



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 3/1/2005

GAIN Report Number: RH5001

Zimbabwe

Grain and Feed

Monthly Update

2005

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Report Highlights:

Zimbabwe's current corn crop, planted in 2004, is estimated at 800,000 tons produced on 1.2 million hectares. This is 600,000 tons short of normal requirements. The Government is trying to make up the shortfall with imports but foreign exchange is in short supply. The 2004 wheat crop is estimated at 140,000 tons, 130,000 tons short of normal needs.

Includes PSD Changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Pretoria [SF1]
[RH]

Summary

Zimbabwe's current maize crop, planted in 2004, is expected to reach 800,000 metric tons produced on 1.2 million hectares. This is compared to the 900,000 tons from 1.365 million hectares produced in 2003.

The limited tillage capacity in prime farming areas, the late start to the rainfall season, and the unavailability of necessary inputs contributed to the decline in the area planted. In February 2005 Zimbabwe suffered another dry spell, which also had a negative impact on the crop.

The 2004 wheat crop is estimated at 140,000 tons, compared to a domestic requirement of about 320,000 tons.

PSD Table**Country Zimbabwe**
Commodity Corn

1000 ha.	2002	Revised	2003	Estimate	2004	Forecast
1000 mt.	USDA Official	Post Estimate	USDA Official	Post Estimate	USDA Official	Post Estimate
Market Year Begin	05/2003		05/2004		05/2005	
Area Harvested	1400	1355	1300	1365	1400	1200
Beginning Stocks	81	90	131	130	131	130
Production	800	800	900	900	1000	800
TOTAL Mkt. Yr. Imports	750	750	700	700	600	600
Oct-Sep Imports	625	625	600	600	600	500
Oct-Sep Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	1631	1640	1731	1730	1731	1530
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Oct-Sep Exports	0	0	0	0	0	0
Feed Dom. Consumption	100	100	125	125	125	125
TOTAL Dom. Consumption	1500	1510	1600	1600	1650	1450
Ending Stocks	131	130	131	130	81	80
TOTAL DISTRIBUTION	1631	1640	1731	1730	1731	1530

Production

The Zimbabwean maize (corn) crop is denoted by the year of planting, the 2004 crop was planted in 2004 but is marketed during the 2005/06 marketing year. The estimated area currently planted to maize is about 1.2 million hectares, 12% lower than the 1.365 million hectares planted in 2003. There are a number of reasons for this decline in area under maize. One of the biggest drawbacks this season has been the unavailability of tillage facilities in prime farming areas. Most of the new farmers do not have financial resources to acquire the necessary equipment. The erratic supply of inputs such as diesel, fertilizer and chemicals also exacerbated the situation. Some of the former commercial farms are also not being utilized; it is common to see fallow fields on what have formerly been commercial farms. An extensive recent field trip confirmed these observations.

The late start of the rains resulted in maize being planted after the optimal planting dates in most of the growing areas. This coupled with the hot and dry conditions that prevailed between late January to mid-February lowered the yield potential. In addition to this, there is a serious shortage of fertilizer for top-dressing, which will further reduce yields. The forecast is for a FAS 2004, My 2005/06, crop of about 800,000 MT compared to the previous season's 900,000 MT.

Consumption

It is estimated that Zimbabweans consume 150,000 MT of maize per month, or 1.8 million MT annually. However, the country can probably get by on 1.4 million MT. Although the 2003 maize crop was estimated at 900,000 MT, the Grain Marketing Board (GMB), the sole official buyer, only purchased an estimated 400,000 MT. Farmers preferred to hold onto their stocks rather than sell to the GMB, which has proven to be an unreliable payer in the past.

Trade

In order to satisfy the demand, Zimbabwe will have to import the shortfall. Official and reliable trade data are not available but in MY 2003/04 South Africa sent 397,000 tons to Zimbabwe (South African data) of which more than a 100,000 tons consisted of food aid bought by aid agencies. Aid agencies also bought 37,000 tons from Zambia and 3,600 tons from Mozambique for distribution in Zimbabwe. The situation was complicated by the Zimbabwean government's insistence that any biotech corn must be milled. Aid activities have now been curtailed by the Government of Zimbabwe and food aid suspended, in spite of the anticipated shortage. The country is taking advantage of the current low maize prices in South Africa and is importing, but the shortage of foreign currency is a major limiting factor. Since May 2004 Zimbabwe has imported 128,400 tons from South Africa and a reported 70,000 tons from Zambia but this is well short of its annual requirements. The following table contains weekly South African shipments to Zimbabwe since January 1, 2005 and the cumulative total since the start of the marketing year in May 2004.

Week	Metric tons
01/01 – 01/07	1,616
01/08 – 01/14	8,682
01/15 – 01/21	8,753
01/22 – 01/28	15,642
01/29 – 02/05	11,830
02/06 – 02/11	6,014
02/12 – 02/18	5,191
02/19 – 02/26	7,778
Season to date since May 1, 2004	136,097

Prices

The producer price for the current 2004 (MY 05/06) maize crop has not yet been announced. There has been no advance pre-planting announcement of prices that reflect production costs or are in line with international market prices since MY 02/03. The producer price for the 2003 crop harvested last year (i.e. the MY 04/05 crop) was Z\$900,000/ton or US\$145.16 (Z\$6200 = USD\$1). These prices are, however, heavily influenced by the variable exchange rate.

WHEAT**PSD Table****Country**
Commodity**Zimbabwe**
Wheat

1000 ha.	2002	Revised	2003	Estimate	2004	Forecast
1000 mt.	USDA Official	Post Estimate	USDA Official	Post Estimate	USDA Official	Post [New]
Market Year Begin	07/2002			07/2003		07/2004
Area Harvested	40	38	30	30	20	35
Beginning Stocks	100	10	100	0	100	0
Production	150	160	90	90	80	140
TOTAL Mkt. Yr. Imports	100	110	150	170	150	130
Jul-Jun Imports	100	110	150	170	150	0
Jul-Jun Import U.S.	17	0	6	0	0	0
TOTAL SUPPLY	350	280	340	260	330	270
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Jul-Jun Exports	0	0	0	0	0	0
Feed Dom. Consumption	0	0	0	0	0	0
TOTAL Dom. Consumption	250	280	240	260	230	270
Ending Stocks	100	0	100	0	100	0

Production

The 2004 wheat crop is estimated at 140,000 MT produced on about 35,000 hectares, but this figure cannot be confirmed or substantiated. This is against a crop size of 350,000 MT before the land reform. Prospects for the 2005 crop soon to be planted are still unclear with the availability of inputs such as seed, fertilizer and irrigation equipment the main concerns.

Milling industry demand is about 6,000 MT per week, or 312,000 tons per year. Currently wheat is being allocated to millers at 4,000 MT per week, or 208,000 tons per year.

From June 2004 to mid February 2005, imports from and through South Africa amounted to 72,600 tons compared to 102,600 tons for the full previous season.