The Challenge of Integrating the Goals of Productive Land Use and Broad-Based Agricultural Development In Zambia

ACF/Food Security Research Project, Lusaka

Presentation by Antony Chapoto
Forum on Natural Resource Management & Rural Development in Zambia: Moving from Research Evidence to Action
Pamodzi Hotel, 03 December 2009
What is The Problem?

1. Land constraints, among others, are increasingly impeding achievement of poverty reduction goals inside & outside GMAs
2. Land productivity is far below potential – in part due to inadequate investment in smallholder areas
3. There remains a great deal of unutilized land in Zambia:
   - What is the right approach to land development, land management and complementary investment policy to achieve poverty reduction and agricultural growth?
Objectives of Presentation

1. To discuss the extent of land pressures within customary land (smallholder) sector
2. To show how land disparities within smallholder sector affect agricultural growth and poverty reduction goals
3. To report traditional authorities’ views about transfer of customary land to the state & other issues
4. To consider alternative land policy options for addressing the goals of broad-based rural development and food security
Foundation: Empirical Data on Smallholders in Zambia Nation Wide Random Surveys

Structure of Smallholder Sector

1. Most are small farms
   – 40% are 1 ha or less
   – 70% are 2 ha or less in size
   – Top 25% have 10 times land size of the bottom 25%

2. Smallholder farm size went down over past 10 years
Farm Size (Cultivated + Fallow Fields) For Small & Medium-Scale Farmers, 2001 and 2008

Source: CSO/MACO/FSRP 2000/01 & 2007/08 National-Level Supplemental Rural Livelihood Survey
Significant Disparities in Livelihoods Within Smallholder Agriculture Sector in Zambia 2003/2004 (03/04 values adjusted to 2007/08 US $)

<table>
<thead>
<tr>
<th>Maize Market Category</th>
<th>Number farmers</th>
<th>Farm size (ha)</th>
<th>Asset values (US$)</th>
<th>Gr. Rev., maize sales (US$)</th>
<th>Gr. Rev., crop sales (US$)</th>
<th>Total hh income (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 50% of maize sales</td>
<td>1,243,810</td>
<td>4.6</td>
<td>1,940</td>
<td>615</td>
<td>1,063</td>
<td>2,973</td>
</tr>
<tr>
<td></td>
<td>31,328</td>
<td></td>
<td>1,940</td>
<td>615</td>
<td>1,063</td>
<td>2,973</td>
</tr>
<tr>
<td></td>
<td>(2.5%)</td>
<td></td>
<td>(71%)</td>
<td>(26.4%)</td>
<td>(2.5%)</td>
<td>(71%)</td>
</tr>
<tr>
<td>Rest of maize sellers</td>
<td>328,561</td>
<td>2.0</td>
<td>398</td>
<td>60</td>
<td>161</td>
<td>634</td>
</tr>
<tr>
<td></td>
<td>(26.4%)</td>
<td></td>
<td>(71%)</td>
<td>(26.4%)</td>
<td>(2.5%)</td>
<td>(71%)</td>
</tr>
<tr>
<td>Households not selling maize</td>
<td>883,921</td>
<td>1.32</td>
<td>280</td>
<td>0</td>
<td>78</td>
<td>422</td>
</tr>
<tr>
<td></td>
<td>(71%)</td>
<td></td>
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</tr>
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Source: CSO/FSRP Supplemental Rural Livelihood Surveys, 2004
**Significant Disparities in Livelihoods Within Smallholder Agriculture Sector in Zambia 2007/2008** (in 2007/08 US$ values)

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<tr>
<td>Top 50% of maize sales</td>
<td>1,493,197</td>
<td>4.8</td>
<td>4,083</td>
<td>1,348</td>
<td>2,312</td>
<td>5,057</td>
</tr>
<tr>
<td>Rest of maize sellers</td>
<td>421,131</td>
<td>1.9</td>
<td>864</td>
<td>157</td>
<td>315</td>
<td>1,378</td>
</tr>
<tr>
<td>Households not selling maize</td>
<td>1,023,874 (68%)</td>
<td>1.2</td>
<td>497</td>
<td>0</td>
<td>98</td>
<td>789</td>
</tr>
</tbody>
</table>

Source: CSO/FSRP Supplemental Rural Livelihood Surveys, 2008
Zambia: Maize Yields (mt per hectare of area harvested), Fertilizer Users vs. Non-users
Poverty Incidence in Zambia (%) (1991-2006)
The Opportunity with Land

• There is unutilized productive land in Zambia – how best to utilize it?
• And what to do to help the 1.5 million smallholder farms in Zambia (roughly 60% of national population)?
Government Policy

• Land Bill of 1995
  – Encouraging chiefs to transfer land from customary system to state land
  – State provides title to entrepreneurs to make productive use of the land
• Farm Blocks – likely to be major plank of SNDP for agricultural sector
  – State invests in infrastructure (roads, dams, electrification, main irrigation): Most locations somewhat distant
  – Private investors then develop the scheme
  – So far, state has not involved the private sector in design of schemes (public-private partnerships)
Proposed Farm Blocks & Population Density 2007
Surveys With Village Headmen and Households
What was Learned?

• Headmen interviews
  – Do you think the transfer of land from the chief to land under title deed is a good or bad policy? (2008 survey of 1053 headmen)
  – % of land under village authorities already allocated?
  – Is there additional land available for allocation to farmers already living/farming in the village?

• Household-level interviews
  – Do you think there is unallocated land available locally 2004 nation-wide survey
“Do you think the transfer of land from the chief to land under title deed is a good or bad policy?”
Why a Good Idea (18%)?

- Collateral
- Easy to transfer land
- Tenure security
- Reduces land conflicts
Why a Bad Idea (81%)

- Strips poor of access to land
- Traditional authorities lose power
Is there unallocated land, is it suitable for cropping and would you allocate?

<table>
<thead>
<tr>
<th>Headman Responses</th>
<th>% Unallocated</th>
<th>% Unallocated Suitable for Cropping</th>
<th>% Who Would Allocate To HHs in the Village</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>22</td>
<td>62</td>
<td>47</td>
</tr>
<tr>
<td>Copperbelt</td>
<td>18</td>
<td>60</td>
<td>61</td>
</tr>
<tr>
<td>Eastern</td>
<td>17</td>
<td>64</td>
<td>50</td>
</tr>
<tr>
<td>Luapula</td>
<td>24</td>
<td>64</td>
<td>87</td>
</tr>
<tr>
<td>Lusaka</td>
<td>31</td>
<td>43</td>
<td>48</td>
</tr>
<tr>
<td>Northern</td>
<td>32</td>
<td>64</td>
<td>76</td>
</tr>
<tr>
<td>North W</td>
<td>55</td>
<td>56</td>
<td>97</td>
</tr>
<tr>
<td>Southern</td>
<td>19</td>
<td>47</td>
<td>38</td>
</tr>
<tr>
<td>Western</td>
<td>29</td>
<td>54</td>
<td>70</td>
</tr>
<tr>
<td>Zambia</td>
<td>25</td>
<td>58</td>
<td>63</td>
</tr>
</tbody>
</table>
Farmer Perception if Land is Available Locally for Allocation

• Lack of Consensus on Availability of land locally

• Factors Affecting Perception
  – Positively Related Factors
    • amount of land (small effect) & other assets
    • kinship relations to local headman
    • distance from roads & district towns
  – Negatively Related Factors
    • female-headedness
    • proximity to towns & markets
    • duration of settlement in the area
Summary so far:

1. Land constraints + low productivity of smallholder agriculture leading to
   - stubbornly high rural poverty
   - Despite urban migration absolute size of rural households in poverty continues to grow

2. Rural settlement follows public investment in rural infrastructure
Summary so Far (2):

3. Land constraints in a land-abundant country is not a paradox
   - economically viable arable land requires access to basic services, water, schools, roads, and markets.
   - in the customary system, land must be allocated

4. The basic public investments to make additional settlement economically viable have yet been made in many areas of Zambia

5. Complementary investments in land productivity enhancements are underfunded
Considerations for Policy (1):

1. Land constraints in smallholder areas are real - \( \frac{1}{2} \) of smallholder population controls < 1.0 hectares
Considerations for Policy (2):

2. Will GRZ give priority (in terms of public expenditures) to farm blocks or also consider additional land intensification development for existing smallholder areas?
   - Customary lands is where 60% of Zambia’s population resides
   - What is the right mix?
Considerations for Policy (3):

3. Need for greater investment in public goods (infrastructure, extension, crop science) to promote productivity growth on existing land in smallholder areas
2009 Allocation of Public Budget - Agriculture

- Recurrent Departmental Charges: 10.8%
- Personal Emoluments: 12.7%
- Poverty reduction Program (FSP): 35.3%
- Poverty reduction Program (All Other): 1.8%
- Agricultural development Programs: 20.3%
- Allocation via other ministries: 6.9%
- Other MACO expenditures including capital expenditure: 4.0%
Considerations for policy (4):

6. Landuse/Settlement Enhancement in Existing Smallholder Living Areas

- Improve local roads & other infrastructure
- Encourage/strengthen collaboration of local authorities in the process
- Create more transparency for all involved in the process of allocation of additional land
- Empower and monitor local land use management
Considerations for policy (5):

7. Get the underlying support policy environment right
   - Input/output marketing policies will affect the rate of return to investments in both customary areas and farm blocks
Thank you to Zambian smallholders, traders, consumers and to policy makers for opportunities to obtain/share information and ideas – we welcome questions and comments