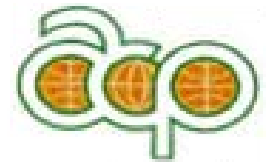
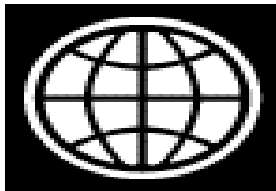




# Smallholders involvement in commercial agriculture/horticulture



**Eastern and Southern African Video Conference on High Value Horticulture**

November 2<sup>nd</sup> , 2010

# Present Status of involvement of smallholders in horticultural production

- Smallholders are responsible for 99% of horticultural production (TIA, 2006)
- Proportion of Small and Medium Exploitations that produce and sell horticulture (TIA, 2002-2007):

Year	Percentage of Small and Medium Exploitations producing horticulture	Percentage of Small and Medium Exploitations selling horticulture
2002	57.3	19.4
2003	50.3	23.5
2005	39.7	20.1
2006	44.5	21.0
2007	39.8	25.3

# Present Status of involvement of smallholders in horticultural production

- **Constraints faced by smallholders:**
  - Lack of transport infrastructures and communication
  - Insufficient access to credit
  - Lack of information on prices and markets
  - Lack of technical assistance on production and commercialization
  - Weak link between research and extension
  - Lack of access to improved seeds and technologies
  - Lack of a national classification/certification of the products
  - High transaction costs due to the geographical dispersion and the lack of organization of smallholders in associations
  - Lack of facilities such as : cold rooms, packing houses, storage facilities, terminal at the Beira port, etc.

# Present Status of involvement of smallholders in horticultural production

- Evolution of the constraints:
  - Undergoing work and programs to reduce the constraints
  - But the scale makes it difficult to reach significant results
  - Ex: Access to Finance: micro-credit institutions, Banco Terra, new credit lines for horticulture with banks (BIM, BCI, Standard Bank)
- Consequences of the constraints on national production and marketing:
  - Limit the development of horticultural production and commercialization
  - Losses due to lack of access to market, lack of storage facilities, cold rooms, etc

# Present Status of involvement of smallholders in horticultural production

- Consequences of smallholders involvement in horticultural production:
  - Source of additional revenue for the smallholder : poverty reduction
  - National consumption and exports

## Export market estimative-2009

	Tonnes	USD FOB
South Africa	26.594	8.334.380
EU	2.543	6.787.640
Total Export	28.350	15.122.020

## Local market-2006

	Tonnes	\$ millions
Supermarkets	2.000	1
Hotels	2.500	2
Restaurants	5.200	4
Wholesalers	95.000	60
Informal market	1.095.300	818
TOTAL	1.200.000	885

# Present Status of involvement of smallholders in horticultural production

- National Organizations:
  - Horticulture Task Force ( Private Sector, MIC, MINAG, INNOQ, FAO, USAID, EU, UEM, IPEX, UNIDO, ITC,TECHONOSERVE,SNV)
  - UNAC – National Farmers Union
  - CTA – Confederation of the Economic Associations
- University Faculty/Research Institute
  - No specialists dedicated to the topic as such
  - But the issue is transversal to a lot of research done by agronomists, economists, sociologists at IIAM, University Eduardo Mondlane, University Catholic, Institute Polytechnic Superior of Gaza, etc

# Present Status of involvement of smallholders in horticultural production

- Extension services provided by the National Direction of Agrarian Extension (DNEA) – Ministry of Agriculture
  - Representation in 127 districts and 9 provinces
  - 2010: supported 313.083 farmers and 52.714 associations
- Activities of the DNEA:
  - Dissemination of agrarian technologies
  - Support and capacity building for the organizations of farmers
  - Technical Assistance to the farmers
  - Demonstration camps
  - Dissemination of information
  - Strengthening of the associations already existing

# Present Policy and Policy Management for Smallholders involvement

## Smallholders role in the context of the rapid urban growth

- Commercialization mainly done on local markets or on the streets:
  - 91% = 1.095.300 t of the production of horticulture is commercialized on informal markets
- Commercialization to hotels (2.500 t) and restaurants (5.200 t)
- Small commercialization to supermarkets (2.000 t):
  - Supermarkets requirements on quality, quantity and constant supply over the year
  - Difficulty for the smallholders to comply with these requirements
  - Supermarkets have yearly contracts with exterior suppliers and seasonal contracts with Mozambican smallholders



# Present Policy and Policy Management for Smallholders involvement

- Donor Assistance and Government Programs in the area:
  - PROAGRI: 2000-2010: Capacity Building and Production Support
  - PAPA: 2008-2010: Support for an horticultural production all over the year
  - BAGC Initiative: Development of the Beira Corridor, support to smallholders, improving access to market
  - USAID: AgriFUTURO
  - SNV
  - ADIPSA
  - Technoserve
  - Supply Chain and Logistics Development Programme (project under consideration)

# On-going Strategy at regional level

- Some initiatives exist at the regional level:
  - Cooperation within the SADC
  - Interactions with regional/international counterparts
  - Regional and International trainings, workshops, and scholarships
- Actions to be taken at the national/regional levels:
  - Improving the transport infrastructures
  - Improving the access to facilities such as: cold rooms, storage rooms, packing houses, terminals at the ports
  - Establishment of a national classification and standardization
  - Improving the organization of the farmers and their knowledge on market linkages and requirements of the markets

**Thank You for  
your attention;**

**Obrigado**