

Grain Marketing Board

*Isiphala seZimbabwe
Dura reZimbabwe*

GMB Board Chairman Mr C. Chikaura

PRESS STATEMENT BY THE GRAIN MARKETING BOARD (GMB) CHAIRMAN ON THE PERFORMANCE OF THE ORGANISATION FOR THE YEAR APRIL 2012 TO MARCH 2013

1. Introduction

It is my pleasure to give a press statement on operational performance highlights for the period of April 2012 to March 2013 marking the closure of the 2012/13 marketing season and opening of the April 2013 to March 2014 marketing season.

2. Strategic Grain Reserve

The Government supported the Strategic Grain Reserve (SGR) operations through provision of funds for procurement of grain, payment of transporters, procurement of grain bags and tarpaulins, handling and storage fees and casual labour towards ensuring food security. Farmer payments were supported as follows:

A. Wheat: 2012/2013 Marketing Season

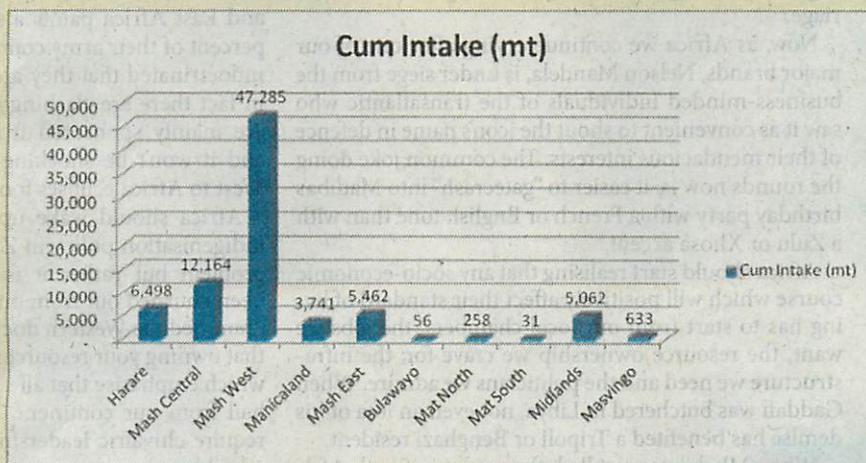
- i. A total of 5 065mt of wheat valued at US\$2.3million was delivered.
- ii. Wheat payments amounted to US\$1.8m (78%) as at 31 March 2013
- iii. Outstanding payments stood at US\$535 734.73 (22%)

B. Maize: 2012/2013 Marketing Season

- i. Cumulative maize deliveries were 81 190mt valued at US\$23.9m
- ii. Cumulative payments for maize for 2012/2013 Marketing Season amounted to US\$22.9m (96%)
- iii. Outstanding payments stood at US\$1m (4%) as at 31 March 2013

The 2012/13 marketing year was characterized by low grain intakes compared to the past two marketing seasons. A total of 81,190mt of maize grain was received from local farmers and SGR annual stocks closed at 21,891mt. The provincial maize intake contribution figures are shown in Figure 1.

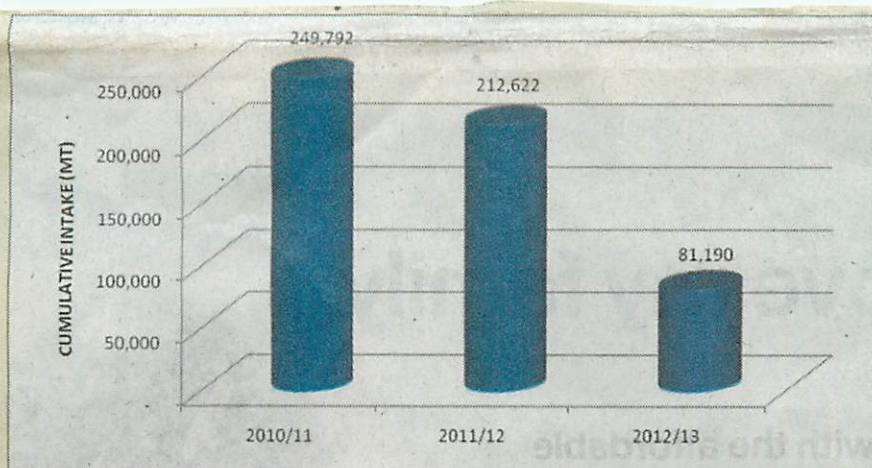
Figure 1: Maize Intake by Province for the 2012/2013 Marketing Season



The highest cumulative maize intake during the period under review was achieved in Mashonaland West Province whereas Matebeleland South Province recorded the lowest maize intake.

The 2012/2013 season recorded the lowest intake compared to the last two seasons as shown in Figure 2 below;

Fig 2: Grain Intakes for the Past three years



- The 2012/2013 season's maize intake was 168 602 mt (67%) lower than the maize delivered during the 2010/2011 marketing season.
- The 2012/2013 season's maize intake was 131 432 mt (62%) lower than the maize 2011/12 marketing season.
- We commend farmers for their continued support in ensuring National Food security through their continued grain deliveries.
- Farmers are encouraged to play their part during the 2013/2014 marketing season.
- During the 2012/2013 marketing season, GMB faced several challenges that include shortage of grain storage bags, poor storage infrastructure and transport logistics. The GMB also experienced very limited liquidity compounded by delays in receipts from Treasury.

3. The 2013/2014 Season

- The projected marketable surplus of maize based on the results of the current crop forecasts for the 2013/2014 is 100,000mt. It is our hope that timeous disbursements of funds from Treasury will encourage farmers to deliver more grain.
- Farmers are encouraged to start preparing their maize deliveries.
- The GMB will accept maize from Grade A to Grade C at moisture content level of not more than 12.5%.
- Farmers are urged to approach their respective Depot Managers for free moisture content testing and advice on achieving high grain quality grades.
- The projected marketable surplus of maize from farmers of 100 000mt is achievable if farmers are paid on time.
- The GMB has submitted a budget of US\$80million to Government. The budget covers maize intake purchases and grain storage resources that include tarpaulins and gum poles to ensure that outdoor storage meets optimum storage requirements.
- We urge relevant authorities to release the SGR resources on time to alleviate hunger and encourage grain deliveries and above all to give confidence to farmers to continue producing the staple crop.
- Facts on the ground are pointing towards a reduced hectareage under maize crop during the current season compared to the previous season hence an expected reduced maize production.
- The inadequate top dressing fertilizer and incessant rains experienced from December 2012 to February 2013 are indicators that expected yields will be lower and the food deficit situation will not be better.
- In this regard, GMB acting on behalf of the Government of the Republic of Zimbabwe is expected to import maize to mitigate against food shortages.
- The organization is currently working on rehabilitating more silos to ensure optimum grain storage conditions. This will result in a reduction in grain losses due to quality deterioration.

4. Technology

- Two state of the art maize milling plants commissioned in Harare and Bulawayo are expected to contribute to improving food security in urban centers.
- The recently commissioned 22 stacker machines are expected to enhance the rapid distribution of grain and inputs to rural areas.

5. Financial Performance and Achievements

The GMB closed the 2011/2012 season with good financial results in that losses in excess of US\$6m in 2010/2011 were cleared leaving the organization out of the red. The results are attributable to the use of the Balanced Scorecard and the support from various stakeholders. This trend can only be sustained with timeous support from all stakeholders.

The other achievement in the period under review is that the organization was awarded a prize at the 54th Zimbabwe International Trade Fair (ZITF) under the Agricultural Category.

Conclusion

It is our hope that the Government will mobilize adequate resources to ensure that the current food deficit is contained through timeous procurement of local and imported maize. The adequate and timeous availing of inputs will contribute to increased grain production thus reducing grain imports.

C. Chikaura
Board Chairman
April 2013