

11TH November 2011

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1. FROM THE PRESIDENT'S DESK (Charles Taffs)

With the rains now upon us, outside of tobacco production funded by the large tobacco corporates we see very little agricultural activity on the ground. We see a situation where liquidity on the lending market is exceptionally tight with no interbank lending being able to take place as a result of the insolvency of the Reserve Bank resulting in the cost to this risk loaded arena being at an all time high. We see our local fertilizer manufacturers and seed houses sitting on large stocks which have not been taken up as a result of this liquidity crisis; added to this we have seen a dramatic reduction in the traditional small scale donor assistance. The GMB has found itself in a quandary as the unrealistic maize producer price of \$285.00 per tonne has seen them accepting approximately 500 000 tonnes of maize which they cannot sell to the millers as maize can be landed at Harare from our neighbours at plus or minus \$220.00 per tonne, leaving many of the growers who have supplied the GMB not being paid, which is further compounding the problem.

Our farmers in the last few weeks have seen a dramatic rise in violent attacks and evictions at a time when the farmers should be focused on crop production. This situation is nothing short of absurd and is totally unacceptable. Our land usage is now below 30% and yet productive farmers are still being persecuted and prosecuted to the ultimate detriment of our country. This nonsense has to stop, for any meaningful recovery in agriculture to take place and to that end we are in continuous dialogue with our leaders to try and achieve some stability, but we must realize that once again the talk of elections is becoming louder and we all know from bitter experience that when this happens we become targets.

On a positive note there is now the realization that security of tenure is a prerequisite to economic recovery across all sectors, but in order for this to happen a transfer of ownership must take place and as a result of this, talk of compensation is now an open topic being discussed at all levels. It is also encouraging to note that all business sectors from banking to manufacturing are now supporting our stance as without a full recovery in agriculture Zimbabwe will remain a trading outpost, dependent on donor support. It is equally encouraging to note that all Agricultural Unions now want a tenure settlement as without it no-one can move forward. I urge you all to mitigate risk and stay safe.

2. EXECUTIVE NEWS

The record temperatures of the previous weeks have now decreased considerably making for better planting and growing conditions. The rain seems to have disappeared for a while but it is still a bit early to expect any substantial or continuous rainfall. From reports coming in from around the country the rainfall was very patchy. As referred to above in the Presidents message there are other mitigating factors which have considerably reduced any possibility of farmers planting crops of any meaningful size.

Although the cattle prices have been rather static and fairly low for the first part of the year we have seen a very welcome increase in producer prices as can be seen in the CPA report further on in this bulletin. Unfortunately though the price increase is a result of the shortage of beef caused by the destabilisation of the industry over the last eleven years and the consumer is now suffering the effect. A spokesman for some of the abattoirs have indicated that the importation of the low grade beef from Botswana did not have as much an effect on the market as was initially predicted.

The much needed and necessary stability in our country and industry as a whole as referred to above by the President, would be the only conditions under which any investors would be able to even consider investment in such a long term industry. Until then we are bound to see more peaks and troughs in consumer and production prices. Without the return of the large scale commercial beef herd the constant supply of quality beef is no longer sustainable or guaranteed.

As usual your team at head office has been extremely active lobbying at many meetings on your behalf. This obviously does take up a lot of time especially with our limited human resources at your Union. Whilst we do believe that we are making steady progress it is still just one step at a time but it would be inappropriate and would not be to anyone's advantage to know every last detail of our journey. However we do speak quite openly at our Open Farmers' Meeting as those who attended this week's meeting experienced. We once again advertise our open door policy in that you should feel free to call at any time for either updates or to exchange ideas with us. Mind you, with all the busy meeting schedules we have at the moment you may very well find the open door closed, so please make appointments before wasting precious fuel!

With all this continuous work we are doing on your behalf we would like to remind you all that even though you have your team of faithful and hardworking volunteers and employees, all this does cost a lot of money and cannot be carried out without your constant financial support. We remind you therefore to please ensure that not only are your subscriptions up to date but also to lobby all your friends and acquaintances on whose behalf we are also still battling.

As the President has said so many times – "If each of the 4 500 members each paid just \$100 each we would have more than enough to run your Union successfully". Definitely food for thought and which we appeal to you all to help us to achieve. What we certainly don't need are 30-year olds masquerading as over 70s and paying a mere \$20 per annum and demanding maximum service from your Union. After all, everything we do does affect everybody in more ways than one would actually realise, whether one wants to go back farming or whether one merely wants compensation to retire on.

3. SECURITY

Last week we spoke of having gone through a 3-week period of relative quiet on the remaining farms but whilst the bulletin was on its way to you in cyber space the reports started coming in fast and furious turning our offices into a situation reminiscent to the start of the fast-track in 2000. By Friday afternoon we had at least two invasions with the violent eviction of the two farmers as well as a few other cases on which new settlers were expected following their eviction from previously allocated land precluding the official opening of an orphanage.

The specific case which we spoke about concerning the assault and robbery on a farm near Bulawayo in which we provided an internet link to their Facebook page has opened many doors for us due to the family's great courage to go public. We thank them most sincerely for this and applaud their bravery especially as it has (unfortunately) led to the exposure of several other similar incidents which have occurred on Bulawayo smallholdings some time before and after their terrible incident. We would otherwise not have known about these other incidents. What is also of concern is that several police stations cover the area in which all these recent attacks occurred and apparently none are aware of these similar incidents which have occurred in their relatively close neighbouring police districts.

As mentioned before we are investigating linkages between all the recent murders, vicious assaults and robberies all around the country, the majority of which have remained unsolved and no arrests made. Following consultation it has been suggested that anyone who has either been a victim or else assisting the police in their investigation to please ensure that they obtain the RRB number from the police as well as certified copies of their affidavits. The reference numbers and copies should be forwarded to us or contact Mike Clark who can give you a safe email address which can be used to email the evidence.

Obviously, using this open means of communication means we cannot supply any further reasons but it does bring us back to the point where we continue to request that details of any incidents be forwarded to mashc@cfuzim.org no matter how trivial you may feel they are. It is important that districts do not keep operating in isolation but share the information so that we can build a bigger picture to enable us to seek advice and keep farmers informed. We once again remind you that all

information is kept strictly confidential and you are the only one who will be talking to the press should you so desire.

Although some of our farmers continue to be called to court for prosecution under the Gazetted Land (Consequential Provisions) Act we have noted the possibility of another strike by the public prosecutors as indicated in the article below. Regardless of whether this strike does continue or not you are still obligated, and advised to appear at the court should you be required to do so.

You can view the article on the link below:

http://www.cfuzim.org/index.php?option=com_content&view=article&id=2097:prosecutors-resume-strike&catid=93:the-courts&Itemid=92

4. **ZESA**

During the middle of the week we experienced a national power cut in addition to the frequent and lengthy load shedding periods which constantly interrupt our production. Below are two recently published newspaper articles which are copied below for your interest. Of great concern to the already shaky viability of our industry is the proposed 47% increase in ZESA tariffs as indicated in the second article.

“Sudden power shut down at Kariba Hwange

<http://www.swradiofrica.com>

Posted by admin on Wednesday, November 9, 2011 in ZESA, Zimbabwe politics

A statement from Richard Maasdorp, chairman of the Zimbabwe Power Company, has said that there was a sudden “shut down” of both of Zimbabwe’s major sources of generation at 0625 hours Wednesday 9th November (Kariba and Hwange).

The statement said: This was caused by a major system disturbance on the transmission network. Early indications are this disturbance originated from the transmission line from Mozambique. It would appear that this was a severe shock as it also impacted on the Kariba North Bank station (Zambia).

The statement went on to say that it was hoped that Kariba could be brought back over the next 24 hours, but Hwange could take days.

Initial reports said all of Harare was without power for some hours, but by late morning it had come back on.”

“ZESA to increase tariffs by nearly 50%

<http://www.swradiofrica.com/>

*By Tererai Karimakwenda
09 November, 2011*

A shocking 47 percent increase in electricity charges is being planned by the Zimbabwe Electricity Supply Authority (ZESA), after already raising tariffs by 31 percent earlier this year. The troubled parastatal said they needed an estimated \$2.5 billion for construction and rehabilitation of the Kariba and Hwange power stations, due to years of neglect.

ZESA chief executive Josh Chifamba reportedly said that production costs were much higher than the current electricity tariffs. And according to The Daily News newspaper, repairs and expansion of the two stations would take place over a five-year period, and increase power output to 2 220 megawatts, from the current 1320 megawatts, leaving a shortfall of 900 megawatts.

The local Zim press reported the news Wednesday morning, just as power outages hit the capital and most

parts of the country, due to a “severe shock” that is believed to have originated in Mozambique.

Residents and businesses have warned that the new tariffs would be too high for most ordinary Zimbabweans, who are already struggling to pay for electricity at the current rates. Regular, disruptive power cuts are badly affecting industry and a chaotic billing system has also made the situation unbearable.

Harare based journalist Jan Raath blamed ZANU PF for the current mess that ZESA is in. He explained that for the last 20 years ZESA has been forced to charge “artificially suppressed” prices for power, depriving the power company of much needed extra revenue for repairs, maintenance, expansion and equipment upgrades.

Explaining why the party would force the power company to charge unreasonable prices, Raath said: “ZANU PF is a people’s party and they believe if you give people what they want they think people will keep supporting them, and this is tragically short-sighted.”

Raath said what ZESA needs are loans from the IMF and World Bank to finance the critical repairs and upgrades, but Zimbabwe is “hugely” in debt and does not qualify for any loans until the current balances are settled.

Private investment from foreign companies is also an option Raath said, but ZANU PF’s so-called “indigenous empowerment” policy, which requires foreign owned companies to give up a majority of their shares to locals, has scared off potential investors. “They completely shot themselves in the foot,” Raath added.

Like all parastatals in Zimbabwe, ZESA has been plagued by corruption and mismanagement for years. The unity government has focused mostly on resolving the political crisis gripping the country, while the country’s economy and infrastructure continue to suffer. Sadly, it is the ordinary people who continue to pay the price.”

5. Course on "THERMAL USE OF SOLAR ENERGY"

Presenter: Anton Schwarzlmuller
 Venue: Commercial Farmers Union
 Agriculture House
 Cnr Adylinn Rd / Marlborough Drive
 Marlborough
 Harare

Date: 28th, 29th, 30th November 2011

The three-day course focuses on the applications of solar-thermal technologies suitable for Zimbabwe. New developments on the solar market will be highlighted and several reasons will be brought out as to why Zimbabwe has no choice but to go SOLAR. Different types of components and the design of complete solar hot water systems will be explained and their potential benefit to various industrial sectors as well as to hospitals, homes, schools and households. Offering alternatives to conventional energy sources, attendants from agriculture, industry, commerce and tourism will be introduced to methods of solar process heating and to solar refrigeration and air conditioning.

The theory classes will be complemented with a site visit to a successfully running solar hot water installation in Harare. Attendants will be provided with the course material and other relevant literature on a CD.

Please note:

As the number of participants is limited, please book in advance by sending a confirmation email to rtaylor@cfuzim.org or sundrum@zol.co.zw

Cost is \$120/person for the 3 days. Includes teas and lunches. Please if you wish to attend let us know via the above email addresses for catering purposes.

Presentations will start on the minute.

DAY I

08:00 Registration and welcome
 09:15 Energy crisis despite solar thermal technology
 10:00 Tea
 10:30 Solar heat as renewable energy worldwide
 11:30 Components of solar thermal systems (collectors)
 12:30 Lunch
 13:30 Components of solar thermal systems (collectors)
 14:30 Components of solar thermal systems (tanks and other)
 16:00 End of first day

DAY II

08:30 Potential of renewable energy in Zimbabwe
 10:00 Tea
 10:30 Designing and dimensioning solar thermal systems
 12:30 Lunch
 13:30 Field trip to solar thermal systems in Harare
 16:00 End of second day

DAY III

08:30 Working examples of solar thermal systems in industry and commerce
 10:00 Tea
 10:30 Introduction into solar cooling and air conditioning
 12:30 Lunch
 13:30 Solar fruit drying and solar cooking
 14:30 Awarding of Attendance Certificate
 16:00 End of third day

6. GOVERNMENT GAZETTE

NB Domestic Worker Wages (URBAN AREAS ONLY)

Further to our recent publication of SI 126 of 2011 relating to Domestic Worker Wages (Urban Areas) we have noted some confusion.

*For the sake of clarity we would point out that **ALL WORKERS ON FARMS FALL UNDER NEC Agriculture**. They **DO NOT** come under NEC Commercial or the Statutory NEC for Domestic Workers*

SI 126 of 2011 APPLIES TO DOMESTIC WORKERS IN URBAN AREAS ONLY. Please be guided accordingly.

In the Government Gazette of October 28 2011 there were 2 articles which are of interest to farmers and they have been placed on the website on the following links:

Indigenisation and Economic Empowerment Act General Notice 459 of 2011:

<http://www.cfuzim.org/images/indiggn45911.pdf>

Water (Subcatchment Councils) (Rates) (Amendment) Regulations 2011 – SI 127 of 2011:

<http://www.cfuzim.org/images/waterratessi12711.pdf>

7. **UPDATE – WATER RATES (PERMIT SYSTEM)** (From the desk of Marc Carrie-Wilson)

Members are advised of the Promulgation of SI 127 of 2011 Water (Sub catchment Councils) (Rates) (Amendment) Regulations, 2011 (No. 6)

These regulations repeal SI 21 of 2011 and apply to those people who hold a permit to abstract a certain quantity of Water (the permit system). Although it is not clear my interpretation is that **they do not apply to Water which is allocated and sold by ZINWA by Agreement (i.e Water on "State" Land).**

The charges are set out in the new schedule as follows (you will note that the table is poorly drafted as many of the terms used are not clear e.g. recreational use):

Page 1

Raw Water Use for :-	<i>Applicable Rate US\$/ml</i>
Local Authorities Water Supply	0.75
Industry and Mines	2.00
Commercial Farming - Irrigation	1.00

Page 2

	<i>Applicable Rate US\$ (Note that the /ml is omitted)</i>
Commercial Farming – Cattle Watering	1.00
Water bottling	5.00
Beverage purposes	5.00
Authority to drill (Commercial) (Per application or Allocation)	60.00
Authority to drill (Urban Household) (Per application or Allocation)	30.00
Ground Water permit application institutionalised	30.00
Ground Water permit application – urban use	60.00
Surface Water permit (Per application or Allocation)	20.00
Permit amendments (Per application or Allocation)	15.00
Permit partitioning, consolidation (Per application or Allocation)	15.00
Permit cancellation	5.00
Permit renewal, extension (Per application or Allocation)	15.00
Groundwater use – urban household monitoring (quarterly)	10.00
Groundwater use – institutional (quarterly)	15.00
Recreational use	10.00
Late registration penalty-urban household (late allocation)	5.00
Late registration penalty- commercial	25.00
late registration penalty- institutional	25.00
Tampering with dam basin and river beds (per) Offence	100.00

Over and above these charges user of water for commercial purposes must still pay the USD 1.06 per Mega Litre ZINWA Levy.

Please contact me on marc@cfuzim.org if you need any clarification.

8. **DISCOUNTERS CLUB**

A reminder to all paid up members - come in and get your Christmas Special Discounters Club Card free of charge. This card will be valid until the 31st December 2011. This is a great way to start your Christmas shopping and **save, save, save!**

9. ZIMBABWE CROP PRODUCERS' ASSOCIATION

PRODUCER PRICES

<u>Commodity</u>	<u>GMB</u>	<u>Agrifoods</u>	<u>Kurima Gold</u>	<u>Staywell</u>	<u>Croplink</u>	<u>ProGroup</u>
White Maize	275	NOT AVAILABLE	AB Grade 240 transfer 7 days or \$230 cash C Grade – 230 transfer 7 days or \$220 cash	255	240-250 depending on quality	245
Yellow Maize	275		-	240	230	245
Maize Bran	-		-	-	-	150
Soya beans	500		\$610 transfer 14 days	620	600	-
Soya bean Meal	-		-	-		-
Wheat	-		Premium 450 transfer 30 days Std 440 transfer 30 days Utility 430 transfer 30 days Undergrade 400 transfer 30 days	450	450	-
Wheat Bran	-		-	-		170
Groundnuts	400 p/t unshelled		-	-	800	-
Sugar Beans	800		1150 transfer 14 days	1200 A Grade	1000	1200
Sorghum	275		-	255	250	-
NOTES :			-	-	Per Metric tonne delivered to Harare	

Producer Prices

South African Grain Information Services (SAGIS)

South African Foreign Exchange (SAFEX) 9th November 2011

Commodity	Rand/tonne	US\$/Tonne	Import Parity Rand/Tonne	Import Parity US\$/Tonne
White Maize	1862	235	2022	256
Yellow Maize	1873	237	2033	257
Wheat	2950	373	3110	393
Soyabeans	3320	420	3480	440
Sunflowers	3895	492	4055	513

International Gulf

Commodity	US\$/Tonne	Import Parity US\$/Tonne
Wheat	308	458

Maize	286	436
Sorghum	298	448
Soyabeans	470	620

10. **BUSINESS CHAMBER** (*from the desk of Richard Taylor*)

There is not a lot that I can say from last week's news other than Charles did see the Afreximbank Manager yesterday where he again assured us that this facility will be coming.

We continue to look at and look for other finance facilities for farmers.

We have signed a preferential trade agreement with CBZ Optimal Insurance Company. Optimal are offering insurance at very good rates for all crops. The only things it does not cover is drought and credit risk. For more info on this please contact me, Richard Taylor 04 309862 or email rtaylor@cfuzim.org

11. **NATIONAL ASSOCIATION OF DAIRY FARMERS** (*from the Desk of Rob Van Vuuren*)

The NADF/L.O.L Small-Scale Dairy Farmer of the year field day was held at Mr. Hela's farm, Marirangwe, Harare South on Wednesday, 9th November 2011. Approximately 240 people attended and prizes worth about \$6,000.00 were awarded. The Marirangwe women dished up an excellent lunch and very good feedback was received from the small-scale producers and the sponsors.

The NADF commends Land-O-Lakes staff for organising the competition and thanks the judges, including, our members who helped with the judging – Kobus Nel and Emmanuel Zimbandu. The Vice President of Land-O-Lakes, USA, is thanked for attending this event and presenting the prizes. The day was well supported by stakeholders and the NADF thanks the following for their generous donations/sponsorship:

Red Dane Farming
 Land O Lakes
 Coopers Zimbabwe
 Agrifoods
 ZFC
 National Foods
 Gloworm Solar
 Veterinary Distributors
 Graniteside Chemicals
 Nestle Zimbabwe
 DZPL
 Milborrow
 Barco Chemicals
 GST Solar Solutions
 Fivet Animal Health
 Dendairy

The top ten places are as follows:

Joint 1st – Mr Mutengu, Rusitu

- 2nd - Mr Hela, Marirangwe
 3rd - Mrs Madyangove, Nharira
 4th - Mr Sagonda, Tsonzo
 5th - Mr Magurani, Gokwe
 6th - Mr Muchedzi, Sangano
 7th - Mr Sithole, Rusitu
 8th - Mr Manjoko, Rusitu
 9th - Mr Chipunza, Marirangwe
 10th - Mrs Ncube, Umzingwane

The Land O Lakes floating trophy for the most improved milk production association – Marirangwe Dairy Farmers Association

The NADF trophy for the best run milk collection centre in 2011 – Gokwe Milk Collection Centre

LIVESTOCK INFORMATION

We have in stock and available at our offices at present:

Animal Foods of Central Africa Technical Handbook @ US\$10,00 each

Stock Registers @ US\$5,00 each

Daily Milk Records of Individual Cows @ US\$5,00 each

Recommended Guide to Good Dairy Farming Practices @ \$2.00 each

Dairy Handbooks @ US\$40,00 each

Cattle Producers' Association Beef Production Manual @ US\$40,00 each

Sheep and Goat Handbook @ US\$25.00 each

Go Green Mastitis Mint @ US\$10,00 each

12. CATTLE PRODUCERS' ASSOCIATION

Ranch Manager – Malawi

A position has become available for a range manager in Malawi to run 2000 head. Please contact NADF for more details.

With the onset of the rainy season beef producers are reminded of the need for summer supplementary feeding of phosphorus to maximize live mass gain from the summer grazing. Licks and blocks are available from stock feed manufacturers.

Livestock producers are encouraged to place their vaccine orders with their traditional suppliers. Regrettably the Beef vaccine programme promised last week will only be completed and published next week

VENUE	MT. HAMPDEN	
	DATE	
	07.11.11	
	AVE. PRICE	AVERAGE
GRADE	NO. OF CATTLE	PER KG LV WT
SUPER	5	3
CHOICE	5	2.72
COMMERCIAL	12	2.47
ECONOMY	19	1.99
MANUFACTURING	4	1.75
WEANER HEIFERS	14	2.05

BULLING HEIFERS	25	2.28
WEANER STEERS	58	2.47
LONG WEANER HEIFER	1	1.57
LONG WEANER STEER	15	2.42
FEEDER STEERS	5	2.05
COMM WEANER STEERS	N/A	N/A
COMM WEANER HEIFERS	1	1.57
BULL	5	1.91
BRAHMAN BULLS	N/A	N/A
STD GOAT	N/A	N/A

COMMENTS AND VIEWS

Please let us know your comments and views on items contained within this issue or any other issues of CFU Calling by sending an email to us on dir2@cfuzim.org

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