

Agriculture Sector Brief

1. Sector Overview

Agriculture remains a cornerstone of Zambia's economy, contributing approximately 19 percent to national GDP and employing more than half of the country's workforce. Beyond its role in food security, the sector is central to Zambia's industrialization and export diversification ambitions, with significant potential for value-addition and private-sector growth. Over 58 percent of Zambia's land area is arable, yet less than a quarter is under cultivation, highlighting vast potential for investment in both primary production and agro-processing. The country's favourable agro-ecological zones, stable political environment, and expanding regional markets make it a strategic hub for agri-business within Central and Southern Africa.

The agriculture sector transformation ambition is directly aligned with Zambia's Vision 2030, which aspires to transform the country into a prosperous middle-income nation, and the Eighth National Development Plan (8NDP) priorities of economic transformation, job creation, and environmental sustainability. Under the African Continental Free Trade Area (AfCFTA), Zambia seeks to expand regional trade in processed and high-value agricultural goods. The EU Global Gateway and Team Europe initiatives reinforce these priorities by mobilizing sustainable investment in climate-smart agriculture, value-chain integration, and digital innovation.

The Lobito Corridor represents a transformative opportunity for Zambia's agricultural sector by improving trade logistics, reducing transportation costs, and expanding access to regional and international markets. Linking Zambia to Angola and the Democratic Republic of Congo through rail and road networks leading to the Atlantic port of Lobito, the corridor provides a faster, more cost-effective export route that reduces reliance on southern and eastern trade channels. This development is set to boost exports of both staple and high-value agricultural products, stimulate agribusiness investment, and promote value addition through processing and packaging. Additionally, the corridor enhances regional integration, strengthens supply chains, and supports productivity gains through improved access to inputs and climate-smart farming. Key provinces such as North-Western, Copperbelt, Central, Lusaka, and Southern are particularly well-positioned to benefit from this strategic trade route.

2. Market Structure and Key Actors

The Zambian agriculture sector comprises a diverse eco-system of producers, processors, traders, and service providers. It is dominated by smallholder farmers – representing over 70 percent of total producers – who are increasingly being integrated into commercial value-chains through contract farming and cooperative arrangements. The private sector plays a growing role in input supply, mechanization, and value-addition, with large agribusinesses operating across multiple segments of the value-chain.

Key sub-sectors include staple crops (maize, cassava, and sorghum), export-oriented crops (sugar, soybeans, horticulture, coffee, and macadamia), and livestock and aquaculture (poultry, dairy, beef, and fish farming).

Institutionally, the Ministry of Agriculture (MoA) provides overall policy direction, supported by the Ministry of Fisheries and Livestock (MFL), the Zambia Development Agency (ZDA), and the Food Reserve Agency (FRA). Regulatory oversight is provided by the Zambia Environmental Management Agency (ZEMA) and the Zambia Compulsory Standards Agency (ZCSA). The Zambia National Farmers Union (ZNFU) represents producers, while a growing number of women and youth cooperatives – such as the Zambia Agribusiness Society of Women – are contributing to inclusive value-chain development.

3. Opportunities for Investment and Trade

The Government of the Republic of Zambia (GRZ) is prioritizing agriculture as a driver of industrialization and export diversification. Investment opportunities are underpinned by strong domestic demand, regional food deficits, and supportive policies for private-sector participation. Key investment drivers include growing regional demand for grains, livestock products, and horticulture; reforms under the Farmer Input Support Programme (FISP) promoting crop diversification; and improved access to regional and global markets through the Lobito Corridor and AfCFTA frameworks. Emerging trends in the sector include the digitalization of agricultural services (e.g. e-vouchers and fintech solutions for farmer payments), expansion of climate-smart agriculture (CSA) practices, and increasing availability of Environmental, Social and Governance (ESG)-linked financing. Donors and Development Finance Institutions (DFIs) are actively supporting green investments and inclusive agribusiness models, aligning with EU Global Gateway objectives.

Priority areas for investment include:

- Irrigation and water management systems, as less than 2 percent of arable land is currently irrigated.
- Agro-processing and value-addition in cassava, soybeans, dairy, and horticulture.
- Cold-chain logistics, warehousing, and distribution infrastructure.
- Aquaculture expansion and fish-feed production to reduce import dependence.
- Climate-resilient seed systems and fertilizer manufacturing.







| Investment Opportunity Matrix | | |
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| Area | Rationale | Impact Potential |
|  Irrigation & water management | Less than 2% of arable land is currently irrigated | Boost agricultural productivity |
|  Agro-processing & value addition | Strengthen food security & reduce imports | Enhance value-chain development |
|  Cold-chain logistics | Perishable goods require robust logistics networks | Support export of high-value crops |
|  Aquaculture expansion | Reduce reliance on imported fish products | Create jobs & diversify livelihoods |
|  Climate-resilient inputs | Mitigate effects of climate change | Increase yields & crop resilience |
|  Digital agriculture & fintech | Modernise farming practices & payments | Improve farmer incomes & access to finance |

Figure 1 Investment Opportunity Matrix

4. Challenges and Constraints

Despite its potential, Zambia’s agriculture sector faces structural and operational constraints. Policy and regulatory gaps – particularly around land tenure security and market incentives – limit private investment.

Infrastructure deficits remain a major bottleneck, particularly poor rural roads, limited storage facilities, and unreliable energy supply in remote production areas. High interest rates and limited availability of collateral restrict access to finance for SMEs and smallholders. Skills gaps persist in areas such as agribusiness management, mechanization, and compliance with export standards.

Climate change poses growing risks to productivity, with increasing frequency of droughts and floods affecting staple crops and livestock. However, these challenges also create opportunities for climate adaptation investments in irrigation, insurance, and early warning systems.

5. Enabling Environment and Policy Framework

The agriculture sector operates within a robust policy and institutional framework. The National Agriculture Policy (2012-2030) and the Comprehensive Agriculture Transformation Support Programme (CATSP 2024-2028) guide the sector's strategic direction, emphasizing competitiveness, diversification, and sustainability. The Eighth National Development Plan (8NDP) identifies agriculture as a cornerstone of economic transformation and job creation. Complementary frameworks include the National Irrigation Policy, the Climate Change Policy, and the National Industrial Policy.

Regionally, Zambia's agriculture objectives align with the African Continental Free Trade Area (AfCFTA), the COMESA and SADC Industrialization Strategies, and the EU Global Gateway priorities for sustainable agri-food systems. Recent policy reforms – such as FISP digitalization, land administration modernization, and enhanced PPP frameworks for Farming Blocks – are improving the investment climate and transparency. The Zambia Development Agency (ZDA) continues to operationalize a one-stop facilitation model to expedite licensing and investment approvals for agribusiness ventures.

6. Sector Outlook

The medium-term outlook for Zambia's agriculture sector is positive. The sector is projected to grow at an annual average rate of 4-5 percent between 2025 and 2030, driven by increased private investment in irrigation, mechanization, and value-addition. Agriculture will continue to contribute approximately 19 percent to GDP and employ over half of the labour force. Export earnings from non-traditional agricultural commodities are expected to rise significantly through enhanced market access via the Lobito Corridor.

Inclusive financing mechanisms and capacity-building support from EU and Team Europe partners will ensure that smallholders and SMEs are fully integrated into the emerging corridor-based value-chains.

7. References

- Ministry of Agriculture Statistical Bulletin 2023.
- FAO Country Programming Framework (2023-2027).
- Eighth National Development Plan (2022-2026).
- EU Global Gateway Country Overview – Zambia (2025).

Annex: SWOT Summary Table











| Zambia Agriculture Sector SWOT Summary | |
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| STRENGTHS | WEAKNESSES |
|  Vast arable land resources |  Poor infrastructure and cold-chain |
|  Agro-processing & value addition |  Limited access to finance |
| OPPORTUNITIES | THREATS |
|  EU Global Gateway initiatives |  Climate-change risks |
|  Growing regional demand |  Rising input costs |
|  Climate-smart agriculture technologies |  Low productivity gaps |

Figure 2 Zambia Agriculture Sector SWOT Summary

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