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Report Name: Grain and Feed Annual

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Report Highlights:

Zimbabwe's corn crop for marketing year (MY) 2022/23 is estimated at 1.6 million metric tons (MMT), representing a drop of 43 percent from the bumper crop of 2.7 MMT produced in MY 2021/22. Many factors contributed to the drop in production including sub-optimal weather conditions, high input costs and macro-economic challenges. As a result, the Zimbabwean government lifted the ban on corn imports that was in place since May 2021. Corn imports in MY 2022/23 is estimated at 400,000 MT and include provisions for maintaining the mandated minimum strategic grain reserve of 500,000 MT in physical stocks.

Executive Summary

The production of corn, Zimbabwe's principal food crop, is estimated at 1.6 million tons in MY 2022/23 (May 2022 to April 2023). This represents a drop of 43 percent from the 2.7 MMT produced in MY 2021/22, which was the largest corn crop in more than three decades. Although a sharp drop in corn production is expected in MY 2022/23, the crop will still be above the 10-year average crop size of 1.3 MMT and mirrors the 10-year average yield 0.82 MT/hectares (ha).

With an estimated annual corn requirement of 2.2 MMT, Zimbabwe will have to import 400,000 MT of corn in MY2022/23. This includes the mandate to maintain a minimum strategic reserve of 500,000 MT of grain in physical stock. As a result, the Zimbabwean government lifted the ban on corn imports in February 2022. The ban was in place since May 2021. After the ban was lifted, the Grain Millers Association of Zimbabwe announced that 400,000 MT of corn imports from Zambia and Malawi were secured.

Corn

Production

Zimbabwe's corn crop is expected to drop by 43 percent to 1.6 MMT in MY 2022/23. In MY 2021/22, Zimbabwe produced a bumper crop of 2.7 MMT, the largest since MY 1984/85. Corn area in MY 2022/23 stayed flat at 1.9 million hectares, but higher than the 10-year average of 1.5 million hectares. As a result, weather was the primary driver for reduced production. Zimbabwe experienced a late start to the rainy season and cyclone Ana in January 2022 caused nutrient leaching followed by a mid-summer drought from February to March 2022. Crop conditions were particularly poor in the south-eastern and south-western parts of the country.

Farmer's ability to optimize corn production was also obstructed by on-going macro-economic challenges as well as rising input costs, especially fuel and fertilizer. Fall Armyworm remained a major challenge during the season. The pest affected all the producing areas in Zimbabwe and control was hampered by the high cost of chemicals as the cultivation of genetically engineered corn in Zimbabwe is still prohibited.

Table 1 indicates the area harvested, yield and production of corn in Zimbabwe for the past three marketing years. The 2022/23 MY yield of 0.82 MT/ha mirror the 10-year average yield but is 40 percent lower than the previous marketing year's yield of 1.39 MT/ha (see Figure 1).

Table 1

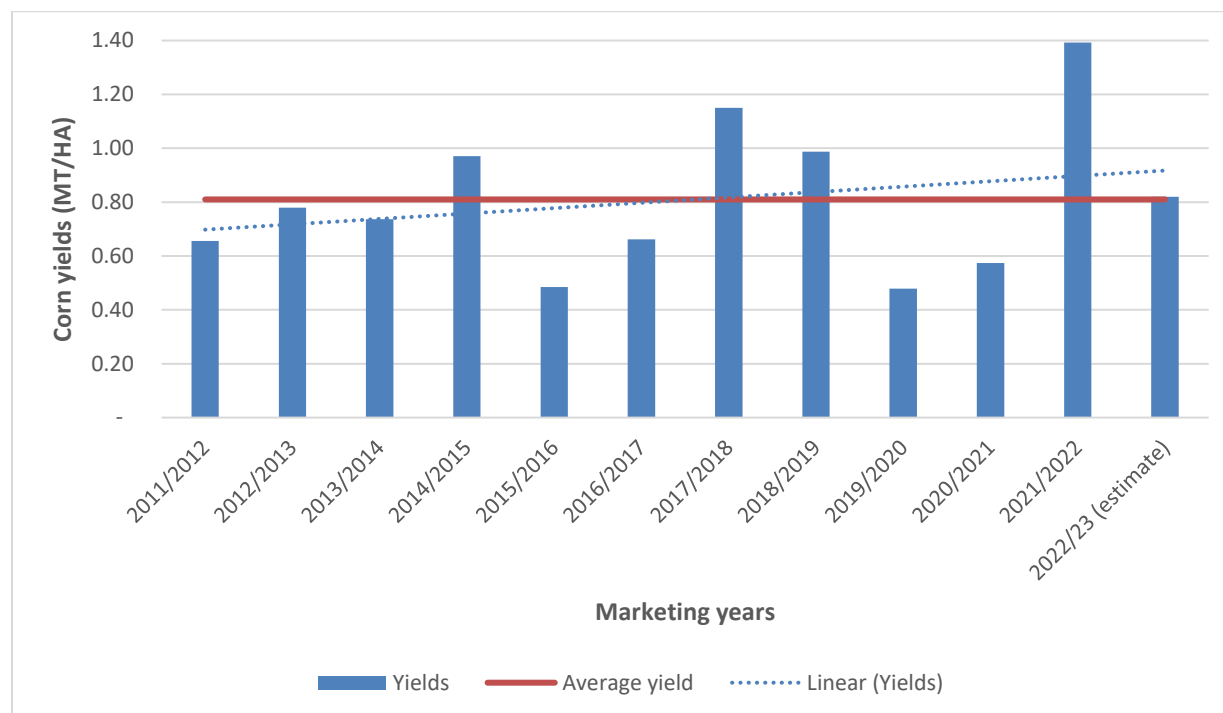
Area harvested, yield and production of corn in Zimbabwe

Marketing Years	Area (1,000 ha)	Yield (MT/ha)	Production (1,000 MT)
2020/21	1,583	0.57	908
2021/22	1,952	1.39	2,717
2022/23 (estimate)	1,900	0.82	1,558

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

Figure 1

The trend in Zimbabwe's corn yields



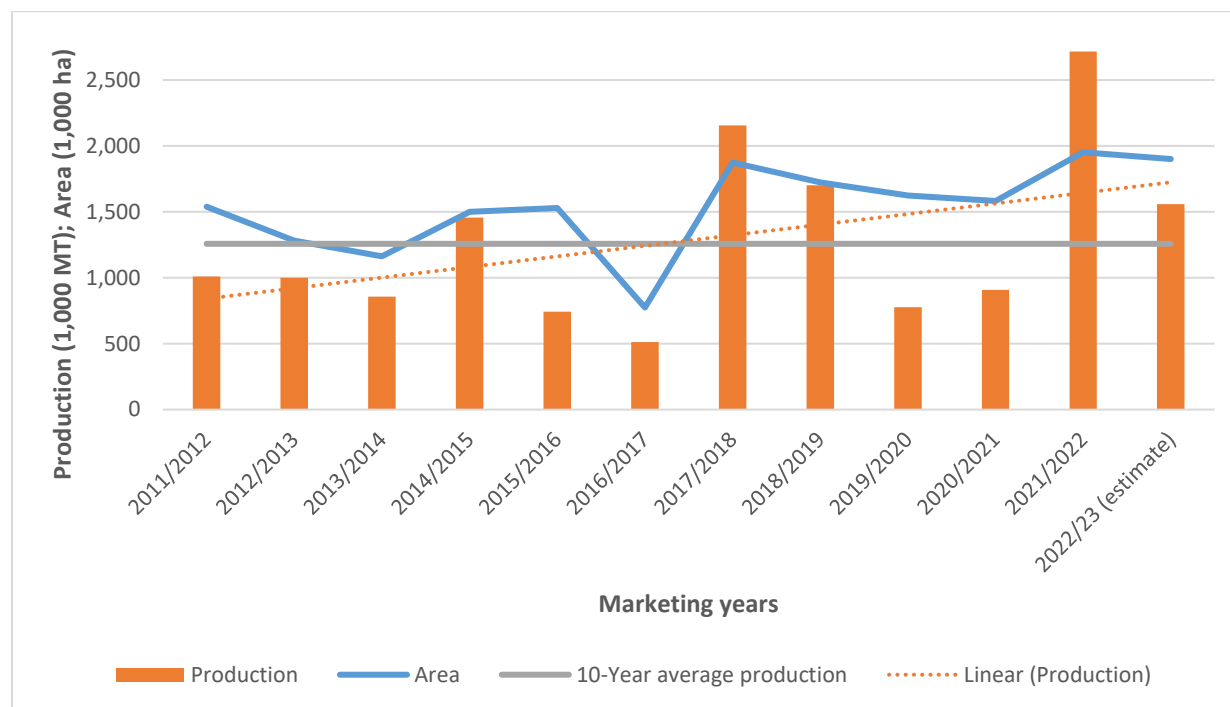
Sources: USDA and the Zimbabwean Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement

Although a sharp drop in corn production is expected in MY 2022/23, the crop will still be above the 10-year average crop size of 1.3 MMT (see Figure 2). The widespread distribution of subsidized agricultural inputs through government input support schemes, contributed to the positive trend in corn production over the past 10 years. One of the schemes, the Presidential Input Scheme, supports 3.3 million smallholder farmers in communal areas and small-scale commercial farmers by distributing free inputs for corn production. The communal sector contributes the largest area under corn (almost 60 percent) in Zimbabwe. The National Enhancement Agriculture Productivity Scheme (NEAPS) aims at supporting larger farming enterprises to produce approximately two million tons of corn to cover Zimbabwe's annual requirement for human consumption and livestock feed. Like a contract arrangement, each farmer that participate in the schemes receives a full production input package, including seed, fertilizers, chemicals, and fuel, to plant corn in a specified area. After harvesting, the farmers have an obligation to deliver a specified tonnage to the Grain Marketing Board (GMB) as repayment for the loan.

Farmers are required by law to sell grain to the sole buyer, i.e., GMB. In the first 2 months of MY 2022/23, only 6,000 MT of corn had been delivered to the GMB, despite early deliveries entitled to 30 percent payment in United States dollars, while the balance is paid in local currency. This has forced the Zimbabwean government to activate measures to curb rampant side-marketing of grain to unauthorized traders.

Figure 2

Zimbabwean Corn Production



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

Consumption

Corn is the main staple food crop for most 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. Post estimates Zimbabwe’s corn requirement for human consumption at around 1.8 MMT in MY 2022/23. In addition, an estimated 350,000 MT of corn is required for livestock feed. Thus, Zimbabwe’s total national demand for corn in MY 2022/23 is estimated at 2.2 MMT, which is at the same level as in MY 2021/22. The struggling domestic economy coupled with high inflation rates of most products will hinder any major increase in the demand for corn.

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. The same holds true for MY 2022/23 with Zimbabwe expecting to import 400,000 MT of corn. As a result, the Zimbabwean government lifted the ban on corn imports in February 2022. The ban was in place since May 2021. After the ban was lifted, the Grain Millers Association of

Zimbabwe announced that 400,000 MT of corn imports from Zambia and Malawi were secured. The corn is scheduled to be delivered by June 30, 2022.

Post estimates corn imports in MY 2021/22 at 36,000 MT, a major drop from the 550,000 MT imported in MY 2020/21, due to the production of a bumper crop.

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 prescribed level in the past. Ending stock levels for MY 2020/21 was estimated at less than 100,000 tons, far lower than the mandated minimum strategic reserve of 500,000 tons. However, for MY 2021/22 corn ending stock levels recovered and reached the minimum strategic reserve levels for the first time in three years on the back of a bumper crop. Post estimates that Zimbabwe will have to import 400,000 MT of corn to maintain the minimum strategic reserve in MY 2022/23.

Table 2

Grain and Feed Production, Supply, and Distribution

Corn	2020/2021		2021/2022		2022/2023	
	May 2020		May 2021		May 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
Zimbabwe						
Area Harvested (1000 HA)	1583	1583	1952	1952	1600	1900
Beginning Stocks (1000 MT)	136	136	94	94	811	697
Production (1000 MT)	908	908	2717	2717	1600	1558
MY Imports (1000 MT)	550	550	50	36	0	400
TY Imports (1000 MT)	400	400	0	0	0	0
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	1594	1594	2861	2847	2411	2655
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	200	200	450	350	500	350
FSI Consumption (1000 MT)	1300	1300	1600	1800	1500	1800
Total Consumption (1000 MT)	1500	1500	2050	2150	2000	2150
Ending Stocks (1000 MT)	94	94	811	697	411	505
Total Distribution (1000 MT)	1594	1594	2861	2847	2411	2655
Yield (MT/HA)	0.5736	0.5736	1.3919	1.3919	1	0.82

(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