Agriculture is the backbone of Southern Africa’s economy, contributing to the different Member States between 4% and 27% of the Gross Domestic Product (GDP) and approximately 13% of overall export earnings (World Bank; Poverty Overview 2020). About 70% of the region’s population depends on agriculture for food, income and employment. Hence the performance of this sector has a strong influence on food security, economic growth and social stability of the region.

Smallholder farmers in Southern Africa produce over 70% of food yet make up the majority of people living in poverty (IFAD, Rural Development Report 2019). Despite their significant contribution to food and nutrition security, lack of access to profitable, value-added markets is a major challenge to smallholder farmers, with 4 out of 5 farmers only selling produce in their local markets.

Market regionalisation is one of the most effective means of stabilising prices, and securing domestic and regional market supply.

Oxfam Southern Africa (Oxfam SAF) in partnership with the Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) implemented a project that focused on how smallholder agricultural producers, especially women and youth, in four Oxfam focus countries - Malawi, Mozambique, Zambia and Zimbabwe, were interacting with markets.

The study revealed that smallholder farmers are the main agricultural producers, accounting for over 60% of the total workforce, yet they derive the least remuneration from their produce. The research also indicated that in marketing and sales, women smallholder farmers (WSHFs) are under-represented, playing limited roles that keep them from gaining from the most profitable portions of the value chain. Access to finance and credit also limited the growth of WSHFs in the sector.
Following land reforms in Zimbabwe since the early 2000s, the agriculture market system has become a complex ecosystem in which big producers and smallholder farmers compete aggressively in both formal and informal markets.

The collapse of large-scale agro-processing and exporting companies that were an integral part of the pre-land reform agriculture landscape has exacerbated the challenges faced by smallholder farmers in the country. Lack of proper supply and demand management systems has resulted in a significant infiltration of agriculture produce imports, especially from South Africa, even though local farmers are also specialising in producing the same crops. While the preference of imports to local produce could be attributed to quality and prices, supply in the local market is also constrained by barriers to smallholder market participation.

Food security in Zimbabwe is under threat not only from the effects of climate change (erratic weather, declining soil fertility and resilience) but also from the ongoing COVID-19 pandemic. Restricted movements, trade barriers and lockdown measures have limited access to farm inputs, extension services and markets affecting smallholder farmers’ capacity to produce and access competitive markets.
MARKET GAPS

Below are key challenges affecting smallholder farmers’, especially women and youth, access to local and regions markets.

1. Access to market information
   Although ICT has become part of people’s lives, agricultural information has remained confined to particular ecosystems. For example, large-scale farmers continue to communicate with processing companies and exporters while smallholders are concentrated in informal markets where relationships and word-of-mouth remain the major information sharing channels. Smallholder farmers often discover prices of their produce at the market, while large-scale farmers use ICT to access this information before getting to the marketplace.

2. Unfavourable market and trading environment
   The business environment in Zimbabwe is not enabling for smallholder farmers and other smaller value chain actors. The major constraints include inability of smallholder farmers, especially women and youth, to access inputs, sell their commodities, access credit and finance, and communicate with other value chain actors.

3. Capacity
   Evidence shows that the economically active population of between 25-54 years, the bulk of which are women and youth, is effectively taking part in the agricultural sector in the country. However, this group of the population lacks adequate access to knowledge, information, capital, skills and other resources to flourish in the agricultural sector.
RECOMMENDATIONS

Recommendations that have great potential to enable smallholder farmers, especially women and youth, to participate and access local and regional markets include:

1. **Investment in ICT innovation and infrastructure**
   Innovations in ICT are key to increasing the availability of market information that further enables smallholder farmers to make informed choices on where their market is, when to sell their products and at what price. The government of Zimbabwe should enforce the implementation of universal access requirements to ensure affordable access by smallholder farmers and promote readily available channels like mobile phones, SMS, community radio programmes, and online platforms.

2. **Transforming the Policy Environment for Efficient Agriculture Market Systems**
   The Ease of Doing Business Index of Zimbabwe increased from a 47.8 score in 2016 to a 54.47 score in 2020, growing at an average annual rate of 3.3 percent (World Data Atlas 2020).

   As Zimbabwe creates a favourable market for external producers and investors, it is essential to also ensure that competitive markets are available to smallholder farmers, especially women and youth.

   It is vital that Zimbabwe develops and implements policies that aim to protect the interest of small-scale farmers, create a stable and hospitable investment climate that nurtures export competitiveness, trade openness and domestic capital formation.

3. **Target Investment for Capacity Building**
   It is recommended that all governments and private sector development programmes ensure that 25-54 years olds are included and prioritised as far as access to capital is concerned.

   In addition to improved access to finance and credit for smallholder farmers, particularly women and youth, through Warehouse Receipt Systems, extension services in business and finance management, informed investments and market expansion, should collaboratively work towards securing the profitability and viability of agriculture in Zimbabwe.

THE MARKETS CAMPAIGN INTERVENTION

FANRPAN in partnership with Oxfam SAF and the Southern Africa People’s Solidarity Network (SAPSN) are implementing a Markets Campaign to increase the awareness of the market access constraints faced by smallholder farmers, especially women and youth, and provide evidence-based solutions to create an enabling and fair environment for farmers to access profitable markets. The focus is on collective action at regional and national levels, building on ongoing work (programmatic) and campaigns in Southern Africa. For more details and on how to participate in this campaign, please visit the FANRPAN website.

About FANRPAN
The Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) is an autonomous regional stakeholder driven policy research, analysis and implementation network that was formally established by Ministers of Agriculture from Eastern and Southern Africa in 1997. FANRPAN was borne out of the need for comprehensive policies and strategies required to resuscitate agriculture. FANRPAN is mandated to work in all African countries and currently has activities in 17 countries namely Angola, Benin, Botswana, Democratic Republic of Congo, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.

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