

ZNFU

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ZAMBIA

FRIDAY BRIEF

WEEK 9, 2018

HIGHLIGHTS

- New Agriculture Minister meets ZNFU
- 30% Rail Bulk Transportation SI comes into Effect
- Kariba Water levels improve
- Commodity Trends

IN DETAIL....

NEW AGRICULTURE MINISTER MEETS ZNFU

Newly appointed Agriculture Minister Michael Katambo today Friday 2nd March 2018 met with the Zambia National Farmers' Union (ZNFU) to discuss agricultural sector growth prospects and challenges and proffered an open door that would trigger sector growth.



ZNFU

This is the first time Mr. Katambo has met the ZNFU after his appointment.

Outlining sector developments at a lunch-meeting, ZNFU president Jervis Zimba unveiled a 19-point dossier tackling among other things; agriculture markets and frustrations, imports of commodities and the lack of a level playing field, fruits and vegetables versus imports, wheat subsector growth, edible oils and illegal imports, fisheries and the fish ban in non-cholera affected areas.

Other issues included; the dying dairy sector, beef, sugar, maize and soya beans production and the commodity price crush, FRA Amendments, agriculture sector and financial challenges, labour matters, council levies and taxes.

Mr. Zimba said while the farmer must work hard at enhancing production efficiencies in an environment where costs are continuously changing, the role of the Union will always be to lobby against factors that the farmers have got no control over.

Mr. Zimba called for a strong partnership between the Union and the Ministry of Agriculture with the sole aim of improving the agriculture sector. He also called for the spirit of dialogue and stakeholder consultations saying this brings about benefits to all players in the value chain and insulates government from receiving mixed signals.

And Mr. Katambo said it is important that such engagements continue taking place to help address challenges and build onto positive growth of the sector.

He said leadership is not about making a name but making good policies that will make agriculture grow.

“We want to be the food basket of the region, but we need to work together to attain this. I will humble myself so that we address matters affecting the agriculture sector. As your Minister, mine is an open-door policy,” he said.

Mr. Zimba extended an invitation to the Minister for tours of some agricultural areas, especially during harvesting, and also during winter crops planting.

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The meeting was attended by ZNFU Board members and the Acting Executive Director, led by Mr. Zimba, while Honourable Katambo was accompanied by the Permanent Secretary Julius Shawa and some Directors from the Ministry.

30% RAIL BULK TRANSPORTATION SI COMES INTO EFFECT

The Statutory Instrument (SI) that compels transporters of heavy cargo to move 30% of bulk cargo from road to railway comes into effect this month after the 30 days at the end of the gazetting period passed on 26th February 2018.

The SI was issued on 26th January 2018 by Transport and Communication Minister Brian Mushimba.

Some of the heavy bulk cargo expected to be transported by railway include copper and cobalt concentrates, sugar, coal, cement, sulphur, and fuel.

Mr. Mushimba said the SI seeks to promote the sustainability of rail subsector and the SI makes it mandatory for all transporters of bulk and heavy cargo to shift 30 per cent of the cargo to rail.

Zambia Railways Limited and TAZARA are expected to be the main beneficiaries of this development.

KARIBA WATER LEVELS IMPROVE

With the rainfall pattern having improved and in some cases above normal in the Western half of the country, Lake Kariba water levels have kept pushing up, too.

The Western half was in December 2017 and January 2018 impacted negatively by drought, resulting into some crops failing and some coming close to wilting.

The Lake level rose by 0.56m during the week under review due to localised rainfall activities that are being recorded around the lake coupled with the main stream Zambezi River inflows and closed the week at 481.97m on 2nd March 2018, the Zambezi River Authority has stated.

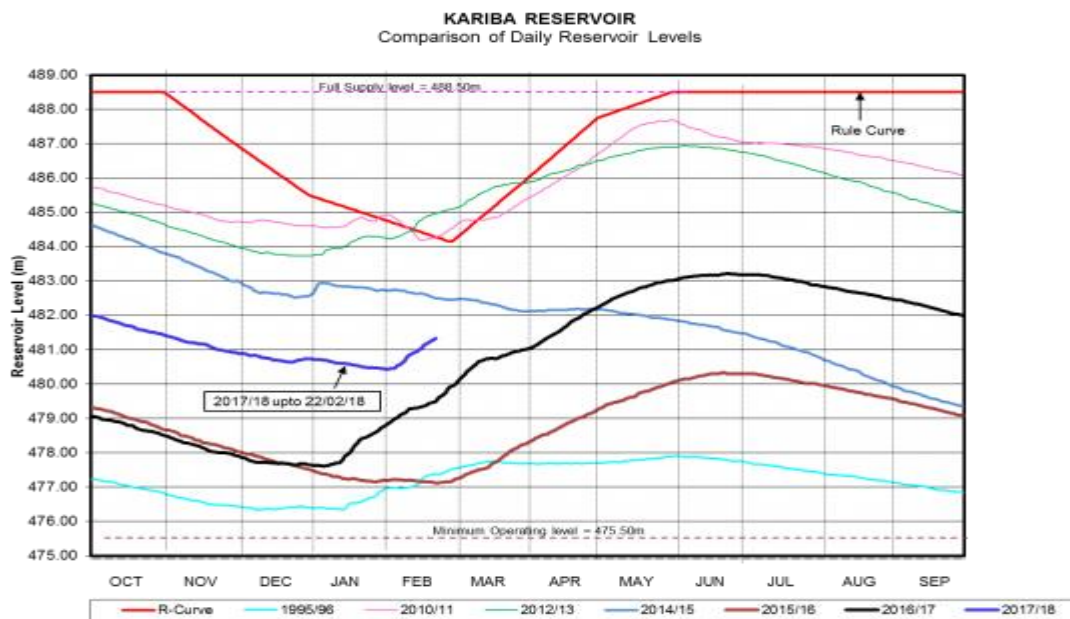


Last year on the same date, the Lake level was 480.06m

The Kariba Lake was created and designed to operate between levels 475.50m and 488.50m with 0.70m freeboard at all times.

Lake Kariba, the world's biggest man-made reservoir, can hold up to 65 billion cubic metres of water at full capacity.

Below is the Lake Level Graph as issued by the Zambezi River Authority;



COMMODITY TRENDS

Maize Updates

- South Africa's white maize plantings have reduced from 1.64 million hectares in the 2016/17 season to about 1.26 million hectares in the 2017/18 season. The first crop estimate report by South Africa's department of agriculture has lowered the total white maize production by 38.4 % to 6.1 million from the 9.9 million recorded last year. Last year, South Africa had a total white maize demand of 7.38 million tons out of which 6.51 million was to be utilized locally. The Country's Yellow maize output is also anticipated to drop by 11.4% to 6.1 million.

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- A new zinc fortified maize variety (BIO-MZNo1) was introduced in Columbia last week to help the zinc deficiency challenges the country is faced with. The new

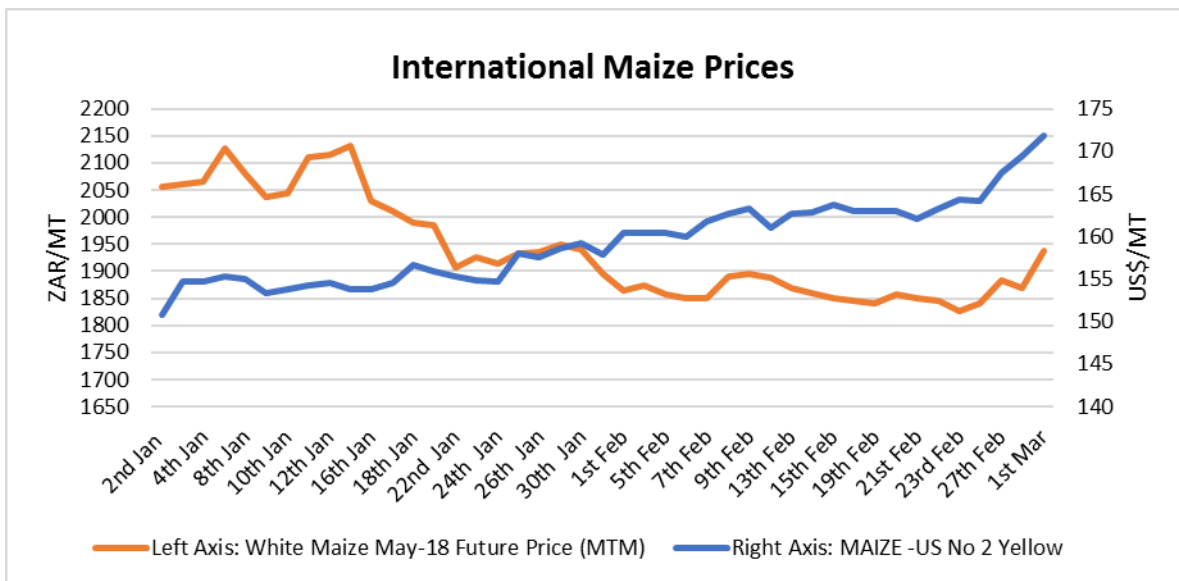


variety was developed by CIMMYT in collaboration with CIAT and Harvest Plus, among other research institutions. Harvest Plus has been proactive in the development and promotion of Vitamin A fortified maize, “orange maize”, in Zambia.

- Zimbabwe’s Grain Marketing Board (GMB) maize offer price was quoted at US\$390/ton in the CFU Calling published on 23rd February 2018.
- Local maize offer prices by traders are currently hovering around K1,700/ton (≈US\$170/ton)

International Price Trends

The U.S gulf spot prices of yellow maize begun the month of March at US\$171.78/MT, an increase of over US\$2/MT from the February closing price. The white maize futures for May delivery on Safex also started March on a higher note of ZAR 1938/MT (≈US\$162.6/MT). This is however still below the January highs which averaged ZAR 2010/MT (≈US\$168.7/MT)



Source: Safex, 2018

Soya beans updates

- South Africa’s government has projects a 4.5% rise in its country’s soya beans harvest to 1.37 million tons in 2018. This is above the country’s projected total (local and export) demand last year of 1.19 million tons. An export window for Zambia’s soya beans should however still be feasible to supply South Africa’s niche non-GM market.

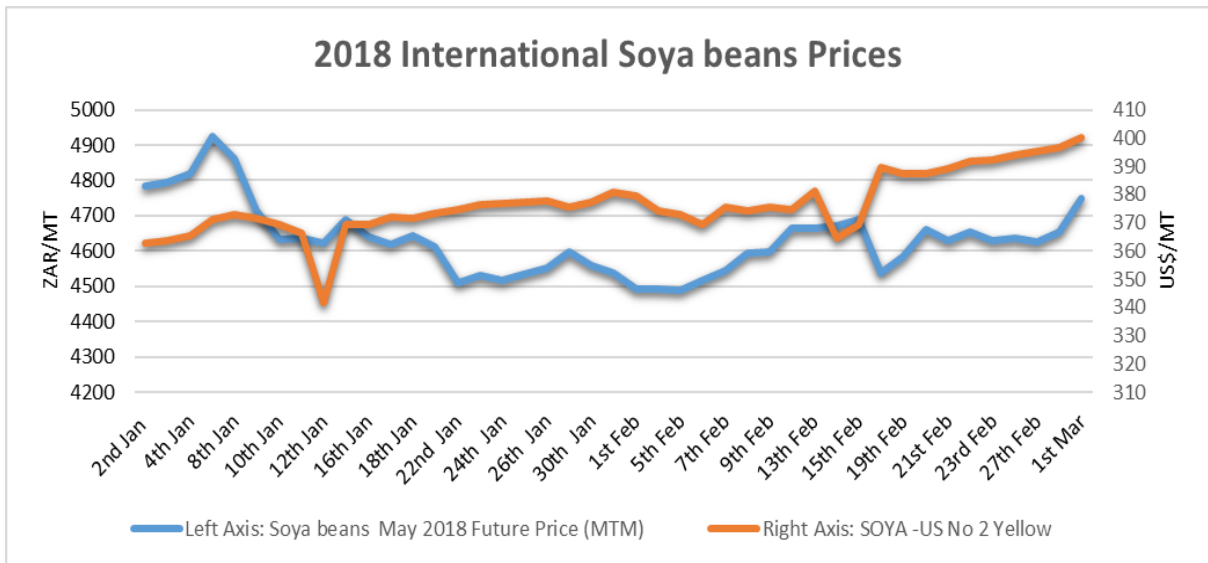
Zimbabwe’s Grain Marketing Board (GMB) Soya beans offer price was pegged at US\$610/ton in the CFU Calling published on 23rd February 2018.



- Local Soya beans offer prices by traders are averaging K4200/ton (≈US\$420/ton). Expectations are for spot prices to begin dropping towards the end of the month in anticipation of the new crop.

International Price Trends

The chart below depicts the movements in the international soya beans prices. As evidenced from the graph, the South African futures prices seem to be influenced by the movements of the fob U.S Gulf prices. International soya beans prices have been on an upward rally from mid-February to 1st March 2018.



Data Source: Safex, 2018

Wheat Updates

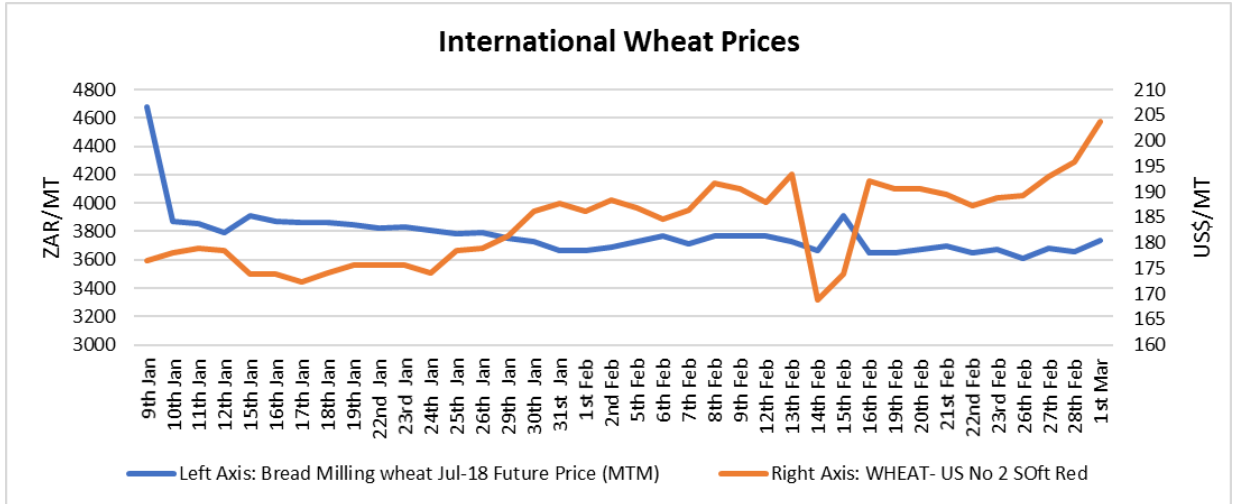
- Russian wheat upward rally last week was fueled by a relatively strong rouble as well as strong market demand especially from Egypt. According to the Russian Institute for Agricultural Market Studies (IKAR), Russian wheat with 12.5% protein for March delivery prices rose by \$1 to US\$203/ton (fob) last week.
- On the local scene, the heavy rains experienced in most parts of the country recently have brought relief to the faces of many wheat farmers as their dams begin to fill. The Farmers are however still keenly watching the weather and market occurrences as they finalize their decision making on the 2018 crop. Early birds are expected to bury their seed by next month.
- Zimbabwe’s Grain Marketing Board (GMB) maize offer price was quoted at US\$500/ton in the CFU Calling published on 23rd February 2018.
- Local wheat offer prices are around K4300/ton (≈US\$430/ton)

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International Price Trends

The South African bread milling wheat for July delivery averaged ZAR3706/MT (≈US\$311/ton). The US gulf fob spot prices of soft red wheat were on the other hand hovering around US\$188.53/ton during the same period.



Data Source: Safex, 2018

FROM THE REGIONS

EASTERN

CHADIZA

2017/2018 SEASON ANOTHER DIFFICULT FARMING SEASON FOR CHADIZA

Due to a drought spell experienced in Chadiza, farmers have faced varying challenges. Those who planted early, their fields have been badly damaged, for those who planted late, well, they may harvest something if the rains may continue through to the end of march. Some farmers have even started ploughing through their fields to plant sunflower, in an attempt to harvest something at the end of the season. Other farmers have not received their e-voucher cards and were not able to redeem inputs. On the other hand, agro-dealers are also complaining over lack of payments for the inputs they supplied farmers after swiping.

TOBACCO HARVEST BEGINS

Tobacco farmers have started picking the prime leaves of the crop in preparation to start curing the tobacco. It is the only crop in the district which has done well in spite of the



drought. Indicators are that most of the farmers will have a good tobacco harvest and are hoping the prices will also be good.

KATETE

SOLIDARIDAD CONDUCTS SOYA BEANS BASELINE IN KATETE

Solidaridad has conducted baseline survey for soya beans in Katete District. Six Information Centres (ICs) have so far been covered. The organization is funded by the Netherlands government and supports small scale farmers in producing, processing and marketing of soya beans and other crops.

This development has excited farmers and is being seen as one of the activities that will strengthen the Katete District Farmers' Association and ICs. This has prompted many farmers to join and subscribe to ZNFU.

SOUTHERN

MONZE

MONZE FARMERS BEMOAN CLOSURE FOR REDEEMING

Some farmers in Monze District have bemoaned the purported government's decision to close the redeeming exercise under the FISP Electronic voucher system. This arose after announcements going around that all farmers benefiting from the Farmer Input Support Program (FISP) will not be able to redeem or access inputs after **28.02.2018** as the system managed by Zambia Integrated Agriculture Management Information System (ZIAMIS) will close down and will not permit any transactions as this will consequently mark the end of 2017/18 farming season. This news comes when only slightly above 50% of the total farmers that deposited K400 have accessed their inputs.

Monze District has **28, 586** total beneficiaries. However, only **20,000** collected the authority to deposit and **15,000** managed to deposit and to date only **9,000** have successfully redeemed and accessed their inputs. Farmers have therefore, called on stakeholders in the sector to seriously advice and show Government the pathway for electronic voucher system that would allow farmers a year-round access to inputs.

MONZE FLOODS

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The District has received quite substantial rains since 1st February 2018 with some areas of the District receiving more than normal rainfall. Some areas are now flooded. This comes





after the District was hit by a one month and two weeks dry spell which led to most crops wilting. Some crops that survived the dry spell are now being submerged in floods due to excessive rains. This has instilled fear in farmers as they do not know how they will survive with many expecting food shortages in the District. The rains have also led to an outbreak of various livestock diseases, such as east coast fever (**ECF**), and so far about seventeen (17) animals have reportedly died.

The veterinary department has since moved in to curb the situation.

NORTHERN

MBALA

MoA URGES FARMERS TO DIVERSIFY

The Ministry of Agriculture in Mbala district has urged farmers to Diversify in Agriculture activities. This came to light during a community radio show at Kawimbe Camp.

Mr. Ng'ona who is also the District marketing development officer, urged farmers to diversify their enterprises by growing other cash crops and exploring other fields of farming (such as soybeans, sunflower, millet, green vegetable gardening) and livestock rearing. During the same meeting, the Mbala DFA advised farmers to take farming as a business saying for this enterprise to be profitable they need to be well informed on recent technologies and trends in the Agriculture sector.

MEETINGS

This serves to inform you that there will be a ZNFU/ZESCO committee meeting on Thursday 15th March 2018 at ZNFU, Boardroom starting 09:30 hours. Members can confirm with Ms. Judy Hamonzwe on email: judy.hamonzwe@znfu.org.zm or Calvin Kaleyji on email: kakoma@znfu.org.zm

FARMERS' HOLIDAYS

The following are Public/Farmers' Holidays coming up during the year that members should observe;

January 1 (Monday) – **New Year's Day**

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March 8 (Thursday) – **International Women's Day**





March 12 (Monday) – **Youth Day**
March 30 (Friday) – **Good Friday**
March 31 (Saturday) – **Easter Saturday**
April 2 (Monday) – **Easter Monday**
May 1 (Tuesday) – **Labour Day**
May 25 (Friday) – **Africa Freedom Day**
July 2 (Monday) – **Heroes Day**
July 3 (Tuesday) – **Unity Day**
August 6 (Monday) – **Farmers' Day**
October 18 (Thursday) – **National Prayers' Day**
October 24 (Wednesday) – **Independence Day**
December 25 (Tuesday) – **Christmas Day**

ALERTS! ALERTS! ALERTS! ALERTS!

LABOUR UPDATE

The conciliation process for the collective dispute on the ZFEA minimum wage scale has yet to begin. So, the previous wage agreement which was effective from 1st November 2016, remains in force.

SELLING MAIZE?

Farmers with stocks of maize available for sale should consider placing parcels on the ZAMACE Platform. We have been informed that procedures have been simplified. For more information contact:

Jacob Mwale
Executive Director
ZAMACE Limited
Plot No. 26592 Kafue Road
T: +260 960 432 266
M: +260 977 988 897
E: jmwale@zamace.co.zm
info@zamace.co.zm





In addition, there are millers interested in buying maize. For full details of the millers involved, contact:

Dr. Harrison Banda

Millers Association of Zambia (MAZ)

C/o Harrison & Associates Chartered Accountants and Business Advisors

Tel: +260 211 845 541

Cel: +260 977 654 599 / +260 966 800 606

E-mail: harrison.associates@microlink.zm Website: harrisonandassociates.com

ZASTI HOLDS AGROMENT AND CLIMATE CHANGE WORKSHOP

The Zambia Air Services Training Institute (ZASTI) is offering three-day training session (28th -30th March 2018) for agriculture stakeholders as a measure to mitigate the impact of Climate Change.

The purpose of the training is to equip participants with basic introductory knowledge and skills to interpret meteorological data and prevailing meteorological conditions, and also with the skills to correctly convey meteorological information to farmers.

Some of the topics to be covered will include;

- Conventional rain-fed agriculture practices
- Climate Change and variability
- Pests and Meteorological conditions
- Cloud Types and associated rainfall
- Agricultural meteorological measurements
- Crop diversification in relation to Climate Change and variability

Participants are required to pay a participation fee of K1, 800. Kindly confirm participation with the Principal; Mr. Billieard Shingalili on Telefax: +260 211 271 293 or Email: info@zasti.ac.zm

WEATHER

SEVEN DAYS WEATHER FORECAST: 3RD – 9TH MARCH 2018

GENERAL SITUATION

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From 3rd to 6th March 2018; the Inter Tropical Convergence Zone (ITCZ) will be oscillating over the central parts of Zambia. It will then temporarily move northwards from the 7th to the end of the forecast period.

FORECAST FOR THE PERIOD: 3rd – 6th March 2018 Northwestern, Luapula, Northern and Muchinga provinces: Partly cloudy with a chance of showers and thunderstorms. The rest of Zambia: Partly cloudy progressively becoming cloudy with a chance of morning rains, afternoon showers and thunderstorms. The nights will be mostly cloudy with a chance of rain and thunder.

FORECAST FOR THE PERIOD: 7th – 9th March 2018 Copperbelt, Luapula, Northern and Muchinga provinces: Cloudy with morning rains, afternoon showers and thunderstorms. The Rest of Zambia: Few clouds, gradually becoming cloudy with a chance of afternoon showers and thunderstorms.

NOTE: We are monitoring the strength and trajectory of the Tropical Low-Pressure system developing over the Indian Ocean. Its path and position may increase or reduce rainfall activities across the country.

**Produced and compiled by the Zambia Meteorological Department,
Ministry of Transport and Communications.**

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