

profile

Number 100, October 2014

Zambia Country Programme Evaluation

Zambia has abundant reserves of copper and cobalt and large tracts of arable land that support agriculture and forestry. The population in 2013 was 14.5 million; the ratio of population to land area of 19.6/km² is one of the lowest in Africa. Over the past decade, Zambia has experienced economic liberalization and stability, increased investment and production in the mining sector and has recently maintained good agricultural production; in July 2011 it achieved lower middle-income status. But progress in poverty reduction has been mixed, with gains concentrated in urban areas: although 75.5 per cent of the population live in rural areas, predominantly as farmers and livestock herders, agricultural value-added accounts for only 17.7 per cent of gross domestic product (GDP). Maize is the dominant crop, grown by 83 per cent of small-scale farmers.

This is the first country programme evaluation (CPE) by the Independent Office of Evaluation of IFAD in Zambia. It covered the period 1999 to 2013, during which the Executive Board approved seven projects with loans totalling US\$105.9 million. Cooperation with Zambia is guided by country strategic opportunities programmes (COSOPs) published in 1997, 2004 and 2011. The projects aimed to increase the productivity of smallholder farmers and to promote access to markets and value chains – including supporting improvements to infrastructure such as rural roads and tracks – as Zambia transitioned to lower middle-income status.

This profile sets out the main findings and recommendations of the CPE, whose objectives were to assess the performance and impact of IFAD-funded operations and make recommendations to inform the next COSOP to be developed by IFAD and the Government of the Republic of Zambia.

Main evaluation findings

Overall portfolio achievement was assessed as moderately satisfactory. IFAD-supported interventions helped to increase and diversify the production of beneficiary smallholders, enhanced access to markets and improved control of livestock diseases such as east coast fever and contagious

bovine pleuropneumonia. There is evidence that poverty was reduced, with increases in the incomes and assets of rural households in project districts and some increases in productivity. The portfolio helped to build social capital and to empower target groups, particularly in terms of promoting gender equality and the empowerment of women.

But in terms of development, the programme was not fully effective: there were substantial delays in implementation, weaknesses in financial management and a targeting strategy that was too broad and that consequently allowed better-off farmers to capture the benefits. Prospects for sustainability are limited in most projects, in part because of weak government commitment in terms of future financial obligations and institutional capacity of the implementing ministries.



Smallholder Agri-Business Promotion Programme. The project has supported smallholder farmers to increase and diversify production, to enhance their access to markets and to link them to value chains. More than half of the beneficiaries are women.

©IFAD/Miguel Torralba

Non-lending activities – policy dialogue, knowledge management and partnership-building – were assessed as moderately satisfactory. There were some positive results in policy dialogue, and IFAD's partnership with the Government remains sound. But its partnerships with other development actors

were largely consultative, with little mobilization of cofinancing. Partnerships with private sector are incipient, however lack of clarity on the part of Government with respect to the policy approach to private sector engagement in the agricultural sector remains an issue. In general the Zambia country portfolio did not benefit substantially from IFAD grants.

COSOPs performance was assessed as moderately satisfactory in that they were broadly appropriate and gave clear guidance to individual projects. During the review period, IFAD focused on support for the commercialization of smallholders through the development of agricultural value chains, in line with the Government's development and economic strategies. Gender and HIV and AIDS were cross-cutting issues in all three COSOPs, which also sought to promote women's access to technologies, assets and market opportunities. Effectiveness was limited because little was achieved in terms of developing a cohesive and synergistic country programme. Moreover, the mix of instruments was limited to largely lending activities with non-lending activities (including partnership) playing a supporting role constrained by the use of government systems. The overall relevance and effectiveness of the COSOPs were therefore rated moderately satisfactory.

The CPE concludes that – despite a number of shortcomings – IFAD has made a positive contribution to agriculture and rural development in Zambia in the past 14 years,. A new level of partnership with the Government – in line with IFAD's strategy for engagement with middle-income countries – will be required in view of Zambia's new status as an emerging middle-income country - that includes a more responsive and customized programme to respond to the needs and priorities of the rural poor.

ZAMBIA AT A GLANCE

Population: **14.5 million (2013)**

Rural population: **8.3 million**

Rate of GDP growth: **6.4% (annual)**

Poverty headcount ratio at national poverty line (% of population): **60.5%**

Life expectancy at birth: **58.11**

Human development index: **0.561 (2013)**

Ranking = 141, classified as a medium level of human development (2013)

IFAD lending approved since 1981: **US\$188.5 million**

Sources: *United Nations Development Programme and World Bank: World Development Indicators.*

Key recommendations

- **Improve the cohesiveness of the country programme.** To maximize impact, IFAD must develop a synergistic country programme in which the various interventions support one another, with appropriate mechanisms for coordination and communication.
- **Focus on poverty and geographic issues.** The next COSOP must recognize Zambia's middle-income status and ensure that smallholder farmers are included in the economic transition. Targeting should be based on a combination of income criteria and geographic issues.
- **Promote greater involvement of the private sector.** IFAD and the Government should use current lending and non-lending approaches to promote private-sector interest and to support the Government in engaging the agricultural sector, the private sector and civil society, and in developing an enabling environment for public-private partnerships.
- **Ensure sustainability.** IFAD must seek public commitment to future financial obligations by engaging in policy discussions and improving knowledge management to maximize visibility and the communication of results. Public/private collaboration should be explored to obtain funding for activities such as vaccination to eradicate contagious bovine pleuropneumonia.
- **Increase environmental mainstreaming, with particular attention to climate change.** The effects of climate change must be studied, and appropriate assessment and mitigation mechanisms for price and yield risks affecting rural smallholders should be developed.

Further information:

Republic of Zambia, Country Programme Evaluation, Report No. 3551-ZM, October 2014, ISBN 978-92-9072-534-3, Independent Office of Evaluation of IFAD, Via Paolo di Dono, 44, 00142, Rome, Italy. The full report, Profile and Insights are available online at: www.ifad.org/evaluation; email: evaluation@ifad.org.