

# Farmers’ Union Submissions to the Parliamentary Portfolio Committee on Lands and Agriculture: Policy Constraints to Competitiveness of Agricultural Production.

Following consultations with Farmers carried out by Farmers Unions the following constraints to optimal production of the Agricultural sector in were identified. They are presented in the tables below in no particular order of priority:

## Macro (Cross Cutting) Policy Constraints to Agricultural Production

Constraint to the Competitiveness of Agricultural Production	Policies or Lack of Policies that Cause Constraint	Suggested Reforms Required to Upscale Agricultural Production
Inability of farmers to access affordable credit Finance to upscale Agricultural Production Interest Charges are in excess of 18% on US \$ loans because of perceptions of a high country investor risk.	Lack of Coherent and Consistent Investment Policies to attract Foreign Direct Investment into the Sector and to manage perceived high country risk as a result of policy inconsistencies, property rights and concerns.	Create a sound and consistent Investment attraction Policy and Bring all other policies in line with this.
	Weak Land Tenure Rights. Two problems: 1. Financier lacks confidence in longer term capital investments e.g. irrigation, farm infrastructure, sheds, barns, dairy parlors, poultry houses, stock dams, pig units etc 2. Use of Land and Immoveable Rural Assets as collateral is not possible.	Enhance secure Land Tenure. Finalize the 99 Year Lease thereby enabling the gradual creation of a market for Agricultural Land.
	Fragmented regulations and regulatory gaps in market linked credit schemes	Develop Policy to streamline an effective market linked credit facility (e.g. stop order systems, contract farming, out grower schemes, collateralizing livestock etc)

Slow development and Deterioration of Rural Transport Infrastructure both rail and road.	Lack of mainstreamed National Road and Rail Development Policies that account for the need to improve agricultural production	Develop policy that ensures investment into large infrastructure projects by Private Public Partnerships (PPP) or Build Own Operate Transfer (BOOT) arrangements.
	Lack of policy to ensure resourcing, accountability and proper service delivery by Rural District Councils	Develop and Implement policy to ensure accountability and proper service delivery by Rural District Councils particularly in respect of road development and maintenance,
	Under performance and Investment in the National Railways of Zimbabwe	Privatize and seek investment to recapitalize National Railways of Zimbabwe
Local underproduction Of Maize and Soya Beans and high costs of doing business on the part of livestock feed manufacturers makes cost of stock feeds high. Also makes Zimbabwe vulnerable to the dumping of these commodities on our markets.	Lack of Policy to Increase Local Production of Maize and Soya Beans	Develop and Implement Policy to Increase Local Production of Maize and Soya Beans
	Cost of compliance and time to secure import permits for stock feed raw materials	With due regard to the need to increase production of soya beans and maize locally there is need to reduce the red tape to make it easier and cheaper to import raw materials for stock feeds.
	High Cost of compliance AMA Levies, EMA Levies on running generators.	Reduce AMA Levies and reduce EMA fees.
Poor quality livestock feeds are on the market	Weak regulation of stock feed quality	Develop a policy to ensure Good Standards of Stock feeds
Erratic and Expensive Electricity Supply	Lack of policy encouraging substantial investment in local Electricity generation infrastructure.	Develop and implement policy encouraging substantial investment in local Electricity generation infrastructure on BOOT or other similar arrangements.
	Lack of policy or implementation of policy promoting renewable energy sources for farmers.	Promote alternative and appropriate renewable energy sources for farmers.
		Remove VAT from electricity supplied to farmers
Smuggling of agricultural commodities and finished products particularly Maize meal, GMO Soya bean cake, Flour, Poor quality Meat and	Lack of policy to tackle Corruption and Porous borders.	Develop and implement policy to tackle Corruption and Porous borders.

other animal by-product Imports which undermine any protection measures (surtaxes) put in place by Government.		
Increased incidents of veldt fires resulting in destruction of pasture “the man made droughts”	Environmental Management Agency (EMA) enforcement weak and penalties for starting veldt fires not stringent enough.	Increase EMA presence on the Ground. Increase fine for starting veldt fires. Increase fine for not maintaining proper fire guards. EMA must train farmers on the importance of fire breaks and how to handle veldt fires.
Inability to access affordable and up to date animal medication.	New drugs are very expensive to register.	Make it easier and cheaper to register new animal drugs.
Skills Deficit amongst all Agricultural Producers	Lack of policy to ensure adequate training and extension of all classes of Agricultural producers	Develop and implement Extension and Training policies and protocols to improve management standards. Involve Private sector in improving standards of management particularly through contract farming, contract feedlots and small, medium and large scale out grower schemes
Relatively Expensive seed, chemicals and fertilizer	Input manufacturers and suppliers also do not have access to affordable credit and do not have the economies of scale to ensure full capacity utilization. Therefore their overheads are too high to justify a reduction in their prices.	Create a sound and consistent Investment attraction Policy and Bring all other policies in line with this. In line with this seek to attract foreign direct investment into the input manufacturing industry.
High Cost of Water.	ZINWA and the Sub Catchment Council Charge excessive levies and fees for the abstraction of water for livestock and irrigation	Reduce the cost of Water to farmers.
		Remove VAT from Water supplied to farmers

## Livestock Sector Specific Value Chain Policy Constraints

### Beef Production

Constraint to the Competitiveness of Beef Production	Policies or Lack of Policies that Cause Constraint	Suggested Reforms to Policy and Regulatory Environment Required to Upscale Beef Production
High Cost of Compliance with Regulations for both cattle producers and Abattoirs	Rural District Council Levies in Region IV and V	Reduce RDC Levies and Rates in line with the region
	Cost of securing Cattle movement Permits.	Develop a cost effective systems to make cattle movement traceable, secure and easy
	RDC Cattle Sale Levies.	Scrap RDC Cattle Sale Levies except when sold at RDC Cattle sale facilities.
	AMA Levies.	Reduce AMA Levies
	Numerous agencies and duplication or partial duplication of roles e.g EMA Licenses and environmental safety Standards, AMA Levies, NSSA Environmental Safety Standards, Vet Department Registration of Abattoirs.	Stream line and simplify regulation of the Beef Industry.
Increase in the spread of various diseases into previously disease free areas	Weak regulation of the indiscriminate movement of cattle.	Improve regulation of cattle movement viz a viz the spread of disease.
Competition with Imported Live Animals	Government to Government deal with Botswana	Review arrangement to give preference to locally produced cattle.
Loss of Fencing requiring extra Labour and stress of cattle reducing production	Weak enforcement of Fencing requirements. Insufficient penalties for theft and destruction of Cattle fencing.	Formulate policy to protect and increase fencing. Increase penalties for theft and destruction of Cattle Fencing

### Poultry Production (Chickens (Broilers and Layers), Turkeys, Geese and Ducks)

Constraint to the Competitiveness of Poultry Production	Policies or Lack of Policies that Cause Constraint	Suggested Reforms to Policy and Regulatory Environment Required to Upscale Poultry Production
High Cost of Day Old chicks	High cost of compliance for fertile egg imports	Review policy on importation of fertile eggs to reduce costs

Diseases like Newcastle's (NCD) and Avian influenza are a threat to production	Lack of comprehensive response to these diseases.	Develop a policy to tackle these diseases: -Expand vaccination of NCD -Develop bio safety protocols to be adopted by all poultry producers -Strict controls on borders to reduce the risk of importing avian influenza
High cost of compliance with regulations within the value chain	Red tape and Multiple agencies, Many different levies etc.	Stream the regulation of the poultry industry with a view to minimizing cost of compliance
Poor linkages to poultry abattoirs and markets	Lack of policy to promote Market linkages	Develop policy to promote market linkages, consumption of locally produced poultry products and investment into small scale poultry processing.

**Crocodile Production**

<b>Constraint to the Competitiveness of Crocodile Production</b>	<b>Policies or Lack of Policies that Cause Constraint</b>	<b>Suggested Reforms to Policy and Regulatory Environment Required to Upscale Crocodile Production</b>
High Cost of Compliance with Regulations	Multiple agencies and multiple levies. Three main issues: 1. Regionally uncompetitive National Parks Fees for egg collection 2. CITES levies on exports too high 3. High AMA registration Fees and a Duplication of roles between AMA and National Parks	Streamline regulations as they relate to the crocodile industry 1. reduce Egg collection fees in line with the regional charges Zambia Mozambique 2. Reduce CITES Levy to 1% 3. Ensure the roles of AMA and National Parks are not duplicated and reduce AMA fees.

**Pork Production**

<b>Constraint to the Competitiveness of Pork Production</b>	<b>Policies or Lack of Policies that Cause Constraint</b>	<b>Suggested Reforms Required to Suggested Reforms to Policy and Regulatory Environment Required to Upscale Pork Production</b>

High Cost of Compliance with Regulations throughout the value chain	Duplicity of roles amongst various agencies, multiple high cost levies. AMA, EMA High cost of African Swine Fever Certificate High Cost of movement permits	Streamline the regulation of Pork value chains with a view to reducing the cost of compliance in order to increase competitiveness: 1. Reduce levies. 2. Reduce cost of Swine Fever Certificate 3. Increase efficiency and reduce cost of movement certificates
Poor quality and non availability of breeding stock	Lack of policy to promote access to world class genetics in Zimbabwe's pig industry	Develop policy to promote access to world class genetics in Zimbabwe's pig industry
Non availability and inappropriate packaging of drugs and vaccines	Expensive to import and register new drugs and vaccines	Reduce cost of importation and registration of new drugs and vaccines
Importation of Pig Bones from countries with High disease loads	Weak regulation of importation of pig bones	Develop importation protocols that protect Zimbabwe's pork industry from the risk of disease spread from foreign destinations
Risk of spread of disease	Lack of Bio safety standards and protocols amongst small scale pig producers	Develop Bio safety standards and protocols for producers
Low sales of Pork meat	Lack of policy to promote the popularity of pork and the value addition of pork	Develop policy to promote the popularity of pork and the value addition of pork

### Small Livestock Production (Rabbits, Goats and Sheep)

<b>Constraint to the Competitiveness of Small Livestock Production</b>	<b>Policies or Lack of Policies that Cause Constraint</b>	<b>Suggested Reforms to Policy and Regulatory Environment Required to Upscale Small Livestock Production</b>
Lack of Small ruminants housing designs	Lack of policy disseminating information on Minimum standards for small ruminant housing	Develop policy disseminating information on Minimum standards for low cost small ruminant housing
Lack of market information	Lack of policy to upscale the availability of market information on small livestock	Develop policy to upscale the availability of market information on small livestock
High Processing Costs	Low output increases processing costs.	Develop policy that seeks to increase the output of small livestock.

Lack of small ruminant Nutrition	Lack of policy to plant high protein fodder trees	Develop policy to plant high protein fodder trees

**Dairy Production**

<b>Constraint to the Competitiveness of Dairy Production</b>	<b>Policies or Lack of Policies that Cause Constraint</b>	<b>Suggested Reforms to Policy and Regulatory Environment Required to Upscale Dairy Production</b>
Lack of Artificial Insemination Centers	Lack of Policy to capacitate AI technology	Build AI capacity
Declining output of Silage	Lack of policy to promote the importance of silage and the production of silage.	Allow Dairy Farmers to access land for the production of silage. Promote the Production of Silage
Under Investment in cheap high protein fodder trees	Lack of mainstreaming of cheap high protein fodder trees	Encourage the planting of high protein fodder trees
Contagious Abortion	Lack of National Policy or implementation of National Policy to eradicate Contagious abortion	Develop policy to eradicate Contagious abortion
High Costs of Compliance	High EMA fees on Dairy parlor effluent discharge	Reduce fees
	Too much red tape overlapping responsibilities AMA, Animal Health, Ministry of Health etc	Streamline and simplify regulation of the Dairy Industry

**Constraints to the Competitiveness of Food Crop Value Chains**

**Summer Row Crops: Maize, Sorghum and Soya Bean Production**

<b>Constraint to the Competitiveness of Summer Row Crop Production</b>	<b>Policies or Lack of Policies that Cause Constraint</b>	<b>Suggested Reforms to Policy and Regulatory Environment Required to Upscale Production</b>
Erratic market linkages and Late to no payments by the GMB.	Inconsistent policy on marketing of summer row crops. Flip flop between	Ensure a free market for these commodities but protect farmers from unfair competition with subsidized

	controlled pricing and free market.	cheap imports. Improve the management of GMB. Ensure rigorous adherence to a policy of Local crop first imports only to fill deficit.
	Lack of Warehouse receipting systems and a commodity exchange to enable better prices for farmers.	Enable the establishment of a private sector led agricultural commodity exchange and set up a ware house receipt system.
Unfair competition with maize meal, GMO soya bean cake and imported grain dumped onto Zimbabwean markets	Inconsistent application of regulations on imports.	Put in place and implement transparent, clear and procedurally fair guidelines on import permits with a view to ensuring the local crop is purchased first before imports are allowed.
	Lack of policy to deal with corruption and smuggling	Develop and implement policy to deal with corruption and smuggling

**Winter Cereals: Wheat and Barley**

<b>Constraint to the Competitiveness of Winter Cereal</b>	<b>Policies or Lack of Policies that Cause Constraint</b>	<b>Suggested Reforms to Policy and Regulatory Environment Required to Upscale Production</b>
Erratic market linkages and Late to no payments by the GMB.	Inconsistent policy on marketing of summer row crops. Flip flop between controlled pricing and free market.	Ensure a free market for these commodities but protect farmers from unfair competition with subsidized cheap imports. Improve the management of GMB. Ensure rigorous adherence to a policy of Local crop first imports only to fill deficit.
	Lack of Warehouse receipting systems and a commodity exchange to enable better prices for farmers.	Enable the establishment of a private sector led agricultural commodity exchange and set up a ware house receipt system.
Unfair competition with subsidized wheat and flower dumped onto Zimbabwean markets	Inconsistent application of regulations on imports.	Put in place and implement transparent, clear and procedurally fair guidelines on import permits with a view to ensuring the local crop is



		purchased first before imports are allowed.
	Lack of policy to deal with corruption and smuggling	Develop and implement policy to deal with corruption and smuggling
Erratic Power supply. Although this has been previously mentioned above under cross cutting issues, it is again mentioned specifically here because winter cereals rely entirely on irrigation)	Lack of policy encouraging substantial investment in local Electricity generation infrastructure.	Develop and implement policy encouraging substantial investment in local Electricity generation infrastructure on BOOT or other similar arrangements.
	Lack of policy or implementation of policy promoting renewable energy sources for farmers.	Promote alternative and appropriate renewable energy sources for farmers.
Complete lack of viability because cost of production is too high to compete with imports	Lack of subsidy to ensure an upscale of wheat production in the short to medium term. It is necessary to ensure wheat production continues so as to reduce the reliance on imports (balance of payments deficit)	Subsidize the price of wheat sold to the GMB and ensure the requisite finances are in place to make timeous payments to farmers.

**Horticulture Crops**

<b>Constraint to the Competitiveness of Horticulture crops</b>	<b>Policies or Lack of Policies that Cause Constraint</b>	<b>Suggested Reforms to Policy and Regulatory Environment Required to Upscale Production</b>
Inconsistent local market, Erratic market linkages and Poor market intelligence networks. Inability to access export markets.	Lack of policy to promote Horticulture producers association and farmers unions to disseminate market intelligence information.	Ensure that the formation of commodity associations and the capacitation of farmers unions is put in place.
	Lack of policy to promote access to export markets ensuring producers are aware of and able to adhere to, traceability requirements, standards and cold chains.	Put in place policy that encourages the private sector to: <ol style="list-style-type: none"> <li>1. Value add to Horticulture crops.</li> <li>2. Export Horticulture crops</li> <li>3. Organise the local market</li> </ol>

**FURTHER SPECIFIC RECOMMENDATIONS**

1. **FINANCE**  
Targeted, farm led inputs and producer pricing subsidies where funds are available.

2. **COTTON**  
Adopt bt cotton (Genetically Modified Cotton)
3. **RESEARCH AND DEVELOPMENT**  
More funding required.
4. **POLICY TO ORGANISE FARMING AND CAPACITATE UNIONS**  
There is need for Government to come up with policy where all farmers belong to a Union and levies are deducted using the AMA central system.
5. **TOBACCO**  
We call for the removal of the 1.5% tobacco levy introduced this year.