



REPUBLIC OF ZAMBIA

MINISTRY OF AGRICULTURE

**MINISTERIAL STATEMENT BY HON. GIVEN LUBINDA,
MP, MINISTER OF AGRICULTURE**

ON

**"THE CROP FORECASTING SURVEY FOR THE 2015/2016
AGRICULTURAL SEASON AND THE FOOD BALANCE
STATUS FOR THE 2016/2017 MARKETING SEASON"**

3RD MAY, 2016

MR. SPEAKER,

IT IS MY PLEASURE TO ANNOUNCE TO THE NATION, THROUGH THIS HOUSE, THE COUNTRY'S ESTIMATED CROP PRODUCTION FOR THE 2015/2016 AGRICULTURAL SEASON AS WELL AS THE COUNTRY'S NATIONAL FOOD BALANCE FOR THE MARKETING SEASON COVERING THE PERIOD FROM 1ST MAY 2016 TO 30TH APRIL 2017.

THE CROP PRODUCTION ESTIMATES THAT I AM RELEASING TODAY ARE BASED ON A UNIVERSALLY APPLIED SCIENTIFIC SURVEY METHOD THAT IS USED EVERY YEAR. THE SURVEY IS JOINTLY CONDUCTED BY THE MINISTRY OF AGRICULTURE AND THE CENTRAL STATISTICAL OFFICE (CSO) AND COVERS ALL THE DISTRICTS OF THE COUNTRY.

MR. SPEAKER,

AS MOST OF US MAY BE AWARE, THE SADC REGION IN GENERAL AND ZAMBIA IN PARTICULAR DID EXPERIENCE POOR RAINFALL FROM OCTOBER TO DECEMBER, 2015. MANY PARTS OF THE COUNTRY EXPERIENCED BELOW NORMAL RAINFALL ESPECIALLY IN THE SOUTHERN HALF OF THE COUNTRY. THIS SITUATION LED TO A RELATIVELY POOR START TO THE PLANTING SEASON. THERE WERE FEARS THAT THE EL NINO PHENOMENON WOULD LEAD TO VERY LOW CROP PRODUCTION, ESPECIALLY FOR MAIZE.

HOWEVER, THE RAINFALL SITUATION IN MOST PARTS OF THE COUNTRY DID IMPROVE SIGNIFICANTLY FROM JANUARY UP TO THE END OF THE RAINS IN APRIL 2016.

AS A RESULT YIELDS AND PRODUCTION OF SEVERAL CROPS SUCH AS SORGHUM, RICE, SOYA-BEANS, SUNFLOWER, SWEET POTATOES AND COWPEAS HAS BEEN FORECAST TO INCREASE.

MR. SPEAKER,

PRODUCTION OF MILLET IS FORECAST TO REDUCE BY 6.24 PERCENT TO 29,973 METRIC TONNES FROM 31,967 METRIC TONNES LAST SEASON.

PRODUCTION OF RICE IS FORECAST TO INCREASE BY 4.6 PERCENT TO 26,675 METRIC TONNES FROM 25,514 METRIC TONNES LAST SEASON.

PRODUCTION OF GROUNDNUTS IS FORECAST TO INCREASE BY 18.07 PERCENT TO 131,562 METRIC TONNES FROM 111,429 METRIC TONNES LAST SEASON.

PRODUCTION OF SEED COTTON IS FORECAST TO INCREASE BY 7.71 PERCENT TO 111,902 METRIC TONNES FROM 103,889 METRIC TONNES LAST SEASON.

PRODUCTION OF SWEET POTATOES IS FORECAST TO INCREASE BY 95.96 PERCENT TO 231,882 METRIC TONNES FROM 118,330 METRIC TONNES LAST SEASON.

PRODUCTION OF MIXED BEANS IS FORECAST TO DECREASE BY 10.01 PERCENT TO 45,351 METRIC TONNES FROM 50,398 METRIC TONNES LAST SEASON.

PRODUCTION OF VIRGINIA AND BURLEY TOBACCO IS FORECAST TO REDUCE BY 36.70 PERCENT AND 6.47 PERCENT TO 12,540 METRIC TONNES AND 6,476 METRIC TONNES RESPECTIVELY. THE DECLINE IN PRODUCTION OF TOBACCO IS PARTLY DUE TO THE POOR MARKETING ARRANGEMENTS FOR THE CROP LAST SEASON. SOME FARMERS HAVE STILL NOT BEEN PAID FOR THE CROP THEY SOLD TO SOME MARKETING COMPANIES.

LET ME TAKE THIS OPPORTUNITY TO ISSUE A WARNING TO TOBACCO MARKETING COMPANIES THAT GOVERNMENT WILL NOT TAKE KINDLY TO A REPEAT OF SOME OF THE ISSUES THAT TOOK PLACE LAST YEAR.

PRODUCTION OF SORGHUM IS FORECAST TO INCREASE BY 73.66 PERCENT TO 14,107 METRIC TONNES FROM 8,123 METRIC TONNE LAST SEASON. THIS INCREASE IS PARTLY A RESULT OF PROCESSING COMPANIES OFFERING AN ATTRACTIVE PRICE FOR THE CROP TO OUR FARMERS. I WOULD LIKE TO COMMEND THIS DIVERSIFICATION EFFORT AND URGE OUR FARMERS TO GROW DROUGHT TOLERANT CROPS SUCH AS SORGHUM.

MR. SPEAKER,

PRODUCTION OF SOYA BEANS IS FORECAST TO INCREASE BY 18.19 PERCENT TO 267,490 METRIC TONNES FROM 226,323 METRIC TONNES LAST SEASON. THE NATIONAL YIELD RATE FOR SOYA BEANS HAS INCREASED BY 5.01 PERCENT. THE AREA PLANTED TO SOYA BEANS INCREASED BY 12.5 PERCENT. I AM PARTICULARLY PLEASED THAT PRODUCTION OF SOYA BEANS BY OUR SMALL AND MEDIUM SCALE FARMERS HAS INCREASED BY 69.2 PERCENT TO 65,304 METRIC TONNES IN 2015/2016 FROM 38,595 METRIC TONNES LAST SEASON. THIS SIGNIFICANT INCREASE UNDERSCORES GOVERNMENT'S POLICY TO SUPPORT THE LOCAL OILSEED SECTOR AND REDUCE ON THE IMPORTATION OF EDIBLE OIL PRODUCTS. THIS ALSO INDICATES GOVERNMENT POLICY OF CROP DIVERSIFICATION IS BEARING FRUIT.

I WOULD LIKE TO THANK OUR FARMERS FOR THIS LAUDABLE EFFORT AND ENCOURAGE THEM TO CONTINUE INCREASING THE HECTARAGE UNDER OIL SEED CROPS SUCH AS SOYA BEANS AND SUNFLOWER. THIS WILL ENABLE ZAMBIA BECOME SELF SUFFICIENT IN EDIBLE OIL AND INCREASE INVESTMENT IN PROCESSING.

MR. SPEAKER,

ACCORDING TO THE CROP FORECAST SURVEY RESULTS, NATIONAL CASSAVA FLOUR EQUIVALENT PRODUCTION FOR THE 2015/2016 SEASON HAS BEEN FORECAST TO DECREASE BY 10.3 PERCENT TO 854,393 METRIC TONNES COMPARED TO 952,847 METRIC TONNES OF CASSAVA FLOUR EQUIVALENT, PRODUCED DURING THE LAST SEASON.

THE WHEAT CROP FOR THE 2015/2016 SEASON IS CURRENTLY BEING PLANTED. HOWEVER, PRELIMINARY ESTIMATES INDICATE THAT THE COUNTRY IS LIKELY TO INCREASE ITS WHEAT PRODUCTION THIS SEASON COMPARED TO LAST YEAR. THE COUNTRY HAS 156,555 METRIC TONNES OF CARRY-OVER STOCKS OF WHEAT AS AT 30TH APRIL 2016. WHEAT REQUIREMENTS HAVE BEEN ESTIMATED AT 395,000 METRIC TONNES FOR THE 2016/2017 SEASON. A DETAILED ESTIMATE FOR THE ANTICIPATED WHEAT PRODUCTION FOR THE 2016/2017 SEASON WILL BE PROVIDED LATER IN THE SEASON.

MR. SPEAKER,

I AM GLAD THAT IN GENERAL, THE PRODUCTIVITY OF ZAMBIAN FARMERS HAS GONE UP THIS YEAR COMPARED TO LAST YEAR.

AS ALREADY STATED, THE YIELD RATES FOR MANY CROPS HAS INCREASED IN THE 2015/2016 SEASON COMPARED TO LAST SEASON. THE GENERAL INCREASE IS MAINLY DUE TO THE FOLLOWING FACTORS:

1. DESPITE ERRATIC ONSET OF RAINS, THE COUNTRY GENERALLY EXPERIENCED FAVOURABLE RAINFALL FROM JANUARY TO EARLY APRIL 2016. THIS RESULTED IN BETTER THAN EXPECTED YIELDS FOR MOST CROPS;

2. THE RELATIVELY GOOD DISTRIBUTION OF RAINFALL WHICH CHARACTERIZED THE SEASON BETWEEN JANUARY AND EARLY APRIL ALSO RESULTED IN IMPROVED PLANTING FOR CROPS THAT ARE PLANTED AFTER MAIZE;
3. THE INTRODUCTION OF THE E-VOUCHER PROGRAMME BY GOVERNMENT IN THIRTEEN DISTRICTS GAVE FARMERS A CHOICE OF INPUTS TO PURCHASE IN LINE WITH FARMING SYSTEMS THAT ARE APPROPRIATE TO THEIR LOCATION AND LOCAL WEATHER PATTERNS. THIS HAS HAD A POSITIVE IMPACT ON THE PRODUCTIVITY OF OUR FARMERS;
4. THE ADOPTION OF CONSERVATION FARMING PRACTICES BY OUR FARMERS HAS ALSO HAD A POSITIVE IMPACT ON PRODUCTIVITY AND ULTIMATELY, PRODUCTION;
5. THE RESILIENCE AND HARD WORK OF OUR FARMERS DESPITE CHALLENGING WEATHER CONDITIONS HAS ALSO HAD A POSITIVE IMPACT ON PRODUCTION; AND
6. THE TIMELY DELIVERY OF INPUTS BY GOVERNMENT IN THE 2015/2016 SEASON ALSO ENABLED OUR FARMERS TO ACHIEVE IMPROVED YIELDS.

MR. SPEAKER,

THIS YEAR, MAIZE PRODUCTION IS FORECAST TO INCREASE TO 2,873,052 METRIC TONNES FROM 2,618,221 METRIC TONNES IN THE 2014/2015 SEASON, AN INCREASE OF 9.73 PERCENT. THE NATIONAL AVERAGE YIELD RATE FOR MAIZE HAS INCREASED TO 2.10 METRIC TONNES PER HECTARE FROM 1.75 METRIC TONNES PER HECTARE LAST SEASON. THIS REPRESENTS AN INCREASE OF 20.14 PERCENT. SMALL AND MEDIUM SCALE FARMERS HAVE RECORDED AN AVERAGE MAIZE YIELD RATE OF 2.03 METRIC TONNES PER HECTARE, WHILST LARGE SCALE FARMERS HAVE RECORDED AN AVERAGE MAIZE YIELD RATE OF 5.05 METRIC TONNES PER HECTARE.

DESPITE THE INCREASE IN MAIZE PRODUCTION, I WOULD LIKE TO INFORM YOU THAT THE AREA PLANTED TO MAIZE AND SOME OTHER CROPS HAS DECREASED COMPARED TO LAST SEASON. AREA UNDER MAIZE DECREASED BY 8.66 PERCENT TO 1,364,977 HECTARES IN THE 2015/2016 SEASON FROM 1,494,451 HECTARES LAST SEASON. USAGE OF FERTILIZER ON MAIZE BY FARMERS DECREASED BY 22.5 PERCENT IN 2015/2016 COMPARED TO LAST SEASON. THE PERCENTAGE OF FARMERS USING FERTILIZER AND HYBRID SEED INCREASED IN PART DUE TO THE INCREASE IN THE QUANTITY OF FERTILIZER AND SEED DISTRIBUTED BY GOVERNMENT THROUGH THE FISP AND THE RECENTLY LAUNCHED E-VOUCHER SYSTEM AS WELL AS THE CONTINUING EXTENSION EFFORTS TO IMPROVE CROP PRODUCTION MANAGEMENT PRACTICES.

MR. SPEAKER,

THE NATIONAL FOOD BALANCE SHEET FOR THE 2016/2017 MARKETING SEASON BASED ON THE CROP FORECASTING SURVEY SHOWS THAT THE COUNTRY HAS PRODUCED SUFFICIENT MAIZE FOR BOTH HUMAN CONSUMPTION AND INDUSTRIAL USE.

AS ALREADY STATED, TOTAL MAIZE PRODUCTION IN THE 2015/2016 SEASON HAS BEEN ESTIMATED TO BE **2,873,052** METRIC TONNES. THE COUNTRY ALSO HAS A MAIZE CARRY-OVER STOCK AMOUNTING TO **667.524** METRIC TONNES AS AT 1ST MAY, 2016. OF THIS AMOUNT, THE FOOD RESERVE AGENCY (FRA) IS HOLDING 360,648 METRIC TONNES, THE GRAIN TRADERS ASSOCIATION IS HOLDING 207,771 METRIC TONNES, THE ZAMBIA NATIONAL FARMERS UNION IS HOLDING 36,701 METRIC TONNES AND SMALL AND MEDIUM SCALE FARMERS ARE HOLDING 38,751 METRIC TONNES. WHEN THE

MAIZE CARRY-OVER STOCK FROM LAST SEASON IS ADDED TO THE MAIZE PRODUCTION FOR THE 2015/2016 AGRICULTURAL SEASON, THE TOTAL SUPPLY OF MAIZE AVAILABLE FOR THE 2016/2017 MARKETING SEASON IS **3,540,577** METRIC TONNES.

FOR THE CURRENT POPULATION, THE FOOD BALANCE SHEET SHOWS THAT TOTAL MAIZE REQUIRED FOR HUMAN CONSUMPTION, INDUSTRIAL USE AND OTHER COMMITMENTS AMOUNTS TO 2,887,810 METRIC TONNES. THE TOTAL MAIZE REQUIREMENTS INCLUDE AN ANTICIPATED NATIONAL STRATEGIC RESERVE STOCK OF **500,000** METRIC TONNES TO BE HELD BY THE FOOD RESERVE AGENCY.

WHEN TOTAL MAIZE REQUIREMENTS ARE SUBTRACTED FROM TOTAL MAIZE AVAILABILITY, THE FOOD BALANCE SHEET INDICATES THAT THE COUNTRY HAS RECORDED A MAIZE SURPLUS OF **634,681** METRIC TONNES.

MR. SPEAKER,

MY MINISTRY WILL UNDERTAKE A CONSULTATIVE PROCESS WITH ALL RELEVANT STAKEHOLDERS INCLUDING CABINET, TO DISCUSS MARKETING MODALITIES FOR THE 2016/2017 MARKETING SEASON. THIS CONSULTATION IS ESPECIALLY NECESSITATED BY THE FACT THAT THE SADC REGION HAS EXPERIENCED A DEFICIT IN PRODUCTION. ZAMBIA IS ONE OF THE FEW COUNTRIES THAT IS EXPECTED TO RECORD A SURPLUS. THE COUNTRY IS EXPECTED TO HAVE NUMEROUS REQUESTS TO EXPORT MAIZE TO THE REGION.

MAIZE MARKETING MODALITIES WILL BE ANNOUNCED AFTER THE COMPLETION OF CONSULTATIONS WITH STAKEHOLDERS AND CABINET.

MR. SPEAKER,

AS SOME OF YOU MAY BE AWARE, GOVERNMENT HAS OPERATIONALIZED THE AGRICULTURAL CREDITS ACT OF 2010. THIS MANDATED THE ZAMBIAN COMMODITY EXCHANGE (ZAMACE) TO MANAGE THE WAREHOUSE RECEIPT SYSTEM ON BEHALF OF GOVERNMENT. THIS SYSTEM MEANS THAT FARMERS WHO DEPOSIT MAIZE AND OTHER COMMODITIES FOR STORAGE WITH ZAMACE CAN USE THEIR STORED CROP AS COLLATERAL AND BORROW AGAINST IT.

THE FOLLOWING LOCATIONS HAVE BEEN CERTIFIED BY ZAMACE TO RECEIVE GRAIN BASED ON THE ZAMACE MARKET DRIVEN GRADES AND STANDARDS FOR THE 2016/2017 MARKETING SEASON;

- 1) MKUSHI
- 2) MPONGWE
- 3) KAPIRI MPOSHI
- 4) KABWE
- 5) LUSAKA
- 6) PETAUKE AND
- 7) KATETE

THE ABOVE CERTIFIED LOCATIONS OFFER A COMBINED TOTAL SPACE OF 400,000 METRIC TONNES UNDER THE WAREHOUSE RECEIPT SYSTEM. APPLICATIONS FOR CERTIFICATION ARE BEING CONSIDERED AND MORE LOCATIONS WILL BE ADDED TO THIS LIST.

I URGE OUR FARMERS TO USE THE ZAMACE PLATFORM FOR MARKETING THEIR COMMODITY.

MR. SPEAKER,

LET ME CONCLUDE BY ONCE AGAIN RECOMMENDING OUR FARMERS, OUTGROWERS, AGRO-DEALERS AND MANY OTHERS IN THE AGRICULTURAL SECTOR FOR THEIR HARD WORK AND EFFORT THIS SEASON. I URGE THEM TO PERFORM EVEN BETTER IN THE NEXT AGRICULTURAL SEASON.

MR. SPEAKER, I THANK YOU.