



**ZIMBABWE CROP PRODUCER'S ASSOCIATION
REPORT TO CONGRESS 2011**

Chairman's Address

Good morning invited guests, ladies & gentlemen.

Welcome to the 9th Annual General Meeting of the Zimbabwe Crop Producers Association, which is the merger of the previous Grains, Cereals & Oil Seed Producer Associations.

As a none actively farming member, I have participated from the sidelines as crop producers this season have again faced an array of extremely trying challenges in attempting to feed our nation. With agriculture being the back bone of any developing economy, & primary producers contributing to the life blood of downstream manufacturing, processing & industry, & who provide vital food security, job creation & export earnings. Farmers should be given the priority we deserve.

Zimbabwe has incredible potential in terms of natural resources (climate, soils, water) & human recourses (technical expertise & skilled labour) however it is sad to see that we are still net importers of food. Our national maize yield average has shrunk over the last 10 years from over 1 ton/Ha to under 500 Kg/Ha. Else were in the world countries have doubled their yields. In USA the yields have increase from 4-10 tons/Ha & in Asia from 2.4-4 tons/Ha in the past 10 years.

The Past Cropping Season

The start of the agricultural season showed tremendous potential, with planting rains falling towards the end of November & continuing through December & January. January being particularly wet. The trend however did not continue & virtually no rain was received in February & the 1st half of March. This caused poor pollination & grain fill especially in later planted crops. Resulting in almost total dry land crop failure in the southern & eastern districts of the country. An indication of this is the rainfall figures from ART farm. Art farm received only 62% of their total annual rainfall, based on a 25 year average.

Inputs such as seed, chemicals, fertilizer & fuel have been available in greater quantities this season. Many farmers have unfortunately not been able to take advantage of these timely inputs due to the current financial constraints, in Zimbabwe at the present time. Dollarization into a stable currency & the Government of National Unity, have not produced the economic stability everyone had wished for. The banking sector cannot provide suitable liquidity to farmers. Lending rates in excess of 20 % per annum & short term money of 90 – 180 days are linked to Zimbabwe's high country risk, & the inability of farmers to use farm title deeds as collateral, severely impacts on seasonal finance as well as recapitalization for farm machinery & equipment.

Erratic electricity supply from ZESA caused by load shedding, cable theft & the inadequate maintenance of infrastructure by the parastatal continue to impact heavily on production. Especially on the irrigated winter crops. Backup generator systems are now a necessity in any operation, further adding to overhead costs.

ZINWA's unrealistic charges for the use of water in agriculture, even from farmers who have invested in building their own dams for water storage. Other break downs in service deliveries such as the condition of the roads. Excessive wage increase expectations from labour, stemming from the hyperinflation days.

The deteriorating political environment where the chaotic land reform program continues to target remaining productive commercial farmers, for the benefit of an elite few, is totally unacceptable

All these factors are of grave concern. Farming is a business & we need the right attitude & approach plus the support of our government, to operate as a viable concern. Without this happening we are doomed to poverty & a dependency on food aid, when we have the potential to be the bread basket of Africa.

Association Matters

Since our last AGM & because of downsizing & restructuring, Pam Cooper the association secretary, has moved elsewhere in the CFU. I would like to thank her for all the input she has made in this association. Richard Taylor who joined as crops manager in October 2009, & who promoted the association to new levels, has also relocated in recent months. However, with Richard starting the business chamber of CFU, many of his new responsibilities continue to be of great benefit to the Crops Association. We have heard about these when Richard briefed us earlier.

The crops association continues to be involved behind the scenes with vital services to assist its members. These include:

- Assistance in sourcing low cost inputs, through donor schemes & bulk purchases
- Technical expertise to help solve agronomy & pathological problems
- Publications & crop production handbooks
- Farmers magazine & technical data
- Liaison between producers & other stakeholders within the agricultural industry on issues such as GMO, export quotes & control of cheap inputs
- Research, extension & marketing
- Crop & weather insurance
- Commodity exchange

An exciting development is the coming together of the ZFU and the CFU at commodity level, to form the Combined Commodity Council. This is not the merger of the two unions, both unions will be run autonomously, but have input into the new Commodity Council. The advantage, however, is that commodities will speak with one voice, whether commercial or small scale and therefore be able to lobby government, source finance, inputs and access markets. Without this, unified approach these tasks would be impossible to achieve. The establishment of the Combined Commodity Council is still in its infancy; it is funded through

the EU, & will allow us to employ a new crops manager. I feel that this is of critical importance, so that the association will benefit from someone who is dedicated to developing and driving the formation of the new Combined Commodity Council. This will ensure that the CFU is instrumental in policy decisions, put in place to benefit our members.

For the sake of transparency I need to mention the Nelmah issue. Here a percentage of the Crops Association shares in Agricultural house have been used as security with Windmill Fertilizer Company, against a debt incurred by Nelmah, who defaulted on the supply of fertilizer to CFU, for its membership. This case is before the courts & we will update you as events unfold.

The survival of this Association, and in fact, the whole of the CFU, hinges on our ability to fund our own operations & on the support of our members. This has been severely influenced by our depleted member base and the associated crop levies, which have historically funded the association. I appeal to farmers to make the effort to get involved, so that this Association can continue to be the vehicle which helps support production, & restores agriculture to its proper place.

Conclusion

To be successful in agriculture farmers need to be realistic about the risks of nature & the threats in the political, financial & market environment. We must however beware of pessimism, that could lead to depression & which clouds our vision & causes us to overlook opportunities. Where there is a will there is a way!! ! As farmers past & present, who have suffered injustice, we must stand together to make our voice heard, not as proud, arrogant & elitist individuals, but through communicating our needs, cultivating understanding & assisting in finding & implementing lasting solutions to the future of agriculture in Zimbabwe.

Finally it remains for me to thank my Crop Committee members, in particular my vice chairman Andy. Also Clive, Richard & the CFU leadership, especially our President Deon.

**A. Guthrie
ZCPA Chairman
30 June 2011**