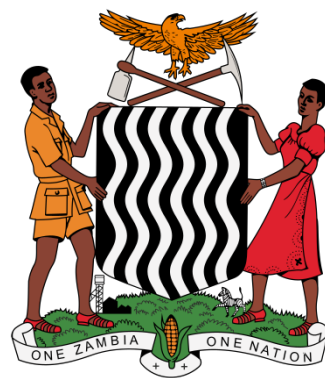


2021 CAADP
BIENNIAL REVIEW
BRIEF
ZAMBIA



**Africa Agriculture
Transformation Scorecard:
Performance and Lessons**

Africa Agriculture Transformation Scorecard: Performance and Lessons

2021 CAADP Biennial Review Brief: Zambia

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Established in 2006 under the Comprehensive Africa Agriculture Development Programme (CAADP), the Regional Strategic Analysis and Knowledge Support System (ReSAKSS) supports efforts to promote evidence- and outcome-based policy planning and implementation. In particular, ReSAKSS provides data and related analytical and knowledge products to facilitate CAADP benchmarking, review, and mutual learning processes. AKADEMIYA2063 leads the work of ReSAKSS in partnership with the African Union Commission, the African Union Development Agency-NEPAD (AUDA-NEPAD), and leading regional economic communities (RECs).

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1. Introduction

Agricultural-led growth was identified by African Heads of State and Governments as key to realizing food security and rural development in sub-Saharan Africa. In Zambia, the agricultural sector is the backbone of the rural economy, as is true in many developing countries globally. Zambia's agricultural sector is recognized as a key driver upon which the country's economic growth agenda is anchored (MoF 2022). However, its growth between 2011 and 2020 only averaged 0.4 percent. This poor growth can be attributed to its heavy dependence on rain-fed crop production, low productivity levels, limited mechanization among smallholder farmers, and low adoption rates of climate-smart farming practices. That the government of Zambia provides only a small share (less than 10 percent) of its annual budget to the agricultural sector could be another contributing factor.

The African Union's Comprehensive Africa Agricultural Development Program (CAADP) framework calls on all African governments to allocate at least 10 percent of the country's budget towards agriculture in order to achieve at least 6 percent annual agricultural growth. Zambia signed the CAADP compact in January 2011 and embraced the CAADP commitments to attain sustained economic growth through effective investments in the agricultural sector.

In 2014, Zambia, like many other African Union (AU) member states, recommitted itself to the CAADP framework by endorsing the Malabo Declaration. This outlines the vision of Africa's leaders for accelerating agricultural growth and transformation on the continent between 2015 and 2025. This transformation is to be achieved through the pursuit of seven broad commitments:

1. Upholding the principles and values of CAADP,
2. Enhancing investment finance in agriculture,
3. Ending hunger in Africa by 2025,
4. Reducing poverty by half by 2025 through inclusive agricultural growth and transformation,
5. Boosting intra-African trade in agricultural commodities and services,
6. Enhancing resilience of livelihoods and production systems to climate variability and related risks, and
7. Ensuring mutual accountability for actions and results by conducting a Biennial Review (BR) continent-wide to monitor progress in achieving the seven Malabo Declaration commitments.

Based on the seventh commitment on ensuring mutual accountability, the African Union Commission launched the BR reporting mechanism on the progress of the continent toward achieving by 2025 the Malabo commitments. The first BR report (AUC 2018) was developed in 2017 and was presented at the AU summit that was held in 2018. In 2019, the second BR report (AUC 2020) was produced and adopted at the AU Summit in 2020. In February 2022, the third BR report (AUC 2021) was endorsed by the assembly of African Heads of State and Government during the 35th AU Assembly.

This brief highlights Zambia's performance in the third BR in comparison with its performance in the second and first BRs. Challenges and lessons learned during the third BR are discussed. Further, the brief reviews policy, programmatic, and investment changes in Zambia resulting from the BRs and concludes by highlighting the measures Zambia needs to take if it is to meet all seven Malabo commitments by 2025.






2. Progress by Zambia in Achieving the Malabo Commitments

In the third BR, Zambia scored 5.55 on its overall performance toward the achievement of the Malabo commitments by 2025 (Figure 1). For a country to be considered on-track to achieve the commitments by 2025, the benchmark score for the third BR was 7.28. Generally, these results imply that Zambia is not on-track. However, Zambia is among the 19 countries on the continent that are progressing well, with Zambia having seen a 9 percent improvement in its performance from the second BR of 2019 (Figure 1). Between the first and third BR cycles, Zambia made impressive progress of 54 percent. Among all countries in the Southern Africa region, Zambia had the second highest score, after Eswatini at 5.73.

Although Zambia's performance in the third BR was not satisfactory, as it was not on-track for achieving the Malabo Commitments by 2025, its scores for all seven commitments were above the average scores for all countries in the Southern Africa region (Table 1). Similarly, no country in the Southern African Development Community (SADC) was on-track in the third BR to achieve the targets of the Malabo Declaration commitments by 2025. Despite also not being on-track in the third BR, Zambia performed above the Southern Africa region and SADC average scores of 4.11 and 4.54, respectively.

Figure 1: Zambia—overall performance score on the third Biennial Review relative to other African countries

  							
THE AFRICA AGRICULTURE TRANSFORMATION SCORECARD <small>Against the benchmark for the selected year, countries whose score appears in "Green" are ON TRACK. Those whose score appears in "Blue" are PROGRESSING WELL, while countries whose score appears in "Red" are NOT ON TRACK. The arrows & percentages indicate the progress made by the country between the second (2019) and third (2021) biennial review cycles.</small>				BENCHMARK	ALGERIA	ANGOLA	BENIN
				7.28	1.47	3.77 -21%	4.78 -17%
				BOTSWANA	BURKINA FASO	BURUNDI	CABO VERDE
				4.95 48%	5.20 -2%	5.63 -3%	4.55 -6%
CAMEROON	CENTRAL AFRICAN REP.	CHAD	COMOROS	CONGO REPUBLIC	COTE D'IVOIRE	DJIBOUTI	DR CONGO
4.58 9%	2.61 -41%	3.88 0%	1.50 •	3.32 -4%	4.62 -4%	4.00 42%	4.46 34%
EGYPT	EQUATORIAL GUINEA	ERITREA	ESWATINI	ETHIOPIA	GABON	GAMBIA	GHANA
6.52 •	2.82 15%	3.17 -19%	5.73 37%	6.03 14%	4.98 25%	5.56 12%	6.61 -1%
GUINEA	GUINEA-BISSAU	KENYA	LESOTHO	LIBERIA	LIBYA	MADAGASCAR	MALAWI
4.02 -9%	2.18 -12%	5.62 15%	3.98 22%	3.93 29%	1.14 •	4.37 -11%	5.33 11%
MALI	MAURITANIA	MAURITIUS	MOROCCO	MOZAMBIQUE	NAMIBIA	NIGER	NIGERIA
6.66 -2%	5.40 1%		6.89 -1%	4.14 2%	4.08 21%	3.64 -11%	5.42 5%
REP. A. SAHARAWI	RWANDA	SAO TOME & PRINCIPE	SENEGAL	SEYCHELLES	SIERRA LEONE	SOMALIA	SOUTH AFRICA
	7.43 3%		5.07 -2%	4.92 9%	4.33 -19%		4.05 41%
SOUTH SUDAN	SUDAN	TANZANIA	TOGO	TUNISIA	UGANDA	ZAMBIA	ZIMBABWE
2.88 0%	3.32 0%	6.14 21%	4.67 -9%	6.28 1%	5.89 4%	5.55 9%	5.17 13%

Source: AUC 2021.

Note: Against the 2021 overall performance benchmark of 7.28, which is the minimum score under the third BR for a country to be considered on-track towards achieving the Malabo Commitments by 2025, countries whose score appears in green are on-track (1 in total), countries whose score appears in blue are progressing well, with a score of 5.00 or greater, but less than the benchmark (19 in total), while countries whose score appears in red are not on-track (31 in total). The arrows with percentages indicate the progress made by the country between the second BR (2019) and the third BR (2021).

Out of the seven Malabo Commitments, Zambia was on-track only for one in the third BR—that of enhancing investment finance in agriculture. Zambia scored 8.07 on this commitment against the benchmark of 7.50 for a country to qualify to be on-track for its achievement by 2025. Between 2015 and 2020, Zambia's domestic private-sector investment in agriculture grew by 42 percent. This was largely due to the Zambia Development Agency, which has been playing a critical role in

facilitating the economic development of Zambia by promoting investment through an efficient, effective, and coordinated private sector-led economic strategy. The development of guidelines on agriculture public-private partnerships (PPP) also helped the country's performance on this commitment.

Table 1. Zambia—third Biennial Review scores relative to average for Southern Africa countries, by Malabo commitment

Malabo commitment	Zambia Third BR	Zambia status	Third BR Benchmark	Southern Africa avg.	SADC avg.
1. Recommitment to CAADP	9.85	Not on track	10.00	6.55	7.14
2. Enhancing agriculture finance	8.07	On track	7.50	3.94	4.15
3. Ending hunger by 2025	2.88	Not on track	6.32	2.79	3.03
4. Halving poverty through agriculture	1.51	Not on track	5.81	1.43	2.14
5. Intra-Africa trade in agriculture	3.56	Not on track	5.00	2.35	2.62
6. Enhancing resilience to climate change	6.57	Not on track	8.00	5.58	5.98
7. Mutual accountability	6.40	Not on track	8.33	6.14	6.74
All commitments	5.55	Not on track	7.28	4.11	4.54

Note: The Southern Africa region is made up of Angola, Botswana, Eswatini, Lesotho, Malawi, Mozambique, Namibia, South Africa, Zambia, and Zimbabwe.

The Southern Africa Development Community (SADC) is made up of Angola, Botswana, Comoros, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, and Zimbabwe.

A comparison of Zambia's performance in the three BRs on the seven commitments is presented in Table 2. In the first BR, the country was on-track for two of the seven commitments—on recommitment to CAADP and on mutual accountability. For the second BR, the country was again on-track in only two of the seven thematic areas. These included the on-track commitment from the first BR on mutual accountability. However, Zambia was no longer on-track for the CAADP commitment, while its performance improved for the commitment on boosting intra-African trade so that for the second BR it was on-track for this commitment. However, for the third BR, Zambia's performance had fallen for both commitments for which it was on-track for the second BR, so it no longer was on-track for those. However, it was on-track at the time of the third BR for the commitment on enhancing investment finance in agriculture.

In terms of its overall performance, Zambia has not been on-track for all three BRs. However, its overall performance score has increased each round. If generally below their benchmarks, Zambia also has seen consistent improvements in its performance scores on the commitments on CAADP, on enhancing agricultural finance, on halving poverty, and on enhancing resilience to climate change.

Table 2. Zambia—summary of Biennial Review scores by Malabo commitment

First BR (2017)				Second BR (2019)			Third BR (2021)			% change, 3 rd BR-2 nd BR
Malabo commitment	Score	Bench-mark	Progress	Score	Bench-mark	Progress	Score	Bench-mark	Progress	
1. Recommitment to CAADP	7.19	3.33	On track	9.23	10.00	Not on track	9.85	10.00	Not on track	7
2. Enhancing agriculture finance	6.08	6.67	Not on track	6.33	10.00	Not on track	8.07	7.50	On track	27
3. Ending hunger by 2025	2.32	3.71	Not on track	4.34	5.04	Not on track	2.88	6.32	Not on track	-34
4. Halving poverty through agriculture	0.18	2.06	Not on track	0.90	3.94	Not on track	1.51	5.81	Not on track	68
5. Intra-Africa trade in agriculture	0.88	1.00	Not on track	4.03	3.00	On track	3.56	5.00	Not on track	-12
6. Enhancing resilience to climate change	3.42	6.00	Not on track	3.60	7.00	Not on track	6.57	8.00	Not on track	83
7. Mutual accountability	5.11	4.78	On track	7.34	6.67	On track	6.40	8.33	Not on track	-13
All commitments	3.60	3.94	Not on track	5.13	6.66	Not on track	5.55	7.28	Not on track	8

Source: Authors' calculations based on Zambia Biennial Review scores.

Retrogression was seen in the performance scores from the third BR relative to the scores for the second BR for the commitments on ending hunger, on intra-Africa trade, and on mutual accountability. However, it is hoped that the alignment to the Malabo Declaration commitments of the newly introduced Comprehensive Agriculture Support Programme in Zambia will particularly help with improving performance on the ending hunger commitment. Similarly, while Zambia needs to be a greater participant in intra-Africa trade flows, particularly of agricultural commodities and services, the country in 2021 made efforts to boost such trade by ratifying its participation both in the African Continental Free Trade Area and in the Tripartite Free Trade Area among the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), and SADC countries. Finally, on the commitment to mutual accountability, it should be noted that Zambia has now in place all of the inclusive institutionalized mechanisms and platforms for mutual accountability and peer review that are expected under this Malabo Commitment.

Concerning areas requiring attention, Zambia's agricultural potential has not been translated fully to realize meaningful economic growth and development. Partly this is because public investment in agriculture has not diversified away from inefficient input subsidies that mainly focus on the country's staple crop, maize. These subsidies take the bulk of the agricultural budget—in 2021, the two agricultural subsidy programs, the Farmer Input Support Programme and the Food Reserve Agency, captured 86 percent of the total budget for the Ministry of Agriculture (Kuteya and Chapoto 2020). One result of these subsidies on maize production and marketing is that they to some extent crowd out private-sector investment in agriculture. Unfortunately, such investments in inputs for maize production and marketing have failed to address high rural poverty levels and low productivity among smallholder farmers in Zambia.

Another area requiring attention concerns agricultural research and development. Public spending on agricultural research in Zambia was found in the third BR to stand at 0.4 percent of agricultural gross domestic product (AgGDP). The AU target for this indicator is that countries invest at least one percent of the country's AgGDP in agricultural research.

3. Challenges and Lessons Learned from the Third Biennial Review in Zambia

Some notable challenges were experienced during the preparation and compilation of the third BR in Zambia. The most serious of these were data gaps—some of the data required for the third BR was either not available or, if it has been collected, was not accessible. Examples of such data gaps include the share of the agricultural population with secure land rights, any information on post-harvest losses, and the proportion of rural women that are empowered in agriculture. Also, data on the share of agricultural land under sustainable land management could not be obtained. The challenge of data availability and accessibility was further compounded by the COVID19 pandemic during which movements and gatherings in support of the third BR process in Zambia were restricted.

4. Policy and Programmatic Changes in Zambia following the First Three Biennial Reviews

Changes have been made at policy, procedural, and investment levels in the agricultural sector in Zambia. These changes could be partially attributed to the results of the three rounds of the BR (Matchaya, et al. 2022). For example, the first and third BR reports were shared with all stakeholders in agriculture in the country. Several non-state actors present for the dissemination of the third BR report then worked with the Ministry of Agriculture to publicize the results in both print and electronic national media. Partly because of the third BR results, the country's budgetary allocations to agriculture as a share of total national public expenditure have improved. When compared to the SADC member states average, Zambia's level of public investment in agriculture was above the region's average, though it remains below the CAADP target of 10 percent. To further improve its performance on the Malabo commitments, the country is improving access to agricultural financial services for men and women engaged in agriculture and to agriculture inputs and technologies.

To provide additional support to small-scale farmers and to create conditions for them to contribute more effectively to the growth of the agriculture sector, the Government will implement the Comprehensive Agriculture Support Programme starting in the 2022/23 farming season. This program is aimed at improving agricultural production and productivity among small-scale farmers. The provision of farm inputs through this program will be done using an electronic system.

Another notable change the country has put in place as a result of the three BRs is the review of the first-generation National Agriculture Investment Plan (NAIP), which was implemented from 2014 to 2018, but has since expired. The process of developing a second-generation NAIP started in 2020. The new NAIP is earmarked to run to 2026. Based on lessons learned from the first NAIP, it is expected that the second will involve more effective investment plans to achieve Zambia's agricultural development goals. These national NAIPs play a key role in accelerating sound and sustainable transformational change in the agricultural sector. They are also critical in fulfilling national commitments made by Zambia under the 2014 Malabo Declaration.

Zambia's government recognizes the effects of climate change and the continuing threat these changes present to the agricultural sector. In this regard, the government has promoted conservation agriculture methods to enhance climate change resilience among smallholder farmers. Other actions the government is taking to address climate change include formulating a national policy



on climate change and drafting a national adaptation plan of action that incorporates appropriate mitigation actions and the national climate change response strategy. Climate change was equally integrated into the Seventh Development Plan, 2017-2021, for Zambia, as well as in the medium-term development objectives for the country.

On the commitment component of increased support to social protection initiatives within the national budget and to address any eventual disasters and emergencies with food and nutrition security implications, Zambia is making efforts towards achieving the target of ending hunger by 2025. For example, budgetary allocations to social protection through cash transfers for food and building household cash reserves increased almost six-fold from 180 million kwacha in 2015 to about 1.05 billion kwacha in 2020. The objective of the government is to build resilience and provide sustainable development to the poor and vulnerable, especially those in rural areas with particular attention to women, unemployed youths, and persons with disabilities.

5. Zambia—Priority Actions and Recommendations for Ensuring Achievement of Malabo Commitments by 2025

Although the country showed signs of improvement in its efforts to achieve the Malabo Declaration commitments between the second BR in 2019 and the third BR in 2021 in four of the seven commitment areas, it is not on-track overall to achieve them by 2025. Therefore, the country needs to put in place priority actions that will accelerate progress to doing so. The following are among the most important policy actions the country should consider taking:

- Increase the share of the national budget allocated to agriculture to meet the CAADP target of 10 percent. To achieve accelerated agricultural sector growth and transformation, adequate public resources must be directed toward agriculture.
- Increase resources to support known key drivers of agricultural growth—these include agricultural research and development, agricultural extension services, agricultural market information, irrigation for smallholder farmers, and feeder roads. All have great potential to stimulate agricultural growth.
- Government should both increase the budget share allocated to agriculture and improve the timeliness of the release of funds for agricultural program implementation. Delayed budget releases always hinder the smooth implementation of planned activities.
- Increase public-private partnerships within agricultural commodity value chains. Thus, the government should finalize the Agri Public-Private Partnership Guidelines under development to facilitate the implementation of PPPs in agriculture.
- In view of the second-generation NAIP being developed, the government should ensure that the new NAIP is fully Malabo Declaration-compliant.
- Zambia showed retrogressive performance in its efforts to end hunger by 2025 between the second BR in 2019 and the third BR in 2021. Government should consider increasing expenditure to develop and promote the adoption of modern agricultural technologies to improve food production and productivity, as well as post-harvest loss prevention technologies. Reduction in post-harvest losses and improvement in the nutritional value of food can be realized by promoting value-addition processing of agricultural products.
- Although Zambia ratified the African Continental Free Trade Area (AfCFTA), the country recorded a drop in performance in its efforts to boost intra-Africa trade in agriculture between the second BR in 2019 and the third BR in 2021. The main objective of AfCFTA is



to create a liberalized market to facilitate intra-African trade (AUC 2018; World Bank 2020). To improve Zambia's performance on this indicator, the government should promote exports of processed agricultural products, revise Zambia's tax regime to enhance the competitiveness of Zambia's exporters in the region, reduce tariff and non-tariff barriers to trade, and improve roads to expedite the transportation of goods.

- Another commitment on which the country recorded a decline in performance between the second and third BR was on mutual accountability for actions and results. To improve performance on this commitment, increased funding for data generation, management, analysis, utilization, and monitoring and evaluation in the agriculture sector is required. Utilization of BR results can be increased by involving high-level political leadership in the dissemination of BR results. Zambia can also improve on this commitment by developing an electronic application for use in conducting national self-assessments.

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