INPUT VOUCHER STUDY
ZAMBIA

Phase I: Literature Review and Planning

Revised FINAL REPORT

By

Thomson Kalinda and Mwalimu Simfukwe
[Dr. Thomson Kalinda is Head of Agricultural Economics Department at the University of Zambia. Mwalimu Simfukwe is Project/Agric. Economist at Afrisynergy Development Consultants in Zambia]

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## Acronyms

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<tr>
<td>ACF</td>
<td>Agricultural Consultative Forum</td>
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<td>COMESA</td>
<td>Common Market for Eastern &amp; Southern Africa</td>
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<td>CRS</td>
<td>Catholic Relief Services</td>
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<td>DRC</td>
<td>Democratic Republic of Congo</td>
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<td>DSD</td>
<td>Direct Seed Distribution</td>
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<td>FANRPAN</td>
<td>Food Agriculture Natural Resources Policy Analysis Network</td>
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<td>FSP</td>
<td>Fertiliser Support Programme</td>
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<td>NAP</td>
<td>National Agriculture Policy</td>
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<td>NGO</td>
<td>Non-Governmental Organisation</td>
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<td>OPV</td>
<td>Open Pollinated Variety</td>
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<td>MACO</td>
<td>Ministry of Agriculture and Cooperatives</td>
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<td>QDS</td>
<td>Quality Declared Seed</td>
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<td>SCCI</td>
<td>Seed Control and Certification Institute</td>
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<td>SVF</td>
<td>Seed Voucher &amp; Fairs</td>
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Abstract

This report is part of a study of experiences with the use of input voucher studies in southern Africa. It builds on previous work during 2005-2006. It is being carried out in Malawi and Zambia, while a separate study is also underway in Mozambique. The study has two purposes: to identify whether (and how) input vouchers could be an effective mechanism for integrating the non-commercial and commercial input markets; and to demonstrate the value of policy research implemented as part of a full policy cycle (from research to analysis to advice to implementation).

The Government of Zambia has committed itself to collaborate and co-ordinate with all relevant institutions involved in agricultural marketing and input supply, with the private sector assuming an increasingly leading role in the procurement, supply and distribution of agricultural inputs and outputs. Government's extent of participation in agricultural marketing continues to be determined by the extent to which the private sector capacity is growing in agricultural marketing.

During last year’s study of the relief seed trade in Zambia (Simfukwe, 2006), it was established that there are two parallel seed distribution systems in the country – the “commercial channel” through the wholesale and distribution networks of about 5-6 major seed companies, and the “non-commercial channel” through the Ministry of Agriculture and Cooperatives (MACO), relief agencies and NGO farmer support programmes.

During literature review for this study, it became evident that most research supports the seed voucher and fairs approach with conditionalities to take into consideration country-specific reality and experiences encountered in other similar developing countries. This raises the question of how to make these findings available to policy makers.

The increasing complexities of governance requirements are beginning to demand evidence-based policy and suitable collaboration in the generation of this evidence. This pressure for increased planning transparency is pushing for increased dialogue in research processes, which would then lead to stakeholder involvement from the beginning.

The policy research analysis and engagement cycle is a very challenging development initiative in that it is implicitly synonymous with undertaking a reform process. Like most reform processes, there will be sectors of opposition and others in support. To harmonize and bridge the gap between research and policy requires the process to be not only collaborative but also as transparent as possible while calling for targeting of the appropriate stakeholder institutions and decision-makers.
1. BACKGROUND

1.1 Preamble

Zambia has emerged from an era of agricultural policies which were restrictive, centralised, and with heavy intervention and participation of Government in most processes and a minimal private sector role. After the 1990s, the need to strengthen and expand the role of the private sector became apparent and inevitable considering the emerging opportunities and challenges which were facing the agricultural sector.

While the decision was made to adopt the policy of embracing the private sector, the government went further and undertook to reform its key policies, acts and strategies to ensure a sustainable and enabling environment for liberalisation of agriculture min Zambia.

In line with these visionary policies, the following have been adopted in the 2005 National Agricultural Policy (NAP), as objectives of the agricultural sector:-

- To assure national and household food security
- To ensure that the existing agricultural resource base is maintained and improved upon
- To generate income and employment to maximum feasible levels
- To contribute to sustainable industrial development and
- To expand significantly the sector's contribution to the national balance of payments.

In the section below we highlight the policy, legislative and strategy initiatives that have been adopted in the NAP in support of agriculture marketing.

1.2 Agriculture Marketing Acts

The overall agriculture marketing policy revolves around the institutional framework of marketing agricultural produce in Zambia.

Government has committed itself to collaborate and co-ordinate with all relevant institutions involved in agricultural marketing and input supply, with the private sector assuming an increasingly leading role in the procurement, supply and distribution of agricultural inputs and outputs. Government’s extent of participation in agricultural marketing continues to be determined by the extent to which the private sector capacity is growing in agricultural marketing.
The legal framework governing marketing activities are summarized in the following acts:

- The Food Reserve Agency Act No.12 of 1995 Cap. 225,
- The Co-operative Societies Act No.20 of 1998,
- The Control of Goods Act,
- The Zambia Bureau of Standards Act,
- Seeds Act and other related livestock acts,
- Crops and fisheries sub-sector acts govern agriculture marketing.
- The Co-operative Societies Act of 1998 provides for the formation, registration and regulation of Cooperative Societies and for matters connected with or incidental to the foregoing.

1.3 Agriculture Marketing Policies

To achieve the objective of promoting the development of a competitive, efficient and transparent public and private sector driven marketing system for agricultural commodities and inputs in Zambia, the government has adopted a policy of facilitating entrepreneurship in agricultural marketing and input distribution through cooperatives, farmer organizations, traders and other businessmen. Additionally, there is a policy of encouraging the development of farmer-driven marketing organizations, and enhancing provision of market support services and private sector-led financing agricultural marketing (produce and input).

1.4 Agriculture Marketing Strategies

With the liberalization of agricultural marketing, government has continued to emphasize the need for the private sector to take the lead role in the development of agricultural marketing systems. Realizing the long-term nature of the policy of liberalization, the government has adopted the following strategies in support of agricultural marketing:

- Facilitating information flow among stakeholders in various regions.
- Imparting agro-business skills to market participants and farmers.
- Promoting and enforcing grades and standards of major agricultural commodities and inputs.
- Facilitating the provision of rural infrastructure such as roads, rural storage infrastructure and developing market centers.
- Providing guaranteed agricultural input and output market especially to small-scale farmers in rural areas and maintaining national strategic food reserves.
- Promotion of crops with both domestic and export markets.

According to the National Agriculture Policy of 2005, the Zambian Government will continue to play the role of providing market information, rehabilitation of infrastructure and facilitating private sector-led input and output marketing.
The vast majority of smallholder farmers are resource poor and credit is essential for their development. The policy of the Government is to encourage credit to resource-poor farmers. However, due to the high transaction costs and risks involved, the private sector response is expected to be slow, particularly by smallholder farmers. During the transition to full private sector-led agriculture marketing, the Government will provide credit to resource poor smallholder farmers, in collaboration with the private sector partners and non-governmental organizations (NGOs).
2. UPDATE OF PREVIOUS STUDIES

2.1 Introduction

In this section of the literature review exercise, the summary findings of relief seed/voucher country reports finalized during 2006 have been updated against literature from local and international studies.

2.2 Two Parallel Seed Distribution Systems: Commercial and Non-commercial

The previous FANRPAN study (Simfukwe, 2006) established that there are two parallel seed distribution systems in the country – the “commercial channel” through the wholesale and distribution networks of about 5-6 major seed companies, and the “non-commercial channel” through the Ministry of Agriculture and Cooperatives (MACO), relief agencies and NGO farmer support programmes. It was also agreed in the national validation workshop for the study held on August 10, 2006 that the term “non-commercial seed” was more accurate than “relief seed” because the former was more inclusive and most government and NGO programmes are developmental in design and referring to them as “relief” may send the wrong signals to policy makers.

2.3 Importance of Relief Seed: Market Share of Non-commercial (Relief Seed) in Zambia

Relief seed sales (i.e., seed sales to government agencies and other relief operations) ranged between 2,500mt and 6,400mt over the last four years (2002-05) - an average of 5,100mt per year - which constitutes an average of about 50% of the total estimated annual domestic seed sales of 10,000mt in Zambia. The study also established that, for the surveyed companies, the proportion of relief seed sales over the last four years ranged between 44% and 68% of their total seed sales. For all seed firms surveyed (MRI, Seed-Co, Kamano, and Zamseed), seed sales to relief operations (of Government & NGOs) far outstrip the level of sales to commercial distributors & stockists.

2.4 Hybrid Maize Dominant: No commercial Sector Provision of Other Seed

Most of the relief seed supplied by the surveyed commercial companies is hybrid maize seed (Simfukwe, 2006), and the company-by-company analysis showed that even formal commercial seed producers owe their high hybrid sales levels to the demand from relief agencies. The informal sector (community saved seed) supplies almost all the other seed (legumes, vegetables, etc). This implies that Zambia has almost no formal commercial seed sector for non-maize seed.
The evidence from Kirundo, Burundi supports the assertion that even in emergencies, local systems are relatively durable and resilient, and that the SV&F approach can strengthen the farmer seed system by encouraging local farmers to bring out their “non-commercial” seed to sell to their communities – seeds which are normally not sold by the formal seed companies. By encouraging farmers to access seed through sellers they know (and whose quality they know), and by supporting local seed sellers, non-maize seed will emerge on the seed market and minimize the dominance of hybrid maize in relief systems (Bramel, 2004).

Because households do not use own saved maize seed, seed needs assessments that focus on maize distort the assessment with a bias towards the formal sector (Bramel and Remington, 2004).

2.5 Limited Seed Retail Distribution Networks

Simfukwe (2006) also found that despite an impressive urban network of seed distributors and stockists, all surveyed companies showed no permanent presence of seed trading at rural community level. For rural communities, the only access they seem to have to improved seed varieties is through government relief/farmer support programmes. This implies that without these Government and NGOs seed programmes, more than 50% of commercial seed sold would not have found its way to these important rural/outlying markets.

2.6 Changing Structure and Conduct of Domestic Seed Trade

Some seed producers, such as Kamano Seed Company, seem to have been established with the apparent business strategy of supplying Government and NGO relief seed tenders. As expected of such a strategy, Kamano has not established any network of retail or wholesale agencies. For the type of seed Kamano produces, i.e. OPV, one would expect the existence of a rural network or trade links with smallholder farmers since they are the ones most likely to demand the OPV seed types. It is, therefore, likely that the Government and NGO seed supply tenders have become surrogate trade agencies, as well as rural-level distributors for these relief-dependent seed companies.

In support of this observation, local grain/seed markets must be strategically supported, not undermined as they provide a central core of seed security in communities, particularly for the vulnerable (Sperling, et.al, 2004). This need to have seed being sourced from the local areas will encourage local entrepreneurship as well as avail seed that is adapted to the local environment (CRS-Zambia, Seed Fair Implementation Report, 2004)
2.7 Seed Quality

The Zambia Seed Control and Certification Institute (SCCI) has adopted a less stringent quality control standard (QDS) for seed procured from the informal seed sector (community saved seed) for relief seed operations and programmes. The informal seed market is mainly small seed multiplication businesses and unlike the formal seed sector (seed companies), has more diversified seed types (such as millet, beans, cowpeas, sorghum, groundnuts, cassava cuttings, and sweet potato runners). The study noted that the formal seed sector in Zambia is handling a very small range of crops and varieties (mostly maize).

The issue of quality has received mixed findings. There is an argument that seed-quality parameters in emergency responses result in overemphasis on seed health to the detriment of genetic quality, and that quality issues most often focus on whether the seed is certified or not (as many donors require formal verification as a prerequisite for emergency seed procurement) (Sperling, et. al., 2004). CRS thematic papers (2004) do not agree, stating that institutionalizing quality testing in the SV&F approach is very important to its success, and that logistically if seed sellers are asked to register in advance of a fair, there will be ample opportunity to perform tests on their seed. This implies that while farmers can and do assess seed quality for themselves, they should not be the only source of quality verification.

2.8 Limited Crop and Seed Varieties Distributed through the Government Programmes

Analysis of types of crops and varieties of seed distributed under the government Fertiliser Support Programme (FSP) over the last 4 years (2002-05) showed a narrow range (mainly maize hybrid seed). On the other hand, NGO seed distribution programmes had a wider range of seed, and distributed a variety of “traditional” seeds, mainly OPVs and QDS. NGOs and relief agencies distribute more non-maize seed, in variety and quantities, than is reflected in the relief sales of commercial seed companies – which implies that most other relief seed is not purchased from seed companies.

The argument to facilitate farmers access to seeds other than maize has been pushed further by several reports (Remington, T. et al., 2002; Agridev Consult, 2006; Ferguson, M. 2003; Longley, C. et al, 1999). In project areas where food shortages are chronic and farmers are likely to continue seeking seed assistance every year in the absence of a major intervention that can address their food problem, the relief seed providers may need to “look” beyond seed.

It would be desirable if, to the extent possible, the system is expanded to include the acquisition of other assets, such as small animals and basic farm implements and tools. The provision of small animals and basic farm tools to vulnerable
groups may be helpful in bringing about sustainable improvements in their food security situation (Agridev Consult, 2006). This expansion of SVF scope to other assets is also supported by Kalinda and Sikwibele (2006) when they state that opportunities are also available for the seed fairs to evolve into ‘development fairs’ to promote rural trade in general and the marketing of agricultural products in particular.

2.9 Involvement of Seed Industry in Voucher-based Distribution

The study by Simfukwe (2006) established that the government of Zambia has, to date, not distributed inputs using vouchers. Seed companies, however, confirmed that they were aware of, and would like to participate in, voucher-based distribution and related seed fair activities by CRS and Oxfam, but had not been able to participate directly to date, due to the current focus on OPV and QDS seed which they don’t normally produce. They indicated, however, that some of their seed stockists/agencies have participated. All five seed companies surveyed were proponents of a voucher-based distribution system and related seed fairs, as these would enable them to penetrate outlying markets, in which their seed products would not normally be accessed.

It was noted by Kalinda and Sikwibele (2006) that the simplicity of DSD has tended to tempt most relief agencies to procure seed in bulk. However, in Malawi, DSD has been used in conjunction with vouchers to distribute input packages, although this scheme should not be confused with the voucher-based programming approach that allows beneficiaries a choice of inputs (Longley, et.al, 2005).

2.9 Voucher-based Seed/inputs Distribution by Government

In 2002 MACO considered fertilizer distribution using a voucher-based system, but inadequate information and experience in using vouchers made it difficult to convince decision makers. With further research, it would, thus, seem possible to convince government to distribute purchasing power to beneficiaries and allow the seed companies to chase after this buying power by expanding their wholesale and retail networks.

The economic benefits SVF have been widely researched and during this literature review we came across the following as some of the examples of the socio-economic benefits which decision-makers should be made aware of:

- The Kirundo seed fairs in Burundi (Bramel P., CRS-East Africa, 2004) showed considerable knock on effect of a SV&F approach to local farming economies. With a total of nearly $160,000 injected into the Kirundo economy over three successive agricultural seasons, the preliminary results
indicate that this money was turned over several times within the local economy and used for critical needs such as investment in agriculture and health care.

- Seed fairs have a positive impact on the local seed system by stimulating social capital and kinship ties between traders and buyers, building seed-sourcing relationships that extend beyond the seed fair, and providing capital, which is predominantly allocated to local commercial and farm activity (Steve Walsh, Jean-Marie Bihizi, Christophe Droeven, Bonaventure Ngendahayo, Balthazar Ndaborohey, Louise Sperling, 200...).

- By providing local farmers and entrepreneurs an outlet for their seeds, SVF tend to contribute to increasing rural incomes particularly at a time of serious economic hardship. The beneficiaries on the other hand managed to access a diverse variety of seeds of their choice in order to improve their food security and enhance crop diversification (Owen Chamdimba, CRS/Malawi, 2004).

- Paul Omanga (CRS/Kenya, 2004) and Bramel et al (2003) established that vouchers are designed to address problems of access rather than availability, whereas DSD is based on the assumption that farmers have lost their seed and none is available. When seed is brought in from elsewhere (as is regularly the case with DSD), it is often not appropriate for local agro-ecological conditions or farmers’ preferences, it tends to arrive late, and it may be subjected to poor storage and forms of transport that affect its germination quality. Furthermore, farmers have no choice as to the type of seed that is offered under direct distribution, it may undermine local farmer seed systems, and the procurement of large quantities of seed from commercial companies is thought to distort both national and regional seed markets.

The findings of Kalinda and Sikwibele (2006) provide an appropriate basis for concluding this section by stating that there are inherent strengths in both DSD and seed voucher and fair (SVF) approaches that could be built on to enhance the capacity of the interventions to strengthen local seed systems. For this to be achieved, the interventions need to take a longer-term perspective, based on a good understanding of the local agricultural and market systems.

2.11 Evaluation and Monitoring

Conducting diagnostic studies/surveys prior to administration of relief seed has been lacking in most cases studied. However, it has been even rarer to find information about cases where monitoring and evaluation was built into the relief programme. After sourcing and distributing relief seed, the next step (Mbuyi Lusambo, CRS/DRC, 2004) should be to conduct a post-seed fair monitoring and
evaluation exercise, both during cropping season and after crop harvest to assess beneficiaries' use of seeds and the overall impact of project.

Kalinda and Sikwibele (2006) complemented the above view-point, stating that relief agencies, NGOs, the government, and donors need to carefully consider monitoring and evaluation as a very critical part of implementing DSD and SVF projects. There is a need for clear criteria and procedures for evaluation of the process and the impact of the interventions. This needs to look at both short-term indicators and long-term impacts on the agricultural and market systems.
3. LITERATURE REVIEW

3.1 Two Parallel Seed Distribution Systems

There are two seed distribution systems in input relief, the commercial and non-commercial channels (Simfukwe, 2006). Sperling (2004) argued that the use of the term “non-commercial” implies an acceptance of the argument that relief organizations are generally using an ‘acute’ response – seed aid – to treat what are more often ‘chronic’ poverty-based problems, and that Chronic seed distribution is resulting in the emergence of a relief seed system which does not undertake adequate diagnosis. In the same vein he added that in the absence of seed-related needs assessment, the default option has been to assume that there is a lack of available seed and the response of providing relief seed is automatically undertaken without understanding the real constraints and opportunities facing the beneficiary communities. Even after disaster, Bramel, et.al (2004) argue that it is incorrect to assume that seed relief is required. For example, the Government of Ethiopia and FAO in Burundi have been relying exclusively on the farmer seed supply system for seed to distribute to other seed insecure communities within the regions. The possibility exists therefore that while there could be failure in one part of the region, other farmers may have the capacity to supply their “neighbours” given the right incentives such as localized seed fairs and vouchers. Sperling and Cooper (2003) and Rohrbach (2001) comment that increasing evidence demonstrates that aid given again and again distorts farmers’ own seed procurement strategies (also Sperling, 2002) by undermining local seed/grain market function (e.g., Burundi) and even compromises the development of more commercial seed supply systems (the case of Zimbabwe; Tripp and Rohrbach, 2001). An interesting observation was made by Christine Kuwaza, CRS/Zimbabwe and Paula Bramel, CRS/EARO, 2004) that to establish accurate relief needs of communities, seed security assessments should be done instead of seed needs assessment.

3.2 Seed Retail Distribution Networks and Conduct of Domestic Seed Trade

Commercial seed companies should be encouraged to target the relief market with seed of other crops, especially crops in which breeders have developed promising new varieties of potential interest to farmers (Bramel, 2004; CRS-Afghanistan, 2004), while more effort should be devoted to effectively supporting the informal seed system and linking the formal and farmer seed systems so farmers can access seed of promising new varieties and subsequently maintain varietal and seed quality within their own system (Bramel, et.al, 2004). In support of this observation, local grain/seed markets must be strategically supported, not undermined as they provide a central core of seed security in their communities, particularly for the vulnerable (Sperling, et.al, 2004). Sourcing seeds from the local areas will encourage local entrepreneurship as well as availing seed that is
adapted to the local environment (CRS-Zambia, Seed Fair Implementation Report, 2004)

3.3 Cash and Vouchers

An interesting case of cash for vouchers has been documented (Owen Chamdimba, CRS/Malawi, 2004), to expand the span of the markets to include cash buyers. This may create difficulties in cases where there is need to distinguish between what seed was offered and what was actually bought, because the distinction from between what was on offer and what was accessed gives insight about availability and preference of the farmers in a particular community. Bramel, et.al (2003), in reference to Ethiopia, commented that there was no need to limit the number of vendors or the types of inputs or services that can be purchased at a fair, adding that cash can also be used to purchase goods from neighbours, small-scale traders, or larger traders, to pay for school fees or to meet health costs, to hire labour, to pay off debts, or to invest in social networks or capital assets, such as livestock. However, there is not much literature supporting the notion of providing cash at fairs instead of vouchers. In a Zambian case (CRS-Zambia, 2004); some beneficiaries indicated that they might end up using the cash for other immediate needs, which may not necessarily be productive but social in nature. As we involve the seed industry (private sellers) in the SVF system, we must note that some sellers do not consider the process as an open market, and thus rely on the organizing development agency to buy the surplus seed in the event that targeted beneficiaries do not exchange their vouchers for their seed during the seed fairs (Lisa Washington-Sowand, Samba Fall, CRS/Senegal, 2004).

3.4 Voucher-based Seed/inputs Distribution by Government

As noted above, the Kirundo seed fairs in Burundi (Bramel P, CRS-Burundi, 2004) showed considerable knock-on effect of a SV&F approach to local farming economies. With a total of nearly $160,000 injected into the Kirundo economy over three successive agricultural seasons, the preliminary results indicate that this money was turned over several times within the local economy and used for critical needs such as investment in agriculture and health care. Seed fairs have a positive impact on the local seed system by stimulating social capital and kinship ties between traders and buyers, building seed-sourcing relationships that extend beyond the seed fair, and providing capital, which is predominantly allocated to local commercial and farm activity (Walsh, S. et al. (2004) Because local farmers and entrepreneurs find an outlet for their seeds, SVF tend to contribute to increasing rural incomes particularly at a time of serious economic hardship. The beneficiaries on the other hand managed to access a diverse variety of seeds of their choice in order to improve their food security and enhance crop diversification (Owen Chamdimba, CRS/Malawi, 2004).
As noted previously, Paul Omanga (CRS/Kenya, 2004) and Bramel et al (2003) established that vouchers are designed to address problems of access rather than availability, whereas DSD is based on the assumption that farmers have lost their seed and none is available. When seed is brought in from elsewhere (as is regularly the case with DSD), it is often not appropriate for local agro-ecological conditions or farmers’ preferences, it tends to arrive late, and it may be subjected to poor storage and forms of transport that affect its germination quality. Furthermore, farmers have no choice as to the type of seed that is offered under direct distribution. This may undermine local farmer seed systems, and the procurement of large quantities of seed from commercial companies is thought to distort both national and regional seed markets.
4. SYNTHESIS OF FULL CYCLE OF POLICY RESEARCH

4.1 Preamble

The increasing complexities of governance requirements are beginning to demand evidence-based policy and suitable collaboration in the generation of this evidence. This pressure for increased planning transparency is pushing for increased dialogue in research processes, which would then lead to stakeholder-embracing consultative processes before they assume policy-level acceptance.

To guarantee or at least improve the chances of implementation of research findings, the questions that need to be answered include the following:-

- Who needs the particular policy research? Or is anyone listening to the researchers?
- After research, what next? i.e. how do we move from knowing to doing?
- How do we bridge research and policy?

The notes provided in the sections below attempt to highlight some of the key aspects towards answering the above questions. The experiences of best practice for implementing a full research-policy and engagement cycle are drawn from different development initiatives, including previous FANRPAN research-to-policy initiatives.

4.2 In-Country Pre-Research Initiatives

This is the stage of the research process where preliminary arrangements are made to ensure suitable researchers and the appropriate methodology is chosen. An in-country (and possibly a regional) peer review team of experts may have to be appointed as well.

The methodology should include a detailed and well-defined conceptual framework, including a comprehensive review of previous related studies. Interview protocols/questionnaires which take into account stakeholder participation should be prepared and reviewed, as well as outlines/format of the research report.

The terms of reference for the research should include clear timelines for different stages of the exercise. This is important because research must be time-sensitive to ensure the research findings are not released after the time that decision-makers need them, especially if a dialogue forum has already been organized to review the findings of the research.
To ensure compliance by all parties involved, the research contracts and related terms of reference should include all provisions referred to above.

4.3 In-Country Research

Having established the pre-research conditions and appointed researchers, the researchers should proceed to accomplish the terms of reference, ensuring that comprehensive data is collected to provide empirical justification to subsequent policy recommendations.

If the research is being conducted as a regional initiative, it may be appropriate to encourage the regional peer experts to backstopping and supervise during certain stages of the research process. This regional peer review will not only ensure uniformity in research methodology, but could also help to “protect” the relevance of the findings to the regional interest, and thereby increasing the chances of regional “ownership” of the resultant policy recommendations.

4.4 Country Research Review Process

The research process and findings should be subject to supervision of the appointed country peer review experts prior to their exposure to stakeholders. This is not only a quality-control measure but also aimed at minimizing unnecessarily direct linkages between researchers and stakeholders (public and private) prior to official submission of research findings.

The above role of inter-linking research with stakeholders is best played by independent consultative organizations. In Zambian agriculture, one such organization is the Agriculture Consultative Forum (ACF) which represents stakeholders from the private, public, donor and NGO sectors of Zambian agriculture.

The interface role of organizations such as ACF should be exploited throughout the research process, especially during the backstopping and dialogue stages of the process.

Regional experts and institutions may use interface organizations as nodes for not only reviewing the research process but also using them as peer review units for in-country activities.

Regional institutions such as FANRPAN have continued to recognize interface organizations such as ACF for purposes of research and policy coordination, through the provisions of country nodes.
4.5 Country Policy Dialogue

Notwithstanding that research results must be time-sensitive, they must also be framed in generalist terms to allow policy accommodation. In addition to making policy-related connections, research papers must set forth innovative recommendations for state/regional policy-making, while targeting key decision-makers.

The purpose of focusing on key policy makers is partly to structure an effective dialogue with government by gaining an understanding of stakeholders in the existing policy regime. The challenging task of structuring a policy dialogue requires that we identify and know how gradual the process has to be and which departments and who in government or/and private domains are the key policy-makers to incorporate in the research-policy dialogue, while recognizing the country style of decision-making process – e.g., hierarchical issues.

The viability of turning research into effective policy is enhanced if the analytical and design processes are highly collaborative. Such collaboration should include voices from both government and non-governmental actors who are expected to play an important role in the aftermath of the reform, especially the private sector. Such an approach improves institutional, economic and “political” viability in several ways.

The research paper must identify how the different stakeholders will be impacted by the policies and/or institutional reforms to emanate from the research findings. Understanding how the findings will impact on the different stakeholders provides an opportunity to advise on mitigation measures where negative impact may arise.

As part of the feedback mechanisms over the research findings, a workshop may be organized for key policy makers. This interactive exercise should be preceded by all collaborative measures described above and should aim to achieve official endorsement of the research findings.

Official endorsement of workshop resolutions/proceedings should include the adoption of a country policy paper. The country policy paper should then be processed through the protocols of generating a policy brief.

4.6 Regional Synthesis

Assuming that the research process has a regional dimension, then achievement of a policy brief would be only a means to an end, requiring that the process of dialogue continues at regional level.
As a first step of the regional dimension, reports from the participating countries need to be synthesized by experts appointed during the pre-research stage. During the synthesis, all completed country reports would be compiled, harmonized and rationalized into a regional overview of findings from the national level studies.

The regional synthesis paper will then be submitted to a regional institution such as FANRPAN for onward protocols of policy formulation.

4.7 Regional Institutionalisation Policy

Having obtained a summary synthesis report from regional peer review experts, the regional institution would undertake activities to prepare a policy paper, based on the synthesis document, for onward submission to the regional body responsible such as SADC or COMESA.

Some of the possible initiatives by the sponsoring regional institution (such as FANRPAN) include the following:

- Regional dialogue session on policy implications of research findings. This would involve inviting selected country stakeholders and key decision makers (from public, private and NGO sectors).
- Keynote address on the research findings to Heads of Government at SADC or COMESA forum
- Preparation and submission of policy brief to Heads of Government at SADC/COMESA forum.

4.8 Dissemination of Results

Having delivered the results of the research process and obtained endorsement and official assent of the interested country governments, the regional sponsoring organization may proceed to disseminate the research findings. The dissemination exercise may include one or more of the following means:

- Publication and distribution of country policy briefs
- Publication and distribution of research findings
- Publication and distribution of policy brief
- Publications and distribution of country/regional newsletters
- Loading of country and regional research findings, policy papers, policy briefs and newsletters on relevant websites.

4.9 Conclusion

The policy research analysis and engagement cycle is a very challenging development initiative in that it is implicitly synonymous with undertaking a reform process. Like most reform processes, there will be sectors of opposition and
others in support. To harmonize and bridge the gap between research and policy requires the process to be not only collaborative but also as transparent as possible while calling for targeting of the appropriate stakeholder institutions and decision-makers.
5. RESEARCH METHODOLOGY

5.1 Introduction

Having undertaken literature review since January 2007, it is intended that some minimal level of literature review will continue in the remaining stages of the study. However, a structured questionnaire will constitute the main instrument for capturing primary data from field surveyors. There will also be some additional work done on collection of current research and knowledge on input vouchers in Zambia and elsewhere. As part of the field survey, perspectives of stakeholders and intended beneficiaries will also be captured through informant interviews and PRAs at farmer community level.

5.2 Secondary Data Collection

The researchers will continue to undertake collection and analysis of secondary data which commenced at the beginning of the study in January 2007. This will help to increase the understanding of past experiences in voucher systems both in Zambia and elsewhere. Sources of data shall exhaustively include public and private sources, including NGOs and international sources.

5.3 Administration of Structured Questionnaire

A questionnaire has been developed mainly for the secondary (institutional stakeholders), both private, public and NGOs (see Annex). The respondents will be cross-cutting of all stakeholders whose list will be developed jointly with the FANRPAN Country Node.

- Managers of seed companies, government researchers and policymakers, representatives of farmer organizations, and field officers of non-governmental organizations (NGOs) will be key respondents to both the structured questionnaires and the open-ended interviews.
- The questionnaire addresses qualitative and quantitative issues relating to opportunities, problems/constraints (threats, weaknesses) and potentials (strengths) of the Input Voucher System.
- The results from the structured interviews will be harmonised with those from the “primary” stakeholders (interviewed mostly by PRA/informant methods).

5.4 Review of Current Research & Knowledge

- The researchers will continue to conduct a desk study of current research and consultancy reports in input vouchers, for the country and internationally.
• A bibliography of researched documents will be created and summary review of these documents shall be prepared.
• Effort will be made to interview individual/collective specialists and obtain their opinion on their experiences with the Input Voucher System.

5.5 Perspectives of Stakeholders

This activity will focus mostly on potential “primary” beneficiaries of the envisaged Input Voucher system, i.e., the small and medium scale farming communities, and other rural socio-economic groups/individuals.
• To facilitate this rural-oriented activity, data will be obtained through one or more of the following methods:
  ➢ Community PRA
  ➢ Focus Group Interviews
  ➢ Key Informant Interviews
• To ensure an efficient data collection process, a checklist of questions will be developed as the basis for conducting PRA or interviews.

5.6 Data Analysis

Data analysis will be conducted against trends, proportions, percents, changes and comparative differences, etc.

5.7 National Consultative Workshop

The draft report including conclusions and recommendations will be discussed at a national stakeholder workshop organized through ACF, in order to obtain inputs for its finalization as well as to seek buy-in for building on the recommendations.
REFERENCES


Barin, D. President, Associazione Italiana Sementi (AIS); (1998) “*Seed Trade and Seed Security in Developing Countries*” International Seed Trade Federation (FIS) Nyon, Switzerland


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ANNEX – QUESTIONNAIRE FOR FIELD SURVEY

FOOD AGRICULTURE AND NATURAL RESOURCES POLICY ANALYSIS NETWORK (FANRPAN)

INPUT VOUCHER STUDY
FIELD SURVEY

QUESTIONNAIRE

Introduction

Dear Sir/Madam,

This questionnaire is being administered to collect data on the potential benefits of using voucher systems to integrate the commercial and non-commercial (relief) input distribution channels.

In the distribution of relief inputs, there are two distribution mechanisms commonly utilized: (1) The Direct Distribution Method, and (2) The Input Vouchers.

Input Vouchers are designed to address the lack of access to seed and allow farmers a choice of planting material, being programmed sometimes in conjunction with Seed Fairs.

Your support in responding to this questionnaire will facilitate the ongoing regional effort aimed at improving the input supply marketing systems in the country, and in particular to develop rural seed marketing systems.

1. Respondent details

1.1 Please assist us with the following particulars:

(a) Gender

| Male | Female |

(b) District…………………………………area/village…………………………

1.2 In relation to input supply and vouchers, which enterprise or activity are you involved in?

| Input supplier | Government | Seed producer | Stockist/trader | Other… |

If other, Please explain………………………………………………………………………………

1.3 What do you know about “Input Vouchers”?………………………………………………
……………………………………………………………………………………………………

1.4 What do you know about “Seed Fairs”?………………………………………………
……………………………………………………………………………………………………

1.5 If respondent needs clarification on either of the above terms, Enumerator should explain clearly what the terms mean in relation to the objectives of the study.
2. Registration System

2.1 Who, do you think should be involved in the registration process, and what role should they play?

2.2 How are the following identified in the voucher system?

(a) Input suppliers.................................................................

(b) Beneficiaries.................................................................

(c) Quantity of inputs to be supplied in different areas, e.g. District, TA area, etc.................................................................

2.3 What have been (would be) the merits and demerits of the system of identification above?

(a) Merits .............................................................................

(a) Demerits .............................................................................

2.4 How best do you think the identification should be done for the various categories?

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>Method of Identification</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input Suppliers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beneficiaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quantities to be Allocated</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2.5 What Other Issues do you want to say about how the registration should be done?

3. Targeting of Beneficiaries

3.1 How would you like the beneficiaries to be selected?

[With my involvement] [Without my Involvement] [With involvement of local leadership]

[Consultation among all Stakeholders] [By Independent/external Persons]

[Other].................................................................

Explain why you have selected any of the above .................................................................

.................................................................

.................................................................

3.2 If selection criteria were required what kind of parameters would you like to be included?
[Female headed households] [Those HH without food] [HH without assets] [Adolescent headed HH] [Orphan guardian families] [Those affected by HIV/AIDS] [Widows] [The elderly] [Others……..]

Any reasons for any of the above criteria?.................................................................

..............................................................................................................................

3.4 How much of the voucher value would you like beneficiaries of vouchers to contribute?

[100%]    [>50%]    [50%]   [< 50%]   [0%]

Explain ...................................................................................................................
..............................................................................................................................

3.5 What prior capacity building or training would you need for you to participate in the voucher system effectively?

[Formal short training] [A workshop]   [Brochures]  [Study tours] [Other……..]

4. The role of stakeholders

4.1 What role would you like the Government to play in the voucher system?

.................................................................

4.2 What role would you like the input suppliers to play in the voucher system?

.................................................................

4.3 What role would you like the voucher beneficiaries to play in the voucher system?

.................................................................

4.4 What role would you like the local community to play in the voucher system?

.................................................................

4.5 What role would you like the international/donor agencies to play in the voucher system?

.................................................................

4.6 What role would you like the NGOs to play in the voucher system?......................

.................................................................

4.7 If you don’t belong to any of the above categories, what role would you like to play in the voucher system?
4.8 Who else would you like to play a role in the voucher system? And what role?..........................

5. **The types and value of the Input Supply Pack**

5.1 Describe the types and quantities of inputs you would like to be included in the voucher input relief pack?..........................

(a) By completing the table below:-

<table>
<thead>
<tr>
<th>TYPE of INPUT</th>
<th>Specify Type</th>
<th>Quantity (KGs)</th>
<th>Importance/priority To the respondent*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fertilizer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*The lower the number assigned, the higher the importance/priority

(b) By explaining the reasons for the selection of the types of inputs.........................

© By explaining the Reasons for the quantities.........................................................

(d) By explaining the reasons for the priority ranking..............................................

5.2 What is the normal geographical source for the inputs selected in table 2.1 (a) above?

[Within the community] [at district level [provincial distributors] [from Central Government] [Other…………………]

5.3 Who are the main suppliers of the inputs listed in table 2.1 (a)

[Local/community based NGOs] [External NGOs] [Local seed stockists/traders] [Government Departments] [Other…………………]

6. **Input Supply Logistics**

6.1 How timely would you like the different stages of the voucher system to operate, and for which types of inputs?

………………………………………………………………………………………………………………..
6.2 What knowledge do you have about the logistical requirements for the voucher system?

6.3 How have you been (or would like to be) involved in the logistics of voucher systems?

6.4 If you have been involved in voucher systems, what problems did you observe/experience on logistics?

6.5 If you have been involved in vouchers, what’s your comment on its transparency (i.e. tendering, licensing/registration; voucher redemption)?

6.6 If you have not been involved, what should be done to ensure transparency in the system?

6.7 Any suggestions on design or colour of vouchers?

[colours must differ with value] [small denominations also] [changeable for cash] [other………………]

6.8 Should vouchers always be provided through seed fairs?

[yes-all the time] [not really] [yes-sometimes] [other…………………………]

7. Marketing Arrangements

7.1 How do you think the vouchers programme affect (or will affect) the operations/performance of the input supply markets?

7.2 How far should the seed supply centres be for redeeming the vouchers?

[Within the community/village] [at the district level] [At seed fairs] [Other………………]

Explain why? ……………………………………………………………

8. Varieties of Inputs

8.1 Which inputs did you (would you like to) handle/use in the voucher system?

[Seed] [Fertilizer] [Chemicals] [Other………………]

8.2 For which crops were these seeds?

[Maize ] [Groundnuts] [Beans] [Cotton] [Others (specify…………………………)]

8.3 For each of the crops above, specify the varieties.

Maize Varieties…………………………………………………………
Groundnuts varieties……………………………………………………………………
Beans Varieties…………………………………………………………………………
Cotton Varieties …………………………………………………………………………
Others crops: (a)…………………………(b)…………………………(c)………………

8.4 What types of fertilizer did you (would you like) to handle/use in the voucher system?
[Urea] [CAN] [Compound D] [Others (specify)………………]

8.5 What types of chemicals did you (would you) like to handle/use in the voucher system and for which crops?

<table>
<thead>
<tr>
<th>CROPS</th>
<th>CHEMICAL TYPE/NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton</td>
<td></td>
</tr>
<tr>
<td>Tobacco</td>
<td></td>
</tr>
<tr>
<td>Maize</td>
<td></td>
</tr>
<tr>
<td>Other crop (a)</td>
<td></td>
</tr>
<tr>
<td>Other crop (b)</td>
<td></td>
</tr>
<tr>
<td>Other Crop ©</td>
<td></td>
</tr>
</tbody>
</table>

9. **Input quality**

9.1 Do you define quality of inputs by any of the following general categories?

[Certification] [By physical appearance] [Other]

For specific inputs provide details on how you measure/perceive quality in the table below:

<table>
<thead>
<tr>
<th>Type of Input</th>
<th>Measure of quality</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9.2 Are beneficiaries satisfied with the quality of the different inputs being distributed through relief programmes?

<table>
<thead>
<tr>
<th>Type of Input</th>
<th>Level of satisfaction with quality</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9.3 What mechanism is being (or should be) used to ensure compliance to quality requirements?

[Certification] [Physical appearance] [Knowledge of source] [Other…………………]

9.4 What problems are experienced on quality for the various inputs?

................................................................................................................

9.5 What penalties, if any, are (or should be) imposed on any violations of compliance?
10. Fraud/Corruption Issues

10.1 What types, if any, of fraud have you experienced or come across?

[Favouritism in selection of beneficiaries] [Selling of vouchers] [Selling of inputs by the beneficiaries]
[Input suppliers dubiously identified]
[Other(specify)………………………………………………………]

10.2 What suggestions would you like to make for overcoming fraud in the voucher system?
...........................................................................................................
...........................................................................................................
...........................................................................................................

11. Conclusion

Is there anything else you would like to say about input supply in general and voucher system in particular?

(a) Input Supply.......................................................................................

5. Voucher System....................................................................................

Thank you for your time.