

## AGRO-HUB PRE FEASIBILITY STUDY IN NORTHERN ZAMBIA

### Background

The establishment of an agro-hub in Senga Hill, Mpulungu or Mbala districts was proposed as one of the development interventions during a RVO financed roundtable meeting held in Mpulungu in 2017. In these three districts, agricultural production is predominantly taking place at a small scale, which offers opportunities for further development as the area is highly suitable for crop production in terms of soils and climate.

A pre-feasibility study has been performed to provide a base of information on the local value chain, challenges, opportunities and partners to support further steps in the development of an agro-hub in the northern district of Zambia.

### Defining the Agro-hub:

*“A networked innovation system of agro-production, processing, logistics, marketing, training and extension services, located in a District Municipality.”*

*As a network it enables a market-driven combination and integration of various agricultural activities and rural transformation services. The Agro-hub has the aim to facilitate the Northern Zambian agricultural value chain to strengthen its position as regional food producer and food supplier and to improve its performance in agriculture.*

### Take away messages

- The Northern Province of Zambia has considerable availability of land which is highly suitable for crop production. At the moment this land is mainly utilized for small scale farming. With the right technology and knowledge the output can increase exponentially.
- One of the main challenges for success of the agro-hub is the accessibility of the Northern Province (long travel time from Lusaka). This hinders not only the development of trade connections for agriculture produce to the national market (mainly Lusaka) and international markets but also the (inter)national supply of agriculture inputs and support to the Northern Province. However, once set-up an Agro-hub could facilitate the set-up of transportation channels, as it could function as an aggregation point.
- Business opportunities are seen in filling the current gaps in the value chain: lack of storage, export, power supply, knowledge and improved technologies can be provided by Dutch companies. Besides more opportunities lie in bridging the labour constraint, limited access to credit and quality inputs, markets and infrastructures.
- Therefore the agro-hub should focus on:
  1. Aggregation and coordination
  2. Rental of equipment
  3. Storage and cooling facilities
  4. Input market and credit supply
  5. Training, support and demonstration
 Depending on the interested (lead) partners activities could be further focussed to just a few of these functions.

- Cassava and (mixed) Beans are identified as high-potential crops, based on criteria of food security and export. These can potentially be complemented with high value perennial crops (avocado, coffee or nuts) but other crops are possible depending on the interests of the partners.
- The local governmental institutes are supportive and willing to partner in an Agro-hub in a facilitator role involving relevant government wings such as Ministry of Agriculture and Commerce. Moreover they also welcome the collaboration with the private sector organization as a necessity for successful development of the Agro-hub.
- The organization of a **trade mission** to the region is being considered as it could assist the international stakeholders to gain understanding on the opportunities in the Zambian Northern Province.
- Any agricultural activities within the hub should promote climate-smart practices, to enhance climate adaptation and decrease the financial threats by land degradation. There are funding mechanisms targeting specifically climate adaptation and mitigation that might be interesting to look into.
- The “ownership” of the agro-hub is crucial; the lead partner(s) must feel responsible and must full commit for the success of the hub.