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# ZAMBIA

## FY 2010 Implementation Plan

### U.S. Government Working Document

The Feed the Future (FTF) FY 2010 implementation plans are working documents outlining U.S. government planning for the first year of the Global Hunger and Food Security Initiative. These plans represent a transition towards the development of multiyear strategies and are targeted at investments that lay the foundation for a new country-level and coordinated approach with a diversity of partners. Multiyear strategies are under development that will span development and diplomatic actions across multiple USG agencies.

## Table of Contents

1. INTRODUCTION.....	4
2. FY 2010 OBJECTIVES .....	6
3. TARGET GROUPS BY LOCATION AND INCOME.....	10
4. CORE INVESTMENT AREAS.....	12
5. FY 2010 RESULTS/ INDICATORS/ TARGETS .....	26
6. KEY ISSUES AND ANALYTICAL ACTIVITIES LOOKING TOWARD FY 2011.....	27
7. PARTNERSHIP PLAN .....	29
8. FY 2010 CAPACITY-BUILDING PLAN .....	33
9. MANAGEMENT PLAN.....	34

## Abbreviations and Acronyms

<b>ACF</b>	Agricultural Consultative Forum
<b>ACTESA</b>	Alliance for Common Trade in Eastern and Southern Africa
<b>AGCI</b>	African Global Competitiveness Initiative
<b>CAADP</b>	Comprehensive Africa Agriculture Development Programme
<b>CDC</b>	Centers for Disease Control and Prevention
<b>CGIAR</b>	Consultative Group on International Agricultural Research
<b>COMESA</b>	Common Market for Eastern and Southern Africa
<b>DFID</b>	United Kingdom Department for International Development
<b>EGWG</b>	Economic Growth Working Group
<b>FANTA-2</b>	Food and Nutrition Technical Assistance
<b>FISH</b>	Farmer Input Support Program
<b>FNDP</b>	Zambia's Fifth National Development Plan
<b>FSRP</b>	Food Security Research Project
<b>GHFSI</b>	Global Hunger and Food Security Initiative
<b>GHI</b>	Global Health Initiative
<b>GRZ</b>	Government of the Republic of Zambia
<b>IEHA</b>	Presidential Initiative to End Hunger in Africa
<b>IFAD</b>	International Fund for Agricultural Development
<b>IFPRI</b>	International Food Policy Research Institute
<b>IP</b>	Implementation Plan
<b>JICA</b>	Japan International Cooperation Agency
<b>LIFE</b>	Peace Corps' Linking Income Food and Environment
<b>MACO</b>	Ministry of Agriculture and Cooperatives
<b>MCA</b>	Millennium Challenge Account
<b>MCC</b>	Millennium Challenge Corporation
<b>MSP</b>	Mission Strategic Plan
<b>MYAP</b>	Title II Multi-Year Assistance Program
<b>NFNC</b>	Zambia National Food and Nutrition Commission
<b>OFDA</b>	Office of Foreign Disaster Assistance
<b>SADC</b>	Southern African Development Community
<b>SAG</b>	Sector Advisory Group
<b>SIDA</b>	Swedish International Development Cooperation Agency
<b>SNDP</b>	Zambia's Sixth National Development Plan
<b>UNDP</b>	United Nations Development Program
<b>WFP</b>	World Food Program
<b>WTO</b>	World Trade Organization
<b>ZDHS</b>	Zambia Demographic and Health Survey

## I. INTRODUCTION

As the United States and other international donors formulate a response to growing food security concerns at the policy level, the US Embassy in Zambia is taking stock of past efforts and identifying approaches to food security programming for FY 2010. This Global Hunger and Food Security Initiative (GHFSI) Implementation Plan (IP) outlines a coordinated programmatic effort by USG agencies in Zambia and defines anticipated activities during FY 2010. Actual achievements will be limited by the reduced level of funding that is anticipated for food security activities. The purpose of this IP is to articulate the USG vision of a process of engagement with the Government of Zambia (GRZ) and development partners that will lead to coordinated investment in a country-led plan that will contribute to achieving the Millennium Development Goals (MDGs) of reducing extreme poverty and improving child nutrition by 2015.

The US Mission to Zambia will work with the GRZ, civil society, and relevant donor partners to further refine the scope of activities presented in this plan. This refinement will be based on budget considerations, priority setting exercises, and geographic targeting that are part of ongoing discussions with key partners, including the GRZ.

The Zambia GHFSI program will advance three key objectives.

- Increase sustainable market-led growth across the entire food production and market chain;
- Prevent and treat undernutrition; and
- Increase the impact of humanitarian food assistance and social safety nets.

Given resource constraints, FY 2010 activities will center on the first objective above.

This IP also includes a range of possible analytic work and planned activity design that the US Mission in Zambia will execute in FY 2010. We

will prioritize such analytical work to reflect the emphasis on the availability of and access to elements on the food security continuum. Where merited, additional analytical work will form the foundation for expanded efforts during FY 2011 and beyond. This is subject to the availability of funding for both analytical work and program implementation.

Three GHFSI goals form the basis of the IP. The first goal of agriculture-led growth links four core areas to address agricultural production and food security in a sustainable manner:

- Increased agricultural productivity;
- Increased trade and reduced barriers to market access;
- Sound market-based principles for agriculture; and
- Accelerated participation of the very poor in rural growth. Due to limited funding, USG efforts will focus on this objective in FY 2010.

The second and third GHFSI goals of combating undernutrition and improving the effectiveness of humanitarian assistance complement efforts in agricultural development and ensure that the most vulnerable are not left behind. As available, USG assistance in these two areas will focus on efforts that directly affect smallholder subsistence farmers to increase household income and improve household nutritional status.

The GHFSI IP is based in part on Government of Zambia commitments and policy direction as set forth in its draft Compact for the Comprehensive Africa Agriculture Development Plan (CAADP). The Compact development process in Zambia has included broad consultation with regional institutions such as the Common Market for East and Southern Africa (COMESA), the United States, bilateral and multilateral donors, civil society organizations, farmer organizations and research and policy institutions. Zambia will

finalize its CAADP Compact negotiations, and plans to sign the Compact in 2010.

These negotiations have provided the framework for discussions and design leading to this implementation plan. The USAID-funded Food Security Research Project and the Agricultural Consultative Forum led much of the analytical basis for the CAADP and for this IP. CAADP sets the stage for this coordinated effort to promote agriculture across the continent, and provides the starting point for the IP for Zambia.

Zambia has the natural resource base necessary to increase substantially agriculture production and food security both nationally and regionally. Zambia contains vast tracks of arable land and 35% of Southern Africa's groundwater.<sup>1</sup> Though it faces a number of constraints, the agriculture sector still holds the potential to lift Zambians out of poverty and improve household nutrition.

According to a World Bank analysis of 2006 household survey data<sup>2</sup>, the overall poverty rate in Zambia is 64% and rural poverty is 80%. With about two-thirds of the population in rural areas, this implies that the vast majority of Zambia's poor are rural. According to both the Zambia Millennium Development Goals Progress Report 2008 and an analysis by IFPRI and the World Bank<sup>3</sup>, Zambia will not achieve the MDG 1 of halving extreme poverty and hunger by 2015 if it maintains the existing growth rate. Not only will an annual GDP growth rate of 8.8% be required to meet MDG 1, the growth must focus on both improved agricultural productivity and improved market access.

A concerted and shared effort by the GRZ, the United States, and other bilateral and multilateral donors has the potential to jump-

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<sup>1</sup> Zambia Fifth National Development Plan 2006 - 2010

<sup>2</sup> Zambia: What are the Constraints to Inclusive Growth in Zambia?, Report No. 44286-ZM

<sup>3</sup> Agriculture and Achieving the Millennium Development Goals, Report No. 32729-GLB,

start the current stagnant state of the agricultural sector and bolster Zambian rural income and food security. Targeted investments that simultaneously increase productivity and expand domestic, regional, and international market access while also liberalizing the policy environment could

A series of targeted investments that simultaneously increase production and market access while rationalizing the policy environment could give Zambia a substantial boost towards its vision of becoming a middle-income country by 2030.

accelerate Zambia's vision of becoming a middle-income country by 2030.

While GRZ plans under CAADP will drive the agricultural agenda, Zambia is also developing its broader Sixth National Development Plan

(2011-2015). This Plan will provide the basis for interventions to prevent and treat undernutrition and improve the effectiveness of humanitarian assistance.

With 45% of children under age five stunted and 21% severely stunted<sup>4</sup>, it is clear that Zambia's recent economic growth has not solved the country's food security problems. The country needs an approach to food security that addresses the underlying causes of undernutrition affecting food availability, access, and utilization.

The unpredictability of rainfall influences the availability and access components of chronic food insecurity. Regional drought and flooding affect vulnerable communities and families. Rainfall in Zambia declines moving from the northern to the southern climatic zones.. At the same time, crop water requirements, highest in the southwest of the country, increase from the north to the south. Thus, rainfall is lowest in areas where the crop water requirements are highest, exposing rain-fed agriculture in the south to drought risks.

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<sup>4</sup> 2007 Zambian Demographic and Health Survey (ZDHS)

Furthermore, variations in rainfall are generally higher in the zones with low rainfall. Analysis of rainfall data indicates there is a 75% to 80% chance of either drought or too much rain each rainy season in at least one of the three dry zones in the south and southwest. Projections of future rainfall patterns in Zambia based on one well-established climate model indicate that climate change will enhance the negative effects of existing climate variability.<sup>5</sup> The report attributes the resulting increases in poverty to grain price and supply effects arising due to climate change. Urban labor groups are especially vulnerable to climate change, given their greater exposure to food price increases.

While Zambia received significant humanitarian assistance in response to droughts and floods in the past, ongoing emergency programs are limited to feeding of seasonal drought or flood victims. Other feeding programs assist undernourished children under five years of age and those directly affected by HIV/AIDS.

The World Food Program (WFP) has active development programs to improve school attendance and build the capacity of government and NGOs dedicated to humanitarian assistance. WFP serves 300,000 pupils under its school feeding program, and it is working with GRZ to scale up the figure to 1,000,000 over the next five years. The WFP Nutrition program supports 15,000 households with food and the WFP HIV/AIDS anti-retroviral (ART) program provides food to 6,000 households.

USAID-managed Title II food aid programs respond to long-term development challenges as opposed to emergency needs. Food aid programs aim to increase the resiliency of vulnerable households in areas often affected by uneven weather patterns and climatic shock.

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<sup>5</sup> The Impact of Climate Variability and Change on Economic Growth and Poverty in Zambia, IFRPRI Discussion Paper No.890 (2009)

## 2. FY 2010 OBJECTIVES

FY 2010 programs to increase agricultural productivity and household food security are implemented across sectors, creating and building on cross-cutting synergies. The programs described below include ongoing GHFSI resources. New FY 2010 resources will contribute to achievements in the four core agriculture-led growth areas through ongoing programs. These resources will also support analytical studies (see Section 6) and potential new programs that lay the foundation for a broader set of programs to tackle hunger from FY 2010 – 2015. The focus of FY 2010 programs will be on increased availability and access elements of the food security continuum, given the limited level of planned resources.

### 2.1. COUNTRY-LED COMPREHENSIVE STRATEGY

#### 2.1.1. Consultative Process

The government's Fifth National Development Plan (FNDP) 2006-2010 articulates Zambia's agricultural strategy. Stakeholders are collaboratively developing the Sixth National Development Plan (SNDP) that will cover the period from 2011 through 2015. The draft SNDP agricultural strategy embraces the CAADP objectives and should move GRZ leadership on agriculture toward a strategy with objectives that complement those of the GHFSI. The FNDP supports the CAADP principles and paves the way for Zambia's rapid progress toward a CAADP Compact and investment plan.

During the course of 2009, the GRZ lost some of its early momentum regarding the CAADP process. The USG, among other donors, played a critical role in reinvigorating the process. These efforts have led to the GRZ current steps to finalize the fifth revision of the Compact with a plan for Cabinet approval in 2010.

The USG, through the Agricultural Consultative Forum (ACF) and the Food Security Research Project (FSRP), has supported the CAADP

Compact development process from the beginning, ensuring that policy planning and programming reflect critical agricultural policy issues. To ensure Zambian ownership of the CAADP framework, including its policies, programs, and targets, the revised ACF/FSRP entity will become part of Zambia's national policy planning process. ACF/FSRP will work together with policymakers and stakeholders as before, but with the additional mandate of contributing to the peer review process—an element of the CAADP framework. They will focus specifically on public resource allocation, investments, and the implementation of policies that are the backbone of the CAADP process.

### 2.1.2. Status of CAADP

Zambia plans to sign its CAADP Compact in 2010. The current draft of the CAADP Compact identifies a central role for the Government of Zambia in establishing the enabling environment for agriculture growth and in reaching a 10% budgetary allocation for the sector over a four-year period. It also envisions that “the private sector will drive the development of the agricultural sector with the civil society and farmer organizations (including medium and large scale farmers) as partners.”<sup>6</sup> This explicit reference to the role of the private sector and other commitments to reform the fertilizer support programs and enact key legislation for efficient markets and financing are essential to achieve CAADP goals and Zambia's long-term vision of middle-income status.

With its proposed programs, the US Embassy in Zambia will encourage the GRZ to live up to its bold commitments outlined in the Compact for reforming the agricultural sector. The US Mission in Zambia is coordinating donor support to the Compact.

Drafting of the Compact follows broad stakeholder consultation, including private sector and other civil society organizations, led by the Ministry of Agriculture and Cooperatives. In addition, the Compact draws

from the stocktaking analyses and the Investment Options studies, both completed in 2008. One stakeholder consultation included over 70 participants from the GRZ, donors, private sector and civil society.

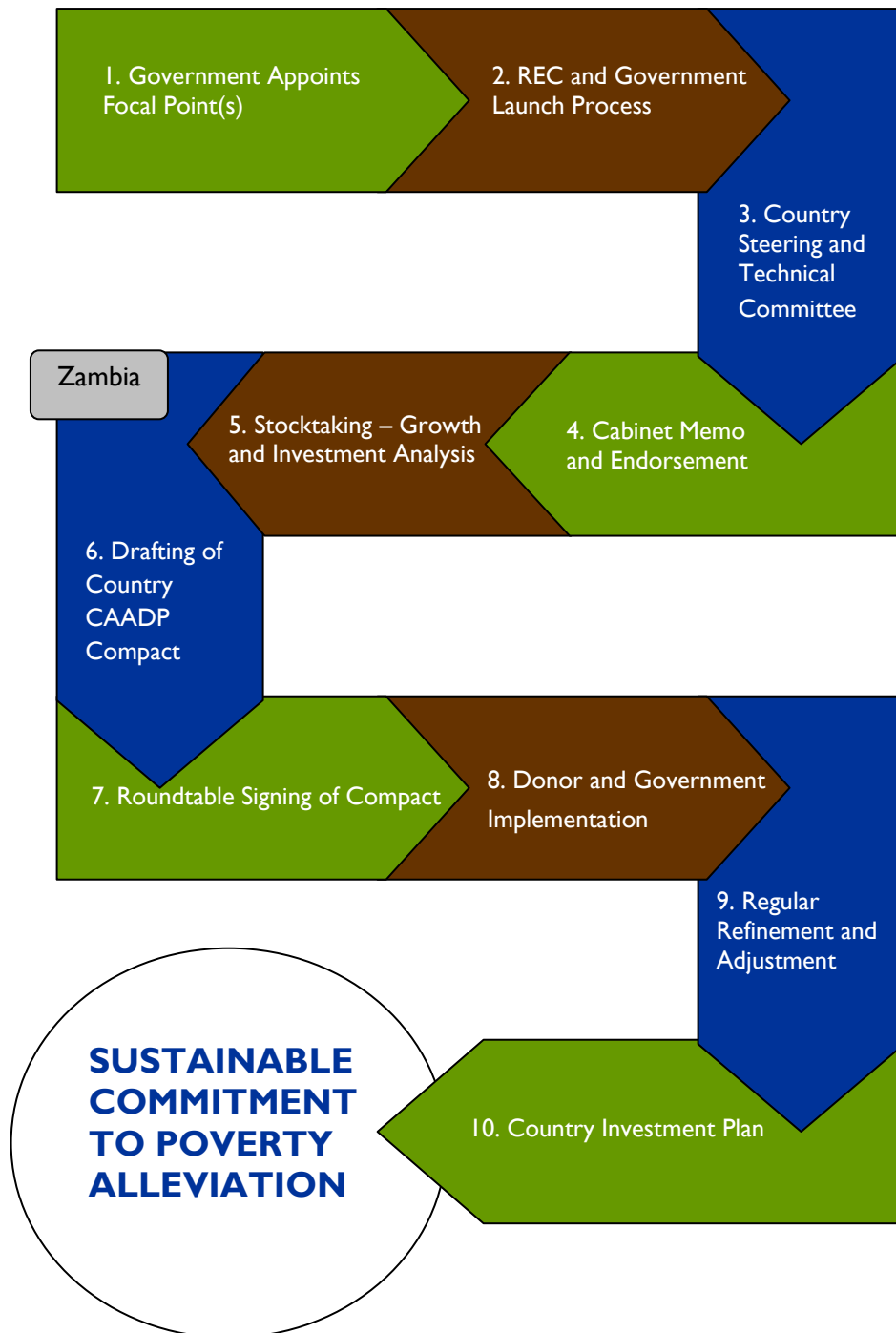
As part of the CAADP Compact development, the GRZ will lead the preparation of the CAADP Strategic Investment Plan, which will guide and inform the Agriculture Chapter of the SNDP, Zambia's official five-year poverty reduction strategy. The Agriculture Chapter of the SNDP will become Zambia's roadmap for agricultural development over the next five years and will outline priorities required to realize the broad commitments contained in the CAADP Compact. Examples of some of the approaches expected under the SNDP include:

- Privatization of input and output sales and distribution;
- Investments in productivity and competitiveness enhancing infrastructure (e.g., roads, irrigation), and science and technology;
- Increased investments in public and private research and technology dissemination; and,
- Enactment of legislation that stimulates investments in agricultural production, value addition and trade.

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<sup>6</sup> Draft CAADP Compact, December 2009. p. 8

**Figure 1: The CAADP Process**





## **2.2. AFRICAN CAPACITY BUILDING**

The US foreign assistance program across all agencies emphasizes sustainable Zambian human and institutional capacity development and leadership. The USG works closely with the GRZ and in partnership with other donors to ensure systems development and strengthening across sectors that will enable sound GRZ and non-governmental management and leadership of its development strategy. Ensuring increased Zambian human and institutional capacity is essential to preserve and leverage investments in Zambian national development. USG assistance prioritizes the building of institutional and human resource capacity in the public sector (ministries, agencies, universities, and research facilities) and in the private sector (producer and trader organizations, private agricultural research companies; and other agriculture sales, processing, and trading firms).

## **2.3. INVEST IN PRIORITY ACTIONS**

In FY 2010, the USG will undertake a review to identify possible investment areas that affect food security in Zambia. Working with existing analyses, they will identify analytical gaps and support further analyses to fill those gaps. Both analytical work and implementation of programs will link to priority-funding sectors and areas of intervention. Closely linked to this will be efforts to strengthen the capacity of Zambian institutions—both governmental and non-governmental—to lead and perform analytical efforts. Areas identified for possible analysis in 2010 to inform out-year implementation include climate change and natural resource management, integrated nutrition interventions that include health and education, vocational training and tertiary education, and a geographic identification of the particular needs of very poor and vulnerable communities.

FY2011 is the final year for the current Title II Multi-Year Assistance Programs (MYAP) in Zambia. In March 2010, the USAID Mission will prepare a Food Security Country Framework (FSCF), in part to inform future MYAPs for Zambia. The Mission will use the development of the FSCF to develop food security

programming in general and to create a comprehensive framework that integrates Title II resources and programming with other USG, GRZ, and other donor programs and resources targeting reduced food insecurity among vulnerable populations in Zambia.

The FSCF will be linked to a broader effort led by USAID/Washington nutrition experts to guide investments in combating undernutrition. These coordinated efforts will inform both the GHFSI and the Global Health Initiative (GHI). They will provide an overview of the current context and situation for food security programming in Zambia and address the related issue of malnutrition. As noted, the USG will select specific geographic areas for efforts under the food-security funding. This same targeting lens will be used for all planned interventions.

Current and ongoing USG-funded programs and analyses undertaken in FY 2010 with prior-year funding will be informed by interim products developed as part of the FSCF and will inform activity design and program procurement in FY 2011. Depending on GHFSI funding levels, activities will be targeted geographically and will use program outcomes and lessons learned from the analyses. Activities might include:

- Value-chain development;
- Agriculture research and development;
- Policy research and formulation;
- Participation of vulnerable households in value chains;
- Expansion of conservation farming;
- Analysis of promising efforts to combat global climate change in Zambia;
- Integrated nutrition strategy that links agriculture with health and education; and
- Women's education program linking adult literacy with health and nutrition messages that address the particular needs of food insecure households.

At current levels of funding, it is not possible to include all activities indicated above in final programs.

### 3. TARGET GROUPS BY LOCATION AND INCOME

#### 3.1. TARGET BENEFICIARIES

Poor farm households in targeted geographic areas will be the direct beneficiaries of planned activities. Zambia's poor urban consumers will benefit indirectly from an increasingly competitive agricultural production base and greater access to more affordable food. In order to achieve sustainable outcomes, the USG will work with the private sector in many of its efforts. These secondary beneficiaries will include agricultural input suppliers, transporters, the financial services industry, agro-processors, traders, and researchers. They will become more efficient in furnishing products and services to enhance the competitiveness of small farmers and increase their access to markets.

The Embassy will define the number of beneficiaries by the geographic scope of possible GHFSI activities in Zambia as further described in section 3.3.

#### 3.2. ENSURING EQUITABLE OPPORTUNITY FOR WOMEN AND YOUTH

Anecdotal information suggests women provide up to 85% of the total smallholder labor for agricultural production and almost all the labor for post harvest activities. They do not, however, possess the necessary negotiation skills to ensure their equal participation in decision-making and control of resources. Food security programs will help empower women and, where necessary, link them to appropriate legal protections.

Household nutrition for rural women is distinctly different from urban women. Women

in rural areas are more likely to be underweight (11%) compared to urban women (8%), while women in the Northwestern and Western provinces are more likely to be underweight (14% each) than those in the more urban Copperbelt Province (7%).<sup>7</sup>

The same differences are seen in relation to HIV/AIDS. Women in Zambia are disproportionately infected with and affected by HIV/AIDS and rural women are more likely to be infected with HIV than their urban counterparts. Women aged 15 – 49 are more likely to be HIV positive than men of the same age group, regardless of rural or urban domicile.<sup>8</sup> As caregivers, women spend much of their time tending to the sick, often without the necessary skills required to efficiently perform their dual role as caregivers and as food providers. The additional time spent on care is not only a financial drain on the household but also leads to diminished labor for agricultural production and reduced opportunities for achieving food security.

The 2007  
Zambian  
Demographic  
and Health  
Survey found  
that 45% of  
children under  
five are stunted,  
15% are  
underweight and  
moderate  
wasting affects  
over 8% of

Women in rural areas are more likely to be underweight (11%) than those in urban areas (8%), while women in the Northwestern and Western provinces are more likely to be underweight (14% each) than those in the more urbanized Copperbelt province (7%).

children. There is a strong correlation between the mother's education and levels of stunting among her children. Children born to mothers with primary education are more likely to be stunted than children born to mothers with more than a secondary education.

The resurgence of tuberculosis due to HIV/AIDS, a high fertility rate, conflicting

<sup>7</sup> Zambia Demographic and Health Survey 2007

<sup>8</sup> Ibid.

messages on breastfeeding in the context of HIV/AIDS, chronic diarrheal diseases, and lack of good child care and illness management are other health-related issues that have an impact on food utilization. Early cessation of breastfeeding has also been linked to high levels of stunting in children and is linked to an improper utilization of food that is available to the mother.

In selected geographic areas, USG programs will employ a holistic approach to addressing food insecurity taking into account the processes and relationships at household, community and national levels. Targeted efforts may include enhancing the capacities of smallholder women farmers to act as anchors for care-giving and food security. In selected districts or communities, training programs and demonstrations will be directed at women and other household members improve food production, food storage and preservation, as well as household financial planning and decision-making. Programs will focus on building negotiation and other skills that create opportunities for women to increase their participation in agricultural value chains.

The draft CAADP strategy for agricultural growth envisions an expanded role for the private sector with the Zambian government focused on providing a sound regulatory environment. Best practices in ongoing USG agricultural programs point toward accentuating the private sector delivery of inputs for increased agricultural productivity, in addition to the introduction and utilization of transparent markets. While this purely private sector approach does well to leverage resources and sustainability, it may neglect the contributions of women and youth in smallholder farms in the medium term.

The Mission will, therefore, adapt its private sector approach to include models that reach groups such as women and vulnerable farmers who may not participate in current input and output trader markets. One development that has shown some promise is to encourage private-input providers to hire women sales

agents, who are more comfortable talking and selling products to other women.

While gender will not always be a driver of system change, GHFSI programs will take into account gender issues as essential elements of sustainable change, particularly given the dominant role of women in rural life in Zambia. Identifying and addressing gender issues will be an integral part of the Mission's planning for implementing the GHFSI. Rather than treating gender as a separate sector or activity, gender will be taken into account in each objective and activity under the GHFSI.

Planned gender analyses and program recommendations will inform USG approaches under the GHFSI. USAID recently commissioned a study to identify programming approaches and strategies to better address gender considerations. This study lays the foundation for linking gender considerations to program impact while also guiding approaches for further gender analyses in FY 2010.

Rural fertility in Zambia, among the highest in the world, is leading to a youth bulge, with nearly half of Zambia's population below the age of 15. High fertility rates directly affect household food security and undernutrition in women and children. This level of population growth also poses particular threats to Zambia's national food security and its internal stability as youth attempt to enter a thin employment market. Agriculture and ancillary industries have the greatest potential to reach Zambia's youth with economic and employment opportunities. Economic opportunities, particularly in agro-processing, will mitigate the potential negative impact on the environment brought on by informal and unsustainable farming practices and will stem the current rate of urbanization as youth flow to cities already unable to adequately manage their current populations.

The GHFSI integrated with health and educational programs will address the nutritional and educational needs of Zambian youth. In doing so, they are in a much better position to enter the formal work force and

participate more productively in meeting Zambia's agricultural needs. Possible approaches include conservation farming and business skills for youth ages 18 to 26. Approaches will consider both geographic and demographic need to ensure appropriate and effective program targeting.

### **3.3. GEOGRAPHIC FOCUS**

Zambia is a large country with considerable agricultural potential based on underproductive and unused arable land. Relatively low population density and scarce infrastructure, however, are constraints in connecting smallholder farmers to private input and output markets. In areas where there is a convergence of population density, market access, and agricultural potential, the scaling-up of commercial agriculture will rapidly accrue benefits to multiple participants in the value chain, to the ultimate benefit of smallholder farmers. In areas that are currently marginal in terms of commercial viability, "bridge-building" interventions may increase productivity through increased access to agricultural inputs, technologies and markets. This will benefit the very poor and vulnerable communities, while, at the same time, leveraging investments in the critical infrastructure and services required to achieve competitive market access.

It is anticipated that program interventions will be implemented in specific geographic locations in one or two provinces. Depending on the level of funding, programs may operate only in a number of districts in the selected provinces. Criteria for targeting will include vulnerability, potential, prospects for sustainability, Zambian-led initiatives, and measures for community involvement. Projects will target rural communities where agriculture is the main livelihood for most households. USG programs will select districts using a composite of indices that include but are not limited to population density, malnutrition, HIV prevalence, consumption, food insecurity, female-headed households, poverty level, school attendance, fertility rates, and political economy factors. Project locations will also be selected to maximize synergy with programs of other

donors, and with USG programs in HIV/AIDS, health, and education.

The Zambia Agricultural Consultative Forum, with support from the USAID-funded Food Security Research Project (FSRP), has developed criteria currently used by the Zambian Ministry of Agriculture and Norway to target interventions. FSRP works with the GRZ Central Statistical Office to periodically collect representative household level data. This new data, combined with existing data sources, can provide information on household income, land access, land use, asset levels, distance to roads, market behavior, and a description of head of household (sex, age, and orphan status). The USG is now working to combine this data set with other information, including nutritional status and vulnerability to weather shocks, to determine the geographic scope of future GHFSI interventions.

## **4. CORE INVESTMENT AREAS**

### **4.1. CORE AREAS**

#### **4.1.1. Increased Agricultural Productivity**

The program implemented under the IP to addressing cross-cutting constraints to smallholder agricultural productivity will require cooperation across all agencies in Zambia. USG agencies include USAID, Department of State, Peace Corps, Department of Treasury, the Office of the US Trade Representative, the Department of Agriculture regional office, and the African Development Foundation. GRZ agencies include the ministries of Agriculture and Cooperatives, Disaster Management and Mitigation Unit and Livestock and Fisheries and the Department of Forestry. Other donors include the World Food Program, Sweden (SIDA), UNDP, Japan (JICA), and the International Foundation for Agriculture Development (IFAD).

Despite the potential to be a breadbasket for the sub-region, Zambian smallholder farm production often is not sufficient to meet household-level nutritional needs, nor is it sufficient to produce a surplus that can be sold in local or other markets. Only 28% of rural farmers are net sellers of maize while 49% are net buyers<sup>9</sup>. Moreover, there is inadequate confidence in markets to justify the investments required to increase production and productivity even where fallow land exists. Smallholder agricultural production relies on seasonal rainfall as few have access to irrigation. Production per hectare for smallholders is less than 15% that of commercial farmers because of inadequate access to inputs such as fertilizer and seeds, improved technologies, extension services, and output markets. Based on availability of resources, the Mission may scale up growing successes from ongoing interventions to address systemic constraints to smallholder competitiveness in a targeted geographic area.

Current programs have demonstrated that innovative approaches to aggregation of the supply of inputs and services and the aggregation of demand for output markets reduce unit costs and increase margins for small farmers. Over the past three years, input costs have reduced by as much as 50% and productivity has increased from 37% to over 200% due to greater efficiencies in input and output markets.

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Activities may focus on addressing commodity-neutral value chains such as financial services, extension services, and access to inputs and transportation. The efficiency of such horizontal value chains are essential for significant improvements in the staple food

value chains that ensure household food security and increased access to local and regional markets. The USG will prioritize evaluations of its work with producer groups—from vertically integrated out-grower models, such as dairy, through full-service, multi-crop cooperatives—for lessons learned to increase production, improve market efficiencies, and increase profits for small farmers.

A 2008 evaluation of USAID/Zambia's Economic Growth portfolio strongly recommended the expansion of the value-chain approach developed over the preceding four years. The CAADP stocktaking analysis underlines the importance of improved productivity as the key to competitive market access for small farmers. By virtue of the demonstrated successes of USAID interventions, an increasing number of other donor partners (Norway, IFAD, JICA and SIDA) are refining their interventions in the sector to adapt to the value chain model. Private sector provision of agricultural inputs to poor farmers is now a real possibility that should be scaled up in targeted areas of market access.

In collaboration with other donors, the private sector, and the government, ongoing investments in conservation farming may be significantly increased. The focus would be on the commercialization of productivity-enhancing technology in selected areas, in partnership with 13 input distribution companies, the Zambia National Farmers Union and the GRZ. Conservation farming conserves soil, increases water retention, raises overall soil integrity, and reduces erosion. The minimum tillage technology also sequesters significant quantities of carbon. The Mission may continue to investigate monetizing carbon sequestration for the benefit of small farmers through, for example, the establishment of a local or regional carbon credit exchange.

During the GRZ-Cooperating Partner consultations, the USG will advocate for agricultural research and technology generation. While the USG and the broader donor community will need additional analysis to further guide CAADP-related investments,

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<sup>9</sup> Source: Food Security Research Project, Michigan State University

ongoing analysis by IFPRI, the Gates Foundation and others have highlighted the need for additional support in two areas. First, the USG may look to collaborate with private firms for commercially valuable market-driven research. This might include crops with shorter maturation cycles or drought-resistant attributes that would be marketable. Second, the USG may partner with public sector entities to develop and disseminate technologies that constitute public goods, such as drought-resistant varieties, shorter cycle food crops, and enhanced post-harvest storage technologies.

Under CAADP, the GRZ has committed itself to significant reform of the agriculture sector. The USG will take every opportunity to remind the GRZ of its commitments and to press for timely follow-through. With a robust trade and commercial agenda and as an active member of the sector advisory and donor working groups and in consultations on the development of national development plans, the USG is well positioned to engage diplomatically in policy-level issues related to advancing GHFSI goals.

The Government of Zambia has made a commitment to increase public investments in the agriculture sector. Under its draft CAADP Compact, the GRZ agrees to increase spending from 6.8% of national budget (2010) to the 10% CAADP target within four years.

With women providing up to 85% of total smallholder labor for agricultural production, barriers to clear land title for women hamper the extent to which female smallholders make capital investments that increase productivity. Approximately 90% of Zambia is traditional land under “customary tenure.” The Zambian Constitution and various implementing legislation generally forbids gender-based discrimination. However, customary law, which treats women as minors subordinate to men, often applies to the inheritance of property. Thus, women may obtain access but rarely inherit legal ownership of the land. While women can appeal discriminatory customary law in the formal courts, many are unaware of their rights and few can afford the high legal costs. A World Bank study found that if

women had the same control over agricultural inputs, including land, as men do, agricultural output in Zambia could increase by up to 15%.

In targeted geographic areas, the Mission will take a holistic view to improving agricultural productivity and will work with other donors and the GRZ to maximize investments. Depending on funding availability, programs may include:

- Training of smallholder farmers in conservation farming and agro-forestry techniques to increase yields and maintain the natural resource base;
- Training to promote small-scale irrigation technologies tied to integrated food production systems, such as horticulture and aquaculture;
- Promotion of crop diversification to improve household nutrition and resiliency and reduce the impact of droughts or excessive rains;
- Value chain financing, leasing, mobile phone banking services and other innovative financial service products to expand smallholder access to credit;
- Increasing private sector provision of extension service and agricultural inputs;
- Increasing smallholder application of agricultural inputs and promote household training and use of appropriate technologies by expanding an existing network of community-based input suppliers;
- Boosting private sector veterinary services, including expansion of a herd health program;
- Working with targeted communities to access water rights and negotiate tariffs for smallholder irrigation;
- Training in production, marketing, management, and finance to strengthen smallholder farmer organizations; and

- Maximizing development of improved technologies—from improved seed varieties to more effective farm management systems and expanded application of value-addition technologies—by supporting expansion of private and public sector research efforts.

USG programs that are not directly funded by GHFSI but which leverage GHFSI investments by addressing cross-cutting issues and constraints to smallholder agricultural productivity may include:

- Empowering women so that they may inherit legal ownership of land through USG engagement and efforts to push GRZ for policy changes;
- Increasing the quality of basic education through government and community schools—including programs to address specifically the unique needs of girls—as well as efforts to increase girls’ retention in school;
- Increasing adult literacy to improve the prospects for better household nutrition and uptake of improved technologies through courses conducted at community and potentially other schools;
- Strengthening health systems and health service delivery to reduce the burden of disease and excessive family size, which limit household income-generating possibilities and sufficient availability of nutritious food. Interventions include HIV/AIDS prevention, care, and treatment; malaria prevention and treatment; and family planning and reproductive health; and
- Advocating for increased use of genetically modified and other higher yielding crops.

#### **4.1.2. Increased Trade and Reduced Barriers to Market Access**

The USG, through USAID, Department of State, USDA, and the office of the US Trade Representative, will partner with GRZ, other donors, and regional organizations to remove

barriers to market access and increase trade opportunities for smallholder producers. Partners within GRZ include the ministries for Labor and Social Security and Agriculture and Cooperatives, and the Central Statistical Office. Donor partners include the African Development Bank (AfDB), the World Bank, the U.K., Norway, and Finland. COMESA and the Southern Africa Development Community (SADC) are the relevant regional partners. In particular, the US Mission in Zambia will work closely with the US-supported regional programs based out of Embassy Nairobi (focused on COMESA), and those out of Embassy Pretoria (working on southern Africa trade corridors). The UK is working with the US in supporting cross-border trade within east and southern Africa under the guidance of COMESA.

The GRZ-led Private Sector Development Working Group (with the United States as one of three lead donors with the World Bank and the Netherlands) works to remove obstacles faced by the Zambian private sector. Finland and the Netherlands fund current activities that center on business licensing and regulatory reform, public-private partnership development, medium, small and micro-enterprise development, labor law reform, and trade expansion. The US will engage likeminded donors and the GRZ to expand the current focus on business climate reform to include tackling policy and process-related barriers to international trade.

To highlight the importance of business in the economy and its priority for the government, the GRZ will track efforts to improve the business climate for the agricultural sector in the current reform program. Key GRZ institutions involved in this process include the Ministry of Commerce, Trade, and Industry, the Zambian Revenue Authority, and the Zambian Development Agency.

Rural Zambian households face physical, policy and regulatory barriers that limit trade and impede market access. Until recently, market options were limited and real-time price discovery was nonexistent. Upgrading farming

systems to enhance productivity and increase production requires access to expensive inputs (labor, finance, seeds, fertilizers and chemicals). The added costs represent a significant risk for small farmers whose options have always been limited to inefficient markets characterized by high transaction costs and opaque price discovery. Without trust in markets, farmers routinely decide to limit production and price risks by adhering to low-input, low-output and low-risk production models. Improved roads and access to storage and market information all reduce transaction costs, pay dividends and mitigate the risks associated with upgrading farming practices.

Zambia borders eight countries with sizable markets – especially for staple crops. Regional staple food markets in South Africa, Botswana, and the Democratic Republic of the Congo hold the greatest promise for Zambia's farmers.

With a small population and national poverty levels exceeding 65%, domestic markets are very thin and quickly saturated. However, Zambia borders eight countries with sizable markets, especially for staple crops. Regional staple food markets in South Africa, Botswana, and the Democratic Republic of the Congo hold the greatest promise for Zambia's farmers. Zambia could be a staple food breadbasket but poor infrastructure, policies and procedures have limited access to regional and international markets.

Zambian traders face longer delays to import and export their goods than traders in other countries. According to the World Bank *Doing Business Report*, the combined time to import and export in Zambia is 117 days, ranking Zambia 153 out of 181 countries. Furthermore, poor market access, particularly due to non-tariff barriers such as health and safety regulations, constrains farmers' ability to sell local products into regional and international

markets.<sup>10</sup> Moreover, in the name of assuring national food security, the GRZ has frequently applied export and import bans. As a result, poor market access negatively affects returns for traders and farmers. Such barriers can be addressed through a number of channels. Organizations such as the WTO and regional bodies such as SADC and COMESA, provide a forum to address these trade issues. However, the capacity of local governments and businesses to resolve regulatory trade issues is not adequate.

Depending on availability of funding, programs may:

- Continue supporting the *Zambian Agricultural Commodity Exchange (ZAMACE)* to increase domestic and regional trade flows and increase smallholder participation within (ZAMACE) to facilitate market access and transaction transparency;
- Support the *Zambia Grain Traders Association* to establish direct links between farmers and structured markets;
- Link exporters in targeted areas to regional buyers and assist them to meet sanitary and phytosanitary export requirements, improve packaging, and facilitate trade fair representation by *Zambian exporters*;
- Assist the banking, insurance and commodity industries to establish price-risk mitigation products, such as hedging, through *South African Futures Exchange*, trade insurance and forward contracting;
- Continue efforts with the government to pass the *Agricultural Marketing bill*, which defines and limits GRZ market interventions;

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<sup>10</sup> Of special note, Zambia's position on total bans of any GMO products, including maize, has complicated Zambia's ability to regionally source maize during deficit years. The principle source is South Africa, which is increasingly producing GMO maize. This situation has serious implications for food security.



- Work with the GRZ, the private sector and other donors to negotiate a moratorium on agricultural export and import bans;
- Strengthen price discovery down to the farm level through mobile phone market information system;
- Support the World Food Program to expand its Gates Foundation-funded Purchase for Progress Program (P4P) to scale-up smallholder participation in structured grain markets; and
- Assist private sector access to financing to establish an expanded network of public-access storage facilities.

USG programs that are not directly funded by GHFSI but which leverage GHFSI investments by addressing trade issues and barriers to market access include:

- Pursuing diplomatic and policy engagement through USG efforts of the State Department, USAID, and the United States Trade Representative with the GRZ to 1) promote acceptance of and compliance with international trade agreements; 2) successfully complete the Doha Round to increase market access for agriculture products; 3) remove import and export bans; 4) support open-market policies; and 5) remove bans on genetically modified organisms; and
- Promoting public affairs engagement with media to focus attention on trade issues and foster civil society dialogue on issues of trade competitiveness, agriculture policy, and biotechnology.

#### **4.1.3. Sound Market-Based Principles for Agriculture**

The USG (USAID, USDA, and Department of State) will closely collaborate with the GRZ on agricultural policy, including the ministries of Agriculture and Cooperatives (MACO) and Livestock and Fisheries, and donors including

Sweden (SIDA), UNDP, Japan (JICA), Norway, Finland, and the World Bank.

Though agriculture presents the greatest potential to lift Zambians out of poverty and improve household nutrition, lack of government capacity, poor policies, and government interventions in the market cause market unpredictability and constrain private sector growth. GRZ policies and programs impede smallholder access to fertilizer inputs, limit access to credit, and block access to markets through import and export bans. These obstacles hamper Zambia's ability to feed both its own citizens and others in the sub-region. USG assistance may strengthen market-based research and policy dialogue capacity within national organizations, thereby increasing the ability of non-governmental actors to engage and influence government actions.

The Mission will reinforce the planned programmatic interventions to improve the policy environment through additional diplomatic engagement. These efforts will center on supporting the GRZ to live up to three broad policy commitments as outlined in the GRZ CAADP Compact. Under the draft Compact, the GRZ first commits to implementing rational market and trade policies to facilitate, rather than hinder, agriculture sector development. This includes passage of specific legislation to promote private sector participation. The USG will engage the GRZ to press for liberalized agricultural trade and market policies and will develop grassroots and private sector support for such reforms. The Mission will encourage multilateral and regional organizations (e.g. the COMESA Secretariat) to collaborate and enact regional policy reforms to increase impact.

Second, the GRZ commits to facilitate the private sector to scale up investments in production, input, and output markets. The GRZ Farmer Input Support Program (FISP) does not maximize output or productivity. The FISP and output market interventions through government commodity purchases by the Food Reserve Agency will consume over half of MACO's 2010 budget. Under the Compact,

the GRZ commits to changing its role in the provision of agricultural inputs and the purchase of post-harvest output. USG engagement with the GRZ and other stakeholders will encourage the GRZ to utilize its budget commitments under CAADP in ways that promote market-based service delivery. While it may be politically difficult for the GRZ to turn away from popular subsidy programs in the period leading up to national elections in 2011, the Mission will support GRZ leaders to keep to their commitments.

Third, under CAADP, GRZ commits itself to implement policies and programs that support increased agricultural productivity and to provide adequate resources in order to develop cost-effective, demand-driven research and extension linkages focusing on public-private partnerships. Zambia has the natural resources necessary to boost agricultural production and food security, yet agricultural productivity is constrained by the lack of appropriate technology and a policy environment unfavorable to technological innovation.

In particular, the total ban on genetically engineered (GE) crops limits agricultural yields. The Mission will engage the GRZ and other stakeholders to move the country toward GE acceptance and to expand conservation farming techniques as a way to improve productivity, mitigate the effects of climate change, improve the impact of food assistance, and provide fields of research to help develop domestic research capacity.

USAID has worked in agricultural policy since 1997 with investments in research, analysis, and consensus building. In consultation with other cooperating partners and the GRZ, the USG may, in the context of developing the SNDP and the CAADP Investment Plan, support further analysis on the agricultural policy environment, including the use of instruments that provide an in-depth diagnostic of constraints faced by the agricultural sector. Considerable consultation and analysis has already taken place within the Cooperating Partner Agricultural Working Group, the review of GRZ performance as part

of the budget support negotiations, and as part of CAADP stakeholder consultations.

Depending on availability and levels of funding, programs may:

- Increase Zambian government and non-government capacity to conduct agricultural policy research and articulate findings to support market-based policy decisions;
- Increase government capacity to conduct crop forecast and post-harvest surveys;
- Engage with GRZ and donor groups to contribute to the development of the upcoming Sixth National Development Plan (2011 -2015) and the CAADP Compact; and
- Increase capacity of the Zambia Agricultural Commodity Exchange to provide risk management tools and systems, including transparent use of warehouse receipts, forward contracting and futures markets.

USG programs that are not directly funded by GHFSI, but leverage GHFSI investments by promoting market-based principles for agriculture, include utilizing diplomatic engagement to advocate for private sector solutions to input provision and promote market-based policies that unfetter the private sector. The USG will continue to explore non-traditional market opportunities for financial service providers in efforts to stimulate broad-based growth in the sector, with special interests in mitigating the risks in agricultural lending. Additionally, PL 480 Title II resources may support work with vulnerable communities to develop contingency planning and early warning systems as well as improve risk management and mitigation tools and systems.

#### **4.1.4. Accelerated Participation of the Poor in Rural Growth**

The USG, including the USAID mission and other offices such as the Office of Foreign Disaster Assistance (OFDA), will work closely with GRZ ministries, including Livestock and

Fisheries Agriculture and Cooperatives, Health, Community Development and Forestry, the Zambia Meteorological Department, and the Disaster Management and Mitigation Unit; and donors including DFID, UNICEF, UNDP, and the EU.

Many of Zambia's rural poor, especially women, face constraints that impair their ability to participate in agricultural growth. These constraints present a particular challenge for addressing smallholder productivity, household nutrition, and income opportunities. Many smallholder households are female-headed, and most have either lost family members to HIV/AIDS, are caring for orphans from other family members, or both. Rural fertility in Zambia is among the highest in the world. Large families constrained within a fixed farm size not only limit the ability of households to produce enough for their own consumption but also limit the individual productivity of women who must also manage other household functions. In addition to HIV/AIDS, other infectious diseases limit household production and divert scarce income. Malaria is endemic and severely limits household labor productivity. Less than half of Zambians have access to safe water and only 15% have access to proper sanitation facilities.<sup>11</sup>

Conditions such as these increase the disease burden of rural households and contribute to poor health. Poor household nutrition, in itself a result of poor household productivity, further limits the productive potential of children by impairing cognitive functions and the ability to learn and adopt new technologies. Rural communities face a lack of adequate basic and vocational education opportunities, both of which limit exposure to curriculum and technology that promote agricultural productivity.

The USG has selected Zambia to be part of a new non-emergency Title II food aid Multi-Year Assistance Program (MYAP) in FY 2011. The

new MYAP process starts with development of a comprehensive framework of how to best target Title II resources and, where possible, to integrate food aid with other USG resources in order to reduce food insecurity among vulnerable populations. The Office of Food for Peace has engaged the USAID-funded Food and Nutrition Technical Assistance (FANTA-2) project to provide critical nutritional research. FANTA-2 works to improve nutrition and food security policies, strategies and programs through technical support to the USG and its partners, including host country governments, international organizations, and NGO implementing partners.

In preparation for the MYAP and to better inform GHFSI interventions, FANTA-2 will support the development of a Food Security Country Framework in March 2010 that will propose potential objectives, approaches, geographic focus and institutional partnerships for effective use of Title II resources to reduce food insecurity. The Mission will also use the Food Security Country Framework to inform programming of non-Title II resources targeting the poor and malnourished.

All IP core area program investments address conditions that impair smallholder agricultural productivity. The Embassy is aware that substantial segments require specifically targeted interventions to ensure vulnerable communities are included. Working with the very poor in targeted areas, the USG may use Title II, Development Assistance, and other funds to help vulnerable populations preserve their assets and build resiliency, while at the same time increasing food security through greater productivity and diversification of consumption. This core area program will utilize a cross-sector approach to address the multi-faceted needs of those who are especially vulnerable. To facilitate vulnerable population graduation from relief to sustainable agricultural-based livelihoods, the program may, subject to funding availability:

- Provide training and market facilitation for winter crops;

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<sup>11</sup> Zambian Census Report, Central Statistics Office, 2000

- Provide conservation farming and agro-forestry training to vulnerable communities;
- Provide training in production and utilization of non-timber forest products for income generation;
- Support the construction of crop storage facilities;
- Assist disaster prone communities to develop risk management action plans;
- Facilitate the distribution of seed packs and inputs to vulnerable households;
- Work within targeted vulnerable communities to identify demand-driven value chains and markets with greatest potential for involvement;
- Assist vulnerable households to adopt appropriate production and crop diversification and increase incomes through agro-enterprise practices;
- Provide training in land use and forest management to enable income generation while preserving the natural resource base; and
- Facilitate development of cooperatives and associations.

USG programs not directly funded by GHFSI that target vulnerable communities and promote sustainable approaches to address the constraints that limit smallholder agricultural productivity include:

- Training of community health workers in Integrated Management of Child Illnesses;
- Supporting school and community training in health and nutrition;
- Providing clean water and sanitation facilities to government and community schools in under-served areas;
- Strengthening rural-based community-health-worker capacity to provide

HIV/AIDS prevention, care, and treatment services;

- Reducing the impact of malaria by providing indoor residual spraying, insecticide-treated bed nets, and strengthening diagnosis, treatment, and prevention;
- Strengthening family planning and reproductive health services system to extend services to vulnerable communities;
- Providing support for anti-retroviral treatment to people infected with HIV; and
- Supporting efforts to address policy barriers and cultural practices that adversely impact women and girls.

#### **4.1.5. Preventing and Treating Undernutrition**

Zambia is one of the poorest nations in the world with widespread poverty, malnutrition, and food insecurity. Nearly half of all Zambians are unable to meet minimum energy consumption requirements.<sup>12</sup> The 2007 Zambian Demographic and Health Survey (ZDHS) points to considerable nutritional deficiencies:

Forty-five percent of children under five are stunted and 21 percent are severely stunted. Stunting is apparent even among children less than 6 months of age (18 percent)...Stunting increases with the age of the child through the first two years of life... as evidenced in the rise from 26 percent among children age 6-8 months to 59 percent among children age 18-23 months.

Food insecurity in Zambia results from shortcomings in each of the three pillars of food security: availability, access, and utilization. In response to this challenge and in support of the GRZ, the Mission intends to strengthen and expand its efforts to reduce the prevalence of food insecurity and the incidence of undernutrition in Zambia.

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<sup>12</sup> FAOSTAT 2005

Most Zambians depend on agriculture for their livelihoods. Yet a number of factors undermine food production and pose a challenge to the availability and access components of food security. These factors reduce both the availability of sufficient quantities of food and the ability of rural households to earn sufficient income to access available food.

However, insufficient household income and inadequate agricultural productivity are not the only causes of food insecurity and undernutrition in Zambia, particularly with regard to women and children. Levels of education, household dynamics, the opportunity to model behavior from neighbors, and access to information about and measures for preventing and treating chronic disease are all factors that influence food security.

There is a strong correlation between the mother's education level and levels of stunting among her children. Stunting among children tends to decrease as the mother's level of education increases. Children born to mothers with primary education are more likely to be stunted than those born to mothers with more than a secondary education. Poor household nutrition results in low household productivity and limits the productive potential of children by impairing cognitive development and their ability to learn to their maximum potential. The high rate of stunting for children under five in Zambia represents not only a tremendous loss of human potential but also a high likelihood of continued low household productivity in the future. In addition, rural communities in Zambia do not have adequate basic and vocational education opportunities, severely limiting learning opportunities and decreasing the likelihood of adopting technologies that could increase agricultural productivity.

Health-related issues also have an impact on food utilization. The following factors exacerbate undernutrition in Zambia by reducing the effective utilization of the food that is available and accessible:

- Changed epidemiology of diseases, including the advent of HIV/AIDS and the resurgence of tuberculosis;
- High fertility rate;
- Conflicting messages on breastfeeding in the context of HIV/AIDS; and
- Chronic diarrheal diseases that result from poor water quality and inadequate sanitation.

High levels of stunting in children may also result from practices such as the early cessation of exclusive breastfeeding, possibly representing an improper utilization of the food that is available to the mother.

There are a number of initiatives and efforts in Zambia that seek to address these problems, including those of the Zambian National Food and Nutrition Commission, UNICEF, and WFP. One effort is the Food Security Pack program through the Ministry of Community Development and Social Services, jointly coordinated with MACO and the Ministry of Finance and National Planning. This program supplies fertilizer, seeds and extension services to households that have lost the ability to obtain such inputs on their own. The goal is to help 'vulnerable but viable households' diversify the crops they grow and to do so using conservation farming practices. The Mission is addressing some of these problems through its Economic Growth, Education, Health, and HIV/AIDS programs as well as Title II partners that are implementing food aid programs in targeted areas of the country.

There is broad consensus that income security derived from a successful agricultural growth strategy may not necessarily lead to improved nutritional status, particularly for women and young children. For example, a World Bank report<sup>13</sup> notes that, due to information gaps, even when families gain additional cash

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<sup>13</sup> Repositioning Nutrition as Central to Development: A Strategy for Large-Scale Action, World Bank (2006)

resources, children's nutrition does not automatically improve. This is because good nutrition is not intuitive and it is difficult to detect slow growth rates and micronutrient deficiencies until they become severe. Levels of education, intra-household dynamics, and the opportunity to model behavior from neighbors are all factors that influence nutrition outside of basic food availability.

Despite high and persistent levels of chronic malnutrition and seasonal needs for supplementary feeding in certain parts of the country, nutrition has received little attention in recent years. The National Food and Nutrition Commission (NFNC) has been a relatively weak institution since 2005 and donors have been hesitant to engage in the sector without strong leadership. A positive signal is the appointment of a new Executive Director to the NFNC in late 2009. The institution may be a future partner for USG nutrition interventions as it has the mandate for national planning related to nutrition and setting nutritional guidelines (e.g., the NFNC works on setting infant feeding guidelines).

Given the relatively modest foundation for nutritional interventions, USG will need to lay the groundwork for a broader set of more direct programs for the coming one to two years. Potential areas of support in the short term include:

- Coordinate with other donors and the GRZ to develop a plan to build the institutional capacity of NFNC;
- Advocate nutrition at the policy/institutional level as well as on specific issues such as micronutrient supplementation (Vitamin A and zinc), correct complementary feeding (timing of introduction and content), breastfeeding, and maternal folic acid supplementation;
- Work with the GRZ to integrate nutrition in the SNDP that is currently under development;

- Work within the SNDP framework to create a group of donors and GRZ agencies focused on nutrition;
- Partner with a university to start a four-year degree program and/or modify the existing three-year Nutrition Technician course to add additional skills to address the fact that there are very few practicing nutritionists;
- Integrate nutrition into ongoing education curriculum design;
- Prevent undernutrition, especially among mothers and children under two, through improved maternal diet quality and diversification, early initiation, exclusive and continued breastfeeding, infant and young child feeding practices, and adequate water, sanitation, and hygiene facilities.
- Couple food-based approaches and prevention programs with micronutrient supplementation targeting women (including iron folic acid) and children aged six months to 59 months (including vitamin A); and
- Expand the community management of acute undernutrition, including management of moderate undernutrition and treatment of severe acute undernutrition with ready-to-use therapeutic foods.

USG-funded health programs (not directly funded by GHFSI) that are working in an integrated fashion to prevent undernutrition support the following interventions:

- safe motherhood action groups;
- neighborhood health committees;
- vitamin A supplementation;
- de-worming;
- communication; and,
- intensive behavior change for families with moderately to severely malnourished children in order to

promote affordable and acceptable practices already in use by other at-risk families in the community to effectively prevent malnutrition.

Upcoming health programs may address nutrition at the community level, through an integrated approach consistent with the community health worker strategy to be developed by the Ministry of Health.

#### **4.1.6. Increase the Impact of Humanitarian Food Assistance and Social Safety Nets**

Zambia is currently a recipient of US humanitarian assistance through funding provided to the WFP, disaster mitigation projects managed by the USAID Office of Foreign Disaster Assistance (OFDA), and a Title II non-emergency food aid program. The WFP in Zambia has a number of programs, one of which—refugee feeding—is supported by the US. Other ongoing WFP activities include nutritional support for populations affected by flood and drought, under-five malnourished children and HIV/AIDS patients, school feeding, and government and NGO capacity building in food security management.

The US supports the WFP progressive efforts to improve operational efficiency and reduce costs through its use of the Zambia Agricultural Commodity Exchange for grain purchases, and the Gates Foundation-funded Purchase for Progress program that targets buying commodities from small farmers. Working with one of the largest buyers of food in Zambia, US assistance can promote structured grain trade, a cornerstone of GHFSI. Humanitarian assistance under OFDA has also changed to increase its impact. Instead of strictly responding once an emergency is declared, OFDA has replenished the national stock of emergency relief supplies (blankets, tarps, etc.) that were used in previous natural disasters. This ensures that the GRZ Disaster Management and Mitigation Unit is better prepared to respond to crises in real time and mitigates the effect of climatic shock on already vulnerable populations.

The US Department of Defense (DOD) is also interested in providing a greater support role in disaster preparedness and mitigation. The Mission will look to leverage DOD resources to prepare for and respond to emergencies as appropriate.

The US Title II non-emergency food aid program in Zambia focuses on providing humanitarian assistance to the most vulnerable populations in drought and flood-prone areas. The program aims to increase resiliency among communities and provide limited support to help farmers move from needing food relief to farm-based self-sufficiency and even to sustainable commercial agriculture. A 2009 mid-term evaluation report makes clear recommendations on how to improve the impact of the Title II programs in the coming year. The Mission is already planning to improve the effectiveness of a new food aid program in 2011 through better targeting, rigorous monitoring of project performance, and closer collaboration with GRZ and other donor-funded humanitarian efforts.

The US currently chairs the Humanitarian Assistance Bilateral Donor Group. The Embassy will use its influence to consolidate the position of bilateral donors in emphasizing the need to build resilience in communities vulnerable to natural disasters, as well as prepare for and respond to pleas for humanitarian assistance.

## **4.2. AFRICAN PRIORITIES**

The Zambia IP will support African development principles defined by the African Union Comprehensive African Agriculture Development Program (CAADP) and will bolster Zambia's agricultural development agenda as articulated in its national development plans. CAADP comprises four pillars to broadly guide public investment in agriculture and raise agricultural productivity: 1) land and water management, 2) market access, 3) food supply and hunger, and 4) agricultural research. Proposed IP activities are in line with and directly support these pillars and will promote

the CAADP agenda within bilateral and multilateral fora.

Zambia's Fifth National Development Plan (FNDP) outlines Zambia's roadmap for agricultural development, which aims "to promote increased and sustainable agricultural production, productivity, and competitiveness in order to ensure food security; income generation; creation of employment opportunities; and reduction in poverty levels." Proposed IP activities will directly support GRZ agricultural sector investment programs outlined in the FNDP and other national plans.

The IP will also complement the COMESA agenda of cooperation and integration. The Increased Trade and Reduced Barriers to Market Access core area will contribute to the pilot Aid for Trade Program, a major proposal to upgrade and extend land transport links and reduce the costs of cross-border trade in Sub-Saharan Africa<sup>14</sup>.

### 4.3. HOW AREAS BUILD ON EARLIER INVESTMENTS

The GHFSI IP fits within and directly supports current Mission strategies and builds upon previous programs. The FY 2011 Mission Strategic Plan (MSP), which aims to "reduce poverty... through economic growth," identifies diplomacy and development assistance as the chief mechanisms "to expand market-driven agricultural production and improve rural livelihoods." USG efforts will support and promote GRZ initiatives to implement key policy reforms that encourage private sector-led growth, especially in rural-based agriculture.

The USAID/Zambia economic growth strategy focuses on increasing incomes by improving agricultural productivity and market access, and reforming the policy environment. The USAID/Zambia economic growth portfolio is actively engaged in efforts to increase both the competitiveness and inclusiveness of agricultural

value chains, and rationalize the policy environment that impedes the private sector and limits the ability of the GRZ to be an agent of change. Additionally, other assistance objectives (Education, Health, Democracy and Governance, Humanitarian Assistance, and HIV/AIDS) affect and are affected by the GHFSI IP goals and contain project components that both directly and indirectly contribute to food security outcomes.

Since 2003, Zambia has been a focus country under the Presidential Initiative to End Hunger in Africa (IEHA). The IEHA goal of linking smallholder farmers to markets, are consistent with the four core areas of the IP and contribute to food security objectives. IEHA activities in veterinary services, for example, reduced participants' dairy herd mortality by 40% and morbidity by 70%. Six thousand people and 20,000 head of cattle participated in this program.

Zambia has been a focus country under the Presidential Initiative to End Hunger in Africa (IEHA). IEHA activities in veterinary services, for example, reduced participants' dairy herd mortality by 40% and morbidity by 70%.

The IP will build upon the African Global Competitiveness Initiative (AGCI), which aims to promote export competitiveness of enterprises in sub-Saharan Africa in order to expand African trade. AGCI activities in Zambia facilitate linkages between Zambian firms and overseas markets, train financial sector professionals on international standards and practices, and increase commercial competitiveness. The activities have resulted in exports valued at over \$71 million since 2005. Successes such as these provide a solid foundation for further food security investments in Zambia.

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<sup>14</sup> Conducted by the COMESA-East African Community/Southern African Development Community North-South Corridor.



#### **4.4. LINK TO FOREIGN ASSISTANCE FRAMEWORK**

This section maps planned activities under the GHFSI core investment areas with the Foreign Assistance Framework.

#### **Increased Agricultural Productivity**

##### 4.5.2: Agriculture Sector Capacity

- 4.5.2.1: Research and Technology Dissemination
- 4.5.2.2: Land and Water Management
- 4.5.2.3: Rural and Agricultural Finance
- 4.5.2.4: Agribusiness and Produce Organizations
- 4.5.2.5: Markets and Trade Capacity

##### 3.1.9: Nutrition

Increased agricultural productivity will benefit from nutrition programming to improve maternal and child nutrition and reduce food insecurity. Improved nutrition, in turn, will support increased labor productivity and agricultural output. For example, in support for community gardens, nutrition programming will target especially vulnerable groups whose productive output is impaired by disease burden.

##### 4.8.1: Sustainable Natural Resource Management and Production

- 4.8.1.2: Sustainable Natural Resource Management and Production
- 4.8.2.4: Climate Change

##### 5.1.2: Assistance and Recovery

- 5.1.2.3: Health, Food and Nutrition Commodities and Services
- 5.1.2.5: Livelihood Support, Infrastructure Rehabilitation, and Services

#### **Increased Trade and Reduced Barriers to Market Access**

##### 4.5.1: Agriculture Enabling Environment

- 4.5.1.1: Agricultural Resource Policy
- 4.5.1.2: Food Policy
- 4.5.1.3: Agricultural Market Standards and Regulations

##### 4.5.2: Agricultural Sector Capacity

- 4.5.2.3: Rural and Agricultural Finance
- 4.5.2.4: Agribusiness and Producer Organizations

#### **Sound Market-Based Principles for Agriculture**

##### 4.5.1: Agriculture Enabling Environment

- 4.5.1.1: Agricultural Resource Policy
- 4.5.1.2: Food Policy

##### 5.1.2: Assistance and Recovery

- 5.1.2.3: Health, Food and Nutrition Commodities and Services

##### 4.5.2: Agricultural Sector Capacity

- 4.5.2.1: Research and Technology Dissemination
- 4.5.2.4: Agribusiness and Producer Organizations
- 4.5.2.5: Markets and Trade Capacity
- 4.5.2.7: Agricultural Safety Nets and Livelihood Services
- 5.1.2.5: Livelihood Support, Infrastructure Rehabilitation, and Services

#### **Accelerated Participation of the Poor in Rural Growth**

##### 4.5.2: Agricultural Sector Capacity

- 4.5.2.1: Research and Technology Dissemination
- 4.5.2.2: Land and Water Management
- 4.5.2.4: Agribusiness and Producer Organizations

- 4.5.2.7: Agricultural Safety Nets and Livelihood Services

### 3.1.9: Nutrition

- 3.1.9.2: Population-based Nutrition Service Delivery
- 3.1.9.3: Nutrition Enabling Environment and Capacity

### 5.1.2: Assistance and Recovery

- 5.1.2.3: Health, Food and Nutrition Commodities and Services
- 5.1.2.5: Livelihood Support, Infrastructure Rehabilitation, and Services

## 5. FY 2010 RESULTS/ INDICATORS/ TARGETS

Where possible, progress under the GHFSI will be measured using existing GRZ data collection systems. The table below illustrates possible targets for FY 2010 as part of the GHFSI and includes estimates from programs funded from all sources, including food aid and nutrition.

The Mission considers this table as illustrative output level indicators. Over the course of FY 2010, outcome and impact level indicators and targets will be specified that measure country programs against appropriate areas of the standardized GHFSI results framework.

**Table 1: Potential GHFSI Indicators and Targets for FY 2010**

Objective: Eradicate extreme poverty and hunger (FY 2011 – 2015)		
Indicator: Prevalence of underweight children under five years of age	2008/9	2010
Indicator: Increased household income among targeted female-headed households		
<b>Core Area 1: Increased Agricultural Productivity</b>		
Percent increase in yields of selected crops in targeted areas	20%	30%
Number of additional hectares under improved technologies or management practices as a result of USG assistance	24,991	40,000
Number of farmers adopting improved technologies or management practices as a result of USG assistance	24,000	157,000
<b>Core Area 2: Increased Trade and Reduced Barriers to Market Access</b>		
Decreased marketing margins on selected commodities (farm gate prices vs. commodity exchange price)	0%	20%
Total value of purchases made through commodity exchange (ZAMACE)	\$18,000,000	\$35,000,000
<b>Core Area 3: Sound Market Based Principles for Agriculture</b>		
Market-based agriculture policy passed by Parliament (Ag Marketing Act, Amendment to Ag Credit Act)	0	2
Number of communities with risk management action plans/safety nets in place	20	20
<b>Core Area 4: Accelerated Participation of Poor in Rural Growth</b>		
Number of farmers adopting diversified production for income/nutrition stability	6,000	20,000
Number of malnourished children successfully linked to nutrition support groups	1,000	3,000

Smallholder purchases of productive inputs and services	1,000	3,000
<b>Core Area 5: Preventing and Treating Undernutrition</b>		
Donor coordination group dedicated to nutrition exists	No	Yes
National strategy to combat undernutrition drafted	No	Yes
Number of people trained in child health care and child nutrition through USG-supported health area programs		200
Number of children under 5 years of age who received Vitamin A from USG-supported programs	2,383,000	2,383,000
Number of community health workers trained in community based malaria, FP, MNCH, & nutrition interventions		2,160
Number of children reached by USG-supported nutrition program		Baseline
Percent of infants under six months who are exclusively breastfed		Baseline
<b>Core Area 6: Increase the Impact of Humanitarian Food Assistance and Social Safety Nets</b>		
Number of households vulnerable to food insecurity with great coping skills and more resilient to shocks	0	100
Number of households affected by floods and droughts now adopting improved agricultural practices.	4,500	5,000
National vulnerability assessment initiated	No	Yes
Number of communities with disaster early warning systems in place	18	35
Number of communities with safety-nets in place	60	80
Number of Communities that have Development Relief action plans in place	18	40
Number of months of adequate food provisioning	5	6

## 6. KEY ISSUES AND ANALYTICAL ACTIVITIES LOOKING TOWARD FY 2011

In FY 2010, the USG will, in collaboration with the GRZ and Zambian research institutions, undertake further analyses and design options in the core investment areas that affect food security outlined in the IP. The USG will first take stock of existing resources available from other donors and research institutions to determine if current information warrants additional examination. After vetting the perceived information gaps with the GRZ and donor partners, the USG will commission original research as needed.

Two USG-supported entities, ACF and FSRP, will support the development of the analytical agenda needed by the GRZ and development partners for a comprehensive Investment Plan. Donors, private stakeholders, and the GRZ perceive ACF as a neutral arbiter in agricultural planning. ACF will leverage this reputation to convene stakeholder meetings to identify analytical gaps for the necessary scale-up of agriculture investments under the CAADP compact. Areas that the Mission has identified for additional research or analysis to support the GHFSI include the following:

**Natural Resource Management:** The USG— in collaboration with the GRZ, other donors, and the private sector—will consider investigating the effect of climate change on smallholder farmers and identify strategies for

adaptation and mitigation. Topics could include opportunities to reduce deforestation, increasing the use of conservation farming, use of alternative energy sources, sequestering carbon; accessing carbon offset markets, and managing water resources, including small-, medium- and large-scale irrigation.

**Disaster Management:** The GRZ Disaster Management and Mitigation Unit (DMMU) and the Vulnerability Assessment Committee (VAC) may conduct a vulnerability baseline survey to identify the geographic areas and people most at risk for climate shocks. The survey will obtain comprehensive information on the nature and extent of conditions that threaten lives and livelihoods. The mission will use the results of this survey, if conducted.

**Transportation:** Feeder roads are a critical component to link rural smallholders to markets. Current levels of funding do not allow for developing feeder roads. The US will, however, use analysis on feeder roads as undertaken by others.

**Nutrition:** Current activities target nutritional needs linked to HIV/AIDS, maternal and child health, and school performance. However, more information is needed in order to plan a comprehensive multi-sector approach to household nutrition. The GRZ has identified the need for a food survey of consumption patterns which examines complementary foods, food production, and market demand. This data will provide a basis for the development of nutritional activities. The USG will coordinate with other cooperating partners to assist with this survey. The FANTA-2 Project will also work with the USG, the GRZ and other stakeholders to develop a Food Security Country Framework focusing on nutrition. A food-security-vulnerability assessment will provide necessary information for targeting interventions.

**Very Poor and Vulnerable Communities:** The USG will use the results of a recent mid-term evaluation of the current Title II relief-to-development project to identify where and how these programs and beneficiaries might

intersect and take advantage of the value chain programs. The USG will discuss the implications of the results with the GRZ to determine necessary changes. The analysis will also examine the reach of existing value chain development efforts and their direct effect on the rural poor. The new GHFSI programs will incorporate these results, including those funded by development assistance as well as Title II resources.

**Vocational Training/Tertiary Education:** In consultation with other donors, the Mission will determine the necessity of further analyzing tertiary education and vocational training in order to strengthen the agricultural sector workforce. This analysis will consider gaps in the labor market, labor demand and supply and skills required. The analysis will also conduct an evaluation of current vocational training systems and tertiary institutions and the national vocational training curriculum. This analytical effort reinforces the GRZ national development plan and possible program direction for the USG education program.

**Water:** Zambia has a higher per capita volume of internal renewable water resources than any other country in Southern Africa. However, analysis will be required for any proposed increased irrigation within specific geographic areas of the country to ensure that access to water is equitable. Analysis will also be needed to ensure that withdrawal rates do not exceed natural recharge rates, adversely affect other human users of shared water resources, or adversely affect flows required to sustain aquatic ecosystems and ecosystem processes.

**Agricultural Trade:** While some consultations and analyses have already taken place on agricultural trade, further discussions are warranted. Regional programs such as the COMESA Alliance for Common Trade in Eastern and Southern Africa (ACTESA) Program, USAID regional platforms in East and Southern Africa, and the DFID Regional Trade Facilitation Program, all promote regional trade, primarily in agricultural commodities. The Mission, in close consultation with the GRZ, will need to examine closely regional activities and

studies to build upon ongoing efforts. After a thorough review of existing plans and data, additional Zambia-specific analysis may be required.

Current and ongoing USG programs and analyses undertaken in FY 2010 with funding from prior-year and GHFSI IP for FY 2010 will inform activity design and program procurement in FY 2011. Based on outcomes, lessons learned, and planned funding levels, the IP may undertake additional activity designs in FY 2011.

## 7. PARTNERSHIP PLAN

### 7.1. CONSULTATION AND COORDINATION WITH GOVERNMENT

The Embassy food security partnership with the GRZ will advance the Zambia CAADP agenda and US agencies will contribute to multi-donor efforts in support of a CAADP compact. As the GRZ develops its Sixth National Development Plan, the US will support efforts to integrate the CAADP process as a priority within the national development agenda.

The GRZ selected the USAID-supported Agricultural Consultative Forum to coordinate the CAADP process in Zambia. It will coordinate a presidential briefing on CAADP, will host the compact signing ceremony, and will coordinate an International Investors Conference to support the CAADP investment agenda.

The Ministry of Agriculture and Cooperatives (MACO), at the Ministerial and Permanent Secretary levels, has acknowledged the links between CAADP compliance and donor funding, and has designated a focal point person for the process. COMESA has also seconded two consultants to MACO to reinvigorate the process. During the development phase, the USG has worked closely with bilateral and multilateral donors to move the CAADP process forward, including expanded

engagement with the Ministry of Finance, the Ministry of Commerce, Trade, and Industry, and engagement with senior GRZ officials.

The GRZ vision for agricultural development under CAADP falls under the country's Sixth National Development Plan (SNDP) 2011-2015. The US is engaged in the review and development of the CAADP Compact, the agriculture chapter of the SNDP and the strategic discussions that underpin these documents. The Mission will continue to demonstrate its commitment to a country-led CAADP through leadership as part of the tripartite agriculture donor troika and with expanded programming as well as enhanced diplomatic and analytical engagement.

Zambia has completed technical analysis work in preparation for its CAADP Roundtable, (scheduled for early 2010). Signing of the Compact is planned for mid-2010. With strong encouragement from COMESA, the GRZ completed the stocktaking exercise and analysis of the country's agricultural growth and investment options for poverty reduction in January 2008 and the government organized a stakeholder consultation workshop in March 2008. Signatories to the CAADP Compact will likely want to review this investment plan and consider revisions in light of strategic commitments in the CAADP Compact. Many donor and civil society stakeholders view the 2008 Investment Plan as simply a list of un-budgeted activities rather than a cohesive and strategic plan around which the GRZ can budget and seek support from cooperating partners.

The Mission will closely support GRZ performance on completion of and compliance with a CAADP Compact. Where necessary, program planning and implementation will be adjusted to reflect approaches to address the policy environment in ways that continue to best support the rural poor and improve food security. The USG will be looking for progress across key issues and policies that illustrate progress toward CAADP implementation. These may include: meaningful central government budget allocations for agriculture

investment in restructuring of the Fertilizer Support Program, removal of import and export bans, and passage of free-market facilitating legislation.

To address undernutrition, the USG will engage host-country agencies and institutions to develop a coordinated nutrition strategy. The strategy will address food availability, access, and, in particular, utilization. The USG will present a synthesis of best practices from other countries on nutrition interventions to the GRZ and other donors to build support for an integrated approach.

The USG will coordinate with Ministry of Health through the NFNC and other agencies. The USG and host country entities have begun dialogue on the process of coordinating the following activities.

- Supporting Vitamin A supplementation during child health weeks;
- Training community volunteers in community-integrated management of childhood illness;
- Seconding a technical specialist to the Ministry to build capacity for ensuring that child health and nutritional services receive a higher visibility among the Ministry's public health priorities, and for identifying gaps in and opportunities for the scale-up of child health and nutrition services, particularly at the district and community levels;
- Working with the Ministry and public health officials to scale up evidence-based interventions for child health and nutrition at district and community levels;
- Advocating on the continuum of issues related to maternal and child undernutrition;
- Reviewing the existing strategies and programs to ensure that priority is given to interventions with demonstrated impact on maternal and child undernutrition; and

- Advocating for improved educational opportunities for health workers in child health and nutrition, and for an expansion of their role in this area.

The USG already has a close working relationship with the GRZ Disaster Management and Mitigation Unit (DMMU) who are responsible for coordinating emergency preparedness and response. The USG will continue to press DMMU for a reasonable and cost-effective plan for carrying out a national vulnerability survey. This plan could then be reviewed by a wide variety of stakeholders for potential financial support. In coordination with DMMU, US assistance will improve the resiliency of those affected by natural disasters and collect best practices of what works.

## **7.2. DONOR COORDINATION AND CIVIL SOCIETY CONSULTATION**

The donor community is highly coordinated. Active civil society organizations, including agriculture producer associations, are engaged in the planning and policy-setting processes. The Embassy engages directly and through implementing partners with producer associations and other civil society organizations.

The US Mission is very active in engaging the GRZ and other donors. The principles outlined in the Paris Declaration on Aid Effectiveness have defined relations among donors and the GRZ. The Cooperating Partners Group (CPG) is the main forum for donor dialogue within Zambia and is comprised of 16 bilateral and multilateral donors operating in Zambia. A CPG leadership troika comprised of two bilateral donors and one multilateral entity serve on a rotational basis (for 2010, the lead members are the US, the Netherlands and the World Bank). The CPG plays a key role in dialogue on general and sectoral issues and liaises on behalf of the donor group with the GRZ on broad aid coordination and management issues.

In April 2007, the CPG adopted a Joint Assistance Strategy for Zambia with its sectoral

priority responses. All US foreign assistance in Zambia aligns with and supports this Joint Assistance Strategy.

The Agriculture Sector Advisory Group chaired by the Ministry of Agriculture and Cooperatives is comprised of representatives of key stakeholders, including both civil society and donors. It is the principal structured forum through which all partners promote a sound agricultural agenda. Three lead donors—the European Union, Sweden, and the United States—champion the work of this advisory group.

There are a growing number of opportunities for collaboration and co-funding of agriculture development activities, several examples of which include:

- The United States and Sweden co-fund the Agriculture Consultative Forum/Food Security Research Program policy analysis and outreach activities;
- Norway supports the Conservation Farming Unit under the Zambia National Farmers Union, and works with USAID and the Gates Foundation to commercialize conservation farming technologies. As part of a consortium, Norway is also the lead donor in climate change adaptation and supports conservation farming, wildlife conservation and increased farmer incomes through Community Markets for Conservation (COMACO);
- The World Bank finances rural transportation infrastructure that the FSIP may be able to use as an investment vehicle to expand access markets and services to large numbers of rural Zambians;
- The International Fund for Agricultural Development (IFAD) is about to issue a tender for a large Smallholder Agriculture Promotion Project. The design of this effort borrowed heavily from the successful USAID value chain project;

- Sweden supports household-level capacity building in productivity and market access in concert with the Ministry of Agriculture; and
- Japan and the United States collaborate on supporting rice production in Western Province and assisting small farmers in the consolidation of market-ready maize for trade across the Zambia Agricultural Commodity Exchange (ZAMACE).

Donors and civil society representatives in the Agriculture Sector Advisory Group unanimously support the CAADP process and, once public and private stakeholders sign the compact, opportunities should expand for collaboration that contributes to the four CAADP pillars. Ongoing effective donor engagement and collaborative working groups will facilitate this process. Agriculture donors have categorized their activities in the sector by CAADP pillars as a step toward developing a multi-donor investment strategy in support of the CAADP Investment Plan and the SNDP.

The US is also an active member of the Health Sector Advisory Group (SAG), chaired by the Permanent Secretary for the Ministry of Health. The Mission also participates in the health-sector Cooperating Partners Group (CPG), which coordinates donor activities in the health sector. UNICEF and WHO are also members of the health-sector CPG and SAG. Along with USAID, both of these agencies support child health and nutrition activities including child health week, which focuses on Vitamin A supplementation for children under five years of age. Both agencies also publish guidelines for the treatment of malnutrition.

**Table 2: Zambia Global Hunger and Food Security Initiative Current Engagement<sup>15</sup>**

Core Area	USG	GRZ	Bilateral and Multilateral Organizations
<b>Increased Agricultural Productivity</b>	<ul style="list-style-type: none"> <li>• Economic Growth Working Group (USAID, State, Treasury, Peace Corps)</li> <li>• African Development Foundation</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Agriculture and Cooperatives</li> <li>• Disaster Management and Mitigation Unit</li> <li>• Department of Forestry</li> </ul>	<ul style="list-style-type: none"> <li>• World Food Programme</li> <li>• Sweden (SIDA)</li> <li>• UNDP</li> <li>• World Bank</li> <li>• Japan (JICA)</li> <li>• Int'l Fund for Agricultural Development (IFAD)</li> <li>• African Union (CAADP)</li> </ul>
<b>Increased Trade and Reduced Barriers to Market Access</b>	<ul style="list-style-type: none"> <li>• Economic Growth Working Group</li> <li>• Possible Millennium Challenge Corporation (MCC) - 2011 onwards</li> <li>• USTR</li> <li>• USDA</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Labour and Social Security</li> <li>• Central Statistical Office</li> <li>• Ministry of Agriculture and Cooperatives</li> <li>• Ministry of Commerce, Trade and Industry,</li> <li>• Ministry of Finance,</li> <li>• Zambia Revenue Authority</li> </ul>	<ul style="list-style-type: none"> <li>• World Food Program</li> <li>• African Development Bank</li> <li>• COMESA</li> <li>• SADC</li> <li>• World Bank</li> <li>• Norway</li> <li>• IFAD</li> <li>• Finland</li> <li>• Netherlands</li> <li>• African Union (CAADP)</li> </ul>
<b>Sound Market-Based Principles for Agriculture</b>	<ul style="list-style-type: none"> <li>• Economic Growth Working Group</li> <li>• MCC</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Agriculture and Cooperatives</li> <li>• Ministry of Livestock and Fisheries</li> <li>• Ministry of Trade, Commerce and Industry</li> </ul>	<ul style="list-style-type: none"> <li>• Sweden</li> <li>• UNDP</li> <li>• Japan (JICA)</li> <li>• World Bank</li> <li>• Norway</li> <li>• Finland</li> <li>• IFAD</li> <li>• Other Budget Support Donors</li> <li>• African Union (CAADP)</li> </ul>
<b>Accelerated Participation of the Poor in Rural Growth</b>	<ul style="list-style-type: none"> <li>• Economic Growth Working Group</li> <li>• OFDA</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Livestock and Fisheries</li> <li>• Ministry of Health</li> <li>• Ministry of Community Development</li> <li>• Zambia Development Agency</li> <li>• Zambia Meteorological Department</li> <li>• Disaster Management and Mitigation Unit</li> <li>• Department of Forestry</li> </ul>	<ul style="list-style-type: none"> <li>• UK (DFID)</li> <li>• UNICEF</li> <li>• UNDP</li> <li>• EU</li> <li>• African Union (CAADP)</li> </ul>

<sup>15</sup> This table constitutes a snapshot of USG, GRZ, and bilateral and multilateral organizations engaged in GHFSI core areas. It is not meant to include all programs.



Core Area	USG	GRZ	Bilateral and Multilateral Organizations
Preventing and Treating Undernutrition	<ul style="list-style-type: none"> <li>• Economic Growth Working Group</li> <li>• USAID Health Team</li> <li>• CDC</li> <li>• OFDA</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Health</li> <li>• National Food and Nutrition Commission</li> <li>• National AIDS, STI, and TB Council</li> <li>• National Malaria Council</li> </ul>	<ul style="list-style-type: none"> <li>• WHO</li> <li>• UNICEF</li> <li>• UK (DFID)</li> </ul>
Increase the impact of humanitarian food assistance and social safety-nets	<ul style="list-style-type: none"> <li>• Economic Growth Working Group</li> <li>• OFDA</li> <li>• USDA</li> </ul>	<ul style="list-style-type: none"> <li>• Disaster Management and Mitigation Unit</li> <li>• Ministry of Agriculture and Cooperatives</li> <li>• Ministry of Livestock and Fisheries</li> <li>• Ministry of Local Government</li> <li>• Ministry of Community and Social Welfare</li> <li>• Ministry of Sports, Youth and Child Development</li> </ul>	<ul style="list-style-type: none"> <li>• UK (DFID)</li> <li>• EU</li> <li>• Japan</li> <li>• Netherlands</li> <li>• Sweden</li> <li>• WFP</li> <li>• UNICEF</li> <li>• UNDP</li> <li>• Norway</li> <li>• Germany</li> <li>• FAO</li> </ul>

The US chairs a bilateral donor group that coordinates assistance for humanitarian emergencies. Other active donors include the United Kingdom, Japan, the European Commission, the Netherlands, and Sweden. The group meets to coordinate a response to seasonal flooding and droughts, prepares contingency plans, and promotes disaster-risk-reduction interventions. The USG will use this group to present a unified approach from bilateral donors that, coupled with multilaterals such as WFP and UNICEF, will press for a viable and cost-effective national vulnerability assessment.

## 8. FY 2010 CAPACITY-BUILDING PLAN

The USG prioritizes building the capacity of Zambian institutions and individuals. Programmatic gains achieved through project efforts are not sustainable without a higher level of technical and managerial capacity instilled in Zambian institutions and individuals. Institutional capacity deficits exist in the areas of human resource management, financial management, strategic planning, and monitoring

and evaluation. Such deficits affect all sectors that receive US foreign assistance, jeopardizing the sustainability of US investments. US assistance to build the capacity of Zambian partners will be comprehensive and will support each of the three over-arching GHFSI goals of agriculture-led growth, reduced undernutrition, and improved effectiveness of humanitarian assistance.

USG funding will build the capacity of individuals, institutions, indigenous NGOs and community groups. The following are illustrative models of capacity building and some key partners for the GHFSI.

**Zambian Agricultural Research Institute (public) and the Golden Valley Agricultural Research Trust (public-private):** Training will focus on building institute capacity to develop, test, and scale-up productivity enhancing technologies. Potential training areas include soil sciences, genetics, tissue culture, sanitary and phytosanitary norms, and post-harvest handling. In supporting agricultural research, US assistance may examine technologies, including biotechnology, that will increase yields and reduce farmer risk, such as short-cycle crops and draught resistance.

**Private Sector Research:** The USG will build upon the training and outreach provided by private seed companies to expand field trials of food security crops with promise for both expanded export opportunities and enhanced food security. Including private companies in targeted training centered on seed multiplication and plant breeding could yield significant results for enhancing Zambian agricultural productivity.

**Government of the Republic of Zambia:** Policymakers within the ministries of Agriculture, Livestock and Fisheries, Commerce, Trade and Industry, and Finance will be targeted for training to enhance their ability to design and implement pro-growth agricultural and trade liberalization policies, performance-based budgeting, cost-benefit analysis, and empirically based research will help develop the critical thinking skills of policy makers. The Ministry of Health and associated agencies will benefit from technical nutrition-related training and institutional capacity building to carry out such a mandate. US assistance may also build the capacity of the relatively small Disaster Management and Mitigation Unit in the Office of the Vice President to improve the coordination of emergency preparedness and response.

**Universities and Colleges:** The USG may collaborate with Zambian universities, colleges, and other specialized training institutions to improve their ability to contribute to the country's vision of poverty reduction through agricultural growth. By revising curriculum to focus more on market-based solutions, agribusiness skills, and international trade, graduates will be better able to apply their education to the development problems facing Zambia. Reorienting academic research to tackle real-world problems, such as developing post-harvest technologies, will have impact at both the household and national levels.

**Financial Sector:** Credit to the agricultural sector is constrained by a number of factors attributed to banks, including underdeveloped risk analysis skills of credit risk managers, lack of new product innovation, poor portfolio

management skills, a fee-based pricing structure, and onerous collateral requirements. Unless banks are able to accurately determine the credit worthiness of an agricultural enterprise, they will not lend. The USG will build the capacity of banks to improve risk assessments and portfolio management skills as well as brokerage and trading skills (including forward trading). Training to define and publicize grades and standards for agricultural commodities will stimulate the banking sector to enter warehouse receipt operations. Training for brokers and traders will deepen the skill sets required to broaden the services offered to buyers and sellers in the marketplace.

Another challenge is that there are relatively few entrepreneurs who are able to prepare clear business plans that outline feasible investment costs and reasonable rates of return. Agro-entrepreneurs must be able to take a more sophisticated approach to managing and investing in their farms and or processing units.

**Food and Nutrition Commission:** Improving the food security of poor Zambians requires forward-looking policies, programs and nutritional data. The USG will build the capacity of the Food and Nutrition Commission under the Ministry of Health to carry out its challenging mandate.

## 9. MANAGEMENT PLAN

### 9.1. WHOLE-OF-GOVERNMENT COORDINATION STRUCTURE

USG uses a whole-of-government approach in its efforts to support economic growth in Zambia. This approach ties together development assistance, diplomatic engagement, technical advice, and public diplomacy. The Mission's Economic Growth Working Group (EGWG) coordinates USG efforts to promote economic growth. Given the growing importance of nutrition, global climate change, and humanitarian assistance under this initiative,

the Mission will expand EGWG accordingly or, where appropriate, create sub-groups.

## **9.2. REVIEW AND EVALUATION SCHEDULE**

The Mission will closely monitor FY 2010 GHFSI program performance to ensure that projects are meeting planned goals and that project approaches are aligned with the overall goals of the GHFSI. Under the whole-of-government approach, USG agencies coordinating within the EGWG will track respective performance data, which are linked not only to the Mission foreign assistance priorities and MSP goals, but also to the GHFSI. A comprehensive monitoring and evaluation system for this initiative will also include indicators tied to the Foreign Assistance Framework and the annual Performance Plan and Report (PPR), performance-based indicators specifically identified within implementing mechanisms and higher level indicators as part of the performance management plan. This multi-tiered approach will ensure that GHFSI projects meet expected performance at the project-level while also contributing to overall GHFSI program goals.

In 2010, the Mission will consider conducting baseline analyses where cost-effective and appropriate. Evaluations will form a core component of performance management. All GHFSI projects will undergo formal mid-term and end-of-project evaluations. These evaluations will test project performance against planned results and will inform future program directions. In addition to project-level evaluations, the Zambia Global Hunger program will be periodically evaluated for overall program impact and adjustment. Evaluations will be coordinated to ensure they conform to Paris Declaration principles and will contribute to a shared body of knowledge addressing food security planning and implementation.

## **9.3. STAFFING REQUIREMENTS**

A multi-agency team comprised of international and Zambian expert staff supports US Government efforts. Additional staff will be required to ensure adequate management and technical oversight of program planning and implementation. Changes in funding and new business models that influence program implementation will require revisiting proposed staffing needs.