



FEED MODELS IN ZAMBIA

Piloting inclusive business and entrepreneurial models for smallholder fish farmers and poor value chain actors in Zambia and Malawi (2019-2022)

PROJECT START-UP AND STAKEHOLDER MEETING AGENDA

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Motivation

- ❖ *Current status:* 16% use both commercial and home-made, 3% exclusive (Census, 2020).
- ❖ *Access:* 65% have to travel over 20 km to buy commercial feeds (Census, 2020).

FCR of selected feeds (BMP manual)

Maize
(9)

Farm-mixed feed
(5)

Commercial feed
(1.5)

Challenges in use of commercial feeds

- ❖ Transportation of feeds
- ❖ Limited knowledge by smallholders on benefits of commercial feeds.
- ❖ Orders from smallholders small and demand inconsistent.

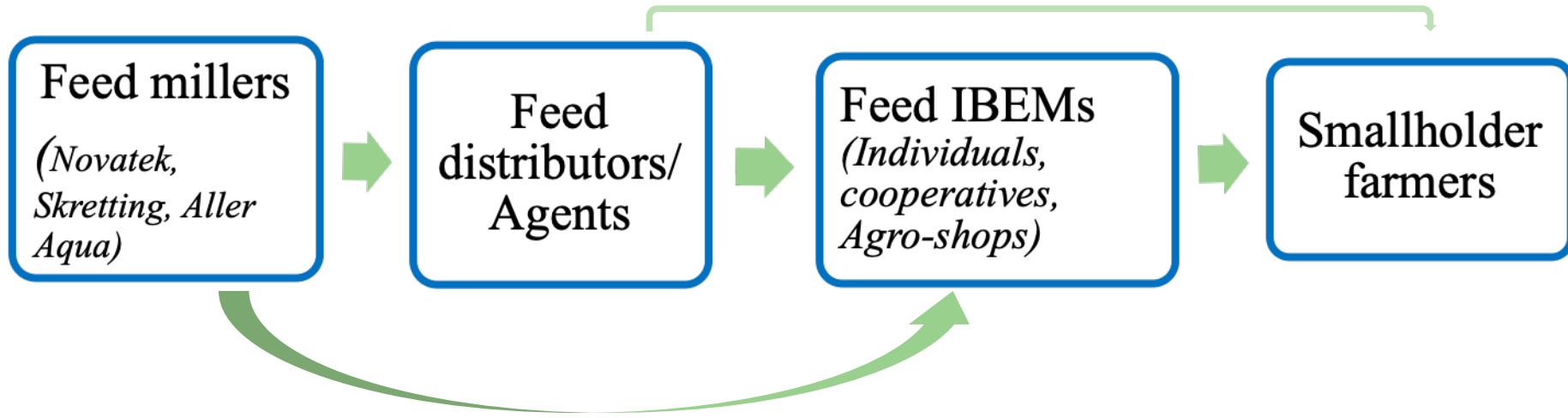


Review of feed models

Model	Who	Where
Franchising	Private firms	South Africa, Vietnam
Contract farming/ Outgrower schemes	Private firms	South Africa, Vietnam
On-farm millers/ small-scale millers	Individuals, Cooperatives, SMEs	India, Bangladesh, Nigeria, Kenya,
Decentralized feed retailers	Individuals, Cooperatives, Agro-shops/SMEs	Egypt, Bangladesh, Kenya,
Aggregation	Cooperatives/ farmer groups	Uganda, Egypt, Vietnam

Feed distribution network

Feed IBEMs will facilitate the distribution and sale of quality commercial feed to nearby fish farmers.



Proposed operational models



- ❖ Decentralized feed retailers
- ❖ Aggregation

10 IBEMs, potential demand from 2,000 farmers

Assessment and selection

- ❖ Nearness to fish farmers
- ❖ Financial capacity
- ❖ Potential/interest to sell feed as a business venture
- ❖ Gender and youth considerations



Decentralized retailers – Individuals, Agro-shops

- ❖ Co-financing grant: 70% of feed cost - up to 2t per IBEM, 30% IBEM investment.
- ❖ Individual IBEMs supported to acquire repackaging material (storage bins, weighing scale)
- ❖ Feeds sold at retail market prices.

Aggregation model – Cooperative/Group

- ❖ Co-financing grant: 70% of feed cost - up to 2t per IBEM, 30% members' investment.
- ❖ IBEM aggregate feeds with nearby farmers, at additional fee for non-members.
- ❖ Feeds sold at market price, cooperative farmers benefit from low retail price (from buying directly).

Projected profitability assessment

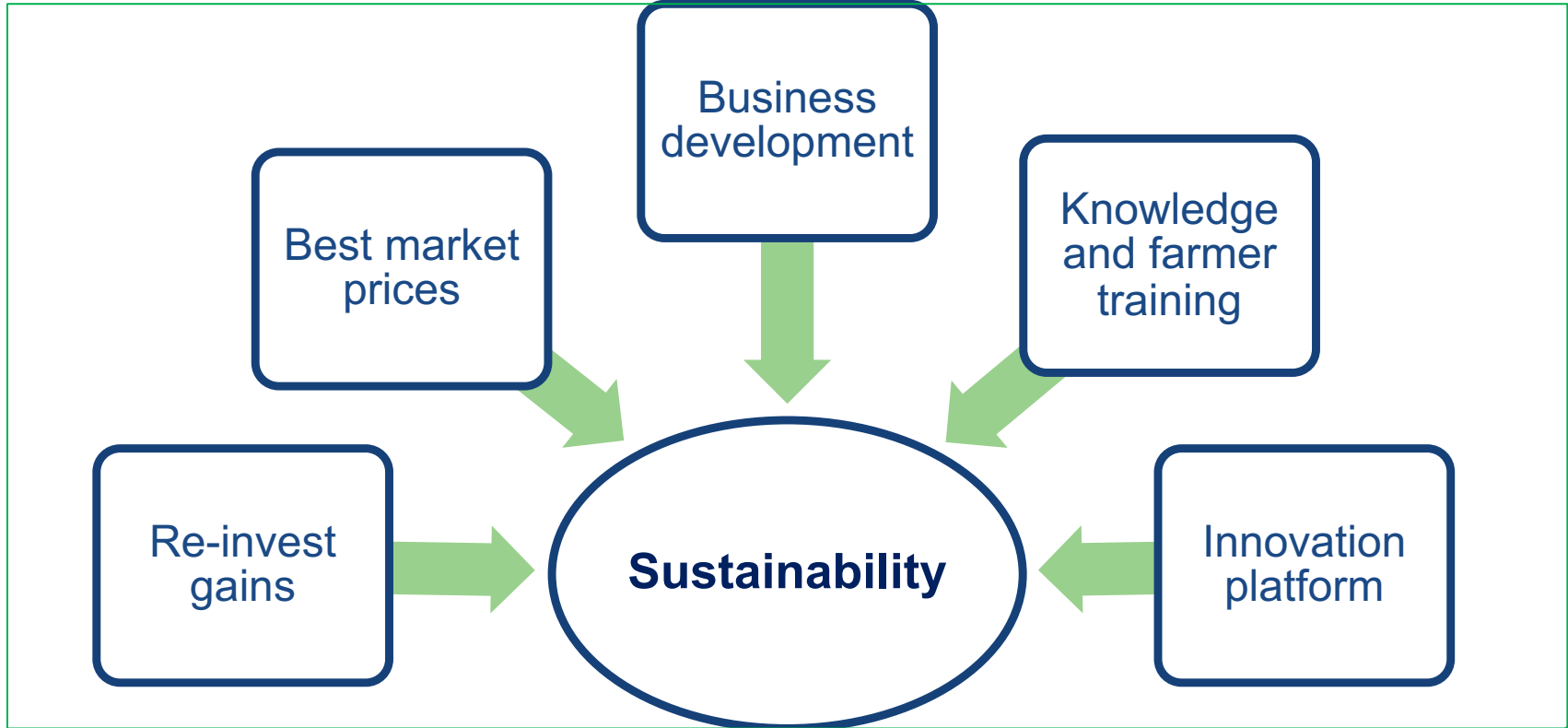
	Individual (1 tonne)	Agro-shops (2 tonnes)
Feed	15000	30000
Transport	1000	1500
Equipment cost	6000	-
Total costs	22000	31500
Margin	10%	10%
Revenue	17600	34650
<i>Break-even volume</i>	<i>3.75 tonnes</i>	
<i>BCR (After recouping equipment costs)</i>	<i>1.10</i>	<i>1.10</i>

Training, Mentoring and Coaching

IBEMs training & coaching, integrating ToT to reach at least 42 farmers.



IBEMs sustainability



THANK YOU !

