was used in the presentation. The presenter intended to say that the FSP beneficiaries are unable to buy extra fertiliser from traders after getting the subsidised fertiliser from the programme. It is a MACO extension recommendation that 4 bags of basal and top dressing fertiliser be used in a ha of maize. This may not be appropriate in some areas and may need to be adapted.

**Issue**

What is the basis of giving 8 bags of fertiliser to FSP recipients? This is surely inadequate to meet the needs of a family of 6 over 12 months.

**Reaction**

The notion under the programme under MACO is that the Government support farmers acquire fertiliser for 1 ha while farmers are expected to acquire from the private sector their additional fertiliser requirements and gradually graduate to commercial farmers.

**Issue**

The subsidy under the FSP benefits better off farmers. Sometimes political party cadres get the fertiliser and later sell it off. What follow up and monitoring measures are in place to avoid such misuse of subsidised fertiliser?

**Reaction**

The purpose of the presentations was to give an overview of issues to solicit discussions with legislators through which the way forward would be chartered.

**Issue**

What is the significant difference between genetically modified maize produced in other countries and that produced locally?

**Reaction**

Exploration of literature is needed to address the issue. However, in the case of cotton, genetically modified strains or biotechnology cotton is more resistant to pests and diseases, which means that less chemical sprays are necessary to get the same yield and lint quality which leads to lower costs of production. This makes producers of biotechnology cotton to be more competitive on the world market. The Zambian Government policy is to develop a regulatory framework to adopt genetically modified organisms.

**Issue**

The presentations did not refer to the resuscitation of the research and extension facilities in rural areas as there has been too much centralisation of research activities in Lusaka. Funding is needed so that there can be at least 2 research stations in each district. In addition, extension services are vital in rural areas. Due to inadequate extension services you find farmers wrongly applying fertiliser. In Western Province farmers were provided with lime last year but have not been able to use it as they were not told how to apply it.

**Reaction**

This the question the presentation has posed to the group. *"Why not get some of the money used under the FSP to fund research and extension?"*

**Issue**

How do the cyanide levels differ in cassava?

**Reaction**

A guiding principle is that sweet varieties have less cyanide than the bitter ones.

**Issue**

What is the view of the project on the effect of the appreciation of the Zambian Kwacha on export crop production?

**Reaction**

The issue is being comprehensively studied by the Zambia National Farmers' Union. However, the project's findings in the cotton sector are that the impact has been negative and is threatening the sector. Farmers and exporters will earn less and even the returns to labour have reduced. Further analysis will determine which direction the sector will go in view of these impacts.

**Issue**

How will support to increase productivity of small scale farmers benefit the poor in urban areas such as Kanyama Constituency who do not have fields to grow maize for example?

**Reaction**

Increase in productivity will lead to reduced prices which will make the poor to benefit. Advocacy to nurture the hammer mill sector which produces 40% of the mealie meal (cheaper) for the poor would also assist poor urban consumers. In deficit years, imported maize which is subsidised ends up with the large milling sector with very little going to the hammer mill sector which services the poor. The conditions attached to sourcing maize from FRA can not be met by the small milling sector and MPs need to follow this up. During normal years, poor urban consumers buy maize from markets and have it milled into mugaiwa. This means that during deficit years such as this one, some maize should be released into the informal trading sector so that it can be accessed by poor urban consumers.

**Issue**

It is understood that operations of the FSRP hinges on good governance. How can the project build transparency in relief food distribution so that this can not be used for political mileage in for example bye-elections?

**Reaction**

FSRP is a non-political organisation with MACO and ACF as partners. It does not take sides and its role is to empower MACO and other stakeholders such as MPs for enlightened decision making. The purpose of this meeting, for example, is to stimulate debate and enable MPs look at the national budget from a more knowledgeable and enlightened angle.

**Issue**

In some rural constituencies, Government is not only failing to distribute free food but even maize for purchasing is not available. What recommendations has the project made to MACO so that maize for buying can also reach rural areas?

**Reaction**

The traditional concept is that rural households do not buy maize. Our information shows, as presented earlier, that actually are high proportion of rural households are net buyers of maize and there is need to develop maize markets in rural areas. In fact some of the rural households do not farm and rely on purchases of maize to survive.

**Issue**

It is understood that the project collaborates with MACO in various research activities. What is the authenticity of statistics from MACO considering that the extension system in rural areas is ineffective with a good proportion of agricultural camps unmanned?

**Reaction**

This issue has been raised several times by various stakeholders. MACO collaborates with the CSO in data collection and processing. However, MACO is handicapped in crop forecasting activities. It used to use extension officers in the field to generate the crop forecasts. Lack of resources has meant that extension workers can not do complete enumeration to generate crop forecasting data but have to sample. The ministry is considering how to strengthen data collection especially for maize which is grown all over the country.

Actually budget allocation under MACO need to be increased for recurrent departmental charges to help the rural poor. This is the most effective way to improve the welfare of the rural poor and shown by experience from all over the world.

### **Issue**

Budgetary allocations for strategic food reserves are being made every year but stocks or monetary value do not increase. Why is this so?

### **Reaction**

One of the presentation shows that the FRA imports maize in times of deficits and sells it to millers at less than whole prices. Perhaps the MPs need to take up this issue of subsidies to the large scale milling sector.

### **Issue**

The presentation did not make any reference to organic farming. Is the project not doing anything about this?

### **Reaction**

Only certain issues were selected for presentation in this meeting. Otherwise, the project is doing a lot of work on conservation farming and is still on-going.

### **Issue**

The budgetary allocation under MACO for FSP was ZMK 70 billion in 2004 compared to ZMK 19 billion for recurrent development charges. Are we facing a situation of misplaced priorities? It is important that funding to research (under recurrent departmental charges) is increased as it needs to be continuing. Crop pests and diseases continuously change and research has to keep abreast with these developments in order to increase productivity. There is need for maintenance breeding to maintain farmer productivity. There is need to invest even more if productivity is declining. Why is that only a little is budgeted for research and extension? Why is that even less is disbursed?

### **Reaction**

MACO equally does not understand why this is so. Budget estimates are submitted to the Ministry of Finance and National Planning who normally down sizes the budget. There have been no provisions in the budget for capital expenditure for the past 4 to 5 years. Resources are diverted from recurrent developmental charges to fund other unforeseen activities during the year such as FSP or strategic food reserves development.

The MPs felt that there is a technical problem in the budgeting process as there is no central committee to decide on budget allocation and continuously monitor disbursements. In addition, the Budget Office's role should have been limited to budgeting and not disbursements. Disbursements need to be done by a different office. There is need for budget reform as the yellow book is considered an academic exercise. Even the Budget Act does not allow Parliament to increase allocations but can only reduce them.

While recognising the need to increase funding to research and extension, activities need to be user driven in order to improve what farmers are doing. *“Otherwise research has died and is getting buried”.*

## **STATEMENT BY A REPRESENTATIVE OF HONOURABLE MEMBERS OF PARLIAMENT**

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Honourable A. N. M. Nakalonga

The honourable MP, Chairperson of the Agriculture and Lands Committee, thanked the project for according the honourable MPs an opportunity to share important issues dealing in reducing poverty and enhancing household and national food security. He wished to bring out the following issues:

1. Livestock issues were discussed probably due to lack of time. Otherwise these play an important role in rural livelihoods and it is important that activities on combating livestock diseases are embarked on.
2. Crop forecasting data when done by MACO was more authentic as it was done by extension workers who were living with the farmers. The extension system is now ineffective and now crop forecasting is being done by CSO which has no representation in rural areas.
3. The grain silos located in certain parts of the country are not being used for food security. There is need to increase production and use the silos for grain storage.
4. Food security can also be achieved in the form of cash. It is difficult to achieve this because of high poverty levels. This makes rural household susceptible to difficulties in times of crop failures. This calls for diversification of not only crop production, but whole livelihoods as well.
5. Gender is not mainstreamed under the FSP. Women normally are more concerned about the welfare of the household and there is thus need to deliberately target a certain proportion of resources under the FSP to female headed households.

## **CLOSING REMARKS**

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By Dr. Anthony Mwanaumo

Dr. Mwanaumo in his closing remarks reiterated the role of the meeting and thanked the MPs for their time in attending the meeting. He further indicated that the discussion was useful and has given the project more challenges to look at. It is through such interactions that the project's research agenda is made more relevant to stakeholders.

At the end of the meeting, the Parliamentary Officer for the Economic Affairs and labour Committee, Mr. Roy Ngulube, informed the meeting that the meeting had enlightened him more on issues that the committee was deliberating on the previous day and will help improve the work plan especially regarding the Food Security Pack and the FSP. The committee will continuously interact with the project in their activities and will ask on issues that will need to be addressed.

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