Integrating climate resilience in value chains SCALA Webinar

A Case of Strengthening climate resilience of agricultural livelihoods in Agro-Ecological Regions I and II in Zambia Project

UNDP Zambia

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PRESENTATION OUTLINE

1. PROJECT OVERVIEW
2. RESULTS OF THE VALUE CHAIN ANALYSIS
3. BENEFIT OF USING VC ANALYSIS AND PLANNED ACTIVITIES ON STRENGTHENING VALUE CHAINS
4. RECOMMENDATIONS
5. CONCLUSION

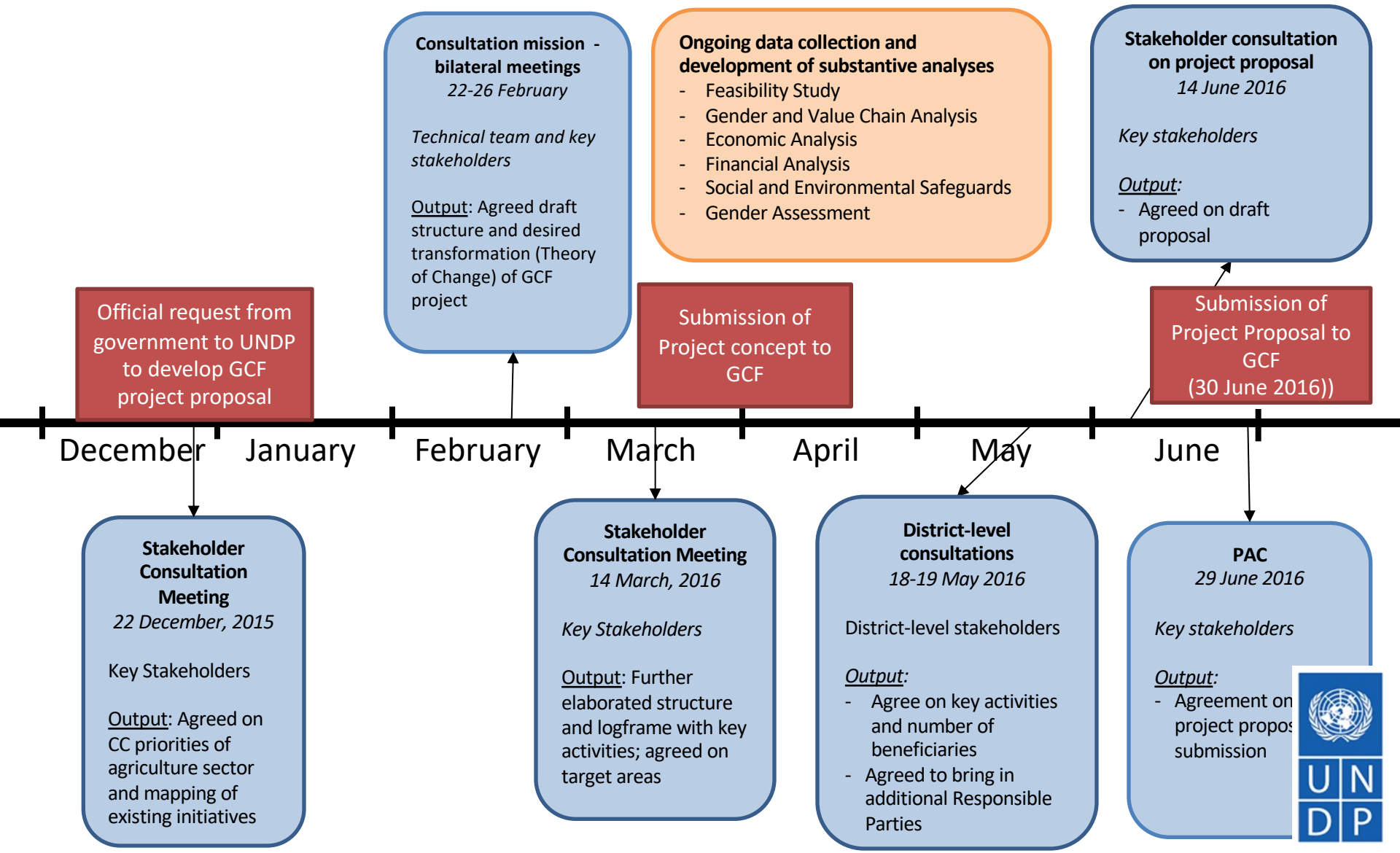
PROJECT OVERVIEW

- **Project Title:** Strengthening climate resilience of agricultural livelihoods in Agro-Ecological Zones I and II in Zambia
- **Results area** - Increased resilience of:
  - Most vulnerable people and communities
  - Health and well-being, food and water security
- **Project lifespan**: 7 years (2018-2025)
- **Financing:** USD 32 million (Grant)

PROJECT OVERVIEW-OPERATIONAL DISTRICTS

Target Districts		
	Province	Dis
1	Eastern	Ma
2	Eastern	Ny
3	Lusaka	Ch
4	Lusaka	Lu
5	Lusaka	Ch
6	Lusaka	Ru
7	Muchinga	Ch
8	Muchinga	Ma
9	Southern	Ka
10	Southern	Zia
11	Southern	Gw
12	Southern	Na
13	Western	Sh
14	Western	Se
15	Western	Se
16	Western	Mu

PROJECT OVERVIEW-CONSULTATION PROCESS



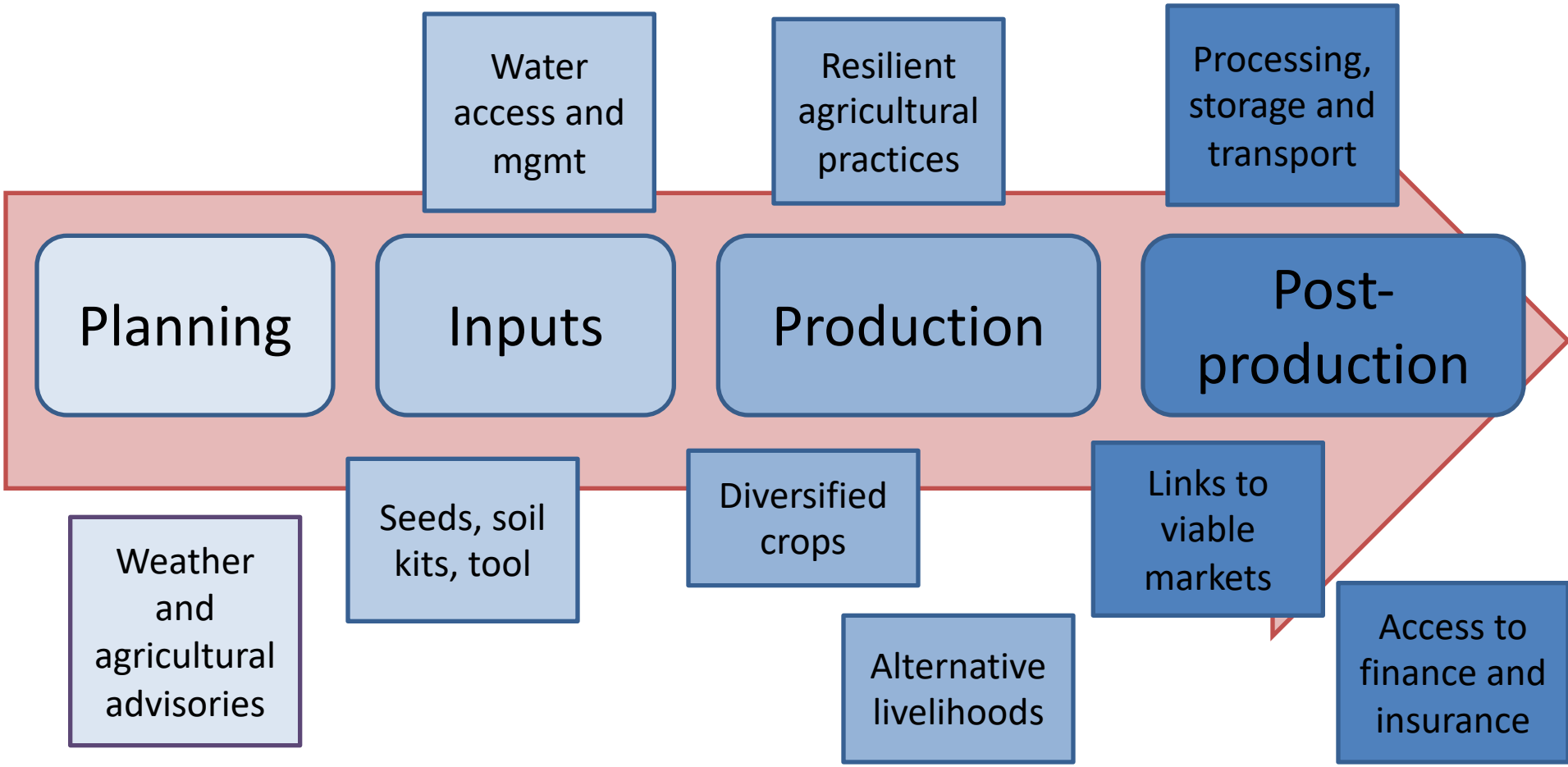
PROJECT OVERVIEW-GCF PROJECT OBJECTIVE AND FOCUS

- **Objective**: To enhance the lives and livelihoods of smallholder farmers in Agro-ecological Regions I and II in Zambia that have been adversely affected by increasing climate change risks

- **Key component:** Strengthening and diversifying climate-resilient agri-based value chains that are economically viable for smallholder farmers.

PROJECT OVERVIEW-GCF PROJECT OBJECTIV AND FOCUS

Support across the entire value chain



PROJECT OVERVIEW-PROJECT OUTPUTS

- The project will have three outputs:

- **Output 1: Smallholder farmers are able to plan for and manage climate risk to support resilient agricultural production**
  - Activity 1.1: Strengthen generation and interpretation of climate information and data collection *(e.g. strengthen weather and water observation systems, strengthen capacity to develop tailored weather and agricultural advisories)*
  - Activity 1.2: Strengthen dissemination and use of tailored weather/climate-based agricultural advisories *(dissemination of info to farmers, training on interpretation and planning using information)*

PROJECT OVERVIEW-PROJECT OUTPUTS

- **Output 2: Resilient agricultural livelihoods are promoted in the face of changing rainfall, increasing drought and occasional floods**
  - Activity 2.1: Promote irrigation schemes, water storage and capture as well as other resilient water management strategies *(water infrastructure, training on management)*
  - Activity 2.2: Increased access to agricultural inputs (e.g. seeds, soil kits, tools) for resilient crops *(includes seed multiplication)*
  - Activity 2.3: Introduction of new resilient agricultural production practices to strengthen production and diversify crops in the context of climate variability and change

PROJECT OVERVIEW-PROJECT OUTPUTS

- **Output 2: Resilient agricultural livelihoods are promoted in the face of changing rainfall, increasing drought and occasional floods**
  - Activity 2.4 Introduce alternative livelihoods to strengthen resilience in target communities *(e.g. bee-keeping, goat rearing, fish farming)*
  - Activity 2.5: Establish farmer field schools and learning centers of excellence to further document and scale up successful practices *(experiential learning, integrated trainings - agriculture practices, climate info, water management and marketing)*

PROJECT OVERVIEW-PROJECT OUTPUTS

- **Output 3: Increased farmers' access to markets and commercialization of resilient agricultural products**
  - Activity 3.1: Strengthen processing of resilient products *(e.g. processing centers and equipment, training)*
  - Activity 3.2: Strengthen storage, aggregation and transportation of resilient products to enhance commercialization and linkages to market and SMEs *(e.g. building on P4P models - Dial-a-load programme, warehouse receipt systems, virtual farmers markets)*

PROJECT OVERVIEW-PROJECT OUTPUT

- **Output 3: Increased farmers' access to markets and commercialization of resilient agricultural products**
  - Activity 3.3: Increase access to finance and insurance products for smallholder farmers *(e.g. building on R4 initiative – access to finance, training on business, weather index insurance products)*
  - Activity 3.4: Identify available markets and promote climate-resilient products *(e.g. linking to schools and hospitals, nutrition campaigns)*

PROJECT OVERVIEW-PROJECT BUDGET BREAK DOWN

- The total budget for this project is $32, 000,000

- Breakdown by Output (*including project coordination and delivery costs)*
  - Output 1 – climate info and planning for risk: $4,763,224
  - Output 2 – water mgmt, resilient ag production: $18,186,048
  - Output 3 – post-production, links to markets: $6,213,974
  - Output 4 – Project management: $2,836,754

RESULTS OF THE VALUE CHAIN ANALYSIS

- The study was undertaken in 2016 and Royal Tropical Institute was engaged by UNDP NAP Programme as an input to the SCRALA project design
- The title of the study was titled:

“Analyzing gender-sensitive agricultural value chains in Zambia: Identifying climate resilient opportunities and approaches”

The criteria for selection of value chains

- The number of smallholders involved nationally in the value chain;
- The relevance of the crop to household income generation;
- The relevance of the crop to enhancing household food security;
- Market potential and competitiveness;
- Resilience of the crop to climate change;
- Impact of the crop on the environment; and
- Gender roles

Selected crop value chains

- Cassava
- Cowpeas/ pulses
- Rice
- Soy beans

Findings

- **All four crops scored high for climate resilience and role of women in the value chain.**
- Cowpeas and cassava particularly scored high for their drought tolerance, while rice and soya bean, though more susceptible to climate impacts, particularly rainfall variability, are still considered more resilient than more common crops like maize.
- Women play key roles in all four value chains, with rice and cowpeas in particular considered “female” crops due to the large role women play in their production.
- Both cassava and soya beans also have significant participation from women, mostly in production, with cassava also seeing participation from women in processing stages.

Findings continued …..Across all four value chains, several cross-cutting themes emerged from the analysis.

- Limited usage of inputs – both fertilizers and quality seeds – limits agricultural productivity;
- Extension services should include market information and training, including on storage and processing techniques, in addition to training on agricultural production practices;
- The cost of transporting crops to markets is a barrier for all four value chains, for which interventions could include not only improved hard infrastructure but also the development of aggregation and collection points to provide economies of scale in transportation;
- Processing capacity is limited and in particular SME entrepreneurs engaged in processing lack access to finance; and
- The policy context is important, in particular where policies such as subsidies can discourage diversification.

Results continued- In addition, across all crops, women face specific challenges

- The largest contributors to women's disempowerment in Zambia are workload (where a woman who works more than 10.5 hours per day is considered disempowered) and access to and decisions on credit.
- For example, in the rice value chain, while women are the primary producers of rice, men take the rice to market and control the financial resources and market information.

Conclusions- Interventions along the value chain

- Extension services and improved seed quality,
- Processing and transport infrastructure,
- To national campaigns to enhance demand for crops such as cassava.
- Interventions to also focus specifically on the policy environment for different crops.

BENEFIT OF USING VC ANALYSIS AND PLANNED ACTIVITIES ON STRENGTHENING VALUE CHAINS

- Guided selection of value chains that were climate resilient
- Helped narrow down value chains for consideration in the economic analysis and only the crops that produced positive values were considered
- It helped identify key actions based on issues that were articulated in the analysis
- Project incoporated findings and or used principles of value chain analysis to select value chains that passed the test of environmental sustainability

Empowered lives.
Resilient nations.

THANK YOU!