

November 2017



Sustainable Intensification of Market Based Agriculture (SIMBA) #SIMBA_Impact

Improving livelihoods through market access |
Rudo Chanetsa & sesame production



For a world without hunger



Background

Ms. Rudo Chanetsa was born on 23 April 1976, into a family of eight. Her parents moved from Binga, Matebeleland North to settle in the Nemangwe area of Gokwe South District in the 50's. Prior to this the family had migrated from Zambia, looking for an area with better climate and soils. Initially they grew rapoko, maize, millet and groundnuts for subsistence. Cotton was introduced in the early 80's and it became the main cash crop for most farmers in the area. Production was so high that the then Cotton Marketing Board (CMB - which later became Cottco), decided to establish a depot in the area. Unlike most farmers in Gokwe, the Chanetsa family still grows cotton, largely because of support from government input support schemes. Rudo however concedes that the crop is not viable, and that the family would have stopped growing it, were it not for the 'free' inputs they receive from government.

"The decision to continue growing cotton is not an easy one for us. It feels like we are just doing it to while away time because the price has been low for some years now. We continue to grow cotton because of the free government inputs and because it is a crop we are familiar with. I don't think we would continue to grow it if the free inputs were to stop," remarked Rudo. "We needed another cash crop because all our other crops are for our subsistence. A cash crop was especially urgent since our father who was the bread winner had recently passed on," she added.

In 2013 Rudo, then a single mother of two, joined Welthungerhilfe's (WHH) PISAP (Promote Intensification and Sustainability in Agricultural Production) programme. Through PISAP, WHH was promoting conservation agriculture (CA), considered to be the most effective way of mitigating the effects of drought which had become commonplace in most parts of Gokwe South. Although CA was promoted for grains for food security, it could equally apply to other crops. Rudo, having seen CA being practised in Masvingo around 2010, was one of the first farmers to join PISAP, despite the stigma attached to CA and its high labour demands. Most farmers associated CA with poor people who have no draught power. The system of digging holes was known locally as 'dhigaufe,' literally meaning 'dig and die.'

Opportunity

Rudo came across the SIMBA programme in 2015 whilst looking for an alternative cash crop. At the time she was a full-time farmer and a bread-winner for a family of eight, including her mother and brothers. She decided to grow sesame which was being promoted by IETC and was selected to host a 1-acre demonstration plot because of her interest in the crop.

"I readily adopted sesame at a time when most farmers were hesitant. To them it was a new crop which was different from the traditional crops. I had first seen sesame in Masvingo in 2013 when I had grown a small area, planting a cupful of seeds and harvesting three bags," said Rudo. "Because of this experience I was able to encourage other farmers to join the sesame programme, relating what I had learnt in Masvingo. It was also good that the buyer for the crop was also providing extension support. Neighbouring farmers were also going to learn from my demo plot," she added, beaming with pride.

The popularity of the crop grew – between 2015 and 2017 the number of farmers increased locally from 17 to 300. In 2016/17 Rudo increased her area under sesame from 1 acre to 1 ha. Unfortunately, production was adversely affected because of excessive rains. As a lead farmer, she also had to deal with the problem of side-marketing which resulted when new buyers came into the area to purchase the IETC-supported crop. Side-marketing was exacerbated because IETC's price was lower than that paid in the previous

season; due to a combination of subdued international commodity prices and a lacklustre local economy.

With the support of her family Rudo reaped 267 kg from her 1 ha sesame field. She acknowledges that this was a low yield which she attributed to excessive rains - in a normal year the average yield for smallholder farmers farming without fertilizer would be about 400 kg/ha. Rudo is still however convinced that sesame is a good cash crop despite the set-backs experienced in 2017.



Profitability analysis

Gross income

In the 2016/17 season Rudo harvested 267 kg of sesame which she sold at 60c/kg giving her a gross income of \$160.

Costs

The table lists many of the materials and services usually associated with smallholder cropping enterprises. In some cases where there is no cost, the service is still listed to explain how it was funded.

Profitability analysis for Rudo's sesame enterprise. All values in USD.

| GROSS INCOME | |
|---------------------------|---------------|
| Sesame seed sales | 160.20 |
| COSTS | |
| Details | Cost |
| Fertilizer | 10.00 |
| Training and extension | 0.00 |
| Transport | 0.00 |
| Chemicals | 0.00 |
| Land preparation services | 0.00 |
| Labour services | 20.00 |
| Financial services | 3.00 |
| Transport | 0.00 |
| Total | 33.00 |
| BENEFIT | |
| Net income | 127.02 |

Costs were:

- Inputs: Rudo used 10 kg of Compound D valued at about \$10. Although a 50-kg bag of fertilizer was valued at \$28, the price for smaller volumes was \$1/kg.
- Training and extension: Training and extension is especially important for a new commercial crop such as sesame. IETC employed extension officers to advise farmers and to manage its contract farming programme, costs for which were embedded in the model.
- Land preparation services: Rudo prepared the field for (CA) with her family members, including in-laws.
- Labour: Rudo hired two people to assist in harvesting and threshing of the sesame crop, at a cost of \$20.

- Financial services: IETC paid contracted farmers through Ecocash. The transaction costs related to transfers to merchants and individuals was \$3.00.
- Transport services: Rudo delivered her sesame to an IETC buying point.

Net income

Rudo's gross income was \$160, against total costs of \$33, leaving a net margin of \$127.

Impact

Rudo has benefitted through the market development work of APT through:

- Access to a new cash crop: Although Rudo continued to grow cotton as a cash crop, viability remained an issue due to low prices. Sesame fulfilled her need for another cash crop.
- Improved incomes: The introduction of SIMBA in the Nemangwe area from 2014 saw farmers increasing their incomes through sesame production. Since the first harvest in 2015, Rudo has derived reasonable income from the crop.
- Increased assets: The additional income provided by sesame has helped Rudo to cater for the financial needs of her 8-member family for whom she is now the breadwinner. Some of the money has been used to buy building and fencing materials to renovate the four-roomed house and homestead, respectively.

In addition to the market development work, Rudo has also benefitted greatly from the other SIMBA activities:

- Improved land use: The CA system promoted by SIMBA has taught farmers how to better manage their fields, through improved land preparation and the use of compost and nitrogen-fixing legumes. All this resulted increased yields and CA has become the system of choice for all their farming activities.

- Improved lifestyles: SIMBA trained farmers in hygiene, health, savings clubs and nutrition gardens, all of which have had a lasting impact on Rudo and her family.



Freshly harvested mung bean.

Sustainability

IETC has been contracting farmers in Gokwe South since 2014 when SIMBA assisted the company in establishing its sesame contract farming scheme. The company received another boost with support from the with the DFID-funded Livelihoods and Food Security Programme (LFSP) in 2015. During the 2015/16 season an estimated 1 587 farmers were registered to grow the crop in Gokwe, increasing to over 2 000 farmers in the 2016/17 season. The growth of the programme has been disrupted by the emergence of competing buyers in the 2017 marketing season, who were estimated to have purchased up to 80% of the IETC supported crop. Notwithstanding this, IETC are still committed to the long-term development of sesame in Gokwe South district.



Sesame seed pods.

About SIMBA

SIMBA was a four-year (2013-2017) EU-funded programme, co-implemented in Gokwe South District by WHH and APT. The overall objective of SIMBA was to enable smallholder farmers to diversify and upgrade their diets to recommended levels, and to run part of their farming as a family business in cooperation with other value chain stakeholders, generating income. To achieve the objective, five results areas were defined:

1. Production and storage sustainably intensified to increase the variety, quality and quantity of nutritious and marketable commodities building on previous EU and Protracted Relief Programme (PRP) initiatives.
2. An inclusive pro-poor business model established based on six principles for a robust cash crop value chain that links small scale farmer household groups with commodity specific open and closed markets.
3. Community Health Clubs (CHC) reached the highest level of the group maturity index and demonstrate sound hygiene, health and nutrition behaviour.
4. A demand-driven, sustainable government and private sector coordinated advisory and research service established using a broad range of communication tools.
5. Lessons and experiences from the project widely shared and disseminated.

This brochure is one of a series describing the market interventions being implemented under Result Area 2.

About WHH



Welthungerhilfe is one of the largest non-governmental organisations (NGO) in Germany, founded in 1962. WHH's focus is to fight hunger and poverty and we want to achieve #zerohunger wherever we work by 2030. The organisation provides integrated aid, from rapid disaster aid to long-term development cooperation projects. Help to self-help is the basic principle; it allows to strengthen structures from the bottom up together with national partner organizations and ensures the long-term success of project work.

The organisation is operating in Zimbabwe since 1980, implementing Food and Nutrition Security projects in various parts of the country. The WHH Vision in Zimbabwe, like elsewhere in the world, is that all people can exercise their right to lead a self-determined life with dignity and justice, free from hunger and poverty. www.welthungerhilfe.de and www.facebook.com/welthungerhilfezimbabwe/

Welthungerhilfe | Block 8 Arundel Office Park, 5 Norfolk Road, Mt. Pleasant, Harare, Zimbabwe | Tel: +263(4)369789

About APT



The Agricultural Partnerships Trust is a Zimbabwean registered trust that was formed in July 2010 out of concern for the development of rural communities in Zimbabwe, with focus on smallholder agriculture.

The Trust raises and disburses funds to assist in improving livelihoods in the rural areas of Zimbabwe by enhancing economic development through sustainable agricultural and business methods and facilitating partnerships between smallholder farmers and organisations in the private and public sectors.

Since 2010 APT has been involved in a number of programmes, either singly or in consortia but always focusing on smallholder output and service market linkages – in other words, Market Systems Development. More information can be viewed at our website www.apt.co.zw or follow us on Twitter (www.twitter.com/apt_zimbabwe) or Facebook (www.facebook.com/apt.zimbabwe/). Alternatively, contact APT directly:

Michael Dawes | Agricultural Partnerships Trust

11 Hodson Avenue, Alexandra Park, Harare, Zimbabwe
michael@apt.co.zw | Tel: +263(4)744559 or +263(77)2212201

APT's partnership approach

APT is essentially a facilitator, brokering partnerships between the private sector and farmers. Although the type and level of support vary from programme to programme, APT has a history of delivering value to partnerships in many ways:

- **Intervention design:** Context analyses help APT understand the needs of farmers and companies for the design of relevant, innovative, profitable and sustainable market based interventions.
- **Partnership support:** Supporting partners in navigating their partnering journey by helping them to create a map, plan their route, choose their mode of transport and change direction when necessary.
- **Stakeholder mapping and introductions:** APT has working knowledge of market and non-market based organisations – contacts that are part of the building blocks of market systems development. For example, linkages with local government authorities in the districts are important at the start of the programme.
- **Extension service support:** Programmes such as SIMBA rely on a network of field officers and lead farmers who develop close working relationships with company Field Extension Officers, and who help extend the reach, or reinforce the knowledge transfer of company agents.
- **Administration services:** Company field officers have access to office and communication resources at the project centre, making it easier to work in the operational area.
- **Farmer training and organisation:** Programmes are often well resourced, able to assist companies in mobilizing farmers, organising meetings, hosting meetings and providing training resources, thereby reducing budgetary pressure on companies.
- **Platforms for dialogue:** As a neutral facilitator, APT has assisted companies in various ways. For example:
 - Intercompany dialogue to increase value chain efficiencies by linking non-competing companies for shared services. APT organised a series of 'Networking Platform Meetings' under SIMBA which resulted in inter company linkages and increased transaction efficiencies.
 - Mediation between companies and farmers: APT organised post-harvest meetings in most value chains to provide a platform for dialogue between farmers and companies, reviewing past performances & planning for the next season.
 - Conflict resolution: Conflict between farmers & companies typically occur on several occasions during implementation of a programme. APT assists in conflict resolution through bilateral company and farmer meetings, & subsequent monitoring.
- **Budget support:** Depending on the nature of the programme, APT may be able to assist partners with cost sharing arrangements. This type of support might be necessary to
 - (1) reduce perceived and real risks associated with inclusive business models;
 - (2) reduce start-up costs that might otherwise prevent a company from engaging in this type of business model; &
 - (3) reducing the time taken to impact, an important consideration since donor-funded programmes are often short term.
- **Results measurement:** APT has considerable experience in the monitoring, evaluation and reporting of private sector development programmes. Reports are designed for quick turn-around, to ensure that companies and farmers have access to real time information concerning the market based intervention.