

SPEECH FOR NEW GOVERNMENT, NEW POLICIES, NEW EXPECTATIONS SUMMIT 17 SEPTEMBER 2013

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Ladies and Gentlemen

The theme of this presentation is to highlight the global situation regarding agricultural production levels i.e. Food production against the rising population and the scarcity of arable land, and against this backdrop show how Zimbabwe can position itself for maximum advantage over the coming years.

Global food security is a race between the things we can do to increase production such as using fertilizers, fossil fuels, better crop rotations, improved varieties against the things we do to destroy it such as losing soil, water, nutrients further exasperated by the increasing population and the resulting increase in the demand for food and our destiny depends on the state of this race by the middle of the 21st century, only 35 years in the future.

Currently the world is running out of high quality soil, the world farmed area in the 15 years between 1990 and 2005 only increased by 1.8% and yet world population consumption increased by 23.2%. In other words demand for food grew 15 times faster than the land area set aside to produce it. These numbers should send shock waves to global leaders, raising the concern as to our ability to maintain required levels of production as well as our ability to maintain land use in a condition suitable for sustainable food production.

Soils that contain too much salt are too acidic for crop production, as well as soils heavily polluted with industrial waste is generally becoming toxic to plants and animals alike and therefore prohibitive to food production.

Industrial pollution particularly in heavily industrialized countries and sub continents such as China and India brought about by their rapid industrial expansion has given rise to the increase in the amount of land and water unfit for growing food. In a recent FAO report it is alleged that as much as 40% of the agricultural land currently being used in China, has a PH level below 5%. Industrial contamination however is not just restricted to a few countries, but is a growing problem worldwide. The contamination consists of heavy metals in the waste streams of mineral processing of factories, spills and leaks of fuels and industrial chemicals, timber treatment process, the overuse of agricultural pesticides and fertilizers as well as industrial fallout from the air. This is a global epidemic, but one that is deadly.

In an African context the African continent in the year 2000 consumed 262 million tonnes of grain. By 2050 this demand will have reached 1.35 billion tonnes. A fivefold increase. Globally with a population rising to 9 billion people by 2050 added together with the changing dietary demands from populations from newly industrialized nations, the global food demand is set to double. The question that needs to be asked is where this food is going to be produced. New improved technologies on existing lands will have an impact, but the vast bulk of this increase will have to come from new productive sources. Enter Africa, Sub-Saharan Africa specifically. Currently Sub Saharan African is sitting on 67% of the total global arable land yet to be utilized.

Furthermore it has vast untapped and undeveloped and fresh water resources alongside large sources of cheap alluvial phosphates. Add all these facts together it quickly becomes clear that Sub-Saharan Africa is the key to securing adequate food supply needed to meet the global food peak.

Ladies and gentlemen it is clearly Africa's time, but we as Africans must grasp these opportunities to the benefit of Africa and its people. Where is Zimbabwe against all these trends so far presented?

Zimbabwe is ideally placed, both strategically as well as geographically to take full advantage of the opening up of Central Africa. We are at vital cross roads in the North, South, East, West linkages and as such we have the opportunity to position ourselves for maximum gain. As a country we can become a focal point for central African development. We need to form strategic partnerships with our neighbours creating common policies on issues such as infrastructure, road and rail networks, power generation and distribution, trade, water development and usage and far more. We need to create trade corridors allowing for equal costal access, therefore equal access to global markets along which value addition industries can be developed, these very values therefore staying within African shores and being placed back to points of origin for the benefit of the producers. We must embrace the international community in its entirety to get maximum advantage. We need to work towards creating a global free trade platform in food and where possible remove subsidies allowing for the production of staple foods to wherever they can be most efficiently produced. This will enhance African food security including our own country.

It would benefit consumers as well as sending direct price signals to farmers undistorted by political intervention, telling them what to grow, how much and where to grow it. Subsidised agriculture in the developed world is one of the greatest obstacles for economic growth in the developing world. We must do more to lobby for the moderation of these subsidies. The IMF recently argued that the elimination of farm subsidies would benefit the world economy by as much as 128 billion dollars per year, much of that in the developing world.

Ladies and Gentlemen Zimbabwe as I have previously stated has the potential to create a massive economic explosion. However in order for this to happen we must get our house in order. From a general economic point of view we need to develop investor friendly policies, attracting foreign investment to within our borders. These policies must be fair to all and must offer security to the investor. We rapidly need to develop multi-sectorial strategies whereby all sectors can develop in an environment for the betterment of all on the understanding that no sector can operate in isolation of any other.

Equally we rapidly need to finalise the land question allowing for the creation of an active land market on the back of which a strong and robust banking sector can be established. Our agricultural sector must diversify and become consistent in its production levels.

It is only when this is a reality that the confidence will be restored within the service and supply sector together with the manufacturing sector in the knowledge that the agricultural sector will now be a constant market for consumables as well as a constant supplier of a range of raw materials available for raw manufacture. We must create policies which allow for the development on a reward basis for strategic areas such as water development roads, schools clinics, electricity and much more. We must develop farming techniques which do not deplete or damage the soil or pollute or waste water, but allow for farmers to maximise food output whilst having the lowest possible impact on the environment ensuring the sustainability of production in terms of soil conservation and water usage.

We urgently need to capacitate our agricultural colleges, research centres and extension services these are vital for a strong performing agricultural sector as they will supply a constant source of young educated farmers into the producer market, they will keep the industry updated with the latest technologies and varieties needed to maintain a competitive edge in an increasingly competitive world as well as keeping active farmers supplied with the latest agricultural technologies and techniques.

We need a paradigm shift in our sector moving away from donor supported agriculture, to farming for profit regardless of size. Farmers need to move away from farming systems which for many years have enslaved them in a never ending cycle of dependence, Zimbabwe farming must become attractive to young farmers offering them a career option which competes favourably with other career alternatives, which has the capacity to provide them with a strong future for them and their children in the knowledge that their investment and hard work today will benefit them 10 15 20 years into the future. In order for this to happen we need to break the traditional mould which tends to associate African agriculture with that of poverty and position agriculture as a dynamic valuable and rewarding career choice.

We urgently need to establish the symbiotic linkages between small and large scale producers enabling small operators to enter into the production of high value crops historically only open to the large producers, these small producers on the back of the large volume producers can give them access to processing and value addition markets traditionally denied to them in the past.

If these ideas can all be implemented Zimbabwe agriculture will have a great future.

Ladies and Gentlemen we have it all. We have the people, we have the land, we have the water, and we have the climate. All we need now is the psyche to take full advantage of global phenomena that is playing into our hands. Let us grasp the moment and work together in one direction and make this country the Central African investor destination of choice.

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