

REPORT OF THE COMMITTEE ON AGRICULTURE FOR THE SECOND SESSION OF THE ELEVENTH NATIONAL ASSEMBLY APPOINTED ON THURSDAY 27TH SEPTEMBER, 2012

Consisting of:

Mr R Muntanga, MP (Chairperson); Ms S Sayifwanda, MP; Mr B Hamusonde, MP; Mr K Chipungu MP; Mr M J B Ng'onga, MP; Mr H S Chansa, MP; and Mr V M Mooya, MP

The Honourable Mr Speaker
National Assembly
Parliament Buildings
LUSAKA

Sir,

Your Committee has the honour to present its Report for the Second Session of the Eleventh National Assembly.

Functions of the Committee

2.0 The functions of your Committee are as follows:

- i) to study, report and make recommendations to the Government through the House on the mandate, management and operations of the Ministry of Agriculture and Livestock and Government departments and/or agencies under its portfolio;
- ii) to carry out detailed scrutiny of certain activities being undertaken by the Ministry of Agriculture and Livestock, Government departments and/or agencies under its portfolio and make appropriate recommendations to the House for ultimate consideration by the Government;
- iii) to make, if considered necessary, recommendations to the Government on the need to review certain policies and/or certain existing legislation; and
- iv) to consider any Bills that may be referred to it by the House.

Meetings of the Committee

3.0 Your Committee held eleven meetings during the year under review.

Programme of Work

4.0 At the Committee's second meeting, your Committee considered and adopted the following programme of work:

- i) the livestock sector in Zambia;
- ii) tours arising from deliberations; and
- iii) consideration of the Action-Taken Report on the Committee's Report for the First Session of the Eleventh National Assembly.

Procedure adopted by the Committee

5.0 Your Committee requested detailed memoranda on the topic under consideration from concerned stakeholders and invited them to appear before it in order to give verbal submissions and clarifications on issues arising from their submissions. Your Committee also undertook a local tour during the year under review.

PART I: CONSIDERATION OF TOPICAL ISSUE

THE LIVESTOCK SECTOR IN ZAMBIA

Background

6.0 The agricultural sector in Zambia is a major contributor to the economy of the country. Prominence in the sector has been given to the crop subsector over the livestock sub-sector which is of key economic importance with huge potential to contribute towards wealth creation and economic development of the country. The livestock sector can be a major contributor to the gross domestic product (GDP) and a pathway out of poverty. In addition to the direct financial benefits, livestock play many roles for smallholder farmers as it provides food, manure, traction, a savings mechanism, and social status. Despite its huge potential for growth, the livestock sector in Zambia continues to face a number of challenges and productivity of the sector remains very low.

In light of the foregoing, therefore, your Committee resolved to carry out a study into the livestock sector to understand its potential and its challenges in order to make appropriate recommendations to the Government.

Objectives

7.0 The objectives of the study were to:

- i) find out the progress made as regards the development of the Livestock Development Policy;
- ii) find out the role that the livestock sector played in Zambia;
- iii) learn the major challenges that the sector faced in the country;
- iv) investigate disease control mechanisms that were available to livestock farmers;
- v) examine livestock marketing services in the country;
- vi) investigate quality control measures that were in place to ensure animal feed and vaccines met acceptable standards; and
- vii) examine what incentives, if any, were available to livestock farmers in the country.

Stakeholders

8.0 To assist it to fully appreciate the subject under consideration, your Committee invited the following witnesses to provide both written and oral submissions:

- i) Ministry of Agriculture and Livestock;
- ii) Agricultural Consultative Forum;
- iii) Livestock Development Trust;
- iv) Indaba Agricultural Policy Research Institute;
- v) Golden Valley Agricultural Research Trust;

- vi) Heifer International;
- vii) Zambeef Products PLC;
- viii) Millers Association of Zambia;
- ix) Zambia National Farmers Union;
- x) Poultry Association of Zambia;
- xi) Dairy Association of Zambia;
- xii) Beef Association of Zambia;
- xiii) Parmalat Zambia Limited;
- xiv) University of Zambia, School of Agriculture;
- xv) University of Zambia, School of Veterinary Medicine;
- xvi) Veterinary Association of Zambia;
- xvii) Livestock Services and Co-operative Society;
- xviii) Central Veterinary Research Institute;
- xix) Zambia Bureau of Standards; and
- xx) Mr E Msimuko.

SUMMARY OF SUBMISSIONS FROM STAKEHOLDERS

SUBMISSION FROM THE MINISTRY OF AGRICULTURE AND LIVESTOCK

8.1 The Permanent Secretary, Ministry of Agriculture and Livestock (MAL), informed your Committee that agriculture remained one of the priority sectors earmarked to drive national sustainable economic growth, income generation, employment creation and poverty reduction. Livestock played an important role in the agriculture sector and contributed an estimated 35% to the agricultural GDP.

Zambia had numerous comparative advantages which favoured the expansion of the livestock industry. The country was endowed with vast grazing pastures and water that were necessary for livestock production. With such opportunities, it had the potential not only to meet its local demand for livestock and livestock products, but also to have surplus for export.

The Zambian livestock industry had experienced a steady growth. Notably, beef and dairy products marketing were increasing at a rate of 5 to 7% and 10% per annum, respectively. In the same vein, the poultry industry had doubled in size in ten years. Despite these positive trends, however, the livestock industry still faced many challenges in achieving its full potential. Livestock productivity and production was still low and marketing remained poor. This was attributed to poor animal husbandry and the occurrence of animal diseases. In order to overcome these challenges, the Government was putting in place measures to intensify disease prevention and control and improve animal husbandry practices at farm level.

The Permanent Secretary explained that growth of the sector was important for the attainment of the long term vision of the country of becoming a prosperous middle income nation by 2030. To attain this, the livestock sub-sector had been identified in the Sixth National Development Plan (SNDP) as one of the priority sub-sectors that could contribute to sustainable economic growth, poverty reduction and employment creation.

Draft Livestock Development Policy

Your Committee heard that the Ministry was in the process of developing a livestock development policy, which would define the overall objectives and set specific priority policy guidelines and strategies for achieving the vision of Government in livestock development. The draft policy outlines areas of emphasis from which overall livestock production increase would be derived. These include improved extension service delivery, livestock infrastructure development, better livestock management practices (disease and vector control, improved animal feed), use of better livestock breeds, research, extension services and trained manpower linkages as well as enhancing

investment in the sector.

The Role of the Livestock Sector in Zambia

The Permanent Secretary informed your Committee that Zambia was endowed with vast natural resources such as land, water and fertile soils that supported agricultural activities. More than 60% of the population was found in rural areas and derived its livelihood from agriculture related activities. 50% of rural households earned their income from livestock while 40% did so from crops. Livestock farmers were more food secure and able to withstand shocks better than their counterparts in crop production only. There were over three hundred and ten thousand (310,000) households or 25% of Zambia's farm population that owned cattle and its asset value was estimated at over US \$1.5 billion.

The livestock sub-sector was an important part of the agriculture sector. It provided food products, manure, raw materials for manufacturing industries, employment and income generation. For the majority of the rural population, especially those who kept cattle, livestock acted as a bank when crops failed. Livestock were used for paying bride price, school and medical fees, among others. Through draught power, the livestock sub-sector contributed directly to increased agricultural production in general, and food security, in particular.

In terms of exports, the livestock industry exported various livestock products to other countries. There had been a steady increase in the export of poultry products to the Southern African Development Community (SADC) and Common Market for Eastern and Southern Africa (COMESA) countries.

Major Challenges of the Livestock Sector

The Permanent Secretary stated that, although the livestock industry had been growing over the years, the sub-sector had faced various challenges that had restricted its growth and access to local and international markets. It was characterised by low production and productivity, mainly due to the factors set out below.

a) Inadequate Livestock Extension Services

The provision of adequate livestock extension services had been affected by, among other factors, low staffing levels; large veterinary camp sizes; and inadequate extension infrastructure and equipment.

b) Prevalence of Livestock Diseases

The prevalence of livestock diseases was one of the greatest challenges the livestock sector was facing in Zambia. This had contributed to low growth and restricted access to local and international markets. Zambia had a number of serious endemic diseases, parasites, pests and vectors that affected livestock. The country faced additional disease threats due to livestock trade and porous borders. The major diseases included Contagious Bovine Pleuro-Pneumonia (CBPP); East Coast Fever (ECF); Foot and Mouth Disease (FMD); and zoonotic diseases that were transmitted from livestock to humans.

Your Committee was further informed that it was of paramount importance for the country to have an effective national veterinary service to protect the development and sustainability of its livestock sub-sector and human health. To reduce the disease prevalence and incidence, the MAL had been implementing several disease prevention and control measures including vaccinations and tick and tsetse control.

c) *Outdated Livestock Statistics*

The Permanent Secretary informed your Committee that the last comprehensive livestock census in Zambia had been done over 10 years. This made decision making and planning for animal health and husbandry interventions very difficult. However, efforts were being made towards conducting a comprehensive livestock census with assistance from cooperating partners. The Ministry of Agriculture and Livestock had set aside KR6, 000,000 in the 2013 Budget for conducting an annual livestock audit.

According to the 2011 Annual Livestock Report from the National Livestock Epidemio-Surveillance and Information Centre (NALEIC), the following were the estimates for each species: cattle 3,498,498; sheep 766,508; goats 1,380,100; pigs 1,108,192; and poultry 76,296,722.

d) *Inadequate Sources of Breeding and Replacement Stock*

Your Committee heard that one of the major challenges of the livestock industry in Zambia was the unavailability of affordable good quality livestock breeding stock. The rare cattle auctions were only for a few commercial livestock farmers who could afford to purchase breeding bulls at prices as high as KR50, 000. The majority of emergent and smallholder livestock farmers had no access to genetically superior breeding stock of all species.

In this regard, the Ministry of Agriculture and Livestock had developed a programme, in line with the SNDP, of establishing livestock breeding centres (LBCs). The overall objective of the LBCs in strategic areas of Zambia was to ensure sustainable supply of affordable good quality breeding stock and maintenance of indigenous livestock blood lines.

Once established, livestock breeding centres would assist in the conservation and sustainable use of Zambia's indigenous livestock breeds, which were threatened with extinction. The indiscriminate cross-breeding of indigenous strains with the improved exotic breeds had posed a big challenge in the conservation and sustainable utilisation of the indigenous breeds. These breeds survived under the low input production systems and were also tolerant to most diseases. The LBCs would stimulate and support the functioning of livestock production centres (LPCs), for conveyance of technologies from LBCs to the beneficiary farming communities. The main goal of the LPCs was, therefore, to provide a readily available source of quality breeding stock to the smallholder and commercial farmers in Zambia in order to improve livestock production and productivity.

The Government had thus far invested in the development of a number of breeding centres including Mukulaikwa in Shibuyunji District (goats), Mbesuma in Chinsali (predominantly beef cattle), Kalungwishi in Mporokoso (cattle and small ruminants), Chishinga in Kawambwa (cattle and goats), Jiwundu Ranch in Solwezi, Kanyama in Mwinilunga, Kanchindu in Sinazongwe District (goats and beef cattle), Keembe Pig Breeding Centre in Chibombo and Mwase-Lundazi Breeding Centre in Lundazi (beef cattle and goats).

In its efforts to support the establishment and operationalisation of the LBCs in the country, the Government had allocated KR19,750,000 to the programme in the 2013 Budget.

Disease Control Mechanisms Available to Livestock Farmers

The Department of Veterinary Services of the MAL was mandated to control livestock diseases in the country. The emphasis of the Department was on control of diseases of epidemic and trans-boundary nature, such as CBPP and FMD which were also called diseases of national economic importance (DNEI). Farmers had the duty to control diseases that were of a management nature, such as East Coast Fever (ECF), anthrax, liver fluke, rabies, mastitis, black leg and lumpy skin disease.

In order to aid disease control, the following activities were being undertaken:

- rehabilitation of the Central Veterinary Research Institute and construction of regional laboratories;
- livestock movement controls through the establishment of check points;
- rehabilitation of quarantine facilities;
- creation of the Emergency Disease Control Fund;
- enforcement of use of animal identification and traceability brand marks;
- farmer registration;
- farm certification; and
- epidemio-surveillance of contagious and zoonotic diseases.

Livestock Marketing

The Ministry Agriculture and Livestock had identified inadequate rural infrastructure and weak marketing systems as major contributing factors to the poor agricultural inputs and produce marketing, especially in the outlying areas of Zambia. In a bid to address this, the Government was supporting the private sector, through the establishment of livestock market infrastructure, such as the small stock markets and livestock service centres as well as the setting up of milk collection centres for bulking and organised milk sales. Furthermore, training of farmers and other stakeholders in livestock marketing, entrepreneurship and value addition would lead to increased market information.

In order to assist farmers sell good quality animals, the Ministry was developing a live animal grading system to be used at livestock service centre markets. Further, to improve on the market information available to the farmers, the Government intended to roll out the Livestock Information Management System (LIMS) developed by SADC.

Your Committee heard that the Government regulated and provided guidelines for livestock movement and trade, and had embarked on the creation of the livestock disease-free zones to enhance marketability of livestock and livestock products to external markets.

Quality Control Measures for Feed and Vaccines

Your Committee was informed that the MAL, in conjunction with the Zambia Bureau of Standards (ZABS), the Food and Drugs Laboratory under the Ministry of Health, and other stakeholders had developed standards to ensure that feed and vaccines met acceptable quality.

i) Feed Standards

Feed standards had been developed, which stipulated minimum as well as maximum levels of feed ingredients. The quality assurance of stock feed was of paramount importance to the consumer as well as to the livestock industry. The ZABS had inspectors who conducted periodical monitoring and testing. Legal provisions under the *Animal Health Act* No. 45 of 2010, stipulates conditions on the manufacturing, importation and distribution of animal feed. Testing facilities' capacity to ensure compliance were being developed at the Central Veterinary Research Institute (CVRI), ZABS, University of Zambia (UNZA) and Ministry of Health (MoH).

ii) Vaccines

The CVRI, located at Balmoral in Lusaka, produced anthrax, haemorrhagic septicaemia (HS), rabies and blackleg vaccines. Quality control measures had been put in place to ensure that the vaccines met acceptable standards.

To ensure that the vaccines produced outside the country were of acceptable standards, the Government always asked for quality control reports from the producing laboratories. Samples of the vaccines were also sent to the Pan African Veterinary Vaccine Centre (PANVAC) under the African Union Inter-African Bureau for Animal Resources (AU-IBAR) in Ethiopia for tests.

Incentives available for Livestock Farmers

The Permanent Secretary stated that, although the Government was offering incentives to crop farmers, especially maize producers, through the Farmer Input Support Programme (FISP) and the Food Reserve Agency (FRA), there were no similar incentives offered to livestock farmers. However, there were plans in the 2013/14 season under the e-voucher programme to extend subsidies to livestock inputs.

As an incentive, the Government had embarked on a programme to provide livestock farmers with a source of good quality breeding stock by creating livestock breeding and multiplication centres. It was hoped that this would address the problem of indiscriminate breeding and promote growth of the livestock population in the country.

In order to increase reproductive efficiency and the use of genetically superior bulls leading to increased livestock population, the MAL, in collaboration with the Czech Republic, had embarked on the strengthening of artificial insemination (AI) services in Zambia. The National Artificial Insemination Service Centre in Mazabuka would be able to supply semen and embryos for AI and embryo transfer to most parts of the country. The MAL was establishing satellite AI centres in most parts of the country to enhance access.

As incentives to smallholder dairy farmers, the Government had been very instrumental in the formation of dairy cooperatives and the establishment of milk collection centres (MCCs) in order to improve the marketing of milk. In collaboration with co-operating partners, the MAL had facilitated the construction of thirty MCCs in Central, Copperbelt, Eastern, Northern, Western and Southern provinces and the Department of Livestock Development planned to construct additional MCCs in 2013.

In addition to the above, the Government supported the production of livestock vaccines at the CVRI, which were made available to farmers at a minimal cost. These vaccines enhanced disease prevention and control. Other incentives included, the provision of free extension services, formulation of stable policies conducive to long term investment and zero-rating of most farming inputs.

With these incentives, it was envisaged that the farmers would better manage livestock farming and livestock productivity and production would improve. It was also anticipated that once the livestock industry was developed, a substantial number of jobs would be created.

SUMMARY OF SUBMISSIONS FROM OTHER STAKEHOLDERS

The Role of the Livestock Sector in Zambia

8.2 Your Committee was informed that the livestock sector accounted for about 35% of the total agricultural production and played a significant role in uplifting the lives of many people in the

country while, at the same time, contributing to economic growth. The livestock sector contributed towards:

- employment creation;
- income generation to rural households;
- meeting nutritional requirements, particularly milk and meat for protein;
- provision of organic fertiliser to poor farmers who could not afford artificial fertiliser;
- provision of alternative and cost-effective transport to rural communities; and
- provision of safeguards or adaptation to environmental and climate change impacts.

The livestock sector could increase its contribution massively with proper investment and training. The potential for the sector had not been fully exploited. For example, the national beef herd stood at 3,100,000 cattle. This equalled 0.14 cattle per hectare at whereas Zimbabwe had three times more while Kenya had four times more than that. Tanzania was approximately 20% bigger than Zambia in land mass; however, the country had over 30 million cattle.

Your Committee learnt that there was very low off take from the national herd in Zambia, at 5 to 6%, and this needed to be increased to at least 10% in order for the contribution of the sector to have meaningful impact.

Major Challenges of the Livestock Sector

Your Committee was informed that, despite the importance of livestock to economic development, the sector faced a number of challenges, including:

- inadequate Government funding to the sector;
- livestock disease outbreak and poor disease control mechanisms;
- poor supply of breeding stocks;
- high cost of finance: the livestock sector across all the categories faced challenges in accessing cheap and long term financing; financing remained a challenge as the sector was considered risky;
- poor infrastructure such as roads, and a lack of processing facilities in the form of abattoirs and milk collection centres, among others;
- high energy costs;
- shortage and high cost of feedstock;
- absence of input support;
- inadequate and inappropriate research;
- poor extension support;

- poor organisation of marketing services;
- high number of levies on livestock and livestock products; and
- an unsupportive tax regime.

Your Committee was also informed that the exact numbers of livestock in the country were not known. The lack of a livestock census for many years posed a challenge in the formulation of strategies for improvement of the sector.

Disease Control Mechanisms

Your Committee was informed that outbreaks of livestock diseases had been a major factor that had negatively affected livestock production, especially in the traditional sector. Livestock diseases in Zambia had been put into two categories, namely, diseases of national economic importance; and management diseases. The Government was responsible for the control and management of diseases of national economic importance (DNEI) while farmers were responsible for the management diseases.

Control mechanisms included livestock dipping, vaccination and movement controls. While the Government had taken a leading role in the prevention of livestock diseases of national economic importance, disease management by small scale farmers had been poor due to a number of reasons, such as limited livestock extension services, limited availability of drugs and financial constraints. The private sector was also supplementing Government efforts in the eradication of diseases. However, it experienced challenges because of the high cost of drugs and facilities for effective control of ticks such as spray races and pressurised sprayers.

Livestock Marketing

Your Committee was informed that huge opportunities existed for marketing of livestock and livestock products in the country, which offered great potential for livestock development to all categories of farmers – small scale, emergent and large scale production. Livestock markets in Zambia had evolved from state control to the free market system. However, since the liberalisation of the economy, development of livestock markets had been very slow and limited to the participation of a few firms. Livestock marketing was mainly in the hands of the private sector, with the Government only offering regulatory and facilitation services.

A well-co-ordinated market for livestock was required to enable farmers get substantial profits from the market share. However, in rural areas, markets were poorly developed, reflecting limited infrastructure such as roads, rail, poor communication and lack of appropriate market institutions, among others. Smallholder farmers were greatly disadvantaged because prices for livestock and livestock products were determined by the buyer. In addition to this, small scale farmers lacked the capacity for value addition into products like yoghurt, cheese, ice cream, biltong and sausage, which was essential for farmers to enter into better markets and compete with a range of products.

The formal market in the dairy sector was concentrated along the line of rail while the dairy processing industry was dominated by four to five large processors, who accounted for over 90% of the market. However, most farmers outside the reach of these companies had no access to formal markets and much of the milk was wasted.

With regard to the poultry and pig sectors, the market had seen the emergence of contract farming, which had to some extent, grown the formal market as compared to the

informal market. On the other hand, there was no formalised market for goats and sheep, hence the informal market seemed to be growing as the consumption of these products increased.

For beef, formal and informal marketing channels existed. However, the major processors were vertically integrated from farming to retailing. The industry had for some time been dominated by a single large firm, but new competitors had emerged and there were ten to fifteen sizeable businesses in the market. The beef value chain was buyer-driven, with processors having power over both farmers and consumers. The majority of feedlots, abattoirs and butcheries were owned by firms that were completely vertically integrated.

Your Committee learnt that demand for certain livestock products such as beef, outstripped supply. The market consisted of the local urban populace, hotels, learning institutions, and others. For other products, however, there was a big export market to nearby countries, such as the Democratic Republic of Congo (DRC) and Angola. Zambia could not export to the European Union due to the failure to meet livestock standard requirements.

Quality Control Measures for Animal Feed and Vaccines

Your Committee was informed that the *Animal Health Act* No. 45 of 2010 and the *Veterinary and Para-Veterinary Professions Act* No. 39 of 2010 clearly stipulate the required standards for feed, drugs and vaccines for quality measure. The limiting factor was a poor regulatory framework due to lack of proper structures and systems for quality control as outlined below.

a) Feed Quality Assurance

Your Committee was informed that the ZABS was mandated to carry out feed quality assurance in the country. It was responsible for developing compulsory feed standards, which all millers were supposed to adhere to. Apart from developing the standards, ZABS conducted regular monitoring and testing of feed, both at production and retail premises. The ZABS also conducted tests on imported feeds and feed ingredients before they were allowed entry into the country.

However, ZABS had challenges in its work which limited its capacity to undertake its work effectively and these included:

- inability of their laboratory to conduct all the tests on feed and feed ingredients;
- inadequate human resources to conduct effective monitoring; and
- inadequate funds to conduct regular monitoring and testing of the feed and feed ingredients.

b) Vaccine Quality Assurance

Your Committee learnt that, while some animal vaccines in Zambia were produced locally at the CVRI, the majority were imported from Africa, Asia, Europe and America. The imported vaccines were usually assumed to be produced in accordance with the laid down international standards. The vaccines were registered by the Department of Veterinary Services, through the NALEIC which issued authority to import. There were no field trials carried out for almost all the imported vaccines as it was believed that all sanitary conditions had been met by the manufacturers in the countries of origin. As for the locally produced vaccines, they were subjected to internal and external quality controls. The internal quality control involved in-process checks that ensured that the vaccines passed the tests for them to be used in the field. The vaccines were also subjected to external quality control, which was independently done at the African Union PANVAC in Ethiopia. It was only when the vaccine was cleared by PANVAC that it could be used in the country.

The Pharmaceutical Regulatory Authority (PRA) plays a critical role in ensuring that the pharmaceutical products imported met internationally acceptable standards.

With regard to the supply of drugs and vaccines from the private sector, stakeholders submitted that, in order to ensure the provision of quality services to the livestock farmers and consumers, it was important to harmonise the legal and regulatory framework and fees with regard to importation, handling, supply and distribution of veterinary products. The bureaucratic, cumbersome and lengthy nature of certification and issuance of permits should be streamlined and a one stop-shop established for the purpose of certification.

Your Committee learnt that, aside from the ZABS and CVRI, there were four other laboratories that provided testing of agricultural products, animal feed and processed food in Zambia and these include the following:

- Zambian Food and Drug Control Laboratory;
- University of Zambia, Animal Sciences, Food Science and Technology Laboratory;
- National Institute for Science and Industrial Research; and
- Crop Protection Laboratory.

In addition, the Poultry Association of Zambia partnered with other players in the industry to create a private laboratory (VETLAB) with the capability to timely and efficiently perform all the tests related to poultry.

Incentives Available to Livestock Farmers

Your Committee was informed that incentives in the agricultural sector were mainly directed at the crop sub-sector as opposed to the livestock sub-sector. Stakeholders stated that, in order to increase the sector's contribution to the national economy, there was an urgent need to direct more resources towards livestock and offer livestock farmers incentives. When planning for incentives, policy makers needed to look at the whole livestock value chain and establish the key policy measures that could be put in place to promote the growth of the industry. The following incentives were suggested:

- i) creation of livestock breeding centres to play a very big role in alleviating the challenges of sourcing breeding stocks;
- ii) establishment of milk collection centres throughout the country to enable small scale farmers enter the milk sub-sector;
- iii) renovation and construction of dip tanks;
- iv) facilitating access to affordable veterinary services;
- v) tax incentives: a number of tax incentives were available for the agricultural sector, which include the livestock sector; these include zero-rating of agricultural products and supplies when exported, value added tax (VAT) deferment on importation of some agricultural equipment and machinery farm improvement allowance at 100% on fencing, brick or stone wall; and reduced customs duty at 5%, were some of the tax incentives available mainly to the big livestock farmers;
- vi) access to cheap capital;

- vii) access to effective extension and research services; this should be coupled with improvement in the MAL staff establishment, in terms of well-equipped veterinary assistants, livestock assistants and agricultural assistants;
- viii) access to well-organised marketing systems and cheap livestock inputs;
- ix) increased collaboration with non-governmental organisations (NGOs) which had played and continue to play a major role in the training and restocking of the livestock; organising the farmers through the creation of co-operatives and farmer groups; and helping farmers to access the much needed market for their produce;
- x) improved infrastructure such as roads, abattoirs and access to electricity;
- xi) construction of dams countrywide;
- xii) balanced funding in the MAL to ensure that animal production activities were not overshadowed by the veterinary service activities and crop production;
- xiii) streamlining all the livestock levies; and
- xiv) introduction of a Farmer Input Support Programme tailored for livestock farmers which could be used to purchase drugs, vaccines, pasture seed and breeding stock, among others.

Stakeholders informed your Committee that they welcomed the creation of the Department of Livestock under the MAL. They expressed hope that it would mean more attention would be paid to the livestock sector. They informed your Committee that the Government was supposed to consider establishing a fully-fledged ministry in charge of livestock, as this would mean a dedicated budget line for the sector.

Committee's Observations and Recommendations

9.0 Your Committee notes that the agriculture sector, as a whole, and the livestock sub-sector in particular, plays a significant role in uplifting the lives of many people in the country. It also contributes to economic growth. With the rising population comes a rapid increase in demand for livestock products, and this presents both enormous opportunities and challenges for the livestock sector. Your Committee, therefore, appreciates the efforts that the Government, through the MAL, is making towards improving the sector. In noting these efforts, however, your Committee makes the following observations:

- i) unlike the crop sector, the livestock sector receives no input support from the Government;
- ii) the high prevalence of animal diseases is a major threat to the growth of the livestock sector;
- iii) livestock extension services in the country are poor and in some cases non-existent; livestock and veterinary assistants are not sufficient and are poorly equipped;
- iv) livestock farmers require the support of the Government in the establishment of infrastructure such as roads, livestock service centres, breeding centres, milk collection centres, abattoirs and dip tanks, among others, that will support the growth of the livestock sector;
- v) there is no policy to guide the livestock sector which is a hindrance to its development;
- vi) a livestock census has not been carried out in the country for a long time and, as a result, there are no proper statistics on livestock;

- vii) the majority of livestock farmers are small scale farmers who have poor access to markets and are unable to engage in value addition of their livestock products;
- viii) there is need for the Government to facilitate the provision or provide superior breeding stock which is essential to a successful breeding programme and the improvement of the local breeds; and
- ix) although a separate Department of Livestock Development has been created, there continues to be insufficient funding to the livestock sector.

Arising out of the above observations, your Committee recommends that the development of the livestock sector should not be limited to cattle, but also take it to account other animals. You Committee further wishes to make the following specific recommendations:

- i) while your Committee notes the creation of the Department of Livestock Development, the Government should, as a matter of urgency, re-instate the Ministry of Livestock in order to improve support to the livestock sector; this will promote proper and sustained livestock production in the country;
- ii) the Government should ensure improved disease control, through improved service delivery; this should be done through the provision of better extension services by employing more extension staff and reducing distances that farmers have to travel to access veterinary and extension services;
- iii) the Government should consider reclassifying some management diseases into DNEI, as many small scale farmers are unable to manage them;
- iv) the Emergency Disease Control Fund should be implemented immediately;
- v) dipping of animals should be made mandatory; in this regard, the Government should construct new and rehabilitate existing community dip tanks in order to effectively control ticks as well as introduce initiatives to train communities to sustainably manage dip tanks;
- vi) the plans by the Government to decentralise laboratory and diagnostic services should be implemented as a matter of urgency;
- vii) the Government should, as a matter of extreme urgency, finalise the livestock development policy as the livestock sector is an important industry that needs a well formulated policy to direct its growth and development;
- viii) the Government should undertake a livestock census as soon as possible, as this will make planning in the sector easier;
- ix) in order to ensure healthy livestock, the Government should sensitise local farmers and provide training in animal health management, pasture management, proper livestock stocking densities and supplementary feeding techniques, among others;
- x) the Government should facilitate the organisation of farmers into livestock producer groups for better price negotiation and access to livestock markets; further, the Government should facilitate the creation of livestock and market centres which can also serve as hubs for livestock related services, such as marketing, training, information sharing and input supply;
- xi) while the Government is developing breeding centres throughout the country, it should ensure that these have the capacity to produce quality livestock at affordable cost to local farmers;

- xii) the Government should undertake effective breeding programmes to enhance the fertility rate and improve productivity; and
- xiii) Artificial Insemination (AI) centres should be established throughout the country.

PART II

TOUR REPORT

10.0 Your Committee undertook local tours to various sites and institutions in order to acquire practical experience of the topical issue under review and conduct on-the-spot checks of some of the issues that arose during its meetings with stakeholders. Your Committee was accompanied by the Director of Livestock from the MAL.

The following places were visited:

- Palabana Dairy Training Institute in Chongwe;
- National Resources Development College (NRDC) in Lusaka;
- Zambeef Farm in Chisamba;
- Mukulaikwa Breeding Centre in Shibuyunji;
- Mazabuka Agricultural Research Station in Mazabuka;
- Harmony Farm in Choma;
- Batoka Livestock Development Centre in Choma;
- Mochipapa Research and Development Centre in Choma;
- local farmers in Namwala;
- cordon line in Shangombo;
- Nangweshi Agricultural Station in Shangombo;
- Zambia Institute for Animal Health in Mazabuka; and
- Majoru Investments Limited in Lusaka.

1. Palabana Dairy Training Institute

10.1 Your Committee visited Palabana Dairy Training Institute (PDTI) in Chongwe, which is run by the Livestock Development Trust (LDT). Your Committee visited the breeding centre, milk collection centre (MCC), the farm power and mechanisation centre and the training centre.

Regarding the training centre, your Committee was informed that PDTI is a level II Technical Vocational and Entrepreneurship Training (TEVET) Training Institution. It was established to offer training in dairy production and had the capacity to train up to 80 students per year.

Your Committee learnt that the training programmes at PDTI were aimed at strengthening the capacity of rural communities to produce livestock and livestock products such as milk and to meet the needs of the livestock sub-sector.

Your Committee was informed that the pronouncement that had been made by His Excellency the President of the Republic of Zambia in His address to the First Session of the Eleventh National Assembly, in October, 2011, that PDTI would be turned into a university had negatively affected the operations of the Institute. The PDTI Principal explained that there was a lot of uncertainty surrounding the future of the Institute since the pronouncement. He explained that PDTI had received instructions to not enrol any students for the January, 2013 intake. He stated that the training programmes offered at PDTI had become infused in the life of the local community, whose economy mainly depended on dairy production. The uncertainty would, therefore, have a negative impact on the economy of the Palabana community.

Your Committee was informed that PDTI was located on 1,200 hectares of land. Therefore, the planned university could be located at another site within this land in order to allow the existing infrastructure to continue operating as it had done. Your Committee was also informed that PDTI had been excluded from the process of developing the intended university. The PDTI Principal explained that, apart from the fact that there was no flow of information to the Institute, there appeared to be no exchange of views and co-ordination between the MAL and the Ministry of Education, Science, Technology, Vocational Training and Early Education regarding the mechanisms for establishing the university.

In relation to the MCC, your Committee was informed that the PDTI milking centre had the capacity to hold fifty cows for milking, although the Institute milked forty-one animals daily. Your Committee learnt that the Palabana community was heavily involved in dairy production and Parmalat Zambia Limited collected milk daily from MCC. Your Committee was informed that PDTI contributed 300 litres while sixty-two local farmers provide 4, 000 litres daily to the MCC.

With regard to the breeding centre, your Committee learnt that PDTI had a herd of eighty dairy animals. Your Committee was informed that, despite the fact that feed expenditure for the animals was very high, PDTI was doing its best to provide sufficient food and nutrition for the animals.

Your Committee also visited the Farm Power and Mechanisation Centre which was responsible for the development of farm machinery, animal draught power and the promotion of these services to farmers.

When it was fully operational, the Centre would train farmers in animal draught power; train oxen and donkeys as draught animals on behalf of farmers; and fabricate and sell animal drawn implements. Your Committee learnt that the Centre mainly relied on proceeds from the sale of its products which were not sufficient to sustain it.

Your Committee found that the Centre was not operating owing to an electricity bill amounting to KR14, 000 that had not been paid since November, 2011. The Centre also had a phone bill amounting to KR4, 000 and had not received any funding to settle the huge bills.

Committee's Observations and Recommendations

Following the tour of PDTI, your Committee makes the observations listed hereunder.

- i) The uncertainty about the future of PDTI is negatively impacting the morale of the staff at the Institute, and this is of grave concern to your Committee.
- ii) PDTI is strategically located in an area whose economy relies on dairy production. Discontinuing the training offered by the Institute will disadvantage people who require training on best practices in dairy management and have a negative impact on the local population.
- iii) PDTI sits on 1,200 hectares of land, and most of this land is not being utilised by the Institute.
- iv) PDTI recently imported pure breed dairy cattle at a high cost. As a consequence of the suspense about future, there is poor management of the dairy cattle, which appear to be undernourished.
- v) The situation obtaining at the Farm Power and Mechanisation Centre is extremely unfortunate and disheartening.

In view of the above observations, your Committee strongly recommends that, as a matter of urgency, the Government clarifies the matter surrounding the construction of a university at Palabana. Your

Committee wishes to advise that, considering the size of land on which PDTI sits, there is no need for the existing facility to be left in a state of disrepair. Your Committee is of the view that the location of PDTI is a strategic one, particularly in light of the surrounding community. Your Committee, therefore, urges the Government to find another location within the 1200 hectares on which to construct the proposed university, which should run side by side with the existing institution.

Your Committee implores the Government to make the position of the future of the staff at PDTI known to them, as their morale is very low. Further, the Government should make the decision regarding PDTI in full consultation with PDTI management.

Your Committee also recommends the improved management of the cattle at PDTI as these are an integral part of the functioning of a livestock college or university and an important source of income.

With regard to the Farm Power and Mechanisation Centre, your Committee strongly recommends that the Government immediately takes steps to address the prevailing situation and map out a way forward, as it was built at a great cost.

2. *Natural Resources Development College*

10.2 Your Committee visited the Natural Resources Development College (NRDC) and as part of the tour, visited the on-going student hostel rehabilitation and the cattle, piggery and poultry sections.

Your Committee was informed by the College Principal that NRDC was established in 1965 and had produced over 5,000 graduates. From its inception, the NRDC had been offering diploma courses. Your Committee heard that the NRDC establishment had not changed since it was opened, despite the increase in the number of students enrolled over the years. The Principal pointed out that the College aspired to be upgraded to offer degree programmes. However, the Institute was plagued by a number of challenges, including:

- a) inadequate and erratic funding from the Government;
- b) dilapidated and inadequate infrastructure in terms of classrooms, laboratory, hostels, farm implements and structures, and staff accommodation;
- c) obsolete equipment;
- d) inadequate transport;
- e) lack of capital to revamp the horticulture unit;
- f) absence of a Government bursary or loan scheme for students;
- g) poor remuneration of expensively trained, highly qualified staff and non-payment of personal emoluments amounting to KR2,000,000;
- h) high staff turnover; and
- i) lack of capital to develop the recently acquired 1, 750 hectares of land in Mumbwa.

At the cattle section, your Committee learnt that the NRDC had a herd of over 200 cattle. However, feeding the herd was a challenge because of insufficient foliage and lack of resources and equipment for producing feed supplement. The Principal explained that in order to sustain the herd, there was an urgent need to capitalise the newly acquired farm in Mumbwa so that the cattle could be relocated there where there was sufficient grazing land. With regard to the poultry and piggery sections, your Committee was informed that there was insufficient funding to upgrade the infrastructure.

Committee's Observations and Recommendations

Your Committee observes that the NRDC is an important Institution, as far as agriculture training in general and livestock training in particular, are concerned. Your Committee further observes that with improved funding and increased dedication, the College can be upgraded to commence providing degree courses.

Your Committee is, however, concerned at the low productivity levels at the NRDC farm which has the potential to be a big producer of livestock products and attain a level of self-sustainability for the College. Your Committee is also concerned at the high labour turnover at the Institution. Your Committee further observes that there is an apparent lack of proper management at the College. What is obtaining is below the acceptable standard for an agriculture training institution.

Your Committee also makes the following observations:

- i) there is on-going student hostel rehabilitation;
- ii) some of the former equipment sheds have been converted into classrooms;
- iii) the farm infrastructure is in a dilapidated state and this has a negative effect on the practical side of learning, which is an integral part of agricultural training;
- iv) there is a shortage of farm equipment such as tractors and other equipment required for training, production of animal feed and other uses; and
- v) part of the College land has been encroached on.

Arising from the observations above, your Committee recommends that, as a matter of urgency, funding to the NRDC be improved. Your Committee urges the NRDC management to work out a sustainable mechanism that will make the College productive enough to provide the entire food requirements for the Institution with enough surpluses for sale to generate income. Further, your Committee urges the Government to ensure proper management of the College in order to address problems existing there which are as a result of poor management.

Your Committee also recommends that the issue of the brain drain at the NRDC be urgently addressed. Your Committee further makes the following recommendations:

- i) the rehabilitation of hostels at the NRDC should be extended to other infrastructure including classrooms and farm infrastructure, such as poultry houses, goat pens and the piggery unit;
- ii) the converting of former equipment sheds into classrooms should be stopped immediately and that the farm area should be reserved for practical training and production;
- iii) the NRDC should be assisted to purchase the equipment that is necessary for its smooth operation; and
- iv) as a matter of urgency, money should be provided to NRDC to erect a perimeter fence around the entire College and the Government should ensure that the 1,750 hectares of land that was acquired by the College in Mumbwa is capitalised; a perimeter fence should also be erected around the facility to avoid encroachment.

3. *Zambeef Farm in Chisamba*

10.3 Your Committee was informed that the Zambeef Products PLC Group was one of the largest agri-businesses in Zambia and the region. It was involved in the production, processing, distribution

and retailing of beef, pork, chickens, fish, eggs, milk, dairy products, edible oils, flour and bread throughout Zambia and West Africa. The Company was incorporated in June, 1994, and listed on the Lusaka Stock Exchange in February, 2003. Since its incorporation as a small-scale start-up business, the Group had, through organic and acquisitive growth, become one of Zambia's largest agri-businesses.

In terms of livestock, Zambeef was involved in the production, processing, distribution and retailing of beef, chicken, pork, milk, dairy products and eggs. It had one of the leading distribution and retail footprints in Zambia and operated 87 stores. It also had 20 in-house butcheries in Shoprite Supermarket outlets in Zambia under a concessionary agreement between Zambeef and Shoprite. In addition, the Group had seven of its own fast food outlets under the Zamchick Inn brand.

Your Committee toured the beef, chicken and milk processing plants; and the beef feedlot and feed storage shed.

With regard to beef, your Committee was informed that all the animals slaughtered were from local farmers, both small-scale and commercial. Your Committee learnt that Zambeef could not export beef products because demand outstripped supply. The Company, however, imported certain beef products such as livers and hoofs, from Europe. Your Committee was informed that Zambeef tried as much as possible to maximise value addition during processing by utilising every part of an animal.

In terms of dairy production, your Committee was informed that milk supply in the country was inadequate due to the poor cold chain management and as a result, Zambeef sometimes had to import powdered milk to use in its production process. Zambeef processed some percentage of its milk into value added products such as cheese, butter and yoghurt.

Committee's Observations and Recommendations

Your Committee notes Zambeef's well co-ordinated system and its advanced marketing and value addition processes. Your Committee wishes to commend the Company for its employment creation and notes that the Company also provides training to dairy farmers in Chisamba. Your Committee urges Zambeef management to continue providing support to local farmers, through provision of training and purchase of their animals and milk.

Your Committee wishes to point out that Zambeef's level of organisation is a testimony to the potential that the livestock sector has and urges the Government to ensure that the sector is provided with the necessary support to help it grow, as it can contribute greatly to food security, employment creation and poverty eradication, thereby, contributing to economic development.

4. *Mukulaikwa Breeding Centre*

10.4 Your Committee toured Mululaikwa Breeding Centre in Shibuyunji district and was informed that it was revamped from an agricultural research station in 2011. The centre has about 290 hectares of the land, which is suitable for livestock grazing, although only 50 hectares were being utilised. Your Committee learnt that Mukulaikwa had a potential capacity of holding 100 Boran cattle, 800 Boer goats and 400 Dorper sheep. At the time of your Committee's tour, the centre had 60 cattle and 254 goats. Your Committee was informed that the land which was not being utilised was suitable for ruminant livestock keeping. However, with the increased funding to the breeding centre, more land would be utilised.

Your Committee learnt that the Centre has farm machinery that include a tractor, trailer, plough, bailer, forage cutter and a feed mixer, and was able to provide feed for the animals during the dry months when foliage for grazing was not sufficient.

Committee's Observations and Recommendations

Your Committee takes note of the work that is being undertaken at Mukulaikwa and wishes to commend the MAL for transforming the former agricultural camp into a breeding centre. Your Committee, however, recommends that the Ministry should not stop there but look into ways of expanding and further developing the Centre.

5. Mazabuka Agricultural Research Station

10.5 Your Committee undertook a tour of the Mazabuka Agricultural Research Station and was informed that, in a bid to support livestock farmers through the provision of affordable and quality breeds, the Station was conducting artificial insemination (AI) and embryo transfer programmes and providing training in these programmes. Your Committee learnt that AI training was offered to farmers from all over the country and good quality semen was available for farmers to buy. Your Committee was, however, informed that the liquid nitrogen plant, which was an essential part of the AI programme, had been destroyed due to a short circuit and the Station was awaiting the delivery of a replacement pipe from South Africa.

Your Committee learnt that, apart from the on-going research and training in AI and embryo transfer of non-indigenous cattle breeds, the Station was conducting a breeding programme for indigenous breeds such as Angoni, Barotse and Tonga breeds. Your Committee also learnt that the Station was conducting a programme of breeding various indigenous chicken breeds.

Your Committee was informed that, among the challenges that the Station was facing, was the erratic funding which on a number of occasions had led to threats of disconnection of services by utility companies. Your Committee was further informed that the absence of an abattoir that was necessary for AI training was a big challenge to the Station.

Committee's Observations and Recommendation

Your Committee takes note of the activities at Mazabuka Research Station and wishes to make the observations set out below.

- i) AI and embryo transfer programmes are important for the growth and improvement of the livestock sector.
- ii) The damage caused to the nitrogen plant poses a serious challenge to the management of the AI programme.
- iii) While the Committee appreciates the fundraising efforts by the Station, through the sale of semen, liquid nitrogen and AI straws, though commendable, are not enough to sustain its operations.
- iv) The initiative to breed and properly manage local cattle and chicken breeds is a step in the right direction.
- v) The land on which the Station is located needs protection from encroachment.

Arising from the above observations, your Committee makes the following recommendations:

- i) the Ministry of Agriculture and Livestock should put in place measures to ensure the sustainability of the programmes at the research station through improved and consistent funding;

- ii) there is a need for countrywide sensitisation of local farmers on the programmes at the research station and their benefits;
- iii) the Government, as a matter of urgency, should ensure that the liquid nitrogen plant is constantly operational as opposed to a situation where replacement parts take a long time to be supplied in case of damage;
- iv) Mazabuka Agricultural Research Station should be assisted with funding to set up an abattoir, which will ease the conducting of training on AI;
- v) the breeding of indigenous breeds should be enhanced and replicated in other breeding centres. This should be coupled with sensitisation of local farmers on improved management and benefits of local breeds;
- vi) the programmes being implemented at the station should be rolled out to other districts around the country, as this will go a long way in ensuring improved cattle breeds in the country; and
- vii) the Station should be fenced to ward off encroachment.

6. *Harmony Farm*

10.6 Your Committee visited Harmony Farm in Choma, which is managed by the Livestock Development Trust. Your Committee was informed that the Farm's core business was to breed and produce improved quality breeding stock for sale, especially to small-scale farmers. The size of the farm was about 2800 hectares and it has 310 beef cattle consisting of Bonsmara and Boran herds and some cross breeds. The dairy herd was made up of lactating animals to help with self-sustainability on the farm from the day to day milk sales. The farm also has 221 Boer goats. Your Committee learnt that there were plans to reintroduce pigs and set a pig breeding unit at the farm.

Your Committee was informed that, considering the disease outbreaks that had rocked the country in the past, Harmony Farm had the capacity to play a critical role in the national restocking and disease control programmes.

As regards challenges, your Committee was informed that Harmony Farm required a capital injection in order to erect a boundary fence so as to ward off encroachment. There was also a need for investment in infrastructure for the introduction of a pig breeding unit. Your Committee was further informed that bush fires were a major challenge and posed a threat to the grazing pastures.

Committee's Observations and Recommendations

Your Committee welcomes the breeding centre at Harmony Farm but urges management to sort out the specific breeds that will be produced at the centre.

Your Committee observes that the lack of a perimeter fence around the farm poses a serious challenge in terms of encroachment and urges the Livestock Development Trust to, as a matter of urgency, source funds to fence off the farm.

7. *Batoka Livestock Development Centre in Choma*

10.7 Your Committee toured Batoka Livestock Development Centre (BLDC), which is managed by the Golden Valley Agricultural Research Trust (GART). Your Committee learnt that the centre sat on 9000 hectares of land and was a breeding centre for cross bred cattle, chickens and goats. The Centre was also involved in small scale dairy production. Your Committee learnt that BLDC also has a programme of cultivating pastures to assist with feeding during the dry months.

As part of the tour, your Committee visited community projects that had been developed by the local community with the assistance of BLDC. These included communal dip tank, the Batoka Smallholder Dairy Cooperative and a goat outreach programme.

- *Community Dip Tank*

Your Committee was informed that the dip tank was established in 2004 by local livestock farmers with assistance from GART. The local community provided labour for the project while GART provided material and technical support. Your Committee learnt that, in its first six months of operation, dipping chemicals for the tank were provided by GART. Further, farmers who had their animals dipped contributed a small amount that went to the purchase of chemicals and maintenance of the facility. Your Committee was informed that a total of 115 farmers took over 2,000 cattle for dipping once a week.

Your Committee learnt that, since the establishment of the dip tank, the prevalence of cattle diseases in the area had reduced. However, a number of improvements were still required. Your Committee was informed that water was a major challenge as the dip tank required 15,000 litres of water, which was supplied from a hand pump. Local farmers stated that the ideal situation would be to have a solar-powered water system and improved boreholes. There was also a need for a dam to provide drinking water for the animals. Your Committee was also informed that the road to the dip tank required attention.

The Director of Livestock who accompanied your Committee on tour explained that funding was available from the MAL to develop the dip tank into a livestock service centre and market centre. He explained that it would also be used as a lead centre for dipping services so that other farmers in the area could learn from the services being provided there.

- *Batoka Smallholder Dairy Cooperative Society*

Your Committee was informed that the society was established in 2010 with funding from the Government of Holland, through GART, with support from the MAL. The society has a 1500 litre capacity cooler and receives 200 to 300 litres of milk a day during dry months and was filled to capacity during the rainy season. Parmalat Zambia Limited collected milk from the cooperative daily. Your Committee was also informed that all the milk was supplied by local small scale farmers whose animals were tested and certified disease-free by the District Veterinary Officer.

- *Goats Outreach Programme*

Your Committee visited a local small scale farmer who was the recipient of goats in 2003 through a GART outreach programme. Your Committee was informed by the farmer that she had been a member of a cooperative that had received goats through GART, the MAL and Heifer International. She explained that most members of the co-operative had sold off their goats, but she had managed to multiply her herd and through this, was able to raise enough resources to pay school fees for her children, build and furnish a decent house, improve her diet and buy cattle.

Committee's Observations and Recommendations

Your Committee notes the involvement of BLDC in the development of livestock in its surrounding community and wishes to commend GART for these efforts. Your Committee is alive to the fact that the efforts of BLDC have gone a long way in improving the lives of those who have benefited from the support and training that has been given. With the right type of response from the community, as is the case in Batoka, such type of support can have a positive effect on the livestock sector.

Your Committee observes the following:

- i) the breeding programme for cattle, goats and chickens has a lot of room for improvement; and
- ii) the grazing pastures at Batoka have huge potential for improvement.

Arising from the above observations, your Committee makes the following recommendations:

- i) BLDC should ensure the proper management of the breeding programme and grass to improve on its goat and chicken rearing schemes; further, the centre should improve its dairy cattle breed so that farmers are provided with high milk producing breeds; and
- ii) BLDC should improve its pastures by planting nutritious legumes and other improved species of grass.

8. *Mochipapa Research Station*

10.8 Your Committee was informed that Mochipapa Research Station is one of the 11 regional research stations under the Zambia Agriculture Research Institute (ZARI).

Your Committee visited the chicken layer unit and pig pen. Your Committee learnt that, formerly, the Station was a centre for animal research, which concentrated on breeding to improve the local Tonga breed. Crosses were also made with Boran, Barotse, Angoni and cattle breeds for quality beef and later with Friesian for milk quality. Further, the Station used to carry out research into growing of pasture for the continued provision of feed and for nutrition. However, a number of problems had been encountered that had negatively affected animal and pasture research activities and these had stopped. Your Committee was informed that the Centre was in the process of reviving various aspects of research.

Committee's Observations and Recommendations

- i) Your Committee wishes to register its disappointment at the fact that research activities at the Station were neglected for a number of years and is hopeful that on-going efforts to revive it will bring it back to its original status. Your Committee wishes to point out that research is a critical component of the development of the livestock sector and, therefore, strongly urges the Government to provide adequate funding to the Station.
- ii) Your Committee notes that significant patches of the legume that was being developed for improving animal feed still exist. Your Committee is of the view that seed can be harvested for replanting for the development of pastures. In this regard, your Committee recommends that the Government should save the surviving little legume seed that is at the Station before it is completely destroyed by on-going rehabilitation activities.

9. *Mochipapa Livestock Development Centre*

10.9 Your Committee visited Mochipapa Livestock Development Centre (MLDC), which is run by the Livestock Development Trust (LDT). The Centre catered for livestock production trainees and training programmes were aimed at strengthening the capacity of rural communities to produce livestock and livestock products such as milk. MLDC was a TEVETA recognised institution which also offered short-term courses to meet the needs of small and medium scale farmers.

Your Committee was informed that MLDC has a herd of 87 Friesian and Jersey cattle. The dairy unit has 25 lactating cows that produced 300 litres of milk per day, which was supplied to a local co-operative. Your Committee was also informed that male calves from the centre were sold to the community.

Your Committee learnt that the MLDC feeding programme was made up of concentrate and natural pasture. Bush fires were a major challenge during the dry season, so pasture was harvested and stored for feed.

Your Committee was informed that, although MLDC was facing many constraints due to poor finances, it has reached self-sustaining levels and hoped to set up a breeding centre as the land, facilities and breeding herd for dairy cattle were available.

Your Committee also interacted with some of the students at MLDC who lamented the Government's failure to provide employment to livestock assistants who had graduated from MLDC and Palabana Dairy Training Institute. The students informed your Committee that preference was given to veterinary assistants and agricultural assistants. They stated that livestock assistants were equipped with skills that were important for the growth of the livestock sector.

Committee's Observations and Recommendations

Your Committee observes the following:

- i) in comparison with the facilities at PDTI, the facilities at Mochipapa are less suitable for a livestock training institute; and
- ii) the livestock industry, particularly in rural areas, is in dire need of extension services that are provided by livestock assistants and veterinary assistants. However, the situation where those who are trained in these areas are not employed is very unfortunate.

Arising out of the above observations, your Committee recommends the following:

- i) the Government should seriously reconsider its decision to stop enrolling students at PDTI as it is more suitable as a dairy training institute than Mochipapa Research Centre; and
- ii) the MAL should, as a matter of urgency, employ as many of the livestock assistants that have graduated over the years as possible; these should be deployed throughout the country to provide the extension services that are greatly required by many farmers.

10. Local Farmers in Namwala

10.10 In a bid to gain the perspective of an indigenous livestock farmer on the subject under consideration, your Committee visited two farmers, Mr Alan Kabuzu and Mr Fredrick Shibwela, in the Maala area of Namwala District. Your Committee also held a meeting with other local farmers at Chief Mungaila's Palace.

a) Mr Alan Kabuzu

Mr Kabuzu informed your Committee that he started cattle farming in 1997 and with perseverance and hard work, had grown his herd to over 1100 Boran. Mr Kabuzu also kept sheep and chickens. He explained that he sold about 300 cattle per year and considered livestock farming to be a lucrative business. He further explained that, however, the price per kilogramme of beef that was offered by commercial entities was unfavourable. Mr Kabuzu stated that his vision was to open his own abattoir.

Regarding major challenges, Mr Kabuzu stated that animal diseases, especially tick-borne and lumpy skin diseases, posed a serious threat. He further stated that although he was fortunate enough to afford vaccines for his animals, most small scale framers could not. Mr Kabuzu also informed your Committee that the Government needed to come up with a system to assist livestock farmers to access vaccines through a programme similar to the Farmer Input

Support Programme (FISP) for crop farmers. Another challenge for livestock farmers was the lack of pastures for grazing. Mr Kabuzu stated that there was need for the Government to begin educating farmers on the need to grow pastures in order to reduce distances that animals had to travel to graze. He further stated that pasture seed should be included in the FISP package.

b) *Mr Fredrick Shibwela*

At Mr Shibwela's farm, your Committee was informed that unlike the situation in the past where cattle were kept for prestige, livestock farmers had begun to realise that cattle rearing was a business and a source of livelihood. To this end, there was a need for the Government to begin giving as much support to livestock farmers as it did to crop farmers. Your Committee was further informed that although the Government veterinary officers were available to diagnose animal diseases, there was no provision of vaccines. Mr Shibwela stated that there was a need for the Government to offer basic training to farmers to help them to improve the management of their animals.

c) *Chief Mungaila's Palace*

Following the visits to local farms in Namwala, your Committee held a meeting with Chief Mungaila and his subjects at the Chief's Palace.

Your Committee was informed that Namwala was a predominantly cattle rearing area and that farmers in the area had begun to realise that livestock rearing was an important economic activity and not a matter of prestige. However, farmers in the area faced many challenges that required urgent attention from the Government, which appeared to be giving more prominence to crop farmers.

Your Committee was informed that the major challenges faced by farmers were the cost of drugs, fencing wire and spray races. Farmers stated that the Government should devise some form of subsidy, such as waiving of taxes, that would bring down costs.

Your Committee was also informed that there was a need for the establishment of livestock service centres in Namwala, which should be equipped with veterinary clinics and provide training to local farmers on proper management of their livestock. These centres should be provided with livestock assistants and veterinary assistants. Farmers further complained that the former agricultural training centre in Namwala had been turned into a rest house, and that the situation was not ideal. They informed your Committee that although they had traditional and practical knowledge on cattle rearing, they required training on modern best practices.

Your Committee learnt that farmers in Namwala were keen to improve their cattle breeds and bloodlines, but lacked the capacity to buy better quality bulls for breeding. To this end, they asked that the AI and embryo transplant facilities and training available at Mazabuka Agricultural Research Station be replicated in Namwala. Farmers also wanted to learn how to develop high nutrient pastures in order to address challenges of insufficient grazing pastures.

In relation to access to markets for their livestock products, your Committee was informed that the price of beef per kilogramme was not favourable. The farmers explained that because of the restrictions on the movement of animals, access to markets was a challenge. Therefore, farmers were forced to sell to available buyers.

Your Committee was informed that there were not enough veterinary camps and those available were too far apart. Further, there was need for the decentralisation of veterinary laboratories and testing centres to district level in order to allow for prompt diagnosis of diseases.

Committee's Observations and Recommendations

Your Committee makes the observations listed hereunder.

- i) Namwala is predominantly a cattle rearing area and an example of a place whose economy thrives on the livestock industry.
- ii) The farmers in Namwala are determined to provide good quality beef that is sold to companies like Zambeef.
- iii) There is a plea for Government intervention from farmers in Namwala, who wish to improve their livestock management practices.
- iv) The shortage of grazing land is a big problem, particularly during the dry season, and farmers have to trek their animals for long distances in order to find suitable pastures.

Arising out of these observations, your Committee makes the recommendations listed below.

- i) The Government should assist livestock farmers in general and farmers in Namwala in particular by providing proper subsidies and incentives to the livestock sector, as is the case in the crop sector. Subsidies should be on drugs, dipping chemicals, fencing wire and pasture seed, as this will help curb diseases and stock theft and improve animal nutrition. Incentives should be in the form of the provision of training on best practices and on the benefits of good quality breeds that can be obtained through AI and embryo transfer.
- ii) The Government should ensure that adequate dipping facilities are constructed in Namwala.
- iii) The Government should, as a matter of urgency, improve the provision of extension services to Namwala by providing more and better-equipped livestock and veterinary officers. The Government should also ensure that there is suitable accommodation for these officers.
- iv) Your Committee strongly recommends that the former agriculture training centre in Namwala be reopened and used for providing basic training to local farmers.
- v) The Government should carry out mass sensitisation on the need for good nutrition for livestock. This should involve the programmes to educate people on the planting of pastures and its importance.
- vi) The Government should sensitise farmers on the importance of co-operatives that will assist in negotiating prices for their livestock with commercial entities so that they are not disadvantaged.

11. Cordon line in Shangombo

10.11 Your Committee undertook a tour to Shangombo District in order to inspect the cordon line that had been erected as a measure to prevent the spread of animal diseases between Zambia and Angola.

The Provincial Veterinary Officer (PVO) for Western Province informed your Committee that the cordon line was created in the 1970s and ran for almost 400 km parallel to the Angolan border. The cordon line had proved to be an effective barrier against the transmission of animal diseases, especially contagious bovine pleuropneumonia (CBPP). However, the line was destroyed in 1997 due to intense fighting in Angola and this led to the reintroduction of CBPP into the Western Province after 23 years of absence. Your Committee heard that the disease had been kept out by a combination

of control measures and the buffer zone created by the cordon line. The buffer zone was maintained with routine vaccinations and other zoo-sanitary measures.

Your Committee was informed that, by 2002, the disease had become widespread and spread from the Western Province to the North-Western Province, thereby creating a threat to the rest of the country and the sub-region as a whole. To control the disease, measures were put in place and were based on the creation of control zones known as focal area (FA); primary risk area (PRA); and secondary risk area (SRA). The test and slaughter with compensation measure was instituted in the FA and PRA and about 1,200 cattle were slaughtered with compensation. The remaining cattle in these zones and those in the SRA were subjected to compulsory vaccination. Other measures included the restrictions on the movement of live animals.

Your Committee learnt that, in 2006, the Government rehabilitated the cordon line but over the years, it had suffered serious vandalism. The barbed wire had been stolen because of poor security along the line. There was, therefore, a need to employ more cordon guards to patrol the line. More than 800 metres of wire meant for the cordon line was in storage at Nangweshi Agricultural Station. There was, however, a need for the use of better wire and more modern techniques, such as electric fencing.

Your Committee was informed that while CBPP was a trans-boundary problem, there was very little co-operation from Angola as regards its management.

After inspecting the cordon line, your Committee held a meeting with some members of the local community and was informed that the destruction of the cordon line had negatively impacted the people of Shangombo because it had resulted in the reintroduction of CBPP and an increase in cattle theft. Your Committee heard that the absence of the cordon line made it difficult to trace animals, as there were no distinguishing brands between disease-free zone and buffer zone animals. Your Committee also heard that the vandalism of the cordon line had begun after politicians informed the people during campaigns that the Government had decided to do away with it. The local people, however, explained that they needed the cordon line. They stated that, in order to protect it from vandalism, there was a need to reduce the distance between agricultural camps from 10km to 5km, and to employ more camp officers. They stated that they were willing to work hand in hand with camp officers to protect the cordon line.

Committee's Observations and Recommendations

Your Committee observes the following:

- i) the cordon line, which was an effective disease-control measure in the past, and acted as a good tool against theft of cattle, has been seriously vandalised;
- ii) the distance of 10km between agriculture camps is too long, as the effect of this is an inadequate number of camp officers to guard the cordon line, as they are required to patrol long distances;
- iii) the local community in Shangombo sees the cordon line as a good disease-control and anti-theft measure and are therefore, willing to partner with camp officers to protect it against vandalism;
- iv) over 800m of barbed wire that is meant for replacing the vandalised line is lying in storage at Nangweshi Agricultural Station and that the kind of wire used to erect the cordon line is easy to steal;
- v) while the Government is carrying out regular vaccinations in the Western Province, there appears to be a lack of coordination between Zambia and Angola on the programmes, which

is likely to negate the efforts of the Government, especially in view of the absence of the cordon line; and

- vi) the Government has plans to establish a breeding centre at Natukoma in Shangombo.

Arising from the observations, your Committee recommends that:

- i) as a matter of urgency, the Government should re-instate the cordon line in order to mitigate against the transmission of cattle diseases, particularly CBPP, as this will have a positive impact on the development of the livestock sector in Western Province;
- ii) the distance between agriculture camps should be reduced to 5km and the Government should ensure that camp officers are employed without fail, to man all the camps;
- iii) the Government should use more secure wire, such as box wires, to erect the cordon line;
- iv) the Government should engage the Angolan Government to ensure that disease-control measures on both sides of the border are carried out in tandem; and
- v) as the Government sets up a breeding centre at Natukoma, it should put in place stringent disease-control measures in the area.

12. Nangweshi Agricultural Station in Shangombo

10.12 Your Committee undertook a tour of the Nangweshi Agricultural Station and learnt that the Farm Training Centre at the station has been closed for a number of years.

At the Station, your Committee held a meeting with members of the Nangweshi Livestock Co-operative Society and was informed that the co-operative was formed in 2009 by some livestock farmers in order to address some of the problems that they had been facing. The main objective of the co-operative was to establish a livestock marketing centre and, eventually an abattoir within Shangombo District so as to deal with the problem of having to travel long distances to markets.

Your Committee was informed that, with assistance from the Catholic Relief Services (CRS), the Co-operative managed to construct a sale yard and renovated offices and a warehouse at the former Nangweshi Refugee Camp. In 2011, the Co-operative received K372, 000,000 (KR 372,000) from the United States African Development Foundation, through the Zambia Agribusiness Technical Assistance Centre (ZATAC). The funds were used to purchase office furniture, a generator and motor cycle. The Co-operative also managed to open an animal drug store, employ four members of staff and purchase some cows.

The members of the Co-operative stated that, unfortunately, some of its funds had been stolen by the accountant who had been responsible for banking transactions. Other challenges included a poor road network, lack of electricity, lack of a refrigerated truck to transport meat to markets and the prevalence of animal diseases, which had increased as a result of destruction of the cordon line.

Committee's Observations and Recommendations

Your Committee observes that the Farmers Training Centre at Nangweshi has excellent facilities that are not being utilised. Your Committee further observes that the continued closure of the centre is depriving people of the much-needed training that is essential for good management of their livestock. It, therefore, recommends that the centre should be re-opened.

Your Committee notes the efforts that are being undertaken by the Nangweshi Livestock Co-operative Society and wishes to commend its members for their efforts. It also urges the Government to find ways of assisting them to achieve their vision.

13. *Zambia Institute of Animal Health in Mazabuka*

10.13 Your Committee visited the Zambia Institute of Animal Health (ZIAH) and was informed that the Institute was responsible for the training of veterinary assistants. Your Committee heard that the Institute would introduce training of livestock assistants which was formerly done at Palabana Dairy Training Institute. The institute would also begin training laboratory assistants and tsetse control assistants.

Your Committee was informed that the Institute was facing a number of challenges such as poor funding; inadequate laboratory and accommodation infrastructure for students; and encroachment.

Committee's Observations and Recommendations

Your Committee notes the move by the Government to transfer the training programmes conducted at PDTI to ZIAH, and is of the opinion that this training can be offered at both institutions. Your Committee observes that, in fact, the facilities at PDTI are better- suited to offer training in dairy management.

Your Committee, therefore, again urges the Government to look into the possibility of continuing the training programmes at PDTI.

14. *Majoru Investments Limited in Lusaka*

10.14 Your Committee undertook a tour of Majoru Investments Limited and learnt that the Company has been supplying a variety of high quality fresh and processed meat products for over 25 years and has grown to become one of the leading experts in the meat processing and distribution sector. Majoru's main business was the slaughter, processing and distribution of beef, pork and lamb products from its abattoir and factory. It was one of the leading experts in the meat processing and distribution sector and placed great emphasis on the strategic procurement of animals from local farmers who reared livestock in a healthy environment so as to ensure the production of superior quality meat and meat products.

Your Committee was informed that Majoru's portfolio of customers were discerning individuals and corporations with diverse needs and uses for their products such as restaurants, hotels, lodges, supermarkets, embassies, corporate canteens and schools. Customers were geographically spread across the provinces of Zambia and in the DRC.

The Majoru Managing Director informed your Committee that good quality breeds were important to the success of the livestock sector. He stated that an ideal situation would be to have good quality indigenous breeds like the Barotse and Tonga, as they were well-suited to local conditions and had high disease resistance. However, most farmers had, over the years, done away with indigenous breed in preference of crosses with exotic breeds and that had a negative effect on the quality of cattle. As part of the tour, your Committee visited the farm of Mr Tom Robertson, a commercial farmer who was involved in breeding and rearing the Tuli cattle breed, which originated from Zimbabwe. Your Committee was informed that this breed was a good alternative to local breeds as it adapted well to local conditions and had high levels of disease resistance.

The Managing Director informed your Committee that:

- i) in order for the livestock sector to be sustainable, it was important to utilise local expertise;

- ii) cattle rustling was a big problem that had a negative effect on cattle farmers;
- iii) bush fires were also a big problem for livestock farmers, as they destroyed much-needed pastures;
- iv) there was need for a mass cattle restocking exercise with improved breeds; and
- v) there was need for the improvement of Government intervention in the livestock sector and for the provision of better extension services.

Committee's Observations and Recommendations

Your Committee takes note of Majoru's place in the livestock sector and wishes to commend the Company for the high quality services that it provides.

Your Committee observes that indigenous breeds are better suited to local conditions and have higher resistance to diseases. Your Committee, therefore, urges the Government to ensure that breeding of local breeds be made an integral part of breeding programmes. This should be coupled with farmer education on the proper management of indigenous breeds.

Your Committee observes that cattle rustling and bush fires have a detrimental effect on the growth of the livestock sector and urges the Government to carry out sensitisation drives on the negative effect of these vices. Your Committee further urges the Government to ensure that the two vices carry stiffer penalties.

PART III

CONSIDERATION OF THE ACTION-TAKEN REPORT ON THE REPORT OF THE COMMITTEE FOR THE FIRST SESSION OF THE ELEVENTH NATIONAL ASSEMBLY

The Agricultural Marketing Act

11.0 Your previous Committee had recommended that a comprehensive legal framework, to be called the *Agricultural Marketing Act*, be submitted for enactment by Parliament as a matter of urgency. The Act was to provide for the establishment of the Agricultural Marketing Council as a statutory body to advise the Government on market-related issues, monitor and analyse the performance of the agricultural market, and investigate and advise on all statutory interventions in the market.

In the Action-Taken Report, your Committee was informed that a layman's Bill on agricultural marketing had been submitted to the Ministry of Justice for final drafting and onward submission to Parliament for enactment. It was a comprehensive agricultural marketing legal framework that would regulate the marketing of all agricultural commodities, including livestock and fisheries products. The legislation would provide a level playing field for all market players and contribute to an efficient and effective agricultural, livestock and fisheries marketing system. The Minister of Agriculture and Livestock would be responsible for the Act.

Committee's Observations and Recommendations

Your Committee will await progress on the enactment of the new law.

Cost of Doing Business

Your previous Committee had recommended that the Government should explore various ways of reducing the cost of doing business in Zambia.

In the Action-Taken Report, your Committee was informed that the Government was committed to reducing the cost of doing business in the country. In view of this, the MAL had decentralised the issuance of agricultural permits to border districts.

Committee's Observations and Recommendations

In noting the response, your Committee observes that the cost of doing business in the agricultural sector countrywide is still very high and not only restricted to permits, but also includes the cost of inputs and other related costs. Your Committee, therefore, urges the Executive to take this into consideration. Your Committee will await a progress report on the matter.

Upgrading of Trunk and Feeder Roads

Your previous Committee had recommended that the Government should prioritise, the upgrading of trunk and feeder roads, especially in areas of high agricultural production potential. In addition, the railway system needed to be made more efficient and secure and even extended to the most productive areas.

In its response in the Action-Taken Report, the Executive explained that the post-evaluation meeting to discuss the recommendations in the memorandum of understanding had not yet taken off. The Government was still consulting and developing its position before it could schedule this meeting. However, the stakeholder's consultative committee had continued to meet to address the challenges of the rail transport sub-sector. The consultative committee had since submitted its recommendations to the Government. The Government was seriously working with all stakeholders to ensure that the 20 year Railway Systems of Zambia Concession of 2003 was revised. The MAL would keep the Committee informed on the matter.

Committee's Observations and Recommendations

Your Committee notes the response and will await a progress report on the matter. Your Committee further requests an update on the upgrading of trunk and feeder roads.

Creation of a Separate Buying Agency

Your previous Committee had recommended that, in order to prevent confusion, a separate buying organisation, different from the FRA, be put in place. This would require the Food Reserve Agency Act to be repealed so as to allow it to purchase maize at competitive bidding from the market for strategic reasons.

In the Action-Taken Report, your Committee was informed that the Government's policy was to encourage the private sector to fully participate in agricultural marketing. The FRA's activities would be streamlined to concentrate on its core business of maintaining strategic reserves.

Committee's Observations and Recommendations

In noting the response, your Committee urges the Executive, as a matter of urgency, to streamline the activities of the FRA and to put in place mechanisms for improving agricultural marketing. Your Committee will await a progress report on the matter.

Operationalisation of the Warehouse Receipt System

Your previous Committee had recommended that the Government should operationalise the warehouse receipt system, as provided for in the *Agricultural Credits Act* of 2010.

In its response, the Executive stated that the Government had recommended that the Zambia Agricultural Commodity Exchange be appointed as an authorising agency to perform the functions of the Warehouse Receipt System.

Committee's Observations and Recommendations

Your Committee wishes to seek clarification on who the Executive's recommendation regarding the Zambia Agricultural Commodity Exchange was directed. Your Committee will, therefore, await a progress report on the matter.

CONCLUSION

12.0 Your Committee wishes to pay tribute to all stakeholders who appeared before it and tendered both oral and written submissions. It also wishes to thank you, Mr Speaker, for affording it the opportunity to serve on the Committee for 2013. Your Committee also appreciates the services rendered by the Office of the Clerk of the National Assembly. Your Committee is very hopeful that the observations and recommendations contained in this Report will go a long way in improving the livestock sector in Zambia.

R Muntanga, MP
CHAIRPERSON

May, 2013
LUSAKA

APPENDIX

List of Officials

National Assembly

Mr S M Kateule, Principal Clerk of Committees

Mr S C Kawimbe, Deputy Principal Clerk of Committees

Mrs D Mukwanka, Assistant Committee Clerk

Ms S Kayawa, Typist

Mr R Mumba, Committee Assistant

Mr C Bulaya, Committee Assistant