



The Commercial Farmers' Union of Zimbabwe

71st Annual Congress

28th October 2014

**ZIMBABWEAN AGRICULTURE WITHIN AN
AFRICAN & GLOBAL CONTEXT**



TABLE OF CONTENTS

AGENDA.....	3
2014 CONGRESS SPONSORSHIP.....	4
NOTICE TO COMMENCE THE 71st ANNUAL CONGRESS	4
RULES OF DEBATE.....	5
PAST PRESIDENTS OF COMMERCIAL FARMERS' UNION.....	6
HISTORY OF COMMERCIAL FARMERS' UNION FARMING OSCAR AWARD	7
OSCAR WINNERS – COMMERCIAL FARMERS' UNION AWARD	8
MIDLANDS REGION ANNUAL REPORT AND REPORT TO CONGRESS 2014	9
MASVINGO REGIONAL CHAIRMAN'S ANNUAL REPORT 2014.....	11
MASHONALAND CENTRAL 2014 CHAIRMAN'S REPORT	15
MASHONALAND EAST 2014 CHAIRMAN'S REPORT.....	17
MATABELELAND 2014 CHAIRMAN'S REPORT.....	19
ZIMBABWE CROP PRODUCERS ASSOCIATION CHAIRMAN'S AGM REPORT 2014	20
CATTLE PRODUCERS ASSOCIATION REPORT.....	23
ARAC CHAIRMAN'S REPORT TO THE COMMERCIAL FARMER' UNION 2014 AGM	25
AGRICULTURAL INFORMATION SERVICES DEPARTMENT VICE PRESIDENTS REPORT TO CONGRESS 2014	28
COMMERCIAL FARMERS' UNION LEGAL AFFAIRS REPORT TO CONGRESS	34
RESOLUTION 1.....	40
TRIBUTES FOR LONG AND OUTSTANDING SERVICE	41
IN MEMORIUM.....	42
SO GOD MADE A FARMER.....	43
SO GOD MADE A FARMERS' WIFE.....	44

COMMERCIAL FARMERS' UNION OF ZIMBABWE
71st ANNUAL CONGRESS AGENDA
Tuesday 28th October 2014,
Sango Conference Centre, Cresta Lodge, Harare

THEME: ZIMBABWEAN AGRICULTURE WITHIN AN AFRICAN GLOBAL CONTEXT

07.00 – 08.00 Registration of delegates

CLOSED SESSION

08.00 – 08.30 Opening with scripture reading and prayer

08.30 – 10.00 Regional Chairman Annual Tabled Reports
ARAC Annual Tabled Report
Legal Annual Tabled Report
Labour Annual Tabled Report
AISD – Vice Presidents Annual Tabled Report
Appointment of legal adviser(s)
Confirmation of Trustees
CFU Financial Reports and Accounts year ending 31st March 2014
Appointment of Auditors
Resume of 2013 Resolutions
Resolutions
(a) Membership and Licence Fee
Way Forward
Debate

10.00 – 10.30 Tea

10.30 – 13.30 **OPEN SESSION**

11.00 – 11.45 Guest Speaker 1 – Mr Sam Malaba, Chief Executive Officer, Agribank
“The state of funding for agriculture and the whole value chain as well as the prospects of the forthcoming agricultural summer season.”

Guest Speaker 2 - Mr Ernst Janovsky, Head of Agri Business Centre of Excellence, ABSA Bank Johannesburg
“The food demand and opportunities that exist in Sub Sahara Africa and especially pertaining to Zimbabwe”

11.45 – 12.00 Address by the Chief Executive Officer of Commercial Farmers' Union on the 2013/2014 Season and the way forward for the Union in 2014/2015.

12.00 – 12.30 Address to Congress by President of Commercial Farmers' Union

12.30 – 12.45 Wishes of goodwill from visiting Agricultural Unions

12.45 – 13.00 Debate / Questions

13.00 – 13.30 Post Congress Council Meeting

13.00 – 13.30 **LUNCHEON**

13.30 – 15.30 CFU Farming Oscar and Honorary certificates to be presented during luncheon

15.30 Closure



2014 CONGRESS SPONSORSHIP

The Commercial Farmers' Union would like to extend its sincere appreciation towards all those who have contributed in cash or in kind to the Union's Annual Congress for 2014.

Without the generous support of organisations, institutions, individuals and staff it would not be possible for the Union to host such an event.

Please accept our heartfelt appreciation.

**MR CHARLES TAFFS
PRESIDENT**



Grant Thornton



NOTICE TO COMMENCE THE 71st ANNUAL CONGRESS

It was agreed at the Council meeting held on 16th April 2014, that Congress would be held at Sango Conference Centre, Cresta Lodge, Harare.

Notice to members was given on 25th April 2014 that Congress would commence at 08.00 hours at Sango Conference Centre, Cresta Lodge on Tuesday 28th October 2014.

**MR HENDRIK OLIVIER
DIRECTOR**

RULES OF DEBATE

ORDER OF DEBATE

The Proposer will identify himself clearly.

The Proposer will speak.

The Secunder will speak.

General debate will take place.

The Proposer will wind up the debate.

Note: If required, the Minister, government representative or guest will be asked to reply at a time requested by the CFU President.

LENGTH OF SPEECHES

Proposer of Resolutions - 5 minutes

Secunder of Resolutions - 3 minutes

Mover of Amendments - 3 minutes

Other Speakers - 2 minutes

The Proposer of a Resolution may reply at the conclusion of debate, limited to three minutes. Government representatives and guests are requested to keep their speeches as short as possible. The President may, at his discretion, allow an extension of these limits.



PAST PRESIDENTS OF COMMERCIAL FARMERS' UNION

CFU

1910 – 1914	HON R A Fletcher, MLA	1979 – 1980	D R Norman, Esq
1914 – 1916	E Wilson, Esq	1980 – 1981	D B Spain, Esq
1920 – 1923	C S Jobling, Esq	1981 – 1983	J M Sinclair, Esq
1923	S M Lanigan O'Keefe, CMG	1983 – 1986	A J Laurie, Esq
1929 – 1931	H B Christian, Esq	1986 – 1988	J R Rutherford, Esq
1932 – 1935	G N Fleming, Esq	1988 – 1990	J H Brown, Esq
		1990 – 1992	A D P Burl, Esq
		1992 – 1994	A J Swire-Thompson, Esq
		1994 – 1996	P MacSporran, Esq
		1996 – 1998	N Swanepoel, Esq
		1998	R D Swift, Esq
		1998 – 1999	N Swanepoel, Esq
		1999 – 2001	T Henwood, Esq
		2001 – 2003	C Cloete, Esq
		2003 – 2007	D S Taylor-Freeme, Esq
		2007 – 2009	T R Gifford, Esq
		2009 – 2011	G S Theron, Esq
		2011 – 2014	C J Taffs, Esq

RNFU

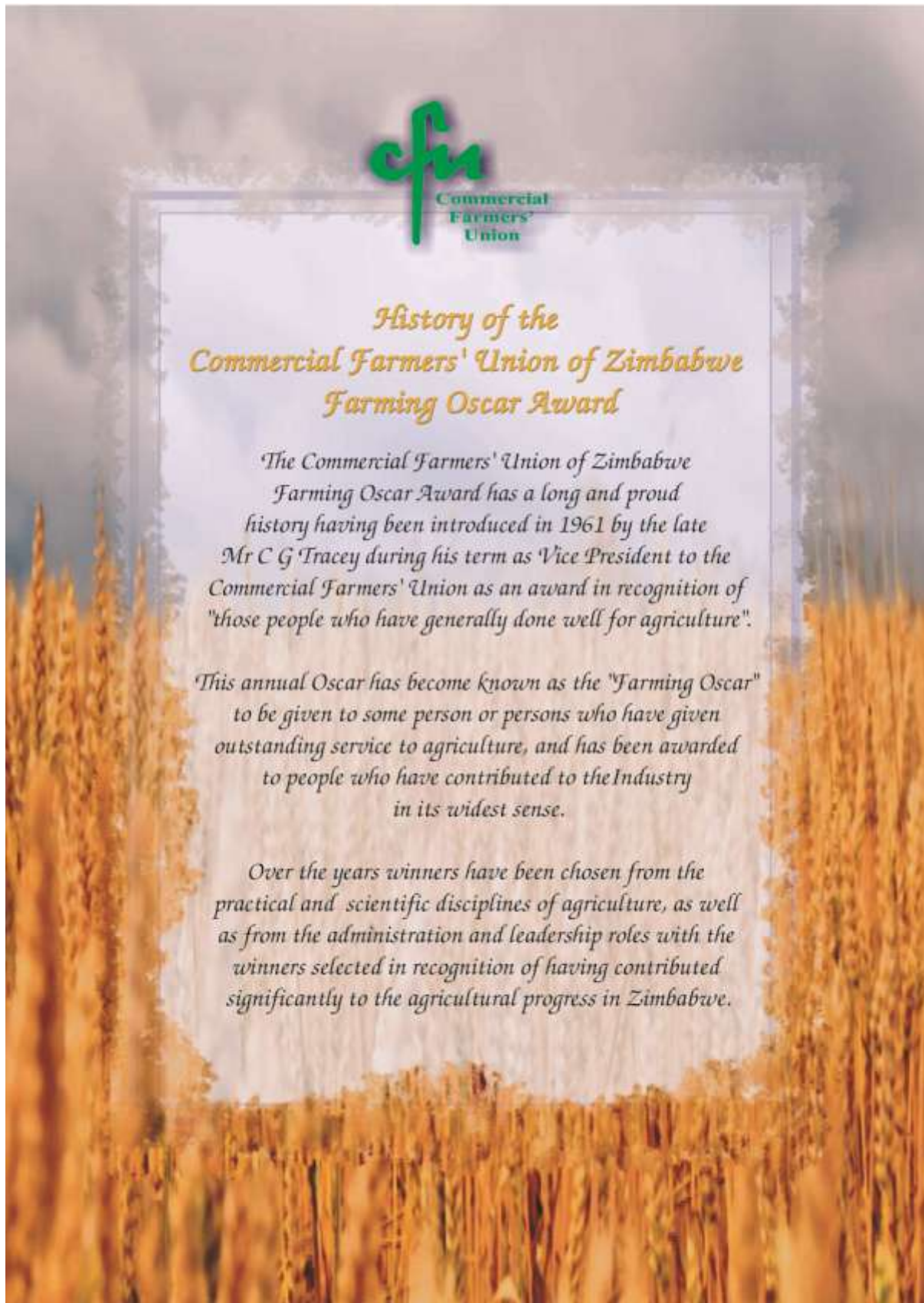
1942 – 1944	John Dennis, OBE
1944 – 1946	Hon H V Gibbs
1946 – 1948	J M Caldicott, Esq
1948 – 1951	E D Palmer, Esq
1951 – 1954	J MacIntyre, Esq
1954 – 1956	M Chenells, Esq
1956 – 1963	E B Evans, OBE
1963 – 1968	T Mitchell, DFC
1968 – 1970	J W Field, Esq
1970 – 1972	R G Pascoe, Esq
1972 – 1974	M E Butler, Esq
1974 – 1976	C Millar, Esq
1976 – 1978	C J Strong, Esq
1978 – 1979	D R Norman, Esq

Honorary Life Presidents

A J Laurie, Esq
R G Pascoe, Esq
C G Strong, Esq
C G Tracey, ICD, Esq

Trustees

Dave Bouma, Esq
Robert Swift, Esq





OSCAR WINNERS – COMMERCIAL FARMERS' UNION AWARD

1961	E B Evans, OBE	1987	Dr R W Mupawose
1962	A Rattray, OBE	1988	J Brown
1963	E R Campbell, CBE	1989	R K Harvey
1964	R Stockil, KBE, OBE	1990	P Millar
1965	A C Black	1991	Dr S Hargreaves
1966	Dr I McDonald	1992	R Ternouth
1967	Dr H Pereira	1993	Dr P Grant
1968	J R Southall	1994	R Winkfield
1969	W Margolis	1995	D Smith
1970	H R Mundy	1996	M Edwards
1971	The Hon J C Graylin, ICDCMG	1997	H Smith
1972	C G Tracey	1998	V Hurley
1973	Dr R C Elliott	1999	N Swanepoel
1974	M E Butler	2000	P Lombard
1975	N Spoel	2001	Dr L T V Cousins
1976	R A Griffith, ICD, MBE	2002	R Tattersfield
1977	J R Humphreys	2003	Dr J Jackson
1978	D K Worthington	2004	D Hasluck
1979	C J Strong	2005	Dr J Grant
1980	Max Rosenfels	2006	D S Taylor- Freeme
1981	D R Norman	2007	A Masterson
1982	J W Field	2008	D Drury
1983	J M Sinclair	2009	R H Vaughan-Evans
1984	J W Hayward	2010	Mike Campbell & Ambassador Xavier Marchel
1985	H J Quinton	2011	B Oldrieve
1986	John & Jill Laurie	2012	Dr C Foggen
		2013	L R Bruce



MIDLANDS REGION ANNUAL REPORT
AND REPORT TO CONGRESS 2014

I'd like to welcome everyone to this meeting and to thank you all for coming. A special thanks to Marc-Carrie Wilson for making the effort to join us.

This has been a tough year for most of us on many fronts. In January we were shocked by the sudden death of one of our most ardent CFU supporters Mr Graham Franceys, who over the years has represented Midlands farmers as Regional Chairman, CPA Chairman, ICA Chairman and National CPA Chairman. His passing is certainly a huge loss to our community and our condolences go out to the Franceys family. We as farmers and as a Union will most certainly miss his valuable input and encouraging demeanour.

On other issues we as farmers continue to face many challenges with farms still being acquired. Financially we face many constraints due to unfavourable trading conditions. Buying power of the man in the street is diminished with many companies closing down. Raw materials are prohibitively expensive and in short supply. The maize price at \$390/ton whilst good for the producer is totally unrealistic and almost double that of maize in the region. This has led to some individuals simply buying maize in South Africa and delivering it to GMB at a handsome profit for very little effort. An extremely lucrative farming venture indeed!

This last rainy season started with erratic and generally low rainfall however from Christmas onwards the situation improved tremendously and local dam levels increased to near full and full capacity on some dams. Winter has been relatively mild however there was frost in prone areas and even some black frost as recent as last week.

The good rains resulted in far greater yields on maize for all classes of growers; however the problem now is how to market the product. Many growers are reluctant to deliver to the GMB for fear of non payment and willing private buyers are not buying for fear of prosecution under SI 122/14. This has left many producers unable to sell at a time when cash is badly needed to pay school fees etc. Approximately 600 ha of soya beans were grown in the Sherwood Block area with some good yields achieved. It is estimated that 800ha of wheat and barley will be grown this winter and so far ZESA supply has been satisfactory. A small hectareage of tobacco was grown with good yields under irrigation and some dry land tobacco is also being grown by small scale farmers for the first time in the Midlands. Many newly resettled farmers are now growing vegetable crops for local consumption from small plots under drip irrigation.

Poultry

The Poultry Industry has much potential for growth however the shortage of local raw materials at competitive prices and the continued import of cheap poultry are having disastrous effects on viability. We simply cannot compete with a maize price at \$390 per ton.

Cattle

As reported last year the lack of pedigree breeders in the province is forcing farmers to have to go further a field to source decent bulls. There is only one pedigree breeder in the province. High maize prices and other stock feed inputs will effectively put an end to any feedlotting at current beef prices. Add to that, the approximate \$100 per head cost of compliance now required, the beef industry is certainly not viable. We will end up being net importers of beef. A far cry from the 9000 tons the country used to export at one stage.

Milk producers have the same stock feed and input problems.



Membership and Land

Due to the land reform programme our membership levels have dropped dramatically and are mostly made up of non-farming members. I appeal to you to pay your membership fees non farming or farming as it is in your best interests to keep the Union strong and to fight for your compensation and land tenure. The Ministry of Lands continues to identify farms for acquisition in this province.

In conclusion your Union has seen many changes in the last few years and I applaud our President Charles Taffs for his dedication and hard work in the interests of all farmers. The Union under his leadership has made tremendous strides forward in the quest for secure land tenure for all, and although this has not yet come to fruition I believe the foundation has been laid and in the near future the reward will be reaped.

I wish to thank Starr and Shaku for all their dedication and hard work during the year. Thank you Starr for the tremendous effort you continue to put into the ZFAT programme.

Finally to all our members stay strong and united in our quest for better times ahead.

Thank you.

Owen Jarman
Midlands Chairman
September 2014



MASVINGO REGIONAL CHAIRMAN'S ANNUAL REPORT 2014

Yet another year has literally flown past during which so much has happened although basically nothing much has changed, well not for the better anyway, as we had hoped and worked so hard towards achieving. In writing this report it is almost like writing a repeat of what was said and hoped for in the previous two years or more. We definitely need a significant change very soon, not only for us but for the sake of the country and all people.

However, in saying this I still view our future with optimism, but although the exact timing of a positive change is completely out of our control we can only hope that it is not too far away otherwise it will be far too late for many.

In the latter part of the year we bade farewell to three people in our province who were all very well known as well as stamping their imprint in our provinces agricultural history. The first was Ray Sparrow who was still able to spend his final days in the dream that he had created so many years ago when he was one of the pioneers of the Chiredzi Lowveld. He was a major force in the development of the cattle industry in the Lowveld starting in the days when Trypanosomiasis and Foot and Mouth Disease were endemic in the area. Latterly he moved out of cattle to make way for the establishment of one of the premier wildlife concerns in the province.

The second was Vincent Davy whose office in Masvingo became one of the busiest with the introduction of land acquisition in the middle 1990s. His services were very sought after by farmers throughout our province for many years thereafter and although many did not know he was also a capable and very active farmer in our province too.

The very latest to leave us was Chris Diedericks who came to our province from Matabeleland where he and I once worked together in the Veterinary Department. Chris bought a small farm on the outskirts of Masvingo and became a pioneer in that he subdivided part of it on which he built the provinces very first ultra city fuel station. He continued to farm though and being on the main road his wonderful crops were in full view for all to admire.

We will miss them all greatly but they will never be forgotten. May their dear souls rest in peace.

The agricultural season itself was a rather unusual one and for dry land crop farmers they had to plant their maize up to three times as the main rains only fell after Christmas. Like all maize being planted in our province the results were hit and miss with a few crops hitting the mark but in general they did not. Those who preferred planting sorghum the yields were somewhat better and probably the real winner from the rains was the grass, which is the main Lowveld crop anyway. For cotton it was a very poor season as well with very low yields. A contributing factor to this was the poor viability of the crop due to the low prices offered last year.

With so much grass there is so much untapped potential for the livestock and especially cattle which were once the mainstay agricultural industry of the province. Although there are some cattle around the quality, conformity and quantity are simply no longer there. Those that are there are also a hazard to motorists on the major highways due to the constant theft and little maintenance of the fencing alongside them.

The marketing of them is also very difficult as this is mainly done on an individual, one-on-one negotiation between the owner and prospective buyer for individual animals. The logistics of such operations with abattoirs being so far away is extremely difficult and costly especially when it comes to filling truck loads to transport them economically.



On the consumer side of the market there is also a problem too as with the huge unemployment this basic commodity is now becoming an unaffordable luxury. Much of the meat from our province is therefore transported for distribution to markets in the main centres but there again there is only a limited market due to adverse economic circumstances. On top of this there are hundreds of "under the tree abattoirs" which are catering for the lower income consumers with health standards being a serious problem and has seen some Anthrax and other diseased carcasses being cut up and sold with disastrous consequences.

This unlawful means of marketing has also come about and been encouraged by the high cost of compliance in paying the far too many costs, licences and levies incurred if one follows the legal route of sale. Our special thanks to Jaco Erasmus who has spent a huge amount of his own time to take part in the Cost of Compliance National Survey which took him all around the country. This resulted in the documentation of the facts and recommendations in a nearly 100-page document which will be used to lobby Government for the removal of the majority of these extra costs which are considered totally unreasonable and unnecessary.

As a result of all the above we have recently seen the reported amalgamation of two of the main abattoirs in Masvingo who have no longer found it viable to compete against each other with such a limited market. One still looks back and remembers when the huge Cold Storage abattoir in Masvingo used to slaughter between 300 and 600 head of cattle every single day for 5 days a week and how this huge potential simply sits idle and decays.

Our province (and in fact the whole country) has just so much agricultural potential simply waiting in limbo for the powers that be to wake up and remove the oppressive measures that have literally killed the industry in the province as well as in the towns and cities that used to be a hive of activity and profitable businesses.

We look too at our sugar industry which was once guided to success by sheer hard work under the guidance of a few wise men. Why is it now that with the huge increase in numbers of producers in the once lucrative industry that this year's production figures was one of the worst on record. To the detriment of the industry this year the international sugar price took rather a large dip which was unfortunately at a time when the industry did not need that due to ever increasing production costs.

This year many had their eyes on the intended completion of the Tokwe Makorsi Dam in November 2013 with the hope that the sugar plantation areas could be considerably increased. Sadly the completion of the dam was well behind schedule when heavy rain fell in late December and all the water stored behind the uncompleted wall had to be released wastefully into the Indian Ocean so that the construction of the dam could be completed.

This was followed by a reported humanitarian disaster the reasons for which and the handling and necessity thereof has raised many huge questions indeed. We can only hope that some valuable lessons have been learned by all.

The fast rate in which the partially completed dam filled showed us the potential and just how important the dam will be to agriculture once completed especially when compared with the history of the slower rate that Mutirikwi Dam has filled in the past. Mutirikwi went right down to as low as 4% but did reach just over 42% by April this year. The management of the dam's water downstream needs to be improved to significantly avoid unnecessary wastage, which has been continuing over the past few years. The theft of water along its way down to the Lowveld is another very contentious issue which needs to be seriously dealt with as they are seriously draining this finite resource which was designed specifically to irrigate the designated sugar plantations.



Although, on the face of it, there are fewer farm disruptions this year we still believe that a large number of incidents are simply taken in passing and not reported. Furthermore what has and continues to happen has shaken the confidence of investment in the industry. Unless there is a dramatic turnaround in the attitude of the politicians soon we are very likely to see another drastic decline in vital agricultural production during the forthcoming season, which is now upon us.

Reckless political (and racial) statements and relentless disruptions of farming operations continue instead of spreading encouraging and supportive statements, and actions, to those who are still determined to take up the extremely difficult challenge of farming in such an unfavourable situation. These continued statements and unlawful disruptions have made the banks, contractors and financiers even more uncertain on lending money to the agricultural industry as a whole. The industry desperately needs the immediate return of the respect of property rights and the unselected application of law and order. We all need to work together rather than against us to achieve a common goal and to work in absolute harmony.

The situation in the wildlife conservancies and their future still balances on a knife edge with conflicting statements being made by the various Government Ministers, each of whom appear to have their own separate agendas. In the process the poachers are having a field day as the operators rely on their income from their safari operations to finance their vital anti-poaching activities. Many of the Zimbabwe operators have been denied their hunting quotas and permits for the third year running, yet now the industry is being split by giving preference to foreign investors over Zimbabwean citizens in the industry who have, albeit belatedly in the season, been given theirs.

It has been said that the 25-year leases issued to a group of multiple beneficiaries of the land reform and indigenisation programmes have been cancelled, yet we have seen no physical evidence of this at this stage. But we do see a few of those individuals concerned now either blatantly refusing to accept this apparent directive or even going as far as fighting back in the courts and other actions of resistance or defiance.

Unless this situation can be amicable resolved we will lose control this valuable natural resource which in some areas is the only form of sustainable agriculture which can be carried out in the drought prone areas. The loss of the ability to conserve and utilise this resource will be to the detriment to tourism in a province that has so much to offer the international and local tourists.

To be quite frank, politics has been raising its ugly head right throughout the industry with its spiralling adverse and prolonged assault against the extremely sensitive industry being completely out of control. A year after the elections some politicians, after seeing the immense damage are only now giving those who were encouraged to invade a deadline to vacate those areas. This is already far too late and it should never have been allowed to happen.

There is a similar situation on 'black' owned farms in Masvingo where literally thousands of people from communal areas were encouraged and allowed to settle on those privately owned properties. Only now has there been talk of removing them but it is too late as the damage has been done and the fire has been lit. One of these elderly farmers was severely assaulted ending up in hospital with an axe still in his head whilst another had his farm vehicle and homestead torched in an arson attack.

On several previously highly productive farms fairly close to the main centres that were forcefully acquired without compensation a raging battle continues with regard the ownership of such properties which are being subdivided into lucrative residential stands. With the enormous potential monetary value of such ventures it has become a situation in which there



are literally no friends. Besides the tragedy of bringing a halt to highly productive agricultural ventures the new victims are thousands of innocent people who were enticed and encouraged to take over and invest in these stands during the election period who are now being summarily evicted and losing their investments.

Following the adoption of the new Constitution last year in the National Referendum we were cautiously optimistic of a respect of human rights being recognised in our courts. However one single incident of an elderly severely disabled man from Mwenezi being evicted from his only home by the new Constitutional Court has shocked everybody. Subsequently a senior civil servant, who is still employed over 60km away from his office and official residence has now moved into the evicted farmer's home.

With all the above adverse situations in mind we have continued to lobby widely on your behalf to seek a global common sense solution so that instead of constantly "fire-fighting" to resolve individual issues we can all move forward together without fear and with the protection of property rights. Whilst this may sound like an impossible dream we have tremendous support from all sectors both nationally and internationally.

The main person behind this has been Charles Taffs but when his term ends this year the work will continue relentlessly. We therefore owe Charles a tremendous debt of gratitude and the office will be very quiet without him. Not to mention of course the incredible workhorse from the Mateke Hills, Hendrik Olivier whose work behind the scenes is nothing short of incredible. He continues to be the guiding light and mainstay of our Union.

Peter Steyl has been the main force behind the proposed formation of the Federation of Agricultural Unions which is a prelude towards the formation of a single agricultural union. This is an exciting project and one which I fully support and have also been involved in as I truly believe this is ultimately (and long overdue) the only way to go to put all forms of agriculture back to where it was, and more.

Being at the "coal face" I witness daily the extremely hard work and absolute dedication of the very small team puts in on your behalf every day and for whom I gain more respect every day.

With the very able assistance of an incredibly wise man in the form of Rob Beverley we have been most privileged to have had another year to represent by far the best province in the country and I thank him most sincerely for this as I do to our whole CFU team. Although we have not spent too much time in the province itself we both have intimate ties and knowledge of it from the past (and present) so it has also been a pleasure to make sure your voice has been heard at all meetings held.

Of course this would not be without both Rob and I being let of the leash by Sally and Sue with their full support to represent you whenever needed. The same sentiment is shared with all the wives of the leadership of your union.

To all of you I thank you most sincerely for your continued confidence and support of your organisation and our representation. At this most desperate time I call upon all of you to pray for a sensible, sustainable and lasting solution to be implemented as soon as possible so that we can all move forward together to rebuild our shattered industry to its former productivity.

Thank you.

Mike Clark
Masvingo Regional Chairman
September 2014



MASHONALAND CENTRAL 2014

CHAIRMAN'S REPORT

I'd like to welcome everyone to this meeting and thank you for all making the effort to attend. I would like to pass on sincere condolences to all our members who have lost loved ones this year and there seems to have been many. I would also like to express our thanks to all members of CFU for their hard work and determination this year under very trying circumstances.

The weather this season seems to have been very varied with southern parts of the district receiving more rainfall than normal while northern areas seem to have received less rainfall. The total rainfall received was average to above average in most areas however most of the main rainfall was over by mid February leading to very poor grain filling in most dry land crops. There was some late rain in areas which was very heavy in parts and was very disruptive to harvesting. This pattern was very patchy with some areas receiving consistent rain while others did have long dry periods and some having very heavy downpours. Unfortunately there seems to be a pattern developing with our weather – our rainfall is consistently inconsistent! This just highlights the urgent need we have to put in reliable and modern irrigation systems to control moisture as much as possible. Fortunately most dams are full or at least nearly full with the exception of just a few, most notably Mazowe Dam which is still very low.

Viability remains very precarious at the moment. There was very little finance available to farmers outside the large contracting companies and the finance that was available was very expensive, severely undermining the farmer's margins. The commodity prices this season have also been very low this year. Maize prices have dropped almost 35% in some instances from last year's prices although they did start this selling season higher than the previous season. Soya prices have dropped by at least 11% but seem to have held their ground better than maize as the selling season has progressed. This coupled with poor yields caused by inconsistent rainfall and high cost of financing have been of great concern for farmers. Livestock prices also weakened over the period with the cause seeming to be oversupply and lack of consumer liquidity.

The maize crop in the area was a little smaller than last year with a dramatic increase in tobacco production although this has put a lot of pressure on the indigenous timber supplies. Maize yields were varied with some early irrigated crops getting much higher yields than the dryland crops. Soya bean yields have been reduced due to early cut off of rain.

The livestock industry has been very unsettled this year with a number of different factors affecting production and viability.

Wheat production is now underway although the area being cropped is much smaller than last year. The growing season has been very mild but the crops in the ground are looking good so far. Farmers are hoping for higher prices but the market has not shifted its position as yet so margins on wheat look like they will be slim again this year.

The outlook for the new season is very daunting at the moment due to low margins, lack of finance and the prospect of a dryer season due to El Nino. That said however, we must



endeavour to do our best to push forward and look up. We must strive to all work together and become less self-oriented. I wish to thank the team at CFU for all their hard work and tireless efforts - they are an invaluable asset.

Thank you.

Grant Tapson
Chairman
August 2014



MASHONALAND EAST 2014

CHAIRMAN'S REPORT

MARONDERA NORTH

At the time of writing, there are only 14 commercial farmers left on their farms. Most of these farmers only have 400ha or less to farm.

It is understood that Government will not be funding A2 farmers next year i.e. 2015. Most A2 farmers do not have substantial track records so the traders are not prepared to fund them. Growers that do accept, are offered finance with interest rates of 7% for current loans and 14% for carryover loans. Trade Inspectors regularly visit these growers. The suggested break-even return is \$16,000 per hectare. Traders prefer to invest with larger operators with larger collateral.

Youth camps are still present in the area but these camps do not appear to be active.

Growers are short of land, resulting in very little maize (or other crops) being grown. There is also very little room for running cattle. To overcome this obstacle, some growers are leasing back land from A2 farmers, enabling them to expand their operations.

Rainfall for this 2013/14 season has been generally good with a recorded rainfall of between 600 and 1000 ml.

ZESA continues to be a hindrance with extensive power cuts. ZESA supply to area has been reduced to up to 50%. This has resulted in a heavy reliance on generators which is expensive. ZESA infrastructure is in a poor state of repair.

Moral and confidence is generally poor.

MACHEKE / VIRGINIA

In the Macheke / Virginia area, there are only 7 Commercial Farmer's remaining. There are no A2 farmers and some of the A1 farmers are producing a reasonable quality tobacco.

All farmers are now financed by the 7% trade (for the current season and any shortfalls from last season). Trade Inspectors regularly visit these growers. Most farmers are happy with this arrangement.

Break even is estimated at \$11,000.

The current season has been very difficult. The heavy rains in January / February brought in disease and crop loss with some farmers carrying over the loss from last season.

Good grazing land is plentiful and land preparation for the new season is going ahead. Some farmers are building new curing facilities in anticipation of the new season. Some winter crops have been planted.

Rainfall for this 2013/14 season has been generally good with a recorded rainfall of between 700 ml and 1100 ml



There are no serious labour issues if you are a reasonable employee. ZESA infrastructure is in a poor state of repair

Confidence and moral amongst farmer is low. CFU membership for 2012/13 is nil and not likely to change.

Thank you

Bruce Gemmill
Vice Chairman
August 2014



MATABELELAND REGIONAL REPORT FOR CONGRESS OCTOBER 2014

I am pleased to say that most of the outstanding issues and differences between us and the C.F.U. have been resolved and our members are happy with the way forward of the Union on compensation and restitution although there is some concern on our involvement in ZFAT.

Turning now to my report.

Weather - the past season both Mataberland North and Matabeleland South experienced good rains over both provinces with most of the dams filling. The previous two years we experienced drought conditions especially in Matabeleland South. The veld has recovered with good grass cover being reported on all properties and in our National Parks. Veld fires have been limited to certain areas but have been quickly brought under control. Of concern are reports of El Nino starting to re-establish as this will affect our rains for the incoming season.

Cattle - Large numbers of cattle died in the droughts prior to last season mainly in the south of the country. This had a huge effect on the lives of the rural community and the cattle numbers have not recovered as rural folk sold livestock to survive and continue to do so. Of concern are the reports of fresh outbreaks of Foot and Mouth around the province as this will effect sales within the region.

Crops - Due to the good rains received last season most farmers and rural communities received fair to good yields of maize and sorghum and were able to sustain themselves through the year with some having enough to carry through to this season. Due to Government policy on maize many communal farmers have been unable to sell or move their crop and are concerned as the new season is about to start.

General - Farmers continue to face threats of eviction and harassment in spite of court orders and the lack of law and order as police are unwilling or unable to uphold the law. The state of the economy has virtually ground to a halt with many businesses either closing or going into judicial management, placing many people on either short time or made redundant and we are fast reaching a position where people cannot afford even the basic needs for their families.

In ending, Matabeleland would like to thank the Aid Agencies for assisting during the drought with stock feeds which went a long way in helping to sustain many farmers.

Mac Crawford
Matabeleland Chairman
October 2014



ZIMBABWE CROP PRODUCERS ASSOCIATION

CHAIRMAN'S AGM REPORT FOR 2014

Good morning invited guests, ladies and gentlemen. It gives me great pleasure to present the 2014 Chairman's Report for this the 12th Annual General Meeting of the Zimbabwe Crops Producers Association. The Association has continued to gain momentum and relevance over the past year by assisting farmers under the capable leadership of our Crops manager Richard Taylor and the other dedicated members of the CFU team. It is however with great regret that we lost Dr Clive Levy an internationally renowned plant pathologist with a wealth of experience, who untimely passed away since our last AGM; his loss has left a large void in the crops association.

Developments during the Past Season

The country was blessed with above average rain fall this cropping season, but this was patchy in certain areas. The mid season dry spell which we have experienced in recent seasons again affected crops from the middle of February through to the middle of March. After this there was some quite considerable late rain, which affected harvesting of some of the early planted soya crop. The unusually good rains have resulted in an increase in production of most food crops as well as tobacco, especially in natural regions III and IV, which often experience crop failures. Maize production is forecast to be over 1.1 million tons which is a level not seen in the country since 2001.

The area under soya beans has increased significantly due to increased contract farming and the low prices offered for alternative crops such as maize and cotton. Total output is expected to increase from 77,000 tonnes last year to 80,000 tonnes this year.

Winter wheat production, which is fed by irrigation, continues to suffer numerous challenges which threaten viability. These include intermittent power supply, rising production costs and reluctance of financial institutions to fund production. Once again the country has not been able to take full advantage of the huge irrigation potential available to farmers. Most of the country's dams remain full and irrigation systems lie idle due to the poor maintenance and up keep of equipment.

Given the above, wheat output is projected at a mere 14 000 tons in 2014 down from the 17,000 tonnes realized in 2013.

One of the greatest problems facing farmers is the liquidity crisis or shortage of money supply. Most farmers are therefore reliant on contract farming organisations to support their operations. A situation which does not allow the farmer to sell their crop to best advantage, thus further decreases the viability of our farming businesses.

John Robertson a leading Zimbabwe Economist has stated in his August Economic Situation Report "The government's lack of respect for property rights has been the country's major weakness and it is the principal reason why investors and investment funds cannot be enticed into the country. Furthermore when the indigenisation regulations were published that stated directors of foreign-owned companies risked imprisonment if they could not persuade their shareholders to relinquish 51% of their shares to indigenous people or government bodies, the brakes were applied to all private sector economic development plans. Zimbabwe now has to import most of its food and other consumer goods, and the country's balance of trade is severely negative."



The Reserve Bank of Zimbabwe has stated that GDP growth declined from 10.6% in 2012 to an estimated 4.5% in 2013, and it is expected that economic activity will slowdown further in 2014, to a level revised at 3.1%. Inflation, however, has remained low and was in the negative territory from February to June 2014.

According to the Bankers Association of Zimbabwe President, Mr. Sam Malaba, Zimbabwe has spent over US\$3 billion in direct imports of maize and wheat since dollarisation was introduced in 2009. The country has been importing food due to shortfalls in domestic production, which he blamed on droughts. This has contributed to the widening current domestic debt which has worsened to over US\$6 billion.

Association Matters

ZCPA has been instrumental in managing the contract farming deal signed between CFU and the International Export Trading Company (IETC) where farmers have had a total of 2000 Ha contracted to produce maize and soybeans.

Through our partnership with IETC, it has allowed CFU to employ a few ex-farmers as mentors who have visited growers and assisted with agronomy and record keeping on the status of the crops.

In the last year ZCPA has become more active in getting out and visiting farmers around the country, offering technical expertise and other advice. A summer field day at ART farm was successfully set up to discuss and share ideas on production, marketing and viability issues; this was well supported by both farmers and the agricultural trade. We look forward to seeing more farmers attending these field days.

CFU and ZFU are continuing with the ZFAT program which will see the formation of a combined commodity association, although this has been a slow process, it is necessary for all farmers to unite and speak with one voice on the issues that jointly affect our industry.

The CFU team also continues to work tirelessly behind the scenes on a number of important issues. For displaced farmers it is property rights, compensation and social support for the elderly. For farming members some of the key areas are VAT, ZINWA, ZESA, wage negotiations, labour disputes, EMA and AMA.

Conclusion

Yesterday's thinking will not solve tomorrow's problems. Farming is not a calling; it is a business concern that calls for sound economic decisions. If we are to ensure local and global food security, we must use our existing resources more efficiently and begin to work in a more sustainable way. We need to look at the bigger picture. In Zimbabwe lack of agricultural production and competitiveness have led to an increase in poverty and unemployment.

How long will colonialism or "illegal economic sanctions from the West" be an excuse for not feeding ourselves?

Unfortunately the agric-sector will continue to lose out unless it can resolve basic domestic issues such as respect for property rights, adequate liquidity at reasonable rates, policies such as indigenization and price controls, ageing infrastructure, corruption and labour issues.

Both small scale and commercial agriculture have their place and can work together to facilitate a gradual transfer of experience and technology, so as to make individuals responsible for farming success.



Challenges are everywhere and as such it would be easy to be pessimistic as we scan the horizon, but I remain optimistic because we have the ability to tackle and resolve the issues we collectively face, by coming together through hard work and dialogue.

The Reserve Bank Governor of Zimbabwe Dr John Mangudya recently said in his "Back to Basics" monetary policy, "The measures needed for sustainable development also require the nation, at all levels, to adhere to good corporate governance, transparency, integrity and above all the spirit of love and respect for each other as Zimbabweans united in our resolve."

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 Richard, who has run the day to day issues of the Association. To the President of the CFU 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 incredible efforts are most appreciated and an inspiration to us all. Finally as I step down as Chairman of this Association I would like to congratulate Andrew Pascoe for being elected the new Zimbabwe Crop Producers Association Chairman and to wish him all the success in the coming year.

Angus Guthrie
Chairman
16 September 2014



CATTLE PRODUCERS ASSOCIATION REPORT

CFU CONGRESS ADDRESS

Good morning invited guest, ladies and gentlemen. It gives me great pleasure to present the 2014 CPA Report for this 71st Congress of the Commercial Farmers Union.

Having resurrected the Cattle Producers Association over this last year, no real movement has taken place, with most of the work being done through LMAC. The National Bull Sale this year was well represented by 26 breeders where there were 12 breeds, an increase of 3 new breeds over last year's Bull Sale. Of interest, at this year's sale we had 60 registered heifers sold. It is encouraging to note that in 2007 there were only 47 registered breeders with the Zimbabwe Herd Book; this number has increased to 90 registered breeders in 2014. I reiterate once again that pedigree breeders require security along with law-and-order to produce, conserve and improve Zimbabwe's genetic base, as there are a number of breeds that are only represented by one (1) or two (2) breeders and Zimbabwe is in danger of losing these breeds and along with this, their genetics.

Zimbabwe's Natural Resource

This is an extract from my Congress report of 2013, however I believe strongly that this is one of our biggest restrictions to increase production and fertility of the national herd due to poor cattle condition through lack of available grazing.

"Zimbabwe now experiences annually, a 6-month (June to November) dry period across large parts of the country. This is a 'man-made' problem caused by indiscriminate burning of our countries veld. At our recent Zimbabwe Beef School, it was quoted that the USA has 7% of the worlds cow herd but produces 20% of worlds beef. This is the type of efficiency Zimbabwe should be striving to achieve. However, we cannot do this if our livestock's cheapest feed source keeps being destroyed year after year. 70% of the cost in producing a single kilogram of beef is feed, whether through natural grazing or from the bag. We appeal to our authorities to please assist in educating all Zimbabweans about the value of our natural resource "THE VELD", to re-enforce existing laws where people who are caught wantonly burning, are prosecuted accordingly. As a result from loss-of grazing, our national calving average is unacceptably low. If the issue of veld destruction were to be addressed we will improve our national calving average considerably thus doing away with the need to import beef from our neighbours, more importantly, we could begin exporting beef."

To reinforce the above, recent Government estimates, show that 12,000,000 million hectares of grazing is burnt annually. If we take a carrying capacity of 5 hectares of grazing to 1 livestock unit, this means that we should be able to carry an additional 2,400,000 head of cattle annually. This can be achieved, "if farmers and government working together" can educate all Zimbabweans on the value of the veld to the national economy and stop this wanton burning of our valuable resource "THE VELD."

Veterinary

Although there has been an improvement in veterinary services, there is still too much illegal movement of cattle which has led to isolated outbreaks of Foot and Mouth disease. The improvement in veterinary services has come about mainly through dialogue with all stakeholders across the value chain. This shows once again that in order to move forward we need to work together



LMAC (Livestock Marketing Advisory Council)

LMAC continues to partner good relations in the public sector, championing issues across the protein chain. The proposed Livestock Policy Hub is now a welcome reality. Numerous studies have been commissioned which have greatly enhanced our understanding of the livestock sector improving our evidence-based advocacy. Latest reports include the draft for the Cost of Compliance and Livestock Competitiveness Strategy Review. LMAC looks forward to working closely with the Public Sector through the proposed Livestock Policy Hub.

Zimbabwe Beef School

The Zimbabwe Beef School had 4 international speakers plus local speakers and is proving to be invaluable in keeping abreast with international trends.

In Conclusion

With the ever increasing cost of livestock feed, it is becoming more and more imperative for us as Zimbabweans to protect our natural resources being our veld and indigenous trees (flora and fauna). By protecting our veld this will not only benefit our cattle industry but both our sheep and goat populations thus ensuring a balanced protein diet for all Zimbabweans.

I thank you.

Mark Hook
Interim Chairman
September 2014



ARAC CHAIRMAN'S REPORT

TO THE COMMERCIAL FARMERS' UNION 2014 AGM

Mr President, Distinguished Guests, Ladies and Gentlemen, Good afternoon.

It is a pleasure to report on the progress of your ARAC committee up to September 2014. ARAC is a subcommittee of the CFU formed over the last few years to promote those issues affecting those many farmers who have been so ruthlessly dispossessed of their farms and in most cases their sole source of income, their homes, their pensions and in many case their lives and limbs.

ARAC's primary task in the past has been to lobby the CFU Executive to pursue the issues associated with a fair and just settlement of the compensation that is due by all international measures of human rights. I would like to acknowledge that the former ARAC Committees succeeded in this regard. To this end ARAC has, for the past few years, had a seat in both EXCO and Council. Please be assured that your concerns are ours and these are voiced at all our monthly meetings.

I would like commend our CFU President for the exemplary manner, in-exhaustive energy, and the single-mindedness with which he has tackled the task for the past four years. Charlie Taffs has dedicated himself completely to the task of lobbying for compensation and added to this, entire he has fashioned a credible mechanism by which the Government can pay compensation at a manageable cost to the national budget. Indeed it may be said that in view of the new constitution, declaring that the Government must pay compensation, at least for permanent improvements, in as much as this is agreed by the current administration, then the main issues will be between the Government of Zimbabwe and the international funding agencies which may or may not wish to see a reinvigorated economy and the restoration of our wealth creating enterprises and all that cascades from such a settlement.

ARAC has adjusted its focus to a more supportive role, and in this particular respect has been and, for that matter still is, engaged in an operation to try and encourage unregistered farmers to contact ValCon and sign up for their farms to be included in the database for valuation. We have been remarkably successful and although by no means complete many hundreds of our former colleagues who have hitherto not done so, have now registered.

Extraordinarily there are still quite a few gaps on the database and I would urge all of you, both here in Zimbabwe and overseas, to now ensure your immovable property losses are correctly recorded at ValCon. I say ValCon in particular because there are some farmers who may have registered with other agencies, and that is their choice, but Valcon has registered close to 4,500 of the 5,300 identified properties and it will clearly be the main, if not sole, source of accurate data once compensation is agreed. The dark tunnel through which we are trying to move and to illuminate may yet have a few more bends to negotiate.

Many have asked "What is the global figure" for compensation? The answer to that will only be available once consensus has been reached between the various stakeholders in the valuation negotiations and for that matter this also applies to the methodology of payment. It is ARAC's view that the CFU should be completely prepared for these negotiations and to this end ARAC will be pressing the Executive to engage professional legal and financial advice to compliment the database. Therein lies one of our challenges. Professional advice is expensive and funding can be elusive. Where we can all assist our representatives, is by ensuring that ALL our former neighbours and colleagues are PAID up members of the CFU and that they have registered with ValCon. ValCon is an independent body of professionally aligned estate agents whose task is to create a credible, fair and accurate database that can be



universally acknowledge as the “Go to” documentation for all stakeholders. Can any of us imagine that without the CFU and Valcon, there would be any significant hope of respecting our fundamental human rights to compensation? We all know that the issue would be swept under the table. No farmer “stole his farm”, in point of fact, the vast majority of farms’ ownership were transferred after our independence and with the particular approval of the Government of Zimbabwe through the issuance of certificates of no present interest!!

The CFU has re-invented itself over the past few years and should be congratulated for juggling our modest budgets and providing a wide spectrum of support to farmers. In particular there have been over 200 reports of disruptions on farms this year alone. For instance, it may be of interest to know that of the 46 security of tenure incidents on farms during one month alone this year, the CFU has been able to assist in 42 cases; so it is sad to note that only three of these on-farm farmers were paid up members of the CFU. Their subscriptions would have and should have relieved the financial pressure on your Union.

Most of us are aware that the UNDP and the EU in October 2013 granted the Ministry of Lands and Rural Resettlement \$6,000,000 to proceed and to assist them with the implementation of the Ministry of Lands and Rural Resettlement 2014 to 2016 Action Plan. In the narrative describing this support, Land Valuation and Compensation appears at the head of the list of the core areas and the six studies to be undertaken. It is quite clear that there was consensus that our issues must be attended to forthwith, however knowledge as to their progress is obscure, and this important information is shrouded in mystery nearly a year later. Whilst the most comprehensive database available, which has been constructed by ValCon, can be readily made available to the Ministry of Lands and Rural Settlement, there has been no response to the presentations made by ValCon to the Ministry.

So what are we to understand by this delay? It illustrates there was a strong desire to resolve land issues and this was complimented by the many contacts between the CFU and Government authorities at that time. Since then the Presidential succession issue has frozen Government’s decision-making capacity which together with the overriding concerns with the economy in general, have resulted in the stagnation of any real progress. It is generally understood that no significant improvement to the economy will take place until these very land issues are resolved and this requires a firm directive from the presidency. Unfortunately we have no way of knowing whenever that may happen.

No mention of ValCon should be made without complimenting Mr. John Laurie for his unstinting and energetic pursuance of the compensation issues. We are all indebted to his determined and selfless service on our behalf.

Part of the requirements the Ministry of Lands and Rural Resettlement has, before any payments will be considered, is proof that the SI 6 requirements have been complied with. (The SI 6 is the statutory Instrument that was imposed on Farmers at the termination of their operations and required that we pay certain gratuities to our former staff). A special vote of thanks must go to Ben Gilpin for his calm, level headed and consistent presence in managing the affairs of ARAC. Ben has been able to assist many farmers compiling the necessary documentation to confirm compliance to SI 6 and then submitting this to the NEC for their confirmation. In addition he has consistently produced a regular news sheet on behalf of ARAC which is published in the “CFU Calling” and single-handedly run our office at 42 Bates Road Milton Park.

To Mike Clark for the unenviable task of compiling endless input data and publishing the CFU Calling each week. What a fine job you are doing albeit behind the scenes.



To Bob Swift, Chairman of Farm Families Trust, I wish to thank you and your committee for all your efforts in supporting and helping our elderly and less fortunate members in their time of need, with assistance for the medical expenses that they otherwise would not be able to afford.

To Hannes Botha and his team at Zimbabwe Pensioner Support Fund, we are most grateful to you and your sponsors who continue to provide much appreciated assistance in the form of regular food parcels. Through your efforts we are able to assist in the distribution of parcels to around 40 ex-farmers in this part of the country on a regular basis and we know that there are many others in other districts who also benefit. Such support makes enormous difference to the circumstances of an ageing constituency who struggle to make ends meet as a consequence of the losses occasioned by land reform.

To all the staff at the CFU who each in his or her own way contribute to the smooth running of your organisation. Thank you.

To Pete Steyl, who has attended all our meetings. Thank you for continued support. Your foresight in 2003 initiating what has now become the ARAC committee is not well recognised.

It only remains for me to thank you, our ARAC members and my remaining committee members Pete Steyl (our Ex officio Vice Chairman), Byron Dardagan, Rob Beverley, Jim Barker, Rod Swales, John Perrot and Richard Hotchkiss for their time, consistent effort and support and dedication to the cause all for no financial reward.

Thank you for your attention.

Patrick Ashton
Chairman
September 2014



AGRICULTURAL INFORMATION SERVICES DEPARTMENT

VICE PRESIDENT'S REPORT TO CONGRESS - 2014

Introduction

This paper serves to give developments that have occurred in the economy and the agriculture sector since the last Congress in August 2013. It also contains production data for the 2012/13 season and estimates of agricultural output for the current 2013/14 season

The Economy - Overview

According to the statistics from the Ministry of Finance, Zimbabwe has been experiencing sustained economic growth since dollarisation recording 8.1% GDP growth in 2010 and 9.3% growth in 2011. However, growth slowed down to 4.4% in 2012 and to 3.4% in 2013 due to the underperformance of key sectors of agriculture and mining. The Minister of Finance has recently revised the 2014 GDP growth rate from the initial projection of 6.1% down to 3%. **(Source: Ministry of Finance)**

According to the World Bank the recovery of the economy remains fragile as a number of issues continue to hold back prospects for sustainable economic growth. These relate to:

- an easing international prices of minerals
- the severely unbalanced external position
- liquidity challenges and very high real interest rates on short-term credit
- the ballooning wage bill in the public sector and possible fiscal slippage
- ailing and deficient infrastructure (lack of resources to rehabilitate infrastructure) and the unreliable power supply
- possible compression of exports on the back of the still fragile global economy
- potential destabilizing effects of the indigenization program on the economy, and
- a disorderly unwinding of vulnerabilities within the banking sector

Agriculture

In 2013, agriculture growth declined by -1.3% from the initial growth projection of 6.4%. This was mainly due to adverse weather effects on yields and reduced areas planted to maize and cotton. According to the initial 2014 budget statement, agriculture was projected to grow by 9% in 2014, mainly driven by growth in tobacco and maize (see section on agriculture below).

Mining

Mining sector growth had initially been projected at 17.1% in 2013 but the outturn was a much reduced 6.5% growth for the year. This was mainly due to weakening international mineral prices during the year. In 2014, the mining sector is projected to grow by 11.4%, on the back of planned investments and largely driven by stronger performances in gold, diamonds, nickel and coal. However weak commodity prices and the effect of unclear indigenization policies on production remain threats to achieving the overall forecast.

Manufacturing

Manufacturing sector activities largely remain subdued. The sector registered an insignificant growth rate of 1.5% in 2013 because of very tight credit conditions, minimal investment, and



very strong competition from imports. The Confederation of Zimbabwe Industries (CZI) is projecting that capacity utilization in 2014 will decline to about 30% from the 39.6% recorded in 2013 and 44.9% in 2012. Consequently, the sector is not expected to recover much ground in 2014 as the above mentioned constraints still continue to plague the sector.

Financial sector

Last year the country's money supply was relatively steady with signs of growth only occurring recently during 2014. The year on year growth in money supply stock stood at 3.61% in 2013, compared to 24.9% in 2012.

Notwithstanding, the slowdown in money supply growth, the annual growth in loans and advances to the private sector increased by 9.3% in 2013, compared to 29.3% in 2012. The loan to deposit ratio remained relatively high above 90% for the greater part of 2013.

Growth in total credit to the private sector levelled off as it reached \$3.9 billion in December 2013. Average loan to deposit ratio for banks has steadily increased since 2009 and reached 94% in 2013. Deposit levels have increased during 2014 and by July totalled US\$4.7 billion.

Vulnerabilities in the banking sector are mounting amidst growing levels of non-performing loans (15.9% by December 2013), and rising credit risks especially in smaller banks. As solvency concerns increase in the banking sector, the RBZ has intensified the monitoring of troubled banks.

According to the Minister of Finance, vulnerabilities in the financial sector have persisted and stem from poor corporate governance, the prevailing liquidity crunch, low capitalization levels, and poor asset quality. This situation has exacerbated the financial sector's inability to properly mobilize funds for on-lending to the productive sectors of the economy.

Interest Rates

The benchmark average lending rate maintained by the RBZ for August 2014 was 14.4% p.a. This rate is weighted according to the minimum nominal rates charged by each bank and the size of their loan portfolios. It should be noted that risky loans have been attracting rates of well over 20% p.a.

Inflation and prices

The general price level in the economy has been on a downward trend, and moved into deflation after the annual rate of inflation for February 2014 reached minus 0.49% due to continuing price falls. Zimbabwe has now experienced both extreme ends of the inflation continuum, after inflation peaked at 231,000,000 % at the last official count in August 2008 and started at an all-time low of minus 7.7% in 2009 after the country scrapped its own currency and dollarised in 2009.

Zimbabwe has been facing tight liquidity conditions since dollarisation of the economy in 2009. Many companies have found it difficult to access funding to support operations and replace old equipment to enhance efficiency and competitiveness against imported products. This deceleration reflects weak aggregate demand emanating from tight liquidity, low disposable incomes, and depreciation of the rand against the United States Dollar, stable inflation expectations, and steady international oil and food prices.

Deflation came to an end in July 2014 when the year on year rate for that month registered a positive growth rate of 0.31%. Prices are expected to remain stable and average inflation is projected by various sources at between 0.2% and 1.5% for 2014.



Trade and Balance of Payments

The external sector is under severe pressure with a substantial imbalance in trade of – US\$ 4.2 billion in 2013. Merchandise exports earned US\$3.5 billion for Zimbabwe in 2013 while imports of products escalated to US\$ 7.7 billion. The latter comprised mainly of fuel, food, machinery, and manufactured goods. The current account deficit amounted to 22% of GDP and was largely financed by short term capital inflows. Foreign exchange reserves were very low at 0.2 months of import cover during 2013. Errors and omissions in the trade accounts were calculated at US\$700 million in 2013 and reflect unregistered and unreported remittances and exports, and unidentified financing.

Trade data for the first 6 months of 2014 shows total imports amounting to US\$ 3.0 billion and total exports to US\$1.2 billion with a trade gap of –US\$ 1.8 billion. These figures would seem to indicate some contraction of trade volumes with the current account deficit decreasing moderately by year end.

Zimbabwe remains in debt distress with total external debt exceeding US\$ 6 billion (or 70% of GDP) in 2012. A large share of the total is comprised of arrears amounts that have been owed to multinational financial institutions for over a decade, which in turn downgrades our creditworthiness.

Agriculture and Weather update

Information from the Meteorological Department shows that the 2013/14 season received normal to above normal rainfall. Although most parts of the country received normal to above normal rainfall distribution in terms of timing was poor in some areas, especially in the southern parts of the country. Early rains were received between end of October and mid November and were followed by a dry period leading to poor germination and moisture stress for the germinated crop. Persistent rains were received from the last week of December to the 2nd week of February. Floods were experienced in Masvingo and Lower Zambezi Valley. Across most of the country, the water Requirement Satisfaction Index (WRSI) was high (85-100%) implying that there was generally adequate water for crop growth.

According to FEWS NET (Famine Early Warning Systems Network) the weather outlook for the last few months of 2014 and early 2015 may not be favourable and there is an elevated chance of an El Nino event. When this occurs in the Pacific Ocean region there is a raised chance of below average rains in Southern Africa.

Agricultural Output Estimates - 2013/14

Total agriculture production is projected to grow by 9% in 2014, mainly driven by growth in tobacco, maize, soya beans, and sorghum among other crops. This was an improvement over the 2013 result when agricultural output declined by -1.3%, mainly because of the poor 2012/13 rainy season.

The 2014 outturn could have been better but some unfavourable developments occurred. In many cases preparations for the 2013/14 cropping season were behind schedule due to a delay in supplying inputs and financial support. Most farmers planted late in the season because they waited for rains to begin and this reduced yields per hectare. Besides late planting, the heavy rains experienced later resulted in heavy leaching of the soils. As crops matured the unavailability of top dressing fertilizers like ammonium nitrate did not help the situation. High fertilizer prices also resulted in many farmers reducing their usage of this input. However, regardless of these factors production of many crops did improve this season compared with what was harvested last year.



Maize production in terms of both area and output increased from what was realized the previous season. This is as a result of a significant improvement in terms of rainfall amount and distribution. Although the area planted to maize in 2013/14 increased significantly average yields per hectare remain very low and total output is expected to only improve from about 800,000 tonnes last year to about 1,050,000 tonnes this year. This is well below the national annual maize requirements of approximately 1,800,000 tonnes. Although the food security position has improved the country will need to import around 750,000 tonnes of grain from the region, particularly from South Africa, Zambia and Malawi.

When the marketing season kicked off on April 1, maize producer prices were falling with prices ranging between \$250 and \$290 per tonne for private buyers. The buyer of last resort 'GMB' had the highest producer price of \$390 which was announced by the Minister at the start of the season. The large differentials in prices caused disquiet among industry stakeholders until recently when the Minister gazetted a statutory instrument on minimum maize prices. The details as reported by the Market Linkage Association are as follows:-

- Until the promulgation of the S.I. the original price announced of \$390 was not binding on any other grain buyers.
- SI 122 makes it mandatory for all buyers to purchase grain at the price announced by the Minister as from 8 August 2014; it is not retrospective.
- The instrument allows for transport charges to the company premises to be deducted from the \$390/MT paid to the farmer; i.e. it is not pan-territorial.
- AMA has raised \$31 million for GMB purchases through various financial instruments. These funds need to be repaid. GMB is obliged to pay \$390/MT at its depots throughout the country putting it at a disadvantage to other buyers.
- The SI does not mention any prices. AMA invites lobbying/discussion by all stakeholders on the minimum prices, which can be changed. i.e. it is not pan-seasonal.
- AMA may soon be focusing on levying importations of cheap grain which place Zimbabwean farmers at a disadvantage. Costs of production in Zimbabwe are the highest in the region.

At the time of writing this report the minimum price issues are still being debated.

Soya beans: The area under soya beans has grown due to increased contract farming and the low prices offered for crops such as maize and cotton, which has resulted in some farmers shifting into soya beans as a result. Total output is expected to increase from 77,000 tonnes last year to 80,000 tonnes this year. This is against a national requirement of about 130 000 tonnes per year. Soya bean prices are currently between \$480 and \$500/tonne which is much lower than last year's average price of \$580/tonne.

Cotton prices continue to be very low on the international market. Many small scale farmers have switched to tobacco production and hence fewer farmers are now growing cotton. This has resulted in a decline in hectareage planted in the 2013/14 season. Output therefore continues on a downward trend and is expected to fall from 140 000 tonnes in 2013 to about 110 000 tonnes this year.

Tobacco: Area under tobacco has increased as the number of growers has grown rapidly compared to last season. Tobacco sales have so far surpassed this years' target of 180 million kg and total sales are expected to reach 218million kg. The 2014 auction floors for flue cured tobacco closed on Friday 27 June 2014. However, deliveries are still being received at the



contract floors. Prices this season have been lower compared to last year. The average price in 2013 was \$3.70 per kg while this year the average price has dropped to \$3.17 per kg.

Wheat: Winter wheat production, which is dependent on irrigation, continues to suffer numerous challenges which threaten viability. These include unreliable power supplies, rising production costs, and reluctance of financial institutions to fund production. Given the above, wheat output is projected at 14,000 tons in 2014 down from the 17,000 tonnes realized in 2013.

Horticulture: Horticultural production is projected to remain stable at 55,000 tons this year. Future prospects for the sector are being threatened by cheap imports, particularly from neighbouring countries, that have flooded the market and crowded out local producers, deteriorating irrigation infrastructure, and a lack of technical skills and expertise by local farmers in handling fresh and highly perishable produce in line with best practices.

Livestock: a moderate increase in milk production is forecast for this year and the number of beef cattle slaughters is projected to increase slightly.

Production viability and inputs

The national maize seed supplies were estimated at 56 000 tonnes for the 2013/14 season which was more than adequate to meet demand by all farmers. However, Seed Houses say they registered a low uptake of maize seed with only about 35 000 tonnes being sold. This was because many farmers did not have funding whilst others used retained seed. The quantities of seed available sold for secondary crops like sorghum and groundnuts were low in comparison to the area which was put under these crops. This could be because farmers generally rely on retained seeds and farmer to farmer exchanges.

According to fertilizer companies, fertilizers were readily available during the 2013/14 season. However, uptake was very low since prices are relatively high. Stock feeds, dipping and crop chemicals were also generally available on the market but the majority of farmers could not afford them.

Although some farmers have reported an improvement in power supplies this season the installed power generation capacity in the country is still far less than national demand. This shortage has forced ZESA to continue rationing supplies to both commercial and domestic users. The resultant power cuts have greatly affected winter wheat production.

Future Prospects

The challenges and constraints that members face have remained largely unchanged since the new century began. They all centre on unresolved land reform issues that continue to seriously undermine productivity in commercial agriculture. Concrete actions should be taken to quickly resolve them so that Zimbabwe can once again become a country that achieves food security as a matter of routine.

Peter Steyl
Vice President
Commercial Farmers' Union

20th August 2014



TOTAL PRODUCTION OF MAJOR AGRICULTURAL PRODUCTS in ZIMBABWE (000 tonnes)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014*
Grains and Cereals															
Maize	2,043.20	1,476.24	498.54	754.00	950.00	750.00	945.00	697.00	417.10	781.25	819.25	895.00	833.00	798.00	1,050.00
Wheat	250.00	314.00	186.50	120.00	121.65	134.00	170.20	64.55	25.55	18.05	11.30	26.00	22.00	20.00	14.00
Sorghum	61.91	60.74	23.82	59.56	124.00	111.00	108.40	81.50	103.00	113.50	73.60	50.54	64.70	76.00	105.00
Barley	32.00	32.00	58.00	50.00	36.40	43.00	53.50	32.00	24.50	33.15	40.50	30.00	35.00	44.00	44.00
Small Grains (millets)	31.00	43.20	14.20	41.50	71.70	30.60	72.30	49.90	55.00	43.32	50.90	36.10	43.70	43.00	45.00
Traditional Export Crops															
Tobacco Flue Cured	236.13	202.54	165.84	81.81	69.00	73.39	54.25	73.39	48.72	57.00	123.00	132.00	148.00	166.60	218.00
Tobacco Air Cured	8.16	4.60	3.99	1.99	1.00	0.34	0.27	0.09	0.06	0.15	0.23	0.31	0.15	0.27	0.08
Cotton	353.00	280.50	195.67	159.50	364.20	196.30	207.90	255.00	223.02	210.09	149.90	195.00	342.00	140.00	110.00
Oilseed Crops															
Soya beans	149.94	175.08	72.41	70.26	71.00	54.00	54.80	67.60	51.20	43.30	57.30	59.00	70.50	76.90	80.00
Groundnuts	190.89	171.78	58.56	86.50	64.10	57.80	83.10	126.80	116.55	44.46	136.70	97.50	108.20	130.00	132.00
Sunflower	9.20	30.30	4.63	16.90	20.20	7.40	16.70	31.10	33.40	16.25	11.80	8.23	6.90	10.00	12.00
Plantation and Industrial Export Crops															
Tea	21.80	21.73	22.88	22.54	20.72	16.87	15.43	15.11	13.00	10.00	10.00	11.00	10.50	24.50	24.50
Coffee	6.54	7.26	6.60	5.52	7.20	3.96	2.70	1.86	1.32	0.50	0.40	0.40	0.30	1.50	1.30
Paprika	7.30	8.80	9.80	14.20	10.80	3.20	3.80	1.01	0.74	0.26	0.34	0.69	0.81	4.50	5.00
Flowers	17.86	17.86	21.89	22.80	20.17	16.27	14.33	10.17	8.00	5.00	7.50	7.50	5.00	4.50	6.00
Citrus	39.32	39.32	33.64	43.19	47.77	34.23	26.31	26.45	19.00	15.00	29.75	30.00	30.00	30.00	33.00
Fresh Produce	10.22	10.22	7.51	9.64	10.24	7.28	4.95	5.33	4.00	3.00	3.20	4.50	5.00	7.00	10.00
Sugar	538.00	515.00	581.00	502.74	422.30	400.00	446.65	400.00	380.00	280.00	300.00	333.00	372.00	420.00	415.00
Livestock															
Dairy	187.05	176.77	153.13	114.08	97.64	94.55	92.50	87.36	47.72	37.00	47.00	56.00	55.90	54.60	56.00
Beef Slaughters (nos)	605.00	630.00	720.00	450.00	450.00	450.00	300.00	250.00	200.00	180.00	200.00	261.00	256.60	242.20	245.00

* Estimates



COMMERCIAL FARMERS' UNION

LEGAL AFFAIRS REPORT TO CONGRESS

Introduction and broad overview of the Agricultural Business Current Environment

Since the last Congress of the CFU in 2013 the economic fortunes of Zimbabwe have sadly declined further. The agricultural business environment remains extremely unfriendly and uncompetitive. As a consequence investor confidence remains at very low levels. In turn, relatively little funding is available to farmers for the coming summer season. Contract farming is the only lifeline. However, this lack of funding options has placed farmers in a very vulnerable position. Most are price takers for both inputs and outputs and some have substantial carry over debts after last season.

This is against the backdrop of Zimbabwe's current poor macroeconomic performance which is characterized by severely unbalanced payments (imports far exceeding exports) and a serious liquidity shortage. Reports over the last year indicate that agricultural producers have noted marked decreases in sales of livestock (particularly pigs and poultry) and horticulture products. In addition, the highly uncompetitive business environment has made farmers vulnerable to competition with cheaper imports which come through porous borders in spite of protective regulatory measures (surtaxes and import permit restrictions) imposed by Government. By most accounts significant degrees of corruption and abuse of office by political figures are the obstacles to dealing with these issues.

In so far as producers of row crops are concerned, and in particular maize, prices were high in the beginning part of the year, but crashed fairly sharply as the harvests in Zimbabwe and the rest of the sub Saharan region came in. The falling maize price was undoubtedly exacerbated by the reduced production of pigs and poultry, the generally reduced liquidity in the country and competition with imported genetically modified maize meal from south Africa; which was prevalent in the Southern parts of the country. The CFU in collaboration with some of the other registered farmers' unions submitted a joint paper with the Grain Millers Association to the Ministry of Finance and Economic Planning recommending measures to stabilise the fall in the price. These measures included the imposition of a surtax on imported maize meal and grain and limitations on the issue of import permits for maize. These proposed measures were not adopted and instead Government has effectively stipulated a controlled minimum price for maize of US\$390 per MT against and import parity landed in Harare of approximately US\$ 285 per MT. Whilst in the short term this is good for maize producers, in the medium to long term the effects may be adverse. Adverse in the sense that future finance for maize production will dry up as contract farming companies will pull back and moreover producers of poultry and pork will be immediately uncompetitive.

Compounding this scenario further is the fact that Government's unmanageably large civil service and other spending requirements cannot be sustained by the *Fiscus*. Fiscal revenue inflows have of course also shrunk along with the economy. Government's response to this challenge has latterly been to raise tax and seek to further burden the underperforming and shrinking formal sector. The recent new taxes on fuel and cellular phone airtime are an effort to broaden the tax base, and if implemented as part of a comprehensive business friendly tax reform agenda would be commendable. However, instead of using these measures to take tax pressure off the formal sector for example as a replacement for income taxes, they have been used as an additional form of taxation; and moreover the levels of income tax have been increased.

In short the economic situation is unsustainable. The vast majority would therefore agree that there is an urgent need to address issues that will correct the current course. I would



suggest, and I am sure many would agree, some of the first five actions to remedy the situation that must be taken immediately are as follows. These actions should be undertaken simultaneously:

1. Seek re-engagement with Breton Woods Institutions to secure large lines of sustainable credit to give support to the national budget and allow for rapid development of economic enabling infrastructure.
2. Cut the civil service substantially and dramatically improve the efficiency and service delivery of Government including the rapid adoption of Information Communication Technologies (ICT) making Government functions transparent and accessible to the ordinary citizen. To minimise corruption and to ensure the attraction of quality personal within Government, a new lean and mean civil service must be very competitively remunerated.
3. Repeal and reframe the indigenisation laws to ensure that there is absolutely no discouragement of Foreign Direct Investment.
4. Introduce a robust system of property rights which incorporates rights to agricultural land. This would include putting in place a mechanism to address the outstanding compensation issue over time, drawing a formal close to the Land Reform Programme, allow the inclusion of all regardless of race in the new agricultural dispensation and immediately introducing a system of secure and tradable land tenure for new farmers. All these measures should be backed by legislation which severely restricts the power of the Minister to interfere in private law transactions involving agricultural land. In addition, quasi urban centres and growth points in communal and other rural areas must also be underpinned by robust and transferable immoveable property rights to ensure they become zones of significant investment and industrialisation.
5. Begin a fast track programme of streamlining all laws and regulations that will create a private sector business environment that is highly competitive, simple to understand, certain and transparent. This would also mean avoiding delays and corruption by ensuring clear limits and frameworks for discretion given to Government authorities. Additionally, the one stop shop where all compliance issues can be dealt with speedily and simply should be adopted together with the silence for a specified and reasonable period of time is acceptance approach. This will ensure administrative efficiency. Tax law and labour law reform are also an essential components of increasing the country's competitiveness.

The barriers to the adoption of these solutions are in my opinion in part in the form of a lack of national consensus on some of the solutions proposed. However, it should also be noted that by most accounts there are perceptions that the barriers to reform are in the form of a general lack of political will fuelled by factors such as factional power politics, systems of political patronage and some have gone so far as to assert that even institutionalised corruption is a major factor. For some years Government has, instead of taking a holistic view of the policy reforms required, taken a compartmentalised approach to policy making, resulting in piecemeal interventions which seek to address symptoms and not to cure the underlying structural problems. It is vital that a holistic policy making approach that addresses the fundamental structural issues be taken. We are hopeful that the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIM-ASSET) Economic Blue print will be the policy that delivers these reforms that are so desperately needed.

It is against this backdrop that I present the Legal Affairs Report to the 2014 Congress of the Commercial Farmers' Union.



Labour Affairs

Members will recall that in February 2013 after some sustained efforts on our part the CFU was finally included in the NEC Agriculture. In addition I am happy to report that the CFU is in its own right now a registered employers' organisation in terms of the Labour Act. Since our inclusion in the NEC we have assisted in ensuring that a modicum of sanity prevails in the wage negotiation processes. The mandate that we have worked to has been to try to ensure that increments to the minimum wage do not exceed the rate of inflation and that unbudgeted back payments are not entertained in any form. We will continue to work within the NEC to ensure that we build our influence and ensure we can deliver on this mandate.

The CFU is also a member of the Employers' Confederation of Zimbabwe (EMCOZ) which is seeking to stimulate much broader business friendly Labour Law reform agenda by participation in the Tripartite Negotiating Forum. In the last year two significant meetings of that forum have taken place in order to seek to bring about Labour Law reform which improves the business environment.

By now most will be aware that we sadly lost the services of Mr Tongai Marodza who took employment with Forrester Estates as the Human Resources Manger. Since his departure the Labour portfolio has been absorbed into my department and I have endeavoured to meet the challenge head on. Early on the CFU engaged the services of Mr Luxmore Nhutsve on a part time consultancy basis. Luxmore, is a very experienced former General Agricultural and Plantation Workers Union Agent (GAPWUZ) who since his retirement from GAPWUZ has been working as an independent Labour Relations Consultant for some time. Luxmore is supported by me and together we have been able to settle a large number of fairly complex labour disputes to the benefit of the members concerned.

We are pleased that we have been able to continue and even build on the portfolio of labour services. In the early part of the year I was able to substantially update and rebrand the old ALB Handbook into the new look Agricultural Employers' Handbook. A new supplement to that handbook will be ready shortly to account for the changes made to the laws by Statutory Instrument 116 of 2014. Those who have already purchased the handbook can collect the supplement free of charge. In the coming year a new improved edition will also be prepared.

In addition to this, we have undertaken a pilot Agricultural Employers Labour Relations Seminar held in Gweru at the CFU Offices there. This was an extremely successful event. The seminar was conducted in a participatory way with the most successful exercise being a mock disciplinary hearing following a pre set scenario. The success of this event has galvanised us, and in the coming year we will roll out a number of Employer Training Seminars which will be open to all farmers.

Finally, we have noted that particularly in light of the tough business environment it is critical that farmers improve their efficiencies. This includes the efficiencies related to Human Resource systems management. For example:

- Are farmers keeping good up to date records about their labour?
- Are farmers putting in place systems that ensure they are not leaking money through ghost workers and other scams?
- Are farmers ensuring that they have minimal exposure to claims for alleged unfair labour practices and retrenchments?
- Do farmers have systems in place to ensure they have a well disciplined, highly motivated and highly productive work force?



- Are farmers using ICT to make their labour management easier or more difficult?

We have already begun to find solutions to the problems and in the coming year the CFU will undertake to design and offer to farmers simple systems that provide answers to the above questions.

Activities of the Joint Farmers' Union Presidents' Council (Presidents' Council)

For some time now an informal alliance between the 4 registered farmers' unions has existed in the form of the joint farmers' union presidents' council (Presidents' Council). On a monthly basis the leadership of the farmers unions meet to discuss problems which they have in common which affect the entire industry. It has been the long accepted view that the CFU alone may lack the political traction to influence meaningful policy changes and we therefore have taken the position that we must work through this structure to advocate and lobby for policy changes which will improve the business environment for our members. This will ensure that there is unity amongst farmers from all walks of life and that there is greater coordination and consensus on the policy changes that are required. The table below gives highlights and summaries of all the various issues that we as the CFU have been pushing into the Joint President's Council so that all the farmers' Unions can jointly take these issues to Government.

Levy or Tax	Financial implications to Farmers	Consensus of opinion amongst farmers	Remarks
Rural District Council Land Tax	Ranges from US \$ 1 to US \$ 3 per hectare	Redesign land tax system with reference to viability of commodities produced on agricultural land.	A joint paper has been prepared recommending a reduction in land unit rates to US \$ 0.10 per ha in regions 4 and 5.
Rural District Council Levies on Commodity sales	For sales of Cattle in some Rural District Councils the levy is 11.25% of the sale price paid by the buyer.	Scrap these levies.	A joint paper has been prepared recommending this be entirely scrapped except in respect of sales that take place in RDC managed sale facilities.



Cost of compliance with livestock movement regulations	Securing livestock movement permits and police clearance is generally a costly and time consuming exercise.	Simplify and streamline administrative procedures. Adopt ICT in order to amongst other things allow for online administrative processes.	
Standards Development Levy	A levy of 0.05% of the gross wage bill.	Scrap this and fund standards development issues out of the national fiscus.	
National Employment Council Dues	Agricultural Employers required to contribute US \$ 1 per employee per month.	Ensure greater service delivery from the NEC that represents a fairer balance between interests of employers and workers.	
National Social Security Authority Contributions	Agricultural Employers required to contribute 3.5% of wage bill on a monthly basis for pension and benefits scheme and in addition 1.53% of monthly wage bill as Workplace accident insurance.	Reduce the % and make NSSA more accountable for how it spends the money.	
Comparatively high costs of electricity supplied by ZETDC	The cost of power to Zimbabwean Farmers is on average about US \$ 0.14 per Kwh including 6% rural electrification levy and VAT as opposed to US \$ 0.05 per Kwh in Zambia.	Remove VAT and reduce the Rural Electrification Levy. Improve supply to farmers. Agriculture is of vital national economic importance it should be exempt from load shedding.	A joint paper has been prepared.
Environmental Management Agency Licenses for the storage and use of fuel and chemicals on farms.	Can be as much as US \$ 640 per year for red label chemicals.	Substantially reduce the licence fees and only apply the regulations to very large scale producers and suppliers of chemicals.	A joint paper has been prepared.



Environmental Management Agency licenses for the discharge of effluent from pigsties and dairy parlours.	Is at least as US \$ 453.60 per year for a small pig producing unit or dairy.	Substantially reduce the licence fees.	A joint paper has been prepared.
High costs of water for irrigation and the watering of commercial livestock to ZINWA.	For A2 Commercial Farmers drawing from ZINWA managed water storage facilities the cost of water could be as much as US \$ 10.21 including various levies and VAT.	Reduce the cost of water.	A joint paper has been prepared.
High Agricultural Marketing Authority Registration fees to buyers, traders and processors of agricultural commodities.	The various relatively high levies and registration fees charged by AMA to commodity buyers and processors increase their overheads are naturally passed on to farmers in the form of lower prices.	Reduce the administrative burdens and registration fees.	
High toll gate fees	For the transportation of inputs onto the farm and produce out of the farm farmers must budget for toll fees. It costs US \$ 6 for a lorry to pass through a toll gate.	Allow farmers a special dispensation to pay a reduced fee at toll gates.	
VAT on agricultural commodities.	A tax burden of 15% on some primary commodities (e.g soya beans sold between 1 Feb 2009 and 31 st Aug 2012, paprika, some vegetables, goat meat and mutton) where input VAT is zero rated.	Scrap VAT on all primary commodities.	A joint paper has been prepared.



COMMERCIAL FARMERS' UNION OF ZIMBABWE

RESOLUTION 1

FARMERS' LICENCE FEES AND RULES

The Council of the Commercial Farmers' Union resolves and recommends to Congress the adoption of an Annual Farmers' Licence Fee for the 2014/2015 licensing year commencing on 01 October 2014 to become due and payable on 01 October 2014.

Council further resolves and recommends to Congress the adoption of a payment commencing 01 October 2014 and ending 30 September 2015 applicable to all members as illustrated in the following schedule.

CLASSIFICATION	LICENCE FEE PAYABLE
Farming operators	USD 800.00 (for cash) USD 1000.00 (for terms)
Associate members	USD 1500.00 (for terms)
Non operators (ARAC) under 70 years	USD 200.00 (recommended fee)
Non operators (ARAC) Pensioners 70 years and over	USD 50.00 (recommended fee)

In the event of a member wishing to pay for only a part of the year the full amount as indicated will be applicable.

Further Council resolves and recommends to Congress that all producers of commodities as recognized by the Unions' Constitution pay a levy on the crop or livestock product to the Union at the disposal of the crop or livestock on a percentage as determined by the Executive Committee of the Union.

Finally, Council resolves and recommends to Congress that approval be given to the granting of a mandate to Council to raise any additional fees to provide for the financing of the Commercial Farmers' Union during the 2014/2015 Licensing Year.

Proposed: C. Taffs President

Seconded: P. Steyl Vice President



TRIBUTES FOR LONG AND OUTSTANDING SERVICE

LYNDA JONES The Commercial Farmers' Union (CFU) wishes to acknowledge and pay tribute to **LYNDA** for her dedicated and outstanding service in representing and promoting the interests of the Commercial Farmers' Union.

It is further worthy of mentioning that **LYNDA** has 10 years of uninterrupted service with the Commercial Farmers' Union.

At all times and in all ways, her service to the Union in her capacity as Bookkeeper in the Accounts Department, proved to be exemplary. She has proved beyond doubt that she possess an in depth knowledge and understanding of both the Council and members she has serviced so well.

The Commercial Farmers' Union wishes to acknowledge and pay tribute to **LYNDA JONES** for her dedicated services.

Awarded with thanks during the Commercial Farmers' Union 71st Annual Congress on the 28th October 2014 at Sango Conference Centre, Cresta Lodge, Harare, Zimbabwe.

SIMON SQUARE The Commercial Farmers' Union (CFU) wishes to acknowledge and pay tribute to **SIMON** for his dedicated and outstanding service in representing and promoting the interests of the Commercial Farmers' Union.

It is further worthy of mentioning that **SIMON** has 15 years of uninterrupted service with the Commercial Farmers' Union.

At all times and in all ways, his service to the Union in his capacity as a loyal staff member in various portfolios and at times under very difficult circumstances, has proved to be exemplary. He has proved beyond doubt that he possess an in depth knowledge and understanding of both the Council and members he has serviced so well.

The Commercial Farmers' Union wishes to acknowledge and pay tribute to **SQUARE SIMON** for his dedicated services.

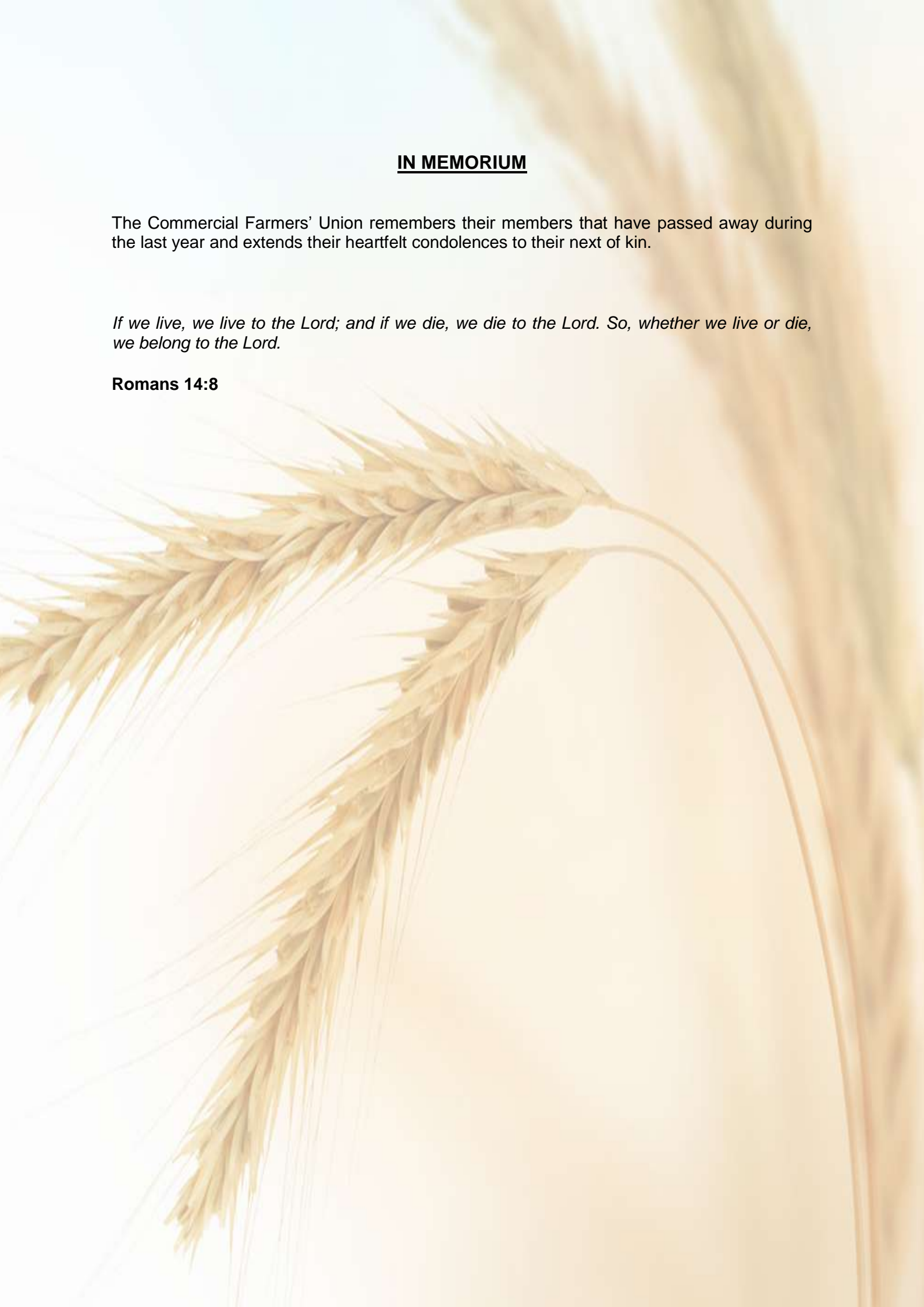
Awarded with thanks during the Commercial Farmers' Union 71st Annual Congress on the 28th October 2014 at Sango Conference Centre, Cresta Lodge, Harare, Zimbabwe.

IN MEMORIUM

The Commercial Farmers' Union remembers their members that have passed away during the last year and extends their heartfelt condolences to their next of kin.

If we live, we live to the Lord; and if we die, we die to the Lord. So, whether we live or die, we belong to the Lord.

Romans 14:8



So God made a Farmer

And on the 8th day, God looked down on his planned paradise and said, "I need a caretaker."

So God made a farmer.

God said, "I need somebody willing to get up before dawn, milk cows, work all day in the fields, milk cows again, eat supper and then go to town and stay past midnight at a meeting of the school board." **So God made a farmer.**

"I need somebody with arms strong enough to rustle a calf and yet gentle enough to deliver his own grandchild. Somebody to call hogs, tame cantankerous machinery, come home hungry, have to wait lunch until his wife's done feeding visiting ladies and tell the ladies to be sure and come back real soon -- and mean it." **So God made a farmer.**

God said, "I need somebody willing to sit up all night with a newborn colt. And watch it die. Then dry his eyes and say, 'Maybe next year.' I need somebody who can shape an axe handle from a persimmon sprout, shoe a horse with a hunk of car tire, who can make harness out of haywire, feed sacks and shoe scraps. And who, planting time and harvest season, will finish his forty-hour week by Tuesday noon, then, pain'n from 'tractor back,' put in another seventy-two hours." **So God made a farmer.**

God had to have somebody willing to ride the ruts at double speed to get the hay in ahead of the rain clouds and yet stop in mid-field and race to help when he sees the first smoke from a neighbour's place. **So God made a farmer.**

God said, "I need somebody strong enough to clear trees and heave bails, yet gentle enough to tame lambs and wean pigs and tend the pink-combed pullets, who will stop his mower for an hour to splint the broken leg of a meadow lark. It had to be somebody who'd plough deep and straight and not cut corners. Somebody to seed, weed, feed, breed and rake and disc and plough and plant and tie the fleece and strain the milk and replenish the self-feeder and finish a hard week's work with a five-mile drive to church.

"Somebody who'd bale a family together with the soft strong bonds of sharing, who would laugh and then sigh, and then reply, with smiling eyes, when his son says he wants to spend his life 'doing what dad does.'" **So God made a farmer.**

So God made a Farmer's Wife

So God Made a Farmer's Wife.

And on the 9th day, God looked down on his planned paradise and said, "The farmer needs a caretaker". So God made a farmer's wife.

God said, "I need somebody willing to get up before dawn, feed the farmer, work all day in town, come home to work alongside her farmer, make supper, and then go to town and stay past midnight at a meeting of the school board". So God made a farmer's wife.

"I need somebody with arms strong enough to keep up with the farmer yet gentle enough to cuddle a newborn baby. Somebody to run for parts, help in the fields, move trucks, deliver meals, look the farmer in the eyes and tell him 'I love you and the life we've built' – and mean it". So God made a farmer's wife.

God said, "I need somebody willing to sit up all night with their newborn baby. And raise him right. I need somebody who can use a wrench and know where to find it, doesn't mind getting dirty, who can remove stains, and keep a house clean. And who, planting time and harvest season, will finish her forty-hour week by Tuesday noon, then, pain'n from her town job, taking care of the kids, and fieldwork, put in another seventy-two hours". So God made a farmer's wife.

God had to have somebody willing to cancel appointments and change plans and be ready in a minutes notice and yet will never stop and complain about this way of life. So God made a farmer's wife.

God said, "I need somebody strong enough to clean out bins and heave bales, yet gentle enough to raise kids and bottle feed calves and tend to the house, who will drive the tractor and pray to God about the weather. It had to be somebody who'd be able to handle the house and field work and not cut corners. Somebody to seed, weed, feed, breed and wash and dry and cook and clean and remember scheduled events and feed the farmer and stock the cupboards and finish a hard week's work with a five-mile drive to church.

"Somebody who'd bale a family together with the soft strong bonds of sharing, who would laugh and then sigh, and then reply, with smiling eyes, when her daughter says she wants to spend her life 'doing what mom does.'" So God made a farmer wife's.