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Sustainable Intensification of Market Based Agriculture (SIMBA) #SIMBA_Impact

Improving livelihoods through market access |
Nothando Dube and Cowpea Seed



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Background

Mrs Nothando Dube was born on 24 August 1994 in Plumtree in Matabeleland South Province to a farming family. The semi-arid conditions in Plumtree forced her family to look for better farmland and they settled in the Chisina area of Gokwe South District in the early 1990's. They started growing maize, groundnuts and cotton for their livelihood. Nothando went to stay in Kadoma where she did her primary and secondary education. Meanwhile her family continued growing cotton in order to pay for her school fees. They however, stopped growing cotton in 2011 because of poor viability caused by the collapse of prices on the international market. For Nothando and many other farmers in Chisina, the decision to stop growing cotton was not an easy one. The discontinuation of cotton left the family without a viable cash crop – the main market for maize and groundnuts is the Grain Marketing Board (GMB) which is renowned for late payments.

"My family relied on cotton for payment of my school fees and upkeep in Kadoma. It became increasingly difficult for my parents to pay my school fees, resulting in me prematurely discontinuing school. This was an unfortunate development because I really wanted to graduate," said Nothando with a sense of resignation. "I was left with no choice but to go back to my rural home and ponder my next move. Chances of getting a job were very slim given my level of education and the poor economic conditions."

In 2012 Nothando's family joined a programme which was being supported by Welthungerhilfe (WHH). The programme promoted conservation agriculture (CA) which was touted as the most effective way of mitigating droughts that had become so common. Nothando's parents did not immediately join CA because of stigma attached to zero tillage and its high labour demands.

"Although my parents had negative attitude towards CA, we could not ignore the positive results we began to see among our neighbours. They therefore decided to join the CA programme, mainly to improve our food security. As children, we unwillingly helped with the digging of holes," reminisced Nothando.

When Nothando's family joined CA they grew maize and sorghum, just as an experiment and to cater for their food security. The results were phenomenal. Their crops did well even under unfavourable weather conditions. Their yields on both crops surpassed their achievements in prior years, and the family had surplus to sell.



Rinos at field day



Opportunity

After moving back to her rural home, Nothando decided to get married to a local man in 2012. Getting married meant that they would have to rely on farming for their food and income security, because her husband was unemployed at the time. The young couple started to look for opportunities that would enhance their farming activities, riding on the success of CA. This search led them to the SIMBA programme in 2015. They chose to participate in two value chains - cowpea seed promoted by National Tested Seeds (NTS) and mung bean promoted by Green Trade. Although Nothando grew up in a family that grew cowpeas, they had never grown the crop commercially. Mung bean was a completely new crop which had never been grown in the area.

"We had always grown cowpeas as an alternative relish, so we had a rough idea about how to grow it. We however were not confident that we could grow it as seed. Working under the SIMBA programme gave us hope because we were promised technical support and that NTS would buy it from us at a good price. This was encouraging for us since we were desperate for a cash crop," recounted Nothando.

"As for mung bean, our parents and neighbours, who were experienced farmers, were hesitant to take it up. They had not grown the crop before, and were unsure if Green Trade, an unknown company, would buy the crop. It would have been different if the buyer was NTS since it is a household name. Despite the overall hesitation we decided to give it a try, spurred by our youth and our urge to experiment," said Nothando confidently.

The young couple embarked on a journey that would change their lives and their faith in farming as a livelihood. Nothando focused on the farming while her husband supplemented family income by doing piece jobs. In the first season (2014/15) the programme faced some challenges as most farmers did not take the crop seriously, leaving their fields uncultivated. Nothando was one of the few that took the crop seriously and she made good money out of it.

Nothando's success in growing cowpeas and mung bean encouraged others to participate in the two value chains.

"Most of us had never seen such yields, particularly for cowpeas. We were used to reaping a few buckets for our own consumption and for sharing with visiting relatives. My husband was also very impressed and he decided to give me all the support I needed. We felt like local champions," said Nothando with a smile.

Profitability analysis

Gross income

NTS prices for cowpea seed were \$0.84/kg in both 2016 and 2017. During the 2017 marketing season, Nothando produced 1 980 kg of uncleaned seed. Cleaning at the NTS factory resulted in a loss of 24 kg, giving her a saleable volume of 1 956 kg, valued at \$1 643. Nothando also produced 250 kg mung bean, valued at \$112.50.

Costs

The table below 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.

| GROSS INCOME | | |
|----------------------------|-----------------|---------------|
| Details | Cowpeas | Mung Bean |
| Cowpea and mung bean sales | 1 643.04 | 112.50 |
| Costs | | |
| Seed (20 kg) | 16.80 | 3.00 |
| Inputs | 130.00 | 0.00 |
| Training & extension | 0.00 | 0.00 |
| Land preparation services | 0.00 | 0.00 |
| Labour services | 14.00 | 0.00 |
| Financial services | 14.00 | 3.00 |
| Transport | 69.29 | 0.00 |
| Total | 244.09 | 6.00 |
| BENEFIT | | |
| Net income | 1 398.95 | 106.50 |

- Seed: NTS provided Nothando with 20 kg CBC2 seed valued at \$16.80, which was deducted after delivery of the crop.
- Inputs: Nothando used 150 kg of Compound D and 500ml of agro-chemical. She did not apply any inputs on mung bean except for the seed which cost her \$3.00 for 0.25 ha. Inputs were self-financed.
- Training and extension: Training and extension is especially important for a seed crop such as cowpea seed. The NTS Seed Operations and Marketing Manager managed the contract farming programme, providing farmers with advice and organised inspections by the Seeds Services Department. Green Trade employed an extension officer to advise farmers and to manage its contract farming programme.
- Land preparation services: Nothando prepared the field (CA) with her family members, including in-laws.
- Labour: The only activity requiring labour was harvesting. Nothando hired 3 people to assist her harvesting cowpeas and paid them \$14.00. She harvested mung bean with help from her family.
- Financial services: Green Trade paid contracted farmers through Ecocash while NTS paid into one account of a farmer chosen by the group. The financial costs relate to transfer charges for merchants and individual payments and to other banks.
- Transport services: NTS sent a truck to collect the seed crops, which was charged to farmers on a pro-rata basis. The cost to Nothando was \$69.29.

Net income

Nothando's combined gross income was \$1 756, comprising of \$1 643 from cowpeas and \$113 from mung bean. Her total costs were \$250, leaving a net income of \$1 505.

Impact

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

- Access to a high value cash crop: Seed crops are higher



in value than their commodity equivalents and farmers can expect a premium at little extra cost. For Nothando, access to this crop was timely, given that they had just started a new family. Because of the renewed viability of farming, the young couple has now decided to permanently settle at their rural home.

- Diversification: In addition to cowpea, Nothando also grew mung bean which has bolstered her income. The market development activities promoted under SIMBA have provided farmers with numerous options for diversification - many of whom had formerly lost faith in farming as a source of livelihood.
- Improved income: The post-cotton years were characterized by income insecurity. The introduction of SIMBA-facilitated markets in the Chisina area from 2014 was marked with improved earnings for Nothando and the wider community.
- Increased assets: Since 2015 Nothando has derived significant income from her farming activities which she used to build a four-roomed house, wardrobe, pay school fees and meet household needs.

In addition to the APT market development opportunities, Nothando has also benefitted greatly from training in hygiene, health, savings clubs, egg production and nutrition gardens.

SIMBA has had an enduring impact on Nothando and her family, so much so that they are now using what they learnt in other areas of their life. She would like to increase her cowpea and mung bean hectareage by leasing more unutilized land. Being a new family, their current landholding is inadequate, forcing them to lease from other farmers at \$30/ha per season.

Sustainability

Overall, NTS's experience with Chisina cowpea farmers has been good. The company has also been contracting farmers to produce sorghum, which has also had encouraging results (see separate report). In 2017 NTS contracted 51 farmers, growing 25 ha of cowpea seed and 25 ha of sorghum seed.

In 2017/18 the company will increase the contracted area to 65 ha (30 ha each of sorghum and cowpea, and 5 ha of mung bean), working with 65 farmers. This demonstrates the company's confidence and the likelihood that the contract farming programme will continue to flourish in the absence of APT facilitation.

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 inte-

grated 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/

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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 communi-

ties 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.apr.co.zw or follow us on Twitter ([www.twitter.com/apr_zimbabwe](https://twitter.com/apr_zimbabwe)) or Facebook (www.facebook.com/apr.zimbabwe/). Alternatively, contact APT directly:

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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:
 - o 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.
 - o 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.
 - o 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 turnaround, to ensure that companies and farmers have access to real time information concerning the market based intervention.