



ZIMBABWE CROPS PRODUCERS ASSOCIATION AGM (01 June 2011)
CHAIRMAN'S ADDRESS

Good morning invited guests, ladies & gentlemen. Welcome to the 10th Annual General Meeting of the Zimbabwe Crop Producers Association.

Although the past season has been another trying time, I am happy to report to you that the crops association continues to function and plays a role in assisting members still on the land. As a non farmer, I have participated only from the sidelines as producers have again faced an array of extremely difficult challenges in attempting to remain viable and feed our nation. Agriculture is the back bone of any developing economy, and as primary producers farmers contribute to downstream manufacturing, processing and industry of the country. This in turn provides food security, job creation and export earnings. The sustainability and viability of farming in Zimbabwe is currently a question of critical concern. Farmers are not only under pressure from land acquisition and uncertain weather patterns but also pressure from remaining profitable.

THE PAST CROPPING SEASON

The rain fall distribution this past season has been incredibly variable. Early rains fell in most part of the country during October, which were too early to be of any use for planting but got the grazing going in the Lowveld areas. The Highveld, by and large, received above average rain fall this year (Harare sitting on over 1000 mm (118 % of norm). There has been extensive failure of maize crops in natural regions 3, 4 and 5, caused by poor pollination and grain fill especially in later planted crops. This will result in food shortages in many districts of the country. This has been most severe for small scale dry land farmers trying to produce crops which are not suited to the climate in which they live. Grain production must be left to areas with adequate rainfall or access to irrigation. Soya yields have generally been disappointing even in areas which received good rains.

Inputs this season such as seed, chemicals, fertilizer and fuel have been readily available. Many farmers have unfortunately not been able to take advantage of these timely inputs due to the current financial constraints. Dollarization into a stable currency and the Government of National Unity, have not produced the economic stability everyone had wished for and especially with the uncertainty of an election year coming up. The banking sector can not provide suitable liquidity to farmers. Lending rates in excess of 20% per annum and short term loans 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 of rapidly aging farm machinery and equipment. Increased costs and erratic electricity supply from ZESA caused by load shedding, cable theft and the inadequate maintenance of infrastructure by the parastatal continue to impact heavily on production. This is especially the case on irrigated winter crops such as wheat and barley. Back up generator systems are now necessities in any operation, to ensure consistent pumping, which further add to overhead costs. ZINWA's unrealistic charges for the use of water in agriculture, even for farmers who have invested in building their own dams for water storage. Break down in other service deliveries and local infrastructure such as the condition of the roads and railways. Excessive wage increases for labour, stemming from the expectations during hyperinflation days. Poor policies implemented by decision makers in the industry eg: allowing imports of cheap flour, soya meal, cooking oil and animal products, which threaten the local producers viability. The continued eviction of productive farmers under the land reform program.

All these factors are of grave concern. Farming is a business and we need the right conditions plus the support of our Government, to operate as a viable concern. Without this happening Zimbabwe is doomed to poverty and a dependency on food aid, when we have the potential to be the bread basket of Africa. Local farmers should be given the priority we deserve, if not they will be lost to

other countries in the region and beyond, where their knowledge, skill, productivity and culture of hard work is greatly sought after.

ASSOCIATION MATTERS

Since our last AGM the association has been without a Crop Producers' Association Manager and this has hampered the amount of work that the association could become involved in. I acknowledge that as Chairman I am partly to blame for not driving the association forward, at an acceptable rate. I am however very happy to inform you that Richard Taylor has recently (again) been appointed as the Crops Manager. His enthusiasm and wide net work of contacts developed in the Business Chamber will be of immense benefit in getting the association back to where we are better able to service the needs of the members.

The crops association in conjunction with other departments of CFU continues to be involved behind the scenes with vital services to assist its members. These include:

- Assistance in sourcing cost effective inputs, through donor schemes and bulk purchases
- Technical expertise to help solve agronomy and pathological problems
- Publications, crop production handbooks and technical data
- Liaison between producers and other stakeholders, within the agricultural industry such as AMA, on issues such as GMO, export quotes and control on inputs
- Research, extension & marketing
- Crop and weather insurance
- Guidance in labour problems
- Legal advice on land issues, ZINWA, ZESA, VAT and the Environmental Management Agency (EMA)

Development of the Zimbabwe Farmers Alliance Trust (ZFAT) between the two farmers unions Zimbabwe Farmers Union and the Commercial Farmers Union, at a commodity level, to form a Combined Commodity Council, is ongoing. This has been a slow process and is still in the early stages as neither party are prepared to rush into a marriage of convenience. The low number of CFU members in certain districts also makes finding equal representation a difficulty. This process must however continue so that commodities can speak with one unified voice, whether commercial or small scale to be able to lobby government, source finance, inputs and access markets, to the benefit of all producers. Without this, combined approach these tasks would be impossible to achieve.

On the Nhelma issue, a percentage of the Crops Association shares in Agricultural House, continue to be used as security with Windmill Fertilizer Company, against a debt incurred by Nhelma. Nhelma has defaulted on the supply of fertilizer to CFU, for its membership and the case is before the courts. Regarding the sale of Agricultural House, unfortunately due to the reduced size of the CFU and its commodity associations, it was no longer viable to continue operating from the Agricultural House building. At a Special General Meeting of the ZCPA called on the 9th of December 2011, it was agreed that as a share holder in Agricultural house, the association had no objections to the disposal of the building. This was subject to the Crops association retaining the value of their share holding, in some form of new investment portfolio.

The survival of this Association, and in fact, the whole of the CFU, hinges on our ability to fund our own operations and on the support of our members. This has been severely impacted by an ever diminishing member base and the associated crop levies from these farmers, which has 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, and restores agriculture to its proper place.

CONCLUSION

I quote words of wisdom from Abraham Lincoln :

*"You can't strengthen the weak by weakening the strong,
you can't help small men by tearing down the big men,
and you can't help the poor by destroying the rich.
You can't help the wage earner by pulling down the wage payer,*

*you can't keep out of trouble by spending more than your income,
and you can't further the brotherhood of men by inciting class hatred".*

As farmers past and present, we need to stand together, not as proud, arrogant and elitist individuals, but by working with a common goal of resuscitating agriculture for the benefit of all Zimbabweans. Remember where there is a will there is a way!

Finally it remains for me to thank the Crops Management Committee, for their commitment and for taking the time out from their busy schedules to attend meetings and keep the association alive. Also to Dr Clive Levy who has single handedly run the association for the best part of the past year, to Richard and Debbie welcome aboard. Finally to President Charlie Taffs, Vice President Pete Steyl and Director Hendrik Olivier and their small but motivated compliment of staff thank you for your continued support and leadership in these most challenging times, your hard work is most appreciated and an inspiration to us all.

**A R GUTHRIE
CHAIRMAN
ZIMBABWE CROP PRODUCERS' ASSOCIATION**