

Tapping urban markets: Elevating the role of miombo woodlands in rural poverty reduction

A PEN study in Zambia

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Elevating the role of forests in rural livelihoods beyond subsistence and safety net functions towards poverty reduction has proved to be a daunting challenge. Can the growth of vibrant urban markets for forest products due to high rates of urbanization across Africa offer livelihoods opportunities through forest based development? Do the real poor in rural communities have the capacity to deal with the more complex urban market chains given their severely constrained material resources, low levels of education, lack of access to reliable information and the social capital that one often requires to navigate amongst more powerful players? Using household and market level data collected from two contrasting sites in Zambia, this study will answer these questions and provide insights into the conditions under which poor forest dependent households can significantly benefit from tapping urban markets.

The central objective of the study is to understand how differences in market access due to remoteness and infrastructural differences influences the contribution of forest products to livelihoods of rural households. To enable this comparison two study sites in Mufulira and Kabompo districts in Zambia's Copperbelt and Northwestern provinces respectively, have been chosen as they provide contrasting attributes with respect to market access. In each study site two villages have been selected and 50 households from each village were randomly selected from the full village lists for the household survey. Therefore each of the two study sites contributed 100 households, giving a total sample of 200 households.

Selected villages in Mufulira district (Sosala and Village No. 14) are situated within easy access (10-70 km) of a network of mining towns of Kitwe, Mufulira and Chingola, and Zambia's the second largest city of Ndola. Both villages are located not more than 2km from a tarred road connecting them with all major urban centers. The border post into the Democratic Republic of Congo (DRC) is less than 5km from Sosala village, allowing vibrant cross-border trading in various commodities. In sharp contrast to Mufulira, Kabompo district is located towards the Angolan border and remains largely remote from urban centres, only connected by a gravel road to the provincial centre Solwezi, some 370km away. The selected villages in Kabompo, Nkhulwashi and Maveve, are located 23km and 69km from the district centre along the gravel road to Zambezi district centre to the South-west.

The dominant feature of the landscape in both study sites are the vast tracks of miombo woodland, punctuated by stretches of open grassland on the plains. Forest resources play a central role in people's livelihoods. Wood fuel provides energy to all most 100% of households in these areas while a wide range of non-timber products that range from honey, mushrooms, fruits, medicinal plants, thatching grass and game meat are extracted for subsistence use and sale. In Mufulira, charcoal sold in nearby towns and on the roadside is regarded as one of the highest cash income earners for households. Kabompo district is renowned as the source of the best quality organic honey which fetches good prices on the export market. The district with its largely virgin miombos is also a source of high value hardwood timber that is mostly exported to South Africa and the DRC.

Livestock in both sites is limited to negligible populations of goats, chickens and pigs. Cattle which are often among the most valuable assets for rural populations are distinctly absent in the study sites except for a few households who have started building heads. Cropping is an important part of the livelihood system, although lack of livestock limits its potential despite good rainfall patterns in both sites. There is no doubt that forests in the two sites form an integral part of people's livelihoods.

Background Literature

The challenge of rural poverty

Across Africa levels of poverty among rural populations are shocking. Despite decades of investment in rural development, poverty remains entrenched in rural livelihood systems with little hope for any significant reductions. Almost 60% of rural Africans live on less than \$1 per day (Kaimowitz, 2003).

The underlying causes of rural poverty often comprise complex social, economic and environmental components and processes operating at a range of scales (Frost and Mandondo, 1999). Perhaps the most daunting constraints faced by rural households are associated with the marginal environmental conditions for many forms of agriculture that result from low and erratic rainfall, frequent droughts, and generally poor soils (Frost and Mandondo, 1999; Mortimore, 1998; Scoones *et al.*, 1996). In addition to poor agro-ecological conditions, most rural livelihood activities are adversely affected by a range of socio-economic factors that include under-developed and inaccessible markets, lack of access to credit, poorly developed and maintained infrastructure, limited access to appropriate extension advice, and non-functional institutional arrangements for resource management (Campbell *et al.*, 2002).

In response to the challenges of living in extreme environments, rural households typically have a wide livelihood portfolio, encompassing a range of activities (Scoones *et al.* 1996; Mortimore 1998; Scoones 2001; Cavendish 2002; Campbell *et al.*, 2002). To

varying levels households are involved in livestock raising, growing a range of crops, collecting forest products for subsistence needs and sales, small scale enterprises (e.g., brick-burning, carpentry, craft production, beer brewing, trading etc. Remittances from family members in off-farm employment also support various household activities and investment initiatives.

Forests at the core of local livelihoods

Not all livelihood strategies are accessible to every household. Poorer households tend to have limited livelihood portfolios due to lack of assets, low levels of education and poor health especially in the wake of the HIV/AIDS pandemic. Perhaps the most widely accessible livelihood strategy is the collection of forest products by households. Most forest products are available to households as 'free goods' because other than labour, little or no capital outlay is required to access them.

Despite the wide range of goods and services from forested landscapes, the role of forests in rural livelihoods has been limited to subsistence and safety net functions, offering few or no opportunities for local people to lift themselves out of poverty. In trying to explain this paradox, Angelsen and Wunder (2003) argued that the very same characteristics of most forest products that make them important and widely accessible to the poor also often limit their potential to lift people out of poverty.

Key among the weaknesses of forest product based development is the lack of well-developed markets on which these products can be traded, resulting in these products often fetching low values. The generally dispersed population patterns and low buying power of rural households often limit the size of rural markets for forest products. Besides it is often cheaper for rural households to collect their own forest products, only buying those they can't access due to scarcity or labour constraints. Whilst urban centers have the potential to generate significant demand for forest products due to the dense populations and relatively higher buying power of households, improved access to more modern substitutes limit the demand for forest products. Many of the forest products are often 'inferior' goods which are often replaced in the household consumption basket by more preferred substitutes as income increases. The remoteness of most locations where forest products are found also makes access to urban markets more complicated and costly, especially for individual households operating with small volumes. The seasonal nature of most forest products also makes market development more difficult and income flows inconsistent due to supply fluctuations. All these factors limit the potential of forest based enterprises to grow into sustained sources of household income and capital accumulation that would allow households to escape poverty.

Emerging trends: growing urban markets for forest products

The African continent has the world's highest urbanization rates with an estimated 4% growth per year (Chidumayo, 2005). Not only are cities growing in population, the number of urban centers is also increasing. There are 43 cities in Africa with populations of over one million. These are projected to increase to 70 by 2015. In most cases the proportion of urban dwellers vis-à-vis the total population is also increasing. The proportion of Africans living in cities is projected to rise from about 20-25% in 1970, 35-40% in 2000 to about 50-55% in 2025 (Chidumayo, 2005).

Unfortunately, the high rates of urbanization in much of Sub-Saharan Africa do not seem to be associated with real industrialization. The region's economies are growing slowly with per capita income growth rates of as low as 0.1% between 1990 and 1999 (Kaimowitz, 2003). The result is high levels of unemployment and continued dependence on relatively cheaper traditional sources of energy, food, medicines and other products. The rapid growth in Africa's urban population has thus led to rapid expansion in domestic demand for many forest products. These include charcoal, construction timber and poles, fruits, palm wine, some medicinal plants, wild meat, and furniture, among others (Arnold et al., 2002; FAO, 2001a; Scherr, White, and Kaimowitz, 2002). In Tanzania for example, every 1% increase in urban population has been estimated to stimulate a 14% increase in charcoal demand (Chidumayo 2005). The rapid growth of Central Africa's cities has largely driven the great increase in demand for wild meat generally by people of all income levels (Bennett, 2002). Urban expansion has also driven growth in the production of furniture and housing materials from forest products (Kaimowitz, 2003).

Can the rising demand for forest products in urban markets offer new hope for real opportunities to transform rural livelihoods through sustained growth in forest based enterprises and income generation for large number of people? Although these trends suggest meaningful opportunities for forest based poverty alleviation, it remains to be established whether forest dependent households have been able to take advantage of these circumstances. The complexity of urban markets and the changing role of different stakeholders as circumstances change make it difficult to correctly predict likely impacts of growing urban demand for forest dependent populations. Very few if any concrete ideas currently exist on how rural households can use forest products given the changing circumstances to transform their lives. The quest to fill this knowledge gap and contribute to formulation of strategies for tackling persistent rural poverty has inspired this study.

Progress to date

The four rounds of household level data collection are now complete in both sites. Data entry and checking is almost complete and computation and preliminary analysis will commence during the month of April. A few loose ends still need tying up (geo-

referencing households, units survey, some village level data). From a total of 200 households selected for the survey, only 8 households pulled out of the surveys midway due to various reasons that include migration, fatigue, and lack of time.