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Report Highlights:

Zimbabwe's corn crop for the 2021/22 marketing year (MY) is estimated at 2.7 million tons, an increase of almost 200 percent from the 907,628 tons of corn produced in the 2020/21 MY. The 2021/22 MY corn crop will be Zimbabwe's largest corn crop since the 1984/85 MY. A combination of expansion in area and favorable weather conditions contributed to the largest corn crop in more than three decades. As a result, the Zimbabwean government terminated the issuing of import permits for corn and corn meal to local grain millers as supply exceeds local demand. Zimbabwe will also, for the first time in three years, manage to maintain the minimum strategic grain reserve of 500,000 tons in physical stocks.

Summary

The production of corn, Zimbabwe's principal food crop, is estimated at 2.7 million tons in 2021/22 MY (May 2021 to April 2022), the largest in more than three decades. The increased corn harvest reflects on both an expansion in area, a historical high of 2.0 million hectares, and favorable weather conditions. Since the start of the cropping season in October 2020, rainfall has been well distributed and favorable weather conditions continued into February 2021, providing conducive growing conditions that impacted positively on anticipated yields. As a result, Zimbabwe's corn yield in the 2021/22 MY almost doubled from the 10-year national average yield and is at 1.4 tons per hectare the highest in two decades. However, the cultivation of genetically engineered corn in Zimbabwe is still prohibited.

Post estimates Zimbabwe's annual corn requirement for human consumption at around 1.6 million tons. In addition, 400,000 tons of corn is required for livestock feed. As a result, Zimbabwe will have excess corn available in the 2021/22 MY. With limited import demand for corn in the southern Africa region, due to favorable weather conditions, export opportunities for Zimbabwe excess corn is restricted. As a result, corn stock levels at the end of the 2021/22 MY are expected to be the largest in almost three decades. For this reason, the Zimbabwean government terminated the issuing of import permits for corn and corn meal to local grain millers in May 2021.

Corn

Production

Zimbabwe could harvest its largest corn crop since the 1984/85 MY (see also Figure 1), on a combination of expansion in area and increased yields. This optimism became clear when Zimbabwe's Ministry of Lands, Agriculture, Fisheries, Water and Rural Settlements released its second crop and livestock assessment report on April 21, 2021. According to the Ministry, Zimbabwe's corn crop for the 2021/22 MY could reach 2.7 million tons on 2.0 million hectares at a national average yield of 1.4 tons per hectare. This represents an increase of almost 200 percent from the 907,628 tons of corn produced in the 2020/21 MY. Table 1 indicates the area harvested, yield and production of corn in Zimbabwe for the past three marketing years.

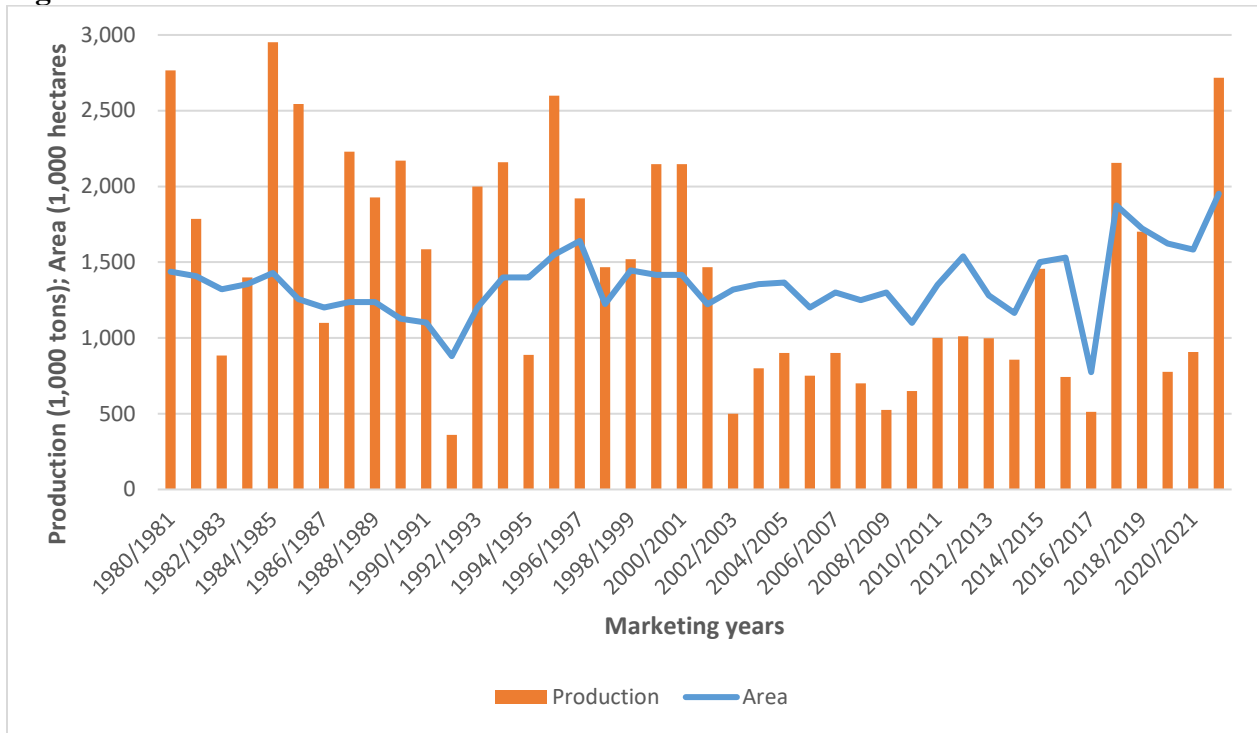
Table 1: Area harvested, yield and production of corn in Zimbabwe

MY	Area (1,000 hectares)	Yield (tons/ha)	Production (1,000 tons)
2019/20	1,624	0.48	777
2020/21	1,583	0.57	908
2021/22 (estimate)	1,952	1.39	2,717

Source: Zimbabwean Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement

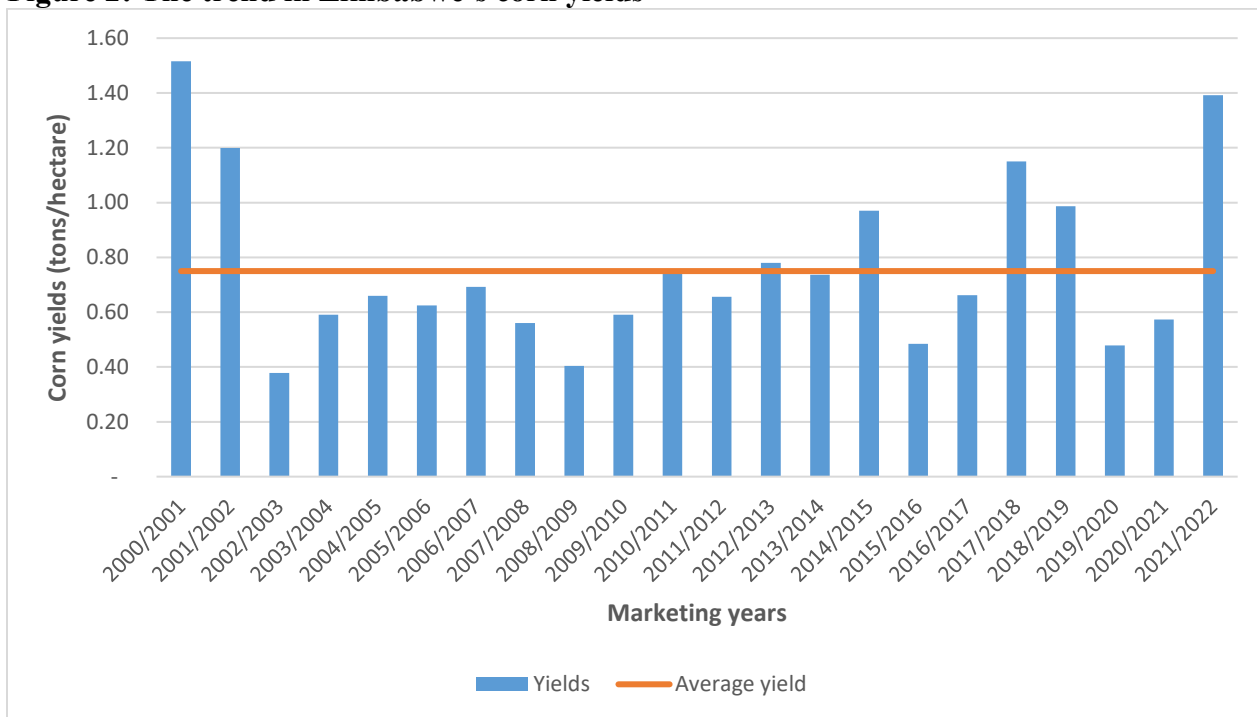
Zimbabwe had an exceptional start to the 2021/22 MY, with widespread rains during October 2020 and November 2020. As a result, Zimbabwe increased corn area to a historical high of 2.0 million hectares, an increase of 23 percent from the previous season (see also Figure 1). Favorable weather conditions continued into February 2021 over most of the summer rainfall production region, providing conducive growing conditions that impacted positively on yields. Parts of Zimbabwe received more than double its average rainfall from October 2020 through February 2021 and the season has been among the wettest on record across southern and eastern Zimbabwe. As a result, Zimbabwe's corn yield in the 2021/22 MY almost doubled from the 10-year national average yield of 0.75 tons per hectare and is the highest in two decades (see also Figure 2). The widespread distribution of subsidized agricultural inputs, mostly fertilizers, through government programs, including the Presidential Input Scheme have further strengthened the increased yield prospects. However, the cultivation of genetically engineered corn in Zimbabwe is still prohibited.

Figure 1: The Trend in Zimbabwean Corn Production



Sources: USDA and the Zimbabwean Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement

Figure 2: The trend in Zimbabwe's corn yields



Sources: USDA and the Zimbabwean Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement

The Presidential Input Scheme supports 1.8 million small-scale and communal farmers by distributing free inputs for corn production. The communal sector contributes the largest area under corn (58 percent) in Zimbabwe. Another government program, the “Command Agriculture” program, aims at supporting larger producers to produce approximately two million tons of corn to cover Zimbabwe’s annual requirement for human consumption and livestock feed. Similar to a contract arrangement, each farmer that participate in the program received a full production input package, including seed, fertilizers, chemicals and fuel, to plant corn in a specified area. After harvesting the corn, the farmers have an obligation to deliver a specified tonnage to the Grain Marketing Board (GMB) as repayment for the loan.

While national cereal output is expected to be above-average, several southeast and central areas of Zimbabwe were affected by heavy rains and flooding in early January resulted in leaching and waterlogging. In late January, additional heavy rains from Tropical Cyclone Eloise resulted in flooding, mudslides, and destruction of infrastructure in the east and southeastern provinces of Manicaland, Mashonaland East and Central, Matabeleland South and Masvingo (see Figure 3 for a map of Zimbabwe). On the other hand, the extreme northeastern areas of Zimbabwe experienced dry spells in February, which impacted negatively on cropping conditions.

Although, Fall Armyworm presence was reported in all provinces of Zimbabwe, the persistent rainfall reportedly suppressed infestation rates to below normal levels. African Migratory Locusts and red locusts were reported in the southern and western areas of Zimbabwe after the wet conditions. However, the locust outbreak did not have a significant impact on overall corn yields as the Zimbabwean government mobilized resources to take adequate preventive measures.

Figure 3: Map of Zimbabwe indicating the different provinces



Source: WorldAtlas

Consumption

Corn is the main staple food crop for the majority of Zimbabweans. White corn is used for human consumption as the staple diet, while the livestock industry utilizes yellow corn in the manufacturing of stock feed. Per capita consumption of corn is estimated at about 110kg per annum. At a population of almost 15.0 million, Post estimates Zimbabwe’s 2021/22 MY corn requirement for human consumption at around 1.6 million tons. In addition, an estimated 400,000 tons of corn is required for livestock feed. Thus, Zimbabwe’s total national demand for corn in the 2021/22 MY is estimated at 2.0 million tons, an increase of 14 percent from the previous marketing year on increased local corn production.

Zimbabwe’s corn consumption in the 2019/20 MY and 2020/21 MY is estimated at 1.7 million and 1.8 million tons, respectively. A drop in local corn production due to drought conditions, coupled with negative economic growth, increased cost of living and below-average purchasing power for many households impacted negatively on corn demand.

Trade

Production and productivity of grain crops in Zimbabwe has been under pressure since the early 2000's, due to policy influences, e.g. aggressive land reform. After previously enjoying the status of a surplus producer of corn, Zimbabwe has become a net food importer over the past 20 years. However, due to the strong rebound in production, corn imports in the 2021/22 MY are foreseen to fall steeply to almost negligible levels.

After lifting restrictions on the importation of GE corn late in 2019 to allow for more corn imports, the Zimbabwe's Agricultural Marketing Authority (AMA) announced on May 21, 2021, that it has stopped issuing import permits for corn and corn meal to local grain millers. All import permits issued before the announcement automatically expired on May 31, 2021, to allow for goods in transit. According to Zimbabwe's Ministry of Agriculture, the import restrictions are necessary as the domestic corn crop could reach 2.7 million tons, and as a result Zimbabwe will have the largest corn surplus in nearly three decades.

South Africa benefited most from Zimbabwe's dependency on corn imports and lifting on GE restrictions the past two seasons and exported more than 850,000 tons of corn to Zimbabwe. This year, South Africa could have 3.5 million tons of corn surplus available for exports after the production of a second consecutive bumper crop (see also [South Africa: Grain and Feed Annual](#)). With Zimbabwe as a potential export market out of the picture, and various regional corn producing and consuming countries in the Southern Africa region, such as Malawi, Zambia, Tanzania, and Mozambique, also expecting larger crops, regional import demand for corn will be weaker than usual in 2021. As a result, South Africa is exploring markets outside of the region for its surplus corn. The limited import demand for corn in the region will also impact on possible corn exports by landlocked Zimbabwe.

In addition, treasury provided the GMB with \$60 billion to purchase the current corn crop. With a target of 1,800 grain collection points, the GMB has already established 1,400 points to ensure ease of grain delivery to depots and plan to pay farmers within seven days of delivery. The Zimbabwean government continues to reiterate that all corn should be sold to the GMB and not to private buyers.

Post estimates Zimbabwe imported about 800,000 tons of corn in the 2020/21 MY and 550,000 tons in the 2019/20 MY. South Africa was the major supplier of corn to Zimbabwe in those two marketing years with more than 850,000 tons. Zimbabwe also imported corn from Mexico, Tanzania and Zambia.

Stocks

The GMB has the mandate to maintain a minimum strategic reserve of 500,000 tons of grain in physical stock. More than 90 percent of the strategic grain reserve consists of corn. However, low production has made it difficult for the GMB to maintain the strategic grain reserves at the 500,000 tons' level over the past two marketing years. Ending stock levels for the 2020/21 MY is estimated at less than 100,000 tons and much lower than the mandated minimum strategic reserve of 500,000 tons. However, for the 2021/22 MY corn ending stock levels is expected to recover and will reach the minimum strategic reserve levels for the first time in three years on the back of a bumper crop.

Table 2: PS&D table for corn

Corn	2019/2020		2020/2021		2021/2022	
Market Begin Year	May-19		May-20		May-21	
Zimbabwe	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	1624	1624	1583	1583	0	1952
Beginning Stocks	459	459	136	136	0	94
Production	777	777	908	908	0	2717
MY Imports	550	550	1000	800	0	0
TY Imports	550	550	1000	800	0	0
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	1786	1786	2044	1844	0	2811
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	200	200	300	250	0	400
FSI Consumption	1450	1450	1550	1500	0	1600
Total Consumption	1650	1650	1850	1750	0	2000
Ending Stocks	136	136	194	94	0	811
Total Distribution	1786	1786	2044	1844	0	2811
Yield	0.48	0.48	0.57	0.57	-	1.39
(1000 HA) ,(1000 MT) ,(MT/HA)						

Attachments:

No Attachments