ITC SUPPORT TO BUSINESS-FRIENDLY AND INCLUSIVE NATIONAL POLICIES, AND STRENGTHENING PRODUCTIVE CAPABILITIES AND VALUE CHAINS in Zambia

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The International Trade Centre


**ITC improves lives through sustainable trade**

ITC helps small businesses in developing countries go global through trade by building inclusive, sustainable and prosperous economies.
Our project in Zambia
INCREASE SMALL FARMERS AND PROCESSORS VALUE ADDITION, PRODUCTIVITY AND COMPETITIVENESS

Background and Description of the project:

The project has 3 major components:

1. Introducing a new seed cotton marketing system, starting with Central Buying Points (CBPs),
2. Fibre value-addition through handloom operations in rural areas among women farmers
3. Increasing yields by working with up to 50,000 farmers. It is implemented in collaboration with CDT and ICAC
The need for a review of the seed cotton buying system came as a result of increased merchant activity and the consequential challenges arising in the selling and buying of seed cotton over the years.

The primary objective of any cotton marketing system should be to ensure smooth exchange of seed cotton between the seller and the buyer at a sustainable cost. CBZ expressed the need to improve the current buying system so as to make it more efficient.
## COMPONENT I: PILOTING A NEW SEED COTTON MARKETING SYSTEM, STARTING WITH CENTRAL BUYING POINTS (CBPs) AS A POLICY SHIFT

### Challenges Faced
- Side selling/buying of seed cotton.
- Poor quality seed and other inputs.
- Poor quality seed cotton supplied to the ginners.
- Poor loan recovery by ginners due to side selling.

### What has been has been done
- 22 Zambian stakeholders witnessed the practical aspects of CBP operations and observed actual grading taking place at the grading rooms in Zimbabwe.
- Stakeholders unanimously resolved to implement CBPs during the 2022/2023 farming season in Mambwe, implementing the lessons learnt in Zimbabwe.
- But there is a lack of a national regulatory framework in Zambia to compel the stakeholders to comply with the CBP.
- Cotton Board of Zambia to include the issue of CBP in the review of regulations as done in Zimbabwe.
COMPONENT II - ARTISANAL FIBRE VALUE ADDITION

- The textile sector is non functional in Zambia
- Industries were sold off in 1997
- However, a group of women farmers regrouped and learnt the art of hand weaving and spinning with the support of CAZ and ITC
- The Handlooms Technology and Textiles Association (HATTAZ) was formed to add value to lint after cotton has been ginned.
- A farmer owned ginnery was identified in Mumbwa to supply lint to the women for weaving
- Helps employ women and youth and increase the resilience of farmers by providing them with additional income-generating opportunities.
COMPONENT II. IMPROVE ARTISANAL VALUE ADDITION
FARMERS ADDING VALUE TO THEIR OWN COTTON

- Building on the work of previous EU-funded interventions, ITC worked with CAZ and HATTAZ creating local capacities and clusters of excellence.
- That created resilience among farmers to price and weather shocks as they gained income all year round from new products.
- HATTAZ has trained farmers in 3 provinces; farmers are actively weaving in 7 districts. Project now focuses on 4 districts.
- The urban cluster is exporting to the US while rural clusters are selling within their communities to schools, churches and local government.
ACHIEVEMENTS SO FAR

Transformative journey: 1,500 women received training in weaving, spinning, and business knowledge

Market Linkages
Collaboration with local designers
Linkages to markets through trade shows and expos.

Increased Income:
Farmers with access to looms supplemented their income through weaving, generating an additional average income of $20 per month.
COMPONENT III INCREASING YIELDS BY WORKING WITH UP 50,000 FARMERS.
COTTON PRODUCTION STATUS IN ZAMBIA

- Low yields: For the past 10 years, they have been ranging between 120-200 kg lint per ha.
- The potential of Zambian Varieties is 1200 kg/ha Lint.
- Both Biotic and Abiotic stresses affect the low Cotton yields in Zambia
- Pest Prevalence of Bollworms and Jassids
- Poor acidic soils
- Lack of adaptation of improved agronomic practices
- Private sector driven sector with more than 250,000 farmers registered with 10 ginning companies
- A crop of economic importance for more than 1 million livelihoods and a major cash earner for the rural population
PERFORMANCE OF COTTON SECTOR 1994-2021

Ups and down period
2nd crash due to Macroeconomics + credit default,
Highest seed cotton production in country
CBZ was born 2009

Source: MoA, CBZ and ZCGA
COMPONENT III INCREASING YIELDS BY WORKING WITH UP 50,000 FARMERS. IMPLEMENTED TOGETHER WITH CDT AND ICAC

• With the help of CBZ 10 trial sites were allocated to collaborating ginners
• Using ICAC’s 4 simple steps
  I. Seed health,
  II. High density planting
  III. Integrated Pest Management and
  IV. Soil health
• Introduced biochar from cotton stalk to improve soils and capture carbon
• Improved seed varieties and better research/extension linkages
• Use of better and sustainable farming practices including conservation farming and low-input agriculture
• Learning and adjusting from season to season.
III. DOUBLING SMALLHOLDER FARMERS YIELDS – COLLABORATION WITH CDT AND ICAC

1. Training material and tools adapted to the specific climatic and soil specificities of Zambia
2. 500 Trainers capacitated with special skills to enhance yields
3. 50,000+ Farmers trained in sustainable climate-smart farming technologies and e-Decision tools
4. Progressive farmers trained on Digital technologies
5. Small-scale Technology Demonstration Fields set-up
### Summary of Results of kgs of lint yield per ha

<table>
<thead>
<tr>
<th></th>
<th>Southern Province</th>
<th>Central Province</th>
<th>Eastern Province</th>
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<tbody>
<tr>
<td>Ordinary Farmer Yields</td>
<td>170</td>
<td>240</td>
<td>280</td>
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<tr>
<td>Demo Plots Yields</td>
<td>410</td>
<td>433</td>
<td>589</td>
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**Source:** ITC - Trade Impact for Good
TWALUMBA

THANK YOU