



**DROUGHT
MITIGATION AND
RESUSCITATION POLICIES
FOR THE**

AGRICULTURAL SECTOR IN ZIMBABWE

**SUPPLEMENT 2 OF 3
TO THE 1ST QUARTER MONETARY POLICY
STATEMENT**

**DELIVERED BY THE GOVERNOR
DR. G. GONO**

MAY 2005

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1. SPECIAL CALL FOR ACCOUNTABILITY

- 1.1. This paper is the 2nd out of three supplements accompanying the Governor's 1st Quarter 2005, Monetary Policy Statement Review. The policies for agriculture recovery submitted here are designed to situate agriculture at the centre of economic recovery and place the sector on a firm recovery path.
- 1.2. The turnaround of the economy hinges on the performance of agriculture and Zimbabweans from all walks of life are called upon to meaningfully contribute to the revival of Agriculture, through some of the recommendations contained herein, or in other ways that may not have been captured.
- 1.3. Monetary Authorities have tried to allocate responsibility for delivery in an attempt to grow **a culture of accountability** and responsibility among the Zimbabwean citizenry. Some of these allocations are shown in Annexure 1, page 37.
- 1.4. It must be borne in mind that the task at hand is not the responsibility of a single Ministry, Department or entity, because all Zimbabweans are stakeholders in Agriculture and should therefore play their part.

1.5. In our quest for economic emancipation, the war cry remains, 'Failure is not an option', and the sooner we as Zimbabweans take that strong stance and have a shared vision, the sooner our goals will be realised.

G. GONO

MAY 2005

2. BACKGROUND

2.1. Agriculture is at the heart of the Zimbabwean economy, accounting for as much as 17% of GDP, about 27% of employment and a 33% of total foreign exchange earnings.

2.2. As such, economic turnaround is predicated on good agriculture recovery. Table 1 below shows the contribution of agriculture to output, employment and foreign exchange.

Table 1: Agriculture Contribution to the Economy.

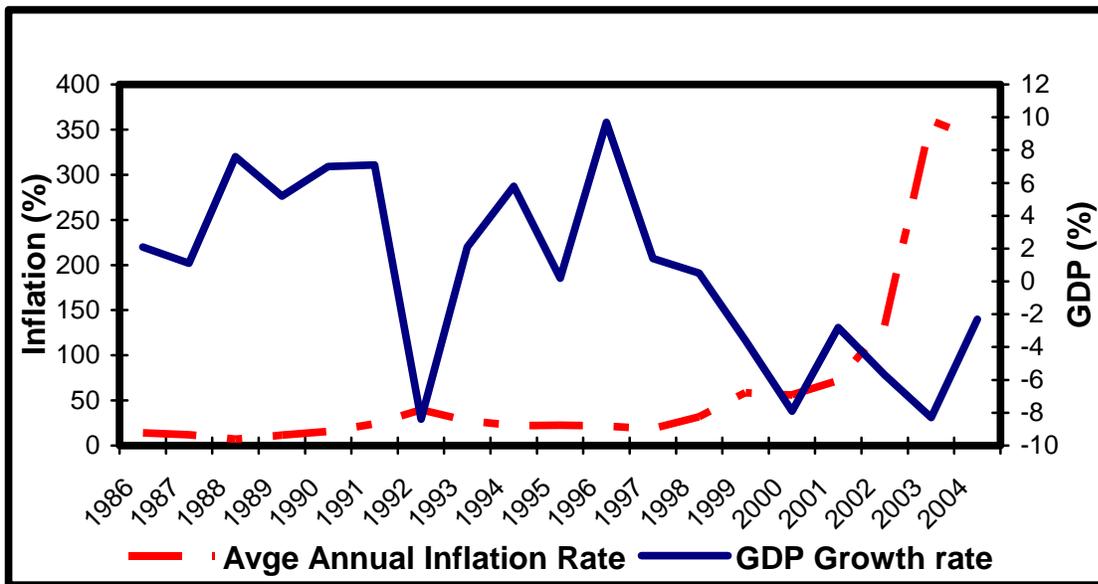
INDICATOR	2001	2002	2003	2004	2005 Forecast (Drought Scenario)	2006 Target	2007 Target
% Contribution to GDP	21.4	17.6	14.6	18.1	25	27.5	30
% Contribution to Foreign Exchange	39.4	35.9	30.9	22.9	30	35	45
% Contribution to employment	24.5	22.9	22.1	20.0	25	27.5	30

2.3. The significance of agriculture to the economy further includes, food security, particularly for maize and wheat, which are key staple food agricultural products.

- 2.4. As with most developing economies, agriculture has strong linkages with other sectors of the economy, particularly manufacturing.
- 2.5. About 60% of manufacturing, covering sub-sectors such as foodstuffs, textiles and ginning, paper and printing are directly linked to agriculture.
- 2.6. The inputs and raw materials in these sub sectors are derived from agriculture.
- 2.7. The country's manufacturing sector employs about 15% of formal sector employment.
- 2.8. Food security and foreign exchange generation are critical components of disinflation.
- 2.9. Over the years, drought episodes have always been associated with pronounced food shortages and higher overall inflation.
- 2.10. The food basket accounts for at least a third of the total Consumer Price Index basket. Drought years, as occurred in

1992 have been associated with negative real GDP growth and higher inflation. The graph below shows the inverse relationship between drought induced inflation and the growth of the economy.

Graph 1: Real GDP Growth and Average Annual Inflation



2.11. Given the importance of agriculture, specific interventions in the sector are necessary so that the land is effectively used to underpin the turnaround program.

2.12. **The battle cry at this stage is, therefore, for all those who hold land to view this resource as an effective means of economic emancipation, rather than a status symbol.**

2.13. The views and recommendations herein are a product of wide consultations and inputs have been derived from the farming community, civic society, extracts from the Utete Presidential Commission on Land of 2003, and other arms of Government.

2.14. The distribution of land has been an emotive subject for the past five years attracting international and media attention. **However, there is no need to go back on land reform as that chapter is closed.** What is important now is to focus on unity of purpose and how to enhance productivity.

2.15. **There will however be need to modify and improve certain operational issues, particularly to reflect the recommendations of the Utete Presidential Land Commission of 2003.**

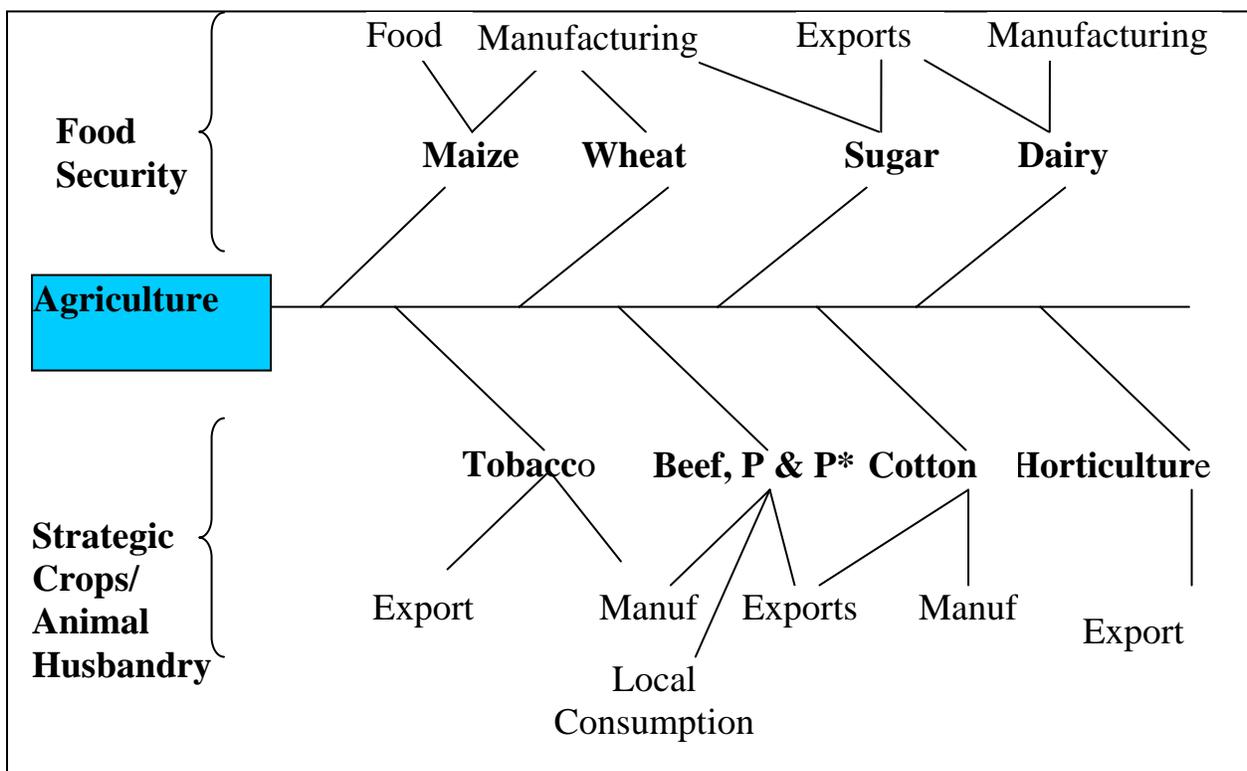
2.16. For instance, some of the major findings of the Commission were as follows:

- a) Skills acquisitions and training in agriculture;**
- b) Expansion of AREX services to resettled areas;**
- c) The need to institute a targeted production policy framework;**
- d) The need to prioritize irrigation development;**
- e) Ensuring private sector participation in inputs programs, financing and farmer training;**
- f) Modifying Land Tenure System and redefining special needs categories, such as wild life, Forestry and Plantations, large scale dairy farms and seed production; and**
- g) Instituting of efficient water management systems.**

3. CRITICAL LINKAGES IN AGRICULTURE

3.1. The fish bone analysis below, articulates the interrelationships between agriculture and other sectors of the economy.

Figure 1: Fish Bone Analysis



P & P- Poultry and Piggery*

3.2. Agriculture can be broadly divided into two main categories: the food security category and the strategic export crops.

3.3. The major sub-sectors in each group are as follows:

Table 2: Food Security

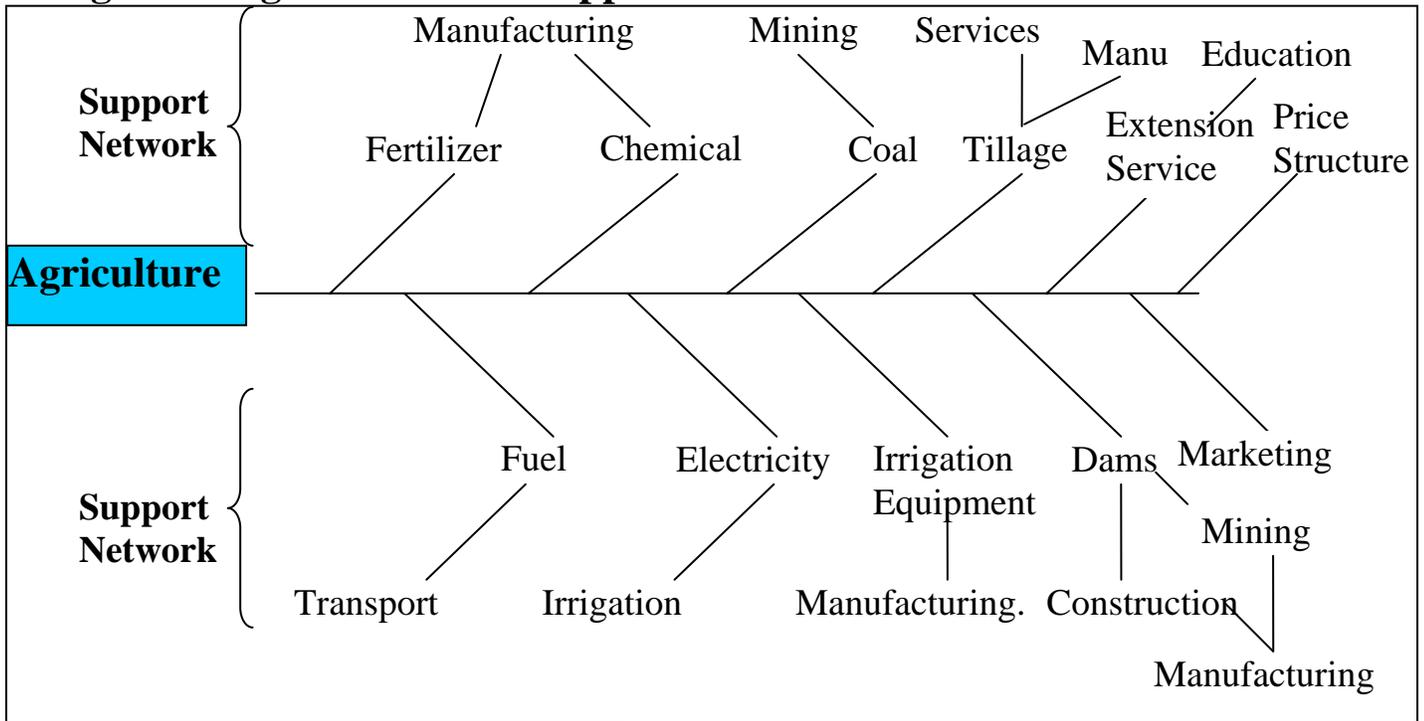
Sub-Sector	Weight in Agriculture (%)
Maize	14.0
Wheat	3.6
Soya beans	1.9
Sugar	6.8
Dairy	2.9

Table 3: Strategic Export Crops

Sub-Sector	Weight in agriculture (%)
Tobacco	25.5
Horticulture	6.5
Cotton	12.5
Sugar	6.8
Beef	10.2

3.4. Agricultural output, in addition to satisfying food security requirements, also generates critical foreign exchange earnings.

Figure 2: Agriculture and Support Networks



3.5. Further, the fish bone analysis also highlights the feed-through to other sectors such as manufacturing, generating further output, employment and foreign exchange enhancement synergies.

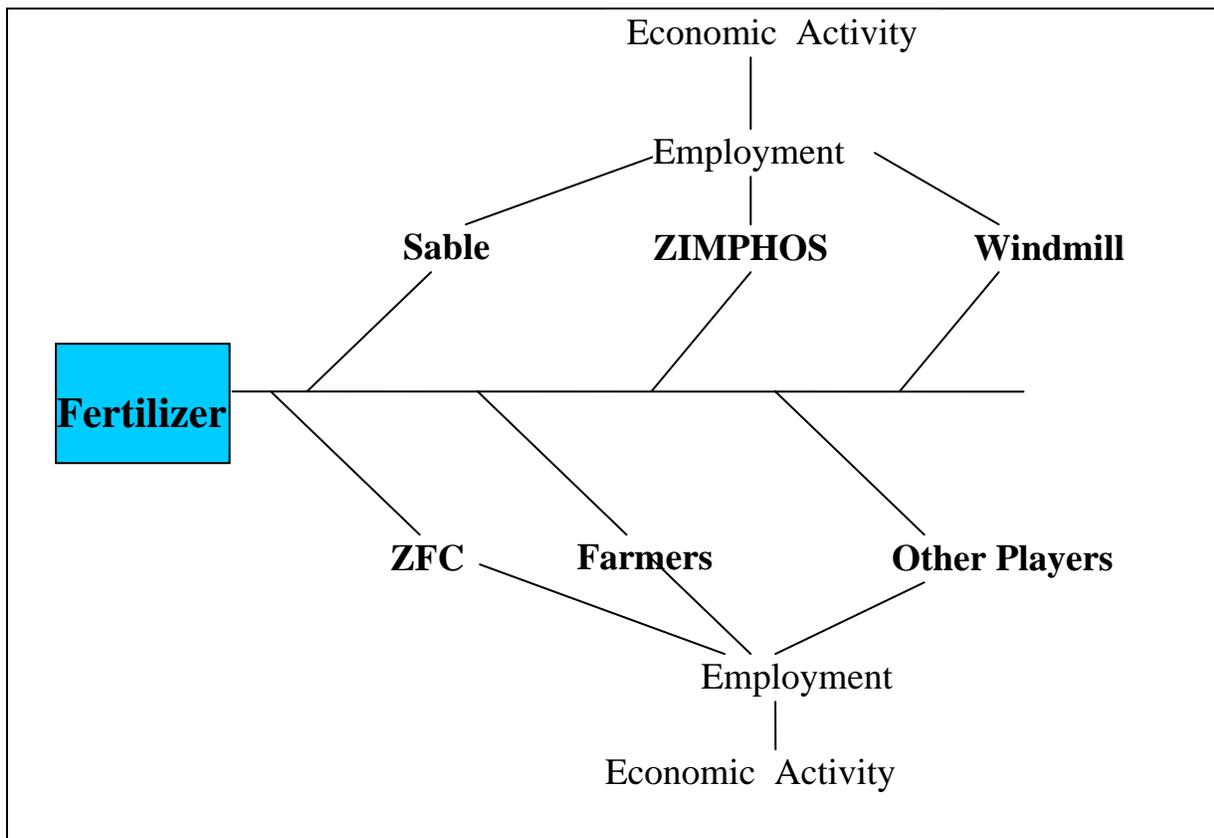
3.6. The above fish bone analysis highlights the major agricultural drivers and critical support networks.

3.7. Agricultural success is heavily dependent upon a critical mass of inputs.

3.8. These inputs include fertilizers, chemicals, tillage, and the energy components of fuel, electricity and coal. The inputs must be availed timely in order to increase productivity and enhance agriculture production.

FERTILIZERS

Figure 3: Fertilizer Fishbone



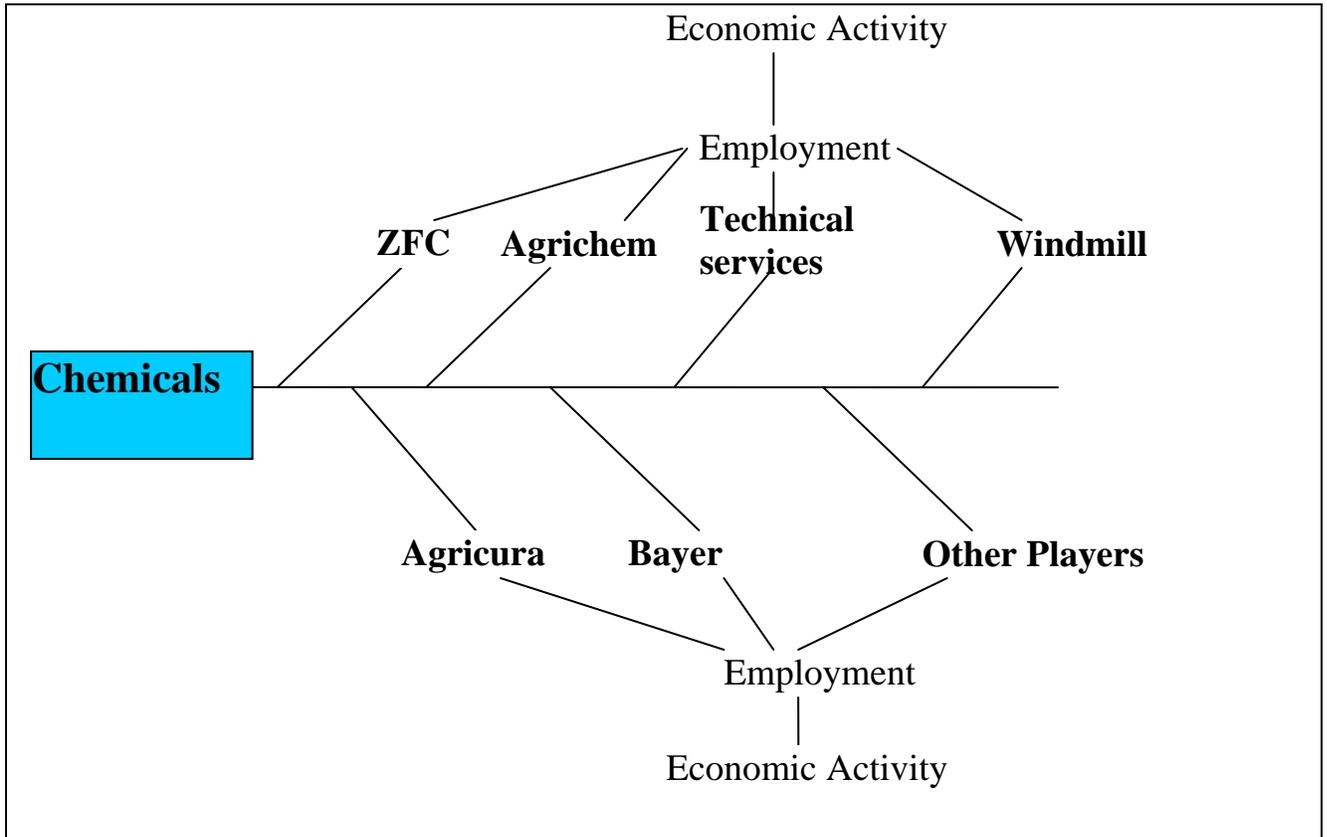
3.9. Figure 3 above shows the major channels of fertilizer production in the economy. The major players are Sable Chemicals, ZIMPHOS, Windmill and ZFC.

3.10. Sable Chemicals supplies inputs to ZFC and Windmill for the production of fertilizer. These companies also obtain phosphates from Dorowa and they have a cumulative capacity to produce about 500 000 tones of fertilizer per year. Currently fertilizer companies are operating below 60% capacity due to the shortages of imported inputs.

3.11. The Reserve Bank has, from time to time, allocated foreign currency for fertilizer raw material imports, and it is our commitment to continue doing so, as contribution to the turnaround program.

3.12. In order to enhance lasting viability in fertilizer production, we recommend that fertilizer companies be allowed to charge viable prices that ensure a reasonable return on investment.

Figure 4: Chemicals Fishbone



3.13. Chemicals are a critical input into the agricultural production chain.

3.14. Presently, there are shortages of chemicals, for both cropping and animal husbandry, reflecting foreign exchange shortages.

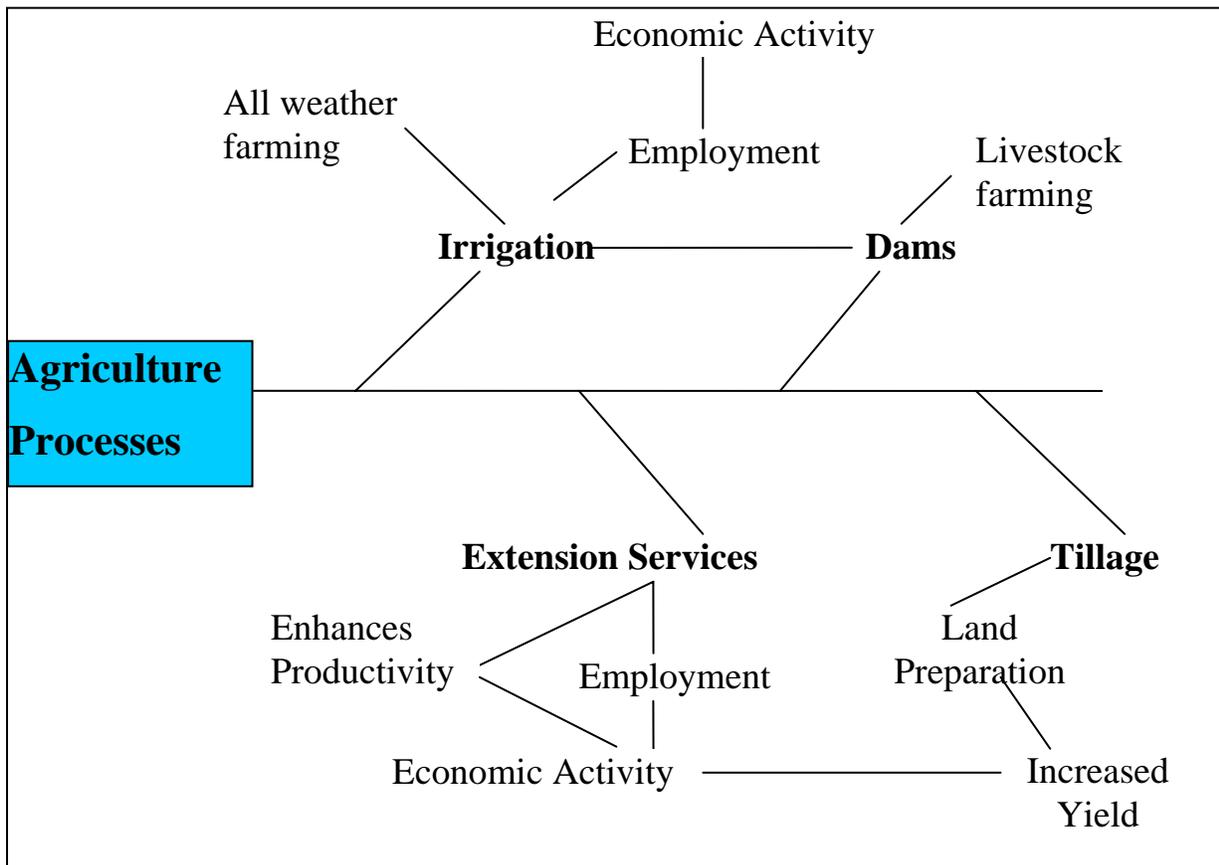
3.15. Unavailability of chemicals inhibits disease control which impacts negatively on yield and output.

- 3.16. In particular, the periodic outbreak of the foot and mouth disease in some parts of the country has led to suspension of beef exports to Europe and South Africa.
- 3.17. Chemical producing companies must be assisted to undertake targeted and viable import substitution programmes.
- 3.18. This could be achieved through an initial endowment fund specifically designed and structured to assist pilot companies to produce a range of agricultural chemicals.

TILLAGE SERVICES

- 3.19. Tillage services have remained inadequate to cater for the needs of an expanded farming community incorporating resettled farmers. This is further worsened by continued breakdown of DDF tractor fleet, with more than half of the fleet out of service.
- 3.20. Government has undertaken programmes to provide tillage through programmes such as the Iranian, Malaysian, Indian and Chinese import schemes.

Figure 5: Agricultural Processes Fishbone



3.21. A sustainable way forwards is to allow greater private sector participation in tillage programmes.

3.22. Under this framework, Government role would be confined to key infrastructure development, such as dams and road construction.

3.23. As Monetary Authorities, we are ready to lend support, under the PLARP initiative for the rehabilitation of the DDF's tillage

fleet, with farmers contracting DDF services at commercial rates.

3.24. Farmers should be able to pay such rates once the issue of viable prices is addressed.

3.25. In this respect, it is critical for farmers to know the producer price of the food security crops like maize and wheat in good time to encourage them to grow these crops.

EXTENSION SERVICES (AREX)

3.26. The provision of agricultural technical expertise and extension services is critical for long term sustainability of agriculture.

3.27. The department of AREX is presently inadequately resourced and the stretched manpower resources are insufficient to meet expanded demand and requirements of farmers.

3.28. There is, therefore need to firstly adequately fund the department of AREX to enable it to carry out its mandate, and it is for this reason that resources have been set aside under the PLARP initiative to meet this strategic requirement.

3.29. Secondly, it is imperative that a new expanded training and retraining programs be undertaken at various agricultural colleges and other tertiary institutions in the country.

3.30. As Monetary Authorities, we stand ready to provide the necessary funding to see this strategic program taken into effect.

ELECTRICITY

3.31. Reliable supply of electricity is necessary for agricultural recovery.

3.32. Electricity is required not only for direct agricultural activities, but also for assured supply of inputs, such as coal and fertilizer, whose production is critically dependent on electricity availability.

3.33. Current electricity shortages and load shedding disrupt industrial production of critical inputs.

3.34. It is for this reason that ZESA is one of the focal parastatal sectors receiving considerable support under the PLARP initiative, with a total resource allocation of \$1.6 trillion.

FUEL

3.35. Irregular fuel supplies negatively affect land preparation and tillage programs.

3.36. The current fuel procurement arrangements need to be reorganized in a manner that increasingly hives off exposure from private sector importers, who have lately been unreliable in their forward planning capabilities, and accountability.

COAL

3.37. Adequate supplies of coal are required for a range of agricultural activities, but most notably for the tobacco sub-sector.

3.38. The supply of coal is dependent on production by Hwange Colliery and efficient railage by the National Railways of

Zimbabwe (NRZ). Over the past few years, NRZ was faced with serious capacity challenges.

3.39. It is for this reason that both Hwange and NRZ are among the main targeted beneficiaries of PLARP support.

DAMS AND IRRIGATION

3.40. Changes in climatic conditions and weather patterns clearly indicate recurring drought conditions for the SADC countries.

3.41. Against this background, agricultural recovery is critically dependent upon dams and irrigation infrastructure development.

3.42. In this regard, there is need to invest in dam construction in every province of the country, followed by a meticulous irrigation infrastructure development program.

3.43. As Monetary Authorities, we pledge to set aside the necessary financial resources to see this Vision translated into reality.

AGRICULTURE FINANCING

3.44. Agricultural recovery also requires extensive financing for both working and capital expenditures.

3.45. Government funding from the budgetary process is insufficient to meet national agricultural financing requirements.

3.46. Accordingly, it is imperative that the banking sector is encouraged to partner with the Government in financing agriculture.

3.47. It is for this reason that the issues of tenure and title are imperative, so as to make farming a bankable business.

3.48. The financial sector is ready to finance agriculture, however, the sector has to be viable and in this respect the prices have to adequately reflect cost structures for farming to be a viable undertaking.

LABOUR MARKET

3.49. Currently the agricultural sector is characterized by shortage of both skilled and unskilled labour.

3.50. To address shortages of labour, there is need to undertake comprehensive training of new labour, while concurrently mechanization efforts are being expanded.

3.51. Under Vision 2007, greater emphasis is being placed on supporting our research and development institutions, so as to hasten the pace of mechanization in our agricultural production systems.

4. THE LAND REFORM PROGRAMME

4.1. The watershed land redistribution programme brought with it the positives that were anticipated, such as the generation of a new breed of both commercial and communal farmers, in the form of black Zimbabweans.

4.2. Commendably, a considerable number of new farmers have managed to embrace and live up to expectations by **diligently tilling the land allocated to them**. They have harnessed resources towards greater productivity and increased output.

4.3. It is disquieting to note, as was noted by the Utete Presidential Land Commission in 2003, that some farmers have not managed

to justify their existence on the land and have cost the country dearly in terms of reduced output, employment and foreign exchange.

4.4. The essence of this study is to **proffer possible solutions to the glaring food security issues that confront the nation**, as well as the economic growth essentials that will be achieved through the revitalization of our agricultural sector.

4.5. Commercial farming provides the country with the critical mass in terms of output, employment and foreign currency generation. The Pareto principle applies, where most of the nation's resources and reserves emanate from this sector of farmers.

4.6. It must be noted that commercial farming is not a preserve of the former white commercial farmers alone, as some of the indigenous Zimbabweans who have the resources and the commitment, have managed to do equally well, if not better in some instances.

4.7. However, some who have purported to be farmers have left **large tracts of land fallow** and there is need to restore this land

to previous levels of productivity. Contraction has occurred mainly in the commercial farming sub-sector and again, **the most effective resuscitation program will be one that targets recovery of commercial farming under the A2 model.**

4.8. The A1 farmers have done extremely well in terms of land take-up, enthusiasm, utilisation and output.

4.9. Marked reduction in output has been experienced, mainly in the **specialized and capital intensive farming** of such commodities as tobacco, wheat, soya beans, coffee, horticulture, dairy and poultry, all of which are not “over-night” success ventures but require specialist knowledge, training and support.

4.10. While the **learning curve was anticipated** for the early years of the land reform, it is imperative, as His Excellency the President Cde Robert Gabriel Mugabe has repeatedly said, for the responsible line ministry and authorities, to take stock of those “cell-phone farmers” that are not serious farmers but surreptitious, armchair, land speculators holding onto vast tracts of underutilized land.

4.11. Teething challenges that go beyond four years are unlikely to be resolved in the near future unless radical steps are taken to address the challenges. The country's leadership has called for nothing less than a total shake-up of the sector in order to realise the country's vision for food self sufficiency, employment and economic stability.

4.12. This report seeks to rejuvenate the Zimbabwean economy through agricultural output as the country's recovery prospects hinge, to a large degree on the performance of the agriculture sector.

4.13. Food self sufficiency, employment and foreign exchange generation are core pillars underpinning the turnaround program and economic recovery.

5. POLICIES TO RESUSCITATE COMMERCIAL AGRICULTURE

COMMAND AGRICULTURE

- 5.1. Command agriculture seeks to optimize output by requiring a certain minimum output of food or export crops, and is central to agriculture as well as general economic recovery.
- 5.2. In other sectors, **non-performance engenders even hostile takeover bids**. In agriculture, this should also attract corrective intervention. Non-performance thereof should form the basis of **further re-distribution of land to more serious farmers**.
- 5.3. Adherence to agreed targets will be subject only to extenuating circumstances, such as drought. Farmers with irrigable land who benefited from the **irrigation rehabilitation program should deliver under all circumstances**.
- 5.4. **Key components of command agriculture include:**
 - a) Timely announcement of viable pre-planting producer prices for all strategic crops and timely disbursement of adequate inputs.

- b) Selection of farmers who will participate in specific crops will be based on demonstrated capacity to produce, based on previous seasons' sales records and with a verifiable track record.
- c) Provision of support to farmers will be on an enforceable contract basis, with set targets which are agreed upfront.
- d) All arrangements for disbursement, monitoring and recovery of loans should be properly working.
- e) Targeted **bulk buying of inputs to mitigate high input** costs. In the long-run, it will be prudent for this strategy to be implemented at a national level.
- f) Support will be provided to cater for a complete package, including, labour, energy, seeds, fertilizers, chemicals, combine harvesters, irrigation rehabilitation/ expansion and transport including that for tillage.
- g) Farmers will be vetted to ensure that only high performers benefit from support.

- h) Payments for produce to farmers should be timely to avoid side marketing.
- i) It is proposed that the Ministry of Finance considers awarding tax credits when farmers submit receipt of inputs on delivery of produce. Farmers who surpass a set target, say, by 25% for any specific crop should get rebates, in the form of subsidized and electricity and fuel charges, among others.
- j) The Reserve Bank, in conjunction with the commercial banks that will provide funds, will administer and monitor utilization of the facilities.

5.5. It is imperative that as a country, we put in place **tailor made strategies to increase productivity** levels for targeted crops.

MEDIUM TERM FINANCING ARRANGEMENTS

5.6. Most financing for agriculture is required as medium term, covering the period from preparation to harvesting. The financing is required for working capital purposes, especially for plantation crops such as coffee, citrus and other fruits, until the break-even point is reached.

- 5.7. Medium to long-term finance should be made available for the resuscitation and development of infrastructure like greenhouses, tobacco barns, fencing, procurement of farm equipment (tractors, irrigation equipment, combine harvesters, implements etc).
- 5.8. Structuring suitable finance requires collective stakeholder efforts. The Reserve Bank will work with banks to chart the way forward.
- 5.9. One option would be for banks to create syndicates, around lead banks. This spreads the risks of lending, particularly to formative sectors. Another option would be to allow statutory reserve waiver for amounts lent to specific sectors such as agriculture.
- 5.10. The Reserve Bank will explore the **possibility of creating a facility to generate off-shore financing guaranteed by the central bank using crop as security.**

STABILIZATION OF INPUTS SUPPLY CHAIN

- 5.11. Input schemes have not been well coordinated resulting in expensive and badly timed provision, and yet reliable inputs supply chain is critical for agriculture recovery. Availability of

seed, fertilizers, chemicals and other inputs determines the yield and output.

5.12. In so far as resources are finite, **Government cannot and should not aim to supply inputs freely to all farmers.** Rather, Government should facilitate by creating an enabling environment. Government should ensure seed availability, through appropriate pricing, fertilizer and chemicals availability.

5.13. Government should only **intervene at some points along the production value chain.** The farmers can take responsibility for purchase and distribution of inputs. In cases of absolute necessity, Government can, assist.

5.14. The pricing of inputs can also be corrected through increased supply by:

- a) increasing the knowledge and practice of seed farming to enhance self-sustenance for the country,
- b) Import-substitution for critical inputs such as fertilizers.

5.15. **The Bank will not, in forthcoming seasons provide foreign currency for inputs that can be manufactured locally** and calls upon all fertilizer companies and other inputs suppliers to work on enhancing capacity utilization to cater for local demand as well as export.

SYNERGIES WITH REA AND ZESA

5.16. Horizontal and vertical linkages are crucial for increased productivity. Dam construction and irrigation rehabilitation requires electricity supply to power irrigation equipment.

5.17. Strategies for agriculture recovery should take on board the contribution of ZESA, particularly synergies with REA.

5.18. Priority must be given to the Agricultural Sector for uninterrupted supplies of electricity to the sector based on economically viable tariffs.

5.19. **As at 31 March 2005, REA reported that a total of 3,632 institutions in the rural areas had been electrified, inclusive of schools, business centres and rural health centres among others.**

SYNERGIES WITH FUEL AND COAL SECTORS

- 5.20. Economic recovery would not be sustainable against the background of fuel and energy instability. Energy and fuel supplies must be stabilized to ensure that the economy has sufficient energy for industry, agriculture and commerce.
- 5.21. The fuel supply sector must be rationalized and briefcase suppliers, without infrastructure will not be allocated foreign exchange to import fuel. Currently there are about 97 importers of fuel, who have not made meaningful impact on the fuel situation in the country.
- 5.22. The **inefficient delivery of coal to consumers in agriculture**, mainly tobacco producers, increases costs of production and makes these commodities less competitive in world markets.
- 5.23. A steady flow of coal for industry and agriculture is equally important. In this regard, Hwange Colliery Company must ensure increased production.

5.24. Hwange Colliery should be bound to specific output targets based on estimated national demand.

TRANSPORT INFRASTRUCTURE

5.25. The National Railways of Zimbabwe (NRZ) has a major role to play in the transportation of agriculture inputs and commodities, and as such, should speedily rehabilitate existing infrastructure and its rolling stock. This will facilitate the transportation of exports, imports, coal, fertilizers, and raw materials for fertilizer manufacture.

5.26. This overhaul will benefit other sectors of the economy such as mining, through cheaper and more efficient transportation of goods.

5.27. The rural road network needs rehabilitation and drastic improvement. Carbon tax, road levy and other taxes and duties are already in place, **but their utilization needs to be transparently directed towards critical and tangible purposes.**

5.28. National **self-sustenance in the area of air freight** is necessary to make our horticultural products competitive. Strategic partnerships should also be considered.

6. CONCLUSION

6.1. The viability of Zimbabwe's agriculture sector can be achieved through the adoption of targeted and sector specific strategies designed to increase productivity and output growth. The strategies must be stakeholder driven and public – private sector initiatives are crucially required.

6.2. Corruption and misleading output projections that have characterized the land reform period have been detrimental to the country's output and should be ruthlessly clamped down.

6.3. The above broad strategies and the attached crop-specific strategies for growth will ensure that the country regains its position as the breadbasket for Southern Africa.

DR. G. GONO

GOVERNOR

RESERVE BANK OF ZIMBABWE



7. Annexure 1.

Sub-Sector Strategies to Resuscitate Agriculture

SUB-SECTOR	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
MAIZE PRODUCTION	<ul style="list-style-type: none"> i. Insecurity of land tenure has adversely affected expansion of maize output. ii. Irrigation equipment on farms is damaged or removed. iii. New farmers have been unable to raise sufficient finance because of uncertainty regarding land tenure and the lack of collateral value. iv. Hyperinflation and escalation of costs have 	<ul style="list-style-type: none"> i. Address insecurities regarding land tenure. ii. Guarantee unrestricted access to farms/properties. iii. Guarantee security of farmers and assets. iv. Announce viable pre-planting prices. Maize supply responds favourably to viable prices. v. Financing of inputs such as chemicals and fertilizers. vi. Restore macroeconomic 	<ul style="list-style-type: none"> Government/ Private Sector Government/ Private Sector/ Media Government/ Private Sector Government Reserve Bank/ Financial Sector Government/ Reserve Bank/ Parastatals/ Private Sector

<p>MAIZE PRODUCTION</p>	<p>discouraged new farmers from making optimum use of inputs, hence low yields.</p> <p>v. Many farms lie idle and hence much excess capacity exists to increase production.</p> <p>vi. The supply response to incentive pricing is very elastic.</p> <p>vii. Correct incentives readily attract new entrance into maize production.</p> <p>viii. Regional markets for maize still exist. These can be tapped when maize output exceeds domestic requirements.</p>	<p>stability and hence contain escalation of costs.</p>	<p>For Note: All</p> <p>For Note: All</p> <p>Government/ Private Sector</p> <p>Government/ Farmers/ Private Sector</p>
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CROP	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
WINTER CEREALS	<ul style="list-style-type: none"> i. Uncertainties regarding land tenure. ii. Continued interference in farming operations. iii. Vandalism or theft of irrigation and other equipment. iv. Banks' reluctance in providing credit due to lack of security. v. Unavailability of essential inputs. 	<ul style="list-style-type: none"> i. Address insecurities regarding land tenure. ii. Farmers to be given guarantees enable them to reap the crops that they plant. iii. ZRP to react to irrigation and farm equipment theft. iv. Financial package equivalent to the productive sector finance to farmers regardless of farming status. v. Supply of necessary inputs. Ensure no major interruptions in power 	<ul style="list-style-type: none"> Government/ Private Sector Government/ Media All RBZ/Financial Sector Government/Private Sector/Parastatals

WINTER CEREALS	vi. Lack of resources and expertise to produce winter crops by new farmers.	supplies during the growing season. vi. Consolidate training and extension service support systems to ensure that new farmers have expertise.	Government/Farmer Unions/ Parastatals
	vii. Pricing systems tend to support cash crops rather than cereal production.	vii. Incentive prices to be offered such as free marketing and contract farming.	Government

SUB-SECTOR	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
SOYA BEAN	<ul style="list-style-type: none"> i. Insecurity of land tenure. ii. Irrigation equipment destroyed. iii. Drop in commercial wheat production has impacted negatively on soya bean production since it is grown in rotation with wheat. iv. New farmers not able to raise sufficient funds from the banking sector due to insecurity issues. v. New farmers were not able to avail themselves of the 	<ul style="list-style-type: none"> i. Address insecurities regarding land tenure. ii. Unrestricted access to farms and properties. iii. Introduce structures that encourage both soya and wheat production. iv. Assist with concessional financing packages. v. Ensure transparency and fairness in the distribution of 	<ul style="list-style-type: none"> Government/ Private Sector Government Government/ Private Sector Reserve Bank/ Financial Sector Government/ Parastatals/ Agribank

<p>SOYA BEAN</p>	<p>Government sponsored financing packages and input schemes.</p> <p>vi. Hyperinflation and rising production costs.</p>	<p>government sponsored financing schemes.</p> <p>vi. Stabilise the economy by reducing inflation.</p>	<p>Government/ Reserve Bank/ Financial Sector/ Private Sector/ CZI/ ZNCC/ ZCTU/ ZFTU/ Media</p>
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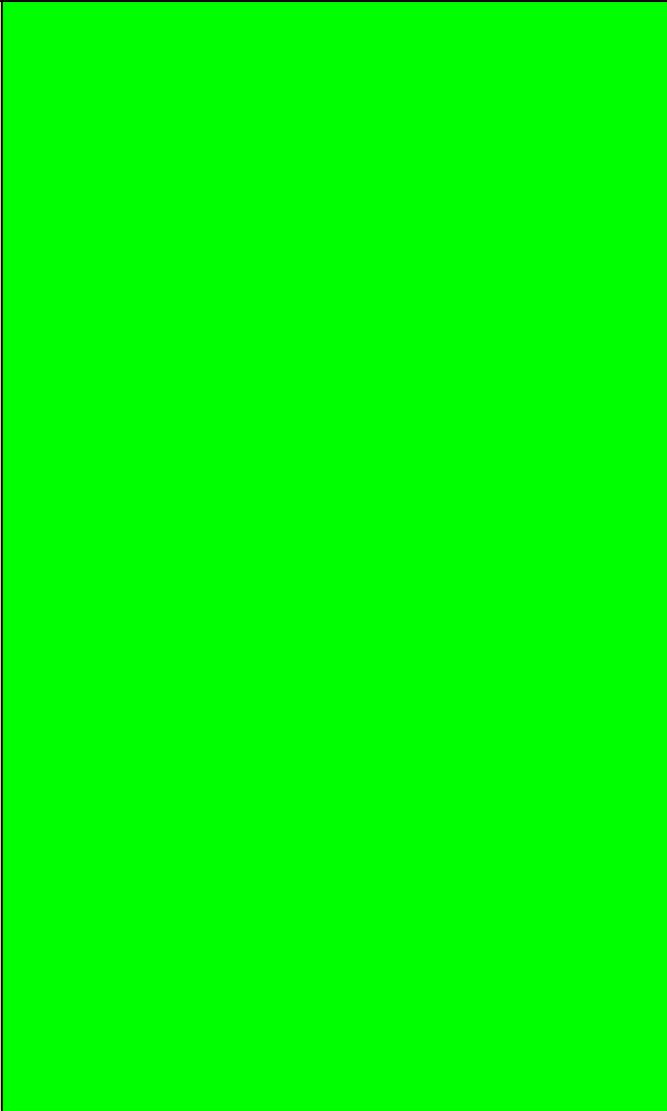
SUB-SECTOR	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
TOBACCO	<ul style="list-style-type: none"> i. Prevailing land tenure insecurity. ii. Neglect and damage to tobacco barns and farm equipment. iii. Harsh macroeconomic environment. iv. Inadequate financing with minimum access to bank financing. v. Poorly coordinated input schemes and programmes. vi. Rising input costs and sub-optimal usage of inputs led to lower 	<ul style="list-style-type: none"> i. Provide farmers with guarantees for unrestricted access to land. ii. Institute a secure land tenure system .Farmers must be assured that no future events will terminate or disrupt their farming activities. iii. Viability problems confronting the industry must be addressed to enhance output growth. iv. A supportive exchange rate that enhances viability. v. Appropriate pricing and incentive structures that reward investment. 	<ul style="list-style-type: none"> Government/ Private Sector Government/ Private Sector Government/ Private Sector/ Reserve Bank/ Financial Sector/ Farmers Government/ Reserve Bank Government/ Private Sector/ Farmers

<p>TOBACCO</p>	<p>Unavailability of inputs such as fertilizers, chemicals, fuel and coal.</p>	<p>vi. Provide a package of incentives ensuring finance and availability of all critical in puts.</p> <p>vii. A special exchange rate to be applied to tobacco to achieve growth objectives.</p> <p>viii. Assiduously work to win back all international customers</p>	<p>Government/ Private Sector</p> <p>Government/ Reserve Bank</p> <p>Government/ Private Sector/ Farmers/ Media</p>
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SUB-SECTOR	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
COTTON	<p>i. Viability problems:</p> <p>World prices for cotton lint have fallen.</p> <p>Higher production costs.</p> <p>Exporting companies have dropped the prices paid to growers, to maintain their own viability.</p> <p>Overvalued Exchange rate.</p> <p>Reduction in the level of input support by cotton companies</p>	<p>i. Offer incentives to small scale cotton growers to enable increase in output.</p> <p>ii. Offer the right incentives to commercial cotton growers to restore quality seed production to previous levels.</p> <p>iii. Adaptation to technological changes from growing the conventional cotton to the advanced varieties of better yielding and high quality cotton.</p> <p>iv. Full support to Zimbabwe's breeding and research programmes to maintain its market competitiveness.</p> <p>v. Increased funding for the expansion of the training programmes.</p>	<p>Government/ Private Sector</p> <p>Government/ Private Sector</p> <p>Government/ Private Sector/ Farmers</p> <p>Government/ Private Sector</p>

SUB-SECTOR	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
HORTICULTURE	<ul style="list-style-type: none"> i. Lack of expertise by the new farmers. ii. Neglect of orchards and switch to maize or other commodities by the new farmers resulting in a consequential loss in output. iii. Green houses for flowers have been neglected and many are now ruined and beyond repair. iv. Uncertainty on land tenure discourages new entrants. 	<ul style="list-style-type: none"> i. Elimination of insecurities regarding land tenure. ii. Price support measures such as existing for tobacco and gold should be implemented for horticulture. iii. A special financial package to be designed as soon as possible, to induce supply response. iv. Long term finance to be made available to stimulate investment in horticultural projects. v. An aggression to win back markets and develop new ones should be made. 	<ul style="list-style-type: none"> Government/ Private Sector Gvt/ Pvt Sector/ RBZ/ Horticultural Promotion Council (HPC) Government/ Private Sector/ Financial Sector/ Reserve Bank Government/ Reserve Bank/ Financial Sector Government/ Private Sector/ Farmer Unions/ Media/ HPC Government/ Private Sector/ Media

HORTICULTURE	<p>v. High capital cost of starting a flower project or rehabilitating damaged infrastructure inhibits investment in greenhouses.</p> <p>vi. Macroeconomic instability and high interest rates discourage long term investments (e.g. in trees).</p> <p>vii. Financial institutions are reluctant to finance projects with long gestation and payback periods.</p> <p>viii. Rising bridging costs to foreign markets payable</p>		<p>Government/ Private Sector/ Financial Sector/ HPC</p> <p>Government/ Reserve Bank/ Media</p> <p>Reserve Bank/ Financial Sector/ Government</p> <p>Government/ Reserve Bank/ Private Sector</p>
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<p>HORTICULTURE</p>	<p>in foreign exchange have led to reduced production by some producers.</p> <p>ix. Unavailability of inputs at critical times of production.</p> <p>x. Theft problem experienced on many fruit and vegetable farms.</p>		<p>Government/ Private Sector/ Parastatals</p> <p>All</p>
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SUB-SECTOR	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
COFFEE	<ul style="list-style-type: none"> i. Uncertainties concerning Land Tenure on the farms ii. Reduced Cultivation of Land under Coffee iii. Viability and Volatile World Prices. iv. Low profitability. v. Fixed exchange rate resulting in gross disparities between inflation rates in producer prices vis-à-vis costs of production. vi. Financing Difficulties- Insecurity regarding 	<ul style="list-style-type: none"> i. Providing all types of coffee farmers with irrevocable guarantees for unrestricted access to their properties for the future or for fixed time periods. ii. Assure farmers and financiers that no future event will terminate or disrupt coffee growing operations. iii. Pricing system and the exchange rate must be correctly valued and made more flexible so that returns determined by exchange rates are better adjusted to soaring production costs. If necessary special rates and incentives like those for gold and tobacco should be extended to coffee. iv. Branding and niche marketing and affording a consistent and reliable supply of quality coffee. 	<ul style="list-style-type: none"> Government Government/ Media Government/ Reserve Bank Government/ Private Sector/ Media

COFFEE	land issues and lack of collateral deters commercial banks from making long term credit commitments.		
	vii. High Input Costs.		Government/ Private Sector/ Reserve Bank
	viii. Labour Shortages during picking and weeding periods.		ZFTU/ ZCTU/ Farmers
	ix. Inadequate research and extension services.		Government/ Private Sector

CROP	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
COFFEE		<ul style="list-style-type: none"> <li data-bbox="926 326 1556 440">v. Strengthen existing legislation in support of the use of movable assets as collateral. <li data-bbox="926 496 1556 659">vi. Give legal recognition to warehoused coffee backed by tradable warehouse receipts as security. <li data-bbox="926 716 1556 878">vii. Lobby financial institutions to put more weight on creditworthiness and the loan repayment capacity of clients when appraising loans. <li data-bbox="926 935 1556 1049">viii. Availability of essential inputs at critical times in the production cycle at affordable rates. <li data-bbox="926 1105 1556 1219">ix. Correct exchange rates and the removal of duties on imports of important equipment. <li data-bbox="926 1276 1556 1338">x. Promotion of irrigation development on coffee farms. 	<ul style="list-style-type: none"> <li data-bbox="1587 326 1938 404">Government/ Private Sector <li data-bbox="1587 496 1938 574">Government/ Private Sector <li data-bbox="1587 716 1938 794">Reserve Bank/ Financial Sector <li data-bbox="1587 935 1938 1013">Government/ Private Sector <li data-bbox="1587 1105 1938 1183">Government/ Reserve Bank/ Zimra <li data-bbox="1587 1276 1938 1338">Government/ Farmers

SUB-SECTOR	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
COMMERCIAL BEEF CATTLE HERD	<ul style="list-style-type: none"> i. Drought ii. Insecurity of land tenure. iii. Reduced irrigation activities due to damaged or removed equipment. iv. New commercial farmers have been unable to raise sufficient finance from the banking sector due to uncertainties in land tenure and lack of collateral. 	<ul style="list-style-type: none"> i. Provide guarantees for unrestricted access on properties for the future or fixed time periods. ii. Financing programmes including the expansion of livestock development programmes and heifer schemes. A five year financial support facility (for purchase of cattle and infrastructure rehabilitation) will be required. iii. Strengthen financial support to the department of livestock and veterinary services to ensure disease control. <p>Promote commercialization of beef production by enhancing information dissemination, advice and distribution of veterinary products through mobile units.</p>	<p>Government</p> <p>Government/ Financial Sector/ Private Sector/ CSC</p> <p>Government</p> <p>Government/ Media/ CSC/ Pvt Abattoirs</p>

COMMERCIAL BEEF CATTLE HERD	v. Hyperinflation discouraged the use of inputs at recommended levels, hence lower yields		All
	vi. High cost of basic inputs like seed and fertilizer.		Government/ Private Sector
	vii. Theft problem on large farms located near urban areas.		All

SUB-SECTOR	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
<p>DAIRY INDUSTRY</p> <p>Objective is to increase milk production by 80% from 85 million litres to between 140 and 160 million litres.</p>	<p>i. Some skilled farmers do not have access to land</p> <p>ii. Resource availability</p> <p>-On farm infrastructure</p> <p>-Capital assets, including farm machinery and irrigation equipment</p> <p>-Labour</p> <p>-Access to finance</p> <p>iii. Viability of Industry</p> <p>-Viable Prices</p> <p>-Costs of production</p>	<p>i. Provide foreign currency for priority imports such as veterinary drugs, vitamins, consumables and milking parlour spares.</p> <p>ii. Training for dairy farmers.</p> <p>iii. Support integration of new and old commercial farmers.</p> <p>Recovery Strategy (1-5 years).</p> <p>i. Resource availability</p> <p>-Upgrade all existing dairy milk production infrastructure.</p> <p>ii. Access to finance</p> <p>-Addressing security of tenure will ensure access to finance.</p> <p>iii. Increase national dairy herd, through programmes that include importation of 1500 herd per year, over 5 years.</p>	<p>Government/ Reserve Bank</p> <p>Government/ Private Sector</p> <p>Government/ Farmer Unions/ Media/ Dairibord</p> <p>Financial Sector/ Private Sector/ Government/ Dairibord</p> <p>Government</p> <p>Government/ Private Sector/ Reserve Bank/ Dairibord</p>

SUB-SECTOR	ISSUES	RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS	RESPONSIBILITY
<p>PIG INDUSTRY</p> <p>The objective is to enhance pork production to complement other sources of meat.</p>	<p>i. Limited resources available for new farmers seeking to enter into the pig industry.</p> <p>ii Shortages of stock feed negatively affecting production.</p> <p>iii. New farmers limited in terms of the skills and expertise required to produce quality stock.</p>	<p>i. Provide financing packages to ensure that pig industry players are capacitated.</p> <p>ii. Support industries that provide input into the pig industry.</p> <p>iii. Provide training to ensure that farmers have the knowledge of how rear commercial quality pigs.</p>	<p>Government/ Reserve Bank/ Financial Sector/ Pig Industry Board/ Colcom</p> <p>Government/ Private Sector/ Financial Sector</p> <p>Government/ Private Sector/ Colcom/ Pig Industry Board</p>

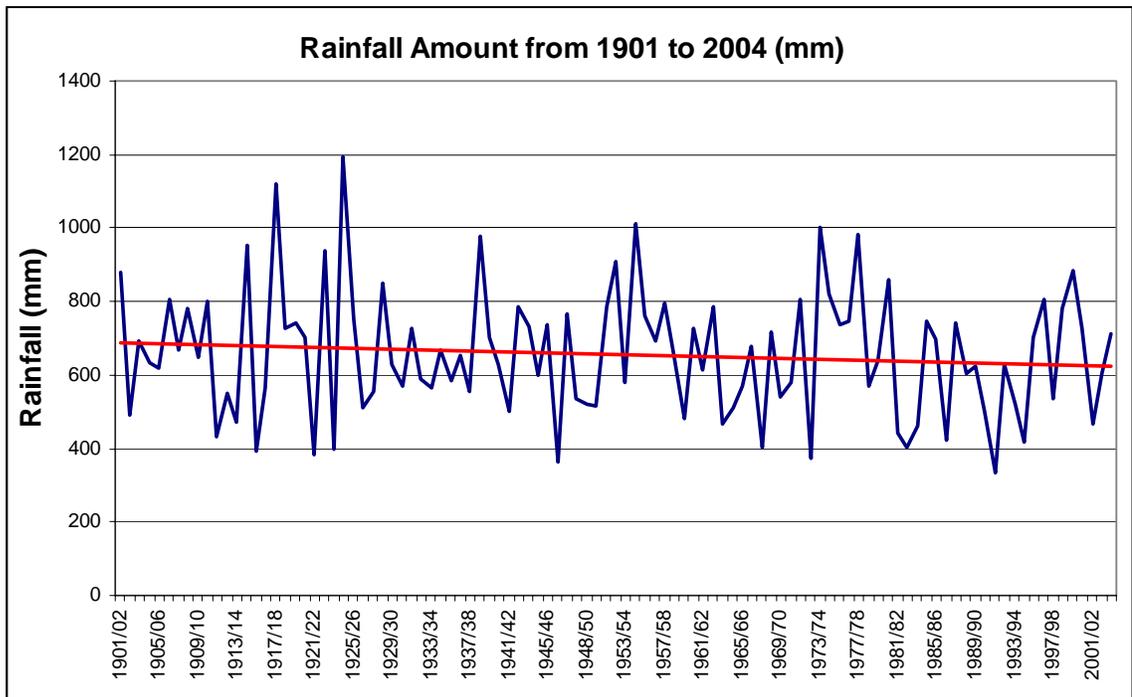
<u>SUB SECTOR</u>	<u>ISSUES</u>	<u>RECOMMENDATIONS PUT FORWARD BY STAKEHOLDERS</u>	<u>RESPONSIBILITY</u>
POULTRY PRODUCTION	<ul style="list-style-type: none"> i. Uncertainties regarding land tenure. ii. Low business confidence in the commercial farming sub-sector. iii. Availability and high cost of stock feeds. iv. Foreign Exchange shortages prevent the import of breeding stock and essential inputs. v. Inflated stock feeds and input costs have pushed broiler and egg prices to levels that curtail demand. 	<p>Strategy for Growth</p> <ul style="list-style-type: none"> i. Elimination of insecurities regarding land tenure. ii. De-listing of poultry farms for resettlement iii. Expansion of capacity. Reserve adequate land for production of stock feed ingredients by: <ul style="list-style-type: none"> -Permitting contract growing of maize and soya beans without interference. -Stock companies and poultry enterprises lacking enough land must be free to subcontract other farmers. <p>Exchange rate to align with inflation rates and to be set at levels that approximate the true value of our currency.</p>	<p>Government</p> <p>Government</p> <p>Government/ Private Sector/ Reserve Bank</p> <p>Government/ Reserve Bank</p>



8. Annexure 2

Trend in Zimbabwe's Rainfall Patterns, 1901 to date

Graph 2: Rainfall Pattern 1901-2004



- 8.1. The trend line on the graph shows that the rainfall amounts in consecutive seasons have been declining. Research has attributed this to global warming.

- 8.2. Over the past few years, Zimbabwe as is true for the SADC region has experienced recurring drought episodes. The recent dry spell experienced in Zimbabwe and the region has

exposed the extent of the country's vulnerability to such natural disasters.

- 8.3. Drought preparedness planning is, therefore, essential to ensure food self sufficiency and to cushion the country against the effects of drought.
- 8.4. Aversion of moisture distress on dry land crop will enhance the country's capacity to produce adequate food even in the case of drought occurring.
- 8.5. The expansion and rehabilitation of irrigation equipment and infrastructure will, in the medium to long term, offer a fall back position in the event of a drought occurring. This issue is discussed further in Annexure 3.



9. Annexure 3

The Rehabilitation and Revamping of the National Irrigation Infrastructure

STOCK OF THE COUNTRY'S EXISTING WATER BODIES

- 9.1. The country's recurrent exposure to the vagaries of drought clearly impels that, as a nation, we once and for all develop internal irrigation capacity to enable production of the minimum critical mass of our food requirements under irrigation.
- 9.2. This paper takes stock of the country's existing water bodies and irrigation infrastructure and puts a framework to reinvigorate our irrigation capacity nationwide.
- 9.3. Within the Framework of Vision 2007, at the heart of the country's turnaround program, is the need to ensure food security and self sufficiency in foreign currency in-flows.
- 9.4. It is pleasing to note that Government's far-sighted dam construction program, soon after independence makes Zimbabwe, one of the countries with the highest concentration of inland water bodies in the African continent.
- 9.5. This robust national dam network should now be harnessed and put to good use.

Table 4: Underutilized/Undeveloped dams

Dam	Location (Province)	Capacity million M ³	Status	Comments
1. Biri Manyame	Mashonaland West	172.463	Dam was completed in 2000	Dam was funded by commercial farmers and NSSA to supply irrigation water to Chinhoyi
2. Osborne	Manicaland	401.646	Completed in 1993	Dam constructed to supply irrigation water to Middle Save, Odzi and Marange
3. Zhove	Matabeleland South	130.46	Completed in 1995	Dam was constructed to supply irrigation water to citrus growers in the area and surrounding communal lands
4. Mtshabezi	Matabeleland South	51.996	Completed in 1994	Dam was constructed to supply water to Bulawayo and irrigation in the surrounding CA. Bulawayo not keen on taking the water in preference to Zambezi water
5. Mbindangombe	Masvingo	22.583	Completed in 1989	The dam was constructed to supply water to Ngomahuru Hospital and irrigation water to surrounding CA

Dam	Location (Province)	Capacity million M ³	Status	Comments
6 Mazvikadei	Mashonaland West	343.779	Completed in 1988	The dam was constructed to replace Darwandale dam water which was required by Harare. Commercial farmers were to provide their own irrigation infrastructure and GoZ* was to provide irrigation facilities in the CA .
7. Shashani	Matabeleland South	27.338	Completed in 1992	The water from this dam was to augment water to ARDA Antelope irrigation scheme and to irrigate the area downstream of the dam.
8. Muzhwi	Masvingo	106.961	Completed in 1991	The dam was constructed to supply water to Mashava Mine. The remainder of the water was to be used for irrigation in the Chivi and Masvingo CA.
TOTAL		1084.763		

****C A** -Communal Areas

***GoZ** - Government of Zimbabwe

9.6. The general downward trend of rainfall amounts being received in the country makes a compelling case **for a concerted approach in speeding up the construction and utilization of dams across the country.**

Table 5: Ongoing Dam projects

Dam	Location (Province)	Capacity million M³	Status	Comments
1. Tokwe Mukosi	Masvingo	1802.600	Under Construction	Excavations of the right bank spillway tunnel in progress. Work on the main dam excavations is still to be carried out. RBZ is funding the project.
2. Marovanyati	Manicaland	50.000	Under Construction	Contractor excavating on the left bank core trench. RBZ is funding the project.
3. Gwenhoro	Midlands		Tenders to be advertised	Preparations for tender documents done. Tenders to be advertised once funding has been secured.
4. Bubi Lupane	Matabeleland North	40.000	Under Construction	Contractor was back filling the core trench in December but has stopped work due to lack of funds. Requests for funding have been made to the Ministry of Finance and the Reserve Bank.
5. Mutange	Midlands	4.950	Construction in progress	Contractor had stopped due to delayed payments but has since resumed work. RBZ is funding the project.
6. Wenimbi	Mashonaland East	21.000	Construction in progress	Substantial construction is complete. Tarring of road and minor touch ups in progress

Dam	Location (Province)	Capacity million M ³	Status	Comments
7. Gwayi Shangani	Matabeleland North	834.270	Construction in progress	Foundation excavation is currently being carried out. RBZ is funding the project.
8. Shavi	Midlands	5.578	Construction in progress	Contractor had stopped work due to non-payment and has started work on the excavation of the core trench. Borrow areas have been stripped.
9. Chipara	Mashonaland East		Preparations for tender documents in progress	Tendering to be done as soon as tender documents are ready.
10. Dande	Mashonaland Central		Construction in progress	Contractor on a go slow due to lack of payment
11. Matezva	Masvingo	6.000	Construction in progress	Contractor had stopped work due to non-payment.
TOTAL		2764.4		

Table 6: Dam Projects About to Commence Construction

Dam	Location (Province)	Capacity million M ³	Status	Comments
1. Tuli Manyame	Matabeleland South	33.000	Awaiting award of the contract by the State procurement Board	Construction to start as soon as the contract is awarded and funds have been secured.
2. Bindura	Mashonaland Central	100.000	Tender advertised to close on 21/4/05	Construction to start as soon as contract has been awarded.
3. Ziminyia	Matabeleland North		Preparations of the tender documents in progress	Tender not yet advertised.

Dam	Location (Province)	Capacity million M ³	Status	Comments
4. Mhondoro B	Mashonaland West	444.105	Tender documents ready	Advertising of the tender to be done immediately the EIA report has been submitted
5. Chivhu	Mashonaland East		Design work complete. Waiting to be tendered.	Once contract awarded construction will start. This dam will supply water to Chivhu Town.
TOTAL		577.105		

Table 7: Planned Dam Projects

Dam	Location (Province)	Capacity million M ³	Status	Comments
1. Kunzvi	Mashonaland East	158.400	Ready to go to tender	Construction can start as soon as funds are secured.
2. Kondo	Manicaland	3670.00	Design of dam complete	Sourcing for finance. This dam is for irrigation in the Chisumbanje and Lowveld areas.
3. Chitowe	Manicaland/Masvingo	2320.00	Design of dam complete	This dam is for irrigation in the Chisumbanje and Lowveld areas.
4. Kudu	Midlands/Mashonaland West		Design of dam complete	This dam is for irrigation in the Kadoma, Sanyati and Gokwe areas
5. Runde Tende	Masvingo	1050.00	Preliminary design work of dam cone	This dam is for irrigation in the Rutenga area of the Lowveld

Dam	Location (Province)	Capacity million M ³	Status	Comments
6. Tuli Moswa	Matabeleland South	Not Available	Design of dam complete	This dam is for irrigation of the expanded area of the Tuli Manyange dam. Moswa is the storage dam and Tuli Manyange is the pick up weir.
7. Silver Stroom	Mashonaland Central	Not Available	Design of dam complete	This dam is for irrigation in the Muzarabani area of the Centenary District
8. Gwayi Umguza	Matabeleland North	N/A	Design of dam complete	This dam is for irrigation along the Gwayi River as well as for water supply to Bulawayo
9. Glass-Block	Matabeleland South	N/A	Preliminary design work of dam cone	This dam is for irrigation in the Glassblock Communal area of Gwanda.
10. Chitse	Mashonaland Central	N/A	Preliminary design work of dam cone	This dam is for irrigation in the Chesa small scale commercial farming and Kandeya communal land of Mt. Darwin
11. Muda	Mashonaland East	98.00	Design of dam complete	This dam is for irrigation in the commercial farming areas between Mahusekwa and Mhondoro communal area.

Dam	Location (Province)	Capacity million M ³	Status	Comments
12. Lubongo	Midlands	N/A	Design of dam complete	This dam is meant for water supply to Gweru town.
13. Other medium size dams	All provinces	N/A	Some designs have been completed	Most of these dams are meant for irrigation and water supply for small urban centres in the rural areas.

Table 8: Dam Network and Capacity, by Province

Region	Number of Dams	Full Capacity (Million Cubic Meters)	Current Capacity (Million Cubic Meters)	Current Capacity (%)
Matabeleland North	9	50.3	29.3	58.3
Matabeleland South	23	729.9	408.7	56.0
Mashonaland Central	12	243.1	155.8	64.1
Mashonaland East	13	49.0	41.6	84.9
Mashonaland West	13	1 379.9	1 014.4	73.5
Masvingo	28	2 505.1	2 030.0	81.0
Midlands	18	479.8	376.9	78.5
Manicaland	12	655.3	650.6	99.3
NATIONAL	128	6 092.6	4 707.3	77.3

THE COUNTRY'S EXISTING IRRIGATION INFRASTRUCTURE

Irrigation Equipment and Utilization of Dams

- 9.7. The vandalizing of irrigation equipment and failure to maintain what existed, has reduced the country's hectarage under irrigation.
- 9.8. There are numerous small and medium sized dams whose water is currently not being used for irrigation for several reasons, but constitute a significant hectarage of irrigation potential.
- 9.9. The 2004 pilot irrigation rehabilitation program has unlocked an additional 10 000 ha, which are now under irrigation. It is envisaged that the rehabilitation process will take between 2 – 5 years but this period can be shortened if concerted efforts are adopted by all stakeholders, as a matter of top priority.
- 9.10. The country has about 120 000 ha of developed irrigated land. Of the developed area, an estimated 80 000 ha is now operational following irrigation rehabilitation programs that commenced during the Agrarian Reform Program.

COMMAND AGRICULTURE

9.11. To ensure food security and surplus crop production, the country should have at least:

- a) 300 000 ha under irrigated maize;
- b) 150 000 ha under winter wheat; and
- c) 100 000 ha on other crops e.g. tobacco, potatoes and paprika.

9.12. If 300 000 ha of land are put under irrigated maize, about 75% or 9 months of the country's minimum **needs of 1.8 million tonnes will be met, with the balance coming from the rest of the farmers.**

9.13. This strategy will ensure that the country meets its staple food needs at all times and in good rainfall years, the surplus is exported.

9.14. If 150 000 ha of land are put under irrigated wheat, the country's minimum annual **needs of 450 000 tonnes will be met with surplus coming from other farmers being exported.**

CHALLENGES

9.15. Irrigation rehabilitation and expansion, has its own challenges, which, with concerted effort from both Government and the private sectors, are manageable. The challenges are:

- i. Funding – Limited support of local currency from the private sector.
- ii. Limited foreign exchange supplies to support irrigation equipment suppliers and manufacturers to import essential irrigation components and raw materials.
- iii. Inadequate funding for operational requirements such as engineering and monitoring.
- iv. Limited farmer expertise on certain irrigation technologies.
- v. Most efficient irrigation technologies are not locally available.
- vi. Irrigation spare parts are still subjected to import duty.

PROPOSED FRAMEWORK TO REINVIGORATE IRRIGATION CAPACITY

9.16. It is imperative that within the framework of Government's 2005/6 Macroeconomic Framework, we aim to bring up the country's irrigation capacity to levels that support food sufficiency.

9.17. Against this background, both new and previous farmers must be assisted to restore the country's irrigation capacity. Government and the private sector should, therefore, work in partnership to realize this objective.

9.18. **Training schemes** should be put in place for new farmers to acquire irrigation skills.

9.19. **All exports of scrap aluminium should be banned, and stricter controls** put in place. Stricter penalties for theft of irrigation equipment should be applied.

FINANCING

9.20. The country has 150 000 ha of irrigable land, of which 120 000 ha has operational irrigation facilities. This leaves 30 000 ha which can be rehabilitated in the short-term. We propose that **Z\$1 trillion** be set aside for this scheme.

WAY FORWARD

9.21. The above framework is expected to hasten the country's orientation towards self-sufficiency and resilience to droughts in the coming seasons and years.

9.22. We, therefore, call upon the relevant Authorities, and every Zimbabwean to harness all energies to work together in invigorating our agricultural sector.

DR G GONO

GOVERNOR

RESERVE BANK OF ZIMBABWE
