



OPPAZ

ORGANIC PRODUCERS AND PROCESSORS
ASSOCIATION OF ZAMBIA

“Development of the Local Market for Organic Products in Zambia”

December 2006

1.0 Background of OPPAZ

The Organic Producers and Processors Association of Zambia (OPPAZ), was founded in 1999 by farmers who were keen to promote and expand the opportunities of organic agriculture. OPPAZ is registered as an umbrella association of organic producers and processors in Zambia. At national level, OPPAZ is affiliated to the Zambia National Farmers Union (ZNFU), which represents the interests of all categories of farmers in Zambia. At international level, OPPAZ is an accredited member of the International Federation of Organic Agriculture Movements (IFOAM).

The broader mandate of OPPAZ is to develop and actively promote organic farming using sustainable methods of agricultural production especially in the rural farming communities of Zambia. OPPAZ has a current membership base of 57 member producers and processors, comprising small and medium-scale farmer groups, commercial producers and processors who are working with a wider membership of over 19,000 direct beneficiaries (organic producers and wild harvesters).

The main goal of OPPAZ is to develop a strengthened organic industry in Zambia that effectively contributes to national economic growth and poverty reduction by increasing organic production for the local and export markets, improving incomes, food security and nutrition through the use of organic agricultural production methods that are environmentally sustainable.

The overall objectives of OPPAZ are;

- To support the development of income generating and diversification opportunities by enabling viable markets to develop for certified and non-certified organic fair trade produce.
- To encourage small-scale, rural based primary production and processing of agricultural products through the provision of production, certification and marketing services.
- To promote and actively develop sustainable methods of agricultural production through the provision of technical services to members and associations.
- To encourage the development of mutually supportive networks with other strategic partners and organizations to increase the overall effectiveness and impact through shared input.
- Advocacy and lobbying for national organic producers and processors, and to represent and maintain the integrity of the organic sector in Zambia.

OPPAZ has now successfully emerged in spearheading the development of the organic sector in Zambia and has established itself as one of the major players in the agricultural sector. Currently, 20% of OPPAZ's membership is exporting

organic products to Regional and European markets. In 2005, OPPAZ members exported about 500 MT of organic fresh vegetables, 500 MT of wild harvested honey, 30 MT of groundnuts, 1.5 MT of Essential/Pressed oils and 0.5 MT of wild harvested mushroom. Other organic products have been sold in the local market.

2.0 Market Development

2.1 Export Market

OPPAZ is exploring possibilities of increasing the export of organic products by developing direct links with buyers and establishing effective distribution channels for member producers. With the financial and technical assistance of the EU-Export Development Programme II, Mr. Rudy Kortbech Olesen (an *Export Marketing Consultant* of OPPAZ who is currently based within the EU market place was engaged for a period of 8 months from May to December 2006 to help develop further the exports of organic products from Zambia, and in particular to help the organic sector find alternative markets and to improve the sector's overall performance through better market communication.

OPPAZ has placed more emphasis on developing the European markets, as the EU is OPPAZ's major market for Zambian organic products. OPPAZ has also acted as a facilitator between buyers and producers mainly through participation at national and international organic trade fairs. Over the past four (4) years, OPPAZ Staff and 7 of OPPAZ's member producers have participated at the Biofach in Germany. Through the Biofach, OPPAZ has facilitated market linkages for buyers and producers to meet and transact. As a result of the Biofach events, 80% of all exports of organic products from OPPAZ members have been facilitated. For example, in 2004 a lot of buyer contacts were established and orders were made on 9 containers of honey (240 tons) valued at Euro 500 000 as well as 0.5 tons of Wild mushrooms valued at Euro 22 000.

2.2 Local Market

As a way of expanding market opportunities for organic producers in Zambia, OPPAZ is also focusing on developing the domestic (local) market. The local marketing initiative has developed from the realization that those organic producers that are not able to access the export market could use the local market to sell their products. The local market also provides a stepping stone towards entering the export market.

In the recent past, some OPPAZ members that were certified for the local market were selling their organic products through supermarkets and open Saturday markets (e.g. products such as fresh vegetables, spices and herbs, honey, peanut butter, essential and tree oils etc.)

In 2006, two (2) new initiatives of establishing Organic Shops (Market Outlets) have been started by OPPAZ member producers in Lusaka. "Foxy Organic Shop" is already open, while plans are underway to open the other shop "Go Organic Shop". These shops will *only* sell certified organic products. The products must be 'certified organic' by any accredited certification bodies. Products that are in-conversion to organic will also be accepted and "labeled as such". In addition, these shops will also aim to propagate awareness on organic farming and health benefits of organic products. Therefore, these shops will become 'one stop shops' for fresh and dry organic products, literature on organics, seeds, manure, bio-fertiliser etc.

As a way of developing the local market, OPPAZ is also facilitating the development of national organic standards with other stakeholders in Zambia.

3.0 Marketing Strategies

OPPAZ recognizes that creating and promoting local consumer awareness on the value and benefits of organic products is important. The promotion of local consumer awareness will be achieved through the following;

3.1 Development of local organic logo

OPPAZ is not an internationally accredited certification body. However, OPPAZ is known as an umbrella association spearheading the organic sector in Zambia. In this regard, OPPAZ is developing a certification service to organic equivalence for the local market *only*.

In the initial stages, the development of a recognizable organic logo is important in promoting local marketing initiatives. The use of the local organic logo upholds the organic identity and integrity. This also improves communication about the products and the national organic movement in the country.

3.2 Direct communication with consumers

Through personal selling and marketing to customers at Organic shops, farmers' market, supermarkets, field days, companies, corporations and community clubs. Printing and distribution of leaflets and other promotional materials also provide the necessary marketing information about OPPAZ, products from member producers etc.

It is important that salespersons in Organic shops and other market outlets are able to disseminate information and explain the environmental, social and

economic aspects of organic farming including the benefits of organic foods to customers.

3.3 Establishing links with the mass media

OPPAZ will maintain relationships with the media people who are interested in publicising organic issues and supporting the organic movement. Articles on organic farming are being published in the printed media such as newspapers. Others methods of public awareness are newsletters, magazines, press releases and advertisements in local newspapers that have a wider circulation.

The media people are more willing to publish information that is in harmony with most of the Government policies such as promoting agricultural, environmental and health issues. It is important that the media people re-emphasise the direct benefits of organic agriculture on the environment, producers and the consumers.

Strategic alliances and collaboration with like-minded organizations such as NGOs and buyers is necessary for the promotion of organic consumer awareness.

3.4 Product Diversification

In the initial stages, OPPAZ is focusing on promoting organic crops/products which farmers are already familiar with and able to produce e.g. groundnuts, honey, cotton, rice and wild mushrooms. However, with the expansion of the market and as farmers become more confident in applying organic production techniques, diversification into other products will be encouraged (i.e. including adding other high value farm products/crops). This will ensure that the supply of organic products in the market is not erratic and be able to offer a wide range of crops/products to the consumers.

3.5 Product Development

OPPAZ realises that there is need to continue improving the product quality in order to meet the market requirements, especially for processed products such as honey, peanuts, essential oils and mushrooms. As the market matures, consumers tend to demand a wider range of products. However, product development might require more capital Investment for purchasing processing equipment and processing facilities.

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