

Smallholder Involvement Horticulture in Zambia

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Trends in horticulture export earnings (US'000)

Year	2003	2004	2005	2006	2007	2008	2009
Sector revenue	45,969	35,851	20,508	23,024	37,252	36,350	16,623
Share (%) of total NTE	11.1	7.4	3.6	3.0	4.5	3.0	1.2

Smallholder involvement through out-grower schemes low especially after the demise of Agriflora in 2004/5. Participation is through Zambia Export Growers Association and Organic Producers and Processors Association

Smallholder involvement more in the domestic system

Market participation	Number of Farmers	Proportion (%)	Cumulative Percent
Did not produce fresh produce	1,039,614	62.3	62.3
Produced fresh produce but did not sell	332,253	19.9	82.2
Produced and sold fresh produce	297,995	17.8	100.0
Total	1,669,861	100.0	

The value of the domestic system is larger

Smallholder category	Value of production (US\$'000)	Value of sales (US\$'000)
Small scale holding	150,833	83,205
Medium scale holding	18,658	16,327
Total	169,490	99,532

Smallholder participation has great potential for poverty eradication

- Fresh produce accounts for 18% of total household income; 39% of total household cash income
- Mean annual per capita income for fresh produce sellers is US\$183 compared to US\$139 for non sellers
- The income earned more than doubles for the top quintile of sellers (US\$384)

Smallholder involvement in the sector is constrained

- Product quality variability arising out of lack of standards
- Low product volumes
- Insufficient capital investment and currency instability
- Inadequate extension and training services throughout the value chain
- Lack of supportive policy environment

Institutional issues for smallholder involvement

- No national institutional involvement
 - ZEGA looks at commercial exports to Europe
 - National farmers' union has inadequate specific focus
- A number of smallholder mobilisation in the sector by different projects
 - International Development Enterprises includes market linkages
 - FOSUP is not specific to horticulture
- No sector development policy or strategy

Thank you