

FRIDAY BRIEF

WEEK 4, 2014

THIS Week's Highlights

- **BAN ON BACKYARD POULTRY FARMING NEEDS REVIEW**
- **TWO FISP BENEFICIARIES DIE ... AS FARMERS SPEND NIGHTS IN THE COLD**
- **FISP BLUES: CHIBOMBO FARMERS IN 13,000 UREA BAGS SHORTFALL**

..... SEE DETAILED UPDATES BELOW.....

INDUSTRY UPDATES/ALERTS

BAN ON BACKYARD POULTRY FARMING NEEDS REVIEW

The ban on backyard poultry farming in residential areas by the council should be lifted on compassionate grounds. As much as we respect the law, we strongly feel that the law is being applied selectively and this raises more questions than answers. If this ban is sustained we should see street vending, stone crushing, metal fabrication and carpentry along the roads, trading at traffic lights, block making, taverns and Tuntemba's in the compounds banned. Most of the people are now subsisting on poultry production as they are jobless. The council would do better to come up with alternatives if this anarchy has to be controlled in total and in full application of the law and not piece meal. Prohibiting backyard poultry farming would have far reaching negative effects on the livelihoods of so many people and may just make street vending worse than it is now. The council is therefore encouraged to engage stakeholders in order to find an amicable solution to this pending social economic catastrophic decision. For now PAZ is urging all backyard poultry farmers throughout the country to observe high levels of hygiene and sanitation in order to avoid complaints and consequences that may follow but at the same time get to understand the law.

TWO FISP BENEFICIARIES DIE ... AS FARMERS SPEND NIGHTS IN THE COLD

Two Farmers of Lufwanyama District have died while waiting for FISP inputs in Kalulushi. One of the deceased, from Fungulwe area in Lufwanyama is said to have been spending nights for over two weeks in Kalulushi where he fell sick and died. Another farmer also from Lufwanyama died on arrival at a clinic where he was rushed after spending nights in the cold waiting for inputs. Meanwhile, Farmers from Lufwanyama have been spending nights in the cold in Kalulushi waiting for their inputs under FISP. The distribution of inputs under the programme has been very erratic in many instances. One farmer who also remained anonymous suspected some foul play amongst the officers in-charge of distribution as they are reported to be demanding for some money from farmers for them to be given fertilisers. The farmer said the whole process is a sham because the officers are believed to be involved in some under-hand methods and have been "selling the fertilisers" to unsuspecting individuals.

FISP BLUES: CHIBOMBO FARMERS IN 13,000 UREA BAGS SHORTFALL

Farmers in the Chibombo District have expressed disappointment at government's failure to distribute the 2013/2014 urea in time. The District Agriculture Coordinator (DACO) confirmed that Nyiombo Investments, a company which was engaged to supply Urea, had only supplied 1250MT, and is yet to deliver 650MT. A check by ZNFU at the storage shed found the shed

empty and the attendant declined to confirm when the other consignment would be delivered. The farmers that stormed the ZNFU office expressed displeasure with government and stated that this delay will have a negative impact on the yield; especially that most of the crop has reached a stage where top dressing needs to be applied. Farmers said hunger is expected in the District especially that last year the farming season was not favourable due to effects of army worms, floods and a dry spell, which affected most of the farmers.

MARKET AND TRADE UPDATES

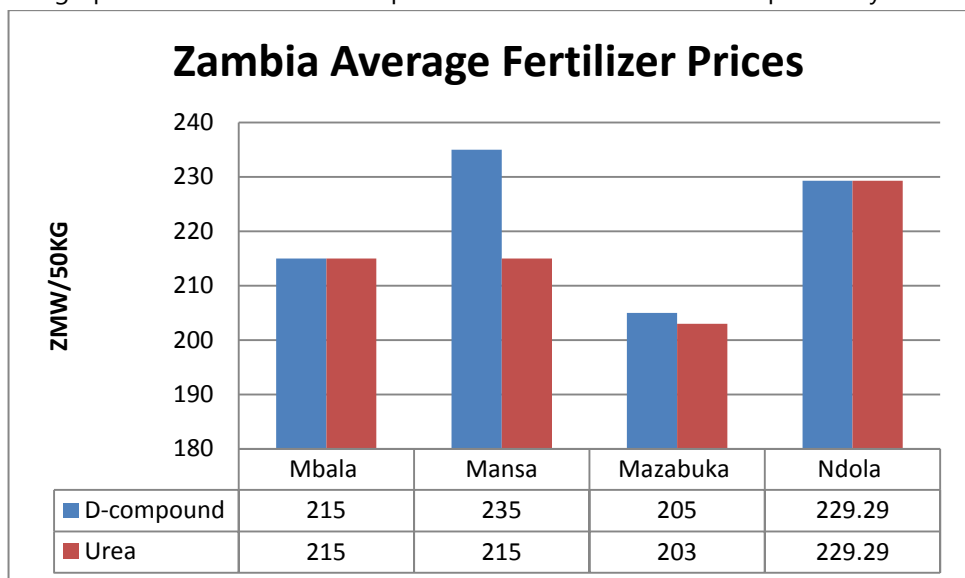
EXCHANGE RATES

Currency	First National Bank (FNB)		Standard Bank		Chartered Bank		Bank of Zambia (Inter-Bank @ 09:30 Hrs)	
	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling
US Dollar	5.4700	5.5800	5.4735	5.5820	5.5174	5.5274		
GB Pound	9.0930	9.2770	9.1057	9.2862	9.1594	9.1771		
Euro	7.4870	7.6390	7.4932	7.6418	7.525	7.5416		
Rand	0.4970	0.5120	0.4971	0.5070	0.5034	0.5046		

COMMODITY UPDATES

FERTILIZER

The graph below shows fertiliser prices for selected districts as captured by ZNFU regional offices.

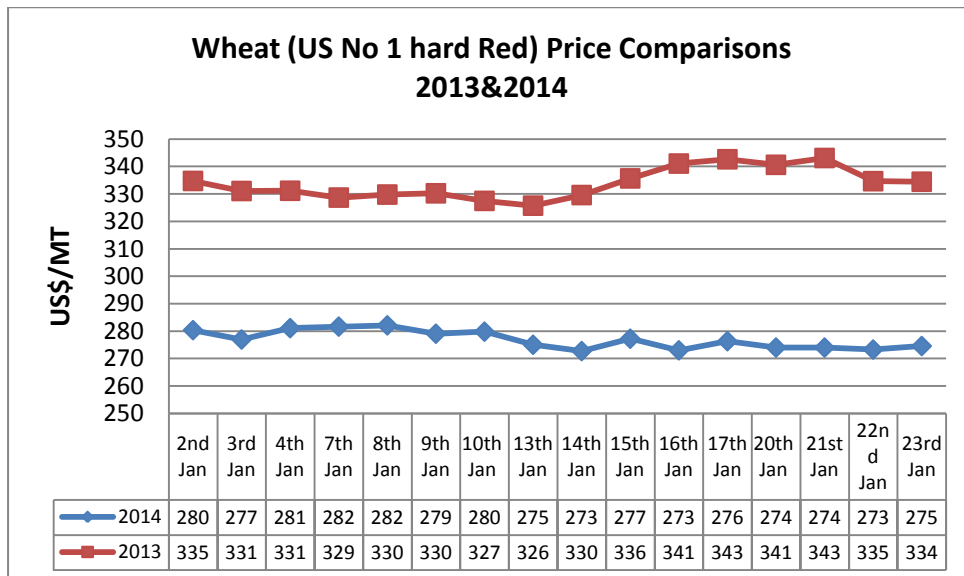


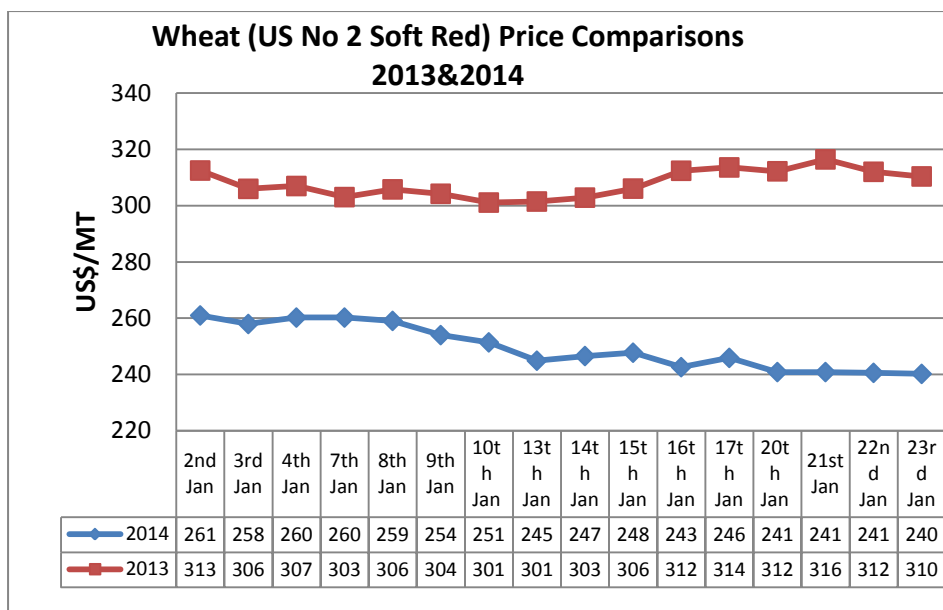
WHEAT Highlights

- Russian wheat export prices have declined by US\$ 8 since the start of 2014. The country's Wheat prices have been sustained by a lack of high quality wheat, government plans to replenish state stocks after drought and delayed sowing.
- Brazilian wheat exports for the year 2013 were reported at 1.1 million tonnes, this accounts for only half of what was exported in 2012. Export expectations for 2014 are also not high. In a bid to manage further increases in the price of wheat and, consequently, in the price of bread, the Brazilian government cancelled the Common External Tariff (TEC) in wheat imports this year. The tax went from 10% to 0% for a volume of 3.3 million tonnes.
- Wheat futures prices in Chicago this week gained on concern that freezing weather in parts of the US may damage crops .March delivery wheat was pegged at US\$223.218/MT this Friday morning.
- On the local market, wheat prices are slowly beginning to register some gains on the backdrop of wheat stocks held by millers are beginning to diminish.

Price trends

The Safex soft red and hard red average wheat prices for this week were settled at US\$241.68/MT and US\$274.43/MT, respectively.





Source :Safex

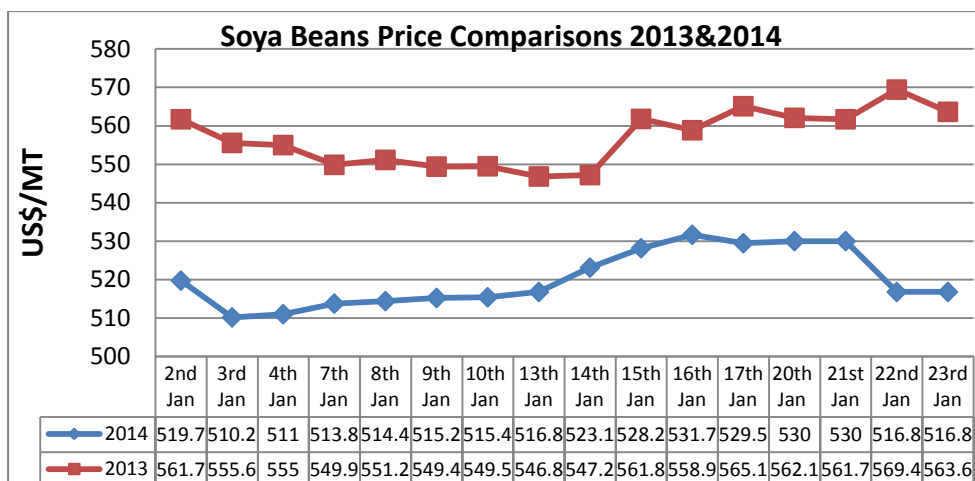
Soya Beans

Highlights

- Indian soybean futures rose on Thursday due to buying support, following improved demand indicators overseas markets, and tight supplies in local markets.
- Meanwhile in U.S Soybean futures closed slightly weaker on Thursday, undermined by ideas that China could cancel some US soybean purchases and buy Brazilian soybeans instead according to CBOT review.
- Soybeans for March 2014 delivery was US \$ 12.75 a bushel (US \$ 468.48/mt) a drop when compared to last week's US \$ 13.08 a bushel (US \$ 480.61) according to the CME group.
- Malaysian palm oil is expected to drop to 2,564 ringgit (US \$ 769.1) per tonne, as it has failed to break a resistance at 2,588 ringgit (US \$ 776.5) per tonne again.
- The contract for April delivery rose as much as 0.7 percent to 2,592 ring it (\$778) a metric ton on the Bursa Malaysia Derivatives.
- On the domestic market Soybeans prices on are still in the average of ZMW 2.4 /kg as captured by the ZNFU4455 price information system.

Price trends

The average price of US No. 2 yellow soya beans on Safex this week hovered around US\$524.62/MT, slightly above last week's average price of US\$523.04/MT.

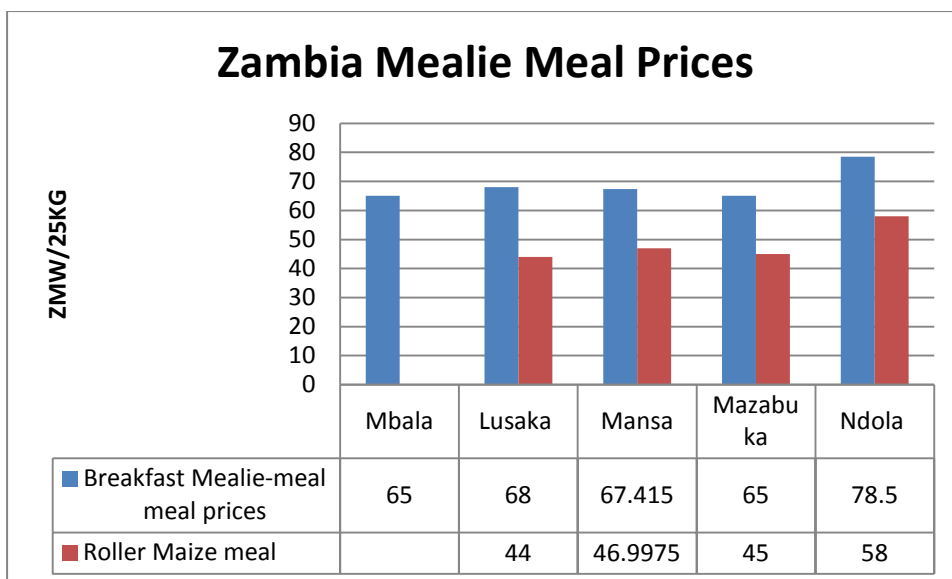


Source: safex

Maize

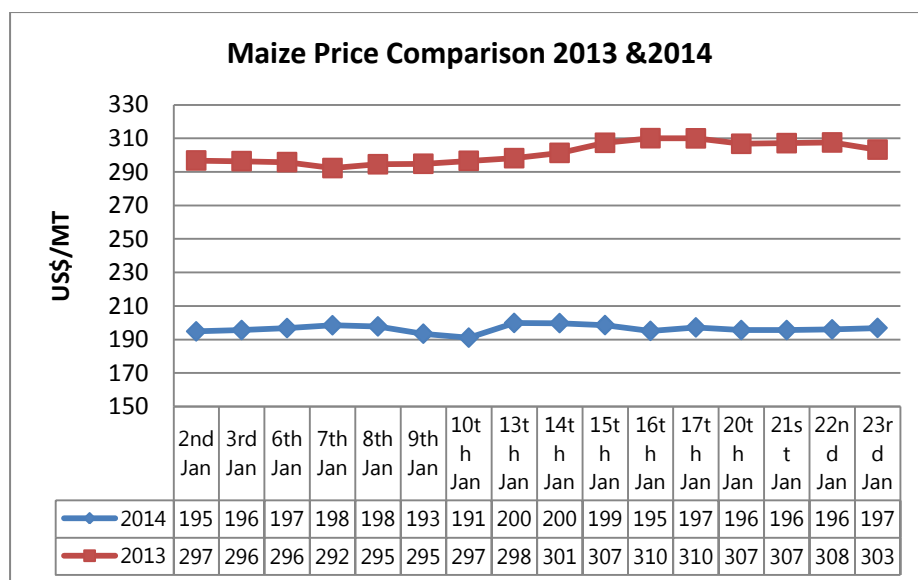
Highlights

- Rising demand for maize in Malawi has pushed up prices for the commodity up by 20 percent. Maize in Malawi is now fetching prices around MWK145/kg (US\$322/t) in Lilongwe and MWK155/kg (US\$355/t) in Blantyre.
- Zimbabwean Maize imports from South Africa might be threatened by estimates that the neighboring country's harvest could be insufficient to meet its national demands. South Africa's Crop Estimates Committee estimated that the maize harvest for 2013 declined by percent from the prior year.
- In related news, the Commercial Farmers Union in Zimbabwe says maize production is set to decline in the 2013/2014 farming season to below 799 000 tonnes produced during the previous season due to a myriad of problems, among them late planting by farmers due to shortages of inputs and inadequate funding. Last season Zimbabwe recorded a 17% drop in maize production to 799 000 tonnes from 900 000 tonnes. The national annual maize requirement for the country is 1, 2 million tonnes.
- The Chicago maize futures price for delivery in March settled at US\$ 168/MT this Friday morning.
- Locally, tight maize stocks continue to favour prices for the commodity which continues to fetch high prices. The graph below shows mealie meal prices for selected districts as captured by ZNFU regional offices.



Price trends

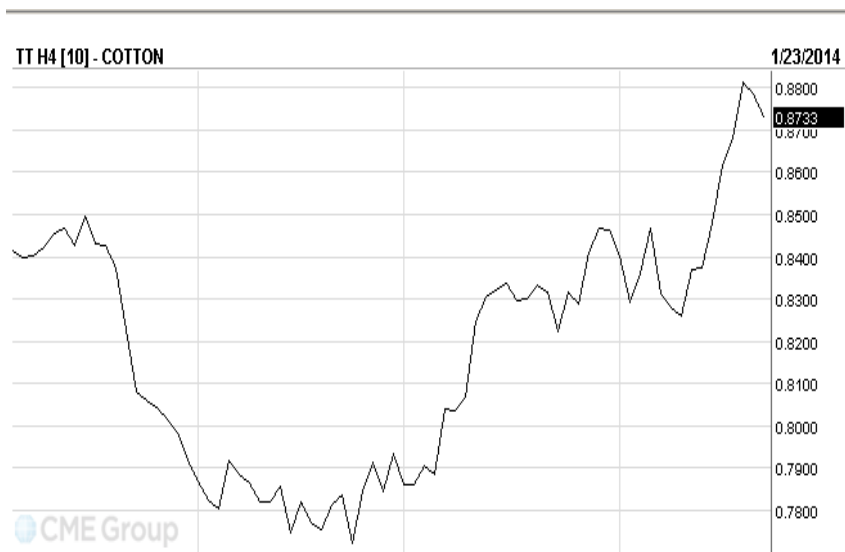
Maize prices this week continued to be low in comparison to the same period last year. The average Safex price of US No. 2 Yellow maize for this week settled at around US\$196.27/MT compared to the US\$196.88/MT recorded last week.



Source: safex

COTTON

- Cotton production in Burkina Faso has risen by 14 percent to 710,000 tonnes in the 2013/2014 season, close to an all-time high. Cotton output in 2012/2013 season stood at 630,000 tonnes .The increase has been partly attributed genetically modified crops, Burkina Faso was one of the first countries in Africa to approve genetically modified cotton.
- Egypt's cotton exports have been hit by a local hike in prices this year, following a decline in local production brought about by reduced acreage and the lifting of an import ban. According to Egypt's Alexandria Cotton Exporters' Association (Alcotexa), Exports diminished to 17,028 tonnes since the beginning of the marketing season of the cash crop in September 2013, a drop of 45.3 percent compared with the 31,137 tonnes exported in the same period of the previous season.



Source: cme

Beef

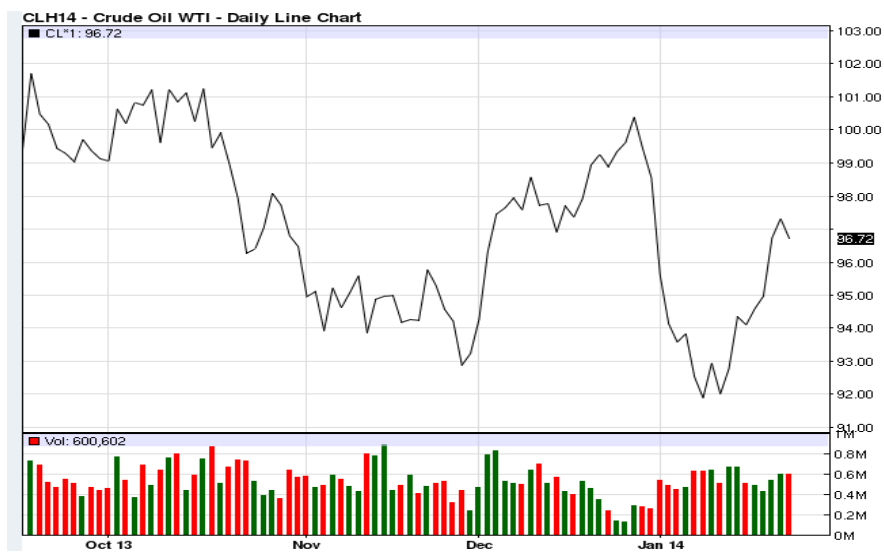
Highlights

- U.S red meat consumption drops according to a new research where 39% of beef & other red meat consumers, ate less red meat in 2013 compared to the previous year due to health concerns and increase in prices according to Global meat news.
- Australia supplied 48% of China's red meat imports in 2013 while beef alone was about 53% of China's imports.
- Thus, China imported 294,223 tonnes swt of beef during 2013 (up 379% year-on-year), with imports from Australia reaching 154,777 tonnes swt (up 467%) according to MLA.
- The CME live cattle prices for April 2014 delivery as of 24th January, 2014 was 140.65cents /pound (US \$ 3.09/kg)
- On the domestic market, prices for standard beef were in the range of K13-20/kg, this is as captured by the ZNFU 4455 price information system



CRUDE OIL Highlights

- China's crude oil imports increased by 13% in Dec-13 from a year ago, rising to a record 6.31 million barrels per day as new infrastructure (storage tanks and refineries) was completed, but growth for 2013 as a whole was just 300 *thousand Barrels per Day* up on 2012.
- The U.S. Energy Information Administration said in its weekly report that U.S. crude oil inventories rose by 990,000 barrels in the week ended Jan. 17, outpacing expectations for an increase of 588,000 barrels. Total U.S. crude oil inventories stood at 351.2 million barrels as of last week.
- New York-traded oil futures contract settled at USD97.38 a barrel on Thursday this week.



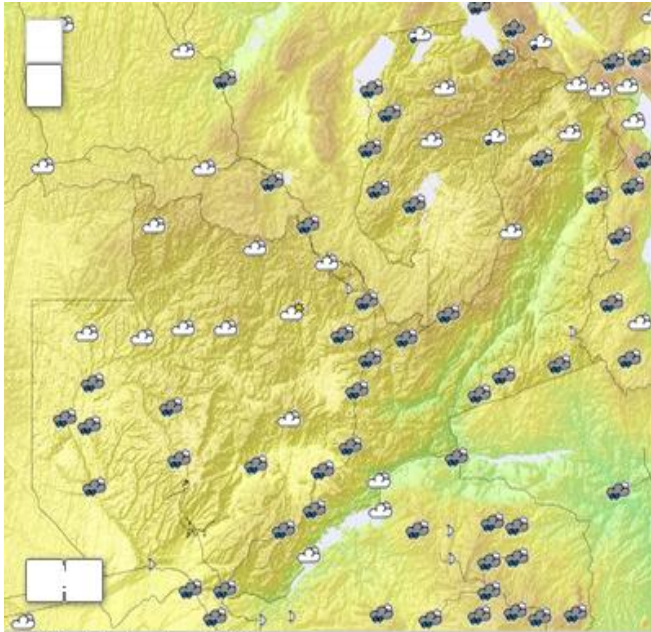
- Locally, the graph below shows fuel pump prices

Local Fuel Pump Prices prices pricePrices		
Petrol	per litre	9.91
Diesel	per litre	9.2
Kerosene	per litre	6.82

ZAMBIA METROLOGICAL WEATHER REPORT

The ITCZ will be oscillating about the central and southern parts of the country. This will tend to increase rainfall activities over most parts of Zambia.

All areas: Cloudy with morning rain in places, sun periods by mid morning afternoon showers and thunderstorms in many places. Heavy falls will be expected over the North-western, Copperbelt and Central provinces.



Friday 24 Jan 8pm CAT

Zambia Weather Conditions

Chililabombwe	21° Chililabombwe weather - Mostly	Kashiba	22° Kashiba weather - Mostly
Chingola	21° Chingola weather - Mostly	Kitwe	21° Kitwe weather - Mostly
Chipata	23° Chipata weather - Mostly	Livingstone	24° ☁️
Chisamba	20° ☁️	Luanshya	22° Luanshya weather - Mostly
Choma	23° ☀️	Lusaka	20° ☁️
Kabwe	22° ☁️	Mansa	19° Mansa weather - Mostly
Kalulushi	21° Kalulushi weather - Mostly	Mazabuka	22° ☁️
Kampampi	22° ☀️	Mongu	24° Mongu weather - Mostly
Kapiri Mposhi	22° ☁️	Mufulira	21° Mufulira weather - Mostly
Kasama	19° ☁️	Ndola	21° Ndola weather - Mostly

Cloudy

Source :Weather-forecast

Source :accuweather

NEWS FROM THE ASSOCIATIONS

POULTRY NEWS

CEEC POULTRY PROJECTS

PAZ is concerned about the Citizen economic empowerment commission in Lusaka which is meant to empower small scale poultry farmers. The concern is mainly based on the fact that we do not know how many of our farmers have benefited from the project and how those that may have benefited are performing. However all of this information including the areas in which the funding has taken place is not known and this raises a lot of questions on the transparency of the whole process.

PAZ AGMs IN SIGHT

PAZ will soon be holding Annual General Meetings in all its district associations.

NEWS FROM THE REGIONS

CENTRAL B REGION

MKUSHI FARMERS TRAINED ON E-RETURN FILING SYSTEM

The Zambia Revenue Authority (ZRA) conducted a one-day training programme for farmers in Mkushi district on the use of the e-return filing system. The recently launched system is expected to enhance administration of domestic taxes in the country. The e-returns filing system which is a new concept will significantly benefit farmers. It will save time for the farmers in filing returns while the Department will be in a better position to quickly verify, analyse and assess the returns. It is also expected to enhance claiming of input tax and in turn tax refund system. Details of the training included the following issues; claiming of input tax, categorising of input tax for the prescribed accounting period, understanding input tax that is directly attributable to taxable supplies; understanding input tax that is directly attributable to exempt supplies; and apportioning of input tax that is paid for the purposes of the business but is not directly attributable either to taxable or exempt supplies, calculating taxable supplies made in the prescribed accounting. Mkushi DFA Chairperson Mr. Andrew Moffat thanked the ZNFU for facilitating the training and praised Mkushi farmers for a good turnout.

LUAPULA REGION

NCHELENGE DFA HOLDS FIRST MEETING

The Nchelenge District Farmers Association (NDFA) held its first Executive Committee meeting for 2014. The meeting reviewed the past performance, challenges, Lima credit scheme and membership for 2013. The executive members agreed that there is need to speed up membership mobilization. It

was also resolved that they need to improve participation of members on LCS for the 2014/2015 season. At the same meeting, it was resolved that the NDFA this year will not open new Information Centers (ICs) in the District but instead maintain the number of ICs and improve on the quality of membership this year.

VILLAGE CHICKEN PROJECT KICKS OFF

The village chicken project for NDFA has taken off with the contractor already on site. The project has cheered DFA members. The hatchery machine for the project will be procured in the next few weeks. The Village Chicken Project was funded by the government through the CDF and will see the improvement of high grade quality breed for village chicken. The project is expected to benefit all the communities in Nchelenge District.

LCS CHEERS MABUMBA FARMERS

Farmers from Mabumba camp of Mansa District are very happy with the Lima Credit Scheme (LCS). Farmers talked to stated that the scheme will help them do more hectares for maize and soya beans for the next 2014/15 farming season. Farmers lauded the ZNFU for running such a serious programme and that they will support the Union in ensuring the programme reaches its full potential in line with improving agricultural production.

SOUTHERN B REGION

WORKERS' COMPENSATION PLANS SEMINAR WITH MAZABUKA EMPLOYERS

The Workers Compensation Fund in Mazabuka District will this week hold a one day seminar with local employers. The seminar is meant to explain to participants on how the organisation operates and also to create a platform for them to get feedback from various employers. Large Scale farmers being one of the major employers have been encouraged to attend this seminar so that it may help in the smooth operations of the farms as many complaints have been raised but little or less has been done by the Workers Compensation Fund. A circular has since been distributed to all ZNFU members for the meeting tomorrow.

PARMALAT LOOKS UP: OPENS MILK COLLECTION CENTRES IN NAMWALA

Parmalat Zambia Ltd has opened up a milk collection centre in Namwala District. The construction of the Milk Collection centre was built sometime last year. Parmalat intends to open about five Milk Collection Centres in the course of this year. So far only two centres have been opened and these are in Namwala Central and NIKO. The company will be buying the commodity at prices ranging from K2.70 to K3.40 per litre depending on the quality of the milk supplied. A total of 34 x20ltrs cans, 23 X10 litres cans plus 57 milking buckets were handed over to the first group of farmers. The District Agriculture Coordinator for Namwala graced the handover ceremony. At the same function, Mr Chisuwo a representative from Parmalat encouraged farmers to exploit this opportunity as it can improve their livelihoods. He further assured the farmers that the programme was a life-time programme hence the need to embrace it. The centres have the capacity to store 1,500 litres of milk while raw milk will be collected every Friday for processing in Lusaka. During the same occasion, Hammer and Tongues Auctioneers (H&T) announced that they be running a Cattle Auction sale on

the 28th of January 2014. The auctioning of animals will be conducted in Choma at the ZNFU Agriculture Service Centre (ASC). Farmers interested in the auction sale were advised to book for places in advance. Meanwhile, moving of the animals will commence this Sunday up to Monday evening. Farmers are excited by this development. H&T also announced that various raffle tickets will be won on the actual day of sale.

NORTH WESTERN REGION

LIVESTOCK BREEDING CENTRE IN MWINILUNGA COMMISSIONED

The Provincial Minister for North Western Honourable Nathaniel Mubukwanu was in Mwinilunga district to officially open the Kanyama Livestock Breeding Centre. The breeding centre is among the two being commissioned this year by the Ministry of Agriculture and Livestock (MAL) in the province. Government through MAL acquired about 6,000 hectares of land from Chief Kanyama's Kingdom and pumped in resources for the establishment of paddocks, staff housing and other supporting infrastructure. The centre was initially stocked with 97 cattle. Currently the centre has 191 animals out of which 70 animals are ready to be offloaded to the community for sale. This is a wonderful opportunity to accord local small scale farmers to acquire animals at low prices.

DISTRIBUTION OF TOP DRESS FERTILIZER PAINFULLY SLOW

The rate at which Nyiombo Investments is supplying Urea fertilizer in North Western province is painfully slow. Most maize fields in the province have reached their critical stage and are almost tussling. The delay means that the expected yields will be highly compromised. Farmers have continued calling on government to expedite the input distribution exercise under FISP and find lasting solutions during the coming seasons.

LIMBO: JUST HOW DO INPUTS TRANSPORTERS NEGOTIATE MUDDY TERRAIN?

North western province is known to be a high rainfall area and most feeder roads leading to the farming areas prove to be difficult to manoeuvre once the rains are at peak. With the delay in the distribution of top dressing fertilizer, some transporters are avoiding most routes where the roads are in a poor state. This situation has become worrisome as it is contributing to the delay in farmers receiving inputs.

WESTERN REGION

INDIAN COMPANY LOOKS TO MUMBWA

An Indian Zambian based company called INDIAN AGRO Ltd has proposed to develop a huge agriculture project in Chief Moono's area of Mumbwa District. This is according to ENVIRO-FUTURE consulting company of Kitwe Managing Director Mr. UDAY. The project is envisaged to cover an estimated area of about 5, 000ha. Various crop products such as Rice, Sugar cane, Pulses, Soya, Wheat and Maize are earmarked for production on this piece of land. This development has however brought some mixed feelings amongst the community. Others are excited at the prospect of the company bringing development to the area while some farmers spoken to have expressed worry of being

displaced in order to create 5,000 hectares. A consultative meeting discussing the same investment was expected to be held today Friday, 24th January 2014. The meeting is expected to discuss various issues such as the environmental impact assessment and local farmers will be in attendance to know what will happen to their farms in the process of setting up the project.

MUMBWA FARMERS STAGE PEACEFUL PROTEST

Farmers in Mumbwa have expressed worry over the crop production for this season owing to the slow pace at which Urea fertilizer is being dispatched to the farmers by Nyiombo Ltd. Hundreds of farmers marched to the District Commissioners (DC)'s office on Tuesday 21st January 2014 demanding to know what the problem was. The DC later visited the sheds to check on the distribution pack. The DC assured the farmers that his office is doing everything possible to speed up the distribution of Urea fertilizer.

NORTHERN REGION

CROP PERFORMANCE EXCITES LIMA FARMERS IN MBALA

The Mbala District Farmer's Association (MDFA) members on the Lima Credit Scheme (LCS) are happy with the crop performance in the district. A random survey that was conducted in four information Centres namely Nondo, Senga, Masamba and Masha found elated members who thanked the ZNFU for the early distribution of farming inputs. Field facilitators and district chairperson Mr. Peter Witola advised all Lima beneficiaries for 2013-2014 to pay back the loan before the due date so that they allow other members to benefit from the scheme during the 2014/2015 farming season. MAL crop husbandry officer Mr. Chisulo advised farmers to take farming as a business and manage their crops well. He further urged the farmers to report any crop damage or diseases to his office at the right time.

ZRA COMMISSIONS CHINSALI OFFICE

On Friday 24th January, 2014, the Zambia Revenue Authority (ZRA) officially opened the regional office in Muchinga Province. The office will help in boosting the collection of government revenues from the business industry. All provincial heads of departments and district heads of departments in public and private sector were invited to the special event. The Finance Minister Alexander Chikwanda was the guest of honor at the occasion. He was accompanied by the ZRA Commissioner General Mr. Berlin Msiska.

SAPP CONDUCTS T.O.T WORKSHOP IN MPULUNGU

The Smallholder Agribusiness Promotion Programme (SAPP), a project sponsored by the IFAD and the Government of Zambia in-conjunction with Ministry of Agriculture and Livestock (MAL) is conducting a Training of Trainers (ToT) workshop on common bean production in Mpulungu District. The training will run for three days in the district. SAPP has invited over 20 participants that have come from various camps among them Lima Credit farmers, Lead farmers, Agro dealers, farmer organizations (Mpulungu District Farmers' Association). SAPP has mainly focused on training the trainers that will later disseminate the information to the farmers in the camps on the production, marketing of legumes. During the opening remarks, the District Agriculture Coordinator Mr. Sinkamba, emphasized

on the need for the participants to take active participation in the training and that they should consider the training as an opportunity to grow their farming business. He said that the training has come at the right time with the challenges of climate change were farmers are encouraged to diversify. He further stated that legumes have a short maturity life and wider markets where farmers can sale their produce. The workshop will ended on 23rd of January 2014.

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CHOMA CATTLE AUCTION



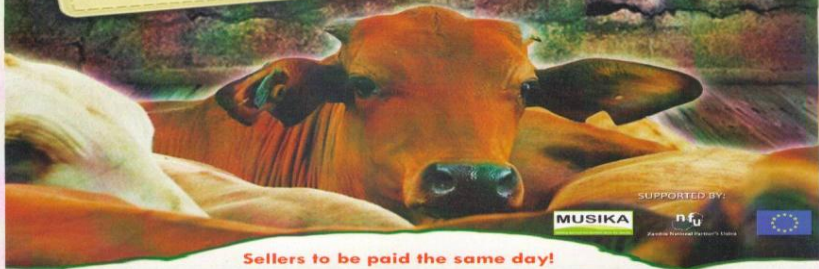
**HAMMER & TONGUES
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