

PARLIAMENT OF ZIMBABWE

FIRST REPORT

**OF THE PORTFOLIO COMMITTEE ON LANDS AGRICULTURE WATER
DEVELOPMENT RURAL RESOURCES AND RESETTLEMENT
ON FOOD STOCKS**

FIFTH SESSION – FIFTH PARLIAMENT

Presented To Parliament on Wednesday, 10th November 2004

[S.C. 33 – 2004]

Ordered in terms of Standing Order No. 153.

At the commencement of every session, there shall be as many select committees to be designated according to government portfolios to examine expenditure, administration and policy of government departments and other matters falling under their jurisdictions as the House may by resolution determine and whose members shall be nominated by the Standing Rules and Orders Committee. Such nominations shall take into account the expressed interests, experience or expertise of the members and the political and gender composition of the House

Terms of reference of portfolio committees S.O.154

Subject to these Standing Orders a portfolio committee shall:

- a) consider and deal with all bills and statutory instruments which are referred to it by or under a resolution of the House or by the Speaker,
- b) consider or deal with an appropriation or money bill referred to it by these Standing Orders or by or under resolution of this House; and
- c) monitor , investigate , enquire into and make recommendations relating to any aspect of the legislative programme, budget rationalization, policy formulation or any other matter it may consider relevant of the government department falling within the category of affairs assigned to it, and may for that purpose consult and liaise with such a department.

Wednesday, 11th August, 2004

ANNOUNCED:

That the Committee consists of the following Members:

Mr. Bennett, Chief Bidi, Chief Chirau, Mr. Gasela, Mr. Kangai, Mr. Matewu Mlambo, Mr. Mazikana, Mr. Mkhosi , Mr. D.M. Ncube, Mr. Paradza and Mr. M. Sibanda

Mr. D.M. Ncube to be Chairman.

1 INTRODUCTION

- 1.1 On 2nd June 2004, the House, through a motion which had been moved by Hon Gasela, mandated the Committee to verify levels of food stocks in the country vis-à-vis the assurance made by the Minister of Agriculture and Rural Development that there was adequate food in the country as a harvest of 2.4 million tonnes of maize was expected. For clarity purposes, the motion was as follows:-

COGNISANT that the Government has released the final crop forecast of 2 400 000 tonnes of maize for 2003/4 cropping season;

CONCERNED that independent forecasts have come up with much lower maize production figures; and

NOTING the importance of food availability in the country;

NOW THEREFORE, this House resolves that the Portfolio Committee on Lands, Agriculture, Water Development, Rural Resources and Resettlement ascertains the availability of food stocks in the country.

- 1.2 Pursuant to the resolution of the House, the Committee carried out an enquiry to establish levels of food stocks in the country against the government stated forecast figures. In its enquiry the Committee confined itself to maize and wheat, as these are the main staple foods in the country. To this end, the Committee received oral evidence from the following witnesses:

a) **Grain Marketing Board**

Col Muvuti – Acting Chief Executive Officer

Mr Makwenda – Marketing Director

Major Jerera – National Food Taskforce Committee Member

b) **Ministry of Agriculture and Rural Development**

Mr Masoka – Permanent Secretary

Mr. Zishiri - ARES National Coordinator

- 1.3 As much as the Committee would have wanted to carry out fact finding visits to selected GMB Silos and depots to establish hard facts on the ground, the Committee was, however, not able to do so due to budgetary constraints. Thus, the Committee only relied on the evidence presented to it by GMB and Ministry officials.

2. **FINDINGS OF THE COMMITTEE**

- 2.1 The Acting Chief Executive Officer for GMB, Colonel Samuel Muvuti informed your Committee that as of 15 October 2004, GMB had received 388 558 tonnes. On the figure of 2 400 000 tonnes, Col. Muvuti said it was a national production forecast produced by the Crop Forecast Committee, which is chaired by the Central Statistical Office (CSO).
- 2.2 The permanent secretary for the Ministry of Agriculture and Rural Development, Mr Masoka, assured your Committee that the ministry arrived at the estimate of 2.4 million tonnes after a thorough exercise through a census-type sampling method. This method involved the ARES officers going down to the farmer level for A2 farmers and ward level in case of the A1 and communal farmers to collect the information that was finally compiled into the “Crop Assessment Report”.
- 2.3 Your Committee was further informed that the hectarage, which had been put under maize, was 1.6 million hectares as compared to the previous season, which had 1.2 million hectares. The forecast projected an average

yield of 1.5 tonnes per hectare. A simple calculation of 1.5t/ha by 1.6 million hectares gives a total production of 2.4 million tonnes of maize.

- 2.4 Your Committee failed to understand the huge gap between current deliveries to the GMB of 388 558t and the national crop forecast of 2 400 000t of maize considering the fact that the delivery peak period has gone past. However, the explanation given to your Committee by GMB and ministry officials with regard to this discrepancy was that 45 % to 75% of grain was still in the hands of farmers. One reason given by GMB for the slow delivery of maize was that farmers were withholding maize for strategic reasons as they were still assessing whether the coming season was promising to be good or not. Your Committee was informed that at the peak of delivery, GMB was receiving about 36 000t per week before the figure tumbled down to an average of 20 000t due to an announcement by the meteorological office, which indicated that the coming season did not promise to be good. The other reason was that GMB was facing severe logistical transport problems to collect maize from farmers as quickly as possible. Because of all these factors, your Committee was informed that GMB was expected to purchase between 500 000t and 750 000t. The rate at which inflows are coming through to GMB, your Committee believes that by the end of the year GMB would have received about 500 000t.
- 2.5 Your Committee was informed that government was in the process of importing maize, with 141 521 tonnes of maize already purchased and paid for, though still yet to be delivered into the country. Apart from the above stated figure, your Committee was also informed that government had signed contracts for the purchase of additional imports of maize amounting to 222 554t.

- 2.6 Officials from GMB informed your Committee that areas of food deficit in the country cover some parts of Matabeleland North, Matabeleland South, Masvingo and Midlands provinces, Rushinga district and all urban areas. Your Committee was further informed by GMB that between now and the next harvest season in April 2005, these areas would need a total of 310 000t of maize, an amount that GMB already has in stock. Further, your Committee was told that GMB had already started moving maize to these areas of deficit.
- 2.7 On allegations that some big millers in the country have scaled down their production levels due to the shortage of maize in the country or the fact that they are getting inadequate quantities from GMB, Col Muvuti dismissed the allegation as untrue. He said GMB had enough maize in its stocks to meet the demands of millers. Hence if there are millers that are scaling down production, it could be for other reasons, not failure by GMB to supply them with their requirements. Unfortunately, the Committee was not able to meet any of the millers to verify if they were getting adequate supplies of maize to meet their requirements. Several attempts were made to meet them without success.
- 2.8 On wheat production, your Committee was informed that the country was envisaged to produce 280 000t from the current crop, assuming an average yield of 4t/ha from a hectareage of 70 000 ha against an annual requirement of 450 871t. At the time of the enquiry, GMB had 63 565 tonnes in stock with an additional 18 327 tonnes having been imported and still to be delivered into the country. Assuming that the forecast for the current crop is close to the mark, the country will, therefore, require about 62 000t to offset the deficit. Your Committee felt that the average yield of 4t/ha may be on the high side. It was not clear at the time when the report was compiled whether the wheat crop was damaged by the early rains or not.

3. COMMITTEE'S OBSERVATIONS

3.1 While the figure of 2.4 million tonnes may be mathematically and statistically correct in terms of hectarage, yields and probability factors, your Committee found it difficult to relate production forecast figures with the actual inflows to GMB. For instance, a glance at the following table will testify to the Committee's discomfort;

PROVINCE	FORECAST PRODUCTION	INFLOWS TO GMB DEPOTS	PERCENTAGE INFLOWS
Masvingo	466 224t	5839t	1.3%
Midlands	531 624t	20525t	3.9%
Matabeleland S.	109 178t	362t	0.3%
Matabeleland N.	127 749t	1739t	1.4%
Total	1 234 775t	28 465t	2.3%

N.B. As at 10 September 2004

3.2 As the above table reflects, the inflows to the GMB are a serious cause of discomfort to your Committee. The four provinces tabulated above, were expected to produce 1.2 million tonnes, half of the total national production forecast yet only 28 465t have been delivered to GMB. Your committee is also uncomfortable with over reliance on the assumption that farmers are withholding 45% to 75% of maize. Should the assumption prove not to be strictly true, your Committee is greatly concerned that this will plunge the country into a serious crisis which will impact adversely on the national economy and national food security.

3.3 Your Committee observed with concern that the built-up statistics to the forecast figure of 2.4 million tonnes also included known chronic deficit

areas such as Masvingo, Midlands, Matabeleland North and South provinces. It was equally surprising that the national average yield of 1.5 t/ha was applied across the board regardless of the climatic conditions that prevail in each of the 5 ecological regions in the country. Hence, this might easily lead to a distorted crop forecast. Your Committee would have preferred forecasts based on average anticipated yields for the different ecological regions.

- 3.4 Given the current inflows to GMB as shown in the above table, your Committee found it difficult to believe that the deficit areas in the country, namely, Masvingo, Midlands, Matabeleland North and South provinces and all urban centers will require about 310 000t of maize between now and the next harvest season. As at 18 October 2004, GMB had holding stocks of 351 810t and a commitment of 222 554t maize imports were yet to be delivered into the country. This gives a total of 574 364t of maize. However, given the fact that the country consumes, on average, 158 000t of maize per month, the country, therefore, is likely to stock out before the next harvest in 2005.
- 3.5 Your Committee also noted with concern failure by GMB, CSO and the Ministry of Agriculture and Rural Development to supply it with requested information on time. For instance, it took GMB about two months to submit to the Committee the requested information. The Central Statistical Office (CSO) kept informing the Committee that they were still working on the report and the report was never submitted to the Committee.

4. RECOMMENDATIONS.

Given the above scenario, the Committee is recommending the following:

- 4.1 That the Ministry of Agriculture and Rural Development immediately issue out a revised crop production figure based on actual yields to enable the country to properly plan on the food situation.
- 4.2 That a thorough assessment of the areas which are in dire need of food should be carried out coupled with transport logistical programmes to move maize from surplus areas to the deficit areas.
- 4.3 That the method used by the Crop Forecast Committee for coming up with national crop production forecast should be based on average anticipated yields for different ecological regions.
- 4.4 That government should come up with an attractive commodity marketing system for food crops which will encourage more farmers to embark on food crops and ensure food security.

5. CONCLUSION

Government needs to consciously ensure that areas of food deficit are properly quantified and adequate stocks of maize moved expeditiously to these areas to ensure accessibility and availability at all times.