

## Review of Experiences on Market Oriented Agricultural Advisory Services (MOAAS)

### Agriculture Support Programme (ASP), Zambia

Country: [Zambia](#)

Name of intervention: [Agriculture Support Programme, ASP](#)

Time period under analysis: [2003-2007](#)

Institutions/agencies involved: [Ministry of Agriculture and Cooperatives](#)

#### Brief summary of intervention objectives:

The Agriculture Support Programme, ASP, is a five-year programme under the auspices of the Ministry of Agriculture and Co-operatives (MACO), funded by the Swedish International Development Cooperation Agency (Sida) and managed by a Consortium of consulting companies with Ramboll Natura AB as the lead consultant.

The short-term objective is improved livelihoods of small-scale farmer households through 1) improved food and nutritional security, and 2) increased income through sale of mainly agricultural and agricultural related products and services.

The long-term goal, in line with the overall development goal of the Government of Zambia, is poverty reduction.

#### Six lead questions to describe the cases ...

##### 1. What are the settings and arrangements for MOAAS?

The ASP though managed by a consulting company implements programme activities through MACO structures at District and Camp level especially. The core for interacting with the target group is through the ‘facilitation cycle’.

##### 2. Who are the clients of MOAAS?

**Small-scale farmers.** Targeted farmers include subsistence farmers, who should have the interest and potential to become “entrepreneurs” or business oriented farmers within the programme implementation period. As much as the small scale farmers are the main target group ASP also facilitates the strengthening of local authorities, like district councils, District Development Coordinating Committees, MACO etc. plus private sector support entities, like input suppliers, processors, traders etc., as long as the services by these authorities and private sector support entities are needed for the development of the farmers’ businesses.

##### 3. What approaches and methods are used for MOAAS?

A participatory extension approach using the ASP Facilitation Cycle with “farming as a business” as the main focus, developing entrepreneurship skills as well as improved crop and animal husbandry and market linkages and the facilitation of all needed support entities.

#### 4. What outcomes and impact do MOAAS have?

Increased capacity for sustainable management of the resource base. Improved food & nutrition security and increased income through more efficient production and marketing practices.

#### 5. What is the role of development agencies and other external stakeholders?

To facilitate linkages to initiatives that support the processes of increased marketing, income and food security.

#### 6. What are the linkages to other services?

The linkages relate to the access to special information and capacity building, input provision, micro finance and credit facilities, contract markets etc.

#### 7. Which insights and lessons can be learnt from the case, e.g., good practices, obstacles, pitfalls?

The use of the “Facilitation Cycle” approach and working with the Households rather than individual farmers to develop Action Plans has proven very useful, since more than one person in each household knows what is going on and can work and make decisions even when the head of the household is not there. It also promotes gender equity. Using a demand driven decentralized process to determine programme interventions, where all these interventions are dictated by the individual business needs of the respective targeted farmers. This promotes an effective and timely allocation of programme resources for programme interventions. The process of action-reflection-action is a very effective tool for adult learning. Keeping a commercial business focus for everything the programme does helps keep the programme well coordinated. It is imperative to have a very good backstopping system at all levels within the programme to ensure high quality of the field facilitation.

### Question 1: What are the settings and arrangements for MOAAS?

#### 1.1 What does your agency hope to achieve by contributing to MOAAS and how does this relate to your agency's overall goals?

- This is facilitated mostly through small out-grower schemes. Farmers organize themselves in companies, cooperatives and associations or as individuals and get involved in trading, processing and input supply. The programme hopes to facilitate the development of a sustainable market for services and goods.
- To increase income accruing to farmers, there is need to add value to produce and target defined market niches.
- Diversification of crop and livestock production is facilitated to reduce risk and improve food security as well as exploit business opportunities. ASP also facilitates all kinds of income generation also outside the agricultural sector.
- There needs to be a critical mass of entrepreneurs to sustain economic development. ASP contributes significantly to this by assisting farmers to exploit local economic opportunities.
- Access to defined and reliable markets is important to sustainable economic development. ASP facilitate local market linkages especially

- ASP is about changing attitudes and mindset. We even have a programme with schools introducing the “farming as a business” concept.

## **1.2 What is the context of the MOAAS intervention?**

- There are hardly any traders/processors outside of district centres making marketing and access to input supply very problematic for the small scale farmers. ASP therefore facilitates small scale out-grower schemes at village level thus reducing the distance for needed services including, market, market information, credit, inputs and extension services.
- Most areas have good agro-ecological potential, though with the risk of recurrent drought. ASP facilitates enterprise diversification and use of sustainable land management practices.
- Feeder road network is poor and access to electricity outside district centres is rare. ASP has facilitated improvement in infrastructure which enhances marketing opportunities. This facilitation includes contribution of 75% of the funds for community based infrastructure, where the community puts up the balance. We also facilitate linkages to other organizations dealing with infrastructure development. We also facilitate proper use of crop levies for the grading of roads by the District Councils
- ASP facilitates various kinds of organization of market integration. Small out-grower schemes come about through our facilitation efforts. These out-grower schemes are linked upwards in the marketing chain. ASP is also facilitating the strengthening of market placers further up the marketing chain as long as in the end it benefits the ASP target group.
- ASP participates in standing and ad hoc fora where relevant policy issues related to the market orientation of the agricultural sector are discussed. Through these fora lobbying to relevant authorities on policy issues is also initiated.

## **1.3 What are the particular constraints for farmers to connect to markets?**

It is mainly wrong attitudes/habits, which have lead to poor organization and planning.

Regarding Maize, Government interference in marketing is rife. Moreover, the lack of traders is as a result of low production and the lack of farmers’ organization and also a history of negative attitudes against “middlemen” who are considered as exploiters, constitute constraints for farmers.

## **1.4 Who provides the MOAAS services, how do they operate, what services are provided?**

- ASP uses government camp extension workers in implementing programme activities.
- ASP cooperates with other programmes and NGOs, who provide agro business promotion services, like ZATAC and SHEMA
- These are contracted from time to time to undertake specific assignments such as developing training materials or subject matter extension material. They are also contracted to undertake various studies relating to programme implementation.
- Some NGOs facilitate the provision of marketing information through publications or dissemination through various media
- ASP facilitates farmers to link up to farmer cooperatives/associations where they can benefit from the services of such associations.

ASP is facilitating the development of small scale out-grower schemes and community extension agents, to provide relevant services. ASP is also facilitating linkages to any other relevant

service provider. For example Zambia National Farmers Union regarding marketing information. ASP is also facilitating various kinds of farmer organizations at village level like Interest Groups, Camp Committees and Cooperatives, who provide MOAAS.

### **1.5 How does the MOAAS support service providers?**

For example:

- New service providers have evolved.
- The capacity has been developed through relevant capacity building and facilitation support.
- No financial support has been obtained by the service providers. But, some material support through capacity building -i.e.: training, linkages, exposure visit etc. Farmers however have to contribute to the capacity building exercises.
- The coordination has been enhanced through farmer groupings like interest groups, camp committees etc. and their linkages.
- ASP is contributing to attitude change and the acceptance that business is not something inherently bad and exploitative.
- Farmers and their structures are the driving force in the intervention, developed and enhanced by ASP facilitation.

### **1.6 Which insights and lessons can be learnt from the case, e.g., good practices, obstacles, pitfalls?**

All interventions have to be demanded and driven by the farmers themselves otherwise the sustainability of the interaction process easily gets compromised. Development of market/demand driven support structures is a slow process which is dependant on first of all producing the desired volumes and quality of products and services to satisfy the supply and demand.

## **Question 2: Who are the clients of MOAAS?**

### **2.1 How many and what types of farmers use the services?**

- A minimum of 50,000 individual households in 4 Provinces of Zambia. (We work directly with 44,000 households and with many others through the interest groups. We also work with numerous so called support entities)
- Male and females; we target the whole Household
- Small-scale farmers mainly, conservation farming methods, diversification, livestock and crop integration
- Level of market orientation:
  - o Most ASP farmers are more or less subsistence farmers when they join the programme.
  - o To some extent commercial farmers can be facilitated if they represent an important marketing link to the target group.
- Small-scale (not the poorest of the poor)
- Youth are also engaged as far as the whole Household is targeted.

### **2.2 Do the actual clients correspond with the types of farmers the service intends to work with?**

- The process to identify the target group has been elaborated, therefore only households that meet the minimum criteria are engaged.

### 2.3 How are the clients involved in markets?

- All the referenced markets are represented. The biggest part of the market is local in the rural areas.
- Mostly agricultural products and services are sold.
- The marketing channels are mainly through traders, cooperatives and small scale out-grower schemes.
- The kind and degree of marketing coordination involved are listed beneath:
  - o Very little effort in terms of marketing coordination has been done as this is more of a spontaneous interaction between seller and buyer
  - o Significant effort in terms of formal and informal market contracts are involved as the contractor and contractee are usually weak in understanding the essence of a contract and what it legally means
  - o Lots of efforts go into the vertical integration of the different market actors this due to the diversity of the players involved at every level
- Mainly sell raw products with some limited local processing resulting to added value.
- The clients are organised in their interactions with markets through cooperatives or out-grower schemes

### 2.4 What motivates farmers to use MOAAS?

- The realisation that opportunities to increase income exist and not beyond the farmers means. Therefore the use of the knowledge and information accessed by the farmers is used to improve production and productivity.
- As far as the quantities and quality of a produce and timeliness in supply matters, the capacity of farmers have been built on how to meet their contractual obligations.
- Opportunities to expand and transform farm enterprise are assessed by analysing various enterprise mixes and apportions for profitability and production sustainability.
- The need for production limitation and the marketing risks are monitored and assessed by doing market surveys
- Opportunities to increase profitability of production are explored by:
  - o Reducing costs, this is about improving productivity, mainly through efficient utilisation of resources
  - o Improving bargaining position through group marketing and quality of products
  - o Added value mainly through access to improved knowledge and linkages
  - o Providing training and exposure to improve agricultural practices and market linkages

### 2.5 Are there other clients to MOAAS services than farmers?

- ASP works with any and all so called support entities that the farmers need to develop their businesses. These for example include, community extension workers, traditional rulers, input suppliers, processors, traders, out-grower schemes, savings groups, camp committees, interest groups, district councils etc. etc.
- The facilitation of linkages, capacity building and training as well as the facilitation of access to credit and exposure visits key services.

- The clients are linked with farmers mainly through government extension staff, facilitated by ASP
- The indirect benefit for farmers is the improved service delivery
- Through the increased service delivery the marketing and economic potentials in the rural areas are strengthened.

## **2.6 Which insights and lessons can be learnt from the case, e.g., good practices, obstacles, pitfalls?**

The services providers (support entities) are important for sustained economic development in the rural areas; they are the ones to facilitate the continuation of the processes started under the programme. It is important to stimulate the organic emergence/development of service providers if they are to be sustainable after programme life.

## **Question 3: What approaches and methods are used for MOAAS?**

### **3.1 What kind of services do MOAAS deliver?**

The following services are provided by ASP:

- Advice or extension
- Training
- Information
- Organisational development
- Linking to markets
- Contract research
- Exposure visits to enhance adult learning

### **3.2 How do the MOAAS providers and the clients relate to each other?**

- The service providers and the clients relate to each other through contact at predetermined intervals and occasionally ad hoc
- Demands or needs for services are identified through a participatory needs assessment process involving the farmers and relevant service providers.
- The contractual arrangements between providers, clients and other actors are informal for the most part. Formal arrangements are usually limited to contract farming.
- The responsiveness of delivered services to the demands is ensured by facilitators undertaking regular follow ups to facilitate the assessment and review of activity implementation resulting from action plans developed by farmers and service providers alike.

All these issues are handled through the ASP Facilitation Cycle Process.

### **3.4. How are innovations in MOAAS being up-scaled?**

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- Systems are in place to replicate experiences on regional or national levels, mainly in areas adjacent to the programme implementation camps.
- Initiatives have been up-scaled by some MACO extension officers who have adopted the ASP facilitation approach. It is hoped that new programmes in other parts of the country would adopt the ASP approach and make use of its experience.

### **3.5 Which insights and lessons can be learnt from the case, e.g., good practices, obstacles, pitfalls?**

Programme interventions have to be business focused and demand driven and relevant to individual farmers' business plans.

## **Question 4: What are the outcomes and impacts of MOAAS?**

### **4.1 How is MOAAS helping farmers to deal with market constraints?**

- Providing access to market information is facilitated by linking farmers to sources of appropriate information
- Supporting farmers to do their own market research? Farmers are supported through capacity building on the importance and requirements for own market research
- Production and productivity is increased through capacity building of farmers on the use of improved production techniques/practices and enterprise diversification
- Supporting farmers' strategic choices by facilitating farmers through Individual Enterprise action plans to evaluate and analyse investment options based on a number of factors
- Supporting farmers to deal with quality requirements is done through building of the capacity of farmers to appreciate the importance of quality and exposure to relevant markets
- Enabling farmers to organise and deal with requirements for quantity and timeliness through the facilitation the development out-growers schemes and bulking of produce
- Improving farmers' bargaining power through capacity building and linkages to relevant markets
- Matchmaking between farmers and traders and processors through facilitating effective linkages between producers and buyers

### **4.2 What are the outcomes/impacts of MOAAS?**

- The outcomes/impacts of different types of services are as follows:
  - o Generally there has been a marked increase in household incomes, however figures by gender are not available at the moment
  - o Improved food security although the scale differs from one area to another.
  - o The applied household approach means that also the status and decision-making power of the women and the youth in the Households is strengthened. Gender equity significantly enhanced.
  - o Employment has been an increase in hired labour observed. Due to increased and improved production and market levels, households get a higher income and a better margin in their household economy and can thus afford to pay for hired labour.
  - o The use of external inputs has increased and improved as a result of the capacity building undertaken and because farmers appreciate the economic difference they make if properly applied
  - o There is a big change in the marketing practices as farmers become conscious of the cost of production and relate this to the sale price. There is also an improvement in the types of produce and volumes being sold according to location
  - o An individual household Action Plans means that the household plan with a bit longer time frame in mind. They all have a vision. They keep records. They

diversify enterprises. They evaluate enterprise profitability and market opportunities before planting.

- With better margins the farmers also decide that they can afford to take some minimal risks and engage in new production with better potential benefits.
- Much has improved in the natural resource management especially that farmers are now conscious about the effects of environmental degradation
- The use of different advisory services has also been improved significantly as farmers can relate the value of services to the increase in production and income
- In some areas local processing has gone up quite significantly and farmers have been able to achieve increased incomes.
- General high increases in both farm and non-farm incomes in all programme areas which in most cases ensures that the farmer gets income through out the calendar year
- Better overall organization, focus and changed attitudes towards “farming as a business”.

#### **4.3 Are there side-effects or unexpected outcomes of MOAAS?**

- The understanding and adoption of the farming as a business concept may not depend of the literacy levels of the client. The willingness to learn and apply the concept is a critical factor in the change and adoption process.
- Side-effects or unexpected outcomes for other actors:
  - High “spill-over” effects to other (non-target) farmers that see the benefits that the programme farmers are experiencing
  - Better gender equity
  - Landless labourer benefit, Even though land is not limiting except the attitude of some people to exploit the resource
  - Secondary marketing chains have developed organically
  - Service providers (e.g. middlemen and marketing agents) benefit from more secure access to quality produce. Yes
- Sustainable farming methods such as conservation farming have been increasingly used.
- With increased production and increased marketing opportunities the whole local rural economy benefits through a more lively local economy.

#### **4.4. Which insights and lessons can be learnt from the case, e.g., good practices, obstacles, pitfalls?**

The adoption of sustainable production practices is much quicker where the link of enterprise to profitability clearly manifests. Including economic costs to sustainability in resource exploitation is not easy as local data on this is very limited.

#### **Question 5: What is the role of development cooperation and other key stakeholders?**

##### **5.1 What are the roles and functions of development agencies in MOAAS?**

Facilitators - Catalyst of the change process

- The intervention is designed by the agency but only in as far as providing a framework for evaluating possible interventions - through participatory methods.

- Funding is provided but no handouts are given to the farmers. (Training is however subsidised.)
- Technical advice is provided but facilitated with sustainable linkages.
- Support on organisational development is provided through a process of participatory facilitation
- ASP facilitates linkages to suppliers and producers, and capacity building of suppliers.
- Poverty orientation is ensured by using the commercial orientation approach to uplift the production levels
- The inclusion of small farmers and gender equity is promoted through lobbying to policy makers and inclusion in the design and implementation of programmes
- Risk reduction / management is ensured through facilitating the understanding of risk and appreciating the options available to mitigate against this
- Methodology of advisory services? Yes; they do influence the design of the delivery mechanisms of the advisory service
- To some extent, support on policy development is provided, though this is usually seen after the programme life

Facilitating business focus and attitudinal change.

## **5.2 What are the roles and functions of the government (local and national) in MOAAS?**

The government has the role and function to:

- define the development agenda
- take the responsibility of creating an enabling environment through defining the policy direction and environment
- develop the policies which define the framework for designing development programmes
- provide funding
- technical advice
- support organisational development to a certain, extent especially where groups and cooperatives are formed
- supply inputs
- ensure poverty orientation
- promote inclusion of small farmers and gender equity
- risk reduction/management? Yes
- ensure regulation / inspection / certification of service providers
- ensure information/ market transparency
- implement public research
- define regulatory and policy frameworks
- facilitate service coordination and donor coordination

## **5.3 What are the roles of other stakeholders?**

- Other stakeholders involved are: private sector (e.g. middlemen, entrepreneurs) which provides better access to markets. This is a purely commercial role.
- The roles of other stakeholders are mainly to participate in business and ensure that the markets are viable and run commercially.

#### **5.4 What are the implications of these roles and functions?**

- Equity and poverty orientation, including food security, are not really issues as long as the business at hand is profitable.
- Market distortion through Government intervention in the marketing of some products, compromises the investment climate in those products.
- The private sector is important in terms of economic sustainability (better market access and other relevant services also in the future, after the end of the programme)
- The roles and functions of the government is to initiate and supervise the development of local and national policy
- There is a significant effect on farmers learning process and organisation especially where as in the case in of ASP the basis for the learning process is self conviction, willingness to change and desire to participate
- The institutional settings have an effect on the institutional setting which is both, positive and negative. The positive aspect is that the capacity of the participating officers is significantly enhanced. The negative aspect is that the institutional ability of the partner is not built to be able to take over and run the MOASS as done by ASP.
- Market and commercially oriented services are indispensable for efficiency, proper resource allocation, development and sustainability.
- The sustainability of the advisory services depends on the approach; if commercially inclined it may have the potential to become sustainable, otherwise if dependant on government the prospects of failure are high
- General development of rural areas have been observed where this is coupled with government investment and commitment

#### **5.5 Which insights and lessons can be learnt from the case, e.g., good practices, obstacles, pitfalls?**

Government intervention in the marketing system is a constraint to the development of sustainable support entities. Private/public sector partnership can work very well to implement government programmes.

#### **Question 6: What linkages exist between MOAAS and other types of services?**

##### **6.1 What other relevant services exist and how are they linked to MOAAS?**

- Microfinance Institutions - linked to the programme through facilitation of effective linkages between farmers and financial services
- Insurance Service linkages facilitated and relevant micro-trainings done
- Transportation services are usually linked to contract farming
- Out-growers are linked to the programme through facilitation of linkages, many new out-grower schemes facilitated by the programme.
- Processing of produces

## **Question 7: Which insights and lessons can be learnt from the case?**

### **7.1 What are the lessons learnt in terms of:**

The participatory approach, the “Facilitation Cycle” approach and the “Household Approach” working with the whole household to build the capacity and strengthen the status and decision-making ability of all members of the household. How to develop and build capacity in support structures. Turning farmers from “rural dwellers” to well organized entrepreneurs who are food secure and make money.

What is not functioning and what do you think contributed to the dysfunction? The MILS component has not functioned up to our expectations. Reason being that this component was given less priority given the mammoth task of the programme and its determination to succeed. Thus other components, directly related to achieving the programme objectives, were given priority. ASP is however now giving the MILS function the attention it deserves.

### **7.2 Describe good practices that you recommend for other MOAAS**

The “Household Approach” working with the whole household to build the capacity and strengthen the status and decision-making influence of all members of the household.

Action Planning – working with individual households on goal setting, assessment and planning the utilisation of household resources to reach their own goals (vision).

Internalising the aspect of “Action-reflection-action to each household” through continuous follow ups and regular backstopping at least once per month over three agricultural seasons.

Encourage farmers to keep records, not necessarily written ones. No template, don’t set the aim to high. It is enough for small scale farmers to keep certain key information, which helps them to plan and determine how their business is progressing.

It is important to have a narrow programme objective and not try to do everything for everybody. It is for example good that ASP’s objective is for the targeted small scale farmers to increase their income and be food secure and that the other target groups (private sector entities and local authorities) are seen as a means to an end and not an end in itself.

Implementing agencies/people must have a very strong incentive to succeed.

It is important to have a solid framework with principles, pillars and policies and a clear and understandable focus, like in our case “farming as a business”.

Decentralization in implementation is good to ensure flexibility in management and to understand and exploit local differences and to stimulate competition between teams.

The ASP Facilitation Cycle ensures that programme resources are targeted and allocated to the individual farmer’s needs as per their individual business plans. Then all interventions become, timely, efficient and relevant and contribute to the programme objectives.

**LUSAKA 30<sup>TH</sup> AUGUST, 2006**