

Platform for Agricultural Risk Management

Managing risks
to improve farmers'
livelihoods

Tools assessment



Zambia

**High-level dissemination
workshop**

Report
02 April 2019





PARM
PLATFORM FOR
AGRICULTURAL RISK
MANAGEMENT

Platform
for Agricultural
Risk Management

Managing risks to improve farmers' livelihoods

Zambia



High-level Dissemination Workshop on the results of PARM Process in Zambia

WORKSHOP REPORT

Lusaka | 02 April 2019

In collaboration with:



**The Ministry of Agriculture
Republic of Zambia**

Report prepared by:

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Foreword

The Platform for Agriculture Risk Management (PARM) in collaboration with the Ministry of Agriculture organised a High-Level Workshop on the Dissemination of Final Results of the PARM processes in Zambia. The event took place at the Intercontinental Hotel in Lusaka Zambia on 2nd April 2019.

The Platform for Agricultural Risk Management (PARM) would like to thank the Ministry of Agriculture (Zambia), the African Union Development Agency (AUDA) - NEPAD - and all participants, for their active participation and contributions to the workshop and generally, to the PARM process in Zambia. Special gratitude is extended to the various panelists, who provided their rich and insightful inputs during the discussions.



Intercontinental Hotel, Lusaka Zambia
2nd April 2019

Table of contents

List of Acronyms	4
Workshop Programme	5
The Context	5
The Host	6
The Workshop	6
Workshop outcomes	8
Opening remarks	8
Session 1: Setting the scene: Agriculture Risk Management Policies in Zambia	9
Session 2: Thematic Panels	10
Conclusion	13
Closing remarks	14
Annexes	15
Annex 1: Workshop Agenda	16
Annex 2: List of Participants	18
Annex 2: Presentations	20

List of acronyms

AFD	French Development Agency
ARM	Agricultural Risk Management
AUDA	African Union Development Agency
BMZ	German Cooperation
BRR	Biennial Review Report
CA	Conservation Agriculture
CAADP	Comprehensive Africa Agriculture Development Programme
COMESA	The Common Market for Eastern and Southern Africa
CSA	Climate Smart Agriculture
DGCS	Italian Development Cooperation
EU	European Commission
EWS	Early Warning System
FAO	Food and Agricultural Organization of the United Nations
GDP	Gross Domestic Product
GIZ	Gesellschaft für Internationale Zusammenarbeit (German Development Agency)
IAPRI	Indaba Agriculture Policy Research Institute
IFAD	International Fund for Agricultural Development of the United Nations
NAIP	National Agriculture Investment Plan
NEPAD	New Partnership for Africa's Development
PARM	Platform for Agricultural Development
PPPs	Public Private Partnerships
SMEs	Small and Medium Enterprises
USAID	United States Agency for International Development
WB	World Bank
WFP	World Food Programme
WRS	Warehouse Receipt System
ZAMACE	Zambia Commodity Exchange
7NDP	Seventh National Development Plan

Workshop Programme

The Context

The Assembly of Heads of State and Government of the African Union endorsed the Comprehensive Africa Agriculture Development Programme (CAADP) in 2003 at Maputo, Mozambique. CAADP is the African continent's common policy and investment framework aimed at enhancing food security and nutrition, reducing poverty and accelerating economic growth. Implementation of CAADP is designed to result in robust sub-regional and national agricultural policies that are translated into detailed and fully costed regional and national agriculture sector strategies or investment plans. Zambia officially launched implementation of the CAADP processes in August 2006, and its National Agriculture Investment Plan (NAIP) in 2013. The country is preparing to review the NAIP I and to design the second generation NAIP.

More than 60% of the Zambian population lives in rural areas and relies on agriculture for their livelihoods. Agriculture is, therefore, a key sector for Zambia's growth and poverty reduction. The Government of the Republic of Zambia, in its Vision 2030, prioritized agriculture-led development as a potential driver for economic growth, poverty reduction as well as food and nutrition security. This was also aimed at ensuring that the country's overdependence on copper mining is offset. Currently, agriculture's contribution to the overall Gross Domestic Product (GDP) is significantly low compared to services and industry. Zambia's agriculture GDP is also below the Sub-Saharan African average. Besides matters relating to policy reform, investment (public and private), and institutional arrangements, Zambia's agricultural development is affected by human and naturally induced shocks including extreme weather events, El Nino and La Nina, occurrence of droughts, dry spells and floods, plant and animal diseases etc. Moreover, risks related to price volatility, trade restrictions, post-harvest losses, low information and technological capacities, etc. also cause negative impacts to agriculture sector growth and pose a challenge to food security and nutrition in the country.

In recent times, a number of institutions have placed considerable importance on the agricultural sector in general, and more specifically on Agricultural Risk Management (ARM), in the continent including, Zambia. Within this context, the MoA has recognized the need to foster collaboration with the Platform for Agricultural Risk Management (PARM).

PARM is an outcome initiative of the 2010-2013, G8-G20 discussions on food security and agricultural growth. It was established in December 2013 through a multi-donor partnership between the European Commission (EC), the French Development Agency (AFD), the Italian Development Cooperation (DGCS), the German Cooperation (BMZ/KfW) and the International Fund for Agricultural Development (IFAD). PARM works within a strategic partnership with the New Partnership for Africa's Development (NEPAD) and other development partners to make risk management an integral part of national policy, planning and implementation.

Zambia officially joined PARM in July 2017 as per decision of its Steering Committee, in response to the official request made through the Ministry of Finance. This decision also committed PARM to providing technical guidance and to co-financing part of the country process both at government and project level (IFAD), ensuring that ARM tools and capacity development modules on Agricultural Risk Management (ARM) are fully integrated. This culminated in the finalisation of a road map that was approved by the Government of the Republic of Zambia (GRZ) during the first semester of 2018.

A number of activities were implemented under the partnership. These include:

1. A capacity development training (CD1) on agricultural risk management (June 2018)
2. A Capacity Building and Knowledge Management Workshop
3. Two (2) feasibility studies resulting from the World Bank's profiling of Zambia's ARM, on:
 - a. Enhancing the Zambian Warehouse Receipt System (WRS) and aligning the Food Reserve Agency strategic plans to WRS, and,
 - b. Improving access to agricultural risk information for meso level stakeholders in Zambia.

The goal of the overall process of PARM in Zambia is to ensure the integration of ARM (i.e. from risks to the tools, including the capacity development component) into the 2nd Generation National Agriculture Investment Plan (NAIP), designed under the auspices of the African Union and CAADP. The 2nd Generation NAIP, is expected to align to the country's long-term Vision 2030, the National Development Plan (NDP), Second National Agriculture Policy (SNAP) as well as AU Agenda 2063, AU 2014 Malabo Declaration and the Global Sustainable Development Goals (SDGs). The NAIP II is expected to be informed by a rigorous evidence-based analytical process to inform potential growth areas/priority investment options for the agriculture sector in Zambia.

In order to complete the PARM process in Zambia, a high-level dissemination workshop was organised at the Intercontinental Hotel in Lusaka Zambia on 2nd April 2019, in order to disseminate the results of the two feasibility studies.

The Host

The High-Level Dissemination Workshop was hosted by the Government of Zambia, led by the Ministry of Agriculture, in collaboration with PARM.

The Workshop

Set up

The entire workshop was held in plenary under 4 broad sessions as follows (*cf. agenda*): Opening session; Session 1 and Session 2; followed by, a Closing Session.

Session 1 was focused on agricultural risk management policies in Zambia, while Session 2 was delivered through two thematic panel discussions that specifically addressed the tools identified under the feasibility studies, to manage agricultural risks in Zambia. The sessions were moderated by a Facilitator.

Objective

The general objective of the workshop was to share the results of the studies on agricultural risk management in Zambia, and to solicit the support of the Government and, technical and financial partners, to ensure implementation of the tools identified through the feasibility studies.

Specific objectives of the workshop were as follows:

- Raise awareness among the stakeholders about agricultural risk management policies in Zambia and the country PARM process.
- Present and discuss the results of the feasibility studies on: i) Enhancing the Zambian Warehouse Receipt System (WRS) and aligning it with the Food Reserve Agency strategic plans; and ii) Improving access to agricultural risk information for meso level stakeholders in Zambia. The discussions focused on the relevance of the studies and proposed implementation, with the proactive participation of the Government, technical and financial partners and other participants present. The objective was to ensure that interested participants would express their willingness to continue the dialogue with the Government and collaborate in the long term on implementation of the tools.
- Develop the axes of an action plan including a monitoring system to support the implementation of the identified tools. Ensure that the MoA, partners and stakeholders, take the lead in agricultural risk management at the national level.

Expected Results

- Stakeholders are informed about agricultural risk management policies in Zambia and have an overview of PARM process in the country.
- The results of the feasibility studies on: i) Enhancing the Zambian Warehouse Receipt Systems (WRSs) and aligning the Food Reserve Agency strategic plans to WRS: and, ii) Improving access to agricultural risk information for meso level stakeholders in Zambia, are disseminated among the stakeholders and their commitment to supporting the Government to invest in the identified tools in the long term is solicited.

- The axes of an action plan including a monitoring framework to support the implementation of the ARM tools are presented, while institutional arrangements are also made to ensure the integration of agricultural risk management into the National Agriculture Investment Plan (NAIP II).

Target

The workshop brought together participants from the Ministry of Agriculture, Ministry of Finance, Disaster Management and Mitigation Unit (under the Vice President's Office), technical and financial Development Partners (including WFP, IFAD, WB, FAO, USAID, GIZ, AFD etc) as well as the private sector, agricultural extension services, farmer organizations, academic and research institutions, civil society organizations.

Workshop Outcomes

Opening remarks

The Director of Ceremonies, Nalishebo Meebelo, launched the proceedings of the Opening Session by welcoming guests and thanking them for accepting to participate in the workshop. She went on to invite the Guest of Honour and the representative of the Platform for Agriculture Risk Management (PARM) to deliver their statements.

In his opening remarks, the Guest of Honour and Permanent Secretary for the **Ministry of Agriculture, Mr. Songowayo Zyambo** welcomed participants to the workshop. He recognized the presence of the PARM Head of Delegation, the IFAD Country Manager, Senior Government officials, technical and financial partners and members of the electronic and print media. Mr. Zyambo briefly explained the history of PARM's agricultural risk management interventions in Zambia, which included technical work aimed at ensuring a comprehensive risk management approach in the country's national agricultural policies and programmes. He said that the workshop was a watershed moment, in that it would mark a transition from technical preparation to concrete implementation of holistic agriculture risk management tools, in the context of Zambia's Seventh National Development Plan (7NDP). He said the Zambian government acknowledges the adverse effects of climate change including its impact on the economy, citizens' livelihoods and the sustainability of small-scale agriculture.

Mr. Zyambo also highlighted various initiatives that the Government of Zambia is currently implementing in relation to agricultural risk management and mitigating the effects of climate change. These include but are not limited to: irrigation development programmes aimed at bringing an additional 100 000 Ha under irrigation by 2021 (Zambia has surpassed this target by bringing 200,000 Ha under irrigation out of a potential 2.75million hectares); and, improved agronomic practices such as climate smart agriculture, conservation and integrated farming. To mitigate pest infestation such as the fall army worm, the Government has mobilised and distributed pesticides, and is in the process of developing IT systems to provide farmers with early warning information and developing crop varieties and agronomic practices. Mr. Zyambo noted the compendium of agricultural risks ranging from production right through to market and therefore the critical importance of PARM's work to develop mitigation tools in a holistic manner. He assured participants that the Government of Zambia is fully committed to agricultural development and therefore, the work being undertaken under PARM. Mr. Zyambo concluded his remarks by declaring the workshop officially open.

Massimo Giovanola, Technical Specialist for PARM and Head of the PARM Delegation, acknowledged the support from the Zambian Government through the Ministry of Agriculture, and extended gratitude to the Permanent Secretary, Mr. Songowayo Zyambo for his commitment to ARM. Giovanola further expressed his delight and gratitude at the wide spectrum of stakeholders ranging from Government, private sector, civil society, farmers, policy and research institutes, academia and the media for their participation. He said, this broad participation is at the crux of the holistic risk management approach employed by PARM. He said PARM realised gaps in agriculture risk analysis and proposed a holistic methodology for assessing, prioritising and managing a wide variety of risks. This methodology which is also used by The World Bank supports government integration of agriculture risk management in national budget and investment agendas. He said the objective of the workshop was to analyse the findings of two feasibility studies so that the program could move to implementation phase. This would be achieved by analysing the following:

- The viability of warehouse receipt systems in Zambia
- The availability of timely early warning information systems to agriculture stakeholders, more especially, the farmer.

He summarized Zambia's engagement with PARM, which began in 2017 and culminating in this dissemination workshop that marked the end of the technical work. In closing his remarks, the PARM Head of Delegation outlined the next steps of PARM and Zambia's engagement. He said the plan is to move from the technical work phase (now concluded), to the institutional ownership and implementation phase of holistic agriculture risk management.

Session 1: Setting the scene: Agriculture Risk Management Policies in Zambia

The objective of Session 1 was to set the scene for a discussion among the main actors who play a major role in agricultural risk management processes in Zambia. The session was designed to highlight the role of agricultural risk management in Zambia's agricultural strategy and the Government's commitment following the results of the risk assessment conducted by the World Bank. The session would highlight measures being taken at Government level to integrate the results on ARM at the national level.

The session involved a moderated panel of 5 experts as follows:

1. Christopher Mbewe (Chief Agricultural Economist, Policy and Planning Department of MoA)
2. Massimo Giovanola (Technical Specialist, PARM/IFAD)
3. George Okech (FAO Country Representative, Zambia)
4. Mclay Kanyangarara (Climate Change Advisor, COMESA)
5. Dr Oscar Adrian Blanco (Livestock Expert)

The Panel explained the reasons why the Government of Zambia has placed a holistic approach to agricultural risk management at the heart of its agricultural development efforts and generally, its developmental policies as seen in the 7th NDP. Agriculture is key driver of economic development in Zambia. The country's approach to managing agriculture risk is undertaken with a view to catering for the value chain. This is due to the fact that risks are found in various stages of the value chain. For this reason, the Government of Zambia is actively promoting initiatives aimed at managing agriculture risk. These include Climate Smart Agriculture (CSA) and Conservation Agriculture (CA) interventions, integrated agriculture and crop diversity (i.e. a Move from focusing on maize only to more drought resistant crops. This is catered for through a wide variety of inputs under the FISP and E-Voucher systems and other initiatives aimed at supporting price volatility such as the establishment of the Zambia Commodity Exchange (ZAMACE). With regard to the final results of the PARM processes, these would be integrated into the next National Agriculture Investment Plan (NAIP) processes.

Participants were also enlightened on the status of CAADP, NAIP and Biennial Review Reporting (BRR) processes in Zambia. Limited data hinders the BRR processes. In order to advance with the PARM processes and to address the final results, there would be a need for strong commitment from, and ownership by, the Government to move from the technical phase to institutional phase. The Panel further described the PARM processes in Zambia and highlighted the achievements hitherto attained as well as the next steps to follow the dissemination of the two feasibility study results.

The next phase of PARM would require strong Government ownership and commitment involving a multi-stakeholder approach [inter-ministerial collaboration] and public private partnerships. The role of development partners in supporting ARM is also cardinal. The role of line Ministries, besides the Ministry of Agriculture (e.g. Finance and National Development Planning) is also important. The workshop seeks a validation of the feasibility studies to enable a move to implementation of tools at institutional level. There is also a need to connect macro, meso and micro level stakeholders to make the interventions attractive for private sector investment and ensure sustainability.

The Food and Agriculture Organisation (FAO) provides technical capacity and expertise to Zambia supports smallholders through several initiatives relating to ARM. FAO defines agriculture as crops, livestock, fisheries and forestry. Its initiatives are therefore aligned to these sub-sectors, working with key ministries including Ministry of Lands and Natural Resources, Ministry of Agriculture and DMMU, and the Central Statistical Office. FAO has set up a funding mechanism that allows access to a technical cooperation project on emergencies to deal with agricultural risk management. Three to four weeks ago, FAO availed \$500,000 from co-funding to work on an early action plan to respond to drought in Southern Province in partnership with Ministry of Agriculture. Also participated in training of 12 countries in how to undertake resilience, preparedness and response to negative effects of climate

COMESA encourages the implementation of regional development plans such as the Agricultural Development Plan of COMESA and the Paris Agreement to mitigate climate change. This needs to be adapted to fit country economics and dynamics, including supporting policy reviews and piloting interventions at country level, particularly climate smart agriculture. COMESA emphasized the need for commercialization of small holder agriculture as well

as commercial agriculture, as both a development and mitigation tool, and the need to teach ARM issues very early in the curricula. There is a need to promote private sector investment in technologies.

With regard to ARM and livestock development, the participants were advised to pay key attention to good and reliable diagnostics and measuring of the quality of products and raw materials for producing feed, to strengthen risk management. The importance of increasing the number of extension workers is crucial. Veterinary services are understaffed, and experts have to travel long distances to collect information, compromising the quality of information obtained due to inability to collect timely information. The sector will be benefitted by improving the knowledge and expertise of extension workers in the field and to encourage proper diagnostics. There is therefore, the need to address the issues of poor technology to measure quality of inputs. It is also important to invest in better technology, in infrastructure to support increased productivity. The country must address post-harvest losses and monitor the sanitary levels of large-scale farmers who pose a high risk because of large herds. It is essential to also encourage more sanitation in live markets to prevent disease outbreaks.

Questions from the participants

- What strategy has been devised to solve the problem of limited data for the BRR processes?
- How can we orient young people to incorporate ARM in their activities?
- What should be done to ensure that ARM issues are understood at grassroots level?
- Following these feasibility studies, do we expect that the outcomes will feed in to the next NAIP design?
- How can we ensure that small scale farmers begin to look at farming as a business?

Comments

- Field pilots show that there is a need to elaborate ARM to the farmers to ensure that they understand issues.
- There is a need to strengthen the collection of data.

Answers

- Under the BRR process, Zambia has agreed to nominate focal point persons from relevant institutions who will be oriented on the reporting mechanism. These will assist in data collection and report compilation.
- A stakeholder validation workshop will be held before the final BRR document is sent to the Southern Africa Development community (SADC) Secretariat.
- Zambia will soon launch the NAIP review and design processes. NAIP II is expected to be launched in 2021 immediately after the swearing in of the new Cabinet Members.
- ARM issues will be significant in addressing issues along the agriculture commodity value chain.
- There is a need to help farmers understand that they cannot manage risk without being well organized. There is a need to increase their capacity, provide an enabling environment, connect farmers to the market and avail private sector funding and supplies. Farmers must be encouraged to be part of larger organizations and cooperatives.
- To involve the youth in agriculture, there must be deliberate incentives to enable access to finance
- Youth should have access to title to land, title to access finance from the private sector. Pilots have shown that there are positive results to encouraging youth in agriculture, when the interventions are undertaken at an early age. Youth are also interested where there is an element of greater mechanization.

Session 2: Thematic Panels

This session was made up of two panel discussions. Panel 1 on Enhancing the Zambian Warehouse Receipt System (WRS) and Panel 2 on Improving access to agricultural risk information for meso level stakeholders and smallholder producers in Zambia.

Panel 1: Enhancing the Zambian Warehouse Receipt System (WRS)

The objective of this Panel was to discuss the findings of the report on the feasibility study undertaken by Indaba Agriculture Policy Research Institute (IAPRI), on behalf of PARM. The feasibility study was focused on establishing how the operational capacities of the Zambian Warehouse Receipt System (WRS) could be enhanced in Zambia,

in order to increase market and financial access, liquidity, and credibility in the commodity markets, consequently making the entire system more sustainable in the medium-long term. The panel discussion also sought to discuss potential alignment of the operations of the Food Reserve Agency (FRA) with a functional WRS and exchange trading system in Zambia. The feasibility of implementing [in Zambia], the proposed recommendations and the investment plan proposed by the Consultants, was also a matter for discussion by the Panel.

The session involved a moderated panel of 8 experts as follows:

1. Anthony Chapoto (Research Director – IAPRI)
2. Iretomiwa Olatunji (Natural Resources and Environment Officer - World Bank)
3. Allan Mulando (Programme Policy Officer and team Leaders Small Holder Support - WFP)
4. Dick N. Siame (Country Program Officer-IFAD)
5. Reuben Banda (CEO – Musika)
6. Jacob Mwale (CEO – ZAMACE)
7. Kezia Katyamba (Director- Agribusiness and Marketing- MoA)
8. Alok Dikshit (GM- Export Trading Group [ETG])

The Lead Consultant for this study, Anthony Chapoto, presented a summary of the findings, recommendations and an investment plan in support of Enhancing the Zambian Warehouse Receipt System (WRS) in Zambia. In laying the parameters for the discussion, the Consultant highlighted the status of the WRS, challenges and gaps and potential remedial measures towards strengthening the system. He stressed the significance of considering the WRS as a powerful ARM tool/instrument in Zambia for mitigating risks in the sector.

The study examined the history of the WRS dating back to 2001. In 2010 the Agriculture Credit Act was passed giving birth to the Zambia Commodity Exchange (ZAMACE) as the custodian of the WRS in Zambia. Besides droughts and floods, other risks noted for Zambia include market, production, policy and macroeconomic risks. The benefits of the WRS were highlighted including price stability, market information and structure, increased agricultural finance, reduction of post-harvest losses and reduced counter party risk across commodity transactions. Critical to understanding why the WRS was not gaining traction in the country was the fact that it did not operate in a vacuum. This implies that transparency, accountability and policy stability in the agricultural sector will reflect in the WRS, and also generate demand for its various products. Some of the key issues and recommendations for enhancing the WRS were as follows: Review and streamline the WRS legal framework; Develop the supporting infrastructure for the WRS (i.e. storage, feeder roads etc.); Strengthen innovative financing and domestic resource mobilization; and Strengthen aggregation and diversification by small holders and their member groups towards applying economies of scale. The need to capacitate smallholders with agribusiness and entrepreneurial skills was also prominent in the discussion.

Participants were enlightened on the role that the Government plays through the Department of Agribusiness and Marketing (Ministry of Agriculture), in strengthening smallholders. This includes enabling smallholders to aggregate and strengthening their entrepreneurial skills, while encouraging them to perceive of farming as a business. The Government of Zambia in partnership with IFAD implements the Enhanced Smallholder Agribusiness Promotion Programme (E-SAPP). E-SAPP aims to increase the incomes, and food and nutrition security, of rural households involved in market-oriented agriculture. The project seeks to devise adequate strategies for: increasing agricultural production; strengthening agricultural extension service delivery; increasing the area of land under irrigation as well as levels of mechanization among smallholder farmers; improving the efficiency of agricultural markets; and promoting access to financing. Meanwhile, the operationalisation of ZAMACE is in line with the Laws of Zambia with its processes and systems responding to the Act. ZAMACE certifies warehouses across the country and enables them to issue warehouse receipts. According to the World Bank, Financing, infrastructure, insurance and storage are not available in areas that are not along the line of rail. Rural farmers, therefore, do not have easy access to resources. For this reason, the World Bank has been organising soft loans to rural farmers.

The Panel shared an example of the Export Trading Company (ETG) - a company that operates warehouses certified by ZAMACE. The company collects maize and soya beans from farmers and issues WHRs, and also distributes seeds to farmers. Farmers can access inputs using the warehouse receipts issued, while aggregators can also deposit commodities. The company works with both smallholders and commercial farmers

Questions from the participants

- How can we strengthen the element of storage and other infrastructure related to WRS?
- Did the study list the recommendations according to priorities? Which of the recommendations should be implemented first?
- What needs to be done for the Food Reserve Agency (FRA) to participate effectively in a strengthened WRS?
- Can the products targeted under the WRS be diversified?
- Do we not risk the WRS encouraging farmers to grow one commodity?

Comments

- There are several Acts dealing with WRS. There is to streamline this issue.
- WRSs are instrumental in setting up markets for smallholders. We need to move the Zambian WRS to a higher level.
- Smallholders require resources in order to participate effectively in the WRS.
- There is a need to look beyond mono-cropping to include other commodities under the WRS.
- The livestock sector should be considered under the WRS.
- There is an insignificant focus on value addition.
- There is a need to look beyond subsistence farming.
- Under WRSs there is a focus on Small and Medium Enterprises (SMEs) and Large Commercial Farmers, and less in smallholders.
- We should not focus only on smallholders. There is a need to also emphasize the role of commercial farmers.
- There is a need to increase quantities through aggregation to attract off takers.

Answers

There is a need to avail resources, enhance knowledge, strengthen infrastructure and ensure the availability of off-takers.

Panel 2: Improving access to agricultural risk information for meso level stakeholders and smallholder producers in Zambia

The establishment of an efficient information system must allow access to information for small producers in rural areas, more particularly in the three areas for risk management, namely: market prices, pests & diseases and climatic hazards. The objective of this session is to discuss the findings of the report of a study to seek the status of EWS in Zambia and to propose technical-financial solutions to facilitate access to information systems by meso level stakeholders and smallholder producers. Following the study, a sustainable investment plan was proposed. This panel will discuss the importance of improving access to information and the possibility of implementing the proposed recommendations in the long term.

The session involved a second moderated panel of 8 experts as follows:

1. Grace Obuya (Independent Consultant)
2. Iretomiwa Olatunji (Natural Resources and Environment Officer - World Bank)
3. David Ngwenyama (Zambia Integrated Forest Land Project)
4. Mpundu Mutale (Agriculture Underwriter – Madison Insurance)
5. Kalengo Mumba (Disaster Management and Mitigation Unit, Office of the Vice President)
6. Chitalu Zimba (Chief Statistician, MoA) Early Warning Unit)
7. Anna Songolo (Livestock Specialist)
8. Dominic Namanyungu, (Principal Extension Methodologist, MoA)

The Lead Consultant for this study, Grace Obuya, in collaboration with Ngao Mubanga, presented the highlights of the study to set the scene for the thematic conversation during the workshop. She shared the feasibility study findings and recommended that the Agriculture Risk Management Information System (ARM-IS) be considered as a powerful ARM tool/instrument in Zambia. She highlighted the information needs that are relevant to a number of meso-level stakeholders, including smallholder producers. The workshop was informed that agriculture is among Zambia's key sectors, employing 70 percent of the population and contributing 40 percent to GDP. In the era of heightened agriculture risk, it is essential to ensure that countries generate and disseminate dependable risk

information. According to the study, the variety of users of agriculture risk information is testimony to the comprehensiveness of the sub sector. End users include farmers, insurance companies, extension service providers, disaster relief workers and several others. A critical part of the discussion highlighted serious capacity and technological gaps in agriculture risk management. Some of these gaps ranged from lack of standardized data (weather, price, seed certification, aggregation etc), inadequate technologies to capturing data, insufficient extension services and workers, the lack of effective dissemination channels, duplication of efforts, ineffective inter-ministerial collaboration and the consequent lack of an integrated agriculture information system. This discussion dovetailed into the necessity to sustain agriculture risk management activities. Identified means to address the gaps included a need for Government ownership and institutionalization and public private partnerships.

In their interventions, Panelists elaborated the linkages between the work being undertaken by their institutions and the findings and recommendations of the study. Panelists cited production risks, droughts and dry spells, issues relating to weather and climate, inaccurate and untimely information, pests and diseases information, market information among others, as being challenging for smallholders. In addition, there is a need for effective preparedness to deal with ARM issues. Insurance companies require accurate information in order to develop good products for their clients. Companies are now investing in data for this purpose.

The panel discussion concluded with the view that this matter regarding EWS-IS and ARM was the problem for all stakeholders to deal with. This included the Government, all players in the sector and the technical and financial partners in Zambia. The investment plan accompanying the findings of the study was welcomed by participants. The onus is on the government to endorse the report and move into the next phase of implementation.

Questions from the participants

- Is it worthwhile to sustainably invest in climate infrastructure?
- How does information get to the end-user?

Comments

- There is a need to build an integrated system for ARM and EWS.
- While we need to encourage farmer to farmer extension support or use the lead farmer model, there is need to realize that we may miss the scientific element – the concrete diagnostics by agriculture experts

Answers

- There is a need to package information that is user friendly and frequently so, and to invest in modernized climate infrastructure.
- We need to ensure tailor made information (including one pagers).
- There is a need to enhance technical skills for developers and users of information, alike. There is a need for accuracy and effectiveness in usability.
- Government should create incentives for Public Private Partnerships (PPPs).

Conclusion

The following are the key takeaway messages and next steps:

- The Government welcomes the partnership between PARM and the Ministry of Agriculture and is committed to applying a holistic approach to ARM to cater for a wide variety of risks along the agriculture commodity value chain to increase benefits of agriculture to all stakeholders.
- Government will consider the outcomes of the two feasibility studies during the design of the next agriculture investment plan. Government will review NAIP I and launch the design of NAIP II soon.
- A number of initiatives are being implemented by Government and some partners in the country to deal with the two thematic issues i.e. WRS and EWS. Government of Zambia welcomes the initiative by PARM that is aimed at strengthening WRS and EWS-IS.
- A number of partners support areas such as capacity building of partner institutions including the Ministry of Agriculture and other relevant line Ministries and in securing funding to strengthen initiatives in response to agriculture risk.

- Implementation of agriculture risk management tools requires collaboration among stakeholders and the unlocking of innovative financing.
- Government of Zambia should strengthen policy around issues such as:
 - improving extension worker numbers
 - improving diagnostics, including mechanising to improve diagnostics and the quality of inputs
 - improving infrastructure
 - maintaining hygiene for disease control
- In order to proceed into the next phase of PARM processes there is a need for the Government to take ownership of the process, validate the findings together with key stakeholders and commit to move forward with implementing recommendations and investment plans resulting from the two feasibility studies.

Closing remarks

During the closing session, Massimo Giovanola from PARM thanked the Government of Zambia for engaging with the PARM initiative and for embracing a holistic approach to ARM. He thanked the Ministry of Agriculture for facilitating the processes and enabling a successful event. He said the dissemination workshop marked the final stages of the first phase of the PARM processes in Zambia and reminded the Government that the next steps would require ownership and leadership by the country and its partners in order to operationalise the recommendations and investment plans, shared during the workshop. PARM looks forward to the government's validation of the reports and hopes that Zambia will be supported under the next phase.

Delivering closing remarks on behalf of the Government of Zambia, Mr. Alick Daka, Deputy Director in the Department of Agriculture (MoA) said Zambia remains steadfast in addressing agriculture risk and is committed to ensuring agriculture development and food security through applying tools that mitigate risk. He said the Government, together with its partners is already implementing initiatives that aim at strengthening smallholders, including skills development, market access etc. He thanked PARM for their support to Zambia and re-iterated the Government's continued engagement with PARM and other partners in dealing with climate risk and ensuring food systems resilience.



Right to left: Massimo Giovanola, Songwayo Zyambo, Chance Kabaghe and Mclay Kanyangarara

Annexes

Annex 1: Agenda

Annex 2: List of participants

Annex 3: Presentations

Annex 1: Agenda

Time	Description	Presenter
08:00 - 08:30	Registration of Participants	
09:00 - 09:15	Opening Remarks	Massimo Giovanola, PARM Songowayo Zyambo, Permanent Secretary, Ministry of Agriculture (MoA) , Zambia
09:15 - 09:20	Presentation of the Workshop Objectives	Facilitator: Nalishebo Meebelo
Session 1. Setting the scene: Agriculture Risk Management Policies in Zambia		
09:20 - 10:15	<p>Panel Discussion: The objective of this session is to establish a discussion between the main actors who play a major role in the agricultural risk management process initiated by the Ministry of Agriculture in collaboration with PARM. It will highlight the role of agricultural risk management in Zambia's agricultural policy strategy as well as the government's commitment following the results of the risk assessment, conducted by the WB and the measures taken at government level to integrate the results on ARM at the national level. The role of PARM and NEPAD as technical facilitators to MoA since the beginning of the process in Zambia will also be highlighted.</p> <p>Main Questions to be addressed:</p> <ul style="list-style-type: none"> • Why is the holistic approach to agricultural risk management at the heart of agricultural and development policies in Zambia? • What are the future prospects for integrating ARM into national strategic documents and investment plans? • How did PARM and NEPAD provide support on ARM to the Gov. of Zambia? 	<p>Facilitator: Nalishebo Meebelo</p> <p>Panellists:</p> <p>MoA: Christopher Mbewe PARM: Massimo Giovanola (Technical Specialist) COMESA: Mclay Kanyangara (Climate Change Advisor) FAO: George Okech (Resident Representative) Oscar Adrian Blanco (Livestock Specialist)</p>
10:15 - 10:30	Panel Discussion Q&A	Facilitator: Nalishebo Meebelo
10:30 - 10:45	Coffee Break/Group photo	
Session 2. Thematic Panels		
10:45 – 12:45	<p>Panel: Enhancing the Zambian Warehouse Receipt System (WRS) The main purpose of the study is to enhance the operational capacities of the Zambian WRS in order to increase market and financial access, liquidity, and credibility in the commodity markets, consequently making the entire system more sustainable in the medium-long term. In addition, the study speaks to aligning the operations of the Food Reserve Agency (FRA) with a functional WRS and exchange trading system in Zambia. Following the study, a sustainable investment plan was proposed. The objective of this panel is to enable partners and key players to discuss the possibility of implementing the proposed recommendations in the country.</p> <p>Main Questions to be addressed:</p> <ul style="list-style-type: none"> • Why is it important to enhance the WRS in Zambia? And what are the proposed recommendations? • What role would the Gov. and the private sector play in the promotion and development of WRS? • How can we link the new recommendations identified through the study with the initiatives already being advanced by the technical-financial partners? 	<p>Facilitator: Nalishebo Meebelo</p> <p>Panellists:</p> <p>IAPRI: Antony Chapoto (Research Director) World Bank: Iretomiwa Olatunji (Natural Resources and Environment Specialist) WFP: Allan Mulando (Senior Programme Policy Officer) IFAD: Dick Siame (Country Officer) MUSIKA: Reuben Banda (CEO) ZAMACE: Jacob Mwale (CEO) Ministry of Agriculture: Kezia Katyamba (Agribusiness Dept) ETG: Alok Dikshit</p>
12:45 - 13:00	Panel Discussion Q&A	Facilitator: Nalishebo Meebelo

Time	Description	Presenter
13:00 - 14:00	Lunch	
14:00 - 15:45	<p>Panel: Improving access to agricultural risk information for meso level stakeholders and smallholder producers in Zambia</p> <p>The feasibility study on access to information made it possible to identify the gaps and needs in Zambia and thus propose technical-financial solutions to facilitate access to information systems to meso level stakeholders and smallholder producers. Following the study, a sustainable investment plan was proposed, the objective of this panel is to discuss between partners and key players on the importance of improving access to information and the possibility of implementing the proposed recommendations in the long term. The establishment of an efficient information system must allow access to information for small producers in rural areas, more particularly in the three areas for risk management, namely market prices, pests & diseases and climatic hazards.</p> <p>Main Questions to be addressed:</p> <ul style="list-style-type: none"> • What are the information needs expressed by the smallholder producers and the main recommendations to improve access to agricultural risk information? • What role could the government play in disseminating information to producers? • How can collaboration between the public and private sector to facilitate information sharing, be improved? • How can we link the new recommendations identified through the study with the initiatives already being undertaken by technical-financial partners? 	<p>Facilitator: Nalishabo Meebelo</p> <p>Panellists:</p> <p>PARM: Grace Obuya (Independent Consultant)</p> <p>World Bank: Iretomiwa Olatunji (Natural Resources and Environment Specialist)</p> <p>DMMU: Lenganji Sikaona (Deputy Director, Disaster Risk Management)</p> <p>MoA-Early Warning Unit: Chitalu Zimba (Chief Statistician)</p> <p>MoA: Dominic Namanyungu (Principal Extension Methodologist)</p> <p>SAS: Anna Songolo, Livestock Specialist</p> <p>Madison Insurance: Mpundu Mutale (Agriculture Underwriter)</p> <p>ZIFLP: David Ngwenyama (Provincial Project manager)</p>
15:45 - 16:00	Panel Discussion Q&A	Facilitator: Nalishabo Meebelo
16:00 - 16:15	Coffee Break	
SESSION 3: Closing session		
16:15 - 16:30	Closing Remarks	<p>Massimo Giovanola, PARM</p> <p>Alick Daka, Deputy Director, Ministry of Agriculture</p>
16:30 - 17:00	Cocktail	

Annex 2: List of Participants

Name	Institution
1. Songwayo Zyambo	MoA
2. John Kalumbi	MoA
3. Alick Daka	MoA
4. Massimo Giovanola	PARM
5. Christopher Mbewe	MoA
6. Mclay Kanyangara	COMESA
7. George Okech	FAO
8. Oscar Adrian Blanco	Avencion
9. Anthony Chapoto	IAPRI
10. Iretomiwa Olatunji	World Bank
11. Allan Mulando	WFP
12. Dick Siame	IFAD
13. Reuben Banda	MUSIKA
14. Dingiswayo Banda	MoF
15. Kezia Katyamba	MoA
16. Alok Dikshit	ETG
17. Grace Obuya	PARM
18. Kalengo Mumba	DMMU
19. Chitalu Zimba	MoA
20. Dominic Namanyungu	MoA
21. Jacob Mwale	ZAMACE
22. Silas Simukoko	LuSE
23. Alex Kabwe	MoA ECOBIS/ Department of Agriculture
24. Eva Jhala	BEMVI Associates
25. Malumo Nawa	MoA Department of Agriculture
26. M. Mwamba	Zambia National Climate Change
27. Chongo Banda	MoA
28. Peter Chilambwe	MoA ESLIP IFAD
29. Michael Mbulo	MoA RUFEP IFAD
30. Kayula Mwila	MoA ESAPP
31. Kwibia Liywalii	MoA ESAPP
32. Maurice Muchinda	FAO
33. Ariane Riemann	German Cooperation
34. Julia Kirya	German Cooperation
35. Mwila Chikwekwe	AFD
36. David Ngwenyama	ZIFLP
37. Collins Sikajila	In-service Trust
38. Phil Daka	LuSE
39. Martin Liywalii	MoA S3P IFAD
40. Nsamba Shitumabnuma	ZAMACE
41. Mbosonge Mwenechanya	SAS
42. Phil Ngongo	Global Commodities Advisory
43. Sebastian Scott	Grassroots Trust
44. Thandi Lupupa	SPGRC
45. Chance Kabaghe	IAPRI
46. Paul Samboko	IAPRI
47. Twambo Hachibamba	UNZA
48. Elias Kuntashula	UNZA
49. Lydia M. Chabala	UNZA
50. Ishmael Zulu	CUTS International
51. Scott Hesking	Dalberg
52. Ngao Mubanga	Consultant
53. Simwaka Morgan	MORALA Farms
54. Brian Tembo	IAPRI
55. Peggy Hlazo	BEMVI Associates
56. DeAndre Zlwakanye	Avencion
57. Mwimbu Ngoma	HEIFER International
58. Arvmdol Sakala	FRA

59. Phil Chipanza	Avencion
60. Cephas Kaputula	MoF
61. Doreen Nawa	Zambia Daily Mail
62. Hope M. Banda	MNLR
63. Martin Mwansa	FRA
64. Machona Kasambala	MoA NAIS
65. Rhoda Kamwenda	MoA NAIS
66. Josiah Mpofu	MoA NAIS
67. Nicholas Mwale	MoA NAIS
68. Wilson Sandala	Freelance
69. Viall Hauguey	DELTAFS
70. Patrick Chibbamulilo	JICA
71. Yoji Matsor	JICA
72. Richard Chanda	MoA/SCCI
73. Elijah Phiri	UNZA
74. Happy Gina Nyambe	SAS
75. Mufuka Samukonga	SAS

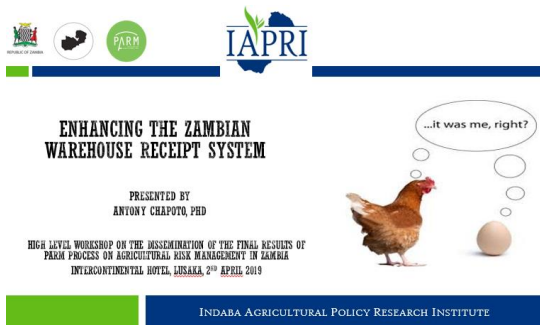
Annex 3: Presentations



Presentation 1:

Workshop Objectives
Nalisheeb Meebelo, PARM Consultant

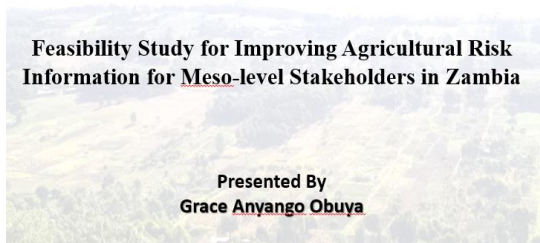
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Presentation 2:

Enhancing the Zambian Warehouse Receipt System
Antony Chapoto, IAPRI

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Presentation 3:

Improving Agricultural Risk Information for Meso-level Stakeholders in Zambia
Grace A.Obuya, Consultant

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MANAGEMENT

Contacts

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