

Voluntary Report – Voluntary - Public Distribution

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Report Name: Zambia Corn Availability Appears Sufficient Despite Lower Production

Country: Zambia

Post: Pretoria

Report Category: Grain and Feed, Climate Change/Global Warming/Food Security

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Report Highlights:

Despite lower production in marketing year (MY) 2022/23, Zambia's production of its staple crop, corn, will be sufficient to meet domestic demand. Zambia's corn crop is forecast to decline by 25 percent to 2.7 million metric tons (MMT) in MY 2022/23, after producing a record crop 3.6 MMT in MY 2021/22. Over the past 20 years, Zambia more than doubled corn production through a combination of increased area and productivity, turning the country into a net exporter of corn. Despite the decline in production, Post estimates that Zambia could export about 700,000 MT of corn in MY 2022/23 on record carry-over stocks from the previous marketing year. The Zambian government assured traders that the country will comply with regional and international trade protocols and avoid export restrictions in MY 2022/23.

Corn

Production

Zambia's corn crop dropped by 25 percent to 2.7 MMT in MY 2022/23, after producing a record crop 3.6 MMT in MY 2021/22 (see Table 1). As the agricultural sector in Zambia is dominated by smallholder farmers who have limited access to irrigation technologies, agricultural production is almost entirely dependent on rainfall. The production season for MY 2022/23 started with a delayed onset of rain and a prolonged dry spell in most parts of the country. As a result, the area planted fell by 11 percent from 1.7 million hectares (MHa) in MY 2021/22 to 1.5 MHa in MY 2022/23.

As the agricultural season progressed, Zambia experienced heavy rains and flooding in all provinces except in the Lusaka and Central provinces. This was followed by a dry spell during mid-season in the northeast, east, southeast, and central areas (also see map of Zambia below). Conversely, conditions remained favorable in the northwest, west, and southwest.

All of Zambia's 10 provinces reported infestation of Fall Armyworm, affecting more than 150,000 hectares (ha). Although the Zambian government distributed pesticides to farmers infested by Fall Armyworm, yields were negatively impacted. The cultivation of genetically engineered corn is still prohibited in Zambia.

Smallholder farmers accounted for 96 percent of total corn production in MY 2022/23. To increase the productivity of smallholder farmers, the Zambia government introduced the Farmer Input Support Program (FISP) program in 2009. The FISP supplies government subsidized seed and fertilizer to smallholder farmers to increase efficiencies and food security. In MY 2022/23 more than a million smallholder farmers received 10kg of corn seed and 300kg of fertilizer under the FISP.

Table 1

Area Planted and Production of Corn in Zambia

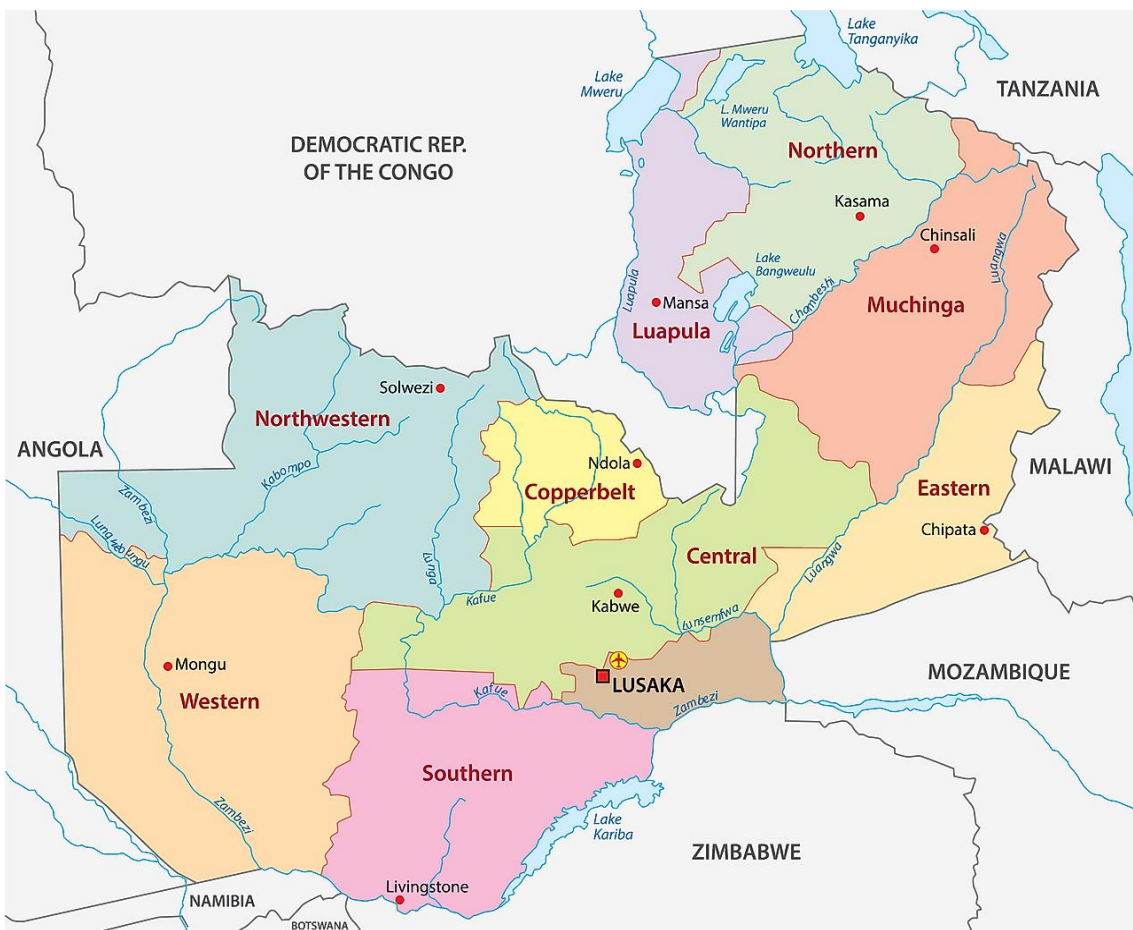
MY	Area planted (1,000 ha)	Area harvested (1,000 ha)	Yield (MT/ha)	Prod. (1,000 MT)
2020/21	1,635	1,334	2.5	3,387
2021/22	1,688	1,410	2.6	3,620
2022/23	1,507	1,200	2.3	2,706

Source: Zambia's Ministry of Agriculture

Table 1 summarizes the area planted, area harvested, production and yield of corn in Zambia for MY 2020/21, MY 2021/22 and MY 2022/23. Almost all the corn planted in Zambia is white corn and is mainly used for human consumption.

Figure 1

Map of Zambia

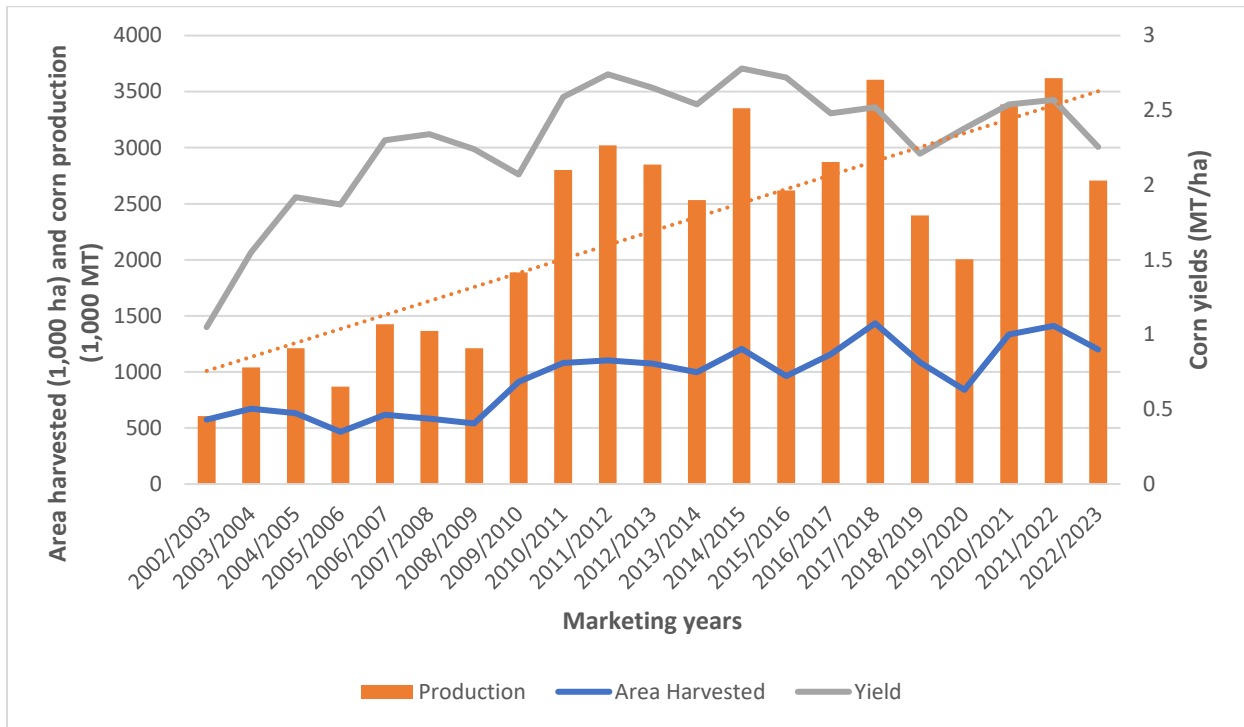


Source: Worldatlas

In MY 2021/22, Zambia produced its largest corn crop on record. The bumper corn crop of 3.6 MMT followed on Zambia’s third largest corn crop of 3.4 MMT produced in MY 2020/21. Zambia’s second largest corn crop was produced in MY 2017/18 (see Figure 2). Zambia’s corn yields almost doubled the past 20 years, mainly due to the availability and adoption of improved production technologies like higher-potential hybrid seeds and the government’s Farmer Input Support Program (FISP). The Zambian government has announced plans to continue support of local corn production with the goal of farmers ultimately producing more than 5.0 million tons of corn annually.

Figure 2

Zambia’s Positive Trend in Corn Production the Past 20 Years



Sources: Zambia’s Ministry of Agriculture, USDA

Consumption

Corn is the single most important crop in Zambia. It is widely grown by smallholder farmers and is the national staple food in the form of a porridge called “nshima.” Corn provides about 60 percent of the caloric requirements of Zambia’s population of 18.4 million. Other food crops include wheat, sorghum, and cassava. Post estimates that Zambia will demand about 2.0 MMT of corn for human consumption in MY 2022/23 (see also Table 2). Industrial requirements are estimated at about 130,000 MT, while corn for animal feed for the poultry and livestock industries is estimated at around 300,000 MT. Post-harvest losses are estimated at about five percent of production. Thus, Zambia’s total domestic demand for corn in MY 2022/23 is estimated at 2.6 MMT, essentially at the same level as in MY 2021/22. The struggling domestic economy coupled with high inflation rates of most agricultural products will hinder any major increase in the demand for corn.

Table 2*The Demand for Corn in Zambia*

MY	Food	Animal feed	Industrial	Losses	Other	TOTAL
(1,000 MT)						
2020/21	1,800	280	130	170	70	2,450
2021/22	1,900	290	130	180	70	2,570
2022/23	1,950	300	130	150	70	2,600

Source: Post estimates based on information from the Zambia’s Ministry of Agriculture

Trade

Despite the drop in production and after making provision for 500,000 MT of corn stocks as strategic food reserve, Zambia still has 1.1 MMT of surplus corn available for export in MY 2022/23. The Zambian Food Reserve Agency (FRA) has the mandate to buy at least 500,000 MT of corn annually to keep as a national strategic food reserve. The purpose of the national strategic food reserve is to ensure a reliable supply of designated agricultural commodities for Zambia during shortfalls in the supply due to droughts, floods, or any other natural disaster.

Zambia, as a landlocked country, usually focuses on other Southern Africa countries for corn exports. The newly elected Zambian government assured traders that an open border policy, in line with regional and international trade protocols, will be maintained in MY 2022/23. This will give traders an opportunity to export surplus corn into the region. Zimbabwe is expected to be an export destination for Zambian corn. The Zimbabwe corn crop for MY 2022/23 is estimated at 1.6 MMT, a drop of 43 percent from the bumper crop of 2.7 MMT produced in MY 2021/22. As a result, the Zimbabwean government lifted the ban on corn imports that were in place since May 2021. To meet local demand, Zimbabwe will have to import an estimated 400,000 MT of corn in MY 2022/23 (see [Zimbabwe: Grain and Feed Annual | USDA Foreign Agricultural Service](#)). Zambia will also continue to export corn to the Democratic Republic of Congo (DRC). In 2019, Zambia signed a memorandum of understanding with the DRC to provide annual corn exports. The agreement aims to deter informal trade flows and promote formalized corn exports to the DRC. Given the above, Post estimates that Zambia could export about 700,000 MT of its surplus corn in MY 2022/23.

Despite producing a record corn crop in MY 2021/22, Zambia’s corn exports remained dismal due to government-imposed trade restrictions that were designed to keep domestic corn prices low. During the first half of 2021, the Zambian government regulated corn exports through a quota system that allowed traders a monthly exportable quota of 30,000 MT. In September 2021, the newly elected government under the United Party for National Development (UPND) relaxed the trade restriction and increased the quotas allocated to traders. Despite these efforts, corn exports remained relatively small. Ultimately, Post estimates that Zambia exported about

400,000 MT of corn in MY 2021/22, mainly to Zimbabwe, Namibia, and Tanzania. This left Zambia with record ending stocks in MY 2021/22 totaling 1.5 MMT.

Stocks

Post estimates Zambia's corn ending stocks will lower by almost 40 percent to about 900,000 MT in MY 2022/23 on an upsurge in exports. The Zambian government estimated corn stocks at the end of the 2021/2022 MY at 1.5 MMT, almost double the stocks from the prior year. Zambia has formal storage capacity totaling more than 2.0 MMT.

Table 3

Corn Production, Supply and Distribution

Corn Market Year Begins Zambia	2020/2021		2021/2022		2022/2023	
	May 2020		May 2021		May 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1334	1334	1410	1410	1115	1200
Beginning Stocks (1000 MT)	294	294	841	841	971	1501
Production (1000 MT)	3387	3387	3620	3620	2706	2706
MY Imports (1000 MT)	10	10	10	10	10	10
TY Imports (1000 MT)	10	10	10	10	10	10
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	3691	3691	4471	4471	3687	4217
MY Exports (1000 MT)	400	400	700	400	300	700
TY Exports (1000 MT)	400	400	700	400	300	700
Feed and Residual (1000 MT)	450	450	700	470	700	450
FSI Consumption (1000 MT)	2000	2000	2100	2100	2100	2150
Total Consumption (1000 MT)	2450	2450	2800	2570	2800	2600
Ending Stocks (1000 MT)	841	841	971	1501	587	917
Total Distribution (1000 MT)	3691	3691	4471	4471	3687	4217
Yield (MT/HA)	2.539	2.539	2.5674	2.5674	2.4269	2.255

(1000 HA) ,(1000 MT) ,(MT/HA)
 MY = Marketing Year, begins with the month listed at the top of each column
 TY = Trade Year, which for Corn begins in October for all countries. TY 2022/2023 = October 2022 - September 2023

Attachments:

No Attachments.