

Out-growers Scheme

Impact Statement for 2019

Background

The programme is centred in Chipangali and Kasenengwa constituencies in the Eastern Province of Zambia. The constituencies have a population of 136,755 and 127,604 respectively. The programme activities cover 7 locations, namely: Chimwala, Magoma, Mgawa, Chizukwe, Mphofu, Kapasa and Kamlaza. This is the fifth year that SAZ has run an out-growers programme in this area. The 2019 season was outstanding; the programme met our expectations with all the farmers reporting higher yields and improved income. In its quest to expand the scheme to accommodate more believers within the surrounding assemblies, two new schemes were introduced namely:

- I. The Seed Growers scheme and
- II. Open Market Scheme

The seed growers scheme is an extension of the SAZ farm and farmers are sub-contracted to grow groundnut and soybean seed on behalf of the farm. SAZ farm buys back the produce from the farmers at a premium price.

The Open Market scheme is an extension of the out-growers scheme; farmers sign up in their respective areas through the area Lead Farmer. To sign up, the farmers are expected to pay 50% of the value of SAZ groundnut or soybean seed, the difference is paid at the time of marketing. Even some farmers on SAZ full sponsorship scheme are beginning to sign up on this scheme to enable them to increase their field size. This initiative has helped a lot of farmers in the areas where the scheme is operating. This is now possible because the SAZ seed programme can provide quality certified seed. The seed programme is, therefore, integral to the whole out-grower programme



The Farmers

- The 2019 season included 115 farmers on the full sponsorship scheme, 60 females and 55 males.
- 36 seed growers were sub-contracted by SAZ farm to grow Groundnuts and Soybean seed.
- A further 80 farmers signed up on the open market scheme after paying 50% for the value of SAZ branded seed either for groundnut and or Soybean.
- All 115 farmers on SAZ full sponsorship scheme are assembly believers and are experienced in growing groundnuts and soybean.
- 9 lead farmers were selected to administer the programme and coordinate activities between SAZ and the farmers.

Each farmer received:

- ◆ 65kg of groundnut seed
- ◆ 25kg of Soybean seed
- ◆ Training in aflatoxin prevention
- ◆ Post-harvest training
- ◆ Loans to hire labour for weeding
- ◆ Grain bags and twine
- ◆ A fair buy back price for the produce

Lead Farmers

The SAZ Out-grower program is driven by the Lead Farmers. The two SAZ programme managers provide oversight to the Lead Farmers who then support the other farmers.

Their duties include:

- Providing technical advice and training to farmers under their care
- Marketing and distributing inputs such as SAZ seed, herbicides and pesticides on behalf of the SAZ Agro Shop
- Collecting data from the farmers under their care
- Managing the transportation, collection, storage and shelling of nuts
- Buying back nuts from the farmers on behalf of SAZ

They undertake periodic field inspection of farmers that are on SAZ full sponsorship program as well as those signed up on SAZ supplementary Scheme.

The lead farmers were given

- Bicycles
- Digital platform scales
- Pod-Strippers and Shellers
- Calculators, pens and notebooks

Results

The 2019 season was outstanding; the programme met our expectations with all the farmers reporting higher yields and improved income.

At the end of the season, 70% of the loans were recovered.

A total of 67.5 tonne of shelled nuts was produced. This compared to 60 tonne in the previous season from the same volume of inputs. An additional 40 tonne of soybeans grain was produced by out-grower farmers meeting SAZ objective of increasing income at household level.

Despite recording an increase in the produce that was bought back last season, the scheme saw an increase in farmers' side-selling their produce to other traders. This was as a result of price volatility as most regions had experienced crop failure due to drought.

The learning experience has been valuable in improving planting, weeding practices, post harvesting storage, aflatoxins prevention and methods of shelling.



Survey

To confirm results, a random survey was conducted from the 9 groups. The discussions were both informative and encouraging. The numbers being supported in each household averaged around 10, therefore it is estimated that 2,310 people overall may have benefited.

The survey revealed that farmers who were given oxen and ploughs had performed much better than other farmers. The survey also revealed how the oxen project is revolutionizing farming in the areas where they are allocated.



Asked what key areas SAZ should focus on, most farmers responded that SAZ should enhance the following:

1. Oxen, Ploughs and Ox-carts
2. Fertilisers and herbicides
3. Certified seed
4. Guaranteed market

The farmers also shared some of the benefits derived from last year's income. One had bought oxen, others improved their houses, others sent their children to school, others bought more farming inputs for the next season. This was tangible proof that the scheme is meeting its objective.

Challenges

The arduous task of controlling weeds in the legume fields have in the past deterred rural farmers from growing groundnuts and soybeans. The SAZ intervention of training lead farmers to become agents in their respective communities, and to train in the use of herbicides, has lessened the tedious work previously done by hand-hoe.

Groundnut Varieties

In the quest to promote 'climate smart' agriculture, the scheme has introduced early maturing groundnut seed to mitigate against crop failure brought about due to inadequate rainfall. The early maturing groundnut seed varieties have been incorporated in the seed packs given to the farmers on the 2019/20 scheme.

2019/20 Season Projections

Introducing additional seed packs has helped increase income at house-hood level. This initiative has however, increased the capital need to buy back the produce from farmer. For instance, SAZ is projecting to buy back 60 tonnes of groundnut grain, 150 tonnes of soybean grain, 30 tonnes of groundnut seed and 145 tonnes of soybean seed. The money recovered from the previous year's sales is reserved to buy back the expected increase in produce.





Testimonial - *Felesia Banda*

In November 2018, following a serious accident involving the SAZ Farm manager Mussa, Felicia was employed as a temporary farm manager. Within eight months she proved herself to be hard working, skilful and trustworthy.

After Mussa was fully recovered from his accident, Felesia continued working with SAZ and was assigned responsibility as a lead farmer for 30 groundnut seed growers. She also signed up as groundnut seed grower after her field was inspected by the seed inspector from the certification institute (SCCI).

Felesia recorded a very good harvest and made a total income of K17, 040 from the sale of groundnut seed. She also made K6, 218 from commissions from buying back groundnuts, and marketing inputs to farmers. With the money she made, Felesia was able to buy land within Chipata town where she plans to build her house. She has also managed to buy seed, fertilizer and herbicides for 2019/20 season. From the same income she is also been able to support her children through school, paying for their school fees, buying school

necessities such as books and uniforms. In the 2019/20 season she is projecting a total revenue of K35,000.

Felesia is a real inspiration to most young girls within the Mgawa assembly and the community at large. Against all odds Felesia has managed to extricate herself from extreme poverty and is now able to support her children as well as other siblings. She expresses her gratitude to SAZ and to God for changing her life.

Mabvuto and Rebecca Phiri

Mabvuto and Rebecca have two children Mable and Stella as well as three dependent children, namely Humphrey, Boyd and Joshua.

Mabvuto came into fellowship in Chapata in 2015 after being convicted following hearing the gospel at a funeral. Subsequently he and his brother Chisala have pioneered the outreach work at Kamlaza where there is now an established group of about 30 believers.

In 2018 Share Africa Zambia introduced an out-grower scheme at Kamlaza in its quest to try and support the mission work there. Mabvuto was chosen as the lead farmer to coordinate the activities of Share Africa in the area.

Asked how the SAZ scheme has benefited him. Mabvuto said:

"The farmer training provided by SAZ enable us to change our farming methods which has resulted in much better yields. Before SAZ introduced the scheme, our harvest didn't last until the next season and we usually run out of the staple food before the next harvest.

However, since SAZ introduced the out-grower scheme at Kamlaza the income generated from last season's harvest, has provided us with sufficient food, and also enabled us to buy farming inputs for 2020 season.

We have also bought roofing sheets for a new house that we plan to build this year."

It was also pleasing to learn that Mabvuto's father in law has given him 10 acres of land to enable him to extend his field size. The field still has to be cleared which he intends to do this year in preparation for the next farming season.

Being a lead farmer, Mabvuto is also entitled to commissions for marketing SAZ farming inputs such as seeds, herbicides and pesticides. The revenue realized from his crops as well as his commissions for being a lead farmer, has enable him to support his nephews after the death of their parents. Humphrey and Boyd are now at school.

