INPUT VOUCHER STUDY
ZAMBIA
FINAL REPORT

BY

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<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>ACF</td>
<td>Agricultural Consultative Forum</td>
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<td>CDoL</td>
<td>Catholic Diocese of Livingstone</td>
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<td>COMESA</td>
<td>Common Market for Eastern &amp; Southern Africa</td>
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<td>CPT</td>
<td>Community Project Team</td>
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<td>CRS</td>
<td>Catholic Relief Services</td>
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<td>C-SAFE</td>
<td>Consortium for Southern Africa Food Emergency</td>
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<td>DCU</td>
<td>District Co-operative Union</td>
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<tr>
<td>DFID</td>
<td>Department for International Development</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 and Natural Resources Policy Analysis Network</td>
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<td>FAO</td>
<td>Food and Agriculture Organization of the United Nations</td>
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<td>FGD</td>
<td>Focused Group Discussion</td>
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<td>FSP</td>
<td>Fertiliser Support Programme</td>
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<td>LISAR</td>
<td>Livelihood Initiative in Support of Agricultural Recovery</td>
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<td>MACO</td>
<td>Ministry of Agriculture and Cooperatives</td>
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<td>M&amp;E</td>
<td>Monitoring and Evaluation</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>PAM</td>
<td>Program against Malnutrition</td>
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<td>PRA</td>
<td>Participatory Rural Appraisal</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>SPSS</td>
<td>Statistical Package for Social Sciences</td>
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<td>SV&amp;F</td>
<td>Seed Vouchers and Fairs</td>
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ABSTRACT

This report is part of a study of experiences with the use of agricultural input vouchers in southern Africa and builds on previous work during 2005-2006. It is being carried out in Malawi, Mozambique and Zambia.

A previous study of the relief seed trade in Zambia (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.

This study builds on the previous work to ascertain stakeholders’ perspectives and views about input vouchers. We interviewed a small number of stakeholders in Western Province who had had some experience with input vouchers, and others in Luapula Province who had no such experience. Broadly, we found strong support for implementing an input voucher system integrated with seed fairs as an on-going program to enhance access to inputs and therefore agricultural productivity.

The study has achieved results that confirm the favourable responses that recent users/beneficiaries of vouchers have provided, and that if implemented, the voucher system would provide a natural feedback mechanism for both public and private input suppliers on the actual needs of the farmers. The study has also shown that while Direct Seed Distribution (DSD) and the voucher approach both deliver inputs to the farmers, DSD does not benefit from the feedback of farmers since it is a top down approach, while the voucher system is a bottom-up mechanism.

Despite controversy over experiences such as fraud, certification, and questions about measures of input quality, the input voucher system is being recommended by this study as the most effective way for government and NGOs to channel inputs, at national or regional level, to small scale farmers without undermining the development of private sector-led seed marketing and distribution systems.

The involvement of local communities and other stakeholders has the advantage of linking the input voucher system to the viable socio-economic vulnerability assessments, community contribution towards the value of vouchers, development of “owned” rules and sanctions, as well as redemption criteria.

In a nutshell, the study recommends that for policy implementation purposes, a nationwide voucher programme should be implemented, with wide stakeholder consultation, in a step-by-step manner, covering growing geographical areas, starting with those with the highest likelihood of success.
1. INTRODUCTION

Through such programs as the government’s Fertilizer Support Program (FSP), inputs have been provided to smallholder farmers at a subsidized rate, while some relief organizations distribute them for free. Government input distribution by FSP is done through a tendering procedure where the government invites tender bids from fertilizer and seed companies for deliveries to designated destinations. Under the FSP, four bags of Compound D (basal dose), four bags of urea (for top dressing) plus 20 kg of hybrid maize seed for use on 1 ha of land have been given to targeted farmers. These farmers, members of cooperatives, have been selected by the District Committees and are willing to pay 40% of the input value. Seed distribution through this channel is referred to as Direct Seed Distribution (DSD).

The DSD has been deemed most effective in responding to emergency situations such as droughts and floods as it can cover a wider geographical area. The major weakness with the DSD method is late delivery of the inputs, as a result of the lengthy tendering and other procedures. Often, poor quality seed has been distributed to farmers and they have no ability to choose the specific type of seed they prefer. The DSD method has also been criticized for hindering the development of commercial seed markets. Additionally, the method has been marred with financial misappropriation due to its lack of transparency.

An alternative method of seed distribution called Seed Vouchers and Fairs (SV&F) exists. It is primarily designed to address farmers’ lack of access to seed, especially those in outlaying areas. The SV&F approach allows farmers a choice of planting material and puts emphasis on local seeds. The approach is also an attempt to harness the potential for seed market development by merging the commercial and non-commercial seed distribution channels.

The seed vouchers and fair system was first introduced in the 2003/04 farming season. Following natural calamities, with funding from DFID and FAO, CRS/Zambia in partnership with the Catholic Diocese of Livingstone (CDoL) implemented an Agricultural Recovery Project in Sesheke and Shangombo Districts. The goal of this project was to contribute to the strengthening of agricultural systems in drought-affected areas of the Western Province of Zambia. The objectives of the Agricultural Recovery Program were to:

- Improve seed security
- Strengthen local coping mechanisms through crop diversification
- Promote Conservation Farming techniques in order to sustain agricultural production.

The Agricultural Recovery Program implemented by CRS and CDoL targeted a total of 12,000 beneficiaries in the first planting season of 2001/2002 through the seed and tools approach. In 2003/2004, 8,000 households were targeted through seed fairs with DFID funding in Sesheke and Shangombo districts. FAO provided additional resources to CRS for 2003/2004 to conduct seed fairs with 2,000 households in Shangombo district. Thus, 10,000 households were targeted as beneficiaries for the agricultural season of 2003/04 through the seed fairs.
Vulnerable households affected by drought were the main target beneficiaries. Community-based criteria were used to identify the most vulnerable households without discrimination of ethnic origin, religion, or political affiliation. Seed vouchers and fairs were used to distribute seeds with the motive of empowering the households to make their own farming decisions and promote crop diversification.

CRS in partnership with CDoL during the period of 17th November 2005 to 10th December 2005 implemented seed fairs in Shangombo District under the Consortium for Southern Africa Food Emergency (C-SAFE) and Livelihood Initiative in Support of Agricultural Recovery (LISAR) projects. A total of 3671 beneficiaries benefited from the seed fairs, representing nearly 92% of the intended number of beneficiaries, 4000.

Despite these experiences in Shangombo, there is little known about the efficacy and impact of vouchers in agricultural input marketing and/or distribution. To address policy-level interests in the voucher system, FANRPAN and its stakeholders in Zambia, including the Agriculture Consultative Forum (ACF), realized the importance of undertaking an in-depth study of the impact of vouchers in Zambia. The study has been undertaken in two phases. This report presents the findings of a survey undertaken during this second phase of the study. A report of the first phase by the same authors (Kalinda and Simfukwe 2007), is available on the FANRPAN website: http://www.fanrpan.org. Similar studies were commissioned in Malawi (Kachule and Chilongo 2007) and Mozambique (Tostão 2007), as well as a broader synthesis of the regional findings (Mangisoni et al. 2007).
2. PURPOSE OF THE STUDY

2.1 Statement of the Problem

Increased use of improved seed and fertilizer has the potential to raise productivity and increase farmers’ incomes, thereby reducing rural poverty. However, smallholder farmers, most of whom are in outlying areas, are faced with lack of access to these indispensable inputs.

Conventional input delivery channels such as the Direct Seed Distribution (DSD) used by government and non-governmental organizations have failed to effectively address the lack of access to seed due to the massive delays in delivering the input; in some cases irregularities such as corruption and financial mismanagement have also been experienced.

Attempts are being made to improve seed distribution through approaches such as the Seed Voucher and Fairs (SV&F). However, the SV&F is a relatively new phenomenon in Zambia, hence there is little information on its viability and applicability as a seed distribution mechanism. Though it has been implemented by some organizations such as the Catholic Relief Services, C-SAFE, LISAR and Oxfam, the scale at which it has been done is very small. It had been expected that other stakeholders such as the government may adopt the SV&F approach but this has not been the case. In 2002 the Ministry of Agriculture and Co-operatives (MACO) considered fertilizer distribution using a voucher-based system, but inadequate information and experience in using vouchers made it difficult to convince decision makers. This is indicative of the fact that the subject of SV&F remains unexplored.

2.2 Objectives of the Study

2.2.1 General Objective:
The general objective of the study was to identify whether (and how) input vouchers could be an effective distribution mechanism for inputs.

2.2.2 Specific Objectives of the Study
The specific objectives of the study were to:

- Assess farmer and stakeholder perceptions of input seed vouchers
- Assess the feasibility of using input vouchers to integrate the commercial and non-commercial seed markets
- Assess and recommend the successful implementation of a market-friendly relief seed and fertilizer marketing model for stakeholders.
3. LITERATURE REVIEW

Introduction

In this section, summary findings of relief seed/voucher country reports finalized during 2006 have been updated using literature from local and international studies. A more complete review of literature is available in Kalinda and Simfukwe (2007).

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

During the earlier FANRPAN study (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 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 at 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 is more inclusive and most government and NGO programmes are developmental in design. Referring to them as “relief” may therefore send the wrong signals to policy makers.

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

Relief seed sales (i.e., seed sales to government agencies and other relief operations) ranged between 2,500 mt and 6,400 mt 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 10,000 mt 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 and NGOs) far outstrip the level of sales to commercial distributors & stockists.

3.4 Hybrid Maize Dominant: No Commercial Sector for 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 (Walsh et al. 2004a).

Because households do not use their 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).

The absence of non-maize relief seed reinforces the “diversification argument” in favour of Seed Vouchers and Fairs, in that SV&F could be promoting agro-biodiversity through strengthening the local seed system and exchange of local varieties. Furthermore, traders with more varieties across and within ecological zones, community seed producers, and companies presenting new varieties would also encourage agro-biodiversity (Bramel 2004).

3.5 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 NGO seed programmes, more than 50% of commercial seed sold would not have found its way to these important rural/outrlying markets.

3.6 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 their communities, particularly for the vulnerable (Sperling et.al. 2004). Sourcing seed from local areas will encourage local entrepreneurship as well as avail seed that is adapted to the local environment (CRS 2004).

3.7 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).

Findings on the issue of quality are mixed – while there is an argument (Sperling et al. 2004) that seed-quality parameters in emergency response 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), Chambidima (2004) does 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.

### 3.8 Limited Crop and Seed Varieties Distributed through 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). NGO seed distribution programmes had a wider range of seed, and distributed varieties of “traditional” seeds, mainly OPVs and QDS. NGOs and relief agencies distribute more non-maize seed, in variety and quantity, than is reflected in the relief sales of commercial seed companies – suggesting that most other relief seed is not purchased from seed companies.

In project areas where food shortages are chronic and people 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 agencies should “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 (Kalinda and Sikwibele 2006). This expansion of the scope of vouchers 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.

### 3.9 Involvement of Seed Industry in Voucher-based Distribution

The study by Simfukwe (2006) also 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 do not 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, where their seed products are not normally be available.

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. 2006).

3.10 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. Further research may 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. We came across the following examples of the socio-economic benefits which decision-makers should be made aware of:

- The Kirundo seed fairs in Burundi (Walsh et al. 2004a) 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 et al. 2004b).

- Because local farmers and entrepreneurs find an outlet for their seeds, SV&Fs 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 (Chamdimba 2004).

- Paul Omanga (2004) and Bramel and Remington (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.

The findings of Kalinda and Sikwibele (2006) also suggest provide an appropriate basis for concluding this section by stating that there are inherent strengths in both DSD and seed voucher and fair (SV&F) 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.

3.11 Evaluation and Monitoring

Conducting diagnostic studies/surveys prior to administration of relief seed has been lacking in most cases studied. It is 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 (Lusambo 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 the project. Kalinda and Sikwibele (2006) also suggest that relief agencies, NGOs, the government, and donors need to carefully consider monitoring and evaluation as a very critical part of implementing DSD and SV&F 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.
4. APPROACHES TO THE STUDY

4.1 Introduction

Literature reviews continued even after the completion of the Phase 1 report (Kalinda and Simfukwe 2007). However, during Phase 2, a structured questionnaire constituted the main instrument for capturing primary data from field surveys (Annex 1). As part of the field survey, perspectives of stakeholders and intended beneficiaries were also be captured through informant interviews and participatory rural appraisals (PRAs) at farmer community level.

The study was undertaken under certain limitations, especially the small sample size in both Luapula and Western Provinces, due to limited resources. Additionally, the study did not benefit from adequate local experiences with vouchers which limited the depth of experiences by respondents, particularly in the Sioma area.

4.2 Secondary Data Collection

The team collected and analysed secondary data from the beginning of the study in January 2007. This contributed to a deeper and broader understanding of experiences with voucher systems both in Zambia and elsewhere. Sources of data included public and private institutions, NGOs and international sources.

4.3 The Structured Questionnaire

A structured questionnaire was developed mainly for the secondary (i.e., institutional) stakeholders, in the private, public and NGOs sectors. The respondents were cross-cutting and were identified prior to the field mission and also during the actual survey. The questionnaire included 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 were harmonised with findings from the “primary” stakeholders (interviewed mostly by PRA/informant methods).

4.4 Review of Current Research and Knowledge

The consultants continued to conduct desk studies of current research and consultancy reports on input vouchers, for the country and internationally. The bibliography of research documents developed in Phase 1 was updated. Some success was achieved in interviewing individual/collective specialists and obtaining their views on their experiences with the input voucher system.

4.5 Perspectives of Stakeholders

This activity focused 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. This was a rural-oriented activity, during which data were obtained through community PRA, focus group interviews
and key Informant interviews. A checklist of questions, developed earlier, was the basis for conducting the PRA and other interviews.

4.6 Data Analysis

Data analysis, as presented in the next chapter, was conducted to identify trends, proportions, percentage (%) changes and comparative differences among the variables. All analysis was aimed at answering the questions raised in the terms of reference of the study and as reviewed in the Lilongwe workshop organized for this study by FANRPAN.

4.7 National Consultative Workshop

A draft of this report was presented for discussion at a national stakeholder consultation workshop organized by the Agriculture Consultative Forum (ACF), FANRPAN’s node host in Zambia. This workshop provided a platform for dialogue among stakeholders in agriculture development with a focus on the input supply systems findings of this study report. Comments and policy views of the stakeholders at this workshop have been incorporated into this final report, and contributed immensely to the development of a related policy brief associated with this study.
5. RESULTS AND DISCUSSION

5.1 Introduction

There were two sets of data analysed – one pertaining to the group of respondents who have had prior experience using input vouchers, and another relating to the group of respondents who have not had any experience using input vouchers. The group with previous voucher experience was sampled from an area called Sioma, in Shangombo District of Western Province, about 500 km from Lusaka. This group is referred to as “Western Province” in the rest of this report.

The group without prior experience in the use of input vouchers was sampled from farmers in the peri-urban areas of Mansa District of Luapula Province, 700 km north of Lusaka. This group, representing the “without voucher scenario,” is referred to as “Luapula Province” in this report.

\textit{Shangombo District}

Shagombo District in the Western Province of Zambia is one of the most underdeveloped districts in the country and it is very inaccessible due to the absence of a tarred road. As a result of the lack of a road, government programs such as the FSP seldom reach the area, though to a limited extent the Food Security Pack under the Programme Against Malnutrition (PAM) manage to reach a few farmers. The absence of a road has also impacted negatively on the marketing system such that farmers have been discouraged from producing for sale since they cannot profitably take their produce to outside markets. There are, however, a number of organizations operating in the area providing services including food relief, livestock and veterinary services, extension and to some extent farming input delivery. Shagombo District was one of the worst hit during the droughts experienced in 2003/04 and 2005/06.

The seed vouchers and fairs system was first introduced in the 2003/04 farming season. Following the natural calamities explained above, with funding from DFID and FAO, CRS/Zambia in partnership with CDoL implemented an Agricultural Recovery Project in Sesheke and Shangombo districts. The goal of this project was to contribute to the strengthening of agriculture systems in drought-affected areas of Shangombo and Sesheke of the Western Province of Zambia.
Mansa District
Mansa District is peri-urban; the target area for the survey is characterized by smallholder agriculture based mainly on cassava cultivation and some maize farming. It is well-serviced with a gravel road network, mostly passable throughout the year. Unlike Shangombo District, the soils are highly leached, partly due to high rainfall.

With two main sets of data to compare (respondents with prior vouchers experience and those with none), it became necessary to analyse the results both within each homogeneous group and across the two groups. Therefore, both categories of respondents have been analysed under each of the main headings of the survey findings.
5.2 Respondents’ Characteristics

In Western Province, respondents were chosen by purposive sampling, based on NGO officials’ knowledge of local farmers who had participated in recent input voucher activities. Any other (random) sampling would not have yielded an adequate sample size due to the limited number of residents with experience in the use of vouchers.

In Luapula Province, where there was no prior experience with vouchers, the sampling was much larger as it involved all farmers on the membership list of the Mansa District farmers’ association. The possibility of bias was discounted because almost the same farmers also appeared on membership lists of the District Cooperative Union (DCU) and the local Ministry of Agriculture and Cooperatives (MACO).

Despite targeting a sample of 30 in each province, only 20 responses were obtainable in Luapula Province, while in Western Province only 25 Sioma residents were available to respond to the questionnaire. The limited resources available for the survey entailed reduction in the number of field days as well as limiting of the geographical coverage of the survey.

5.2.1 Gender

Table 1: Number of Respondents by Gender

<table>
<thead>
<tr>
<th>Province</th>
<th>Gender</th>
<th>No. of Respondents</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luapula</td>
<td>Male</td>
<td>15</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td>Western</td>
<td>Male</td>
<td>17</td>
<td>68</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>8</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>25</td>
<td>100</td>
</tr>
<tr>
<td>Total both provinces</td>
<td>Male</td>
<td>32</td>
<td>70</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>13</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>45</td>
<td>100</td>
</tr>
</tbody>
</table>

The proportional participation by gender between the two provinces was found to be almost the same with only about a quarter of the participants being females (Table 1).

5.2.2 Categories of Respondents and Knowledge of SV&F

Most of the respondents from Luapula Province were farmers (85%), followed by producer association representatives (10%) and one government official (5%). In the same province only six out of twenty respondents (30%) had heard of vouchers (and/or seed fairs), while 75% either knew nothing or only had a faint idea of the voucher concept.

However, most respondents from Western Province (80%) expressed awareness of the concept of input vouchers and fairs (or the alternative names of “seed
coupons” or “papers with money value”). It was evident that CRS had supported input vouchers and fairs in the areas interviewed.

5.2.3 Sources of Inputs

The study assessed the major sources of inputs for most farmers in the sampled areas, with the intention of assessing the main suppliers (or sources) of inputs in a scenario where seed fairs and vouchers are not implemented.

Table 2: Respondents’ Main Source of Inputs

<table>
<thead>
<tr>
<th>Source of Inputs</th>
<th>Western Province</th>
<th>Luapula Province</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percent</td>
</tr>
<tr>
<td>Input supplier</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Government</td>
<td>6</td>
<td>30</td>
</tr>
<tr>
<td>Seed producer</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>Stockist/trader</td>
<td>9</td>
<td>45</td>
</tr>
<tr>
<td>Total</td>
<td>20</td>
<td>100</td>
</tr>
</tbody>
</table>

In Western Province most respondents obtained their inputs from stockist/traders (45%) followed by 30% who obtained inputs from government programmes. This was the reverse of Luapula results where stockists provided 15% of inputs while Government provided almost 70% of the respondents’ inputs. Noting that the voucher system has been implemented in the sampled areas of the Western Province, one perceives a link between private input prominence in this area and the fact that vouchers have been practiced here for sometime. This could have encouraged private stockists/traders to set up supply businesses in the area compared to the sampled area in Luapula Province where government is still the main supplier of inputs.

5.3 Registration System

5.3.1 Who should be involved in Registration of Beneficiaries?

The registration of beneficiaries is one of the most important steps involved in the SV&F approach. The survey assessed the views of beneficiaries on who should be involved in the registration process and what role they should play. This question was found to be more relevant to Western Province, where respondents have had prior experience with use of input vouchers, than to Luapula Province.

Figure 3 shows that most respondents in Western Province (60%) preferred the local committee to be involved in the registration process compared to 44% who preferred the beneficiaries themselves to be involved. The lowest proportion of 24% belonged to those respondents who proposed that local leaders be involved in the registration of beneficiaries. The common reason given by respondents for preferring the local committee was transparency and fairness of the voucher allocation system.
Many respondents (28%) also recognized that project officials from the voucher implementing agency or NGO should take part in the registration, but said they should mainly play a supportive role rather than being the key players since they are not expected to know the locals sufficiently. During the focus group discussion (FGD), local leaders such as chiefs were included as they may provide advice relevant to the registration process, while the local committee should constitute the registration team.

5.3.2 Identification of Input Suppliers, Beneficiaries and Quantities

Input Suppliers
Prior experience with vouchers was relevant to answering this question; hence only Western Province responses were utilized in the analysis of results.

It was found that input suppliers were identified though tendering procedures where the implementing donor organization advertised for bids and selected those input suppliers who had sufficient capacity to supply the input varieties in the quantity and quality desired. The study also found that only suppliers of certified seed had been allowed to participate in the area’s voucher supply schemes.

Indeed this tender-based scenario illustrates a relatively controlled input voucher system which may not represent the best-case scenario for the role vouchers are expected to play in developing input marketing systems. For example, restricting suppliers to certified seed and only for limited seed varieties does not allow farmers to exercise choice and selection of what seed they prefer to purchase for their fields, resulting in a donor- or NGO-determined farmer production system.

Beneficiaries
Beneficiaries were identified based on criteria developed jointly by Community Project Teams (CPTs) and the communities. CPTs consisted of civil authorities,
agricultural extension agents, church/parish representatives and community leaders. This selection was based on needs using the criteria agreed upon. Some of the issues considered when setting the criteria, included: vulnerable groups such as female-headed households without food or assets to generate income; adolescent-headed households; orphan guardian families particularly those affected by HIV/AIDS; widows; and the elderly. The criteria for beneficiary identification and selection would ideally allow needy and vulnerable households to be selected. However, it is not always possible to adhere strictly to a given set of criteria, due to political and other patronage influences inherent in most developing country communities.

**Quantity of Inputs**

The quantity of seed to be supplied in different areas was identified through a seed security assessment which established the need for seed. The assessment involved establishing the problem of seed need and seed availability through meetings, interviews and focus group discussions. The method of identification allowed the right amount of seed to be taken to a particular area and it prevented under/over supply of inputs to an area. However, beneficiaries indicated that there was inadequate consultation with the locals as evidenced by the fact that some of the input types brought to seed fairs, such as cowpeas and cassava, experienced low demand.

For Luapula Province, most of the respondents (70%) indicated that producer associations should be involved in all the aspects of the voucher registration process, i.e., the beneficiary registration process, selection of input suppliers and selection of beneficiaries.

### 5.4 Targeting of Beneficiaries

#### 5.4.1 Beneficiary Selection

Respondents from both provinces were asked how they would like beneficiaries to be selected. Their responses, summarized in the table below, are designed to provide for correcting undesired aspects (in the areas with prior voucher experience) and improve future implementation of voucher systems in input marketing.

<table>
<thead>
<tr>
<th></th>
<th>Western Province</th>
<th>Luapula Province</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With my Involvement</td>
<td>Without my Involvement</td>
</tr>
<tr>
<td>Frequency</td>
<td>19</td>
<td>2</td>
</tr>
<tr>
<td>Percent</td>
<td>76%</td>
<td>8%</td>
</tr>
<tr>
<td>Frequency</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Percent</td>
<td>11%</td>
<td>-</td>
</tr>
</tbody>
</table>

For both Luapula and Western Provinces, most respondents (61% for Luapula and 80% for Western Province) indicated that “all stakeholders” should be consulted when targeting beneficiaries. These stakeholders are Government, private sector, local leadership and target communities.
5.4.2 Selection Parameters
Beneficiaries were also interviewed on what they thought should be the parameters to be included as criteria for selecting beneficiaries of the input vouchers.

Table 4: Beneficiary Selection Criteria

<table>
<thead>
<tr>
<th>Selection Parameters</th>
<th>Western Province</th>
<th></th>
<th>Luapula Province</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percent</td>
<td>Frequency</td>
<td>Percent</td>
</tr>
<tr>
<td>Female Headed Households</td>
<td>6</td>
<td>24%</td>
<td>11</td>
<td>19%</td>
</tr>
<tr>
<td>Households Without Food</td>
<td>9</td>
<td>36%</td>
<td>11</td>
<td>19%</td>
</tr>
<tr>
<td>Households Without Assets</td>
<td>6</td>
<td>24%</td>
<td>2</td>
<td>3%</td>
</tr>
<tr>
<td>Adolescent Headed Households</td>
<td>3</td>
<td>12%</td>
<td>5</td>
<td>8%</td>
</tr>
<tr>
<td>Those Affected by HIV/AIDS</td>
<td>2</td>
<td>8%</td>
<td>13</td>
<td>22%</td>
</tr>
<tr>
<td>Widows</td>
<td>1</td>
<td>4%</td>
<td>9</td>
<td>15%</td>
</tr>
<tr>
<td>The Elderly</td>
<td>1</td>
<td>4%</td>
<td>7</td>
<td>12%</td>
</tr>
<tr>
<td>Vulnerable but Viable</td>
<td>10</td>
<td>40%</td>
<td>1</td>
<td>2%</td>
</tr>
</tbody>
</table>

In Western Province, the results indicated that among the parameters, ‘households without food’ was the most recommended (36%), followed by ‘female headed households’ (24%) and ‘households without assets’ (24%).

However, in the case of Luapula Province, those affected by HIV/AIDS (22%) was the most important parameter followed by both female-headed households (19%) and households without food (19%).

The differences in the results between the two provinces highlight the fact that parameters have to be community-specific and possibly designed with the involvement of local knowledge. Economic vulnerability seems to be perceived differently by different communities. Hence, to ensure fairness, local understanding of what entails being “vulnerable” will assist in ensuring effective targeting of input vouchers.

5.4.3 Beneficiaries’ Contribution to the Voucher Value

In the past input voucher initiatives in the Sioma area, respondents (or beneficiaries) did not contribute anything towards the value of the vouchers. The study sought to get the views of beneficiaries on what percentage of the voucher value they would like to contribute.

In Western Province, 60% of the respondents indicated that they should be contributing 0% of the voucher value while 28% said they should be contributing less than 50% (see Table 4). Only 4% of the respondents would like to contribute more than 50%. Most respondents felt that they did not have the capacity yet to contribute any amount to the voucher value as they still considered themselves

1 For example, in Malawi beneficiaries do make a substantial co-payment (Kachule and Chilongo 2007).
vulnerable. They were quick to point out, however, that they were willing to contribute towards the program either financially or through produce once they became more stable. The 28% that indicated that they would like to contribute less than 50% pointed out that this would show their appreciation for the program, their responsibility and provide support to the program to ensure its continuity.

The results for Luapula Province were different in that the highest percentage (45%) stated that they would contribute over 50% while the next group (40%) indicated that they would not contribute anything. Only 15% indicated that they would contribute less than 50%. The common reason given by respondents for the high contribution was they are already depending on government-subsidised fertilizer and seed towards which they are obliged to contribute 50% of the value.

Table 5: Level of Beneficiary Willingness to Contribute to the Voucher Value

<table>
<thead>
<tr>
<th>Percent Contribution</th>
<th>Western Province Frequency</th>
<th>Percent</th>
<th>Luapula Province Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;50%</td>
<td>1</td>
<td>4</td>
<td>9</td>
<td>45%</td>
</tr>
<tr>
<td>&lt;50%</td>
<td>7</td>
<td>28</td>
<td>3</td>
<td>15%</td>
</tr>
<tr>
<td>0%</td>
<td>17</td>
<td>68</td>
<td>8</td>
<td>40%</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>100</td>
<td>20</td>
<td>100</td>
</tr>
</tbody>
</table>

5.4.4 Prior Capacity Training

The study was also aimed at assessing the basic capacity needs of the respondents to ensure their ability to appreciate the input voucher processes thus increasing efficiency.

The results for Western Province respondents showed that the number of beneficiaries who preferred a workshop (52%) was almost equal to those who preferred short formal training (48%).

In Luapula Province, most respondents (61.5%) preferred a workshop followed by those in favour of study tour (15.4%) and short formal training (15.4%).

Table 6: Capacity Training Needs

<table>
<thead>
<tr>
<th></th>
<th>Western Province Frequency</th>
<th>Percent</th>
<th>Luapula Province Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short Formal training</td>
<td>12</td>
<td>48</td>
<td>4</td>
<td>15.4</td>
</tr>
<tr>
<td>A Workshop</td>
<td>13</td>
<td>52</td>
<td>16</td>
<td>61.5</td>
</tr>
<tr>
<td>Brochures</td>
<td>2</td>
<td>7.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Study Tours</td>
<td>4</td>
<td>15.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.5 The Type and Value of the Input Supply Pack

5.5.1 Input Supply Pack

Beneficiaries were also interviewed on what types of inputs they would like to redeem against vouchers. In both provinces, respondents indicated that they preferred seed, fertilizer and chemicals as inputs to be purchased with their vouchers. Beneficiaries’ reasons for preferring these input types was that they did not have access to them as they could only be bought from distant districts.

Figure 4: Preferred Input Supply Pack – Western Province

![Figure 4: Preferred Input Supply Pack – Western Province](image)

5.5.2 Input Priorities

In terms of priority ranking, 96% of Western Province respondents preferred seed (Figures 4 and 5 are for Western Province only), while only 50% of respondents in Luapula preferred seed. For respondents in both provinces, fertilizer was the second most important input (88% of respondents in Western Province), while chemicals were least important (10% in Luapula and 52% in Western Province).

Figure 5: Priority Ranking of Inputs by Respondents-Western Province

![Figure 5: Priority Ranking of Inputs by Respondents-Western Province](image)
Other important inputs mentioned by respondents in Luapula Province were seed for beans, groundnuts, soyabean, and vegetables, with one respondent mentioning cash money.

In terms of quantities, respondents from Western Province suggested that the supply of maize seed should be increased from the current 5 kg per household to 15 kg. It was suggested that a package of 100 kg fertilizer containing 50 kg Compound D and 50 kg Urea should be included in the input supply pack.

5.6 Main Source of Inputs

For the inputs described by respondents in the previous section (5.5), the study also aimed at ascertaining who the main suppliers are and the logistics involved in channeling these inputs to the respondents’ rural communities. In the sections below the results pertaining to these questions are analysed.

5.6.1 Main Suppliers of Inputs

Respondents from both provinces provided the results summarized in Table 7, showing the main suppliers of inputs.

The results show that the main suppliers of inputs in Western Province are seed stockists (40% of respondents), while in Luapula Government Departments (60% of respondents) are the main suppliers. In both provinces inputs from local communities are second in importance (36% in Western Province and 25% in Luapula). Seed stockists (at 10% of responses) are second least important input suppliers in Luapula Province – yet they are the most important suppliers in the Western Province scenario.

Table 7: Main Input Suppliers

<table>
<thead>
<tr>
<th></th>
<th>Western Province</th>
<th>Luapula Province</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percent</td>
</tr>
<tr>
<td>Local/Community based NGOs</td>
<td>9</td>
<td>36</td>
</tr>
<tr>
<td>External NGOs</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>Seed Stockists/Traders</td>
<td>10</td>
<td>40</td>
</tr>
<tr>
<td>Government Departments</td>
<td>4</td>
<td>16</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>100</td>
</tr>
</tbody>
</table>

5.6.2 Input Supply Logistics

Logistics and timeliness are crucial in determining the success of an SV&F program in combating hunger and poverty. This is because late delivery of inputs, which at times has been associated with input distribution mechanisms like the DSD, causes late planting, resulting in reduced yields, thus worsening the hunger situation.

Most respondents in both provinces said they were aware of the aspect of logistics in the implementation of an input voucher program, although in the case of Western Province, they were mostly aware of the physical transportation of inputs.
and organization of seed fairs. None of the respondents knew about tendering procedures for seed sellers, funding, or procurement as they had not been involved in these activities. A few respondents stated that they had been involved in the organization of past seed fair events.

Delivery during Voucher and Seed Fairs
For those respondents in Western Province who have been associated with voucher logistics, 44% cited the problem of late delivery of inputs, 20% complained about the problem of insufficient amounts of inputs, while 20% said they did not face any problems with logistics.

Transparency during Voucher and Seed fairs
Regarding perceptions of the transparency of the voucher system as experienced in Western Province, most respondents (72%) acknowledged that the process was generally transparent. Only 16% thought that the voucher system was not transparent, while 12% did not comment.

Luapula respondents had no responses to this question due to their lack of previous experience with vouchers.

Design and Colour of Voucher
When asked about the design and colour of vouchers, most respondents from Western Province (70%) expressed satisfaction with their design and colour (which varies with value) and had no suggestions for further improvements. This response coincides with 90% Luapula respondents who indicated that colour of voucher must differ with value.

Figure 6: Transparency during SV&F

Vouchers Linkage with Seed Fairs
Respondents’ views on whether seed vouchers should always be provided through seed fairs are summarized in Table 8 (for Luapula) and figure 8 (for Western Province):
Table 8: Vouchers Linkage with Seed Fairs

<table>
<thead>
<tr>
<th></th>
<th>Yes all the time</th>
<th>Not really</th>
<th>Yes sometimes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through seed fair?</td>
<td>4</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Percent</td>
<td>30.8</td>
<td>15.4</td>
<td>53.8</td>
</tr>
</tbody>
</table>

*Data in table only for Luapula Province

The figure for Western Province (Figure 8, above) indicates that most respondents felt that seed vouchers should be provided through seed fairs all the time. The Luapula respondents differed with this view by indicating (54%) that vouchers should be provided through Seed Fairs only “sometimes”. Respondents gave no reasons, yet the field survey staff observed that Luapula respondents were accustomed to the government-administered system and were apprehensive to have another (unknown) form of input distribution introduced in their area. The lack of knowledge and awareness of the attributes of the input voucher system was evident among the Luapula respondents, despite enumerator debriefings on the systems.

5.7 Marketing Arrangements

5.7.1 Impact of Voucher Scheme on Input Markets

Although most respondents were not conversant with issues relating to the impact of vouchers on the overall input market, the FGD participants and key informants in Western Province were of the general view that the voucher approach would improve the operation of the overall input market as it would allow more seed sellers to reach outlying markets now seldom reached, and this would expand the size of their markets. It was also said that the voucher system has the potential to promote development of farmers’ seed systems and to allow quicker transactions between seed sellers and farmers.
There were no responses from Luapula Province on this question.

5.7.2 Distance to Voucher Redeeming (Input) Centres

Most respondents in Western Province (59%) indicated that input centres for redeeming vouchers should be within the villages, while 29% felt they should be at district level. There were no responses from Luapula Province to this question.

Table 9: Distance to Redeeming Centre

<table>
<thead>
<tr>
<th></th>
<th>frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Village/community</td>
<td>10</td>
<td>59</td>
</tr>
<tr>
<td>District</td>
<td>5</td>
<td>29</td>
</tr>
<tr>
<td>Seed fair</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>17</td>
<td>100</td>
</tr>
</tbody>
</table>

5.8 Input Quality

5.8.1 Certification versus Physical Appearance

The quality of inputs brought to the seed fairs by input sellers is another very important determinant of the success of the voucher system. Any compromise in quality may result in poor yields, hence undermining this input supply scheme.

In the assessment of how respondents defined input quality, most respondents from Western Province (60%) indicated that they defined quality by physical appearance, contrary to their counterparts from Luapula who consider certification (93%) to be the definition of quality. Respondents gave no explanation for these choices but survey enumerators observed that prior experience with input supply has a lot to do with the choices. While Luapula respondents have prior experience with certified seed distributed through the government system, Western Province respondents, because of their voucher experiences may have realized that non-certified seed is equally acceptable in the village input supply system (the farmer-to-farmer system), particularly for non-maize seeds such as cow peas, beans, millet, sorghum, etc.

5.8.2 Perception of Quality for Specific Input Types

Figure 9 presents results of Western Province respondents’ perceptions of quality in terms of specific inputs, unlike question 5.9.1 where quality refers to all combined inputs. Respondents when asked specifically about how they measure quality of seed, were almost equally in favour of physical appearance (32%) and certification (36%), unlike the responses reported in section 5.9.1 where physical appearance was the measure preferred when all input types are measured together. Fertilizer is mostly (24%) measured by physical appearance, although equal proportions of 20% each measured fertilizer quality by both certification and expiry date. Expiry date was also a common measure of quality for chemicals by 20% of respondents in the province.
In Luapula Province, partly due to lack of voucher experience the response was very generalized with 98% preferring certification and 2% choosing physical appearance for all types of inputs – i.e. seed, fertilizer and chemicals.

### 5.8.3 Satisfaction with Quality of Relief Inputs

Most respondents in Western Province (52%) stated that the quality of inputs being provided through relief programs is “good”, while 36% viewed the quality as “very good.” Only 12% viewed the quality of inputs as poor. Figure 9 illustrates the levels of satisfaction of respondents from Western Province.

Regarding penalties for delivering poor quality inputs, the study found that Western Province respondents (60%) prefer that violators of quality standards be suspended while 16% recommended a fine be imposed. Twenty percent of respondents said violators should have their inputs confiscated.
5.9 Fraud and Corruption Issues

5.9.1 Types of Fraud Experienced

The study also assessed the type of fraud experienced by most beneficiaries of the voucher approach in Western Province where vouchers have existed. The study found that “favouritism in selecting beneficiaries” was perceived as common, experienced by 52% of respondents, followed by “re-selling” of inputs by beneficiaries. In Luapula Province, the lack of experience with vouchers among respondents meant that there were no results on this issue.

Table 10: Types of Fraud Experienced

<table>
<thead>
<tr>
<th>Type of Fraud Experienced</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Favoritism in Selecting Beneficiaries</td>
<td>13</td>
<td>52</td>
</tr>
<tr>
<td>Selling Vouchers</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Selling Inputs by Beneficiaries</td>
<td>4</td>
<td>16</td>
</tr>
<tr>
<td>No Fraud Experienced</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>No Response</td>
<td>4</td>
<td>16%</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Data based on Western Province only.

5.9.2 Suggestions for Overcoming Fraud

The responses to the above question were obtained through PRA and FGD, rather than through the questionnaire. The study found that in order to minimize the occurrence of fraud respondents suggested suspension of voucher-management officials while others recommended that since most fraud occurred during registration or selection of beneficiaries the registration team should be accompanied by project officials who should monitor the process and ensure that the correct procedures are adhered to.

Considering the high proportion of respondents (60%) who preferred the local committee to manage the registration process (see section 5.3.1), the study observed that ability by the community to take disciplinary action was key to the responses given in 5.3.1. While local leaders may be “untouchable,” and therefore “immune” to punitive action, the elected local committee and project officials would be within the reach of disciplinary action of the community. This, it was observed, would then inspire the local leaders to restrain themselves from fraudulent activities during the input voucher administration process.

5.10 The Role of Stakeholders

In assessing the role of stakeholders, the study utilized PRAs and FGD and key informant interviews; hence all the data obtained for this section of the study are qualitative.
5.10.1 The Government

In Western Province, Government was identified to be the major stakeholder in the input voucher program in that it could provide support to implementers and had the capacity to operate an input voucher programme at a much larger scale. It was also identified that government has the role of supporting implementers of the SV&F-CRS and its partners with technical advice and staff through the Ministry of Agriculture and Co-operatives.

Most respondents from Luapula felt that government’s role is to ensure that all vulnerable groups benefit by sensitizing the rural communities and enforcing transparency and accountability in the voucher system. They also proposed that government should play the role of paying for 50% of the value of the voucher.

5.10.2 The Role of Input Suppliers

Respondents from Western Province suggested that input suppliers should play their part in the input voucher system more efficiently, because in the previous voucher undertakings, late delivery of inputs was mostly due to failure on the part of input suppliers to deliver inputs in time. They also urged suppliers to deliver excellent quality and sufficient quantity of the inputs. Beneficiaries also called on more input suppliers to get involved in input vouchers as this would allow them to tap the massive potential that exists in the unexploited outlying input market.

The Luapula Province respondents concurred with their Western Province counterparts on the importance of timely delivery of inputs by suppliers. They also emphasized the need for input suppliers to employ reliable and credible managers of the voucher system.

5.10.3 Beneficiaries and the Local Community

The role of the beneficiaries and the local community in the input voucher program was identified in the Western Province as that of supplying local information to program implementers. In the previous voucher experiences, this was achieved by forming CPTs consisting of local people who were actively involved in targeting, sensitization and registration of beneficiaries. Beneficiaries and the local community should be involved in organizing events such as Seed Fairs to have a sense of ownership of the program. They should also be constantly providing feedback on their perception of the program, which should facilitate program Monitoring and Evaluation (M&E). The local community would also like to participate as local seed sellers during seed fairs. They have not been encouraged to do so in the past seed fairs due to the Seed Control and Certification Institute (SCCI), which does not allow uncertified seed to be traded. It was suggested therefore, that SCCI should exempt the voucher system from such legal requirements to allow participation of local seed growers in the program.

The study found that in Luapula Province, the respondents prefer the role of the community/beneficiaries to include selection of beneficiaries, paying 50% value of the voucher, and being involved in the planning and implementation of the voucher system for their areas. They also proposed that local communities and
beneficiaries should play the role of preventing corruption in the administration of the voucher system.

5.10.4 NGOs and International Donors

The study found that both Western Province and Luapula Province respondents prefer the role of NGOs and international donors to include monitoring, mobilizing the right beneficiaries, partnering with local leadership, and identifying input suppliers.

5.10.5 Who Else Should Play a Role?

Respondents from both provinces proposed that the following organizations should be included among the list of stakeholders to play a role in the planning and implementation of an input voucher system:

- Producer associations
- Financial institutions - to redeem the vouchers
- Police - to stop abuse of the voucher system.
6.0 CONCLUSIONS AND RECOMMENDATIONS

6.1 Conclusions

- Where they have been implemented, vouchers have received a favourable response from beneficiaries.

- Vouchers, if implemented, would provide a natural feedback mechanism for both public and private input suppliers on the actual needs of the farmers.

- While DSD and the voucher approach both deliver inputs to the farmers, DSD does not benefit from the feedback of farmers since it is a top down approach while in the voucher system, information flows upwards and downwards.

- Most respondents believed that SV&F is a transparent system as everything takes place in full view of everyone, leaving less room for fraudulent activities.

- Most beneficiaries supported the idea of conducting seed voucher programmes in conjunction with seed fairs. This indicates that beneficiaries appreciated the input market created through seed fairs which allowed vouchers to be exchanged with seed and planting materials.

- Most beneficiaries measure seed quality by whether it is certified or not; fertilizer quality is measured by physical appearance; and for chemicals, respondents said they read the expiry date on the container to determine its quality. Most respondents expressed satisfaction with the quality of seed provided through the SV&F system.

- The most prevalent type of fraud experienced by most beneficiaries was favouritism in the selection of beneficiaries.

- SV&F are viable and have a great potential to increase input trade and integrate commercial and non-commercial seed markets thus expanding input markets. They are an effective means to combat rural poverty and to respond to emergency situations in areas prone to adverse conditions such as droughts as beneficiaries are empowered with the area specific input types.

6.2 Recommendations

- For policy implementation purposes, a nationwide voucher programme, if implemented, should be done in a step-by-step manner, covering growing geographical areas, starting with those with highest likelihood of success. This will enable implementing agencies to gain experience and learn lessons as the programme is rolled out nationally.
• Prior to implementing Input vouchers and fairs, more consultation needs to be done with local people. Consultation with the locals will result in culturally sensitive interventions. During the SV&F there were cases of planting materials supplied that experienced low demand during seed fairs due to the cultural preferences of the particular people.

• A voucher programme should begin with a needs assessment aimed at determining the level of seed security and types, quality and quantity of inputs to be included in the intervention strategy. Local participation in the assessment will avoid inappropriate interventions as implementers will be well informed of the prevailing poverty situation as well as the social and cultural environment of the particular area.

• The community should play a major role in the registration of beneficiaries through a local committee elected by the community as they possess knowledge of the local people and conditions. The CPTs constituted during the SV&F were appointed, but we recommend that a good number of CPT members should be elected by the community so that the community will take ownership of their decisions and actions rather than deeming them foreign. However, some key members can still be appointed such as extension agents and civil authorities.

• Socio-economic vulnerability is assessed differently by different communities, hence the need to involve beneficiaries in setting parameters/criteria for selection of beneficiaries.

• The local committee should act as a link between implementers and the community. This would ensure continuity of the program even when implementing agency officials are not there. During registration a team comprising of the local committee and independent officials such as NGO officials should carry out the registration. Independent officials will act as monitors to ensure that proper procedures are followed and there is no favouritism or fraud in the process.

• The input voucher programme should not only be viewed as an emergency response which is only conducted in times of adverse conditions such as a drought. It should instead be an ongoing program to reach far flung areas with farm inputs to enhance their productive capacity for self sustenance and for income generation. Such an approach also implies that the program should promote output markets for farm produce which will allow farmers to sell produce - enhancing their livelihoods. Thus the necessary infrastructure such as the road network is critical to permit trade in farm produce with other districts.

• At a time when beneficiaries are able to generate income and sustain themselves, they could be required to contribute something towards the operation of the input vouchers, as is done in some neighbouring countries. This would encourage responsibility in the use of inputs received. At the moment, beneficiaries cannot contribute anything since they are still vulnerable and poor.
A short workshop for one week should be held for beneficiaries as a prior capacity building of beneficiaries and other implementers. This workshop should serve as a forum to sensitize beneficiaries on the purpose and use of input vouchers and to introduce them to the processes involved in SV&Fs. This workshop should also be an opportunity to conduct a brief training to farmers on crop production so that they can attain high yields from the seed received. Proper use of inputs such as fertilizer and chemicals should also be taught if they have been provided.

Holders of vouchers should be able to redeem them close to their communities.

In order to keep fraud to a minimum we recommend that a set of rules to be adhered to by all parties to the seed voucher programme should be constituted, and these should spell out the penalties for offenders. Penalties such as suspension or expulsion of offenders should be laid down and beneficiaries, vendors and officials should be made aware of these. During registration, fraud can be controlled by placing independent officials as monitors to accompany the registration team. These will observe the process of registration to ensure that laid down procedures are followed. Any fraudulent activity involving any official, seed vendors or beneficiaries should be reported and dealt with according to laid down procedures.

The study observed that the input voucher system, if it is to target a larger population of beneficiaries, would require the public interest of government and indeed the donor community. To harness this public interest without encouraging a return to government controlled markets, it would be imperative that the general principles of a Public-Private Partnership are followed. In this partnership, the private sector entities (e.g., seed stockists, manufacturers, agencies, distributors) will be the implementers while government would retain the role of facilitator and policy supervisor.

Based on the foregoing observation, there is, therefore, potential for the agriculture sector (i.e., the government and private sector) to use vouchers to simultaneously support poor farmers to obtain inputs in the market by targeting them with vouchers, while getting government out of the business of general input subsidies, with likely fiscal benefits of budgetary savings.

At the national level, the study strongly recommends that a national scaled-up input voucher programme be implemented in the agriculture sector of Zambia. Towards this, it is advised that the Ministry of Agriculture and Cooperatives should seek support from all relevant stakeholders including the donor community, to mobilize resources for this national programme.

At regional level, the study recommends that Zambian policy makers participate in policy dialogues on the implementation of the agricultural input voucher system at SADC and COMESA levels.
REFERENCES


Kalinda, T H & Sikwibele H, (2006) “*Zambia Relief Seed Mechanisms and Seed Voucher Study*” FANRPAN.


Simfukwe M. (2006) “Relief Seed Trade in Zambia” FANRPAN.


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?

Inut 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

39
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 ……………………………………………………………..
(b) 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?
……………………………………………………………………………………………………

………………..…………………

41
(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>
</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?

[Suspend the supplier] [Fine] [Confiscate inputs] [Other] ………………

---

**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.