THE ZIMBABWE LIVESTOCK AND FOOD SECURITY PROGRAMME (LFSP) is improving the food security, nutrition and productivity of smallholder farmers and rural communities in Zimbabwe by delivering a range of inclusive business models with farmers, agribusinesses and other market actors for scaling-up.

CATTLE PEN FATTENING

THREE APPROACHES

A. INDIVIDUAL PRODUCTION

- Smallholder farmersktion gain access to a market for fattened cattle within the structure of a contract farming arrangement.
- Constantin supply of cattle to on-farm fattening arrangements using specific breed and on-farm management criteria, and a payment for cattle to be sold to an off-taker.
- Farmers need to shift their mind-set to handle and value the output for sale.
- Grouping animals in a fattening facility creates economies of scale.

B. AGGREGATION MODEL

- Farmers organised into groups have better chances of accessing more attractive prices.
- Smallholder farmers must understand the key performance features for animals in feedlots for timely slaughter/sales.
- Raising the awareness of smallholders about the financial returns associated with pen fattening.
- Cattle are sold on open markets but with farmers offering the required collateral.

C. CONTRACT FATTENING

- Smallholders are able to aggregate their cattle to be fattened as part of a contract farming arrangement.
- Pen fattening can provide a platform for sustainable productivity of smallholder farmers and rural communities.
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PARAMETERS

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INDEPENDENTLY

- Farmers have to use their own resources to feed the cattle and deliver to an off-taker.
- Farmers have the choice of selecting the animals to be fattened.
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AT OWN COST

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TIED TO OFF-TAKER

- Farmers are guaranteed a price per head at an off-taker.
- Farmers have to use their own resources to feed the cattle and deliver to an off-taker.
- Farmers have the choice of selecting the animals to be fattened.

COMPANY A RESULTS

- Farmer required to provide the required collateral.
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COMPANY C RESULTS

- Farmers are guaranteed a price per head at an off-taker.
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DIFFERENCES BETWEEN THE THREE APPROACHES

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PROMISING RESULTS

- Feed and transport costs, further eroding profitability for the farmer and the off-taker.
- The observed best prices are achieved in July and the last week of December.
- Farmers successfully sold their cattle at a realistic market price.

SCALING POTENTIAL

- Approaches tend to include a component of marketing or off-take negotiations.
- Smallholders are able to aggregate their cattle to be fattened as part of a contract farming arrangement.
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RECOMMENDATIONS

- Feed and transport costs, further eroding profitability for the farmer and the off-taker.
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