

## **MINISTERIAL STATEMENT**

ON

MAIZE SUPPLY AND MEALIE MEAL PRICES SITUATION COUNTRYWIDE

BY

THE MINISTER OF AGRICULTURE, MR KATAMBO, MP

Mr Speaker, I thank you for the opportunity that you have accorded me to give this ministerial statement on the prevailing maize supply and mealie-meal prices situation in the country.

Sir, having followed the debates and public concerns raised on maize supply and mealie-meal prices, it is necessary that I issue this ministerial statement to clarify issues pertaining to national food security.

Mr Speaker, hon. Members of this august House may recall that in May this year, I announced the crop forecast survey results to the nation. In my statement, I stated that the production of the maize in the 2018/2019 agricultural season had reduced from 2,394,907 metric tonnes recorded in the previous season 2,004,389 metric tonnes. I also mentioned that the country had carryover stock amounting to 475,042 metric tonnes bringing the total available supply to 2,478,389 metric tonnes.

Sir, for an estimated population of 17.6 million, the total maize required for human consumption amounts to 1,558,339 metric tonnes. With 409,018 required for industrial use, the total requirement for both human and industrial use is 1,967,357 metric tonnes.

With this scenario, it is very clear that the country can survive until the next harvest season provided that illegal exports or smuggling which is a major threat to our national food security is controlled.

Mr Speaker, I must stress to the House that the crop forecast survey results are a static measure of food security. What I mean by this is that the actual situation on the ground has evolved from the time I announced the results. We can all agree that consumption occurs daily and therefore

the supply and availability of maize is also changing as the year progresses. We have serious threats to our food security situation which if not dealt with can result into national food shortages.

Mr Speaker, due to the consumption pressure on the maize commodity and also the fact that we have only produced enough to meet our domestic needs, it would be prudent for the Government to recognize and deal with the threats to our food security. The first threat is the smuggling of maize into neighbouring countries such as the Democratic Republic of Congo (DRC). As you are aware, smuggling is a serious threat to national food security as it has the potential of creating maize shortages and higher mealie meal prices.

Sir, the second threat, which we have already witnessed, is panic buying and hoarding of maize by traders in the belief that the country is running out of maize stocks. This has also had a major impact on mealie meal prices.

Mr Speaker, the third threat is that we have pockets of food shortages in some parts of the country. This has arisen because of the reduced production of maize in areas that were severely hit by drought and floods, mostly in southern, western and some parts of eastern and Lusaka provinces. This has created an uneven distribution of maize and mealie meal in the country, which also has had an impact on mealie meal prices.

Mr Speaker, in addressing these threats, we have put in place the following measures:

- a)* my ministry has banned the export of maize and maize products;
- b)* my ministry is closely monitoring maize stocks to ensure that the country has sufficient grain to last until the next harvest;

- c)* working with other wings of the Government, my ministry is ensuring that available maize stocks remain in the country. If smuggling is not curbed, mealie meal prices will continue to escalate;
- d)* the ministry has been engaging key stakeholders in the maize value chain to ensure that mealie meal prices stabilize. In a situation like this, all businesses are expected to be responsible and not take advantage by charging abnormal prices for mealie meal;
- e)* my ministry has engaged millers located in provinces that have been affected by weather challenges to ensure that they have access to maize to run their mills and prevent shortages of mealie meal;
- f)* the food reserve agency has been conducting community sales of maize to households in affected areas. This greatly assists in reducing the cost of food, especially for the vulnerable; and
- g)* the Government through the Disaster Management and Mitigation Unit (DMMU) has been distributing relief food to the affected areas.

Sir, on the subject of mealie meal prices, the House may wish to note that the situation we are in is due to the drought and floods that affected last season's production. Given the forecast of normal to above normal rainfall for the 2019/2020 rainfall season, our projection is that we will have a good harvest, I would like to assure the nation that the prevailing mealie meal prices are temporal.

Mr Speaker, going forward, the sustainable solution to this challenge is to increase the production of maize and also to diversify production to drought resilient food crops such as cassava, millet and sorghum. Our mindset needs to change; we need to realize as a nation that food security is not only maize and mealie meal.

Sir, increasing the production on maize entails that we attract all farmers that stopped growing maize to return and start growing maize. This will be done by stimulating the maize industry and in this regard, we have been engaging farmers and other maize industry stakeholders to resolve the administrative and policy bottlenecks that have negatively affected the production of maize. We have made significant progress in this area, and I can confidently state that we should expect a good harvest next year.

Mr Speaker, it is the Government's wish to see that farmers are paid good prices for their produce, but for this to happen, we should acknowledge that we will have to pay more for commodities such as mealie meal. As Government, we are working towards finding a win-win solution that will benefit farmers, other maize industry stakeholders and one that will result into affordable mealie meal prices for the ordinary Zambian.

Sir, as I conclude, allow me to assure the nation that the Government is committed to ensuring food and nutrition security for our nation and we will continue to distribute food to areas that are facing severe shortages.

I thank you, Mr Speaker.