

NOTICE ON FARMING JOINT VENTURES ON A1 AND A2 FARMS BY MINISTER OF LANDS, AGRICULTURE, WATER AND RURAL RESETTLEMENT

- 1.0 In terms of Section 18(1) of the Land Commission Act Chapter [20:29], "No owner or occupier of land to which this Act applies shall permit the occupation on a share-cropping basis by another person of any portion of such land unless an agreement in writing has been entered into between such owner or occupier and such other person in respect of the occupation of such land on a share-cropping basis and such agreement has been approved by the
- 2.0 Therefore, no beneficiary of the Land Reform Programme can enter into anyshare-cropping agreement without the approval of the Minister responsible for lands. Consequently, I have found it necessary to outline the requirements for the approval of farming Joint Venture agreements entered into by A1 and A2 farmers.
- 3.0 It is illegal to sublease agricultural land under the Land Reform Programme. Any Joint Venture agreement that amounts to subletting land will not be approved and any beneficiaries found to be subletting agricultural will have their offer letters withdrawn.
- 4.0 The broad Joint Venture requirements are as follows:

Minister".

- 4.1 Applicants must attach a business plan and cash flow projections covering the contract period.
- 4.2 All lease rental arrears have to be paid up and the land holder has to be up to date on payments.
- 4.3 The sharing of proceeds in the Joint Venture must be fair and practical and must take into consideration the length of the contractual period and the nature and quantum of investment involved.
- 4.4 All agreements should ensure and entrench skills transfer through joint management and decision making.
- 4.5 All movables brought in by the investor shall remain the investor's property while the landholder will have the right of first refusal to purchase such movables.
- 4.6 None of the movables on the farms shall be used as a form of security or collateral for any debts or loans.
- 4.7 The landholder shall contract all or part of his or her total hectarage to the investor.
- 5.0 A generic Joint Venture Agreement is now available from the Ministry's Monitoring and Evaluation Unit, Email: agricmonitoring2020@gmail.com, Cell: +263712236550 and +263779275826.
- 6.0 All Joint Ventures, current and proposed, for the 2020/2021 season onwards should be regularized and approved by the Minister by 30 November 2020.
- 7.0 The Joint Ventures are meant to enhance production, productivity and profitability on farms in support of the Agricultural Food Systems Transformation Strategy which is an important component in our journey towards Vision 2030.