

# US\$90 000 for bankable leases



Wednesday, 15 February 2012 00:00



Secretary for Lands, Land Reform and Resettlement Mrs Sophia Tsvakwi and Director for Resettlements Mr Elias Ziro give oral evidence before a Parliamentary committee yesterday

## Lloyd Gumbo Herald Reporter

ALL commercial (A2) farmers who were allocated farms with improved infrastructure will pay the Government up to US\$90 000 to get bankable 99-year leases, Parliament heard yesterday.

The payment will give the farm collateral value and enable the farmer to borrow money from banks.

Those who paid for the leases during the Zimdollar era will be spared, save for paying their annual rentals for the land.

The new conditions are in the improved 99-year lease agreement being crafted by the Government in consultation with the Bankers Association of Zimbabwe.

The money will be spread over 25 years and those who do not pay will not get the leases.

Appearing before the Parliamentary Portfolio Committee on Agriculture, Water, Lands and Resettlement yesterday, Secretary for Lands, Land Reform and Rural Resettlement Mrs Sophia Tsvakwi said so far only 127 farmers have been given 99-year leases out of 18 000 beneficiaries.

The committee is chaired by Chikomba Central legislator Mr Moses Jiri (MDC-T).

Mrs Tsvakwi said 1 716 farms have so far been assessed by the National Land Board, of which 1 307 were recommended for 99-year leases.

"The reason why only 127 farmers have been issued with the 99-year leases is because one has to pay for the infrastructure that is on the property," Mrs Tsvakwi said.

"The prices vary, it depends on what developments are on the property. Sometimes it can be US\$89 000, it can be US\$80 000 while others can be US\$13 000. It depends on what improvements are on the property.

"If you go on a virgin land, you won't have much to pay."

She said some of the money will be used to compensate white former commercial farmers for infrastructure development at the farm.

Mrs Tsvakwi said her ministry had produced a lot of leases that will only be given to the new farmers if they pay the money.

Director for Land Acquisition, Valuation and Estates Management, Mr Marius Dzinoreva, said the Attorney-General's Office improved the 99-year lease to include paying for the infrastructure.

"The Ministry will charge for improvements and when you pay, you are actually buying the property so there are issues of transferability of the property . . . so the 99-year lease will then enable the farmers to borrow from the banks.

"We are hoping that by mid-year, this amended document would have gone through Cabinet so that it becomes a new lease," Mr Dzinoreva said.

He said farmers were expected to pay part of the agreed amounts for the leases before being given the documents.  
Mr Dzinoreva said bankers were happy with the improved 99-year lease.

Mrs Tsvakwi said her ministry will conduct a land audit as soon as Treasury finances the project.  
She said the audit was not a brainchild of the inclusive Government because they conducted another one in 2006.  
The objective of the audit, she said, was to assess production and to do away with multiple farm ownership though their computer software would pick if one owned more than one farm.  
Mrs Tsvakwi said it will not be proper for Government to reclaim farms from farmers who are not productive because they have not been financially supported by the State.

Director for Resettlements, Mr Elias Ziro, said most problems to do with perceived double offer letters for the same piece of land was caused by beneficiaries whose offer letters were withdrawn.

"Sometimes when we give people land, they look at the piece of land and are not happy and they only come back when the land has been withdrawn and given to other beneficiaries.

"We have served withdrawal letters on given addresses but first beneficiaries will come back and tell us that they would not have seen the withdrawal letter. We only withdraw letters if nothing has been done on the land," Mr Ziro said.

Mrs Tsvakwi said only those with offer letters were allowed to occupy land.  
She said some of the perceived land invasions now were not invasions as such, but were cases of beneficiaries moving onto the land that they would have been given but had been having problems moving in.  
She said those who occupy land without offer letters should be reported to the police.

Legislators urged the Government to come up with a clear agriculture policy to address all problems faced by farmers.  
Goromonzi North MP and committee member Cde Paddy Zhanda (Zanu-PF) said a lot of things needed to be addressed to make agriculture viable.