Regional Agricultural Policy

COUNTRY SUMMARY AGRICULTURAL POLICY REVIEW REPORTS
Regional Agricultural Policy (RAP)
Country Summary Agricultural Policy Review Reports

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Directorate of Food, Agriculture and Natural Resources
SADC Secretariat
P. Bag 0095, Gaborone
BOTSWANA
MEMBER STATES OF THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY (SADC)

SADC Member States: Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

SADC Headquarters: SADC Secretariat, Gaborone, Botswana
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FOREWORD

In the Declaration on Productivity of 1999, SADC Member States noted that the region continued to record low levels of economic growth; low levels of investment; high levels of unemployment and poverty; lack of competitiveness of regional economies; and intra-regional and inter-regional economic disparities, all of which negatively impact on the SADC region’s development, integration and competitiveness.

In 2003, the same trends were noted in the SADC Regional Indicative Strategic Plan (RISDP). In an effort to reverse this trend, the RISDP suggested a roadmap for the agriculture sector that emphasized focus on improved food availability; access to food and improved nutritional value of food while minimizing food losses, improving forecasting, prevention, mitigation and recovery from adverse effects of natural disasters; and improving the institutional framework. The RISDP further noted that “the absence of a binding legal instrument on food security and agricultural development is a major weakness in the food security strategy”.

In the 2004 SADC Dar-es-Salaam Declaration on Agriculture and Food Security, Heads of State and Government noted that inappropriate national agricultural and food policies and inadequate access by farmers to key agricultural inputs and markets are still among the major underlying reasons for the prevalence of hunger in the region. In order to address these anomalies, the SADC Heads of State and Government, in support of the RISDP, called for the implementation of a series of short and long term measures aimed at “strengthening sectoral cooperation between SADC Member States through the development of coherent regional policies and programmes related to crop development, protection, storage, processing, utilisation and trade”.

Informed by the above, in August 2007, the SADC Council approved the revised priorities of the SADC Secretariat. Under the FANR Directorate, Food Security and Management of Transboundary, Natural Resources and Environment were considered priority. Elements within this priority area included Food Availability (in particular, review and harmonisation of the policy for agriculture and natural resources) and access to food. As SADC progressively deepens regional integration among Member States, there is need to adapt the agriculture and food security policy environment so as to take full advantage of related opportunities arising from deeper regional integration.

Through the proposed Regional Agricultural Policy (RAP), SADC therefore, intends to develop a legally ‘binding’ instrument to stimulate sustainable agricultural development and food security in the SADC region. The RAP will therefore define common agreed objectives and measures to guide, promote and support actions at regional and national levels in the agricultural sector in support of regional integration and in contribution to the attainment of the SADC Customs Union and Common Market. The RAP is intended to give real effect to pragmatically implement existing declarations and frameworks.

The SADC Secretariat wishes to thank all those whose efforts have aided in the success recorded in this ‘scoping’ phase in the formulation of the RAP. In particular, the Secretariat wishes to acknowledge and thank the FAO and the French Ministry of Foreign and European Affairs for their technical and financial support thus far in the formulation of the RAP. In addition, the Secretariat appreciates and acknowledges the contribution of Mr. Martin T. Muchero who coordinated the scoping phase of the RAP and compiled this report.

Margaret Nyirenda
Director
Food, Agriculture and Natural Resources Directorate
SADC Secretariat
INTRODUCTION

SADC Regional Agricultural Policy

1. Background

The agriculture sector features prominently in the SADC regional economy, contributing in the different Member States between 4% and 27% of Gross Domestic Product (GDP). About 70% of the population depend on agriculture for food, income and employment. Agriculture is also a major source of exports in several countries, contributing on average about 13% to total export earnings and about 66% to the value of intra-regional trade. For these reasons, the performance of agriculture has a strong influence on the rate of economic growth, the level of employment, demand for other goods, economic stability, food security and overall poverty eradication. Most governments of the SADC Member States are, however, fully aware that in recent decades food production, donor aid flows, government budgetary allocations to agriculture and rural development have declined while food imports, food aid, and population have substantially increased. ¹

The need for macroeconomic and sectoral policy convergence and harmonization have been fully recognized as prerequisites for accelerated shared growth and regional economic integration in the Declaration, Treaty and Protocol of SADC signed in 1992. Article 5.1. (e) and Article 5.2 (a) state under Objectives that SADC shall:

“achieve complementarity between national and regional strategies.” and “harmonize political and economic policies and plans of Member States.” while Article 21.2 states, under Areas of Cooperation that: “Member States shall, though appropriate institutions of SADC, coordinate, rationalize and harmonize their overall macroeconomic and sectoral policies strategies, programmes and projects in the areas of cooperation. (a) food security, land and agriculture.”

Article 29 of the SADC Protocol on Trade provides for the Coordination of Trade Policies.

“Member States shall, to their best endeavour, coordinate their trade policies and negotiating positions in respect of relations with third countries or groups of third countries and international organizations as provided for in Article 24 of the Treaty, to facilitate and accelerate the achievement of the objectives of this Protocol.”

In the Declaration on Productivity of 1999, SADC Member States noted that the region continued to record low levels of economic growth; low levels of investment; high levels of unemployment and poverty; lack of competitiveness of regional economies; and intra-regional and inter-regional economic disparities, all which negatively impact on the SADC region’s development, integration and competitiveness.

In 2003, the same trends were noted in the SADC Regional Indicative Strategic Plan (RISDP). In an effort to reverse this trend, the RISDP suggested a roadmap for the agriculture sector that emphasized focus on improved food availability; access to food and improved nutritional value of food while minimizing food losses; improving forecasting, prevention, mitigation and recovery from adverse effects of natural disasters; and improving the institutional framework. The RISDP further noted that “the absence of a binding legal instrument on food security and agricultural development is a major weakness in the food security strategy”.

The SADC Dar-es-Salaam Declaration on Agriculture and Food Security, signed by SADC Heads of State in May 2004 further noted that inappropriate national agricultural and food policies and inadequate access by farmers to key agricultural inputs and markets are still major underlying reasons for the prevalence of

¹ SADC Regional Indicative Strategic Development Plan, August 2003.
hunger in the region. The Heads of State called for a series of short and long term measures to address the regional food crisis with emphasis on actions needed to strengthen sectoral cooperation between Members States through the development of coherent regional policies and programmes related to crop and livestock production, protection, storage, processing, utilization and trade.

Food security and agriculture have been given very high priority in the Africa Union (AU) New Partnership for Africa’s Development (NEPAD) vision and a Comprehensive Africa Agriculture Development Programme (CAADP) has been prepared to realize this priority. At the initiative of FAO and with the collaboration of the NEPAD Steering Committee and the African Development Bank, a high level meeting organized in Abuja 7-12 December 2002 took a number of decisions, chief among which included harmonization of policies, programmes and initiatives of Regional Economic Communities (RECs) in the continent.

The SADC-Donor Consultative Conference held in Windhoek, Namibia in April 2006 also noted the absence of coherent policies to support agricultural development at both national and regional level as one of the major impediments to agricultural growth in general and food security in particular. Consequently, the conference recommended the development of a harmonized regional agricultural policy, aligned to national policies, that is consistent with the SADC Regional Indicative Strategic Development Plan (RISDP) and the SADC Dar-es-Salaam Declaration on Agriculture and Food Security.

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2. SADC Food, Agriculture and Natural Resource (FANR) Directorate

The Food, Agriculture and Natural Resources (FANR) Directorate of the SADC Secretariat is mandated to develop, promote, coordinate and facilitate the harmonisation of policies and programmes in order to increase agricultural and natural resources production and promote trade, and ensure food security and economic development in the region on a sustainable basis. To this end, SADC FANR has, in recent years, achieved significant progress in furthering policy convergence with respect to seed policy harmonization, the control of animal and plant pests and diseases, GMOs and Bio-safety. Efforts are also underway to formulate common standards for production, handling and disposal of fertilizer. However, as indicated in the RISDP, several strategically important gaps remain and one such gap is the development of a binding legal instrument on food security and agricultural development.

Following SADC Council approval in August 2007 of the revised priorities of the SADC Secretariat, the FANR Directorate, with technical and financial support from the FAO (funded by the French Ministry of Foreign and European Affairs), embarked on the preliminary processes in March 2008 in the formulation of the SADC Regional Agricultural Policy.

A common agricultural policy for SADC would (i) create a framework for harmonizing and integrating policy objectives, strategies and programmes of the Member States; (ii) provide opportunities to capitalize on the trade benefits of improved resource allocation and greater competition; (iii) permit a wider range of projects to be implemented under the RISDP; (iv) provide improved market access to other countries; (v) promote the objectives of multilateralism, facilitate implementation of politically difficult domestic policies; and (vi) strengthen multilateral bargaining power in international fora. A common agricultural policy would also facilitate the preparation of requests and serve as a catalyst to attract and channel urgently needed additional external assistance and investment for agriculture in a more prioritized and coherent manner. Depending on the degree of integration and policy convergence agreed to by Member States, other potential trade related advantages could also be attained.

3. SADC RAP Formulation Processes

It was envisioned that the regional agricultural policy would be formulated on the basis of a series of preparatory and interim country and regional analytical reviews and studies, as well as the

recommendations of national and regional workshop reports. The formulation steps therefore envisaged included:

a. **Country Level Reviews** where national Consultants would undertake a review of the macro, socio-economic and agricultural situation and policies in each SADC Member State covering, *inter alia*, the following:

- Priorities, objectives, assets, constraints, and incentives of the different stakeholders in the agricultural sector; and

- Collection and collation of secondary data and information on selected issues of relevance to a common agricultural policy with reference to intraregional trade, recent and ongoing initiatives, programmes and activities. This would cover, *inter alia*:
  - The management of natural resources and protection of the environment;
  - Consideration of the long term sustainability of agriculture, especially in the context of land degradation;
  - Impact of agricultural expansion on deforestation;
  - Management of information at national level on supplies and utilization of stocks of essential commodities, and trade in them; and
  - Technology use and transfer, seed and livestock security and supply; and the cost and impact of existing trade and finance policies.

b. **National Validation Workshops** would then be conducted, one in each SADC Member State, to review the assessment report of the National Consultant, determine areas having regional dimensions for promoting common policy orientations in agriculture, and agree on specific recommendations for the SADC RAP.

c. **A preliminary draft framework** of the RAP would then be prepared based on the validated findings and recommendations of the country level consultations, as well as the advice and guidance of regional partners and SADC’s International Cooperating Partners (ICPs). This draft framework would aim to collate areas of convergence arising from the national reports and propose methods and means of ensuring agreement on areas of divergence and the legal instruments required to ensure compliance with its protocols.

   The draft framework would draw on past and current processes and related reports of studies on harmonization of policies and economic integration in other regions in Africa. It would take fully into account the RISDP and the Dar-es-Salaam Declaration. It would assess the global and regional economic outlook for agricultural commodities and the implications for the SADC RAP, particularly the prospects and challenges for trade within the region and between SADC and the rest of the world. It will also take into account the CAADP framework and the steps necessary to ensure consistent regional approaches for its implementation. It will also assess the current status in removing barriers to intraregional agricultural trade in the SADC region and identify priorities and measures needed to accelerate implementation of existing agreements and protocols. This draft RAP framework would be reviewed at a high level regional workshop attended by representatives from all SADC Member States.

   The draft RAP framework would also draw on a number of specialized studies designed to help realistically assess the advantages and disadvantages of a RAP, the desirable degree of agricultural integration, the pace at which countries could be feasibly expected to move towards integration and the possible phases in that process; the expected financial and social implications of implementing the RAP; and other technical and cross-cutting issues of regional importance.

d. **A second draft (Policy Statement)** of the RAP would then be prepared on the basis of the recommendations of the high level regional workshop and input from specialised studies before submission to the SADC approval process.
4. Country Level Review Reports

In line with the above outlined proposed formulation processes, national agricultural policy reviews were undertaken during the last half of 2009 into 2010. Resulting from these reviews is this document which summarizes SADC Member States’ agricultural policy review reports.

The country review reports were varied in terms of content, extent and depth of review as well as structure. In an effort to standardise these reports, for purposes of ensuring comparability across the countries, a structured summary template was developed which now forms the basis of this document. Considerable effort was taken to ensure that all issues and the essence of same, raised in the original country reports, are contained in these summaries.


In pursuance of developing a preliminary draft framework for the RAP (step (c) as per section (2) above), a separate document has been produced and published. This document, entitled, “Synthesis Report of Key Agricultural Policy Issues and Policy Directions” draws from validated country reports and the high level regional workshop review by Senior Government Officials of SADC Member States and SADC Farmer Organisation representatives held in Gaborone, Botswana in April 2010.


This document is structured in such a manner that presents a summary of the review of agricultural policies undertaken for each SADC Member State, country by country. The three key segments of each summary report are:

- First segment mainly deals with the national assessment comprising general country information on its geography, population, farming systems, economic and socio-economic structures including public sector involvement in agriculture and private sector involvement in agriculture;
- Second segment deals with national agricultural and related policies for each country as well as coverage of regional agricultural policies; and
- Third segments outlines identified and prioritised key agricultural policy issues each country would want to have considered in the formulation of the RAP.
# THE REPUBLIC OF ANGOLA

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3 Original Country Report was authored by **MR. TARCISIO SABINO JOAO BAPTISTA** and submitted to SADC in March 2010. The original document is in Portuguese which was then translated into the English version from which this summary is derived.
## ABBREVIATIONS

<table>
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<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>ADPP</td>
<td>People To People Aid For Development</td>
</tr>
<tr>
<td>ADRA</td>
<td>Environmental And Rural Development Action</td>
</tr>
<tr>
<td>AIA</td>
<td>Angolan Industrial Association</td>
</tr>
<tr>
<td>BDA</td>
<td>Development Bank Of Angola</td>
</tr>
<tr>
<td>CCIA</td>
<td>Angolan Chamber Of Commerce And Industry</td>
</tr>
<tr>
<td>CONSAN</td>
<td>National Council For Food Security And Nutrition</td>
</tr>
<tr>
<td>CSO</td>
<td>Civil Society Organization</td>
</tr>
<tr>
<td>DNAPF</td>
<td>Department Of Agriculture, Livestock And Forestry</td>
</tr>
<tr>
<td>DNGTA</td>
<td>Department Of Agriculture And Land Management</td>
</tr>
<tr>
<td>DNHAER</td>
<td>Department Of Hydraulics And Rural Engineering</td>
</tr>
<tr>
<td>FADA</td>
<td>Land Development Fund</td>
</tr>
<tr>
<td>FAO</td>
<td>Food And Agriculture Organization Of The United Nations</td>
</tr>
<tr>
<td>FCA</td>
<td>School Of Agriculture Sciences</td>
</tr>
<tr>
<td>FDC</td>
<td>Coffee Development Fund</td>
</tr>
<tr>
<td>FTA</td>
<td>Free Trade Area</td>
</tr>
<tr>
<td>GAPMEA</td>
<td>Small And Medium Enterprise Assistance Bureau</td>
</tr>
<tr>
<td>GEPE</td>
<td>Bureau Of Statistics, Planning And Research</td>
</tr>
<tr>
<td>GSA</td>
<td>Food Security Bureau</td>
</tr>
<tr>
<td>IDA</td>
<td>Land Development Institute</td>
</tr>
<tr>
<td>IIA</td>
<td>Agriculture Research Institute</td>
</tr>
<tr>
<td>IIV</td>
<td>Veterinary Research Institute</td>
</tr>
<tr>
<td>INE</td>
<td>National Bureau Of Statistics</td>
</tr>
<tr>
<td>INEA</td>
<td>Angolan National Road Institute</td>
</tr>
<tr>
<td>PDMPSA</td>
<td>Medium Term Development Plan For The Agriculture Sector</td>
</tr>
<tr>
<td>PDPR</td>
<td>Master Plan For Small Scale Irrigation Schemes</td>
</tr>
<tr>
<td>PEDR</td>
<td>Rural Extension Development Programme</td>
</tr>
<tr>
<td>PEN</td>
<td>National Strategic Plan</td>
</tr>
<tr>
<td>RISDP</td>
<td>Regional Indicative Strategic Development Plan</td>
</tr>
<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
</tr>
<tr>
<td>SNIA</td>
<td>Agriculture Research System</td>
</tr>
<tr>
<td>UNACARA</td>
<td>National Union Of Angolan Peasant's Associations</td>
</tr>
</tbody>
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NATIONAL ASSESSMENT

1. GENERAL INFORMATION

1.1. Geography and Demographics

Angola is situated on the west coast of Africa and is bordered by the Democratic Republic of Congo (DRC) to the north, Zambia to the east, Namibia to the south and the Atlantic Ocean to the west. It has a total area of 1,246,700 km², just over half the size of its northern neighbour, DRC. Its climate is characterised as semi-arid in the south and along the coastal regions up to Luanda. Further north the temperatures are generally mild and dry (from May to October) and hot and rainy (from November to April). With respect to altitude, the lowest altitude is at the Atlantic Ocean level at 0 m and the highest altitude is at Morro de Moco in Huambo Province which is 2,620 m above sea level.

Angola’s population comprises 17,029,000 inhabitants with a population growth rate of 2.136% (2008) and a life expectancy of 37.92 years. The literacy rate in 2001 was pegged at 54.2%. The largest threat to Angola’s population are the main infectious diseases that are mainly water borne or caused by inadequate implementation of food safety measures which include bacterial and protozoan virus diarrhoea, hepatitis A, typhoid, vector borne diseases, such as malaria and trypanosomiases; and schistosomiases (2008).

Angola is endowed with vast reserves of oil, diamond, iron ore, phosphates, copper, felspar, gold, bauxite, uranium and other minerals, soil, climate, abundant water resources, fauna and flora, just to mention few. After the oil sector, the rural sector comprising agriculture, forestry and livestock development is the second most productive sector in the country. Its contribution to the GDP and its economic potential have increased over the last few years as a growing number of people depend directly on agriculture for survival. Thus, any effort towards attaining food security and poverty reduction would be meaningless if it were to ignore this stark reality that over 60% of the people live in rural areas and depend on agriculture for survival. Most of the active population, however, is employed in agriculture. Table 1 depicts the population breakdown by rural and urban constituencies.

Table 1: Total of Rural and Urban Population

<table>
<thead>
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</tr>
</thead>
<tbody>
<tr>
<td>Rural Population (in millions)</td>
<td>6.931</td>
<td>8.642</td>
<td>11.622</td>
<td>2.2</td>
<td>1.3</td>
</tr>
<tr>
<td>Urban Population (in millions)</td>
<td>2.639</td>
<td>4.492</td>
<td>9.174</td>
<td>5.2</td>
<td>3.3</td>
</tr>
<tr>
<td>Total Population (in millions)</td>
<td>9.570</td>
<td>13.134</td>
<td>20.795</td>
<td>3.1</td>
<td>2.0</td>
</tr>
<tr>
<td>Rural Pop. (% of the Total Pop.)</td>
<td>72.4</td>
<td>65.8</td>
<td>55.9</td>
<td>-1.0</td>
<td>-0.7</td>
</tr>
</tbody>
</table>

Source: FAO (2002).

1.2. Farming Systems and the Importance of Agriculture

Angola is potentially one of the richest countries in Sub-Saharan Africa with climate conditions conducive for agro-pastoral activities throughout the year. Angola boasts of excellent hydrographical basins represented by seven major rivers and two smaller groups of rivers. Agricultural production and productivity in the country is generally low due mainly to the insignificant use of available technology. By resorting to simple technologies, such as the use of fertilizers, phytosanitary treatment and the use of improved seeds, it would be possible to substantially increase and diversify crop production and income in the country. However, only 3.5 million of the 35 million hectares of the vast agricultural potential in the country is being utilized.

The major production systems existing in Angola can be summarised as shown in Table 2.
Table 2: Major Production Systems in Angola

<table>
<thead>
<tr>
<th>CLASSES</th>
<th>Peasants</th>
<th>Small-Scale Farmers</th>
<th>Medium-Scale Farmers</th>
<th>Major Producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Characteristics</td>
<td>Subsistence production</td>
<td>Minimal production surpluses</td>
<td>Production surpluses</td>
<td>Commercial production</td>
</tr>
<tr>
<td></td>
<td>No resort to technology</td>
<td>Limited use of technology</td>
<td>Resort to wide range of technology</td>
<td>Reasonable use of technology</td>
</tr>
<tr>
<td></td>
<td>Manual instruments</td>
<td>Manual farm implements + animal</td>
<td>Use of animal draught and tractors</td>
<td>Use of improved seeds</td>
</tr>
<tr>
<td></td>
<td>Seeds devoid of technical norms</td>
<td>Seeds with or no technical norms</td>
<td>Preferably improved seeds</td>
<td>Adequate farming density</td>
</tr>
<tr>
<td></td>
<td>Low level farming activity</td>
<td>Low productivity</td>
<td>Adequate farming density</td>
<td>Wage earning workers</td>
</tr>
<tr>
<td></td>
<td>Family manpower</td>
<td>Eventually resort to some sort of agricultural inputs</td>
<td>Temporary workforce</td>
<td>Always use other farm implements</td>
</tr>
<tr>
<td></td>
<td>Need of assistance</td>
<td></td>
<td></td>
<td>Constant technological innovation</td>
</tr>
<tr>
<td></td>
<td>Very low productivity levels</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No agricultural inputs</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

These production systems can be further classified by the different agro-ecological zones as follows:

**Low Coastal Agro-ecological Zone**

Maize is the major crop produced in this region. Other crops include beans, sweet potato, ground-nut, and sorghum. The levels of production and productivity are low due to irregular rainfall. Irrigation agriculture is a common feature in the region and water for irrigation is traditionally collected from low level boreholes.

*Peasant farmers* depend largely on family manpower and cultivate approximately 1.5 hectares of land. Little if any crop rotation is practiced by peasant farmers. The *small scale farmers* (3 to 15 hectares) resort to modern instruments such as water pumps and agricultural inputs and employ occasional workers. *Large scale producers* (more than 50 hectares) are generally engaged in mechanized agriculture and the use of fertilizers and other phytosanitary products to produce vegetables, banana and/or papaw for commercial purposes. Modern irrigation schemes and wage earning workers are a common feature.

The general constraints faced by farmers in the lower coastal agro-ecological zone include irregular rainfall; cattle theft; lack of irrigation schemes; lack of seeds and material for agriculture; pests, plant and animal diseases; and inaccessibility to credit facilities. The potential for growth exists as these areas have good climate for the production of fruits and irrigated horticulture. Their proximity to major demographic hubs also provides potential for growth.

**Low Irregular Rainfall Agro-ecological Zone**

This agro-ecological zone is mainly characterized by extensive livestock production, including cattle, goats, swine, horses and birds. Rainfall is irregular. Irrigation is not a common feature due to scarcity of water but migratory herding is commonplace in the region as herds are moved from one place to another in search of greener pastures. The main crops grown in this region include maize, sorghum, beans and water melon and are mainly for family subsistence. Animal manure is widely used in agriculture production which is essentially family-based.

Some of the major challenges farmers in this region face include lack of commercial networks for the marketing of their agricultural products, inadequate sanitary infrastructure, lack of financial incentives, lack of agricultural inputs and support mechanisms. The greatest potential for growth in this area are large areas for enterprise farming.
Low Tropical Agro-ecological Zone

The main crop grown in this area is cassava. There is however great potential for crop combination such as cassava and maize; cassava/maize/rice; maize/beans; cassava/groundnuts; and maize/cassava. Vegetables and rice are mainly cultivated in lower agricultural lands for a period of six years after which the area is abandoned. Few producers resort to modern agricultural inputs and farm implements in the region. The livestock and forestry sectors in the region are insignificant.

Common challenges in this area include cattle theft; lack of farm implements, animal draught power, and support mechanisms; dilapidated road infrastructure; and lack of credit facilities. On the other hand, there is potential for growth in this region as it is conducive for modern agriculture with vast tracts of uncultivated land.

Highland Agro-ecological Zone

It is one of the two high intensive agricultural zones with better and regular rainfall and climate distribution patterns which allow for the production of a variety of crops including maize, wheat, rice, sweet potato, beans, cassava, sugar cane, ground nuts, tobacco and fruits and coffee. The use of animal manure, pesticides and animal draught power and mechanized agriculture are very common in this area. Water for irrigation is collected by gravity from water springs. This system was severely affected by the war but is being rehabilitated.

Crop rotation is commonplace in this region where land area is normally used for a period of three years and subsequently abandoned for two consecutive agricultural seasons. The quality of the agricultural activity in this war-ravaged region declined due to lack of maintenance of agricultural machinery and the lack of animal draught. However, the prospects in this post-war period seem to be very bright. The war also affected the forestry sector which was once a prosperous activity during the colonial administration.

The most common challenges faced in this region include gross scarcity of agricultural inputs including animal draught power; no agricultural research; war ravaged irrigation schemes; lack of credit facilities; and scarcity of forestry resources. On the other hand, potential in this region derives from the area being a major hub for commercial production; the soil and climate are conducive for modern agriculture and there are still vast tracts of uncultivated land.

Plateau Agro-ecological Zone

Rain-fed agriculture is a common feature in this region and follows a full fallow pattern of 3 to 4 years. Before the outbreak of civil war, Robusta coffee was the main crop produced in this agro-ecological zone. Today and due essentially to the massive destruction of coffee plants and generalized poverty, people opt for the production of maize for commercial purposes. However, coffee production is gradually re-asserting its position as the major commercial crop in the aftermath of the war.

Major food crops include cassava, beans and groundnuts. Maize is a mere complement to cassava, the main staple crop/food. Both livestock and forestry exploration were severely affected by war.

The most common challenges in this region include lack of agricultural inputs and farm implements; access to credit; road degradation and generally key factors of production. The potential for this region derives from conducive soil and climatic conditions for modern agriculture and crop production including coffee and palm oil.

1.3. Key Agricultural Commodities and Farming Practices

Arable land in Angola approximates 35 million hectares or 28.07% of the total land mass of the country (124,670,000 hectares). The cultivated area is 3,022,019 hectares, or 8.63% of the total arable land. Irrigation agriculture is not common in the country. Only 23,000 hectares are irrigated. Water irrigation schemes include mainly small ditches fitted with water-pumps. Local heavy rains cause recurrent flush floods mainly in the plateau areas and emerging environmental issues of concern include soil erosion due essentially to farming and other related activities such as clearing of forests, farming on slopes as well as uncontrolled bushfires.
The major food commodities grown in Angola include maize, cassava, beans, groundnuts and vegetables. Basic food production in the Angola has been on the increase over the last few years, both in terms of the distribution of agricultural land, use of fertilizers and technical support provided. The more agricultural areas are covered and advanced technologies used with the attendant increment in production and productivity of the agricultural sector, the easier it would be to realise higher food security levels.

1.4. Key Economic and Financial Statistics

Towards the final stages of the colonial period, Angola had registered rapid economic growth and between 1960 and 1974 the country registered an average GDP of 7.8%. The contribution of the agricultural sector to the GDP is estimated at 8% and remains the mainstay of the economy and the major source of employment creation (with over 65% of the population employed in this sector including the livestock sub-sector), food production and income generation for the majority of the population.

Table 3 below presents selected key economic and financial statistics for Angola.

Table 3: National Information System

<table>
<thead>
<tr>
<th>Subject</th>
<th>Value</th>
<th>Year and Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area</td>
<td>1,246,700 Km²</td>
<td><a href="https://www.cia.gov.library/publications/the-world-factbook/print/ao.html">https://www.cia.gov.library/publications/the-world-factbook/print/ao.html</a></td>
</tr>
<tr>
<td>Number of farmers</td>
<td>8106 Agricultural Holdings.</td>
<td>Agricultural Survey by the Bureau of Statistics and Planning within the Ministry of Agriculture, Rural Development and Fisheries: 2008/09 First Agricultural Campaign</td>
</tr>
<tr>
<td>Ratio of Population living in rural area</td>
<td>57%</td>
<td><a href="http://www.angonews.com-22/11/08">www.angonews.com-22/11/08</a>, UNPP</td>
</tr>
<tr>
<td>GDP</td>
<td>21.1% (2007 est.)</td>
<td><a href="http://www.indexmundi.com/pt/angola">www.indexmundi.com/pt/angola</a></td>
</tr>
<tr>
<td>GDP per capita</td>
<td>$6,500 (2007 est.)</td>
<td><a href="http://www.indexmundi.com/pt/angola">www.indexmundi.com/pt/angola</a></td>
</tr>
<tr>
<td>Trade Balance</td>
<td>$ 7,700,000,000</td>
<td><a href="http://www.indexmundi.com/pt/angola">www.indexmundi.com/pt/angola</a></td>
</tr>
<tr>
<td>Public External Debt</td>
<td>14.7% of PIB (2007 est.)</td>
<td>IMF and National Institutions</td>
</tr>
<tr>
<td>2008 Budget as ratio to the GDP</td>
<td>8.6%</td>
<td>Angolan Economic Outlook-ocle-2008. African Economic Outlook</td>
</tr>
<tr>
<td>2007 Budget Deficit</td>
<td>3.3% of the GDP.</td>
<td><a href="http://www.bes.pt">http://www.bes.pt</a>, quoting the IMF</td>
</tr>
<tr>
<td>2006 Exchange Rate to US $</td>
<td>80.3683 kz</td>
<td><a href="http://www.bna.ao">www.bna.ao</a></td>
</tr>
<tr>
<td>2007 Exchange Rate</td>
<td>75.0070 kz</td>
<td><a href="http://www.bna.ao">www.bna.ao</a></td>
</tr>
<tr>
<td>2008 Exchange Rate</td>
<td>75.0070 kz</td>
<td><a href="http://www.bna.ao">www.bna.ao</a></td>
</tr>
<tr>
<td>% of agriculture on the GDP</td>
<td>9.5%</td>
<td>18/12/008-www.cia.gov/library/publications/the-world-factbook</td>
</tr>
<tr>
<td>Balance Agriculture/ trade</td>
<td>14.9% of the GDP PIB</td>
<td><a href="http://www.africaneconomicoutlook.org">www.africaneconomicoutlook.org</a></td>
</tr>
<tr>
<td>Budget allocated for the agricultural sector in 2008</td>
<td>15.087.445.491.346 USD</td>
<td><a href="http://www.portalangop.co.ao">www.portalangop.co.ao</a></td>
</tr>
<tr>
<td>Ratio of the total budget allocated to agricultural sector in 2008</td>
<td>4.4% of the total budget</td>
<td><a href="http://www.portalangop.co.ao">www.portalangop.co.ao</a></td>
</tr>
<tr>
<td>Ratio of the budget for the agricultural sector to the GDP</td>
<td>9.5%</td>
<td><a href="http://www.indexmundi.com/angola/gdp_composition_by_sector.html">http://www.indexmundi.com/angola/gdp_composition_by_sector.html</a></td>
</tr>
<tr>
<td>Arable land cultivated</td>
<td>Approximately 3.5 million hectares</td>
<td>GEPE-Ministry of Agriculture, Rural Development and Fisheries</td>
</tr>
<tr>
<td>Other activities, including domestic work</td>
<td>ND</td>
<td></td>
</tr>
</tbody>
</table>

Source: Angola, Post-War Challenges: Joint Evaluation 2002-UN.
2. PUBLIC SECTOR IN AGRICULTURE

2.1. Principle Government Agencies Involved in Agriculture

Table 4 describes the various Ministries in the Government of Angola and their responsibilities

**Table 4: Principle Government Agencies Involved in Agriculture**

<table>
<thead>
<tr>
<th>Subject</th>
<th>Ministry</th>
<th>Mandate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>The Angolan Institute of Geodesy and Cartography within the Ministry of Urban Development and Public Works</td>
<td>The sole entity responsible for surveying and mapping of agricultural land and processing of title deeds</td>
</tr>
<tr>
<td></td>
<td>The Ministry of Agriculture, Rural Development and Fisheries</td>
<td>Issues legally binding opinion</td>
</tr>
<tr>
<td></td>
<td>Provincial Governments:</td>
<td>Responsible for issuing title deeds for plots of land up to 1000 hectares. For larger concessions of land, the titles are issued by the MINUA. In principle, titles are granted for a provisional period of 5 years renewable for an additional period of 45 years depending on the levels of investment made. These formalities are also applicable for foreign investors.</td>
</tr>
<tr>
<td>Water for Irrigation</td>
<td>The Ministry of Agriculture, Rural Development and Fisheries</td>
<td>Water for irrigation is normally provided at no cost except for the costs incurred in the acquisition of irrigation related equipment. The Ministry charges a nominal fee for the use of water around the irrigated areas.</td>
</tr>
<tr>
<td>Fisheries</td>
<td>Ministry of Agricultural, Rural Development and Fisheries</td>
<td></td>
</tr>
<tr>
<td>Forestry Exploitation / harvesting</td>
<td>Forestry Development Institute (IDF) under the purview of the Ministry of Agriculture, Rural Development and Fisheries</td>
<td></td>
</tr>
<tr>
<td>Other Natural Resources</td>
<td>The Ministry of Geology and Mines and Industry and the Ministry of Water and Energy</td>
<td>May grant title deeds for use of land for non-agricultural purposes</td>
</tr>
<tr>
<td></td>
<td>Ministry of Geology, Mines and Industry - Ministry of Agriculture, Rural Development and Fisheries, Ministry of Trade and Tourism</td>
<td>Agro – Industry involved in the processing of agricultural products</td>
</tr>
<tr>
<td></td>
<td>Ministry of Agriculture, Rural Development and Fisheries</td>
<td>Agricultural Production</td>
</tr>
<tr>
<td></td>
<td>Ministry of Trade and Tourism, Ministry of Finance, Ministry of Agriculture, Rural Development and Fisheries</td>
<td>Import and Export of agricultural products and equipment</td>
</tr>
<tr>
<td>Agricultural Inputs, farm implements and fertilisers</td>
<td>Agricultural Development Institute (IDA) under the Ministry of Agriculture, Rural Development and Fisheries</td>
<td>Sole importer of agricultural inputs, farm implements and fertilisers</td>
</tr>
</tbody>
</table>

2.2. Parastatals and Statutory Bodies

2.2.1. Marketing of Agricultural Products

The marketing of agricultural products is undertaken by a Marketing Board in the Ministry of Trade and Tourism.

2.2.2. Training in Agricultural Sciences

The training in agricultural sciences is undertaken by School of Agricultural Sciences – FCA; Agricultural Vocational and Training Institutes, such as IDA and government partners such as NGOs (Agrisud-Angola, ADPP, World Vision, ADRA, churches, etc.)
2.2.3. Agricultural Research

Agricultural research is undertaken by the Agricultural Research Institute –IIA and Veterinary Research Institute - IIV

3. PRIVATE SECTOR IN AGRICULTURE

3.1. Crop, Livestock, Fishing and Game Farming Activities

3.1.1. Crop Farming

With regard to private farmers, it should be mentioned that the Small and Medium Scale Enterprises Support Bureau (GAPMEA) and the Bureau of Statistics and Planning (GEPE) classified private enterprises by size and total area. As a result, three categories of enterprises were identified, as follows:

a. Small scale enterprises: with an area ranging from 5 to 15 hectares;

b. Medium scale enterprises: with an area between 15 to 50 hectares;

c. Major enterprises: with an area above 50 hectares.

The total number of farms is 3,715. Table 5 provides some indications of areas cultivated to various crops:

Table 5: Major Crops: Area (Hectares)

<table>
<thead>
<tr>
<th>Crops</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maize</td>
<td>1,122,456</td>
<td>1,209,857</td>
<td>883,943</td>
</tr>
<tr>
<td>Rice</td>
<td>7,744</td>
<td>9,012</td>
<td>16,551</td>
</tr>
<tr>
<td>Cassava</td>
<td>771,072</td>
<td>843,271</td>
<td>679,167</td>
</tr>
<tr>
<td>Sorghum</td>
<td>207,194</td>
<td>170,698</td>
<td>117,998</td>
</tr>
<tr>
<td>Millet</td>
<td>371,903</td>
<td>231,741</td>
<td>259,081</td>
</tr>
<tr>
<td>Groundnuts</td>
<td>172,618</td>
<td>231,741</td>
<td>259,081</td>
</tr>
<tr>
<td>Soja</td>
<td>10,691</td>
<td></td>
<td>17,871</td>
</tr>
<tr>
<td>Fruits</td>
<td></td>
<td>110,218</td>
<td>119,469</td>
</tr>
<tr>
<td>Vegetables</td>
<td></td>
<td>41,792</td>
<td>235,915</td>
</tr>
<tr>
<td>Potato and Roots</td>
<td>240,315</td>
<td></td>
<td>172,547</td>
</tr>
<tr>
<td>Coffee</td>
<td>11,410</td>
<td></td>
<td>2,588</td>
</tr>
</tbody>
</table>

Crop production figures are also shown in Table 6.

Table 6: Production of Major Crops (tonnes)

<table>
<thead>
<tr>
<th>Crops</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maize</td>
<td>526,084</td>
<td>615,894</td>
<td>702,387</td>
</tr>
<tr>
<td>Rice</td>
<td>3,831</td>
<td>4,635</td>
<td>8,416</td>
</tr>
<tr>
<td>Cassava</td>
<td>9,037,023</td>
<td>9,730,261</td>
<td>10,057,375</td>
</tr>
<tr>
<td>Sorghum</td>
<td>79,345</td>
<td>12,757</td>
<td>14,396</td>
</tr>
<tr>
<td>Millet</td>
<td>77,089</td>
<td></td>
<td>91,925</td>
</tr>
<tr>
<td>Groundnuts</td>
<td>64,340</td>
<td>66,660</td>
<td></td>
</tr>
<tr>
<td>Soja</td>
<td>7,064</td>
<td></td>
<td>14,711</td>
</tr>
<tr>
<td>Fruits</td>
<td>1,905,121</td>
<td>1,950,070</td>
<td></td>
</tr>
<tr>
<td>Vegetables</td>
<td>306,909</td>
<td>2,749,323</td>
<td></td>
</tr>
<tr>
<td>Potato and Roots</td>
<td>979,788</td>
<td>1,220,979</td>
<td></td>
</tr>
<tr>
<td>Coffee</td>
<td>11,523</td>
<td></td>
<td>4,000</td>
</tr>
</tbody>
</table>
3.1.2. Livestock

Table 7 below gives some figures on farming activities involving various animal species.

Table 7: Livestock

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bovines</td>
<td>4,025,125</td>
<td>4,401,877</td>
<td>4,500,005</td>
<td>4,921,205</td>
<td></td>
</tr>
<tr>
<td>Sheep</td>
<td>1,337,191</td>
<td>639,779</td>
<td>899,566</td>
<td>1,165,944</td>
<td></td>
</tr>
<tr>
<td>Goats</td>
<td>1,446,624</td>
<td>2,406,788</td>
<td>2,432,160</td>
<td>2,477,631</td>
<td></td>
</tr>
<tr>
<td>Donkeys and horses</td>
<td>14,842</td>
<td>16,939</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poultry</td>
<td>15,991,110</td>
<td>17,487,878</td>
<td>17,141,000</td>
<td>18,745,398</td>
<td></td>
</tr>
</tbody>
</table>

3.2. Trade in the Food Sector

Table 8 shows the trade (exports) in various agricultural products.

Table 8: Trade in Agricultural Goods

<table>
<thead>
<tr>
<th>Goods</th>
<th>Tonnes</th>
<th>Amount in $US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Livestock</td>
<td>142 918</td>
<td>8 510 590</td>
</tr>
<tr>
<td>Milk Products</td>
<td>462 000</td>
<td>9. 371 800</td>
</tr>
</tbody>
</table>

3.3. Professional Organisations involved in Agriculture

3.3.1. Angolan Industrial Association (AIA)

Established in 1930, inoperative between 1976 -1992 during the first Republic, renewed its activities in 1992 and legalized by the Prime Minister’s decree 1/97, the AIA is a multi-sectoral, non-profit and private employers’ association which congregates industries, particularly in the sectors of agriculture, livestock, building industry, fisheries, transport, telecommunications, ITC, etc.

3.3.2. Angolan Chamber of Commerce and Industry (CCIA)

The Angolan Chamber of Commerce and Industry (CCIA) was established in 1988 by 43 Private, Mixed and Public Enterprises as the first Association of its kind in post-independence period. Over 500 enterprises are directly affiliated to CCIA. The CCIA has membership of over 3000 Associations in the different spheres of the economic life.

The CCIA is a public legal entity which enjoys administrative and financial autonomy and was established mainly to promote economic activity, foster and develop a range of activities for the benefit of a wide range of stakeholders. The CCIA provides specialized services, particularly in the following domains:

a. Project development, analyses and implementation;
b. Promoting cooperation and building partnerships and consultation among enterprises;
c. Promotion of investment projects both locally and internationally;
d. Promote Angola by attracting foreign investment into the country in cooperation with both private and public enterprises;
e. Establish networks between investors and public and private enterprises both locally and internationally;
f. Provide counselling and follow-up investment related Project negotiations; and

g. Provide technical and trade related information on the rules and regulations governing trade and investment in the country.

In close cooperation with various stakeholders, the CCIA initiates promotional events; publicity and promotional programmes; joint or individual trade missions of both Angolan and foreign investors; convenes workshops on trade and investment related issues; attends trade fairs and specialized events both locally and internationally; and assists local and foreign enterprises interested in investing in the country or abroad.
NATIONAL AND REGIONAL AGRICULTURAL POLICIES

4. NATIONAL AGRICULTURAL AND RELATED POLICIES

In order to foster sustainable rural and agriculture development in the short, medium and long term, the Ministry of Agriculture, Rural Development and Fisheries is engaged in the adoption and implementation of strategies and policies aimed at tapping the abundant natural resources in the country and taking into consideration the vast potential of the rural sector for food production, employment creation and income generation.

Agriculture is a priority sector for public investment, particularly in irrigation given its importance and potential in employment creation and poverty reduction. The Angolan government would like to attract investors and the private sector to participate in the efforts to revamp agriculture in the country. It is in this context that Angola and the International Fund for Agricultural Development (IFAD) signed in 2007 an agreement whereby the latter is to provide Angola with a line of credit of US $45 million for the benefit of 20,000 farmers in a bid to increase investments and agricultural production and productivity countrywide.

However, notwithstanding the considerable progress made for the development of the agriculture sector, this sector is still plagued by many challenges. These include the lack of access to credit lines, issues related to security and safety in the concession of title deeds despite the promulgation of a new Land Law.

4.1. General Overarching Framework Documents

4.1.1. General Overview

The 2009 Executive Programme on the Agro-Sylvio and Forestry-based activities in Angola is the major Policy Document which spells out overall and specific objectives for the Ministry of Agriculture during the five year period beginning in 2010. According to this document, the specific objectives to be pursued by the Ministry include, diversification, revamping and development of rural agricultural activities at both the family level and the small, medium and large enterprises level, as well as policy measures which define the strategy to ensure the attainment of its stated objectives.

In brief, the overall objective of this policy document is to promote a sustainable and integrated socio economic development of the agricultural sector taking due consideration of its potential in terms of increased production, productivity and competitiveness including capacity to generate gainful employment and income to ensure food security, its potential as a source of food supply and the opportunities offered by the local, regional and international markets.

The expected outputs of the policy document include:

- Increased production and productivity to ensure food security and nutrition;
- Increased number of commercial farmers;
- Restoration and/or building of new agricultural infra-structure to ensure sustainable production and productivity of the sector;
- Renewed sugar cane production for consumption;
- Human Resource Development at the Ministry of Agriculture, Rural Development and Fisheries to meet user’s demands; and
- New direct and indirect employment.

4.1.2. PRSP and National Food Security Programmes

The Ministry of Agriculture, Rural Development and Fisheries requested for FAO support for the development of both the National Strategy on Food Security and Nutrition (ENSAN) and its Plan of
Action the National Action Plan on Food Security and Nutrition (PASAN). The National Strategy (ENSAN) will be implemented during the period 2009-2013 and will impact significantly on the strengthening of public policies and actions evolving around nutrition and food security issues in order to minimize the vulnerability to food insecurity in the country.

Both ENSAN and PASAN are provided for in the Long Term Strategic Development Programme (PEDLP-2005) and in its Medium Term Development Plan (2009-2013) as well as in the various sectoral policies and strategies. For the period 2009-2013, ENSAN set a range of specific objectives, namely (i) increase and diversify agriculture, animal and fishing production and productivity in a sustainable manner in order to increase levels of food self-sufficiency and better living conditions for the people; (ii) ensure the availability and sustainability of food supply chains, through the restoration of the local markets in order to balance the demand and supply chains; (iii) improve food accessibility, through protection schemes for disadvantaged groups; (iv) minimize levels of malnutrition among the population by improving basic health, education and sanitation; (v) establish and implement early warning and monitoring systems at local and national levels; and (vi) ensure food safety and drinking water in order to protect public health and ensure consumer protection.

ENSAN, as a cross-cutting strategic approach, evolves mainly around action coordination and building synergies and resource mobilization between and among the various stakeholders and within the framework of the different policy actions undertaken in order to ensure food security in the country. The structure responsible for the implementation and execution of the Plan of Action seeks to promote and rationalize the activities of the different stakeholders. This is done through two main organs, namely:

a. The National Council on Food Security and Nutrition (CONSAN), a supreme and consultative organ for food security which ensures the implementation of the Annual Action Plan, resource mobilization, follow-up of the progress made and the financing of the ENSAN network; and

b. The ENSAN network which is responsible for the overall coordination and implementation of the activities of PASAN at communal, municipal and national levels also provides advisory services to CONSAN in the areas of planning, execution, follow-up and evaluation.

The cross-cutting Strategic Pillars and Areas of Interventions stated in Table 9 provide the necessary guidance to the actions undertaken by PASAN in order to facilitate the materialization of the objectives established by ENSAN. Most of the investments were directed towards Strategic Pillar 1 and Pillar 3.

<table>
<thead>
<tr>
<th>Strategic Pillars</th>
<th>Areas of Intervention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Pillar 1 – Increment, diversification and sustainability of production and productivity in the agricultural, Livestock and animal sectors</td>
<td>1. Production 2. Storage and Value-Addition 3. Supply and Trade in agricultural products</td>
</tr>
<tr>
<td>Strategic Pillar 2 – Strengthening and consolidation of agricultural, animal and fishing production and organization at family and cooperative levels</td>
<td>1. Organization 2. Capacity-building and extension</td>
</tr>
<tr>
<td>Strategic Pillar 4 – Promote Applied scientific research in all nutritional and food chains</td>
<td>1. Research 2. Food Safety 3. Food Regulations</td>
</tr>
</tbody>
</table>
4.1.3. The National Agricultural Research Authority (ENIA)

The ENIA mission includes the promotion of sustainable development of the agriculture, livestock and forestry sectors, through the generation, adaptation and transfer of technology with a view to increasing food security, poverty reduction and generating surpluses for export. Its vision is to become a reference organization at national and continental levels mainly through (i) the provision of scientific and technical contribution for sustainable development of the country agriculture, livestock and forestry sectors; (ii) contribution for accrued levels of food security, poverty reduction and improving the living standards of the population; (iii) research centred models based on flexible management; and (iv) contribution in the adoption of public policies for the development of the country’s agriculture sector. In order to materialize this vision, five strategic objectives, including Production Chains Research Programmes at national level have been identified.

The Government of Angola is aware of the imperative need for medium and long-term substantial investments in physical capital/infrastructure and human resources development, particularly institutional capacity-building and management, adaptation and transfer of technology in order to improve production and productivity in agriculture and forestry sectors. This, in turn, will result in accrued levels of food security and income, employment generation and foreign exchange earnings.

In this context, initiatives were launched to promote short, medium and long-term sustainable economic development within the framework of the National Strategy for Poverty Reduction and Eradication by 2025 in keeping with the objectives of the NEPAD and the Millennium Development Goals (MDGs). As an integral part of these overall efforts and with technical support from FAO, the Ministry of Agriculture and Rural Development commenced a process of review of the Programme and Strategy of the Agriculture Research System in the country.

This review made recommendations in order to overcome the challenges faced by the existing research institutes, namely the National Institute for Agricultural Research (IIA) and the National Institute for Veterinary Research (IIV). Accordingly, improvements should be introduced in the institutional research paradigm of these institutions and enable them to focus more on the new organizational culture based on production chains which include production lines, consumer protection issues, agriculture products consumed “in natura” and/or processed in local or international markets.

4.2. Agricultural Policies and Strategies

4.2.1. Land Infrastructure

4.2.1.1. Land Ownership and Titling

The law provides that the Angolan State is the sole proprietor of all private and public land and its mineral resources. Without prejudice to the provisions of Article 35, the State may lease or cede land for private ownership. In practice, access to land is first granted by customary chiefs who identify free plots for distribution to applicants. All applications are subsequently forwarded to the Provincial Government which is responsible for granting title deeds for plots of land up to 1000 hectares. For larger concessions of land, the title is issued by the MINUA. In principle, the title is issued provisionally for a period of 5 years renewable for a period of 45 years depending on the nature of the investment. These formalities are also applicable to foreign investors.

4.2.2. Rural Roads and Other Rural Infrastructure

The National Road Authority-INEA is responsible for road construction, rehabilitation and maintenance. In 2002, the road maintenance programme sought to rehabilitate 1,476 Km of the trunk road system within a period of 12 months. However, the programme was subsequently reviewed to include an additional extension project of about 7,500 km to be implemented by 2008. Most of the project (72% of the total project) has thus far been concluded considering that the remaining 4,000 km would be covered by the end of the year with the completion of the remaining 3,251 km which is now at an advanced stage of rehabilitation.
In this context, the main objective of this strategy is to re-establish the road network severely damaged during the war and mainly concentrate on routes of regional interest and ensure that Angola, a member country of the Southern African Development Community (SADC) is properly connected to the SADC Regional Trunk Road Network. The strategy intends to conclude the rehabilitation of the whole National Road Network of about 73,000 km by 2013 of which a total of 23,500\(^5\) km constitutes the trunk road system currently under the INEA supervision.

### 4.2.3. Natural Resources Policies and Strategies
#### 4.2.3.1. Water and Irrigation

Angola boasts a resourceful and diversified hydrographic network. Mean annual runoff is estimated at 140 Km\(^3\) and is considered the highest in the Southern African Region. The country network comprises 47 water courses flowing towards five main outlets, namely the Atlantic Ocean (41% of the country land mass); Zaire/Congo (22%), Zambezi (18%), Okavango (12%) and Etosha (4%), including a relatively smaller land mass covered by lakes and smaller bodies of water. Despite the current limited body of knowledge existing in the country with regard to ground-waters, occurrences of groundwater resources can be found in almost all provinces and constitute major sources of water supply at affordable prices.

The Support Programme on Reconstruction and Rehabilitation seeks to counter the rapid degradation of national infrastructure, a stark reality in the post-conflict Angolan context. The focus of this programme is to indirectly support the overall irrigation policy which is a prerequisite for revamping the agricultural sector in the country. The key pillars driving this strategy are (i) construction and rehabilitation of irrigated areas; (ii) harnessing Small Hydroelectric Schemes; and (iii) Small Irrigation Schemes Support Programme.

### Construction and Rehabilitation of Irrigated Areas

The Programme for the Construction and Rehabilitation of Irrigated Perimeters seeks to promote the role of irrigation agriculture in the attainment of the strategic objectives of the agriculture sector, namely to combat poverty, ensure food security, increase the contribution of the agriculture sector to the GDP and ensure the increment of production, productivity and competitiveness of the Angolan agricultural sector both within the framework of the regional market (SADC) and in the meridional markets.

The programme also aims at developing a package of public investments evolving around three main areas namely:

a. Rehabilitation and expansion of basic production infrastructure of irrigation and water drainage systems, including rural roads. In this context, integrated actions will be promoted and executed for the rehabilitation of water storage systems, rural road network, etc;

b. To adopt and implement policies and measures in order to attract private investors in selected areas; and

c. Promote sustainable agricultural production, productivity and competitiveness by:
   i. Creating conducive conditions for accrued production and productivity of the agricultural sector;
   ii. Promoting access to traditional means of production, i.e. land and water, through the establishment of resilient systems to mitigate the impact of the global climate change; and
   iii. Encouraging the formation of farmer organizations or groups in well defined geographic areas with a sufficient critical mass of membership to attract basic emergency services for new production platforms.

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\(^5\) Source: [www.skyscraperCity.com](http://www.skyscraperCity.com), Quote from Mr. Herculano Nascimento of the INEA
Harnessing Small Hydroelectric Schemes

The objective of the programme is to promote the construction of basic hydroelectric schemes for electricity supply in the rural areas and, thus, boost economic activity (through the production of value added agricultural commodities).

Small Irrigation Schemes Support Programme

The Master Plan for Small Scale Irrigation Schemes (PDPR) is a planning and conceptual framework which seeks to provide a dynamic intervention and sustainable development in this sector. Other related functions of the programme include decision-making at policy level and ensuring supervision, monitoring and analysis of the overall sub-sector output. These are fundamental issues for the consolidation of the sustainable development of the irrigation agriculture in the country.

The PDPR also seeks to place small irrigation schemes at the centre of the rural development efforts and transform these schemes into privileged poles for intervention in emergency situations and for the consolidation of the sustainable dynamics in the irrigated-based agriculture.

This programme’s overall policy objective is to promote accrued output of the small scale irrigated agriculture for the attainment of the strategic objectives of the agricultural sector, namely:

a. Poverty alleviation, reduction and ultimately its eradication;
b. Ensure disaster preparedness for food security; and
c. Increment agriculture contribution to the GDP by:
   i. Transforming in a gradual and sustainable manner the Angolan agriculture sector into a competitive sector in the local, regional and international markets;
   ii. Adopting strategies and measures that recognize the role and the potential of irrigation agriculture in the diversification of the national economy;
   iii. Establishing a dynamic and open framework for action and planning in order to facilitate decision-making and promote sustainable development of all small irrigation schemes related activities; and
   iv. Mobilizing resources, establish and implement systems to monitor performance impact and measures.

The programme’s specific objectives include:

a. Strategic evaluation of policies and measures related to technology transfer, access to credit, trade in agricultural products, technical assistance and human resource development in irrigation agriculture;
b. Considering all existing structural, socioeconomic and technical constraints in this sector as well as the opportunities which may facilitate the rehabilitation of traditional irrigation schemes and the overall development of irrigation agriculture;
c. Examining the institutional and legal framework which forms the basis of private and public irrigation (including legislation, rules and regulations) of traditional and small scale irrigation schemes and identify the necessary adjustments to ensure sustainable development of irrigation agriculture;
d. Examining development and management issues with regard to traditional and small scale irrigation schemes and formulate necessary recommendations for the overall development of irrigation agriculture;
e. Submitting major proposals to DNHAER/Ministry of Agriculture, Rural and Fisheries on draft projects/programmes for technical assistance and investments in traditional and small scale irrigation schemes for the overall development of the irrigation agriculture sector; and
f. Submitting reports and recommendations on modern ways and means to improve the management of small scale irrigation schemes, including a time-bound action-plan;

4.2.3.2. Bio-Fuels

As an emerging developing country endowed with abundant natural resources and a fast growing economy and the peaceful environment now prevailing in the country, Angola can now boast that all conditions have been created for the re-launching of agricultural activities in general and the
implementation of bio-fuel projects in particular with a range of opportunities for potential economic, social and environmental benefits.

In this context, a new Bio-fuel Strategy has been adopted for the country and constitutes a framework for the establishment of an institutional and legal capacity for regulating the sustainable production and use of bio-fuels in the country without undermining food production and attain self-sufficiency in the production of energy at local and national levels, reduce poverty levels, diversify the economy and thus contribute for integrated development of the country.

The general objectives of the strategy and policy framework are to:

a. Contribute to rural development, through the economic integration of national producers and rural communities in the production chain of bio-fuels;
b. Meet some of the national energy needs through the promotion of energy diversification;
c. Protect and preserve the environment;
d. Foster the diversification of the economy; and
e. Consider the pros and cons of bio-fuel production in the country.

The strategy’s specific goals include, amongst others:

a. Increase the prospects of employment creation and income generation for rural families;
b. Expand cultivated areas and thus contribute to the re-launching of agriculture, as well as the general production chain and promote up-stream and down-stream industries;
c. Bank on a renewable source of energy in the future;
d. Reduce gas emissions which are harmful to the environment; and
e. Ensure the country’s participation in the carbon credit market as provided for in the Kyoto Protocol.

4.2.3.3. Forestry

The 2009 Executive Programme includes a Policy Framework on the Development and Sustainable Management of Forestry Resources which revolves around a set of diversified and yet complimentary actions aimed at addressing the problems inherent to the development of the forestry sector in a more comprehensive and integrated manner.

The policy framework also seeks to sustain the contribution of national forests, as poles of development and, particularly of exploitation of renewable resources and for improving the quality of life in the rural communities and providing a stable local economy.

The Policy framework includes the following components (i) reforestation; (ii) building basic institutional capacity; (iii) establishment of capacity-building and training centres; (iv) establishment and implementation of a network of forestry experimental centres; (v) strengthening fauna and forestry oversight; (vi) establishment of an inventory of forestry resources; (vii) sustainable management of forestry resources; (viii) reactivation and development of forestry exploration; (ix) establishment and launching of a Forestry Fund; (x) management of fauna and flora; (xi) beekeeping promotion and development; and (xii) promotion of non-fuel forest resources.

4.2.3.4. Inland Fisheries

Inland fishing is regulated by the Ministry of Agriculture, Rural Development and Fisheries. In 2003, the Angolan Government declared marine aquaculture as a priority sector for development, poverty alleviation, food security and export. With the exception of the oil producing areas, a vast survey was conducted in all prawns, blue mussel and tilapia potentially producing areas. The results of this survey were very encouraging and the Artisanal Fishing Institute shall soon establish strategic regional marine aquaculture and experimental centres. However, the efforts towards the materialization of this objective are hampered by the lack of technical expertise and personnel and the assistance of the private sector is highly recommended.

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6 Source: [www.acp-programming.eu/wcm/dmdocuments/CEP/20Angola.doc](http://www.acp-programming.eu/wcm/dmdocuments/CEP/20Angola.doc)
4.2.3.5. Marine Fisheries

Angola has a combination of both industrial and non-industrial marine fishing. However, most of the marine fishing fleet in the country falls into the category of non-industrial fishing and absorbs roughly 35,000 to 85,000 and uses small tonnage vessels. Only 20% of the vessels are motorized and ply their trade mainly along the coastline (up to 3 nautical miles).

The regulation of the fishing industry was introduced by the Angolan government in the 90s with the enactment of a wide range of legislation which covers almost all aspects of the industry. The Ministry of Agriculture, Rural Development and Fisheries is the sole authority responsible for regulating all fishing activities, including the minimum meshed netting, the authorized fishing area and the techniques used.

Fishing rights as well as quotas may be inherited and are transferable under the supervision of the competent authorities. Under specific and compelling circumstances, the Minister or his representative may grant partial or temporary fishing quota which could serve as a basis for obtaining credit.

4.2.3.6. Other Natural Resources

Soil Erosion

The government has been engaged in the implementation of programmes to combat desertification within the framework of a Reforestation Programme which is being implemented particularly in the coastal areas to the south of Luanda and Bengo and to a considerable extent in some areas of the hinterland considered very critical and vulnerable to erosion from the point of view of the fragility of the ecosystem.

The government is also keen in fighting the rapid advance of desert sands in Tômbwa town and the Forestry Development Institute (IDF) is engaged in the erection of reinforced dunes. It also continued with the implementation of the reforestation programmes initiated by the colonial administration in order to protect this area against the rapid advance of the desert.

In some eastern, central and southern provinces, the IDP is also implementing gully plugging programmes to fight particularly water erosion which may be attributed mainly to the intensive mineral exploration in both Lunda North and South respectively and to "deforestation" and traditional agricultural practices in Bie and Huambo provinces.

Conservancy Agriculture

There is a growing tendency for subsistence agriculture to resort to an intensive combination of crop cultivation of cassava/maize; cassava/maize/rice; maize/beans/cassava; and ground-nuts/beans/cassava. Commercial agriculture, however, could hardly resort to such methods in view of the constraints imposed by mechanization. But this is not the case with regard to crop rotation and conservancy practices, such as level cropping, erosion control, use of pesticides, etc. Richer farmers tend to resort to modern agricultural practices in almost all regions where conditions (rains) are conducive for dry farming. The use of technology depends to a considerable extent on the level of investment, knowledge management, technology adaptation and the availability of credit systems. Thus, only those producers who can garner the necessary support in the above mentioned areas can engage in competitive agriculture and earn consequently accrued financial returns.

FAO is presently working in collaboration with the Institute for Agriculture Development (IDA) of the Ministry of Agriculture, Rural Development and Fisheries in the implementation of a Project aimed at popularizing conservancy practices.

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7 Source: http://www.stopillegalfishing.com/docs/publication/pr/angola_country_profile_pr.pdf
8 See agwww.indexmundi.com/angola/gdp_composition_by_sectorro-ecológicas
4.3. Support Services for Farmers

4.3.1. Collection of Information and Dissemination

The Office of Statistics and Planning (GEPE) conducts regular production surveys for data collection on the basis of the methodology contained in a document on “Concept and Definition of Agricultural Survey Indicators and Objective Measurement of Areas of Production and Income Generation” which also includes a Questionnaire. The surveys are conducted twice per year mainly during the first and second agricultural campaigns respectively in the months of February and June/July.

For the family-based surveys, the samples include villages of the most representative agro-ecological zones in the country. For the enterprise sector, the same methodology is followed on the basis of samples collected from selected enterprises in specific agro-ecological zones. During the 2006/07 agricultural season, GEPE also conducted price surveys in the rural markets.

The main GEPE partners include the Office of Food Security (GSA) and the Agriculture Development Institute (IDA). Institutional support for the harmonization of statistics on agriculture is provided under a Project on Food and Agriculture in sub-Saharan Africa through which all data collected is processed and subsequently included in the Report of the respective Agriculture Campaigns. Data is collected by way of interviews conducted particularly during the period of harvest. During the 2008/09 agricultural campaign efforts will be made to ensure that the data collected are a true reflection of the situation obtaining on the ground.

4.3.2. Agricultural Education

In order to meet the growing market demands and the strategic agricultural needs of the country, the School of Agricultural Sciences (FCA) introduced courses in agronomy, veterinary and forestry. Similar courses were also introduced at lower level by the Technical Agricultural Institute. The newly established Sumbe Agriculture High Institute is a reflection of the general efforts by government to meet the challenges and constraints posed by the development of the agriculture sector in the country. In the same vein, additional facilities will be established in Angola in the medium and long-term.

New curricular subjects such as Mechanized Agriculture have also been introduced respectively in the Andulo (Bie Province and Tchivinguiro (Huila Province) Agriculture Institutes. Furthermore, protocols and MOUs were signed with other institutions in the area of capacity building of Angolan agricultural technicians and experts both locally and overseas.

The Agricultural Development Institute (IDA), within the Ministry of Agriculture, Rural Development and Fisheries is responsible for “promoting crop and animal production and rural extension activities”. Several government partners such as ADPP, ADRA-Angola, World Vision and Agrisud Angola are equally engaged in capacity building activities in this sector within the framework of all-encompassing and integrated or non-integrated projects.

Despite these efforts, there remains a number of major challenges in the area of educational training. These challenges include:

a. In view of the fact that most facilities, infrastructure and equipment were destroyed during the war, training of personnel in the first years immediately in the aftermath of the war proved not to be viable. On the other hand, most of the qualified personnel were displaced or opted for embracing other professions. To cope with this situation, the government made commendable efforts and as a result the first two batches of post-war veterinary and agricultural technicians have just graduated upon conclusion of their training programmes; and

b. No adequate attention was given to the training of researchers, particularly in the area of transformation and trade in animal products and markets.

4.3.3. Cooperatives and Farming Organisations

Since independence, the cooperative movement of agricultural and animal producers was shaped by the various experiences and models obtaining in the country. In 1986, the National Cooperative Support Commission was established as the front-runner of the current Peasants National Union
(UNACA) which comprises all major cooperatives and associations of agricultural and animal producers in the country.

During the protracted civil conflict and the resulting displacement of the population, many of these cooperatives and associations had disappeared. A gradual movement towards the reorganization and operation of cooperatives and associations of agricultural and animal producers throughout the country is now very evident. However, this trend may be restricted by the actions of externally financed NGOs which target specific community groups.

### 4.3.4. Agricultural Extension

In francophone countries, “agricultural extension services” or simply “extension services” refer to a set of deliberate interventions by an agricultural extension expert to educate farmers in the use of modern production techniques or to concentrate on the production of certain crops in keeping with government policies and strategies and/or due to factors related to commercial value or interest of large enterprises. However, the outcome of these interventions during the 50s and 60s, were rather poor mainly because of the socioeconomic context of the rural world characterized by the status of ignorance of the rural farmer.

Thus, the Rural Development and Extension Programme (PEDR) revolve around family producers and aims at gradually improving production systems and increasing their incomes. The specific objectives of the programme include, (i) improve and organize production systems in rural areas; (ii) establish and strengthen peasant’s associations; and (iii) increased production and productivity of the end-users production systems. The Rural Development and Extension Programme is also based on the efforts aimed at supplying production inputs on the basis of a strategy whereby farmers are granted incentives and technical support in order to achieve a rational improvement of production systems and in the final analysis increased production and productivity.

In this context, the role of the agricultural extension expert is of paramount importance as he/she is supposed to sensitize and educate the farmer on basic techniques regarding what to produce and when and how to produce and whom to sell the crops to. Through agricultural extension services, farmers are also taught *inter alia* how to identify market opportunities, market information management, storage techniques and how to collectively bargain better prices for their crops.

However, the services provided by the agricultural extension professional do not extend to commercialization techniques and practices, particularly in the agro-forestry sector. All government experts consulted by this mission stated categorically that extension services locally provided could not provide farmers with commercialization techniques required. It is therefore recommended that efforts should be made in order to train both the administrative staff within IDA and the local agricultural extension experts as well as equip them with the necessary means to provide technical assistance to farmers in post-harvest techniques and the chain of commercialization of crops and related activities.

### 4.3.5. Agricultural Research

The Ministry of Agriculture, Rural Development and Fisheries, in collaboration with FAO and other partners, including the Agricultural Research Institute (IIA) and Veterinary Research Institute, conducted several surveys and studies on the research situation obtaining in the country. These include the review of the Agricultural Sector in Angola (1997 and 2004) and the NEPAD projects.

The Scientific Research Programmes are essentially participatory-based research activities and revolve around specific areas namely: the Grain Research Programme, research programmes on Roots and Tubers Production, Fruits and Vegetables.

The IIA is also assisted by 10 experimental stations which are the main support pillars of programmes and are located in strategic agro-ecological zones countrywide.

The Veterinary Research Institute (IIV), based in Luanda incorporates 8 Zootecchnical stations and 6 Regional Veterinary Laboratories distributed countrywide. The IIV is organised in five scientific departments namely: (i) Pathology and Biological Products; (ii) Technology and Quality Control; (iii)
Animal Husbandry and wildlife; (iv) Administration, Human Resources and Budget Management, and (v) Research, Planning and Statistics Unit and a Veterinary Documentation Centre.

Hampering the smooth functioning of these Research Institutes are factors including limited technical and technological capacity to meet the growing needs of the main agricultural production units/chains of small, medium and large enterprises in the country.

### 4.3.6. Micro-Credit

The government established a micro credit programme in Bailundo (Huambo Province) in September 2005. Council of Ministers, by Resolution 13/09 of 2009, approved a US $ 350 million credit line to support the agriculture sector, US $200 million of which was devoted to investment and US$150 million to assist the family sector. This Financial Assistance aims mainly at promoting and developing agricultural activity; increasing family income; and reducing levels of poverty within the communities.

A framework for regulating agricultural credit is currently being drafted. Several social partners, including banks and NGOs have been actively engaged in the provision of support to the efforts made by government. On the other hand, the government invested heavily on infrastructure (mainly on small scale hydro-electric and irrigation schemes), credit concessions (through agro-forestry and agro-industrial schemes, micro-credit, etc) and on conservation schemes and human resources development with the resultant increased production of agricultural products in the local market. All these efforts also resulted in food surpluses and the attendant reduction of famine and increment in levels of food security.

### 4.3.7. Inputs Provision

The Agricultural Development Institute (IDA) is a public institution responsible for the overall coordination and implementation of government policies and strategies of the agriculture sector in terms of Article 23 of Decree nº08/03. From a financial point of view, all expenditures incurred on material and technical support, including operating expenditures are geared towards a targeted and appropriate community group.

Government support to rural communities over the last few years has increased significantly. However, government support is still inadequate as the agricultural inputs distributed during the 2002/03 and 2003/04 seasons, for example, could not cover all the regions in the country and many rural communities could not benefit from such government interventions even in those areas covered.

In several provinces, Government has also been funding rural agricultural activities, particularly for the acquisition of seeds, farm implements and fertilizers, cattle, scuffers for animal draft, etc. Again, the magnitude of such interventions which are supervised directly by Regional Agricultural Departments and Local Authorities is still inadequate as it cannot cover all rural families and producers countrywide. The provincial governments are also engaged in the provision of funds for mechanized “cultural blocks” in some rural communities which are distinct from the EDA’s interventions mentioned above.

In this context, the training and re-training of local agricultural extension experts is of paramount importance in view of the inadequacies mentioned above, particularly the inadequate human capital and technical know-how. A process of human resources development, particularly the training of agricultural extension technicians seems to be a pre-requisite in order to assist small producers engaged in subsistence agriculture.

### 4.4. Support to Investment

#### 4.4.1. Agro Industries and Large Commercial Farms

The Ministry of Agriculture, Rural Development and Fisheries is not entrusted with a mandate to provide direct financial support to farmers. Rather, the Ministry provides indirect support through investment in physical infrastructure and creating conditions conducive for the general development of the agricultural and livestock sectors. The support revolves mainly around the construction and/or rehabilitation of roads, irrigated perimeters, cold chains, refrigerated warehouses, slaughterhouses, etc.
On the other hand and with regard to direct financial support, all stakeholders are normally invited to submit their projects and feasibility studies to relevant financial institutions, particularly to the recently established Angolan Development Bank (BDA). Requests may also be submitted to the Agricultural Development Fund (FADA) or to the Coffee Development Fund (FDC) which normally provide financial support and other resources for technical and cultural innovations for increased production and productivity.

4.5. Emergency and Disaster Preparedness

4.5.1. Food Security and Early Warning

The food security situation in Angola is closely monitored and evaluated by the Food Security Bureau and the Agriculture Development Institute. The major findings of this exercise in each agricultural season are included in quarterly reports produced by these institutions. However, it is worth mentioning that the early warning system in place is not very reliable. Early warning bulletins and/or reports are not produced regularly and the data contained therein is, more often than not, irrelevant and outdated.

The Government established recently a National Commission for Public Safety and Protection within the National Service for Civil Protection to assist in the event of an outbreak of natural disasters.

4.5.2. Safety Nets in Rural Areas

A better collaboration between government and Civil Society Organizations is of paramount importance. Thus, the recently approved National Strategy on Food Security and Nutrition (ENSAN) has recommended the establishment of a network of Civil Society Organizations (CSOs) in order to facilitate a permanent dialogue between CSOs and the Government on issues pertaining to nutrition and food security. The network of the CSOs should also attempt to reflect on local needs and priorities with regard to nutrition and food security issues and, find short, medium and long term solutions to the challenges posed by food insecurity, vulnerability and poverty.

From an institutional standpoint, the National Food Security and Nutrition Council (CONSAN) are under the jurisdiction of the Office of the President of the Republic and include representatives of several Ministries and civil society organizations.

4.5.3. HIV/AIDS Related Agricultural Policies

The core objectives stipulated by the Government in the fight against HIV & AIDS are articulated in the National Strategic Plan (PEN) and they include (i) enhancing national capacity to fight the HIV & AIDS pandemic; (ii) containing HIV infection by strengthening preventive measures; and (iii) minimizing the socioeconomic impact of HIV & AIDS on patients, families and communities at large.

In order to attain these objectives, the Angolan government adopted some guiding principles which include the overriding need of establishing synergies between the strategy to combat HIV & AIDS and other sub-sectoral strategies. In the same vein, the issue of gender and lack of women empowerment are intrinsically related to poverty and contribute decisively to the spreading of the AIDS pandemic and, therefore, should be taken into consideration in the overall strategy to fight HIV & AIDS.

4.6. Trade Related Issues

4.6.1. Sanitary and Phyto-Sanitary Measures

Angola complies with all the directives emanating form the WTO, including the SPS standards. Under the Ministry of Agriculture, Rural Development and Fisheries, there is a unit responsible for, among other SPS measures and regulations:

a) Promoting the adoption of policy and measures to combat animal diseases and pests;

b) Adopting and implementing phytosanitary emergency programmes and plans;

c) Controlling animal diseases and pests;

d) Establishing and maintaining phytosanitary surveillance mechanisms to combat animal disease and pests;
e) Establishing SPS regulations for the treatment of crops;
f) Examining and proposing rules and regulations on import and export of vegetables all along the import/export process, including pesticides;
g) Controlling of plant pests and diseases and vermin;
h) Proposing guidelines for the control of plants pests and diseases and vermin;
i) Maintaining cooperation with related regional and international organizations; and;
j) Promoting and assisting in capacity building interventions in the area of plant protection.

4.6.2. Price Setting Mechanisms

The National Department of Prices and Competition within the Ministry of Finance, was previously responsible for regulating market prices. Up to November 2007, this Department was engaged in preparing a draft law on minimum prices for agricultural-based commodities, such as rice, beans, groundnut, sorghum and wheat. The price fluctuated according to trends of agricultural growth in the country. Currently, price issues are regulated by a unit within the recently established Ministry of Economic Coordination and Planning.

4.6.3. Quality Promotion

The National Committee on Food Code or “Codex Alimentar” was established on 30 May 2003 by decree 58/03 of the Government Gazette, as a multi-sectorial and multidisciplinary organ of the Government. “Codex Alimentar” is affiliated to Codex Alimentarius International Committee and seeks to establish a model set of guidelines and procedures that assists food control jurisdictions, through the establishment of quality control infrastructure and a national legislation on food commodities and fair practices in food trade and the protection of the consumer. Angola became the 138th Member of ‘Códex Alimentarius’ Committee on 4 January 1998.

At the local level, there is a growing recognition of the strategic role played by Codex Angola in the promotion and control of food safety and the quality of food commodities in the country. As a result, a massive wave of adhesion and solidarity by competent State mechanisms at local, provincial and central levels was witnessed in the country with the following expected results:

a. Consolidation of the institutional capacity of the organization and operation of the National Committee on Food Code which comprises representatives from 16 Government Ministries;
b. Convening, on a yearly basis, of Scientific and Technical Days on Food Control; Forum on training, research and dialogue amongst major experts and stakeholders, including economic operators and consumers;
c. Adoption of an Early Warning System which provides regular evaluation of the status of Food Safety in the country;
d. Development of a Memorandum on Genetically Modified Organisms GMOs);
e. Development of Directives and National Legislation on Food including:
   i. Code of Ethics and Code of Conduct in Trade of Food commodities;
   ii. Food Labelling;
   iii. Rules on Food Safety;
   iv. General Framework for the Use of Food Additives; and
   v. National regulations and/or characteristics, technical specifications of strategic commodities and general consumption namely of maize, maize flower and cassava flower, wheat and wheat flower, edible oil, yogurt and food additives, etc..

4.6.4. Food Safety and Nutrition

With regard to consumer protection issues, the main policies and strategies provided for in the National Food Security and Nutrition Strategy under Specific Objective 6 include ensuring food security and food safety and potable water in order to protect public health and ensure consumer protection. This policy will be implemented at two levels, namely:

At structural level:
✓ Strengthen the intervention capacity of associations for the protection of the consumer;
✓ Provide basic sanitation services;
Development of technical, material and scientific capacity for the adoption of regulation on food commodities;
Implementation of the HCCP system; and
Strengthening the intervention capacity of monitoring agencies.

At specific level:
Promote consumer sensitization and launch information campaigns on the best practices of use and consumption of food commodities;
Distribute drinking water to the families;
Implementation of food safety measures with regard to fishery products; and
Strengthening water drilling systems in rural areas and in the periphery.

4.7. Other Related Policies
4.7.1. Promotion of Young Farmers

The Angolan Government embarked on several capacity building initiatives for the benefit of young farmers. These range from the construction of new Agricultural Training Institutes to the rehabilitation of the existing institutes, as well as granting credit lines under the framework of a “Credit for the Youth” flagship project being implemented by the Ministry of Youth and Sports.

The Ministry of Agriculture, Rural Development and Fisheries also have a dedicated programme for training young entrepreneurs in agriculture. For example, in Chibia, Huila Province a flagship Project has been launched where young graduates in agricultural sciences are granted houses and tracts of agricultural land on condition that they engage in the development of agriculture in those areas. This experience is being replicated in related projects countrywide with a considerable degree of success.

5. EXISTING REGIONAL POLICIES

The report recognised the various protocols established by SADC thus far.
SYNTHESIS OF NATIONAL KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

According to the consultant who conducted the study in Angola, the following are key priority areas of interest for inclusion in the RAP.

Table 10: Priority Areas for Convergence, Harmonisation and Common Policy

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<th>POLICY - REGULATION</th>
<th>INVESTMENT</th>
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<td>DNGTA-Regional Integrated Statistics on Land Survey</td>
<td>Regular Exchange of information on the management of areas reserved for agricultural investments</td>
<td>Financial support for technical and human resources development</td>
</tr>
<tr>
<td>GSA- HIV &amp; AIDS AND AGRICULTURE</td>
<td>Agricultural Policy and Strategy on HIV and AIDS</td>
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9 The original Country Report was authored by DR. PATRICK MALOPE and submitted to SADC in APRIL 2009
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<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AI</td>
<td>Artificial Insemination</td>
</tr>
<tr>
<td>ALDEP</td>
<td>Arable Lands Development Programme</td>
</tr>
<tr>
<td>APRU</td>
<td>Animal Production Research Unit</td>
</tr>
<tr>
<td>ARAP</td>
<td>Arable Development Programme</td>
</tr>
<tr>
<td>ARB</td>
<td>Agricultural Resources Board</td>
</tr>
<tr>
<td>BAMM</td>
<td>Botswana Agricultural Marketing Board</td>
</tr>
<tr>
<td>BAU</td>
<td>Botswana Agricultural Union</td>
</tr>
<tr>
<td>BCA</td>
<td>Botswana College of Agriculture</td>
</tr>
<tr>
<td>BCPA</td>
<td>Botswana Cattle Producers’ Association</td>
</tr>
<tr>
<td>BDC</td>
<td>Botswana Development Corporation</td>
</tr>
<tr>
<td>BHC</td>
<td>Botswana Horticultural Council</td>
</tr>
<tr>
<td>BHM</td>
<td>Botswana Horticultural Market</td>
</tr>
<tr>
<td>BMC</td>
<td>Botswana Meat Commission</td>
</tr>
<tr>
<td>BOB</td>
<td>Bank of Botswana</td>
</tr>
<tr>
<td>BOBS</td>
<td>Botswana Bureau of Standards</td>
</tr>
<tr>
<td>BVI</td>
<td>Botswana Vaccine Institute</td>
</tr>
<tr>
<td>BWP</td>
<td>Botswana Pula</td>
</tr>
<tr>
<td>CAR</td>
<td>Centre for Applied Research</td>
</tr>
<tr>
<td>CBPP</td>
<td>Contagious Bovine Pleuro Pneumonia</td>
</tr>
<tr>
<td>CBPP</td>
<td>Contagious Bovine Pleuropneumonia</td>
</tr>
<tr>
<td>CDC</td>
<td>Common Wealth Development Corporation</td>
</tr>
<tr>
<td>CEDA</td>
<td>Citizen Entrepreneurial Development Agency</td>
</tr>
<tr>
<td>CSO</td>
<td>Central Statistics Office</td>
</tr>
<tr>
<td>DAR</td>
<td>Department of Agricultural Research</td>
</tr>
<tr>
<td>DARC</td>
<td>Department of Agricultural Research</td>
</tr>
<tr>
<td>DVS</td>
<td>Department of Veterinary Services</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agriculture Organisation</td>
</tr>
<tr>
<td>FAP</td>
<td>Financial Assistance Policy</td>
</tr>
<tr>
<td>FMD</td>
<td>Foot and Mouth Disease</td>
</tr>
<tr>
<td>FPM</td>
<td>Fresh Produce Market</td>
</tr>
<tr>
<td>FTA</td>
<td>Free Trade Area</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GMOs</td>
<td>Genetically Modified Organisms</td>
</tr>
<tr>
<td>ISPAAD</td>
<td>Integrated Support Programme for Arable Agriculture Development</td>
</tr>
<tr>
<td>IPM</td>
<td>Integrated Pest Management</td>
</tr>
<tr>
<td>LAC</td>
<td>Livestock Advisory Centre</td>
</tr>
<tr>
<td>LIMID</td>
<td>Livestock Management and Infrastructure Development</td>
</tr>
<tr>
<td>LIPWP</td>
<td>Labour Based Public Works Programme</td>
</tr>
<tr>
<td>LWDP</td>
<td>Livestock Water Development Programme</td>
</tr>
<tr>
<td>MEWT</td>
<td>Ministry of Environment, Wildlife and Tourism</td>
</tr>
<tr>
<td>MLG</td>
<td>Ministry of Local Government</td>
</tr>
<tr>
<td>MMEWA</td>
<td>Ministry of Minerals, Energy and Water Affairs</td>
</tr>
<tr>
<td>MoA</td>
<td>Ministry of Agriculture</td>
</tr>
<tr>
<td>MoH</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td>NAMPAADD</td>
<td>National Master Plan for Arable Agriculture and Dairy Development</td>
</tr>
<tr>
<td>NDB</td>
<td>National Development Bank</td>
</tr>
<tr>
<td>NEWS</td>
<td>National Early Warning System</td>
</tr>
<tr>
<td>NEWSU</td>
<td>National Early Warning System Unit</td>
</tr>
<tr>
<td>NPAD</td>
<td>National Policy on Agricultural Development</td>
</tr>
<tr>
<td>NTB</td>
<td>Non Tariff Barriers</td>
</tr>
<tr>
<td>PAB</td>
<td>Poultry Association of Botswana</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Description</td>
</tr>
<tr>
<td>--------------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>RAP</td>
<td>Regional Agricultural Policy</td>
</tr>
<tr>
<td>SACU</td>
<td>Southern African Customs Union</td>
</tr>
<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
</tr>
<tr>
<td>SGR</td>
<td>Strategic Grain Reserve</td>
</tr>
<tr>
<td>SLOCA</td>
<td>Services to Livestock Owners in the Communal Areas</td>
</tr>
<tr>
<td>SMU</td>
<td>Seed Multiplication Unit</td>
</tr>
<tr>
<td>SPS</td>
<td>Sanitary and Phyto-Sanitary</td>
</tr>
<tr>
<td>TGLP</td>
<td>Tribal Grazing Policy</td>
</tr>
<tr>
<td>USD</td>
<td>United States Dollar</td>
</tr>
<tr>
<td>YFF</td>
<td>Young Farmers Fund</td>
</tr>
</tbody>
</table>
1. GENERAL INFORMATION

1.1. Geography and Demographics

Botswana’s land area is approximately 582,000 km$^2$, roughly the size of France or Kenya or a quarter the size of the DRC. The country is a relatively high (1000 meters), flat, undulating plain covered in deep sandy soils with occasional rocky outcrops, low hills and a network of dry valleys, scattered and extensive salt pans with sand dunes to the extreme south.

The estimated population of Botswana is just over 1.8 million and one of the most under-populated countries in the world at an average of 2.9 persons per square kilometre. Despite the low population density, the carrying capacity of the land, especially for agricultural purposes is very low because of poor soils, low and erratic rainfall ranging from 250 mm per annum in the south west to 650 mm in the north. Most people live in eastern Botswana where rainfall averages from 400–550 mm per annum.

Botswana’s population has become more urbanised, with the population living in urban villages and cities accounting for the majority (52%) of the total population. It should however, be noted that the increase in the population in urban villages is not a result of rural-urban migration, but rather it is mainly due to the classification of some rural villages into urban villages.

1.2. Farming Systems and the Importance of Agriculture

Due to low, unreliable and unevenly distributed rainfall, surface water is scarce and most rivers are ephemeral and agricultural activities in most areas are extensive livestock rearing, especially cattle. Only in the eastern parts of the country is mixed farming practiced.

Agricultural production in Botswana is dualistic in nature, i.e. commercial and communal/traditional production systems in both crops and livestock. The distinction between the two production systems is based on land tenure and the use of modern technology and modern inputs. These farms are more integrated with the market and their productivity is high. In the commercial sector farms are fenced with defined property rights (freehold or leasehold land) to grazing resources and ploughing land. In the communal sector, the farms (especially cattle farms are not fenced) and there are no defined property rights to grazing resources (tribal land tenure system).

Although the agricultural sector’s contribution to gross domestic product (GDP) has fallen from about 40% at independence to about 2.4% in 2007 following the discovery of minerals particularly diamonds, the role of the sector is still important as a source of livelihood for the majority of the population living in the rural areas. The sector provides income, employment and investment opportunities for the majority of the population living in rural areas.

1.3. Key Agricultural Commodities and Farming Practices

Arable agriculture in Botswana is rainfed and due to rainfall variability, the country depends more on imports to fulfil its total food needs. The main agricultural crops grown in Botswana include sorghum (49,000 hectares planted in 2004 with estimated production of nearly 11,000 tonnes), maize (63,000 ha in 2004 and production of 7,200 tonnes), millet (15,000 ha and production of 2,700 tonnes), beans and pulses, groundnuts, fruits and vegetables.

The largest agricultural activity in Botswana is therefore livestock farming. The largest sub-sectors are cattle (with an estimated in 2004, 2,155 million herd of cattle 80% (1,940 million) of which is reared under the traditional sector and the balance is reared under the commercial sector), goats (with an estimated
2004 total goat herd of 1.841 million), poultry (with an estimated 1.046 million birds in 2004) and sheep (with an estimated 235,000 in 2004).

1.4. Key Economic and Financial Statistics

Agriculture still remains the single most important economic activity in the rural areas where there is a general lack of diversity in sources of livelihoods. As a result of this the sector is very important in the Government’s effort of poverty reduction and food security. Table 1 outlines some of the key economic and financial statistics for Botswana.

Botswana is a net importer of food products. Total trade in the main import and export crops and livestock in 2007 amounted to US$ 1.743 billion against exports of only US$ 732 million giving a net negative trade balance of US$ 821 million. The major imports, ranked by value of imports are dairy products (at 15.3% of total main agricultural imports), fruits and vegetables (at 12.1% of imports value), wheat and wheat flour (at 11.7% of imports value), edible oils (at 10.9%), tobacco (at 10.1% of imports), soya cake and other feeds (at 9.2%), maize (at 8.8%) and rice (at 8.2%).

Botswana’s major agricultural exports, ranked by value of exports in 2007 were mainly meat and meat products at 94.4% of total export value followed by soya cake and other feeds at 3.3% of total export value. Only the meat and meat products trade recorded a positive trade surplus of US$ 690.7 million.

Table 1: National Information of Botswana

<table>
<thead>
<tr>
<th>Variable/subject</th>
<th>Figure</th>
<th>Year and source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country size (km²)</td>
<td>581,730</td>
<td></td>
</tr>
<tr>
<td>Population</td>
<td>1.8 million</td>
<td></td>
</tr>
<tr>
<td>Rural population</td>
<td>771,100 (48% of total population)</td>
<td>CSO, 2001</td>
</tr>
<tr>
<td>Number of farming households</td>
<td>33,184</td>
<td>2004, Agricultural Census</td>
</tr>
<tr>
<td>GDP – 2006/7</td>
<td>USD11.360 million</td>
<td>2007/08, National Accounts</td>
</tr>
<tr>
<td>GDP per capita – 2007</td>
<td>USD6,509</td>
<td>2007, National Accounts</td>
</tr>
<tr>
<td>Agricultural GDP</td>
<td>USD 31 million</td>
<td>2006/07, National Accounts</td>
</tr>
<tr>
<td>Agricultural trade balance</td>
<td>-1,103,895,222</td>
<td>2007, Trade Statistics</td>
</tr>
<tr>
<td>Agricultural budget in 2006/7</td>
<td>USD659 million</td>
<td>2007, Budget Speech</td>
</tr>
<tr>
<td>Agricultural budget in 2006/7 as percentage of total budget</td>
<td>3</td>
<td>2007, BoB</td>
</tr>
<tr>
<td>Agricultural budget in 2006/7 as percentage of GDP</td>
<td>6</td>
<td>2006/7 National Accounts</td>
</tr>
<tr>
<td>Land area under crop production</td>
<td>203,382 ha</td>
<td>2004, Revised Agricultural Census Report</td>
</tr>
<tr>
<td>Trade balance</td>
<td>USD882</td>
<td>2007, CSO</td>
</tr>
<tr>
<td>Foreign public debt</td>
<td>USD46</td>
<td>2008, BoB</td>
</tr>
<tr>
<td>Budget 2007/08 as percentage of GDP</td>
<td>36</td>
<td>2008, Budget Speech</td>
</tr>
<tr>
<td>Budget deficit in 2006/07</td>
<td>10% surplus</td>
<td>2007, Budget Speech</td>
</tr>
<tr>
<td>Exchange rate for USD at 01/01/2006</td>
<td>0.1854</td>
<td>2006, BoB</td>
</tr>
<tr>
<td>Exchange rate for USD at 01/01/2007</td>
<td>0.1602</td>
<td>2007, BoB</td>
</tr>
<tr>
<td>Exchange rate for USD at 01/01/2008</td>
<td>0.1599</td>
<td>2008, BoB</td>
</tr>
</tbody>
</table>

Source: Central Statistics Office, Trade Statistics Unit and National Accounts; Bank of Botswana (BoB), Botswana Financial Statistics. Exchange rate used 1BWP=USD0.1602.
2. PUBLIC SECTOR IN AGRICULTURE

2.1. Principle Government Agencies Involved in Agriculture

Table 2 describes the various Ministries in the Government of Botswana and their responsibilities.

Table 2: Botswana Ministries Responsible for Agriculture and Natural Resources and their Mandates

<table>
<thead>
<tr>
<th>Subject</th>
<th>Ministry</th>
<th>Mandate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>Lands and Housing</td>
<td>Allocation of land for agricultural uses</td>
</tr>
<tr>
<td>Water for irrigation</td>
<td>Agriculture</td>
<td>Provision of water for irrigation through construction of small dams</td>
</tr>
<tr>
<td>Fisheries</td>
<td>Environment, Wildlife and Tourism</td>
<td>Facilitate increase in production of honey through establishment of farmer demonstration and community apiaries</td>
</tr>
<tr>
<td>Forestry</td>
<td>Environment, Wildlife and Tourism</td>
<td>Formulation of forestry policy and legislation, carry out forest inventories to facilitate implementation of community based woodland management programs and establish community based woodland management areas</td>
</tr>
<tr>
<td>Other natural resources e.g. water</td>
<td>Minerals, Energy and Water Resources</td>
<td>Provision of water for irrigation from polluted well-fields and big multi-purpose dams</td>
</tr>
<tr>
<td>Inputs</td>
<td>Agriculture</td>
<td>Provision of inputs as such seeds, fertilizers and vaccines for economical important cattle diseases</td>
</tr>
<tr>
<td>Agro-industries</td>
<td>Trade and Industry</td>
<td>Issuance of license to agro-industries</td>
</tr>
<tr>
<td>Agricultural production</td>
<td>Agriculture</td>
<td>Extension on livestock and arable production</td>
</tr>
<tr>
<td>External agricultural and food trade</td>
<td>Trade and Industry</td>
<td>International trade and relations</td>
</tr>
<tr>
<td>Domestic agricultural trade</td>
<td>Trade and industry</td>
<td>Formulation of domestic trade policy</td>
</tr>
<tr>
<td>Agricultural education</td>
<td>Agriculture</td>
<td>Provision of education and training through BCA and In-service training through the Centre for In-service and Continuing Education of BCA and Rural Training Centres</td>
</tr>
<tr>
<td>Agricultural research</td>
<td>Agriculture</td>
<td>Conduct research on crop production and livestock production</td>
</tr>
<tr>
<td>Other (Range Resources)</td>
<td>Environment, Wildlife and Tourism</td>
<td>Monitor the use of range land in order to curb range degradation</td>
</tr>
</tbody>
</table>


2.2. Parastatals and Statutory Bodies

2.2.1. Botswana Agricultural Marketing Board (BAMB)

The Botswana Agricultural Marketing Board (BAMB) is mandated to (i) secure, for producers and consumers alike, a stable market for scheduled produce and ensure efficient and fair distribution thereof throughout Botswana at prices that are, in all circumstances, equitable, avoiding any undue preference or advantage; (ii) purchase, distribute and market or sell scheduled produce, operating either as a wholesaler or retailer; and (iii) import and export scheduled produce as well as to arrange for the processing and sale of processed products.
2.2.2. Botswana Meat Commission (BMC)

The Botswana Meat Commission (BMC) is responsible for the slaughter and marketing of all beef exports from Botswana. It coordinates the production of beef from a national herd of some two to three million grazing on range lands.

2.2.3. Banyana (Pty) Ltd

The Government of Botswana is not involved in direct farming practices. Banyana (Pty) Ltd was formed by the Botswana Government to run the 148 000 hectare ranch previously owned by the Common Wealth Corporation (CDC). The main objective of this farm is to supply farmers with improved bulls and breeding stock in order to improve the progeny of the indigenous Tswana cattle. At the time of its purchase, the main aim of Banyana was to restock the Ngamiland area after the eradication of cattle in the due to CBPP. The objective now is to improve the quality of cattle in Botswana and increase the national herd from 2.5 to 3.5 million.

2.2.4. Botswana College of Agriculture (BCA)

The Botswana College of Agriculture (BCA) is a corporate body under the Ministry of Agriculture and an Associate Institution of the University of Botswana (UB). The College offers education and training in agriculture and aligned fields at certificate, diploma, bachelors and masters degree levels. The College also has a Centre for In-service and Continuing Education which offers demand driven training to officers of the Ministry of Agriculture and farmers.

2.2.5. Botswana Vaccine Institute (BVI)

The Botswana Vaccine Institute (BVI), established in 1980 as a commercial company, produces a range of effective vaccines for diseases ranging from FMD, rinderpest, contagious bovine pleuro-pneumonia (CBPP), pestes des petit ruminant (PPR), blackleg to anthrax. The vaccines produced are for a wide range of animal species such as cattle, buffalo, sheep and goats. BVI sells its vaccines in Botswana and other African countries.

2.2.6. National Development Bank (NDB)

The National Development Bank (NDB) is a development finance institution wholly owned by the Botswana Government which provides loans to projects, ranging from the purchase of livestock, livestock farms, borehole drilling and equipping, farm machinery and other farm developments, that promote the economic development of Botswana. The Bank also provides seasonal loans for arable agriculture projects and has a Credit Guarantee Scheme which helps farmers during the drought periods by cancelling the loan repayments and interest for a particular year in the event that a drought is declared.

2.2.7. Rural Industry Innovation Centre (RIIC)

The Rural Industry Innovation Centre (RIIC) is operated by the Rural Industries Promotion Company (RIPCO), a parastatal organisation operating under the Ministry of Communications, Science and Technology. RIPCO has become the national appropriate technology development and dissemination centre for Botswana.
2.2.8. **National Food Technology Research Centre (NFTRC)**

First established as the Botswana Food Laboratory, this institution later developed into Food Research Technology Research Services in 1987. It is a food research and development organisation dedicated to the development of post harvest food industry.

2.3. **Public Agriculture Infrastructure**

2.3.1. **Silo Storage Capacity**

The total silo capacity owned by Botswana Agricultural Marketing Board (BAMB) and located in strategic points throughout Botswana amounts to 85,000 Metric tonnes of which 70,000 mt (up from the initial 10,000 mt) should be set aside for Strategic Grain Reserves on behalf of the government.

2.3.2. **Cold / Frigorific Infrastructure**

Cold storage facilities exist in the Botswana Meat Commission abattoirs and are used for freezing and chilling beef mainly for export to the European Union (EU) and South Africa.

2.3.3. **Market Places**

There are several horticultural markets in Botswana including the Botswana Horticultural Market and the Fresh Produce Markets. The Botswana Agricultural Marketing Board is a buyer of scheduled produce for crops. The Botswana Meat Commission is a residual buyer of cattle. The Department of Animal Production has livestock marketing facilities in a number of villages throughout the country. These facilities comprise of kraals, crushes and loading rumps. The Department of Veterinary Services (DVS) runs a number of Livestock Advisory Centres (LACS) whose main role is the provision of a full range of services to the farmers including livestock requisites in the form of supplementary feeds, equipment, veterinary medicines and vaccines. The government has also built Fresh Produce Markets (FPMs) where horticultural farmers can market their produce.

2.3.4. **Abattoirs**

The Botswana Meat Commission has three abattoirs, one in Lobatse (its headquarters with a capacity to slaughter 800 cattle and 500 small stock per day) and two others in Francistown (400 cattle and 150 small stock slaughter capacity per day) and Maun (100 cattle per day slaughter capacity). The Maun abattoir ceased operations in the late 1990s due to the outbreak of the Cattle Lung Disease (CBPP) and the subsequent eradication of cattle in the area. Although the area has been re-stocked, the farmers in the area are currently using the abattoir in Francistown.

2.3.5. **Laboratories**

There is a National Veterinary Laboratory in Gaborone concerned with conducting post mortems to determine causes of death in livestock. The laboratory is under the Department of Veterinary Services (DVS). In addition, the Department of Agricultural Research has both plant and animal genetic resources centres at its headquarters in Sebele, Gaborone.

2.3.6. **Research Stations**

The Department of Agricultural Research has several research stations for arable research and animal production research unit centres. Other institutions such as BCA, RIIC and the University of Botswana (UB) are also involved in agricultural research. The National Food Technology Research Centre (NFTRC) conducts research in the development of processing methods for food products.
2.3.7. Seed Production Centres

The Department of Agricultural Research (DAR) has a Seed Multiplication Unit (SMU) for the purpose of producing and multiplying basic seed. The DAR also conducts research and releases varieties suitable for Botswana condition. The SMU currently has a monopoly over production of open pollinated varieties of sorghum, maize, millet, cowpeas and mungbeans. The SMU has a number of contract growers who produce seed on their farms and sell to it for processing.

2.3.8. Animal Husbandry Centres

The Ministry of Agriculture runs Artificial Insemination (AI) centres aimed at improving the genetic pool of the national cattle herd.

2.3.9. Irrigation Schemes

Due to the arid nature of the country and high costs of borehole drilling and equipping there are no major irrigation schemes in the country other than irrigation plots set up by Government for horticulture using treated sewerage water in cities and towns.

2.3.10. Vocational Training Centres

Vocational training in agriculture is done through Brigades, built by government but run by communities, which also offer vocational training in other areas including bricklaying, woodwork and others. The Borolong Institute of Agriculture and the Ramatlabama Ranch Training Centre also offer vocational training in agriculture.

2.3.11. Agronomy or Veterinary School

The Botswana College of Agriculture is the only tertiary school in Botswana offering training in the science and practice of agriculture and related activities. The college offers training (and now up to graduate courses) in agricultural education, engineering and land planning, animal science and production, crop science and production and basic sciences. The current capacity of the college is 800 students per year.

2.3.12. Professional Organisations

There are currently no professional associations in agriculture in Botswana. However, recently parliament has passed legislation to pave way for the formation of animal breeders associations.

3. PRIVATE SECTOR IN AGRICULTURE

As indicated earlier, Botswana is a net importer of almost all agricultural commodities. The only product that Botswana has a positive net export balance is bovine meat. Owing to the fact that production of agricultural products does not meet local demand, there are limited opportunities for agro-processing.

3.1. Crop, Livestock, Fishing, Forestry and Game Farming Activities

3.1.1. Crop Farming

As mentioned earlier, arable agriculture in Botswana is limited due to the variable and low rainfall patterns. The main cereal crops include sorghum, maize, millet, beans and pulses, groundnuts, fruits and vegetables. The largest agricultural activity in Botswana is livestock farming.
3.1.2. Livestock and Game Farming

There are several private ranches in the country mainly keeping cattle and some a mixture of cattle and game. In 2004 there were 636 commercial ranches of which 19 were company owned and the rest were owned by individuals. In addition there were 106 leased commercial farms out of which nine were leased by companies and the remainder were leased by individuals. Recently Government has advertised and leased about sixteen of its farms. These were previously used by the Ministry of Agriculture for research and some were used as quarantine camps.

3.2. Farmers’ Organisations

Botswana has a number of Farmers’ Organisations and most of these are listed below with a brief description of their functions / activities:

a. Botswana Agricultural Union: This an umbrella body for all agricultural associations in the country. The main mandate of BAU is to lobby Government when it comes to formulation of agricultural policy;
b. Botswana Horticultural Council: Botswana Horticultural Council (BHC) is an umbrella body of all horticultural associations in the country. BHC has six members which comprise of regional horticultural associations. The main objective of BHC is to lobby Government in matters relating to the horticultural industry. BHC also helps farmers in matters relating to training and market access;
c. Poultry Association of Botswana: The Poultry Association of Botswana is an umbrella body of all poultry producers in Botswana.
d. Botswana Cattle Producers Association: Botswana Cattle Producers Association (BCPA) is an umbrella body representing all cattle producers association. Its major objective is to influence policy in as far as it relates to the beef sector.
e. Botswana Young Farmers Association: This is a newly formed association which represents the interests of young farmers in Botswana;
f. Ostrich Association of Botswana: The association promotes the interests of Ostrich producers throughout the country;
g. Dairy Association of Botswana: The Dairy Association of Botswana represents the interests of all dairy producers in the country;
h. Other private farmer’s organisations: There are other agricultural organisations / associations in Botswana, many of which are regional, covering a cross spectrum of sectors such as horticulture, seed growers, beef cattle and so on. Other national organisations include Botswana Seed Growers Association, Horticultural Traders and Producers Association, Botswana Meat Processors Association, Small Stock Association of Botswana and many regional associations for various sub-sectors and commodities.

3.3. Other Private Organisations Providing Support to Farmers

There are other organisations such as non-governmental organisations (Permaculture) that help farmers especially those affected by HIV/AIDS.

3.4. Professional Organisations involved in Agriculture

There are no professional farming associations in Botswana.

3.5. Trade in the Food Sector

Table 3 depicts Botswana’s trade in the food sector in 2007.
Table 3:  Main Imports/Exports of Botswana and Trade Balance in 2007

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Imports</th>
<th></th>
<th></th>
<th></th>
<th>Exports</th>
<th></th>
<th></th>
<th></th>
<th>Net exports</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity</td>
<td>Value</td>
<td>Quantity</td>
<td>Value</td>
<td>Quantity</td>
<td>Value</td>
<td>Quantity</td>
<td>Value</td>
<td></td>
</tr>
<tr>
<td>Maize and maize flour</td>
<td>71,774,617</td>
<td>152,565,478</td>
<td>534,403</td>
<td>672,748</td>
<td>(71,240,214)</td>
<td>(151,892,730)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wheat and wheat flour</td>
<td>77,492,162</td>
<td>203,524,529</td>
<td>1,955,543</td>
<td>3,365,269</td>
<td>(75,536,619)</td>
<td>(200,159,260)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rice</td>
<td>31,730,148</td>
<td>142,132,302</td>
<td>697,555</td>
<td>1,884,892</td>
<td>(31,032,593)</td>
<td>(140,247,410)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fruits and vegetables</td>
<td>58,915,356</td>
<td>210,918,645</td>
<td>935,063</td>
<td>1,974,788</td>
<td>(579,802,293)</td>
<td>(208,943,857)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Edible oil and oil seed</td>
<td>19,450,500</td>
<td>189,625,595</td>
<td>260,367</td>
<td>374,926</td>
<td>(19,190,133)</td>
<td>(189,250,669)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potatoes</td>
<td>20,418,095</td>
<td>45,988,494</td>
<td>26,326</td>
<td>1,033,056</td>
<td>(20,361,858)</td>
<td>(44,955,438)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soya cake and other feed</td>
<td>85,721,226</td>
<td>160,560,034</td>
<td>20,317,835</td>
<td>24,243,875</td>
<td>(65,403,391)</td>
<td>(136,316,159)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coffee</td>
<td>942,771</td>
<td>27,599,148</td>
<td>8,548</td>
<td>125,977</td>
<td>(934,223)</td>
<td>(27,473,171)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tea</td>
<td>10,728,070</td>
<td>28,623,227</td>
<td>1,601</td>
<td>38,912</td>
<td>(228,584,315)</td>
<td>(10,726,469)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tobacco</td>
<td>2,075,911</td>
<td>176,331,236</td>
<td>14,637</td>
<td>3,646,471</td>
<td>(172,684,765)</td>
<td>(2,001,274)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cotton</td>
<td>882,765</td>
<td>31,446,759</td>
<td>184</td>
<td>586,060</td>
<td>(882,581)</td>
<td>(30,860,699)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Live animals</td>
<td>143,571</td>
<td>2,163,627</td>
<td>134</td>
<td>530</td>
<td>(143,433)</td>
<td>(2,163,097)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meat - bovine</td>
<td>23,443</td>
<td>447,995</td>
<td>30,512,075</td>
<td>691,159,824</td>
<td>30,488,632</td>
<td>690,711,849</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dairy</td>
<td>41,336,790</td>
<td>267,086,616</td>
<td>56,237</td>
<td>1,033,056</td>
<td>(41,280,553)</td>
<td>(266,053,560)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spices</td>
<td>5,558,206</td>
<td>55,913,167</td>
<td>23,482</td>
<td>160,860</td>
<td>(5,534,724)</td>
<td>(55,752,307)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other(sorghum)</td>
<td>23,722,725</td>
<td>47,889,479</td>
<td>1,143,722</td>
<td>2,116,072</td>
<td>(22,579,003)</td>
<td>(45,773,407)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SOURCE: CSO, External Trade Statistics. Figures in parentheses are negative.
4. NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1. General Overarching Framework Documents

4.1.1. General Overview

The Botswana government has instituted a number of policies and programmes in line with its national agricultural objectives. Many of these policies have been geared towards improving both agricultural production and productivity, conservation of scarce natural resources and improvement of food security at both household and national levels. Most policies / programmes have mainly used instruments such as the provision of input subsidies (for both crops and livestock) in order to increase production. In addition there is free extension advice for both crop and livestock farmers.

While the Botswana government supports the diversification of the agricultural sector away from traditional sectors such as cattle, small stock and grain production, a number of domestic support policies have been instituted in support of these sectors at the expense of non-traditional sectors such as dairy, horticulture, piggery and poultry. Support to these sectors has mainly been through border policies and no direct sub-sector specific policies have been instituted for these sub-sectors.

It is important to note that there are other policies that are not agriculture specific or based in the Ministry of Agriculture, but have a bearing on the sector. These policies include national policies such as the national policy on poverty reduction and the national rural development policy. Other sectoral policies under other Ministries that support agriculture include the national policy on land tenure, national policy on natural resources conservation and development and national tourism policy. One of the views expressed by the stakeholders in the validation workshop is that policies related to agriculture are many and diverse and therefore the need to harmonise these policies at the national level in order to avoid duplication.


The cornerstone of Botswana’s agricultural policy is the National Policy on Agricultural Development of 1991. All programmes/projects are geared at achieving the objectives of this policy. NPAD aims to increase agricultural productivity, natural resource management and conservation of scarce agricultural and land resources in order to improve food security at both the household and national levels; diversify into non-traditional agriculture; increase agricultural output and productivity; promote employment creation in the rural economy including agriculture; promote the development of marketing and commodity value chains; mainstream gender and youth into agricultural programmes; and conserve the scarce agricultural and land resources by adopting environmentally sustainable production systems. These objectives are also contained in the latest National Development Agricultural Plan (NDAP) 9, 2003/04 – 2008/09.

The Ministry of Agriculture has recently revised the 1991 National Policy on Agricultural Development. The Draft Agricultural Policy includes, among its objectives the mainstreaming of gender and youth issues in agricultural programmes. The Ministry of Agriculture has also translated the goals of the National Policy on Women and Development and the National Policy on Youth and Development by developing a Gender and Agriculture Policy as well facilitating the implementation of CEDA Young Farmers Fund.
4.2. Agricultural Policies And Strategies
4.2.1. Land Infrastructure
4.2.1.1. Land Ownership and Titling

There are three types of land tenure systems in Botswana; customary/communal, freehold and state land. Customary land covers about 70% of the total land area and include areas designated for wildlife. Customary land entitles the landowner to perpetual and exclusive land rights except in communal grazing where there are no defined property rights. Freehold land covers about 5% of the total land area and owners have exclusive and perpetual right to the land they hold. The state land belongs to the State and makes up 25% of the total land area. It consists of national parks and wildlife management areas (19.4%), forest reserves (1%) and all urban land (4.6%).

Foreigners cannot be allocated customary land either for residential or agricultural purposes. However, they can lease freehold/leasehold land. There is a market for freehold land and anyone can buy this type of land whether citizen or not. By law customary land cannot be sold, thus there is no market for communal land. Allocation of land for agricultural purposes or any other purposes is done to every Motswana at 21 years or above irrespective of gender. The responsibility of land allocation rests with the Land Boards in different districts.

There has however been recent moves to gazette agricultural land in order to save it from other competing uses such as urban and industrial developments especially in peri-urban areas. The revised policy for rural development policy advocates for the creation of a market for communal land. As a result of this recommendation there have been changes in tribal land regulations which allow owners to sublet or lease their communal lands. In addition, there has been concern that the land policy is not flexible in that it does not allow farmers to switch to alternative enterprises as economic conditions change. For example, a cereal farmer cannot switch to horticultural farming without the need for change of use. Thus, there has been a call to allow for multiple land uses in agriculture in Botswana.

4.2.1.2. National Land Policy

This policy has undergone a major review in order to integrate and consolidate all existing land related policies, procedures and regulations used in the administration, management, development, acquisition and disposal of land in Botswana.

4.2.1.3. Tribal Grazing Land Policy (TGLP) – 1975

The Tribal Grazing Land Policy (1975) was introduced to bring new tenure systems to the tribal or communal areas of Botswana in view of increased cattle population under the system of uncontrolled grazing in the communal lands which was causing serious overgrazing around villages, surface water points and boreholes; and the fact that wealthier farmers had obtained exclusive rights to graze in areas around their boreholes, leaving little grazing for farmers with fewer cattle. The objectives of TGLP were therefore; to control widespread overgrazing by creating leasehold ranches and shifting large cattle owners and their herds out of the already overstocked communal areas; to increase cattle productivity by practicing modern livestock management techniques; and to promote social equity and reduce the income gap between the rich and the poor by giving the poor more grazing land.

4.2.1.4. Arable Land Development Programme (ALDEP)

ALDEP, started in the late 1970s and became operational in the early 1980s, was the first major Government support programme to the arable sector. The focus of the programme was on affordable production techniques such as row planting, fencing and the use of donkeys instead of cattle draught power. ALDEP has been replaced by a new programme, Integrated Support Programme for Arable Agriculture Development (ISPAAD). This programme will be described in more detail under inputs provision.
4.2.1.5. **Accelerated Rainfed Arable Programme (ARAP)**

ARAP was introduced during the 1985/86 cropping season to provide inputs and financial assistance to all farmers (irrespective of their resource endowments) operating under rainfed conditions for ploughing, de-stumping, fencing, procurement of inputs, weeding and water development. The objective of the programme was to increase arable production and promote employment creation. This programme was also terminated following the 1995/96 cropping season and has been replaced by ISPAAD.

4.2.1.6. **Integrated Support Programme For Arable Agriculture Development (ISPAAD) – 2008**

The Integrated Support Programme For Arable Agriculture Development (ISPAAD) is a programme meant to develop the arable sub-sector. The programme has almost similar packages such as ARAP and ALDEP, but emphasis will be placed on effective implementation and monitoring of those who receive assistance. The primary objectives of ISPAAD are to increase grain production; promote food security at household and national level; commercialise agriculture through mechanisation; facilitate access to farm inputs and credit; and improve extension outreach.

4.2.1.7. **National Master Plan For Arable Agriculture And Dairy Development (NAMPAADD) – 2002**

NAMPAADD’s major objectives are to improve dry-land arable agriculture, irrigated agriculture and dairy farming through the development of large scale mechanised dry land farming, the promotion of irrigated crop production where feasible and the development of dairy. NAMPAADD also calls for the provision of infrastructure facilities in the production areas in the form of tarred and gravel roads to cultivation units. The scheme also calls for the provision of power lines, telecommunications and sources of portable water for every rainfed service centre and/or cluster of horticultural farms. An insurance fund will also be established to cover lost crop and milk production values in years and specific regions declared as eligible for compensation.

4.2.2. **Livestock Policies and Strategies**

4.2.2.1. **Services to Livestock Owners in Communal Areas (SLOCA) – 1979**

SLOCA’s main objective is to assist farmers in the communal areas by providing small grants for livestock farmers and syndicates in order to improve their livestock facilities. Typical packages under SLOCA include dipping facilities, water reticulation and purchase of fodder. Demonstration facilities have also been set up to provide a base for improved livestock management extension. These demonstration facilities include water development; land rehabilitation, fencing plots, fire breaks, dipping systems and fodder production. (CAR, 2003). SLOCA was terminated and replaced by Livestock Management and Infrastructure Development Project (LIMID) in 2006.

4.2.2.2. **Livestock Water Development (LWDP) – 1988**

Livestock Water Development Programme was open to farmers with herds of 60 up to 500 cattle and syndicates, of which members have a minimum of 60 cattle each. Both leasehold and communal farmers were eligible. LWDP provided grants from 40% to 60% for drilling and equipping boreholes for livestock in areas where the costs are high or drought affected. This programme was also replaced by LIMID in 2006.
4.2.2.3. Livestock Management and Infrastructure Development (LIMID) – 2006

LIMID project, a merger between SLOCA and LWDP, covers animal husbandry and fodder support; borehole/well equipping support, borehole drilling, reticulation and purchase of borehole/well support, cooperative poultry abattoirs; guinea production, Tswana chickens and small stock. Assistance is in the form of grants ranging from 20% to 100% depending on the kind of support and the resource endowments of the beneficiary.

The primary objectives of LIMID project are to promote food security through improved productivity of cattle and small stock; improve livestock management; improve range resource utilisation and conservation; eliminate destitution by providing resources for the poor; and provide infrastructure for safe and hygienic processing of poultry products.

4.2.3. Rural Roads and Other Rural Infrastructure

The provision of rural roads is the responsibility of the Department of Roads under the Ministry of Transport. Most of the rural roads were provided for people rather than for agricultural purposes, although farmers have also benefited from improved roads in villages. NAMPAADD calls for improvement of infrastructure in the farming areas and a task force has been set up to develop a policy for agricultural infrastructure and to look at the feasibility for providing access roads, water, electricity and telecommunications. The Botswana Government has in principle accepted the fact that there is need to improve infrastructure in the farming areas. Through this initiative farmers are encouraged to form clusters so that they could share the costs of connecting to services such as water, electricity and telephone, thereby reducing the per unit costs. The Government has come up with an Agricultural Infrastructure Development Initiative which is waiting implementation as soon as funds permit.

4.2.4. Natural Resources Policies and Strategies

4.2.4.1. National Policy on Natural Resources Conservation and Development – 1990

The National Policy on Natural Resources Conservation and Development addresses a number of environmental issues/problems such as the growing pressure on water resources, resulting in population, urbanisation and development linkages; and degradation of the rangeland pasture resources due to a variety of management factors. The objectives of the policy are to increase effectiveness with which natural resources are used and managed, so that beneficial interaction is optimised and harmful environmental side effects are minimised; integrate the work of the many sectoral ministries and interest groups throughout Botswana, so that developments based natural resources provides sustainable yields, minimise environmental/social costs and identify restoration methods; and ensure that future generations have access to capital stocks/natural resources at least equal to those presently available.

4.2.4.2. National Tourism Policy – 1990

The policy recognises that the tourist sector is a possible generator of significant economic activity that should benefit Batswana and hence contribute to sustainable national development. The objectives of the tourism policy are to increase foreign exchange earnings and government revenue; generate employment, especially in rural areas; raise rural incomes in order to reduce rural-urban migration; and promote rural development and to stimulate the provision of other services in remote areas of the country.

4.2.4.3. National Policy on the Use And Management Of Natural Resources – 1999

The objectives of this policy were therefore to create a framework which promotes substantial natural resource use, while conserving natural resources and the functioning of ecological systems.
4.2.4.4. **Game Ranching Policy**

This policy deals with the issues of game ranching with more detailed directions for the development of game ranching industry. The aim of the policy is to develop the game ranching industry so that it becomes a commercially viable and sustainable industry that could act as an alternative to livestock enterprises, either on its own or a mixed livestock/game ranches.

4.2.4.5. **National Water Policy**

No water policy has been developed as yet, but various instruments such as Water Works Act of 1962, Water Act of 1968 and the National Water Master Plan of 1991, the Agricultural Water Development Component under the NPAD, the Waste Water And Sanitation Master Plan of 2002 and draft Water Demand Management Policy of 2003 have been applied in water resources management.

4.2.4.6. **Multilateral Environmental Agreements (MEAS)**

Botswana has signed a number of MEAS which have a bearing on the agricultural sector. These include:

4. United Nations Framework Convention On Climate Change;
6. Montreal Protocol On Substances That Deplete The Ozone Layer;
8. Vienna Convention For Protection Of The Ozone Layer;
9. Kyoto Protocol; And

4.2.4.7. **Water and irrigation**

The Botswana Government’s priority is to provide water for human consumption and where the capacity allows, water can be used for agricultural production. The main water user in agriculture is the livestock sector, especially cattle. Livestock farmers rely mainly on underground aquifers/boreholes in the cattle posts/ranches because of lack of surface water resources in the country. Boreholes are either individually owned or owned by groups (syndicates) in order to share the costs of drilling and equipping since it is expensive for smallholders.

There are no big irrigation schemes in Botswana due to limited water resources. Limited irrigation water for horticulture exists in small pockets of the country due to limited surface water and the high costs of drilling boreholes. The use of treated effluent water is being promoted for horticulture.

The Government, under NAMPAADD plans to increase the land under irrigation by building a dam on the Zambezi river. This will be in partnership with the neighbouring countries of Zambia and Zimbabwe and in consultation with other countries through which the Zambezi river passes. The Agricultural Hub is coordinating the development of Zambezi Integrated Agro-commercial Development Project (ZIACDP). The project aims at increasing the area under crop cultivation using irrigation water from the Zambezi river.

4.2.4.8. **Forestry**

Forest reserves are located in the northern part of the country in the Chobe District and cover about 1% of Botswana’s total land area. The operations of the forestry sector are guided by the Forest Act of 1968. A
Forest Policy has been drafted and is awaiting Government ratification. The main thrust of the policy is to "optimize the contribution of the forest sector to the long-term socio-economic development of Botswana by ensuring an enhanced and sustainable flow of benefits from forestry activities to all segments of the population now and in the future".

4.2.4.9. Inland Fisheries

Fish resources are found in the Okavango Delta, and other perennial rivers in the north western part of Botswana. The other sources of fish are dams that have been constructed to provide water for humans. In-land fish stocks are very limited and of little commercial value in Botswana. However, there is commercial fishing being operated in the north west of the country where there are plenty of surface water sources, especially in the Okavango Delta and perennial rivers. Regulations on fishing have been put in place which specify the appropriate time for fishing in order to allow the fish stocks to regenerate themselves. The Government also intends to set up fish hatcheries and encourage fish farming through aquaculture. Botswana is land-locked and has no marine fisheries.

4.2.4.10. Other Natural Resources

The Botswana government established an Agricultural Resources Board (ARB) whose main responsibility is to ensure that natural resources are used in a sustainable manner. The Ministry of the Environment, Wildlife and Tourism has abolished village community trust committees earlier established to manage the natural resources for the benefit of their communities because it was felt that most of the money generated by the trusts has not reached the intended beneficiaries.

4.3. Support Services for Farmers

4.3.1. Collection of Information and Dissemination

The Department of Meteorological Services under the Ministry of Environment, Wildlife and Tourism monitors the rainfall situation during the rainy season and makes weather forecasts which are disseminated daily through the national radio and television stations. The National Early Warning System Unit (NEWSA), under the Department of Agricultural Business Promotion in the Ministry of Agriculture, collaborates with the Meteorology Department, Food and Nutrition Department under the Ministry of Health (MoH), the Department of Water Affairs and Botswana Agricultural Marketing Board (BAMB) to monitor rainfall performance, crop and livestock estimates, prices, nutrition data and water availability.

4.3.2. Agricultural Education

Education and training in agriculture and related fields is provided through the Faculty of Agriculture at Botswana College of Agriculture (BCA). BCA also has an in-service training wing in which farmers and extension staff are trained in various fields of agriculture. Training at vocational level is provided through technical colleges, brigades and other private vocational training institutions. In addition, the Ministry of Agriculture also provides training to farmers in Rural Training Centres across the country. NAMPAAD also has a training element, where farmers are trained in the application of appropriate technology using its demonstration farms.

4.3.3. Cooperatives and Farming Organisations

The Government promotes the establishment of agricultural cooperatives and the Agricultural Cooperatives Unit under the Department of Agribusiness Promotion in the Ministry of Agriculture is mandated to assist farmers in the formulation and running of both production and marketing cooperatives. Government provides support to cooperatives through pooling of resources and provision of education and extension for marketing and production. The major thrust of the cooperative sub-sector is to promote domestic savings for re-investment in agricultural activities.
4.3.4. Agricultural Extension

The Ministry of Agriculture provides free extension services to both crop and livestock farmers. There are several crop and livestock extension agents in the country whose main role is to advice farmers on technical aspects of farming. In addition the livestock extension agents also vaccinate cattle for a number of diseases which are classified as of economic importance free of charge. The MoA has unified the extension system through its new Department of Extension Coordinating Services.

4.3.5. Agricultural Research

The Department of Agricultural Research (DAR) under the Ministry of Agriculture is responsible for agricultural research. The other organisations carrying out agricultural research are Botswana College of Agriculture, Rural Industries Innovation Centre (RIIC), the University of Botswana and the National Food Technology Research Centre. The main role of agricultural research in Botswana is to develop appropriate technologies that reduce production constraints and increase productivity of crop and livestock enterprises. The Department of Agricultural Research has released a composite breed of beef animal which is presently being piloted in commercial ranches and is constructing an Animal Genetic Resource Centre at its headquarters in Sebele, Gaborone. In addition, Parliament recently passed a bill paving way for an animal testing centre, which will facilitate the development of Stud breeding in the country.

4.3.6. Patenting Technologies

Laws on copy right, especially on agricultural technologies have not been stringent. The Department of Agricultural Research (DAR) is the major developer of technologies ranging from farm implements and both crop and livestock varieties and breeds. In crop production the DAR has developed several varieties of sorghum and maize, the majority of which are open pollinated and hence can be reproduced by anybody. The Rural Industries Innovation Centre (RIIC) which develops technologies, especially for processing registers its products so that it has exclusive copy right to the technologies developed.

4.3.7. Micro-Credit

There are no credit institutions specifically for the agricultural sector such as an Agricultural Bank. However, farmers can source credit from a variety of sources such as Citizen Entrepreneurial Development Agency (CEDA), National Development Bank (NDB) and commercial banks. Credit offered by CEDA is at subsidised interest rates, with the subsidy rising in inverse proportions to the amount of the loan. Through ISPAAD Government is facilitating access to credit by farmers for seasonal loans through the National Development Bank. The loans at subsidised interest rate charged at prime rate, with Government paying NDB the difference between the prime interest rate and the NDB lending rate.

4.3.8. Inputs Provision

Crops
These initiatives included ALDEP and ARAP which have been replaced by ISPAAD which provides farmers with free seeds, fertilisers and ploughing up to a maximum of 5 hectares. Additional hectarage up to sixteen (16) hectares for the inputs and services is subsidised to the tune of fifty (50%) percent. Both NAMPAAD and ISPAAD programmes are establishing agricultural service centres across the country which will provide inputs to farmers in one area in order to reduce farmer transportation costs.

Livestock
Livestock farmers have also received a number of input subsidies. Through the Livestock Water Development Project, farmers were given subsidies for drilling and equipping boreholes for watering livestock. Other programmes such as the bull subsidy scheme were also put in place in order to improve
the progeny of the indigenous Tswana breed of cattle. Currently inputs provision to the livestock sector is
guided through Livestock Management and Infrastructure Development Project (LIMID).

Government has taken deliberate actions to control animal diseases, especially transboundary diseases
such as Contagious Bovine Pleuropneumonia (CBPP) and Foot and Mouth (FMD). The strategies
pursued by Government include, maintenance of annual sero-surveillance for diseases of economic threat
to the country (FMD, CBPP and New Castle Disease) in high risk areas. The Government also intensifies
border patrols through a system of picketing and construction of disease control fences along international
borders. Cordon fences have also been constructed in the country to prevent FMD from spreading to
non-FMD areas. In addition, the Government offers free vaccination to cattle diseases regarded as being
of economic importance such as anthrax, rabies, contagious abortion and quarter evil.

4.3.9. Youth Development in Agriculture

Several programmes have been instituted with the main aim of increasing youth participation in
agriculture. Such initiatives include grants given to the youth to establish any enterprises, including
agricultural enterprises (Youth Development Grant). This grant is administered by the Department of
Youth and Culture in the Ministry of Youth, Sports and Culture. In addition CEDA has a scheme, the
Young Farmers Fund (YFF), which specifically targets youth projects in agriculture known as young
farmers fund established in 2006. Funds provided under this scheme attract a subsidised interest of 5%.
Under the scheme, the youth are being defined as persons of between 18-40 years old.

4.4. Support to Investment

4.4.1. Agro Industries and Large Commercial Farms

Although Government does not have a specific support programme for investment in large agro-industries
and large commercial farms, the Government has over the years provided credit to all farm sizes and
citizen businesses in agriculture, notably through the National Development Bank (NDB), Financial
Assistance Policy (FAP) and recently through Citizen Entrepreneurial Development Agency (CEDA).
Through the National Development Bank farmers have been able to access credit to buy or develop their
commercial farms. In addition, some agro-industries have been developed through NDB, CEDA venture
capital and Botswana Development Corporation (BDC).

4.4.2. Financial Assistance Policy (FAP) – 1982

FAP aims to promote employment creation, economic diversification (to reduce the economy's
dependence on mining, the beef industry and the public sector), rural development, active citizen and
women participation and ownership of productive ventures. The FAP scheme was a grant subsidy
scheme in which promoters were required to contribute a small percentage towards the initial capital costs
of the project. The FAP scheme was however, discontinued in 2001 and replaced by Citizen
Entrepreneurial Development Agency (CEDA).

4.4.3. Citizen Entrepreneurial Development Agency (CEDA)

CEDA was introduced as a citizen empowerment scheme in 2001. CEDA assistance involves the
provision of loans at subsidized interest rates as opposed to FAP which provided grants. CEDA covers all
sectors of the economy as opposed to FAP which excluded large scale mining and beef cattle production.

4.4.4. Specific Commodity Chains

Livestock

Central to the livestock industry of Botswana is the Botswana Meat Commission (BMC). The BMC is a
residual buyer of all cattle destined for slaughter. BMC remains the price leader among all butcheries in
the country, thus, prices set in the private sector butcheries are set based on the BMC prices.
The value chain in the beef sector is such that there are primary producers consisting of cattle farmers who are the suppliers of both the BMC and butcheries. Most farmers sell directly to the BMC, while others sell through agents and still others sell through cooperatives, although the share from this channel has been decreasing, due to the failure of cooperatives. The feedlot industry in Botswana is still at an infant stage with the majority of farmers practising a cow-calf operation. However, Government is promoting the switch to weaner production in a bid to supply the product demanded by foreign markets, especially the European Union and curb range degradation.

In order to complete the beef commodity chain we have the transporters who are mainly private individuals and companies who transport cattle to slaughter houses, be it the BMC abattoirs or butcheries. In addition, we have input suppliers, both private and public. The Government provides inputs to the livestock sector through Livestock Advisory Centres (LAC) which are scattered throughout the country. In the late 1990s there was a move to privatise the LAC functions in the urban and peri-urban centres, but this move was reversed in 2008.

A new development in the agricultural commodity chain in the livestock sector is a recent decision by the BMC to buy cattle directly from the producing areas. The BMC will definitely compete with the transporters of cattle in the chain, if it chooses not to use their services. In addition this will also negatively affect farmers who sell through cooperatives and cattle agents who buy livestock with the sole aim of selling to the BMC or other outlets in the value chain.

Cereals
In the cereals sector the commodity chain is such that producers supply the Botswana Agricultural Marketing Board (BAMB), the milling industry and private traders. Unlike the beef industry, a major portion of supply is through imports by BAMB and private traders who have to obtain import permits. The BAMB and other private input suppliers supply the arable farmers with inputs such as fertilisers, seeds, pesticides and so on. Government also supplies seeds to farmers through the Seed Multiplication Unit (SMU) of the Department of Agricultural Research (DAR).

Horticulture
Horticultural production in Botswana is still in its infancy with small and scattered farms. The producers sell to a variety of buyers ranging from final consumers, retailers, wholesalers, and fresh produce markets (these are markets specifically set up by Government to purchase fresh produce from farmers). A significant supply of horticultural products is sourced through imports mainly from South Africa. Horticultural farmers source their inputs mainly from private traders and from imports. A fresh produce market, Botswana Horticultural Market (BHM) began operations in 2008. Its major role is to sell horticultural produce on behalf farmers.

Other
The value chain in other non-traditional agricultural sectors is not well developed, with most products being sourced from imports in processed forms. These sectors include dairy, piggery and small stock.

4.5. Emergency and Disaster Preparedness
4.5.1. Food Security and Early Warning

The National Early Warning System (NEWS) serves as a framework for monitoring national food supplies. The NEWS provides information on the status of food insecurity in order to aid in decision making. Strategies followed include, provision of advance information on food availability, requirements and access; provision of information on incidence, nature and causes of chronic food insecurity and vulnerability.

4.5.2. Food Reserves

The Government has a Strategic Grain Reserve (SGR) (raised from 10,000 MT to 70,000 MT in 2008) kept for future use in the case of disasters and emergencies. The SGR is managed by BAMB on behalf of
Government. The SGR is held for 3 months worth of national requirements of cereals. In addition, within the framework of broader national economic management policies, foreign exchange reserves are held to cover the costs of several months of imports.

4.5.3. Emergency Plant Protection and Disease Control

Funds are normally set aside for the control of both crop and livestock diseases and pests. In the livestock sector funds have been set aside for animal disease emergency control whose main objective is to eradicate Tsetse fly and control animal movement. In crop production funds are set aside for emergencies such as outbreak of quela birds or locusts. The Plant Protection Division aims at minimising the impact of pests and diseases on crops and natural flora through the practice of Integrated Pest Management (IPM).

4.5.4. Contributory Insurance Scheme

The Ministry of Agriculture has developed the Botswana Contributory Insurance Scheme (BCAIS) aimed at minimising farmers’ risk caused by annual and in-season climatic variability and by other extreme natural disasters. The scheme was also developed in recognition of the fact that financial institutions were reluctant to offer agricultural loans in the absence of insurance.

4.5.5. Safety Nets in Rural Areas

In line with National Strategy for Poverty Reduction, the Departments of Social Services, the Food Relief Services and Local Government Planning in the Ministry of Local Government (MLG) focus on reaching the vulnerable groups in society with social safety net type of programmes for orphans, children in distress and in need for care, destitute persons, the aged, the terminally ill patients being cared for at home and people affected by HIV/AIDS and other illnesses. Labour Intensive Public Works Programme (LIPWP) aims at providing a source of income for the most vulnerable members of communities by employing simple tools to construct and maintain public facilities, especially during the drought period.

4.5.6. HIV/AIDS Related Agricultural Policies

The Ministry of Agriculture has embarked on an exercise that will take the form of sensitisation and education of farmers on HIV/AIDS. The Ministry also plans to integrate AIDS into agricultural policies, enhance income generating capacities of those infected and affected by HIV/AIDS and facilitate group formation and cooperatives for people living with AIDS engaged in farming in order to access funding for their projects.

4.5.7. Other Emergencies

The Government provides temporary relief to the poor rural households especially during the drought periods. The relief is in the form of labour based public works program. During droughts people are employed to construct public infrastructure they need in their areas and paid some wages. This programme has recently been extended to urban areas as well.

4.5.8. New Initiatives

The Ministry of Agriculture is currently undertaking new initiatives with the view of improving the performance of the agricultural sector. Such initiatives include the Agricultural Infrastructure Development Initiative (AIDI) and Botswana Contributory Agricultural Insurance Scheme (BCAIS). The AIDI calls for provision and improvement in infrastructure in the farming areas. This includes roads, telecommunications, electricity and water.
4.6. Trade Related Issues

4.6.1. Tariffs and Non-Tariff Barriers

Botswana is a member of the Southern African Customs Union (SACU) together with South Africa, Namibia, Lesotho and Swaziland. As a member of SACU, Botswana charges Common External Tariffs (CET) to goods (including agricultural products) entering the region from third countries (including SADC Member States outside SACU). With the implementation of the SADC Trade Protocol, Botswana will be required to reduce tariffs for the SADC Member States.

As a measure to improve the emerging agricultural industries, such as piggery, poultry, dairy and horticulture, Botswana imposes border controls in accordance with SACU. The country administers an import permit system. Whenever it is felt that local production of sensitive commodities is sufficient to reach local demand, imports are banned. Traders are not given import permits for certain products when it is felt there is enough supply locally.

4.6.2. Sanitary and Phyto-sanitary Measures

Botswana has entered into a number of agreements and applies, in line with the World Trade Organisations (WTO) provisions, SPS measures in order to protect the country from both livestock and crop diseases resulting from trans-boundary movement of animal and plant material.

4.6.3. Direct Trading by Government or Its Agencies

Through the Department of Veterinary Services (DVS), the Botswana government operates a network of Livestock Advisory Centres (LACs) throughout the country whose main function is to sell livestock inputs (include veterinary requisites, livestock equipment and supplementary feeds) directly to farmers.

4.6.4. Price Setting Mechanisms

One of the cornerstones of the NPAD is the pricing of food grains at export parity for export crops and import parity prices for imported crops. The aim of this pricing mechanism is to ensure that consumers can obtain the products at lowest possible prices and that producers will be guided in their production decisions by competitive domestic and international prices. This kind of pricing system is also applicable to other sectors such as the beef sector, where producer prices are supposedly based on export parity prices.

4.6.5. Quality Promotion

Botswana Bureau of Standards (BOBS) was formed in order to set standards and promote quality of locally produced goods. BOBS is still at an infant stage and has developed standards for at least twenty five agricultural products. Some standards have been set for horticultural crops and standards for other commodities are still being developed.

4.6.6. Food Safety and Nutrition

The New Livestock and Meat Industry Act of 2006 stipulates that the control of slaughter facilities and meat inspection will be the authority of one agency – the Department of Veterinary Services. Under the new Act animals, including poultry would be slaughtered in an approved slaughter facility and meat inspection would be carried out before dispatch to consumers. The primary aim of the Act is to ensure that all meat is safe for human consumption.
4.6.7. Existing Levies in Agricultural Sector

The cattle export levy, charged for every animal slaughtered at the BMC, is supposed to be used for the development of the livestock industry of Botswana.

4.7. Other Related Policies

4.7.1. Revised National Policy for Rural Development (RDP) – 2002

The main goal of the Revised National Policy for Rural Development is to implement policies and strategies that will optimise people’s social and economic wellbeing and strengthen their ability to live in dignity and food security. The primary objectives of the revised Rural Development Policy (RDP) are to reduce poverty; provide opportunities for income generation and involvement in economic activities; create employment; and enhance popular participation in development planning and implementation processes as a basis for broad-based, balanced and sustainable development.


The National Strategy for Poverty Reduction recognises that one of the causes of poverty in Botswana is drought and the resultant high risk for investment in farming. The Government has come up with five initiatives, which include among others sustaining livelihoods. Under this initiative the following programmes are to be implemented: Small Scale Horticulture Development; Expanding Opportunities through Rain-fed Crop Production; Increasing Small Stock Production; Strengthening the Community Based Natural Resources Management Programme; Creating Employment Opportunities in Tourism Industry; and Building Capacity for Small and Medium Citizen Businesses. The main purpose of this programme is to enhance income generating opportunities for the poor.

4.7.3. Revised National Food Strategy – 2000

The Revised National Food Strategy lays down the broad based framework within which the national and household food and economic security processes and activities are to be carried out. The scope of the Revised National Food Strategy includes the following: providing economic access to food for households by attainment of a broad based income security; assurance of household food security; and guaranteeing food safety and nutritional security. The strategy calls for a tripartite partnership of Government, the private sector and households in the provision of food security and access to nutritionally safe and adequate food.

The general aims and objectives of the Revised National Food Strategy are to ensure physical availability of adequate food supplies at national and sub-national levels through sustainable combinations of domestic production, imports, and reserves and through a well-dispersed and effective distribution and marketing network; ensure economic access at household level; and provide support for sustainable improvements in the nutritional status of the nation and within the framework of existing health legislation, control and consumer education to ensure food safety and quality.

5. EXISTING REGIONAL POLICIES

5.1. Conflicting Policies at the National Level

Although the majority of agricultural policies and programmes are not in direct conflict there are some programmes that some time conflict with agricultural programmes, e.g. the Labour Based Public Works Programme drought relief programme (recently renamed Ipelege) which has a negative impact on arable agricultural production as it uses labour which might otherwise have been engaged in arable farming especially during the critical times of peak labour demands such as during planting, weeding and harvesting. As a result, arable production is reduced. Another area of possible conflict is livestock production and game farming where the Game Ranching policy promotes game farming in areas
previously used for livestock production, especially beef farming, therefore the potential conflict between livestock production and game farming.

5.2. **Conflicting Policies at the Regional Level**

The majority of agricultural policies and programmes in Botswana are input subsidies or domestic support and therefore are SADC and World Trade Organisation (WTO) (Article 6 and Annex 2 of the WTO) compliant. However, the Control of Goods Act formulated under SACU agreement in order to protect emerging (infant) industries in the less developed members of Botswana, Namibia, Lesotho and Swaziland contravenes the WTO and the SADC Trade Protocol and consequently the SADC Free Trade Area provisions. In agriculture, the Control of Goods Act is used to control imports of non-traditional agricultural products such as poultry, piggery, dairy and horticultural products. The policy works through a permit system managed by the Ministry of Agriculture who can refuse issuance of such permits to force purchases from local suppliers.

There are provisions for products with strategic importance that are acknowledged under various trade agreements such as SACU, WTO and SADC-EU EPA for economic and developmental reasons. These provisions are covered under the Special and Sensitive products. Thus, it is possible that provisions for developing countries under the WTO through Special and Differential Treatment (SDT) conditions can technically cover the use of non-tariff barriers. The SDT provisions have so far not yet been debated and agreed to by the WTO members but the WTO was directed under Doha Declaration of 2001 to submit proposals to address concerns of developing countries to give them additional policy space to meet developmental challenges.

5.3. **Existing Regional SADC Policies and Strategies**

Botswana has signed and ratified a number of SADC protocols and treaties. The awareness by stakeholders of these protocols was varied with the majority not being aware of treaties on marine fisheries, wildlife and natural resources. The main reason for this apparent lack of awareness especially in the Ministry of Agriculture might be due to the fact that these policies do not involve the stakeholder’s day to day business. In addition the Ministries or Departments dealing with fisheries and other natural resources such as fisheries and wildlife are outside the Ministry of Agriculture.

An overwhelming majority of stakeholders were however, aware of the SADC Trade Protocol and SADC Free Trade Area. The stakeholders felt that the SADC Trade Protocol has not achieved much, citing the fact that Member States lagged behind in phasing out barriers to trade. The general views of the stakeholders are that although there are treaties and protocols that have been signed their implementation has not been as robust as one would have thought and hence their impacts have been at best minimal.
SYNTHESIS OF NATIONAL KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

There was a feeling among Botswana stakeholders that the RAP comes at time when Botswana does not have a comprehensive agricultural policy of her own. It would have been useful if the country had its own agricultural policy which will guide its participation in the RAP.

6.1. High priority issues for consideration in the RAP

From Botswana’s perspective, the following are key issues of regional interest that they would wish considered in the RAP:

a. Infrastructure development;
b. Promotion of agricultural trade and marketing;
c. Control of trans-boundary diseases and pests;
d. Collaboration in agricultural research;
e. Stock theft;
f. Food security.

These issues are elaborated on in the following sections.

6.1.1. Infrastructure Development

Infrastructure is considered critical for agricultural growth and development. Infrastructure in this case includes, roads and telecommunications within and between countries. In addition, the issue of energy provision for agriculture is very important. Thirdly, there is need to develop water resources especially for irrigation purposes.

6.1.2. Promotion of Trade and Investment

Botswana considers the promotion of trade and investment as one of the cornerstones of the proposed Regional Agricultural Policy. The RAP should be seen to be promoting agricultural trade as envisaged in the SADC Trade Protocol. In addition, the RAP should increase investment in agriculture through provision of agricultural credit. Related to this should be the provision of agricultural insurance as farming is a risky business. This will go a long way in attracting entrepreneurs into the agricultural sector. Trade facilitation should increase both the input and output markets and should benefit each country participating in the RAP.

6.1.3. Control of Transboundary Diseases and Pests

Disease control across boundaries is one of the important issues that should be covered by the RAP through a harmonised system of controlling diseases.
6.1.4. **Collaboration in Agricultural Research, Technology Transfers and Value Addition**

In order to develop the agricultural sector for the achievement of the broad objective of food security, there is a need for the region to collaborate in the development and sharing of appropriate technologies. These technologies should be developed for both production and processing.

6.1.5. **Value Addition**

Value addition is very important in the region as in most countries this is not well developed. Value addition through agro-processing will definitely increase the share of income derived from selling processed products as opposed to unprocessed products. In addition processing will increase job creation in the region.

6.1.6. **Preservation of Landraces – Seeds and Animal Breeds**

In the development of the arable sector, seed policy has tended to emphasise on the use of improved varieties of seeds at the expense of landraces which some farmers may want to keep. Similarly, in the livestock sector policy might advocate for the use exotic breeds of animals at the expense of indigenous breeds. The protection of farmer’s rights will surely promote the use of indigenous knowledge.

6.1.7. **Cross-Cutting Issues**

Cross-cutting issues to be included in the RAP include gender and youth empowerment in agriculture. Thus, for a holistic development of the agricultural sector women and the youth should be involved in and always be considered in the formulation of agricultural policies. Other issues of importance include HIV/AIDS in agriculture.

6.2. **Issues Considered to be of Purely National Interest**

Whilst acknowledging that global obligations should be adhered to, Botswana contends that issues that should not be included in the RAP which are purely national sovereignty issues include those that deal with sensitive products (such as imports of cereals, horticulture, dairy and farm inputs and machinery; and exports of beef and beef by-products) and those that are of strategic importance such as the citizen empowerment schemes such as CEDA and domestic support to the agricultural sector such as LIMID and ISPAAD.

7. **SUGGESTED OBJECTIVES FOR THE RAP**

According to the Botswana stakeholders the main objectives of the RAP should be:

a. Integration of the efforts by SADC member states and promotion of collaboration amongst members.
b. Improvement in food security;
c. Technology development and transfer;
d. Promotion of intra-trade within SADC;
e. Promotion of regional integration and trade; and
f. Harmonisation of policies with the view of promoting agricultural production and trade.

8. **SUGGESTED GUIDING PRINCIPLES FOR THE RAP**

In the view of Botswana stakeholders, the following are suggested guiding principles for the RAP:

a. Collaboration between and among member states;
b. Information sharing (collaboration on research and sharing research information);
c. Sharing productive resources and expertise; and

d. Coordinated infrastructure development and provision of finance to agriculture.

9. **FUNDING MECHANISMS FOR THE RAP**

According to stakeholders in Botswana, the most favoured funding mechanism is a combination of a percentage of member countries' yearly budgets and a percent from donor funding. However, the later was not fully accepted as it was felt that to leave such an important policy such as RAP to donor funding alone would not be appropriate. Member States should make commitments to funding the RAP and donor funding could be used as supplementary or during the early stages of the development of the RAP.
THE DEMOCRATIC REPUBLIC OF CONGO

MAP OF THE DEMOCRATIC REPUBLIC OF CONGO (DRC)
THE DEMOCRATIC REPUBLIC OF CONGO

SUMMARY OF COUNTRY REPORT
AGRICULTURAL AND RELATED POLICY REVIEW

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10 The original report was authored by MR. KABUATSHIKA MOLOND and submitted to SADC FANR in May 2009. This summary derives from the translated version of the original French document.
1. GENERAL INFORMATION

1.1. Geography and Demographics

The Democratic Republic of Congo (DRC) is situated at the centre of Africa and covers an area of 2,345,095 km² making it the 12th largest country in the World. In comparison, it is slightly larger than Greenland, or about a quarter the size of the USA. Its neighbouring countries are: Central African Republic; Sudan; Uganda, Rwanda, Burundi; Republic of Congo; Angola; Zambia; and Tanzania. Its borders cover 9,045Km. It has one of the largest rivers in the world, the Congo River (4,300Km long). Its Exclusive Economic Zone (EEZ) area is about 13,690 km². The climate is of tropical type, characterized by annual precipitations ranging from 810 mm at the Atlantic coastal areas to up to 2000 mm in the central basin.

In 2005, the population was estimated at 62 million people which represents a density of 26 inhabitants/km². The rural population makes up 80% of the population. Poverty is affecting more than 70 percent of the population. Over 90 percent of DRC’s population lives below US$1 a day.

1.2. Farming Systems and the Importance of Agriculture

Agricultural production comprises 79 percent cropping activities, 12 percent fisheries, and 9 percent livestock. Close to 66 percent of the total agricultural land is devoted to pasture and 34 percent to crop land. The agricultural sector occupies a predominant place in the Congolese economy. Agriculture rests mainly on:

- Food production including especially cereals, roots, tubers, oil plants, vegetables and leguminous plants;
- Modern farm estates involved in revenue or export cultures especially coffee, cotton, tea, rubber, palm oils, cocoa, hevea, quinquina, onion, sugar, cane, fruits and vegetables;
- Production of cattle, sheep, pigs, goats and poultry; and
- Forest productions.

The DRC has approximately 135 million hectares of arable land of which 10% (3% for crop and 7% for livestock) are developed. The war and insecurity that have beset the country have adversely affected the performance of the agricultural sector. The contribution of agriculture to the GDP has regressed to 39% in 2007 (down from 49% in 2000). In 2007, about 1.22% of the total budget was allocated to the agricultural sector but it has dropped to 0.69% in 2009. Domestic food production is insufficient to meet the country’s needs, and many basic food products have to be imported.

There are 3 types of farming systems practical in the DRC, namely, the traditional system, the intermediate system and the modern system.

1.2.1. Traditional Systems

This farming system is mainly focused on subsistence food crops. It contributes to 78% of the national production. Self-consumption needs are met through mixed farming (cassava, maize, sweet potato, rice, beans, etc.). Cash crops are also grown including coffee, palm oil, cotton, cocoa, etc. on a small scale and cattle is produced extensively.

In the traditional system, the plots are small (1.5 ha on average) and are exploited manually. The farmers do not use inputs (fertilizers, pesticides, disease-free seeds and seedlings, etc.) They rely on slash-and-burn, use of local varieties, unimproved grazing land, no supplementary feeds, no appropriate veterinary care).
1.2.2. Intermediate Group Farming System

It differs from the traditional system in that the farmers are organised into groups. They rely on family labour and this system is close to the traditional form of agriculture. The difference lies in the control of modern techniques (line planting, rational row spacing, use of disease-free varieties, fertilisers, pesticides, rational feeding of farm animals, etc.). The system plays an important role in disseminating modern agricultural techniques and encouraging traditional farmers to adopt innovations.

1.2.3. Commercial Farming Systems

This system relies on mechanization to optimise production. It plays an important role in the national economy as a source of employment and foreign currency revenue. All activities are market-oriented. Commercial farmers adopt agronomic innovations recommended by agronomic research and they use various inputs such as improved varieties for better yields. They grow mostly oil palm, coffee, hevea, cocoa, sugar cane, tea, cotton, tobacco, etc. for export and rear livestock production through extensive ranching. Commercial farmers supply local and mostly foreign industries with raw materials.

1.3. Key Agricultural Commodities and Farming Practices

Cassava, banana, and maize are the staple foods of the majority of the Congolese people. For example, cassava accounts for 80% of food production, followed by plantain (about 8%). DRC used to export large quantities of palm oil but is now a net importer.

1.4. Key Economic and Financial Statistics

The agriculture industry accounted for 28.4% of GDP in 2007, of which 6.4% was from manufacturing. Services accounted for 29.1% of GDP in 2007.

The DRC’s formal economy is dominated by the mining sector. Minerals account for the vast majority of the DRC’s exports and represent the single largest source of foreign direct investment (FDI). Copper, cobalt, gold, tin, and zinc are the big metals being mined and produced in the D.R.C. The diamond sector currently accounts for about 10% of the DRC’s export revenue. This is from sales of both gem and industrial-grade diamond that were around $875 million in 2008 and may approach $1 billion in 2009. The GDP per capita is one of the lowest in the world. It dropped from US$224 in 1990 and to US$139 in 2006.

1.5. Key Challenges in the Agricultural Sector

There are several sectoral and cross-sectoral factors that hinder sustained growth in the agricultural sector of DRC, the most important factors being (i) deterioration of infrastructure in support of marketing, leading to the non competitiveness of agricultural products; (ii) poor basic agricultural services, resulting in the agricultural sector’s low productivity; and (iii) weak organizational and technical capacity of producer organisations and land insecurity.

Others include:

- **Weak asset base of farm households and rural producers** - At least half of farmers lost either their livestock or farming tools during the war. Less than 10 percent of farmers have access to agricultural advisory services (due to the weakness of agricultural research and extension). The lack of, or unsuitability of, rural financial services prevents farmers from mobilizing the working capital needed to increase productivity and their incomes.

- **Inadequate market infrastructure and services** - Most rural communities and villages do not have marketplaces where traders and producers meet to engage in business. They also lack adequate storage facilities and processing equipment and tools that reduce or eliminate post-
harvest losses. Also, unreliable market information and persistent unlawful roadblocks and other types of harassment by local officials increase transaction costs. All of these result in a suboptimal level of local and rural-to-urban trade and in reduced rural incomes.

- **Inadequate rural road infrastructure** - Civil war and poor maintenance have resulted in poor road conditions that lengthen travel time and increase vehicle maintenance costs. Unnecessarily high travel costs hamper agricultural and rural development because they prevent farmers and other producers from accessing lucrative produce and factor markets.

The above constraints notwithstanding, the agricultural sector in the DRC has great potential. The country’s favourable natural and climatic conditions, fertile soils, and abundant water resources are conducive to the cultivation of a variety of crops (food, tree and cash crops), livestock development, etc. Arable land is vast, covering 135 million hectares. The hydrographical network is very dense, representing 50% of the continent’s sources of fresh water which cover the whole country and offer immense water resources that can be tapped for agricultural production. The grazing lands and savannas have a potential livestock carrying capacity of forty (40) million, compared to less than 7 million at present.

2. **PUBLIC SECTOR IN AGRICULTURE**

2.1. **Principle Government Agencies Involved in Agriculture**

The mandates and functions of the main institutions in charge of agricultural activities and natural resource management are shown in Table 1.

2.2. **Parastatals and Statutory Bodies**

Some of these institutions are described in the following section.

2.3. **Public Agriculture Infrastructure**

2.3.1. **Market Places**

The marketing of agricultural products is done at different types of markets including permanent rural markets, non-permanent rural markets, inter-provincial markets (Lubumbashi, Mbuji-Mayi, and Kananga), border markets and export markets. Different operators intervene in the agricultural products marketing chain including wholesalers, traders-sowers, pedlars, agro-industrialists and retailers.

2.3.2. **Road Infrastructure**

The DRC has a road network that is 152,400 km long, including 87,000 km of local roads, commonly known as agricultural feeder roads. But these are seriously degraded which affects production and marketing of products.

2.3.3. **Laboratories**

2.3.3.1. **LaboVetkin**

LaboVetkin constitutes a technical support to livestock production as well as protection of public health in relation to zoonotic diseases. Its main objectives are to (i) contribute to the control and eradication of animal diseases; (ii) produce biological vaccines and other products intended to fight the major animal diseases; (iii) take part in the quality control of food and especially of foodstuffs of animal origin; (iv) undertake veterinary research; (v) supervise the cattle breeders and (vi) supervise the trainee pupils and students for a future career in the area of animal production and health.
Table 1: Main Ministries in Charge of Agriculture and Natural Resources

<table>
<thead>
<tr>
<th>Ministry</th>
<th>Mandates/Activities</th>
</tr>
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</table>
| Ministry of Agriculture, Fisheries and Livestock | • Development of national policy as regards agriculture, fishing and animal rearing;  
• Planning of national production targets for agriculture and animal production;  
• Approval and control of veterinary centres, clinics, pharmacies;  
• Training within farmers’ associations;  
• Implementation of agriculture, fisheries and animal production national policy;  
• Design, implementation, follow-up and assessment of programmes and projects relating to agricultural development;  
• Promotion of agricultural cooperatives;  
• Promotion of agricultural, fishery and livestock products for domestic consumption, local industries and the export market;  
• Animal health surveillance and animal and plant quarantine management;  
• Provision of guidelines and support to economic operators interested in investing in agriculture; and  
• Collection, analysis and publication, in the form of yearbooks, of statistics on agriculture, fisheries and animal production. |
| Ministry of Rural Development | • Design and follow-up of development projects in rural and peri-urban areas;  
• Training and organization of farmers within rural cooperatives and associations;  
• Design and implementation of rural development policies and strategies;  
• Organization and training of the rural population to increase agricultural production;  
• Development of infrastructure in rural areas;  
• Coordination and integration of rural development programmes;  
• Social welfare promotion in rural areas through awareness-raising and extension;  
• Fishery promotion and support in rural areas; and  
• Development, construction, rehabilitation, maintenance of basic socio-economic infrastructure (roads, electricity) in rural and peri-urban areas. |
| Ministry of Planning | • Planning and scheduling of the national social and economic development policies. |
| Ministry of Scientific Research | • Negotiation and follow-up on scientific and technical cooperation agreements;  
• Promotion of scientific and technological research;  
• Orientation of scientific and technological research towards support to the country’s reconstruction and development efforts; and  
• Planning, budgeting, inter-ministry coordination, control and evaluation of activities related to national scientific and technological research. |
| Ministry of Land Affairs | • Implementation of the land and real property legislation and related extension work;  
• Notary work for land and land registry matters;  
• Management and allocation of title deeds;  
• Establishment of housing estates in collaboration with the Ministry of Town Planning and Habitat; and  
• Allocation of plots of land to be developed. |
Table 1(Cont): Main Ministries in Charge of Agriculture and Natural Resources

<table>
<thead>
<tr>
<th>Ministry</th>
<th>Mandates/Activities</th>
</tr>
</thead>
</table>
| Ministry of Environment, Conservation, Nature and Tourism | • Implementation of national policies on sustainable environmental management and biodiversity and ecosystem conservation;  
  • Design of implementation plans for these policies as well as their follow-up and assessment;  
  • Sustainable management of forests, water resources, fauna and environment;  
  • Human settlement management;  
  • Regulation of all activities likely to affect the environment, biodiversity, ecosystems and environmental health;  
  • Establishment and development of green areas and amusement parks;  
  • Regulation of hunting and fishery activities;  
  • Wildlife protection; and  
  • Promotion and coordination of all activities related to the sustainable management of the environment, forestry and wildlife resources, water resources, nature conservation. |
| Ministry of Trade                             | • The promotion of the foreign trade and the study of proposals on general and sectoral policy guidelines in the area of foreign trade;  
  • The measures likely to contribute to the restoration of external competitiveness of the Congolese exportable product;  
  • Rationalization of the country’s participation in fairs and other external events;  
  • Exploitation of economic information relating to the trade with foreign countries;  
  • Conventions and uses governing the international trade relations;  
  • The negotiation and the follow-up of trade agreements; and  
  • The quantity control, the quality and standards of all the products intended for import, export and transit. |
2.3.4. Animal Husbandry Centres

2.3.4.1. National Livestock Development Authority (ONDE)

The ONDE is in charge of promotion of livestock development especially to improve production, zoosanitary protection, conditioning of products and marketing. It is also in charge of restoration, exploitation and management of all the ranches, veterinary farms and laboratories belonging to the State. Currently, research at ONDE relates primarily to production improvement, in particular in the areas of artificial insemination, pastures and zoosanitary protection.

2.3.4.2. Department of Animal Production and Health

It is in charge of zoosanitary monitoring and animal and plant quarantine management within the country and at border posts. It is also responsible for the permanent update of regulatory measures relating to it. Its main objectives are to (i) develop and supervise the implementation of the national policy and strategies in the area of the livestock productions; (ii) ensure the sanitary policing of foodstuffs of animal origin at production, import, export, warehousing, processing and marketing levels.

2.3.4.3. National Service of Veterinary Intrants

This service was created by decree n°005 of October 24, 2001. Its main functions are to:
- Supply the country in veterinary products and livestock material and their distribution throughout the territory;
- Improve the access to inputs with the assistance of operators, private importers, the groupings of stockbreeders, and veterinary pharmacists;
- Monitor and control the quality of veterinary products put on the market;
- Supervise technical activities (organizing zoosanitary activities at grassroots and monitoring of the distribution network of inputs); and
- Coordinate the activities of the programme to fight against epizootic diseases and epidemiologic monitoring.

2.3.5. Fisheries

2.3.5.1. National Fish Farming Service (SENAQUA)

The main mission of the SENAQUA are to (i) manage all the fish farming stations; (ii) assess the fish farming resources and their management methods; (iii) assist the Authority in charge on the guideline of the national fish farming policy; (iv) coordinate the whole of fish farming projects initiated by national or international cooperation projects and programmes; and (v) re-launch the industrial research in the area of fish farming.

2.3.6. Irrigation Schemes

Water is under-exploited and irrigation under-developed. The country enjoys a well-distributed rainfall. Irrigation potential is estimated at 4 million ha although for the moment irrigated production is limited to sugar cane and, to a lesser extent, rice. Only 13,500 ha of sugar cane and rice are irrigated.

2.3.7. Seed Production Centres

2.3.7.1. The National Seed Service (SENASEM)

SENASEM has responsibility for seed control and certification and the identification, promotion and training of seed operators, the design and quality control of the national seed production and the set up and control of seed multiplication farms. It also assists extension and marketing structures in establishing a seed market in the long term.
It runs eight multiplication farms in nine provinces and also has seed control laboratories. It has proven expertise in the seed sector which has been used by various projects financed by UNDP, EU, FAO, USAID and Belgian Cooperation. Almost all the seed multiplication farms have been transferred to private seed farms, in application of the law on privatisation of seed multiplication and marketing.

2.3.8. Research Stations

2.3.8.1. National Agronomic Research Institute (INERA)

INERA is under the purview of the Ministry of Scientific Research. It runs five research centres and seven research stations and thus covers the entire country. It is the only institution in the country that is in charge of agronomic research and soil classification. It is supported in its functioning by some international institutions, notably REAFOR/FAO (Programme for Re-launching Agricultural and Forest Research in DRC), the European Union and the International Institute of Tropical Agriculture (IITA) based in Nigeria.

However, the INERA is faced with the lack of highly qualified researchers, funding and with run-down equipment. It also lacks appropriate bonuses and salaries for the agents. In spite of the modest resources at its disposal, INERA has achieved tangible results in areas such as yield improvement and development of disease-resistant species of some food crops, notably cassava and banana. However, the benefits of these achievements cannot be extended to rural farmers due to financial resource constraints.

2.3.8.2. Agri-food Research Centre (CRAA)

The CRAA is among the Centres in the country which carries out scientific research in the food field. It undertakes industrial research in the agri-food sector by developing the agricultural local raw materials, either by new techniques, or by improvement of the artisan or domestic techniques.

The main areas of research by CRAA include nutrition and food, food technology and biotechnology. The CRAA houses several research laboratories of which the main ones are a research laboratory in food sciences; a research laboratory in food industries and biotechnology; a research laboratory in agriculture and livestock; a laboratory of bacteriology; a laboratory of quality control; and a laboratory of spectroscopy.

2.3.9. Agricultural Extension

Agricultural extension services are provided by several national agencies, each in a specific area. The National Extension Service (NES) is responsible for providing relevant information on agricultural matters and for popularising new technologies and improved genetic material. NES has a national coordination office, located in Kinshasa, assisted by six divisions (programming, training/research, technology, personnel management, finance, and monitoring and evaluation) each made up of two or three offices. At the country level, it has six provincial coordination offices that supervise the district and council bureaus and units. The units monitor the activities of the farmers through grassroots development workers, each of whom is responsible for 300 farmers on average.

2.3.10. Vocational Training Centres

At the higher education level, 52 institutes and universities, of which 25 are public and 27 are private approved establishments, are exclusively devoted to technical agricultural education.
3. PRIVATE SECTOR IN AGRICULTURE

3.1. Crop, Livestock, Fishing, Forestry and Game Farming Activities

3.1.1. Crop Production

In the subsistence farming systems, farmers rarely resort to inputs and use basic tools (e.g., hoes for land preparation). In the livestock sector, no supplementary feeds or appropriate care is provided or sought.

DRC used to export large quantities of palm oil but is now an importer of that product. Sugar production is largely complemented by imports. This drop has been caused by critical factors such as a decrease in cultivated areas, successive wars, ageing plantations, lack of training, lack of workers’ involvement in profits, etc. Most remedial action has been left to the private sector, which has not fully met Government’s expectations.

3.1.2. Livestock and Game Farming

In DRC, small livestock, poultry and cattle production are dominant. Livestock production benefits from vast tracts of various types of grassland and savannah. Pigs account for 34.5 %, goats 24 %, cattle 22.3 %, poultry 15 % and sheep 3.9 %. There are four different types of meat production techniques (i) Traditional (home-based slaughter by farmers); (ii) Semi-organized (applied by a few farmers); (iii) Organized (practised by missionaries and other farmers); and (iv) Industrial system which is rare. It is important to point out that small livestock and poultry often roam freely with no developed or improved grazing land.

3.1.3. Fishing (Inland and Sea Fishing)

Fishery potential from the Atlantic Ocean, the Congo and other rivers, the lakes and tributaries is estimated at 707 000 t annually, provided resources are efficiently exploited, of which approximately 63% would be in the waters of the great lakes of the East (Tanganyika, Edward and Kivu). 28% in the river system, 8% in the depression lakes and those of reserve lakes of Katanga and only 1% in the sea water of the Atlantic coast.

Currently, 220 000 t are produced, which represents 30 % of that potential. There are about 250,000 fishermen. The 2 main systems of fish exploitation are small-scale fishing, practised by almost 70 % of the fishing community and semi-industrial marine fishing.

3.1.4. Forestry

Congolese forests (185 million ha) are a vital resource for about 40 million rural Congolese who depend on the forests for their food, income, energy, shelter, medicines and cultural needs. Indigenous groups, including the Pygmies, rely almost entirely on the forests. With 86 million hectares of area covered by rainforests, DRC accounts for over half of the total remaining rainforests in the Central Africa region. DRC has institutionalized community-based forestry management through the assistance of FAO/Belgium and the FAO/ Netherlands. One of the main problems in this sector is the increasing deforestation of the forest lands.

3.2. Farmers’ Organisations

The producers often form cooperatives to provide training and assistance in marketing and agricultural inputs (seed, equipment). The farmers are organised at all levels of the production chain.
3.3. Other Private Organisations Providing Support to Farmers

3.3.1. Credit Institutions

The Banque de Crédit Agricole was another efficient contributor to the development of agriculture. Two new credit institutions have been created. PROCREDIT, began operations in March 2005 and specialises in financing intermediate loans (US$ 1,000 to US$ 8,000). The second, Trust Merchant Bank, is a private bank which intends to specialise in financing of rural activities.

Other financing initiatives also exist in the rural areas, particularly loans granted by religious NGOs to enable farmers purchase agricultural inputs.

With respect to microfinance institutions (as opposed to cooperative societies), there are three national associations and an international NGO, namely: the Association for the Economic Development of Kasaï Oriental (ADEKOR), the Cart Pushers Microcredit Association of Congo (ACCCO Microcrédit), the Savings and Credit Cooperative for the Development of Western Kasaï (CEDEKOC), and Hope DRC, an NGO. These microfinance institutions finance, essentially, trade, food production, poultry production, pork production, fish production, handicrafts, etc. They grant loans ranging from US$ 50 to US$ 400, repayable over a period of four to seven months at an interest rate of 4% to 5% per month.

3.3.2. NGOs

There are several NGOs in the agricultural sector. They are actively involved in introducing and promoting the use of new technologies in the rural communities, training farmers, and provision of agricultural inputs, among other things.

3.3.3. International Donors

The donors most active in the agricultural sector are the World Bank, the African Development Bank, the European Union, United Nations agencies, particularly FAO and UNDP, and bilateral cooperation (USAID, Canada, Belgium, Italy, Sweden, Japan, The Netherlands and Switzerland). They are most actively involved in providing emergency aid to displaced families, food security, provision of inputs, capacity building for local communities, support to extension services, agricultural research, rehabilitation roads and water ways in order to facilitate evacuation of produce and provision of trade infrastructure.

3.4. Trade in the Food Sector

3.4.1. Imports and Exports of Food Products

In the DRC, the main imported foodstuffs are especially maize, rice, milk, salted and smoked fish, meat and offal and wheat. The main exported agricultural products are coffee, medicinal plants, cinchona, raffia, cocoa and palm oil. Table 2 shows the main food commodity imports into DRC.

Table 2: Main Food Commodity Imports

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Quantity (Tonnes) (Annually)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat and wheat flour</td>
<td>200 000</td>
</tr>
<tr>
<td>Rice</td>
<td>100 000 - 200 000</td>
</tr>
<tr>
<td>Maize</td>
<td>200 000</td>
</tr>
<tr>
<td>Sugar</td>
<td>60 000</td>
</tr>
<tr>
<td>Beef</td>
<td>30 000 - 40 000</td>
</tr>
<tr>
<td>Chicken</td>
<td>30 000-50 000</td>
</tr>
<tr>
<td>Pork</td>
<td>40 000</td>
</tr>
<tr>
<td>Mpiodi (horse mackerel)</td>
<td>100 000</td>
</tr>
<tr>
<td>Palm oil</td>
<td>50 000-60 000</td>
</tr>
</tbody>
</table>
3.4.2. Agro-Industries

The major companies involved in agro processing are mostly involved with products like palm oil, soap, cocoa, coffee, teas, etc. Production chains that are still operational include flour-mills (MIDEMA), breweries (BRALIMA, BRACONGO), drinks manufacturers and biscuit factories.

The DAIPN (Domaine Agricole, Industriel et Présidentiel de la N’sele) used to be a vibrant and highly productive unit with marketing and storage facilities. However its activities have diminished over the past years but it is presently being rehabilitated. The poultry farm buildings, pig farms and the station catchment area are being rebuilt. The renovation is financed by the African Development Bank (ADB) to the tune of EUR 8 million.

The Compagnie Jules VAN LANCKER (JVL) is a Belgian company that used to have a long history of involvement in the DR-Congo at all levels of agricultural development. However, during the years of conflicts, its activities have diminished.
4. NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1. General Overarching Framework Documents


The PRSP was presented in July 2006. It sets out an ambitious vision for the country’s development. It emphasizes the need to break with past practices and to ensure a dramatic improvement of living conditions throughout the country, as a condition for sustained peace and eventual economic recovery. The priorities are articulated around five strategic pillars:

1. Promoting good governance and consolidating peace;
2. Consolidating macroeconomic stability and economic growth;
3. Improving access to social services and reducing vulnerability;
4. Combating HIV/AIDS; and
5. Promoting community dynamics.

The importance of supporting productive sectors is stressed under the second pillar, with agriculture, forestry, livestock, and fisheries identified as strategic sub-sectors where increased public investment is needed to boost economic growth and help reduce poverty in rural areas. It aims at building up the infrastructure and services to support the agricultural sector, going from re-establishing seed supplies; technology introduction and dissemination; building up the livestock sector; growing cash crops such as coffee, tea, cotton, and potatoes; access to agricultural inputs and technologies; the establishment of market systems; and the development of the fishing sector.

4.1.2. Agricultural Code 2

The vision of the DRC is to create rural wealth by establishing a competitive agriculture sector based on the promotion of small- and medium-sized agricultural and animal rearing enterprises managed by professional farmers. In this context, the agricultural policy aims at allowing people to be autonomous, to produce adequate amounts of quality food for a balanced diet and, as a result, to improve the human development parameters. In this context, the Government has drafted an Agricultural Code 2.

The purpose of the Agricultural Code 2 is to establish a harmonious relational framework amongst the Government, its services, economic operators in the private sector and farmers. The Code covers the following aspects: access to land and land security, decentralized management around the agricultural council in the provinces, energy and biofuels, agricultural research and education, promoting infrastructure development, funding and taxation.

It entails integrating food crops, i.e. staple foods (cassava, rice, bananas, maize, beans, etc.) and cash crops which provide additional income (coffee, cocoa, palm), animal husbandry and fisheries. The code sets out the incentive conditions to promote agricultural investment in terms of taxes, energy, land, access to technology, to inputs and quality seeds, and information on prices and markets. The code determines the legal means to secure farmers and agricultural investors and to support the resolution of land disputes by local land committees.

The priorities described in Agriculture Code 2 include:
- Rehabilitation of physical infrastructure (e.g. roads and airstrips) to enable exchange of goods from agriculturally-productive regions of the country;
- Enhancement of agricultural productivity and modernization of production systems (extension, agricultural inputs, seeds, processing, access to credit etc.);
- Enhancement of the marketing of agricultural products (through involvement of private sector enterprises, promotion and targeting of high-value crops for specific markets, and establishing a market price information system);
- Establishment and strengthening of rural community-based organizations;
- Sustainable use of natural resources (soil fertility, land use, water conservation, erosion control, and forest management); and
- Cross-cutting human resource capacity building (refresher courses for staff, long-term support to capacity building in research, extension and natural resource management).

Within the agricultural policy framework, the main axes of intervention/strategies are aimed at:

- The promotion of research development (sensitization and supervision of the farmers);
- The development of a regulation on the seeds and phytosanitary protection; distribution of seeds, agricultural inputs and tools;
- The rehabilitation of agricultural service roads in order to allow the agricultural producers to have access to their traditional markets and to promote the competitiveness of export productions;
- The rehabilitation of industries, in particular installations of storage and small processing units (mills, slaughter-houses) in order to encourage the processing of agricultural produce;
- The revival of the marketing and processing companies;
- Repairing of the abandoned farms (plantations and farms);
- Supporting community initiatives in the agricultural sector;
- Revival of the credit system and the creation of a stabilisation fund for prices of agricultural produce;
- Promoting diversification of trade with neighbouring countries, etc.;
- Setting up a monitoring framework of veterinary and phytosanitary protection in order to prevent and fight some epidemics but also to reduce the effects of epizooties; and
- Improving the business climate to restart the plantations and commercial rearing, but also to set up processing and marketing intermediaries.

4.1.3. Reforms at the Ministry of Agriculture

In order to revitalise the agricultural sector and to generate improved productivity, a program for reforming central and decentralized services of the Ministry of Agriculture has been initiated. It is built around the following strategies:

- National planning of agricultural recovery, based on the decentralization of agricultural services and strengthening of central and provincial institutional capacity;
- Developing the potential of the provinces in environmental compliance and safeguarding the natural production base, in the context of the Strategy Document on Growth and Poverty Reduction (DSCRP);
- Refocusing of the government on the governance functions of planning and control to ensure agricultural services delivery in partnership with the private sector;
- Confirmation of effective land legislation; harmonization of land use policy in mining, forestry and agriculture; demarcation of boundaries and areas allocated exclusively to agricultural, fishing and animal husbandry activities;
Promulgation, dissemination, extension of a specific agricultural code (security from the point of view of land and taxation, tax relief to decentralized units);
Elaborate measures to promote the emergence of a competitive private sector; transfer of certain activities of the Government (central and local) and their administration to the private sector; and
Introducing attractive measures to encourage the establishment of financial services and financing and micro-credit institutions to serve farmers, fishermen and livestock breeders.

4.2. Agricultural Policies and Strategies

4.2.1. Land and Infrastructure

4.2.1.1. Land Ownership and Land Title

The land tenure system in the DRC is governed by Law N° 73/021 of 20 July 1973, as amended and supplemented by Law N° 80/008 of 18 July 1980 which makes the Congolese State the sole proprietor of all land and mineral resources. In practice, access to land is first granted by the customary chiefs who allocate plots as life estate or “freehold” to applicants. The authorities have initiated consultations with all the stakeholders aimed at amending the land tenure system in order to make it more equitable and more attractive to private investors.

4.2.2. Natural Resources Policies and Strategies

4.2.2.1. Forestry

The authorities have developed a forestry code in view of the importance of the sector to the economy. It aims to promote rational and sustainable management of forest resources in order to increase their contribution to economic, social and cultural development; and preserve the ecosystems and biodiversity of the forests for future generations. The Government has taken a bold decision to cancel about 25 million hectares of non-compliant logging concessions. The Government has also taken further several actions such as

- Implementing the more equitable policies in the new Forest Code;
- Building basic institutional capacity;
- Securing forest people’s traditional user rights;
- Fostering public participation;
- Enforcing forest management plans;
- Rehabilitating key protected areas;
- Engaging in emerging markets that reward carbon storage and forest protection;
- Enforcing the moratorium on new forestry concessions and cancelling those that are invalid; and
- Curbing illegal logging.

4.2.2.2. Fisheries

Fisheries contribute approximately 0.5% of the GDP. The DRC is a signatory to the landmark Statement of Commitment by SADC (Southern African Development Community) Ministers in July 2008 which committed regional governments to tackle IUU fishing. The statement commits governments to work together, and with regional fisheries management organisations, to deter and eliminate IUU fishing. The key areas requiring urgent attention included developing a regional monitoring, control and surveillance strategy and capacity.
4.3. Support Services for Farmers

4.3.1. Seed

Seeds are provided by the National Seed Service. The provision of improved seeds is one of the priority objectives of the agricultural development policy. It aims at encouraging private operators to work in collaboration with the SENASEM and INERA to produce seeds in order to satisfy the seed requirements of the country. The seed plan is the legal and strategic framework for intervention in the seed sector. It aims, among other things, at strengthening the seed control and certification mechanisms. The basic legal instruments are currently being revised to adapt them to the new plan.

4.3.2. Fertilisers

The Government is making considerable effort to encourage the use of fertilisers. All the fertilisers are imported. It is estimated that the country needs about 100,000 t per year. About two thirds of the imported fertilisers are used in the production of cash crops.

4.3.3. Mechanisation

Mechanisation is little developed in DRC. The Agriculture Mechanisation Service (SEMA) provides support to small scale farmers by introducing light mechanisation, essentially animal drawn implements. It is suggested that there is a need for a national policy on mechanisation to encourage this practice among the farmers. It was also suggested that agricultural mechanisations stations be set up and to provide appropriate back up services (mechanical machine operators, supply of spare parts). Recently, the Government has imported 700 tractors for land preparation and other allied uses.

4.3.4. Agricultural Research

Most of the agricultural research in the DRC is conducted by INERA. Other bodies such as the Faculty of Agricultural Sciences and the Faculty of Veterinary Sciences also participate in research activities but their actions are limited. They conduct research only on specific matters. The research programmes are mostly geared towards developing improved crop varieties.

4.3.5. Agricultural Extension

Governed by the departmental Decree n°0045/ECB/DDR/89 of June 6, 1989, the National Agricultural Service Extension (SNV) has the role of implementing the government policy with regards to agricultural extension service. The most common method adopted is the Farmers Field Schools approach developed by the FAO, which promotes the provision of closely monitored training under real farming conditions.

4.4. Trade Related Issues

4.4.1. Price Setting Mechanisms

Before agricultural prices were liberalised in 1982, they were regulated and controlled by the Government through minimum price mechanisms for food crops and cattle, fixed prices for cotton, minima price mechanisms pegged to world prices for coffee, tea, cocoa, etc.
4.4.2. **SPS (Crops)**

The new phytosanitary regulations (2005) promote (i) the sanitary protection of plants and crop products by the prevention and fight against harmful organisms; (ii) dissemination and the popularization of appropriate techniques of phytosanitary protection; (iii) the organization of approval of phytosanitary products and their control at the point of entry, the market place and their use; (iv) the control of import and export of plants and crop products; and (v) the control of sanitary status of foodstuffs of plant or animal origin likely to carry pathogenic germs.

4.4.3. **SPS (Animals)**

All import, export and transit of domestic animals must be accompanied by a certificate of origin and health issued by the official veterinary services of the country of consignment of the animals.

4.4.4. **Food Safety and Nutrition**

The Congolese Control Office (OCC) controls all imported foodstuffs. There are several regulations that govern the manufacturing and the trade of foodstuffs, packing, preparing and manufacturing foodstuffs, artificial colouring of the foodstuffs and the protection and healthiness of foodstuffs.

5. **EXISTING REGIONAL POLICIES**

Not much could be discerned from the report on this matter.
SYNTHESIS OF KEY NATIONAL AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

Several policy issues in crop production, animal production and the fisheries sector have been proposed for inclusion in the RAP. The various policy issues proposed are summarised in Table 3.

7. SUGGESTED GUIDING PRINCIPLES FOR THE RAP

The following statements of principles were presented for consideration by the SADC Secretariat as guiding principles for the RAP.

7.1. Free Movement of Goods

This principle (no Member State has the right to hamper the free movement of people and goods) is likely to enhance employment creation in the countries. Industrially advanced countries should however refrain from taking advantage of the situation to dominate the less developed ones and vice versa. This “open door” concept will have to be applied in a peaceful way and available expertise should be welcome.

7.2. Non-Discrimination

Protectionism between Member States is to be eliminated. This should apply to various areas: policy, investment, taxation, immigration, etc. Any commercial preferential treatment granted to a Member State is tacitly applicable to the other Member States for a similar product. In relation to this principle, there are two major clauses: the most-favoured-nation trading status and the national treatment clause.

7.3. Monetary Sovereignty

Every state enjoys monetary sovereignty, which is derived from the political sovereignty principle. It is free to choose its currency, being subject to both national and international sovereignty.

7.4. Other Principles

Many other principles are emerging over time, such as the open door equality principle, the dialogue principle or the commitment fulfilment principle, etc.
### Table 3: Policy Areas and Topics of High Priority for Convergence and Harmonisation

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Key Issues</th>
<th>Proposed Policy measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural Inputs (Seed, Fertiliser)</td>
<td>Low input availability</td>
<td>• Increase input availability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Encourage private sector involvement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Develop Private and Public Partnerships for supply of inputs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Rehabilitation of the rural road network</td>
</tr>
<tr>
<td>Land Reform</td>
<td>Un-equitable access to land</td>
<td>• Equitable and efficient land allocation systems</td>
</tr>
<tr>
<td></td>
<td>Unsustainable exploitation of land</td>
<td>• Regulate property rights</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Implementation of an agricultural land registry</td>
</tr>
<tr>
<td>Irrigation</td>
<td>Under developed irrigation system</td>
<td>• Efficient use of water</td>
</tr>
<tr>
<td>Farmers’ organisations</td>
<td>Weak farmers organisation</td>
<td>• Encourage formation of farmers organisation</td>
</tr>
<tr>
<td></td>
<td>Poor governance</td>
<td>• Financial assistance to rural communities;</td>
</tr>
<tr>
<td>Marketing</td>
<td>Fragmented with a multiplicity of middlemen</td>
<td>• Consolidate and organize value chains for agricultural products</td>
</tr>
<tr>
<td></td>
<td>Lack of marketing infrastructure</td>
<td>• Development of national and regional markets</td>
</tr>
<tr>
<td></td>
<td>High costs of transport</td>
<td>• Reform and Decentralise markets</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Rehabilitation of the rural road networks</td>
</tr>
<tr>
<td>Statistical Data Collection</td>
<td></td>
<td>• Reduce road taxes</td>
</tr>
<tr>
<td>Credit</td>
<td>Lack of access to credits</td>
<td>• Reinforce or set up bank credit facilities for agro-industries;</td>
</tr>
<tr>
<td></td>
<td>High Interest rates</td>
<td>• Lower interest rates on loans</td>
</tr>
<tr>
<td>Value Addition</td>
<td>Little value addition</td>
<td>• Rehabilitate product processing and conservation units;</td>
</tr>
<tr>
<td>Agricultural Research and Extension</td>
<td>Poorly staffed</td>
<td>• Reinforce agronomic research (suitable crops),</td>
</tr>
<tr>
<td>Training</td>
<td></td>
<td>• Reinforce technical training in all areas of production</td>
</tr>
<tr>
<td>Animal Genetics Resources</td>
<td>Loss of indigenous breeds</td>
<td>• Conservation and use</td>
</tr>
<tr>
<td>Disease</td>
<td>Inadequate disease control measures</td>
<td>• Ensure epizootic disease surveillance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Set up of animal health management systems</td>
</tr>
</tbody>
</table>
### Table 3(Cont): Policy Areas and Topics of High Priority for Convergence and Harmonisation

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Key Issues</th>
<th>Proposed Policy measures</th>
</tr>
</thead>
</table>
| Animal production | • High costs of inputs  
                  • Lack of veterinary inputs  
                  • Lack of breeding centres  
                  • Decline in livestock population  
                  • Overgrazing                  | • Promote short cycle animal production  
                  • Building capacity of national veterinary laboratories  
                  • Provide low interest credit  
                  • Development of sustainable animal production practices  
                  • Animal feed development                  |
| Credit      | • Lack of credit                                                                | • Set up of microcredit allocation systems for small scale fishing sector                  |
| Equipment   | • Expensive fishing equipment                                                  | • Reduce Import Taxes on fishing equipment                                                  |
| Training    | • Lack of knowledge on new agricultural technologies                          | • Decentralised training  
                  • Development of Vocational Training Centres                                             |
| Processing  | •                                                                       | • Set up of processing infrastructure  
                  • Promote integration of farmers into upstream agro-business enterprises                  |
| Marine Fisheries | •                                                                       | • Information on fishery resources  
                  • Stock Monitoring Control                                                               |
| Gender      | •                                                                       | • Improve role of women in sustainable development of coastal areas                        |
| Illegal fishing | •                                                                       | • Implement fishery regulatory and monitoring systems                                      |
| Forestry    | • Deforestation  
                  • unsustainable and destructive logging                                       | • Promote community based forest management systems  
                  • Increase area under forests  
                  • Preservation of biodiversity  
                  • Preservation of genetic resources  
                  • Control on Forest activities  
                  • Re-afforestation                                                                  |
| HIV/AIDS    | •                                                                       | • Prop up HIV/AIDS control                                                                 |
8. CONCLUDING REMARKS

The Democratic Republic of Congo (DRC) is emerging from a series of unrest and conflict, where poverty is affecting more than 70 percent of the population. The country has Africa’s largest base of potential arable land, some 167 million hectares of non-forest land (roughly as much as all countries of Western Europe combined), it has the world’s largest expanse of highly agro-ecologically suitable land for crops like sugarcane and palm oil, besides having a vast potential for most other tropical energy crops such as soybeans, sorghum, cassava, grasses and energy trees. Currently, the country has around 4.7% of its arable land under cultivation. At the present, the country is in a phase of reconstruction of the agricultural sector. In a country where the majority of the population lives in rural areas with the main activities being agriculture, fisheries and animal husbandry, the revival of the agricultural sector is seen as a prerequisite to the fight against hunger and poverty.

This review identified four constraints to realising the potential of the agricultural sector:

a. A degraded transport system making access to markets extremely difficult;

b. Rudimentary production technology;

c. Weak and/or nonexistent institutional capacity which maintains the vicious cycle of poor agricultural productivity and rural poverty;

c. A policy environment which significantly constrains the revival of the agricultural sector.

Other impediments to agricultural development include the absence of efficient financing mechanisms and inappropriate institutional frameworks. There is need to investing in rural farm to market roads, agricultural modernisation technological transfers, the promotion of good governance, and an improved policy environment.
THE KINGDOM OF LESOTHO

MAP OF THE KINGDOM OF LESOTHO
THE KINGDOM OF LESOTHO

SUMMARY COUNTRY REPORT ON
AGRICULTURAL AND RELATED POLICY REVIEW – 2009

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11 The original Country Report was authored by DR. MAMPITI MATETE and submitted to SADC FANR in October 2009
ABBREVIATIONS

AgSeSt  Agricultural Sector Strategy
APCBP  Agricultural Policy and Capacity Building Programme
ASIP   Agricultural Investment Programme
BEDCO  Basotho Enterprise Development Cooperation
BOS    Bureau of Statistics
CAADP  Comprehensive Africa Agriculture Development Programme
CET    Common External Tariff
CMA    Common Monetary Area
CRS    Catholic Relief Services
DAO    District Administrative Officer
DAR    Department of Agricultural Research
DES    District Economic Strategies
DFID   Department of International Development
DMA    Disaster Management Authority
DPPA   Department of Planning and Policy Analysis
DWA    Department of Water Affairs
FAO    Food and Agricultural Organization
FEWSNET Famine Early Warning System Network
FOA    Faculty of Agriculture
FTA    Free Trade Agreement
FTC    Farmers Training Centers
GDP    Gross Domestic Product
ICT    Information and Communication Technology
ISO    International Organization of Standards
LAC    Lesotho Agricultural College
LCD    Lesotho Congress for Democracy
LCN    Lesotho Council of Non-governmental Organizations
LG     Lesotho Government
LHWP   Lesotho Highlands Water Project
LMS    Lesotho Meteorological Services
LNDC   Lesotho National Development Cooperation
LTC    Livestock Technical Committee
LVAC   Lesotho Vulnerability Assessment Committee
MFLR   Ministry of Forestry and Land Reclamation
MOED   Ministry of Education
MAFS   Ministry of Agriculture and Food Security
MDG    Millennium Development Goals
MNR    Ministry of Natural Resources
MTICM  Ministry of Trade, Industry, Cooperatives and Marketing
NEPAD  New Partnership for Africa’s Development
NGOs   Non Governmental Organizations
ORASECOM Orange Senqu River Commission
PELUM  Participatory Ecological Land Use Management
PRSP   Poverty Reduction Strategy Paper
PRS    Poverty Reduction Strategy
RAP    Regional Agricultural Policy
RAPF   Regional Agricultural Policy Framework
SA     South Africa
SACU   South African Customs Union
SADC   South African Development Cooperation
SDA    Serumula Development Association
SMEs   Small and Medium Enterprises
SPS    Sanitary and Photo-Sanitary
WVI    World Vision International
ZAMCOM Zambesi River Commission
NATIONAL ASSESSMENT

1. GENERAL INFORMATION

1.1. Geography and Demographics

The Kingdom of Lesotho is a small, landlocked State entirely surrounded by South Africa. The total land area of Lesotho is 30,355 km$^2$, consisting of four topographical areas, i.e. Highlands, Foothills, Lowland and the Senqu River Valley. About 80% of Lesotho’s population lives in the Lowland and Foothills, which cover 30% of the land area. Most of Lesotho’s productive arable land is found in these two topographical areas. Land in the Highlands and Senqu River Valley is suitable primarily for grazing and has low population densities.

The country had 1.8 million inhabitants (2006) with an annual growth rate of 1%. Population density is 59 inhabitants per km$^2$, and 82% of the population live in the rural areas. The household budget survey revealed that 54% of the population lives below the national poverty line of $1.50 per day.

1.2. Farming Systems and the Importance of Agriculture

Agriculture in Lesotho is mainly subsistence-based and is predominantly rain-fed and therefore extremely vulnerable to drought conditions. 80% of the population lives in the rural areas where most agricultural activities occur. More than 50% derive their livelihood from crops and livestock production and about 60% of the labour force is employed in the sector. Agriculture accounts for 16% of exports and 50% of the country’s basic food needs. Altogether, arable land represents only about 9% of Lesotho’s total area. The share of agriculture in GDP has fallen to 17% (25% in 1990). Crops and livestock production each contribute between 40-60% and 30-40%, respectively to the agricultural GDP.

The current area of land under irrigation is estimated at 100 ha. The long term irrigation potential is estimated at 12,500ha. The increasing incidence of HIV/AIDS however is reducing availability of family labour which is becoming a major constraint in subsistence farming.

Table 1: Socio-Economic Indicators of Agricultural Sector

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural Trade Balance (million US$)</td>
<td>-59.2</td>
</tr>
<tr>
<td>Agricultural land Area as a proportion of total land area (km$^2$)</td>
<td>23,340</td>
</tr>
<tr>
<td>Agricultural population density on agricultural land (persons/km$^2$)</td>
<td>29.9</td>
</tr>
<tr>
<td>Rural Population (2006)</td>
<td>1,504,529</td>
</tr>
<tr>
<td>% living in rural Areas</td>
<td>80</td>
</tr>
<tr>
<td>Agriculture Budget 2008/09 (Million Maloti)</td>
<td>208.8</td>
</tr>
<tr>
<td>Agriculture Budget 2008 in % of Total Budget</td>
<td>2.3</td>
</tr>
<tr>
<td>Agriculture budget in % of the GDP</td>
<td>1.5</td>
</tr>
<tr>
<td>Land under crop production (000 ha) in 2003</td>
<td>334</td>
</tr>
<tr>
<td>Number of farmers</td>
<td>277 000</td>
</tr>
<tr>
<td>Agricultural GDP (Millions Maloti)</td>
<td>789</td>
</tr>
</tbody>
</table>

There are three main types of farming systems practiced in Lesotho, namely: (i) traditional, (ii) block farming and (iii) commercial farming.

1.2.1. The Traditional Farming System

It involves the continuous planting of one crop (e.g., maize, sorghum), over land throughout the growing season or a number of seasons, which may be intercropped with beans or pumpkins. The system is practiced under two models, the high and low input cost models. The high input cost model involves usage of inputs such as hybrid seeds, hired labour, pesticides and mechanized agriculture.
while the low input cost model uses low cost inputs such as draught power, kraal manure and seeds from the previous harvest.

It is a minimum tillage technology that was introduced by church based organisations with the support of the FAO. The system has been practiced in the country for many years of the traditional subsistence farming. In the last three years, there has been increased focus by the Ministry of Agriculture and Food Security (MAFS) to promote conservation agriculture.

1.2.2. Block Farming

The MAFS is laying emphasis on commercialized production and promoting block farming where smaller land holdings are merged into large acreages for ease of mechanization and increased economies of scale in purchasing, management and marketing operations. Average land holding per household is about 2.5 hectares. Government facilitates the establishment and management of block farming with the support of the extension system and incentives in the form of subsidies.

1.2.3. Commercial Farming

It accounts for about 5% of agricultural production. The average farm size is about 100 hectares in separate pieces of scattered land holdings that belong to different people. The fields are available through leasing or sharecropping.

1.3. Key Agricultural Commodities and Farming Practices

The main staple crops are maize, sorghum, wheat, peas and beans. Maize is the most important staple crop covering more than 50% of planted area. Sheep and goats are mainly kept for wool and mohair production.

Agricultural practices are characterised by draught animal power (if available) for seedbed preparation, manual husbandry operations, on-farm produced inputs, and household labour.

1.4. Challenges in the Agricultural Sector

The main bottlenecks contributing to the low performance of agriculture in Lesotho have been identified as:

- Small size of arable land which is continually decreasing because of, among other things, soil erosion and settlements encroachment into the arable land;
- Decreasing quality of productive land because of lack of conservation investments in productive land;
- Lack on conservation investments has been blamed on the communal ownership of agricultural land;
- Subsistence nature of agriculture where farmers are given small parcels of land that can only be used for subsistence purposes. The small size of land makes farming expensive as there are low returns to investment and reduces farmers' competitiveness in the global market;
- Inadequate access to credit which constrains timely access to farm inputs;
- Crop production is mainly rain fed and as such exposed to climate vagaries;
- Low participation of the private sector, especially in value addition through processing of agricultural products; and
- Increasing incidence of HIV/AIDS on family labour.

1.5. Key Economic and Financial Statistics

Lesotho’s GDP per capita was US$674 in 2007 and its average growth was 3.3% over 1991-2007 periods. In 2007, the agriculture GDP reached 16% of GDP, with services (40%) and manufacturing/industry (44 %) being the most important sectors of the economy.
Despite relatively strong economic growth performance in recent years, the incidence of poverty remains high. The leading causes of poverty in Lesotho are rising unemployment and underemployment resulting from a series of structural changes which began in the early 1990s, with the decline of mining activity in South Africa, aggravated by the HIV/AIDS pandemic.

Exports (US$779.1 million in 2006) include electricity, diamonds, clothing, footwear, livestock, wool, and mohair. Recently, the garment manufacturing industry which is the largest employer in the country, has greatly increased in size and is now a multi-million dollar industry accounting for 77 percent of exports and almost 20 percent of GDP. Imports (US$1.401 billion in 2006) consist of food, building materials, vehicles, machinery, medicines, and petroleum products, with the majority originating from Asian countries.

The principal marketable natural resource in Lesotho is water. Under the Lesotho Highlands Water Project, water is collected and transported from the Orange River system in Lesotho to South Africa’s Free State and the Johannesburg area. It has become an important economic asset.

Table 2: Economic and Socio Economic Indicators (2007)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country size (km²)</td>
<td>30,355</td>
</tr>
<tr>
<td>Population size (million)</td>
<td>1.9</td>
</tr>
<tr>
<td>GDP (million Maloti at current market prices)</td>
<td>11,778</td>
</tr>
<tr>
<td>GDP per capita (Maloti)</td>
<td>6,256</td>
</tr>
<tr>
<td>Growth rate</td>
<td>3.3%</td>
</tr>
<tr>
<td>Trade Balance (million Maloti)</td>
<td>-7,177</td>
</tr>
<tr>
<td>Foreign public debt (million of Maloti)</td>
<td>4,680.6</td>
</tr>
<tr>
<td>Budget 2007/08 in % of the GDP</td>
<td>45.1</td>
</tr>
<tr>
<td>Budget deficit 2007/08(million Maloti)</td>
<td>1077.5</td>
</tr>
<tr>
<td>Exchange rate end 2006 (Against USD)</td>
<td>6.34</td>
</tr>
<tr>
<td>Exchange rate end 2007 (Against USD)</td>
<td>6.63</td>
</tr>
<tr>
<td>Exchange rate end 2008 (Against USD)</td>
<td>8.27</td>
</tr>
</tbody>
</table>

2. PUBLIC SECTOR IN AGRICULTURE

2.1. Principle Government Agencies Involved In Agriculture

Table 3 gives the different ministries and departments and their respective mandates, that are responsible for the development of Lesotho’s agriculture.

2.1.1. Key Departments in Agricultural Sector

2.1.1.1. Department of Agricultural Research (DAR)

It is responsible for agricultural research. The DAR concentrates mainly on adaptive research driven by farmer demand. The DAR is committed to the application of Agricultural Science in developing, adapting and transferring environmentally safe and economically viable agro-technologies to the farming community and agro-business through strong linkages with education, extension and industry. Among other things, DAR undertakes scientific research on issues related to soils as well as to test soils for fertility and to advise farmers on the best use of soil depending on the results of the soil tests.

2.1.1.2. Irrigation Division

The irrigation division of the Ministry of Agriculture and Food Security is responsible to develop irrigation projects and investigating into new irrigation technologies.

2.1.1.3. The Department of Water Affairs (DWA)

It is a department within the Ministry of Natural Resources and it is responsible for hydrological services and resources management; water resource planning and water quality monitoring; and
establishing water sector policies as well as introducing new legislation dealing with issues of water resources management.

Table 3: Ministries In Charge of Agriculture and Related Sectors

<table>
<thead>
<tr>
<th>Responsible Ministry</th>
<th>Mandates</th>
</tr>
</thead>
</table>
| Ministry of Agriculture and Food Security | 1. To promote agricultural production with the objective of achieving food security.  
2. Its mission is to ‘empower its clientele to make informed decisions and access necessary resources for sustainable agricultural production and food security’. |
| Ministry of Forestry and Land Reclamation | 1. To provide high quality services in forestry, soil and water conservation, range resources management, and nature conservation in order to ensure sustainable management of the country’s renewable natural resources.  
2. The ministry is responsible for range management, conservation and forestry programmes. |
| The Ministry of Tourism, Environment and Culture | Promotes and ensures that the present and future development of Lesotho is environmentally sustainable |
| Ministry of Agriculture and Food Security | The fisheries unit is responsible for the fishery resource and the development of fish production in Lesotho. |
| Ministry of Trade and Industry, Cooperatives and Marketing | To assist local entrepreneurs and the farming community to utilize export opportunities in order to improve the country’s foreign exchange earnings and create growth in the industrial, commercial and agricultural sectors as well as facilitate the creation of a conducive and appropriately regulated environment for commercial and marketing activities within the country to improve performance and to support the growth of local entrepreneurs and farmers. |
| The Ministry of Natural Resources (MNR) | 1. To formulate and implement water, soils, energy and mineral resources policies.  
2. To ensure the sustainable exploitation and preservation of natural resource.  
3. It works closely with the MAFS with respect to sustainable utilization and management of agricultural water and soil. |

2.1.1.4. The Department of Lands, Survey and Physical Planning

It issues leases and processes applications for dealing in leased land. It is also responsible for mediation and settling land disputes. The land use planning division is responsible for producing land use plans based on the biophysical characteristics of the land taking into account the best land use options to facilitate implementation of sector plans such as forestry, conservation, range management crops etc as executed by the relevant specialist agencies.

2.1.2. Other Related Ministries

Other related ministries that are involved in the agricultural sector are:

- The Office of the Prime Minister supervises the activities of the Disaster Management Authority and the Food Nutrition Coordination Office, as well as HIV/AIDS related issues.
- The Ministry of Tourism, Environment and Culture is responsible for sound management of the environment (including biodiversity programmes) and promotion of tourism in the country.
- Ministry of Public Works and Transport has the mandate for bulk infrastructure such as roads.
- Ministry of Home Affairs handles all police matters, including combating of livestock and crop theft.
- Ministry of Finance and Development Planning is responsible for human development and capital resources.
2.2. Parastatal and Statutory Bodies

2.2.1. The Lesotho National Dairy Board

It was established in 1991 under the Agricultural Marketing (Establishment of a National Dairy Board) Regulations of 1991. The Board has power of (i) prescribing standards of production, storage, packaging, processing and distribution of dairy products; (ii) granting or withdrawing permits to produce, process and distribute dairy products; (iii) determining prices for dairy products; (iv) ensuring quality of dairy products sold to consumers are of a standard suitable for public health; (v) prescribing the types, grades and quantities of products imported, exported, produced and sold in Lesotho; and (vi) promoting and enhancing the development of the dairy industry in Lesotho.

2.3. Public Agriculture Infrastructure

The following infrastructure can be found in Lesotho, i.e. Silos; Agricultural Showground; National Abattoir; Chicken slaughter; Abattoir/slaughter houses; Laboratory for vegetables or animal production; Research station with different laboratories; seed testing laboratory, soil testing laboratory, plant protection laboratory, gene bank, food technology laboratory; Seed production centre; and 7 Farmers Training centres.

2.3.1. Irrigation Schemes

Although Lesotho abounds in water resources, there are not many irrigation schemes and an insignificant percentage of land is under irrigated agriculture. Most of the irrigation schemes, which were built through donor assistance, have not been sustainable with most collapsing after the pulling out of donors. There are several small schemes that are still in existence though, some of them managed by private farmers with some assistance from government in terms of irrigation infrastructure, and those run by NGOs. For example, currently Catholic Relief Services in collaboration with World Vision and CARE Lesotho are running an irrigation project in some districts in the highlands of Lesotho.

Irrigation systems (mainly sprinkler systems) have mostly been inappropriate for operation by smallholder farmers in terms of cost and maintenance. As a result, farmer commitment and sustainability of the irrigation works have been poor (FAO, 2008). The more successful irrigation projects in Lesotho, such as the small-scale irrigation and water harvesting projects are based on individual approach to communally owned irrigation schemes, where farmers control the on-field crop production activities.

2.3.2. Vocational Training Centres

The MAFS provides agricultural education through two avenues, the Lesotho Agricultural College (LAC) which offers Diploma and Certificates in Agriculture and the Farmers’ Training Centres (FTCs), in the Department of Field Services, which play a pivotal role in the training of both farmers and district extension staff.

The Ministry of Education offers specialized tertiary agricultural education through the Faculty of Agriculture (FOA), the National University of Lesotho (NUL). The Faculty offers both Undergraduate and Post-graduate level programs under six major areas of specialization, i.e. Animal Sciences, Crop Sciences, Soil Sciences, Agricultural Extension, Agricultural Economics and Home Economics. Agriculture as a subject is also taught in high schools and other tertiary colleges.

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12 Information on the capacity of the listed infrastructure were not provided
3. PRIVATE SECTOR IN AGRICULTURE

3.1. Crop, Livestock, Fishing, Forestry and Game Farming Activities

3.1.1. Crop Farming

The main staple crops are maize, sorghum, wheat, peas and beans. Nearly 60% of Lesotho’s cultivated land is devoted to the production of maize, 20% to sorghum and 10% to wheat. It is the Government's objective is to improve food security by, among other things, increasing maize production to 140 000 tonnes, and wheat and sorghum output to 30 000 tonnes each in order to reduce the proportion of households with food insecurity from 36% to 32% within three years. Table 4 below shows the total area planted with cereals and the main crops during the 2005/06 cropping season in comparison with other years.


<table>
<thead>
<tr>
<th></th>
<th>2001/02</th>
<th>2002/03</th>
<th>2003/04</th>
<th>2004/05</th>
<th>2005/06</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beans</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Area Planted (ha)</td>
<td>9,788</td>
<td>12,362</td>
<td>9,261</td>
<td>11,465</td>
<td>30,975</td>
</tr>
<tr>
<td>Area Harvested (ha)</td>
<td>7,241</td>
<td>11,169</td>
<td>8,569</td>
<td>8,784</td>
<td>27,743</td>
</tr>
<tr>
<td>Output (Metric Tonnes)</td>
<td>4,360</td>
<td>3,701</td>
<td>4,831</td>
<td>2,464</td>
<td>8,772</td>
</tr>
<tr>
<td>Yield (Per Ha Planted)</td>
<td>0.60</td>
<td>0.33</td>
<td>0.56</td>
<td>0.28</td>
<td>0.32</td>
</tr>
<tr>
<td><strong>Maize</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Area Planted (ha)</td>
<td>145,762</td>
<td>137,585</td>
<td>129,436</td>
<td>120,111</td>
<td>180,078</td>
</tr>
<tr>
<td>Area Harvested (ha)</td>
<td>138,256</td>
<td>127,469</td>
<td>127,629</td>
<td>112,302</td>
<td>168,765</td>
</tr>
<tr>
<td>Output (Metric Tonnes)</td>
<td>111,205</td>
<td>85,032</td>
<td>80,998</td>
<td>78,739</td>
<td>86,290</td>
</tr>
<tr>
<td>Yield (Per Ha Planted)</td>
<td>0.81</td>
<td>0.67</td>
<td>0.63</td>
<td>0.70</td>
<td>0.57</td>
</tr>
<tr>
<td><strong>Peas</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Area Planted (ha)</td>
<td>5,463</td>
<td>3,275</td>
<td>2,709</td>
<td>2,803</td>
<td>2,038</td>
</tr>
<tr>
<td>Area Harvested (ha)</td>
<td>4,771</td>
<td>3,013</td>
<td>2,626</td>
<td>1,869</td>
<td>1,913</td>
</tr>
<tr>
<td>Output (Metric Tonnes)</td>
<td>3,041</td>
<td>1,302</td>
<td>1,498</td>
<td>946</td>
<td>1,360</td>
</tr>
<tr>
<td>Yield (Per Ha Planted)</td>
<td>0.64</td>
<td>0.43</td>
<td>0.57</td>
<td>0.51</td>
<td>3.20</td>
</tr>
<tr>
<td><strong>Sorghum</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Area Planted (ha)</td>
<td>30,035</td>
<td>26,442</td>
<td>29,366</td>
<td>30,953</td>
<td>34,421</td>
</tr>
<tr>
<td>Area Harvested (ha)</td>
<td>21,449</td>
<td>26,445</td>
<td>29,366</td>
<td>30,953</td>
<td>34,421</td>
</tr>
<tr>
<td>Output (Metric Tonnes)</td>
<td>11,919</td>
<td>11,953</td>
<td>11,482</td>
<td>18,572</td>
<td>10,320</td>
</tr>
<tr>
<td>Yield (Per Ha Planted)</td>
<td>0.38</td>
<td>0.45</td>
<td>0.39</td>
<td>0.60</td>
<td>6.170</td>
</tr>
<tr>
<td><strong>Wheat</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Area Planted (ha)</td>
<td>17,486</td>
<td>15,999</td>
<td>16,031</td>
<td>11,794</td>
<td>10,368</td>
</tr>
<tr>
<td>Area Harvested (ha)</td>
<td>16,675</td>
<td>15,770</td>
<td>15,699</td>
<td>10,411</td>
<td>10,959</td>
</tr>
<tr>
<td>Output (Metric Tonnes)</td>
<td>18,958</td>
<td>13,109</td>
<td>11,647</td>
<td>2,050</td>
<td>11,130</td>
</tr>
<tr>
<td>Yield (Per Ha Planted)</td>
<td>1.14</td>
<td>0.83</td>
<td>0.74</td>
<td>0.20</td>
<td>11.470</td>
</tr>
</tbody>
</table>

3.1.2. Livestock Farming

The livestock sub-sector consists mainly of cattle, sheep and goats. Lesotho’s main animal product activities relate to the production of wool and mohair, with almost all exported, particularly to South Africa. The current share of sheep, goats and cattle in total animal heads is about 41%, 31% and 28% respectively as shown in Table 5. However, the prevailing free grazing system has led to overgrazing of the palatable species and degradation of the natural pastures. The situation is exacerbated by the lack of sustainable grazing land management practices. Furthermore, livestock theft continues to be one of the serious problems faced by the farming communities, affecting not only the household asset base but also the seasonal land preparation practices. Other constraints affecting livestock productivity are due to poor animal health and husbandry, low conception rates, weak lambing and kidding, weaning and retarded growth.

Table 5: Livestock Population Size (2001-2005)

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cattle</strong></td>
<td>732,199</td>
<td>703,656</td>
<td>762,500</td>
<td>674984</td>
<td>690,859</td>
</tr>
<tr>
<td><strong>Sheep</strong></td>
<td>1,084,816</td>
<td>1,054,787</td>
<td>1,052,590</td>
<td>1,033,633</td>
<td>1,112,874</td>
</tr>
<tr>
<td><strong>Goats</strong></td>
<td>826,624</td>
<td>799,903</td>
<td>799,879</td>
<td>775,641</td>
<td>852,374</td>
</tr>
<tr>
<td><strong>Pigs</strong></td>
<td>135,061</td>
<td>135,061</td>
<td>102,824</td>
<td>106,257</td>
<td>108,376</td>
</tr>
</tbody>
</table>
The development of commercial poultry in Lesotho began a few years after independence. Until then, Lesotho imported all its poultry products from South Africa. Lesotho is 80% self-sufficient in eggs but imports of chicken meat are significant.

3.1.3. Forestry and Forest Products

The country's forest resources are extremely limited, with a total of 140 km² in forest plantations (about 0.2 percent of arable land), and are managed by the government. It also has very small and isolated patches of remaining indigenous forest, mostly in remote areas. Due to the lack of available firewood and building materials, the government has encouraged plantations of exotic species like pine and eucalyptus and developed a forestry policy and forest service. More recently, local communities have been encouraged by the government, local and international NGOs to establish reserves and reforestation projects using indigenous species.

3.2. Farmers' Organisations

There are a number of farmers' organisations that represent the interest of the various groups of farmers. They are mostly involved in policy formulation, supply of inputs, training, and marketing among other functions. The key farmers' organisations and their respective mandates are summarised in Table 6.

Table 6: Farmers' Organisations and their Objectives

<table>
<thead>
<tr>
<th>Farmers Organizations</th>
<th>Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sankatana Co-operative Alliance of Lesotho (SACALE), 2003</td>
<td>• It is the apex co-operative organisation and has 12 secondary co-operatives with a total of 13,000 members.</td>
</tr>
<tr>
<td>Lesotho Horticultural Farmers' Association (LEHOFA)</td>
<td>• Promotion of commercial horticulture</td>
</tr>
<tr>
<td></td>
<td>• Represent the horticultural farmers in policy formulation</td>
</tr>
<tr>
<td></td>
<td>• Represent the horticulture farmers in national meetings</td>
</tr>
<tr>
<td></td>
<td>• Training horticulture association in running of associations</td>
</tr>
<tr>
<td></td>
<td>• Training horticulture farmers in good agronomic practices</td>
</tr>
<tr>
<td></td>
<td>• Assisting horticulture farmers in finding inputs e.g. seedlings</td>
</tr>
<tr>
<td></td>
<td>• Assisting horticulture farmers in finding markets for their produce</td>
</tr>
<tr>
<td></td>
<td>• Seeking donor funds for members</td>
</tr>
<tr>
<td>Lesotho National wool and mohair growers association (LNWMGA)</td>
<td>• 18,000 members</td>
</tr>
<tr>
<td></td>
<td>• Advice on improved techniques for wool and mohair production</td>
</tr>
<tr>
<td></td>
<td>• Assist wool and mohair farmers in marketing their products as a group to reduce marketing and other costs.</td>
</tr>
<tr>
<td>Basotho Poultry Farmers a Association</td>
<td>• Empower poultry farmers in protecting and promoting their interests</td>
</tr>
<tr>
<td></td>
<td>• Coordinate the marketing of eggs and chicken meat</td>
</tr>
<tr>
<td></td>
<td>• Represent poultry farmers inside and outside the country</td>
</tr>
<tr>
<td></td>
<td>• Participate in policy formulation in relation to import and export of poultry products</td>
</tr>
<tr>
<td></td>
<td>• Undertake research in modern poultry farming methods</td>
</tr>
<tr>
<td></td>
<td>• Assist poultry farmers in accessing day-old chicks and poultry feeds</td>
</tr>
<tr>
<td></td>
<td>• Organise study tours and visits inside and outside the country for poultry farmers</td>
</tr>
<tr>
<td>Lesotho National Dairy Farmers Association</td>
<td>• Promote commercial dairy farming</td>
</tr>
<tr>
<td></td>
<td>• Advocacy for dairy farmers in terms policy formulation</td>
</tr>
<tr>
<td></td>
<td>• Train dairy associations in running of associations</td>
</tr>
<tr>
<td></td>
<td>• Train dairy farmers in good dairy practices</td>
</tr>
<tr>
<td></td>
<td>• Assist dairy farmers in purchasing inputs in bulk</td>
</tr>
<tr>
<td></td>
<td>• Assist dairy farmers to market their products</td>
</tr>
<tr>
<td></td>
<td>• Represent dairy farmers in the Lesotho National Dairy Board</td>
</tr>
<tr>
<td></td>
<td>• Represent dairy farmers in the Lesotho Dairy Products Company</td>
</tr>
</tbody>
</table>
3.3. Other Private Organisations Providing Support to Farmers

NGOs are also active in the agricultural sector. They are mostly involved in ensuring food security, food aid, conservation agriculture and promoting innovations in agriculture. The types of NGOs, their main areas of activity and objectives are shown in Table 7.

Table 7: Types of NGOs, their Main Areas of Activity and Objectives.

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Main Areas of Activity and Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serumula Development Association</td>
<td>It is involved in activities such as water harvesting, potato production, wool and mohair improvement, handicrafts, mohair spinning and grass products. The main objectives of this association include:</td>
</tr>
<tr>
<td></td>
<td>• Promoting innovations for small scale farmers to increase food and income security.</td>
</tr>
<tr>
<td></td>
<td>• Strengthening capacities of NGOs, CBOs, Rural training centres and private sector enterprises in order to institutionalize approaches in servicing the needs of small scale farmers in developing models for sustainable agriculture and rural development.</td>
</tr>
<tr>
<td></td>
<td>• Promoting communication, mutual understanding, learning processes and networking so as to improve the cultural, psychological and sociological fundamentals for a transformed knowledge based sector.</td>
</tr>
<tr>
<td></td>
<td>• Promoting and facilitating participation of communities in planning, implementation and evaluation of their development projects in order to manage their own development initiatives.</td>
</tr>
<tr>
<td></td>
<td>• Developing community capacity, especially among women and the youth in life skills, family and community values as well as sensitive and responsible leadership.</td>
</tr>
<tr>
<td>Rural Self-Help Development</td>
<td>Involvement in HIV / AIDS and food security, agriculture (developing and promoting conservation tillage and legume technologies) and animal production (dairy farming, poultry production), income generation activities and training. FAO has also been sponsoring RSDA activities in the context of water conservation projects.</td>
</tr>
<tr>
<td>Association (RSDA)</td>
<td></td>
</tr>
<tr>
<td>CARE SA-Lesotho</td>
<td>Addresses vulnerability at household level.</td>
</tr>
<tr>
<td>The Lesotho Red Cross</td>
<td>Organises procurement of food aid for emergencies from various humanitarian agencies.</td>
</tr>
<tr>
<td>World Vision International (WVI)</td>
<td>This NGO is concerned with transformational development that is community based and sustainable. They particularly focus on the needs of children by:</td>
</tr>
<tr>
<td></td>
<td>• Enhancing food security of the poor and households affected by HIV/AIDS.</td>
</tr>
<tr>
<td></td>
<td>• Improving and maintaining nutritional status,</td>
</tr>
<tr>
<td></td>
<td>• Protecting productive assets from negative coping strategies such as sale of land or implements including non-productive assets, and</td>
</tr>
<tr>
<td></td>
<td>• Supporting households and communities to strengthen their resilience to current and future food security shocks</td>
</tr>
<tr>
<td>Gardening for Rural Organisation</td>
<td>Promotes environmental activities and trains farmers in soil conservation, soil and water management. In water management, farmers are trained in irrigation through demonstrations on the importance of soil and water management.</td>
</tr>
<tr>
<td>and Well-being (GROW)</td>
<td></td>
</tr>
<tr>
<td>Catholic Relief Services</td>
<td>Respond to the food crisis by providing emergency rations to food insecure families, and to help church structures develop their capacity to respond to future crises.</td>
</tr>
<tr>
<td></td>
<td>Develop responses to the HIV and AIDS epidemic.</td>
</tr>
<tr>
<td>PELUM Lesotho</td>
<td>PELUM association is a regional network of civil society organizations involved in sustainable agriculture, natural resources management and household food security. PELUM Lesotho now has a network of 41 farmers</td>
</tr>
<tr>
<td></td>
<td>• to build the capacity of farming and rural community groups in order to enable them to accumulate ecological skills,</td>
</tr>
<tr>
<td></td>
<td>• stimulate farmer learning and inspire experimentation and innovation in their quest to achieve food security.</td>
</tr>
</tbody>
</table>
3.4. Trade in the Food Sector
3.4.1. Agro-Industries

The main agro-processing activities in Lesotho are milling and brewing. The main industries are, Lesotho Flour Mills (49 percent government owned), the Lesotho Milling Company (40 percent government owned), Lesotho Farm Feed Mills, Maluti Dairy Maid and Basotho Canners. It was reported that the following areas need to be explored as a potential to increase the agro processing potential of Lesotho, poultry meat slaughtering and processing, small-scale processing of milk and diversification of products, including organics, fruit and vegetable processing (canning, drying, freezing), organic products market processing, certified seed production (potato seed production) and wool and mohair processing and product design.

Several strategies have been proposed for developing these agro-industries and these include; identification of sector specific business environment issues and development of programmes to address related constraints; identification and undertaking feasibility studies where opportunities exist for agro-industry development for specific crops and livestock products; and development of appropriate institutions to be responsible for the identification of technologies that are already widely used in agro-industries and to develop and implement strategies to facilitate transfer and adaptation.

3.4.2. Imports and Exports

Lesotho is a net importer of food. It imports almost 50% of its domestic food requirements. The private sector through supermarkets and other food stores, are the predominant players in food trade. Table 8 depicts general trade in the food sector in Lesotho for 2007 for selected commodities.

Table 8: Main Agricultural Exports and Imports

<table>
<thead>
<tr>
<th>Imports</th>
<th>('000) t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maize</td>
<td>7600</td>
</tr>
<tr>
<td>Maize flour</td>
<td>9915</td>
</tr>
<tr>
<td>Wheat flour</td>
<td>4371</td>
</tr>
<tr>
<td>Rice</td>
<td>5070</td>
</tr>
<tr>
<td>Fruit (kg)</td>
<td>39,435,142</td>
</tr>
<tr>
<td>Vegetables (kg)</td>
<td>13,499,286</td>
</tr>
<tr>
<td>Edible oil and oilseed</td>
<td>1563</td>
</tr>
<tr>
<td>Potatoes</td>
<td>7500</td>
</tr>
<tr>
<td>Fish</td>
<td>2000</td>
</tr>
<tr>
<td>Sheep</td>
<td>90000</td>
</tr>
<tr>
<td>Cattle</td>
<td>10000</td>
</tr>
<tr>
<td>Meat-chicken</td>
<td>4000</td>
</tr>
<tr>
<td>Dairy(cow milk, whole, fresh)</td>
<td>4300</td>
</tr>
<tr>
<td>Spices</td>
<td>1200</td>
</tr>
<tr>
<td><strong>Exports (2006/2007)</strong></td>
<td></td>
</tr>
<tr>
<td>Wool (kg)</td>
<td>2,193,966</td>
</tr>
<tr>
<td>Mohair (kg)</td>
<td>296,674</td>
</tr>
</tbody>
</table>
NATIONAL AND REGIONAL AGRICULTURAL POLICIES

4. NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1. General Overarching Framework Documents

4.1.1. Vision 2020

The Government launched a long-term national plan called Vision 2020 to guide economic development in the next 20 years. It states: “By 2020, Lesotho shall be a stable democracy, a united, prosperous nation at peace with itself and its neighbours. It shall have a healthy and well developed human resource base. Its economy will be strong, its environment well managed and its technology well established”.

4.1.2. The Lesotho Poverty Reduction Strategy (PRSP)

The Government’s development agenda, the priorities and strategies for promoting economic growth and reducing poverty are outlined in the Poverty Reduction Strategy Paper (PRSP). It contains medium-term objectives and strategies to address the major challenges facing the country.

These challenges are (i) HIV and AIDS which is devastating the nation’s human resource base; (ii) employment creation and income generation; (iii) improving food security; (iv) developing infrastructure; (v) deepening democracy, governance, safety and security; (vi) improving the quality of and access to education and health services; (vii) managing and conserving the environment; (viii) improving service delivery; and (ix) addressing gender-based discrimination that limits women’s access to productive resources such as credit and land that are necessary for their participation in development.

With respect to agriculture, the following strategies have been proposed in the PRSP:

- Adoption of appropriate farming practices. The policy focus will be on crop diversification and substitution; encouragement of field crops in areas that are agro-ecologically suitable;
- Exploration of opportunities for block farming, especially in the lowlands areas; promotion of commercialisation of agriculture; and introduction of improved agricultural technologies;
- Development of appropriate irrigation, especially low-cost, gravity-fed systems while at the same time exploring opportunities for larger scale irrigation;
- Incorporation of agro-forestry practices into all scales of farming systems;
- Strengthening and decentralisation of extension services;
- Ensuring an efficient and standardised land tenure system;
- Encouragement of appropriate animal husbandry practices and fodder production; and
- Improvement of range management through community associations and improved veterinary services.

4.1.3. Agriculture

The government of Lesotho recognizes agriculture as a key production sector for economic growth, employment, income generation and provision of food security, hence it is committed to the promotion of a strategy that reflects Lesotho’s comparative advantages and ensure that growth policies target the poor directly, through programmes that address production at household level.

Currently, the general direction is towards a more liberal marketing policy to achieve private sector driven and economically efficient agricultural development. The Government is moving agricultural production and marketing policies away from a highly regulated inward-looking strategy towards a liberalized outward-oriented market environment within an integrated regional economy.
Through its agricultural policies, the government aims to move away from a self-sufficiency strategy to a food security strategy scenario. Its main strategies are targeted at (i) reversing land degradation and increasing its productivity through irrigating suitable lands adjacent to water catchments, rivers and lakes; changing crop mix from the traditional crops with low cash values towards high value commercial crops; (iii) making agriculture a full time occupation, complementing reforms with efficiency gains from block farming to the productive benefits of mechanization; (iv) using modern business management skills including marketing in farming; (v) increasing productivity of livestock through stronger reforms in range management; and (vi) improving livestock management, feeding and culling and introducing reforms to commercialize the livestock sector.

The 2 policy documents, the Agricultural Sector Strategy and the Lesotho Food Security Policy elaborate on the strategies for the development of the agricultural sector. Overall, the Agriculture Sector Strategy has six goals, i.e. (i) improved food security; (ii) poverty reduction; (iii) sustainable environmental management and conservation; (iv) improved efficiency of production; (v) improved income distribution; and (vi) increased share of agriculture in GDP.

The goal of the Lesotho Food Security Policy is to halve the number of undernourished people in Lesotho with respect to year 1990. The main objectives are to improve the adequacy and stability of access to food at household and national level; and to improve the utilisation of food at household level. The main strategies include: (i) promotion of agricultural and food production; (ii) employment promotion to ensure sufficient and stable access to food; and effective monitoring of the impact of employment policies on food security; (iii) promotion of infrastructure and services to support livelihoods; (iv) promotion of public transfers and social safety nets; (v) mainstreaming HIV/AIDS within the food security policy; (vi) effective management of commercial imports, food aid deliveries and food stocks; (vii) promotion of improved utilisation of food at household level; (viii) development of improved food security and vulnerability information systems, and (ix) strengthened institutional framework for implementing, monitoring and evaluating food security measures.

4.2. Agricultural Policies and Strategies

4.2.1. Land Infrastructure

4.2.1.1. Land Ownership and Land Titling

Since land resources are scarce in Lesotho, policy focus has shifted to promoting optimal utilization through improved security of land tenure, the adoption of conservation measures and investment in land improvement. Land tenure reform, although a priority, has made little progress so far. In this connection, inadequate property rights for land are a serious obstacle to the modernization of the agriculture sector. Beyond the agriculture sector, delays in land tenure reforms are also an obstacle to financial intermediation in the whole economy, since land cannot be used as collateral.

Since 2008, the Millennium Challenge Corporation (MCC) is supporting land administration reform activities, through the new land bill. This revised Land bill is now under discussion by Parliament. The Revised Bill advocates that agricultural land should be under lease hold so that farmers who cannot productively use the land can formally rent it to those who can optimally use it. If it passes, the Bill has the potential for encouraging conservation investments on agricultural land and promoting commercial agriculture, both of which have been hailed as some of the panaceas for low agricultural productivity in Lesotho.

4.2.2. Livestock Policies and Strategies

4.2.2.1. Livestock Production

The main objectives of policies in the livestock sector are to (i) increase sustainable income from livestock production using sustainable practices appropriate to natural resources endowments; (ii) encourage national coverage of efficient, economic and appropriate animal health services, and (iii) contribute to increased livestock output through sustainable use of rangelands.
4.2.2.2. Rangelands

The livestock sector depends on the rangelands. However, the rangelands are being degraded as a result of poor grazing control. In this context the range management policy aims at regenerating rangelands through the development of Range Management Areas (RMAs) and Community Councils. The RMAs are large areas assigned for groups of villages under the jurisdiction of Principal Chiefs and forming the basis for grazing control. Animal owners and non-owners from several villages group themselves into grazing associations, and if they are in the cattle post areas the Principal Chief allocates land to the grazing association; if they are from areas where there are no cattle posts, the community councils allocate a grazing area to the association. The land is used by both association and non-association members; non-association members however have to follow the rules and regulations of associations. The grazing associations work together with the community councils/Principal Chiefs to manage the rangelands and conserve biodiversity.

The department of Agriculture is in the process of establishing shepherd associations so that problems of burning of rangelands (often created by shepherds) and improper use of these lands can be eliminated. It is currently training shepherds on the management, importance and benefits of conserving the rangelands. On non-RMA areas, the department assists communities by surveying the rangelands and advising them on proper demarcation of the land for rotational grazing purposes.

4.2.3. Rural Roads and Other Rural Infrastructure

The 2006 Transport Sector Policy (TSP) is the latest policy document for the sector. Its overall policy is: “Government will provide an enabling environment for efficient, cost effective and safe transport, within Lesotho, regionally and internationally, to facilitate the sustainable development of the economy, social services and of the population in general”. This overall policy is supported by thirteen sub-policies that provide a framework for its implementation. These sub-policies are supported by a set of identified activities to ensure their effectiveness and these activities include *inter alia*:

- Planning for an integrated transport system for the entire country, using all modes in complimentary roles, to serve the economy and the population at large, in both the urban and rural context, with the appropriate level of service;
- Ensuring the maintenance of existing transport infrastructure, as a priority to protect the enormous previous investment in this valuable commodity;
- Rationalising where necessary, and upgrading or extending where justified, transport infrastructure, in accordance with the planning for the integrated transport system;
- Facilitating safe and efficient international movement of goods and persons by air, rail and road transport, through the development and implementation of multi-lateral and bi-lateral international agreements;
- Facilitating, promoting and enabling private entrepreneurs to provide the transport infrastructure and services necessary to meet demands of the economy and the population for transport in each of the modes, on a commercial, competitive, transparent and accountable basis;
- Applying, as far as possible, cost recovery principles to ensure that direct operating and maintenance costs for facilities and services are recovered through direct charges, as the main key to sustainability; and
- Investigating and where appropriate, developing intermediate and non-motorised forms of transport, especially where these can enhance the quality of life for the rural and urban poor.

4.2.4. Natural Resources Policies and Strategies

4.2.4.1. Water and Irrigation

In recognition of the significance of irrigation in improving production and productivity of the agricultural sector and its role in addressing food insecurity, the Government produced a draft irrigation policy document in 2007. It aims to establish irrigated agriculture that is economically, socially, technically and environmentally justifiable on all irrigable land.

The objectives of the policy are to (i) establish demand led smallholder irrigated plots; (ii) expand capacity to establish and manage irrigation systems; (iii) establish more formal commercial irrigation schemes; (iv)
expand participation of the private sector; an (v) identify and research appropriate irrigation technologies including technologies based on conservation and water harvesting technologies.

### 4.2.4.2. Forestry

As an indication of government’s commitment to redress deforestation, a new fully-fledged government ministry has been created to address forestry related problems. The objectives of the policies are to promote sustainable, efficient and productive management of forest resources so that they provide a long term, environmentally sound contribution to livelihoods through diversified forest products and employment opportunities.

### 4.2.4.3. Conservation Farming

In the last three years, there has been increased focus by the Ministry of Agriculture and Food Security (MAFS) to promote conservation agriculture in order to address issues central to the livelihoods of the rural community. The main objectives are to:

- Promote multipurpose conservation agriculture cropping systems;
- Support integration of crop and livestock production;
- Reduce pressure on removing biomass from fields for livestock fodder & fuel wood;
- Ensure vulnerable and marginalised groups have access to extension and research;
- Support low cost farming system; low use of external inputs, enhanced use of manual farm implements, and integrated pest management systems;
- Promote use of cover crops as food, for fodder and cash;
- Minimise risks to adopters of technology hence provide social safety nets;
- Encourage formation of groups and ensure linkages with programmes on watershed protection and management;
- Increase awareness on potential benefits of decreased tillage and increased use of cover crops;
- Strengthen local governance institutions and promote farmer-farmer learning;
- Re-package conservation agriculture to suit Lesotho’s situation; and
- Introduce the system in phases to facilitate its adoption.

### 4.2.4.4. Fisheries (Inland)

Lesotho being a land locked country has no marine fisheries. Regulation of inland fisheries is covered under the Basutoland Fresh Water Fish Proclamation (1951). Among other areas covered in this proclamation are: (a) closed seasons and prohibited fishing; (b) use of explosives; (c) prohibited means of capturing fish; (d) damaging property for purpose of taking fish; and (e) obstruction of water. In addition, the legislation provides penalties for all areas addressed.

Fisheries development in Lesotho has been mainly through the promotion and implementation of aquaculture, with a smaller portion of the industry geared towards recreational fishing. Capture Fisheries is negligible in Lesotho. There is little monitoring of the fisheries done. The main goal for Capture Fisheries development is to manage the fisheries in rivers and reservoirs to ensure that they are exploited on an ecologically sustainable basis and to maximize economic returns from such fisheries.

### 4.3. Support Services for Farmers

Inputs access has been identified by previous studies as a problem inhibiting agricultural production due to, among other things, lack or untimely availability and lack of capital. To promote easy access to inputs, government, through MAFS, has been promoting the private sector’s participation in input distribution. Also, the MAFS from time to time provides inputs subsidies. For example, during the marketing year of 2006/07, 3998 tons of chemical fertilizers were subsidized.
4.3.1. Inputs Provision

With a view to ensure the availability of quality seed of various crops to farmers in an efficient and sustainable manner in order to enhance crop productivity and food security, the government has recently drafted a seed policy. This will promote the development of an integrated seed industry that involves both the formal and informal seed supply systems as well as to create a functional and efficient organizational set up to facilitate linkages and coordination in the industry. The main objectives of the policy are to:

- Develop an effective and sustainable seed system of producing and supplying high quality seeds of important crops to satisfy national requirements;
- Promote the development of an integrated seed industry involving both the formal and informal seed supply systems;
- Create functional and efficient organizational set up to facilitate linkages and coordination in the industry;
- Provide legislation for seed control, imports and exports, plant protection quarantine, variety protection and other issues;
- Streamline and enhance germplasm development, variety evaluation, release, dissemination and registration and maintenance procedures in the country;
- Promote the conservation and utilization of plant genetic resources;
- Forge strategic partnerships and linkages with international institutions or organizations which enhance seed industry development; and
- Promote public and private sector partnerships in service delivery within the seed sector.

4.3.2. Mechanisation

The objective of this scheme is to provide traction power at subsidised rates to enable rural people to plough on time, and to save them money which can be used for other aspects of their livelihoods.

4.3.3. Micro-Credit

Credit facilities however have been very scarce since the closure of the agricultural development bank, and they are often limited to special projects, savings and loans associations and burial societies. The Government established the Lesotho Post Bank in 2004 with the main objective of providing financial services to those excluded from the formal financial system. However, the bank is currently only permitted to accept deposits and undertake transfers and payments – but not to extend loans. Therefore, the Government, in conjunction with IFAD, has launched a Rural Financial Intermediation Programme (RUFIP). This includes the following core components:

- Development of member-based financial institutions;
- Capacity building of financial cooperatives;
- Capacity building of rotating saving and credit groups (RSCGs);
- Capacity building of informal financial groups;
- Facilitating the rural outreach of formal financial institutions;
- Capacity building of the Lesotho PostBank so that it can provide a range of loan facilities;
- Linkages between commercial banks and financial groups and cooperatives; and
- Developing an enabling environment for the development of rural and micro financial services.

The Central Bank of Lesotho also issues credit to associations. The management of the Bank has recently approved the establishment of a rural savings and credit guarantee fund, which is aimed at sharing credit risks faced by the commercial banks and facilitating access to credit by rural savings and credit groups.

4.3.4. Agricultural Research

Research has a role of improving access to viable agricultural technologies suitable for a range of conditions and oriented at both subsistence and commercial agriculture. This can be achieved through
the incorporation of modern systems of identifying research needs, implementing research programmes and disseminating research results. The department has the following objectives are to:

- Develop agricultural technologies for improved and sustainable agriculture;
- Transfer relevant scientific knowledge and information to all stakeholders for sustainable development of agriculture;
- Formulate a strategy to respond to current and future policy issues on agricultural development of agricultural research and development;
- Co-orderate and direct national agricultural research activities and system for improved service delivery to stakeholders;
- Develop legislation for protection of released technologies, import control of agricultural chemicals and plant genetic material;
- Provide laboratory, phytosanitary, quarantine, consultancy and other relevant services to all agricultural stakeholders; and
- Strive for improvement and strengthening of linkages amongst research, extension, farmers, other MOA departments, NGOs and other ministries and the private sector.

4.3.5. Agricultural Extension

The MAFS through the Department of Field Services continues to provide the service of training to extension workers for effective delivery of the services. The extension services are free. The department has the aim of developing a single extension system known as Unified Extension System (UES), which provides extension officers with a common approach to farmers. It is based on the concept of participation where farmers identify their own problems and try to solve them on their own and ask for specialist assistance when necessary.

4.3.6. Direct Farming by the Government

It is the Lesotho Government’s policy to disengage in agricultural production. Over the past years, several state-owned farms have been either privatised or liquidated. 16 enterprises have been identified in the agricultural sector for divestiture. These are the national abattoir, the feedlot, the cannery, Mejametalana vegetables farm, woolsheds, Mokhotlong and Quthing sheep studs, Thaba-Tseka national stud farm, National pig breeding farm, Botsabelo dairy farm, Tsakholo fish farm, Forestry sale yards and treatment plants, poultry plant, woodlots, veterinary services.

4.4. Emergency and Disaster Preparedness

4.4.1. Disaster Management

The Disaster Management Authority (DMA) which coordinates disaster issues has three working groups: (i) Water and Sanitation, (ii) Health and Nutrition and (iii) Food and Logistics and Agriculture and Food Security. Together with the Bureau of statistics, and the MAFS, DMA undertakes the crop forecasting exercise to estimate the production figures before harvesting.

4.4.2. Early Warning Systems

The early warning unit works with stakeholders to provide information warning. The unit releases a monthly bulletin which provides information on likely outbreaks of pests, drought, snow etc. Information on likely food shortages is also provided.

4.4.3. Vulnerability Assessment Committee

The Lesotho Vulnerability Assessment Committee (LVAC) has been established and institutionalised within the Disaster Management Authority (DMA) in the Prime Minister’s office. It collects vulnerability information brought about by natural and economic causes and presents this information to users who then make necessary plans to minimise the possible impact of these situations.
4.4.4. Food Reserves

Since 1997, Lesotho has deregulated food markets, and this has led to increase in food imports and lower consumer prices. The general outcome of the food market has been increased physical availability of food products, including staple maize, on the domestic market. Because of a well functioning food market, the government of Lesotho prefers to hold financial reserves as opposed to physical strategy reserves for emergency purposes.

4.4.5. Safety Nets

In November 2004, the Government introduced a state pension for all Basotho over 70 years of age of Maloti $13$ 150 per month. In 2009, the pension was increased to M300 per person. The total number of beneficiaries is around 70,000.

4.5. Trade Related Issues

4.5.1. Price Setting Mechanisms

Previously prices of basic commodities like eggs, bread, meat, poultry, dairy products, wool and mohair, fruits and vegetables, oilseed, pulses, hides and skins and sugar were protected. However, since 2004 most prices of food commodities are no longer controlled.

4.5.2. Sanitary and Phyto-Sanitary Measures

With respect to livestock sanitary and phytosanitary regulations, the key provisions are Proclamation 57 (1952) “Importation of Livestock and Livestock Products” governing import and export of animals and animal products, and the “Stock Diseases Proclamation (Amendment) 1984”.

There is also Legal Notice No. 27 of 1972 as well as Legal Notices Nos. 196 and 141 of 1992 and 35 of 1993 for dairy products, and 35 of 1969 for poultry meat, live poultry, and eggs. Proclamation No. 57 of 1952 states that animals or animal products may be imported or exported only under a permit issued by the Department of Livestock Services to a person designated by the Department.

The Stock Diseases (Amendment) Act of 1984 is targeted at preventing the introduction of and spread among livestock in Lesotho of any disease that is specified in the regulations. It regulates the importation of livestock from outside the country and controls the movement of livestock within the borders. The Act also provides for the notification of disease outbreaks within the country and gives power to the Minister of Agriculture to appoint inspectors to carry out inspection of livestock. Under this Act, inspectors can detain, isolate, test, inoculate, remove, brand, dip, or remove livestock, and levy charges on livestock owners.

4.5.3. Food Safety and Nutrition

The Food Standards and Quality Assurance Section of the Ministry of Trade is mandated to ensure compliance with food safety, health and other requirements through monitoring of import and export commodities. Although the section is also not so effective, it is in the process of establishing the Food Control System. In addition the ministry of Health through its Environmental Health Division under the Public Health Order No. 12 of 1970 is mandated to inspect all food selling facilities.

All agricultural products imported into South Africa - including those for re-export to Lesotho - must satisfy standards and certain marking requirements such as the name of the product, country of origin, true description of the contents and the name and address of the importer. These standards and requirements are set by the South African Department of Agriculture. Lesotho benefits from the enforcement of these standards as well as those stipulated in the Agricultural Products Standards Act of South Africa. Lesotho has a draft bill on standards which is still to be enacted.

---

13 The official currency of Lesotho is the Maloti which is on a 1 to 1 exchange rate with the South African Rand
4.6. Other Related Policies

Table 9: Summary of Policies in the Lesotho Agricultural Sector

<table>
<thead>
<tr>
<th>Priority</th>
<th>National agric. Sector policy</th>
<th>Strategic objectives</th>
<th>Responsible ministry other than MOAFS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Food Security</td>
<td>Emergency response mechanisms linked to development activities improved and implemented</td>
<td>DMA, FNCO etc.</td>
</tr>
<tr>
<td></td>
<td>Poverty alleviation</td>
<td>Diversified agricultural production (spreading risk) More efficient subsistence agricultural practices Employment creation (wage labor and labor intensive techniques Improved access to inputs Reduce impact of HIV/AIDS Improved marketing facilities Reduced output instability Non-farm rural activities promoted esp. processing</td>
<td>MTICM MFLR MOLG</td>
</tr>
<tr>
<td></td>
<td>Sustainable environmental management and conservation</td>
<td>Sustainable land use Incorporation of trees into farming system</td>
<td>MFLR MFLR</td>
</tr>
<tr>
<td>2</td>
<td>Efficiency</td>
<td>Agricultural production diversified (switching crops) Improved credit availability Appropriate land use Land tenure reformed Sustainable land use Improved productivity (efficiency) Agric. Commercialization &amp; privatization Improved marketing facilities Promote efficient resources utilization (comparative advantage</td>
<td>CBL LUP MOLG MFLR MTICM</td>
</tr>
<tr>
<td>3</td>
<td>Improved income distribution</td>
<td>Employment creation for poor groups Non-farm rural activities promoted, esp. processing</td>
<td>MOLG</td>
</tr>
<tr>
<td>4</td>
<td>Improved share of agricultural GDP</td>
<td>Increased output improved access to inputs Improved credit availability Improved marketing facilities Agricultural commercialization improve marketing facilities Promote efficient resources utilization Reduce output instability Increase linkages with other sectors Improve utilization of trade opportunities</td>
<td>MTICM MTICM MOFLR</td>
</tr>
</tbody>
</table>

5. EXISTING REGIONAL POLICIES

Most of the stakeholders are aware of the majority of existing regional protocols, progress made regarding their implementation and factors that have contributed to their failures and successes. However, very few stakeholders could comment on the effectiveness of existing policies given that most of these policies have not yet been implemented. Nevertheless, some salient issues were raised regarding constraints, successes and lessons learnt that could be used as building blocks in the development of the RAP. Table 10 summarises the stakeholders’ knowledge of SADC’s agriculture-related policies, as well as their views on what these policies have achieved.
Table 10: Stakeholders’ Knowledge and views on SADC Agricultural Related Policies

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Implementation</th>
<th>Effectiveness</th>
<th>Constraints</th>
<th>Successes</th>
<th>Lessons learnt for effective regional policies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protocol on shared water courses</td>
<td>The protocol is being implemented by countries sharing Senqu and Zambezi rivers</td>
<td>Effectiveness is enhanced through the ORASECOM and ZAMCOM commissions</td>
<td>• Lack of legally binding instruments</td>
<td>• Continuous consultation with relevant stakeholders</td>
<td>Development of better enforcement mechanisms</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Lack of resources, commitment and political will</td>
<td>• In-stream flow requirement maintained</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Poor implementation due to lack of enforcement mechanisms</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control of Animal Diseases and Plant Pests and Diseases</td>
<td>SADC livestock technical committee and its subcommittees have been set up</td>
<td>• Very effective, et. common small animal permit system</td>
<td>• Illegal cross-border exchange of livestock and livestock products</td>
<td>• Frequent LTC meetings Committee of stakeholder Ministries formed</td>
<td>• Importance of communication</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Implementation of SPS issues</td>
<td>• Inadequate human resources, especially at ports of entry</td>
<td>• Good communication system in place in terms of animal diseases and production</td>
<td>• Need for law enforcement and inter-Ministerial cooperation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Liaison committees not fully functional</td>
<td></td>
<td>• Political will</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Control on country borders</td>
</tr>
<tr>
<td>Seed Policy</td>
<td>The Seed Policy and Seed Act have been drafted</td>
<td>Partly effective but awaiting endorsement</td>
<td>• Lacking regulatory framework</td>
<td>Minimal</td>
<td>Priorities on agreed protocols and treaties should be well set</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Infrastructure</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Inadequate human resources (magnitude and expertise)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Table 10 (Cont): Stakeholders’ Knowledge and views on SADC Agricultural Related Policies

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Implementation</th>
<th>Effectiveness</th>
<th>Constraints</th>
<th>Successes</th>
<th>Lessons learnt for effective regional policies</th>
</tr>
</thead>
</table>
| **Free Trade Agreement (FTA)**    | Dissemination of information to business community and other stakeholders through workshops and publications | Some products are already being exported to the region as a result of FTA e.g. Lesotho biscuits exported to Zimbabwe | • Sugar-producing countries within SADC do not involve non-sugar-producing countries in decision-making  
• Many SADC member states delayed to reduce their tariffs in accordance with the agreed schedule  
• SADC’s rules of origin do not permit FTA arrangements for products whose inputs are from non-SADC countries. Flour from imported wheat. |           |                                                 |
| **Water Policy (2007)**           | Orange Senqu Commission formulated (Duties - water and wetlands management)    | Lack of information                                 | • Lack of information  
• Prior planning Agric season                                                                       |           |                                                 |
| **GMOs and biosafety**            | Not known                                                                      | Limited to information                              | Lacks coordination and therefore cannot address issues holistically.                                   | Focal point - NES |                                     |
| **SPS**                           | Limited progress                                                               | Partly effective                                    | Lacks enforcement                                                                                   | Use format has been harmonised | Difficult to enforce |


SYNTHESIS OF KEY NATIONAL AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

6.1. Policy Areas of High Priority

13 areas requiring policy harmonization at regional level have been identified, namely, seed and fresh produce standards, conservation of transboundary biodiversity/ecosystems, disease control, animal production, inputs acquisition, credit facilities, irrigation and processing plants infrastructure development, land tenure, NGOs budgetary allocations, specialization, trading costs and agricultural support programmes. Table 11 gives the priority areas for convergence, harmonisation and common policy identified by the country report.

Table 11: Policy Areas and Topics of High Priority for Convergence and Harmonisation

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Proposed Policy measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seed</td>
<td>Harmonisation of seed standards (e.g., export and import procedures)</td>
</tr>
<tr>
<td>Food Safety</td>
<td>Harmonization of standards for residue levels in fresh produce</td>
</tr>
<tr>
<td>Natural Resources</td>
<td>Integrated approach for conservation of indigenous species</td>
</tr>
<tr>
<td>Animal Disease control</td>
<td>Standardisation of legislation for control of TADs</td>
</tr>
<tr>
<td>Animal Feeds</td>
<td>Standards for commercial feed production</td>
</tr>
<tr>
<td>Inputs acquisition</td>
<td>Inputs subsidization scheme for small farmers</td>
</tr>
<tr>
<td>Credit facilities</td>
<td>Creation of land/agricultural banks</td>
</tr>
<tr>
<td>Irrigation</td>
<td>• Expansion of land under irrigation</td>
</tr>
<tr>
<td></td>
<td>• Develop irrigation facilities</td>
</tr>
<tr>
<td>Land Tenure</td>
<td>Allocate a percentage of arable land to be commercialized</td>
</tr>
<tr>
<td>Processing infrastructure</td>
<td>Develop processing plants</td>
</tr>
<tr>
<td>Agricultural support programs</td>
<td>• Subsidies of inputs for small farmers</td>
</tr>
<tr>
<td></td>
<td>• Harmonise agricultural support policies</td>
</tr>
<tr>
<td>SPS</td>
<td>Harmonise phytosanitary and quarantine procedures</td>
</tr>
<tr>
<td>Trade</td>
<td>Harmonisation of Industrial sector policies</td>
</tr>
<tr>
<td></td>
<td>Harmonisation of Trade policies</td>
</tr>
<tr>
<td></td>
<td>Harmonisation of Tariff policies</td>
</tr>
</tbody>
</table>

6.2. Rationale for the Proposed Policies

Although the currently debated Land Bill promises changes that have potential for promoting commercial agriculture, at the moment there is dire need to improve productivity of the little arable land the country has. Stakeholders believe that commercial agriculture has potential for improving agricultural production and productivity. Since not all of the available arable land is utilized productively (e.g. some of it remains fallow for years), stakeholders recommend that there be an agreement at regional level that a certain percentage of arable land be commercialized. This will bind countries to free up land, especially the land not being utilized productively, for commercial purposes.
Acquisition of agricultural inputs in terms of time and space is a huge challenge for small farmers. The challenge is created by, among other things, lack of capital to buy the inputs or at times, even if farmers have funds, untimely availability of such inputs, especially in areas of easy access, creates problems. To improve inputs access by small farmers, stakeholders recommend that there should be an agreed level of inputs subsidies at the regional level. Where farmers do not have capital, credit facilities agreed upon at the regional level must be made available. While acquisition of inputs is critical, it is even more important to acquire good quality inputs. In the case of seeds, stakeholders recommend harmonisation of seed standards.

Subjecting agriculture, especially crop production, to rainfall, is not sustainable especially now with the advent of climate change. To increase agricultural production, especially in the case of Lesotho which abounds in water resources, there should be a commitment at regional level to help countries develop requisite irrigation infrastructure. To promote private sector participation in the processing of agricultural products, there should be a concerted effort at the regional level to assist those countries with comparative advantage in processing certain agricultural products to develop requisite infrastructure.

Given that Lesotho is a net importer of agricultural products and that most of these imports come from the SADC region, it is important that such imports are of good quality. Stakeholders recommend that, among other things, the following standards should be harmonized:

- Residue levels on fresh produce (fruits & vegetables) to reduce health risks associated with such produce;
- Phytosanitary and quarantine procedures to prevent or control pests and diseases;
- Legislation on animal diseases; and
- Commercial feed production to ensure good nutrition of the animals.

Lastly, to ensure balanced and equitable distribution of benefits, trade policies (e.g. tariffs) should be harmonized.

7. **SUGGESTED OBJECTIVES FOR THE RAP**

The following draft objectives for the RAP were suggested by the participants at the Lesotho RAP Validation Workshop.

- To increase agricultural production and enhance commercialisation;
- To Reduce dependency on rain-fed agric production;
- To ensure seed security, access, availability, and quality;
- To ensure prevention and control of pests and diseases;
- To ensure balanced and equitable benefits;
- To create more employment opportunities; and
- To promote sustainable conservation and management of national resources.
THE REPUBLIC OF MADAGASCAR

MAP OF THE REPUBLIC OF MADAGASCAR
# THE REPUBLIC OF MADAGASCAR

**SUMMARY COUNTRY REPORT ON AGRICULTURAL AND RELATED POLICY REVIEW - 2009**

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14 Original Country Report was authored by MR. VICTORIEN RANDRIAMAHONINA and submitted to SADC in June 2009. Due to the political unrest in that country at that point, the consultant was not able to complete his work and no national validation workshop was undertaken to validate the work done. This report therefore is a partial report. The original report was written in French. This summary is derived from the English translation of the original French document.
<table>
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<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>ADRA</td>
<td>Adventist Development and Relief Agency</td>
</tr>
<tr>
<td>AFDI</td>
<td>Agriculteurs Français et Développement International</td>
</tr>
<tr>
<td>ANAE</td>
<td>Association Nationale d'Actions Environnementales</td>
</tr>
<tr>
<td>APIFM</td>
<td>Association Professionnelle des Institutions Financières Mutualistes</td>
</tr>
<tr>
<td>AVSF</td>
<td>Agronomes et Vétérinaires Sans Frontières</td>
</tr>
<tr>
<td>BCM</td>
<td>Banque Centrale de Madagascar</td>
</tr>
<tr>
<td>BNGRC</td>
<td>Bureau National de Gestion des Risques et des Catastrophes</td>
</tr>
<tr>
<td>BVPI</td>
<td>Programme National des Bassins Versants et Périmètres Irrigés</td>
</tr>
<tr>
<td>CARE</td>
<td>Cooperative for American Relief Everywhere</td>
</tr>
<tr>
<td>CPM</td>
<td>Coalition paysanne de Madagascar</td>
</tr>
<tr>
<td>CRS</td>
<td>Catholic Relief Services</td>
</tr>
<tr>
<td>DID</td>
<td>Développement International Desjardins</td>
</tr>
<tr>
<td>DSRP</td>
<td>Document de Stratégie de Réduction de la Pauvreté</td>
</tr>
<tr>
<td>DVV</td>
<td>Deutschen Volkschochusl Verbandes</td>
</tr>
<tr>
<td>FAFIALA</td>
<td>Centre d’expérimentation et diffusion pour une gestion paysanne des tanety</td>
</tr>
<tr>
<td>FERT</td>
<td>Fondation pour l’Epanouissement et le Renouveau de la Terre</td>
</tr>
<tr>
<td>FOFIFA (CNRADRU)</td>
<td>Centre National de Recherches Appliquées pour le Développement Rural</td>
</tr>
<tr>
<td>I-A</td>
<td>Inter-Aide</td>
</tr>
<tr>
<td>I-C</td>
<td>Inter-Coopération</td>
</tr>
<tr>
<td>INSTAT</td>
<td>Institut de la Statistique</td>
</tr>
<tr>
<td>MoALF</td>
<td>Ministry of Agriculture, Livestock and Fisheries</td>
</tr>
<tr>
<td>MAP</td>
<td>Madagascar Action Plan</td>
</tr>
<tr>
<td>MoPLR</td>
<td>Ministry of Planning and Land Reform</td>
</tr>
<tr>
<td>MCA</td>
<td>Millenium Challenge Account</td>
</tr>
<tr>
<td>MoW</td>
<td>Ministry of Water</td>
</tr>
<tr>
<td>MoETI</td>
<td>Ministry of Economy, Trade and Industry</td>
</tr>
<tr>
<td>MoEFT</td>
<td>Ministry of Environment, Forests and Tourism</td>
</tr>
<tr>
<td>MoFB</td>
<td>Ministry of Finance and Budget</td>
</tr>
<tr>
<td>MoIAR</td>
<td>Ministry of the Interior and Administrative Reform</td>
</tr>
<tr>
<td>PNDR</td>
<td>Programme National du Développement Rural</td>
</tr>
<tr>
<td>PN2D</td>
<td>Politique Nationale de Décentralisation et de Déconcentration</td>
</tr>
<tr>
<td>PSA</td>
<td>Programme Sectoriel Agricole</td>
</tr>
</tbody>
</table>
1. **GENERAL INFORMATION**

1.1. **Geography and Demographics**

Madagascar is situated in the south-western Indian Ocean, 350 km from the south-east coast of Africa. It is the fourth largest island in the world with a surface area of 587,000 km\(^2\) (making it just slightly bigger than the Republic of Botswana) and it has 4,500 km of coastline. Its Exclusive Economic Zone (EEZ) covers 1,225,259 km\(^2\), giving Madagascar the fourteenth largest EEZ in the world. Its neighbouring countries are Mauritius, Seychelles and Mozambique.

Madagascar is subdivided into regions, districts, communes and *fokontany*. The regions and communes are decentralized local authorities. The population is estimated at 19 million with a 2.6% growth rate. Over 85 percent of the population live in rural areas. 61 percent of the population live on less than $1 per day.

1.2. **Farming Systems and the Importance of Agriculture**

Madagascar has an agricultural economy with 75% of the population deriving their income from agriculture, which contributes to one third of the GDP. About 60 per cent of the agricultural GDP comes from crops, 25 per cent from raising livestock and fishing and 15 per cent from forestry.

Rural development and agriculture are priority areas for the Government and this is reflected by the increasing budgetary allocations for these sectors in recent years. The 2009 allocation is over 13% of the total budget. Smallholder farmers represent the majority of the farming community.

Food insecurity in Madagascar is affected by multiple factors. The severe climatic shocks (cyclones, droughts, etc.) that routinely affect the island - and which have been steadily increasing in frequency and severity over the last decade due, perhaps, to climate change- are compounded by natural resource degradation, and more recently, by rising food prices and currency depreciation. At the same time, Madagascar’s population is growing faster than its ability to produce food. It is expected that the domestic food deficit will reach 66 percent of total needs by the year 2017.

Table 1: Agricultural Socio- Economy

<table>
<thead>
<tr>
<th>Items</th>
<th>Figures/year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of Agriculture in the GDP, in %</td>
<td>30 (2007)</td>
</tr>
<tr>
<td>Balance of trade in Agriculture (USD million)</td>
<td>300 (2006)</td>
</tr>
<tr>
<td>Rural population</td>
<td>14,365,600 (2007)</td>
</tr>
<tr>
<td>Number of producers/farmers</td>
<td>5,742,561 (2005)</td>
</tr>
<tr>
<td>% rural population</td>
<td>80 (2008)</td>
</tr>
<tr>
<td>Budget of Agriculture (USD)</td>
<td>191,690,000 (2008)</td>
</tr>
<tr>
<td>Budget of Agriculture (% of total budget), 2008</td>
<td>10 (2008)</td>
</tr>
<tr>
<td>Budget of Agriculture (% of GDP), 2008</td>
<td>1.5 (2008)</td>
</tr>
<tr>
<td>Cultivated area (ha),</td>
<td>2,083,590 (2005)</td>
</tr>
<tr>
<td>Number of non-agricultural activities/population concerned</td>
<td>10 / 406,710 (2005)</td>
</tr>
</tbody>
</table>

1.3. **Key Agricultural Commodities and Farming Practices**

The three major crop groups grown in Madagascar are (i) rice (the basic foodstuff), roots and tubers; (ii) industrial crops (groundnuts, sugar cane, cotton, tobacco), which provide the raw material for local agro-industrial units producing edible oils, sugar, cotton lint and cigarettes; and (iii) cash crops mainly intended for export (vanilla, cloves, pepper, coffee, cocoa). Madagascar is the second largest rice producer in
Africa. Madagascar is a key producer of fish, prawns, crabs and mussels. Shrimps are one of Madagascar's most important export products to the EU market.

The farming population is estimated to be around 13.3 million (around three quarters of the total population). Each farm covers an average area of 0.87 hectares. Cultivation techniques are rudimentary and there is little mechanization (the *angady*, a type of spade, is still the tool most commonly used on family farms) and there is little use of inputs (improved seeds, fertilizer, pesticides). The production zones are isolated, which makes it difficult to reach the crops and market them. The rural population mainly produces for its own consumption.

In order to develop exportation of high quality fruit to the international market, there is to be research into variety improvement and efforts will need to be made to establish orchards. New themes for vegetable research will need to be developed by the Ministry's horticultural technical centres in partnership with the World Vegetable Center (AVRDC), which has recently set up in Madagascar.

### 1.4. Key Economic and Financial Statistics

The Malagasy economy is based on services (approximately 57 per cent of nominal GDP in 2006); agriculture, including fisheries, livestock and forestry (27 per cent); and the manufacturing sector (16 per cent). The per capita GDP was estimated at US$412 in 2007, which ranks Madagascar among the least developed countries (LDCs). The fisheries GDP in 2005 was about US$160 million.

#### Table 2: Economic and Socio-Economic Indicators

<table>
<thead>
<tr>
<th>Area of the country (km²)</th>
<th>587,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (million)</td>
<td>19</td>
</tr>
<tr>
<td>GDP (USD million)</td>
<td>6,836</td>
</tr>
<tr>
<td>GDP per capita (USD million)</td>
<td>412</td>
</tr>
<tr>
<td>Balance of trade (DTS million)</td>
<td>-655</td>
</tr>
<tr>
<td>External public debt (USD billion)</td>
<td>1.605</td>
</tr>
<tr>
<td>Budget, 2008 as % of GDP</td>
<td>21</td>
</tr>
<tr>
<td>Budget deficit, 2007 (USD million)</td>
<td>195</td>
</tr>
<tr>
<td>Exchange rate for USD 1, end 2006 (29/12)</td>
<td>2,013.95</td>
</tr>
<tr>
<td>Exchange rate for USD 1, end 2007 (28/12)</td>
<td>1,786.69</td>
</tr>
<tr>
<td>Exchange rate for USD 1, end 2008 (29/12)</td>
<td>1,850.35</td>
</tr>
</tbody>
</table>

#### 2. PUBLIC SECTOR IN AGRICULTURE

##### 2.1. Principle Government Agencies involved in Agriculture

There are 6 ministries directly involved in matters related to Agriculture, namely Agriculture, Livestock and Fisheries (MoALF); Environment, Forests and Tourism (MoEFT); Planning and Land Reforms (MoPL); Economy, Trade and Industry (MoETI); Water (MoW); and Finance and Budget (MoFB).

##### 2.2. Parastatals and Statutory Bodies

#### 2.2.1. FOFIFA

The National Research Centre Applied to the Rural Development (FOFIFA) was set up in 1974 and is financed by the State. It is the most important institution of agricultural research for Madagascar. Its mandates include:

- Capitalization of the results of research in the agricultural field;
- Implementation of basic research and industrial researches in:
  - Vegetable production, food crops (e.g. rice, manioc, bean, corn, vegetables), cultures of revenue or export: (e.g. cocoa, pepper, coffee, vanilla, cotton, fruits tropical,…);
  - Livestock production (milk, meat, small animal breeding with short cycle, small ruminants,) and animal health (research veterinary surgeon); and
Forestry (exotic pines, eucalypti, other species, natural forest), forest installation, agroforestry and natural stock management.

- Conservation and transformation of post-harvest;
- Social and economic sciences;
- Formation and technical framing; and
- Appraise and council in rural development and assembly and project assessment.

### 2.2.2. FIFAMANOR

It is a national centre for research and extension related in agriculture and livestock production. The institution has received support from Norway since 1972. FIFAMANOR is divided into five technical departments: research department, livestock department, extension department, seed production department and road construction department. The main strategies of FIFAMANOR used to improve agricultural production are:

- Building Competence of staff on station and in the field;
- Integrating research and extension activities;
- Supporting farmers organisations; milk producers’ and seed producers’ cooperatives;
- Establishing a network of highly qualified extension agents living in the villages;
- Supplying breeding bulls and maintaining breeding stations;
- Supplying seed material of potatoes, wheat and tritacle; and
- Cooperating with other institutions and organisations working in the same or related fields.

The main focus of their programme of work is the promotion of:

- Grain production (wheat and tritacle);
- Potatoes, sweet potatoes and other tubers;
- Milk production, fodder production and genetic improvement of the livestock;
- A social programme for integration of women into production activities;
- A competence centre for research related to the above;
- Support to farmers’ organisations;
- Effective use of scientific and technical knowledge; and
- A training centre for farmers and extension workers.

### 2.3. Public Agriculture Infrastructure

#### 2.3.1. Silos

The Ministry of Agriculture through various rural/agricultural development projects has built village granaries which are managed by producer groupings or associations. In 2005, their capacity was estimated at 745 477 tonnes. These are now being privatized.

#### 2.3.2. Cold Storage Facilities

The Fisheries and Fishery Resources Directorate owns cold storage installations, which play an important role in the development of fisheries and aquaculture and the inspection and control of fishery products.

#### 2.3.3. Markets

Their organization and management are the responsibility of decentralized authorities under the Ministry of the Interior.

#### 2.3.4. Abattoirs

They are usually owned, organized and managed by decentralized authorities.
2.3.5. Laboratories

A plant seed laboratory controls and assesses the quality of seeds produced by the private sector or grower groupings from field to packaging operations. It usually certifies all improved seeds sold on the local and foreign markets.

Malagasy Institute for Veterinary Vaccines carries out, under FOFIFA (national agricultural research centre), research and control activities on the production and sale of vaccines for animals.

The Fish Health Authority laboratory, operating under the Fishery and Fishery Resources Directorate, controls fishery products intended for export and issues an internationally recognized health certificate. Control and certification of export products are paid for in the form of taxes.

Madagascar has set up, within the Ministry of Health and Family Planning a Unité de contrôle de qualité des denrées alimentaires – UCQDA (Food Quality Control Unit) whose responsibilities were taken over, in 2005, by the Agence de contrôle de la sécurité sanitaire et de la qualité des denrées alimentaires – ACSSQDA (Agency for Monitoring Food Safety and Quality). The Agency’s task is to ensure that food consumed, distributed, marketed or produced in Madagascar complies with the strictest safety standards. The technical services are provided by a network of seven food testing laboratories. ACSSQDA is responsible for developing national food safety policy.

2.3.6. Research Stations

There are about ten stations located in different agro-ecological regions throughout Madagascar. They operate under FOFIFA, which is now (since 2008) responsible to the Ministry of Agriculture. Some specialize in one crop or activity: vanilla in the North, coffee in the South-East, rice on the plateau, and cattle in the North-West. Other stations work on several activities.

2.3.7. Seed Production Centres

There are two operational seed multiplication centres. One produces rice seeds only, the other grows seeds for rice and other food crops (maize, peanut, soya, bambara groundnut). For the implementation of the national seed strategy, the multiplication centres will be privatized to avoid financial problems. Their task will be to promote efficient seed industries that meet international quality standards.

2.3.8. Animal Production Centres

The dairy cow farming centre and trout farming centre operate under the Ministry of Agriculture.

2.3.9. Irrigation Schemes

Irrigation occupies an important place in the agricultural sector, supplying water to more than 1,000,000 hectares, or 40 percent of cultivated lands (as compared to 6 percent on average in sub-Saharan Africa). However, some irrigation schemes are degraded. The bulk of these irrigated lands, 800,000 hectares or 70 percent of the total irrigated area, are very small in terms of average superficies (a few hectares), and are not equipped with irrigation infrastructure such as concrete dams, water intakes or line-canals. The remaining portion covers 300,000 hectares, or around 30 percent of the irrigated areas, is equipped with infrastructure meant to improve water management and thus intensify production (i.e. improve productivity). All irrigation schemes of the Ministry of Agriculture have been ceded back to the water user unions or federations, which are responsible for their management and maintenance.
2.3.10. Training Centres

The Growers and Animal Producers Training Support Centres (Ministry of Agriculture) provide 3 to 5-day courses. The training programme is not free. It employs 13 administrative officers paid from the state budget.

The National Centre for Agricultural Engineering Studies and Applications (CNEAGR) offers high-level training for agricultural engineering technicians (middle management). Operated under the Ministry of Agriculture, it is independently managed.

The Agriculture and Agricultural Mechanization Training Centre (CFAMA) trains agricultural equipment drivers and mechanics. Since 2007, the Centre offers middle management training for high-level technicians in agricultural mechanization with the support of the Japanese Government. It charges tuition fees.

The Earth and Agriculture Applied Science Schools (EASTA) train field technicians at the level of technical assistant in agriculture, animal production, agricultural engineering and forestry. The 4 operational schools are supervised by the Ministry of Agriculture and tuition fees are subsidized.

A High School of Agronomics trains agricultural engineers specialized in agriculture, animal production, forestry, agro-industry and agro-management. The school is under the supervision of the Ministry of Higher Education and works in close collaboration with the Ministry of Agriculture.

Veterinary surgeons are trained in a Veterinary School, supervised by the Ministry of Higher Education and the Ministry of Health and working in close collaboration with the Ministry of Agriculture.

3. PRIVATE SECTOR IN AGRICULTURE

3.1. Crop, Livestock, Fishing, Forestry and Game Farming Activities

Madagascar is an agricultural producing country with some 36 million hectares of arable land (out of 58 million hectares), but only just over 2 million hectares are cultivated half of which are under irrigation. Each farm covers an average area of 0.87 hectares. The main characteristics of the agricultural sector in Madagascar is given in Table 3.

Table 3: Farm Characteristics

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farms (agriculture)</td>
<td>2,428,492</td>
</tr>
<tr>
<td>Average size of the farms (ha)</td>
<td>0.86</td>
</tr>
<tr>
<td>Total cultivated area (ha)</td>
<td>2,083,590</td>
</tr>
<tr>
<td>Number of farms covering more than 5 ha</td>
<td>5,000</td>
</tr>
<tr>
<td>Number of farms covering less than 1 ha</td>
<td>2,064,200</td>
</tr>
<tr>
<td>Mechanization (No of farms)</td>
<td></td>
</tr>
<tr>
<td>Animal Power</td>
<td>592,000</td>
</tr>
<tr>
<td>Tractor</td>
<td>1,247</td>
</tr>
</tbody>
</table>

3.1.1. Crop Farming

Within the agricultural sector, food producing cultivation constitutes 98 percent, of which rice is 44 percent, cassava and potato are 14 percent each, and maize is 9 percent. Rice is grown on 2,144,739 of the total 2,994,501 farms. The area sown with rice is estimated to be 1,330,000 hectares (around three quarters of the area under crops). Rice production has increased, whereas the production of industrial crops has stagnated and cash crops have shown a downward trend with the exception of cocoa.

Litchis, a tropical fruit, are one of Madagascar's major exports. The domestic crop is estimated to be some 100,000 tonnes, a quarter of which is exported. Litchis are a highly seasonal fruit and are
harvested after a short growing period. The harvest is then sold on export markets between November and January.

### Table 4: Main Crops: Area/Production in 2000, 2005, 2006

<table>
<thead>
<tr>
<th>Crops</th>
<th>Area (ha)</th>
<th>2000</th>
<th>2005</th>
<th>2006</th>
<th>Production (million tonnes)</th>
<th>Yield (kg/ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2000</td>
<td>2005</td>
</tr>
<tr>
<td>Maize</td>
<td>192.135</td>
<td>252.836</td>
<td>330.000</td>
<td></td>
<td>169.800</td>
<td>391.000</td>
</tr>
<tr>
<td>Wheat</td>
<td>4.000</td>
<td>4.200</td>
<td>4.200</td>
<td></td>
<td>9.000</td>
<td>10.000</td>
</tr>
<tr>
<td>Rice</td>
<td>1,209.300</td>
<td>1,250.000</td>
<td>1,291.000</td>
<td></td>
<td>2,480.470</td>
<td>3,393.000</td>
</tr>
<tr>
<td>Cassava</td>
<td>351.730</td>
<td>388.779</td>
<td>310.370</td>
<td></td>
<td>2,463.360</td>
<td>2,358.775</td>
</tr>
<tr>
<td>Sorghum and millet</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
<td></td>
<td>900</td>
<td>1,000</td>
</tr>
<tr>
<td>Peanut sunflower soya</td>
<td>47.255</td>
<td>54.506</td>
<td>54.850</td>
<td></td>
<td>35.530</td>
<td>61.000</td>
</tr>
<tr>
<td>Sugar cane</td>
<td>67.325</td>
<td>75.000</td>
<td>82.000</td>
<td></td>
<td>2,188.630</td>
<td>2,446.259</td>
</tr>
<tr>
<td>Fruits and vegetables</td>
<td>109.205</td>
<td>117.830</td>
<td>91.840</td>
<td></td>
<td>676.715</td>
<td>689.650</td>
</tr>
<tr>
<td>Potatoes and tubers</td>
<td>91.025</td>
<td>123.913</td>
<td>112.400</td>
<td></td>
<td>512.640</td>
<td>878.500</td>
</tr>
<tr>
<td>Tea and coffee</td>
<td>193.441</td>
<td>115.490</td>
<td>115.550</td>
<td></td>
<td>58.570</td>
<td>56.050</td>
</tr>
<tr>
<td>Tobacco</td>
<td>5.850</td>
<td>3.265</td>
<td>3.075</td>
<td></td>
<td>5.580</td>
<td>3.134</td>
</tr>
<tr>
<td>Cotton</td>
<td>12.245</td>
<td>9.266</td>
<td>10.080</td>
<td></td>
<td>17.145</td>
<td>11.120</td>
</tr>
<tr>
<td>Vanilla</td>
<td>25.620</td>
<td>63.764</td>
<td>64.000</td>
<td></td>
<td>880</td>
<td>2,486</td>
</tr>
</tbody>
</table>

#### 3.1.2. Livestock Farming

The majority of households in rural areas rear livestock and look on their herds as a source of food and the prime source of savings. Cattle are the large animals most commonly raised and, together with pigs, are increasingly being reared. In 2006, Madagascar had a herd composed of 9.5 million bovine cattle; 1.3 million pigs; 700,000 sheep; 1.3 million goats; and 33 million head of poultry (Table 5). Milk production does not meet national needs so a large volume of powdered milk is imported.

### Table 5: Livestock Population Size

<table>
<thead>
<tr>
<th>Species</th>
<th>2000</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cattle</td>
<td>10 364 000</td>
<td>9 500 139</td>
<td>9 573 290</td>
</tr>
<tr>
<td>Sheep</td>
<td>583 950</td>
<td>695 229</td>
<td>712 400</td>
</tr>
<tr>
<td>Goats</td>
<td>1 033 270</td>
<td>1 218 849</td>
<td>1 248 900</td>
</tr>
<tr>
<td>Pigs</td>
<td>519 220</td>
<td>1 247 043</td>
<td>1 600 000</td>
</tr>
<tr>
<td>Poultry</td>
<td>30 540 000</td>
<td>29 140 447</td>
<td>33 600 000</td>
</tr>
</tbody>
</table>

#### 3.1.3. Fisheries

The fisheries sector of Madagascar is divided into three sub-sectors, (i) Inland fisheries (freshwater fishing in streams and lakes); (ii) Marine fisheries (structured in three main segments: traditional fisheries, artisanal fisheries and industrial fisheries); and (iii) Aquaculture (marine aquaculture and freshwater aquaculture). Marine aquaculture includes the culture of shrimp, seaweed and collection of sea cucumber. freshwater aquaculture is dominated by the culture of Tilapia and Carp.

In 2006 about 30,00 t of inland fisheries were caught while for the marine fisheries it stood at 80,817 t. Madagascar has around 42,500 fishermen. The shrimp sector is the second largest source of foreign exchange earnings and provides about 62,000 direct jobs and 218,000 indirect jobs for the country. In 2005, Madagascar’s total exports of fisheries products were some 34,515 tonnes, not including deep-sea fishing by foreign ships under bilateral agreements.
Aquaculture plays an important economic role in Madagascar. It provides fish for consumption, generates well-paid employment and represents a source of significant foreign currency earnings. However, this sub-sector is confronted with many problems including inadequate control of appropriate farming techniques, poor performance of production systems, high production costs, lack of technical and financial resources, need to professionalize the sector, lack of stakeholder coordination, and absence of local feed manufacturers.

3.1.4. Forestry

Currently the area of Madagascar forests and wetlands with endemic flora and fauna is 9,000,000 ha. But these forests are endangered and must be preserved by setting up sustainable natural resource management sites. There are about 30 big companies involved in forestry who employ 2,000 workers.

3.2. Farmers’ Organisations

Producers started organizing themselves in groupings/associations, unions, federations and confederations in the 1990s to face the consequences of the withdrawal of state investment and facilitate support from development organizations. There are 4 major groupings at national level gathering 200 000 producers: the FIFATA supported by FERT (100 000 producers), the CPM grouping catholic associations (48 000 producers), KOLOHARENA established by associations that have worked with USAID (30 000 producers) and the SOA supported by AFDI (22 000 producers). They are involved in different activities such as: production, input supply, transformation, storage, marketing, and provision of credits. Around 20 agri-business cooperatives have been established.

3.3. Other Private Organisations Providing Support to Farmers

In Madagascar, rural and agricultural development projects or programmes are systematically implemented with the assistance of NGOs and associations called service providers or operators, working with producer groupings to conduct project/programme activities. There are more than 300 NGOs and associations at the national level. The major NGOs or national associations with a wide coverage and good structures operating throughout the country are: ANAE, Association Tefy Saina, CARITAS (linked to the Catholic Church) FAFAFI (linked to the Lutheran Church), FAFIALA, Lalana (NGO), SAF/FJKM (linked to the Reformed Church of Madagascar), TAFA (Terre et Développement). There are also about 50 external or international NGOs and associations that collaborate with farmer groupings, the most well-known being: ADRA, AFDI, AVSF, CARE International, CRS, DID, DVV, FERT, I-A, I-C.

They worked closely with the producer organisations and are involved in a range of activities to support the farming community. These are mainly related to advice on structured organization of producers; extension on improved technologies; agricultural input supply; access to rural credit; storage, processing and marketing support.

3.4. Professional Organisations Involved in Agriculture

There are several professional organizations. The following are the main associations:

- Chamber of Agriculture;
- Groupement des Aquaculteurs et des Pêcheurs de Crevettes à Madagascar (GAPCM) (shrimp farming and fisheries);
- Groupement National des Exportateurs de Vanille (GNEV) (vanilla exporters);
- Groupement de Professionnels d’huiles essentielles (essential oils) and
- Chamber of Commerce, Industry, Craft Industry and Agriculture.

The role of these organizations is mainly to protect the common interests of their members and to develop the relevant sectors of activity. Associations have also been formed by rice, litchi, milk, honey and short-cycle animal producers. Their importance varies according to their organizational capacity and the level of development of the respective subsectors.
3.5. Trade in the Food Sector

3.5.1. Agro-Industries

There are a wide range of agro-industries that are involved in a number of agro-processing activities. They cover these agro-industry areas including agriculture, animal production, fisheries/aquaculture, forestry, production, collection, processing and marketing. Agro-industrial companies with a workforce of more than 1,000 people are few. Most companies are small-scale with less than 100 workers.

3.5.2. Imports and Exports

The number of commercial companies importing food products is limited (less than 10). Imported products are mainly rice, sugar, wheat flour, edible oils (soya) and dairy products.

In comparison, the number of commercial exporters is relatively high, about 50. They export over 1,000 tonnes per year. Apart from traditional cash crops (coffee, cocoa, tobacco, cotton, clove, vanilla), new products are emerging as a result of crop diversification and new opportunities on external markets for Malagasy agricultural commodities, especially shrimps, litchis, fruits and vegetables, essential oils and dry grains.

While exports are mostly agricultural (66% of total exports in 2004), the share of agricultural products in imports is declining (14% of total imports in 2004). In 2005, the total fish exported were some 34,515 tonnes excluding tuna fish. 60% of the exports were mainly shrimps and the rest were different types of fish. Madagascar remains the leading exporter of vanilla (67% of the world total). Table 6 is a summary of annual agricultural trade in Madagascar.

Table 6: Agricultural Trade

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Amount (tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maize and maize meal</td>
<td>426</td>
</tr>
<tr>
<td>Wheat and wheat flour</td>
<td>97,807</td>
</tr>
<tr>
<td>Rice (whitened)</td>
<td>146,900</td>
</tr>
<tr>
<td>Fruits and vegetables</td>
<td>2,816</td>
</tr>
<tr>
<td>Edible oil and oleaginous plants</td>
<td>35,711</td>
</tr>
<tr>
<td>Potatoes and tubers</td>
<td>83</td>
</tr>
<tr>
<td>Coffee</td>
<td>10,555</td>
</tr>
<tr>
<td>Tea</td>
<td>233</td>
</tr>
<tr>
<td>Tobacco</td>
<td>140</td>
</tr>
<tr>
<td>Cotton</td>
<td>417</td>
</tr>
<tr>
<td>Live animals</td>
<td>43</td>
</tr>
<tr>
<td>Dairy products</td>
<td>3,000</td>
</tr>
<tr>
<td>Vanilla</td>
<td>1,006</td>
</tr>
<tr>
<td>Cloves</td>
<td>6,203</td>
</tr>
<tr>
<td>Shrimps</td>
<td>12,218</td>
</tr>
</tbody>
</table>
NATIONAL AND REGIONAL AGRICULTURAL POLICIES

4. NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1. General Overarching Framework Documents


The development objective for Madagascar as defined in the Poverty Reduction Strategic Framework (PRSF/PRSP, July 2003), is to promote a rapid and sustainable development with the aim to reduce by half the poverty rate within ten years. It is organized around three strategic orientations: (i) restoring the rule of law and a well governed society; (ii) foster and encourage broad-based economic growth; and (iii) encourage systems for ensuring human and material security and enlarged social protection.

The strategic orientation of the PRSF/PRSP targets five general objectives to (i) reach an economic growth rate of 8-10 percent per annum; (ii) increase the level of investment to 20 percent; (iii) foster the dynamism of the private sector so that it participates in an investment rate of 12-14 percent to the investment rate; (iv) open up Madagascar's economy to greater competition with a view to reducing costs and improving quality; and (v) foster the willingness of the population to participate.

The PRSF/PRSP implementation programs concerning agriculture essentially aim at "ensuring food security and making optimal use of resources", through five specific objectives to (i) increase agricultural productivity and cultivated areas; (ii) promote small-scale investments in rural areas and partnership between farmers' associations and the private sector; (iii) promote agricultural and agro-food exports and improve their quality; (iv) ensure transparent and rational management of resources to guarantee their sustainability; and (v) facilitate producers’ access to land capital. Each specific objective corresponds to an investment program regrouping several clearly identified actions.


At the end of 2005, the Government of Madagascar (GoM) adopted a National Rural Development Plan. Its mandate is to contribute to the implementation of the PRSP strategic area n°2: “accelerate rural development while preserving and increasing the potential of the environment”. The Plan is centred around five strategic axes aimed to (i) make the institutional framework more effective by completing public administration reform and decentralization; (ii) facilitate access to capital and production factors; (iii) improve food security and production through increased productivity, diversification, and risk management; (iv) promote better natural resources management; and (v) develop markets and promote a value-chain approach by encouraging public/private partnerships.


In 2007, the Government launched the Madagascar Action Plan 2007–2011 (MAP). It articulates the Government’s commitment to the sustainable development of Madagascar and providing a framework to structure stakeholders’ interventions. The MAP follows on from the "Poverty Reduction Strategy Paper" (PRSP) adopted in July 2003. The MAP envisages accelerated and better coordinated reforms, and outlines the "strategies and actions that will ignite rapid growth, lead to the reduction of poverty, and ensure that the country develops in response to the challenges of globalization and in accordance with the national vision-Madagascar Naturally-and the Millennium Development goals.

The MAP consists of 8 commitments of which commitment No. 4 relates to rural development and agriculture. For each commitment, the government identified key challenges, goals and strategies, priority projects and activities, and key monitoring indicators.
For Commitment 4, the MAP has defined six main challenges, namely (i) ensure land tenure security; (ii) improve access to rural financing; (iii) launch a Sustainable Green Revolution; (iv) promote market-oriented activities; (v) diversify rural activities; and (vi) increase agricultural added value and promote agro-business. It is aimed that through the implementation of development programmes and activities in those six areas of challenge will lead to improvement in rural incomes, access to affordable rural financing, information and opportunities offered by the market. It will also increase diversification of rural activities, agriculture productivity and agriculture value added by promoting agribusiness.

4.1.4. The Agricultural Sectoral Programme (2008)

An Agricultural Sector Programme (PSA) was developed in March 2008 within the framework of the implementation of the MAP commitment n° 4. Its main objectives are to:

- Modernise the sector by rapidly and sustainably improving the performances of the main stakeholders in agricultural development;
- Allow the stakeholders to work actively and harmoniously towards the set objectives;
- Promote public-private partnership;
- Adapt to domestic and external market requirements;
- Create a dynamic agro-industrial sector; and
- Develop an efficient services market.

4.2. Agricultural Policies and Strategies

4.2.1. Land and Infrastructure

4.2.1.1. Land Ownership and Titling

In 2005, the Government launched the National Land Tenure Program including the facilitation of land tenure transaction and the setting up of 21 land tenure offices (one stop shop). The current strategies are to:

- Modernize and computerize the land property and topographic records;
- Decentralize land property management at commune (region) level;
- Reform the legal framework;
- Strengthen the capacity of the staff of land tenure services;
- Create land bank for investments in tourism, agribusiness and manufacturing; and
- Harmonize the intervention of development partners in the National Land Tenure Policy.

The current policy is to respond without delay and at affordable costs to the massive need for secure land ownership through an updated legislative framework, a decentralised land management system, modernised procedures and capacity building. It aims at:

- Improving land security;
- Restructuring and modernizing the land administration system;
- Decentralizing the land administration system;
- Reviewing and amending the legal framework; and
- Developing a national training and capacity building program for land tenure security.

4.2.2. Rural Roads and Other Rural Infrastructure

Road building and rehabilitation has been a major activity since 2002. In 2005 alone, 8,982km of roads were rehabilitated or maintained. The goals as stipulated in the MAP are to:

- Ensure that all key growth areas will have good access to the transport network;
- Define clear infrastructure priorities with regard to full economic return on investment – transport will be treated as an investment rather than a cost;
- Provide active assistance to high growth industries to access necessary infrastructure quickly and with minimal bureaucracy;
- Involve the private sector as partners in strategic planning and development, especially for high growth areas;
• Improve capacity and quality of companies, in construction and operation; and
• Promote private-public sector partnerships.

4.2.3. Natural Resources Policies and Strategies

4.2.3.1. Water Code (1999)

Law N° 98-029, promulgated in January 1999, serves as the water code. The main principles of the water code and associated regulations are the following: (i) water resources belong to the State, each local community is the guardian of them within its own area of competence; (ii) people should pay to have access to drinking water; (iii) the National Water and Sanitation Board (ANDEA) has been established for the integrated management of water resources; (iv) a government regulatory agency should regulate public drinking water delivery; (v) the National Water Resources Fund has been set up to subsidize the most disadvantaged water users; (vi) communes should act as delegated works supervision agencies for drinking water and sanitation delivery services.

The main principles and guidelines stated above are meant to liberalize the water and sanitation sector and, at the same time, involve communities, the private sector and NGOs in the operation, protection and integrated management of resources. The transfer of irrigation scheme management to the competent or interested authorities (associations or federation of water user associations) is also envisaged.

4.2.3.2. Irrigation

The Government's National Irrigation and Watershed Management Program (PNIBV-PI) is a central part of the MAP and Government strategy for the development of agriculture. The global objective of the program, as formulated in the Irrigation and Watershed Management Policy Letter of the Government is to sustainably improve the living conditions and incomes of rural populations in irrigation schemes and their surrounding watersheds and the management of natural resources.

It is being funded by the World Bank, the French Cooperation Agency and the Japanese Government. It aims at establishing a viable basis for irrigated agriculture and natural resources management in four main irrigation sites and their surrounding watersheds. The project consists of the following components: Component 1: will lay the foundations for improved market access and sustainable intensification and diversification of irrigated and rain-fed agricultural systems in the project's watersheds. Component 2: will lay the foundations for improved management, maintenance and sustainability of irrigation services provision in four large-scale irrigation schemes through rehabilitation of irrigation infrastructure, capacity strengthening of stakeholders and clarification of roles and responsibilities, and establishment of an appropriate incentive framework. Component 3: will lay the foundations for sustainable management of watersheds including irrigated and rainfed agriculture, the conservation of the natural heritage, and improved productivity of the natural resources. Component 4: will manage and use resources in accordance with the project's objectives and procedures, and to put in place a policy framework that is favourable to up scaling of the project at the national level.

The expected project results include (i) dissemination of innovative technologies and equipment to 30,000 beneficiaries through extension, capacity strengthening and targeted cost sharing, improved management of about 21,780 hectares of irrigation infrastructure through investments in rehabilitation, training and institutional reforms, (ii) 20 percent increase of land area under sustainable land management and 15 percent improved vegetation cover as a percentage of the baseline in targeted watershed areas (iii) improved management of about eight sub-watersheds through capacity strengthening and investment in watershed infrastructure, and (iv) increased government support for agricultural intensification in irrigated and rainfed areas.

4.2.3.3. Forestry

Since 2003 the Government begun to implement some profound changes within the sector such as the accountability of all stakeholders involved in the management of natural resources, the enforcement of laws, and the strengthening of forest and environment controls. The main policy objectives are to
• Conserve forests through sustainable management;
• Arrest further destruction of the woodlands;
• Pursue a systematic reforestation program;
• Professionalize the forestry sector; and
• Promote community based management.

Commercial forestry policy is implemented by the Ministry of the Environment, Water Resources and Forests (MAEF), through forestry commissions on which forestry companies and NGOs involved in environmental protection are represented. The main forestry authorization is an agreement on forest exploitation, which is accompanied by terms and conditions, setting out the company's rights and obligations together with those of the State. Madagascar does not allow the export of unprocessed forest products, since 2006 for processed woods (rosewood and ebony)\textsuperscript{15}, and since 2007 for all products coming from natural forest. Before it is allowed to leave the forest, any resource exploited must bear the regulatory marks laid down in the terms and conditions.

The economic performance of the forestry sector is to be enhanced through attainment of the following objectives:

• Meet the growing demand of the local market for better quality products;
• Increase the value added of products in the interests of the national economy;
• Exploit a wider range of species (woods);
• Recover and use hitherto unexploited by-products
• Promote non-wood products;
• Standardize products;
• Regulate the exploitation of forestry products;
• Consolidate processing structures;
• Improve the running of marketing channels;
• Develop eco-tourism;
• Promote the traceability of wood products; and
• Combat the illegal trafficking and exportation of precious woods and CITES products.

\textbf{4.2.3.4. Fisheries}

The master plan for fisheries and aquaculture for 2004-2007 aims to increase freshwater fish production in order to help to meet the population's food needs and increase foreign currency earnings by exporting fisheries products. The regulatory framework for fisheries is stipulated in the Ordinance No. 93-022 of 4 May 1993 and there is a separate regulatory framework (2001) for aquaculture.

Fishermen must obtain a fishing licence and pay a royalty which varies according to the type of ship and the catch (tuna, shrimps, crustaceans, fish or other). The \textit{Agence malgache de la pêche et de l'aquaculture} – AMPA (Malagasy Fisheries and Aquaculture Agency) issues fishing licences. The authorities do not have any policy on quotas for catches by species but aim to manage fisheries resources by managing the fleets. Nevertheless, it may be decided to stop fishing for certain periods in order to protect stocks.

The \textit{Groupement des armateurs de pêche crevettière de Madagascar} – GAPCM (association of owners of shrimp fishing vessels of Madagascar), set up in 1994, is involved in managing the shrimp fishing subsector. The GAPCM is involved in identifying the periods for closure and reviewing production methods in order to optimize the catches, lower fuel consumption and reduce the incidental capture of other fish and turtles. Since 2004, fishing gear on shrimp fishing vessels has been equipped with turtle exclusion devices. The GAPCM considers that shrimp fishing meets the criteria for responsible fishing within the meaning of the FAO Code of Conduct. In 2004, it signed an agreement with the WWF in order to obtain eco-certification for exports by shrimp farms.

The following measures are being implemented over the next five years:

\textsuperscript{15} Inter-ministerial Order No. 16030/2006 of 14 September 2006.
• Step up action against illegal fishing, including overfishing by approved vessels;
• Improve and strengthen organization of the Fishing Surveillance Centre so as to extend
surveillance to the entire Malagasy coastline;
• Step up sea surveillance in the framework of regional partnerships (COI and SADC);
• Implement a more reliable system of statistics for catch data; and
• Establish a service to coordinate fisheries and aquaculture research in order to produce tools
for decision making.

4.2.3.5. Biodiversity Conservation

Within the framework of biodiversity conservation in Madagascar, protected areas are currently being
extended to 2 million ha. The MECIE decree on compatibility of investments with environmental
protection is applied to major new investments in the country, especially large-scale mining projects
(ilmenite, nickel, bauxite)

4.2.3.6. Animal Production

As part of the effort to revitalize the export of bovine and caprine meat, measures are under way to
improve the quality, food safety and traceability of products by ranching beef cattle and small
ruminants in the Ihorombe region and by compartmentalization in the Vohémar district (Sava region).

4.3. Support Services to Farmers
4.3.1. Farm Inputs (Seed, Fertilisers)

The use of improved quality seeds is one of the five pillars of the commitment no. 4 (Sustainable
Green Revolution). Priority areas of this strategy include, investment security in this subsector;
privatisation of seed production centres; and promotion of efficient seed companies able to provide
producers with quality products that meet international standards.

However, in order to reach the target of doubling production in 2009, government subsidized fertilizer
prices, with the agreement of the World Bank. Fertilizers, which had become unaffordable, were sold
to producers at half price. Also, authorities no longer interfere in the pricing of agricultural products.
Market prices are determined by demand and supply. It is mainly the collectors who set the prices and
producers unfortunately often lose out in the transactions.

4.3.2. Micro - Credit

The government is committed to facilitating access to financial services as part of a three-pronged
policy, namely:

• Continued implementation of large-scale projects to promote Micro-Finance Institutions
(MFIs), supported by Institutional partners;
• Design of a regulatory framework to promote the smooth functioning of MFIs; and
• Establishment of an authority to supervise MFIs, adapted to their risks and, at the same time,
capable of supporting the development of the institutions in question.

The National Microfinance Strategy (SNMF) was defined in 2004, with the specific aim of “engaging
stakeholders around actions to strengthen and develop the sector. Its objective is to form a viable and
permanent professional microfinance sector, which is diversified and innovative, ensuring satisfactory
coverage of demand throughout the country and operating within an adapted and favourable legal,
regulatory, fiscal, and institutional framework.”

To achieve that objective, the National Microfinance Coordination Unit (CNMF) was created in the
Ministry of Finance. This unit was given the mission to coordinate general government policy on
microfinance, promote the sector and monitor the activities of its participants. A steering committee
was set up within the CNMF, to serve as a platform for observations and discussions to enhance
conditions for microfinance development. The membership of the steering committee consists of MFI
representatives, acting through their professional associations, the Minister of Agriculture and Livestock, the Minister of Finance, financial backers, and the CSBF. In 2005 a law (Act No. 2005-016) on microfinance for cooperative and non-cooperative institutions was passed to regulate their activities.

Microfinance institutions have established in some rural offices. As of 2006, seven authorized microfinance institutions are operating. The strategies are to extend the networks of microfinance and banking institutions; promote and adapt the system of credit with joint guarantee; and support alternative forms of financing.

4.3.3. Agricultural Research and Extension

The Government has set up centers for Agricultural Services (CFS) in all rural districts of Madagascar to serve as a technical tool for the development of agricultural services. It is a national program in partnership with the European Union and under the auspices of the Ministry of Agriculture, Livestock and Fisheries. Its main objectives are to alleviate the shortage of services to farmers in the context of disengagement of the state, decentralization and the current weakness of the private sector, to develop a sustainable mechanism for the provision of advice to farmers: (technical, economic, organizational, etc) and contribute to the development of production and agricultural productivity by becoming one of the levers of the Green Revolution, as enunciated in the MAP.

The CSA will respond within the productive sectors of agriculture, livestock and fishing, in 3 areas, namely (i) inputs (fertilizer, seeds, pesticides, feed, etc.); (ii) Equipment and Training; and (iii) Promotion and dissemination of new technologies.

4.4. Support to Investment

4.4.1. Commodity Chain Support

Rice
Rice is currently the focus of particular efforts on the part of the Government. Surplus production will be exported, as the private sector is investing heavily in order to gain access to the regional market (COMESA) and the Asian market (India). In order to increase the yield per hectare, the authorities plan to make the seed improved by the FOFIFA available. Training is proposed in order to develop producers' professional skills and make it easier for them to adopt new rice-growing techniques. The State invests in improving the operation of irrigation channels. It also assists storage by establishing village-level community stores. In order to lessen the isolation of the regions producing rice, as well as to reduce the time taken to bring rice to local markets and lower transport costs, the State is also investing in rehabilitating rural roads. In the medium term, Madagascar hopes to become a net exporter of rice.

Milk
Milk is also receiving the full attention by the Government. Production is being stepped up in order to strengthen the domestic industry and also in order gradually to reduce imports of dairy products.

Sugar
A sugar sector development strategy is implemented at national level to increase production and honour export quotas with developed countries (European Union and United States). Madagascar imports sugar to meet most of its needs as national production is insufficient. Exports are weak compared to the granted quotas.

4.4.2. Agro-Processing

The production system is characterized by the sale/export of non-processed products. Vertical integration exists only for very few products resulting in low value added. Supply chains are not sufficiently developed and organized. Great potential can be exploited by extending the value chain in various agricultural sectors in order to increase substantially the value added from agriculture, stock breeding, and fisheries. The strategies are to:
• Enhance and co-ordinate the agricultural value chain, production and processing;
• Set up agribusiness centres (ABCs) to train and support farmers in processing, marketing and supply chain management;
• Promote modern production practices (standards and quality); and
• Develop contractual agriculture between large buyers and small scale farmers.

4.5. Emergency Disaster Preparedness and Activities

4.5.1. Food Security and Early Warning Systems

Madagascar is frequently hit by cyclones, storms and heavy rains which cause damage to villages, infrastructure and crops. The weather forecasting system needs to improve its reliability, accuracy, access and timeliness to minimize damage. The goals are to provide timely and accurate weather forecast and raise awareness, improve access and distribution of reliable and relevant information on weather forecasts across the nation. The strategies are to:

• Expand and modernize the national weather observation network;
• Establish a national weather forecast information system and extend weather forecasts to regions;
• Promote regional and international cooperation on meteorological issues, especially major events such as cyclones; and
• Provide specialised services for industries such as agribusiness.

4.5.2. Disaster Preparedness

Its objectives are to coordinate all prevention, preparedness and mitigation activities and support initiatives from various national and international partners. A Disaster Stakeholder Think-Tank Committee has been put in place and is operational. This Committee provides technical assistance to the national risk and disaster management office (BNGRC) operations. It brings together all parties involved in natural disasters including technical ministries, donors, national and international associations and NGOs and United Nations Agencies.

4.5.3. Food Security and Nutrition

The government has established the National Office of Nutrition (ONN) to ensure the total technical coordination and the follow-up of the implementation of the National Plan of Action for Nutrition (PNAN) 2005-09, under the strategic orientations of the National Council of Nutrition (CNN). The PNAN 2005-09 translates into concrete actions/strategies the National Policy of Nutrition (PNN) adopted by the Government on April 20 2004 by the Decree No 2004-496. The main governing principles of the policy are (i) decentralization of operations and resources to high-risk areas; (ii) priority to preventive strategies in the fight against malnutrition; (iii) collaboration with local, national and international NGOs and civil society; and (iv) strengthening of public-private partnerships at all levels. The Strategies are geared towards the following areas:

• Focus on malnutrition among children under 5 especially addressing micronutrients deficiencies (vitamin A, iodine and iron);
• Target food insecurity among vulnerable groups such as the very poor and victims of natural disasters;
• Coordinate surveillance structures on nutrition at national, regional and local level;
• New emphasis on prevention of malnutrition and food insecurity through labour intensive activities;
• Consolidate and extend the national community nutrition program; and
• Address micro-nutrient deficiencies among pregnant and lactating women at community level to reduce low birth weights.
4.6. **Trade Related Issues**

4.6.1. **Tariffs and Non-Tariff Barriers**

Agricultural products (WTO definition) are subject to higher taxation (a simple average of 14.5%) than non-agricultural products (12.7%). The fisheries subsector (ISIC definition) is subject to relatively high tariff protection of 18.8 per cent, well above the overall average of 13%, as well as 20% VAT.

4.6.2. **Price Setting Mechanisms**

Madagascar's current policy is mainly aimed at monitoring the prices of basic necessities (PPN), namely, edible oils, condensed milk, baby food, cement, flour, bread, sugar, household soap, school exercise books, candles, packaging products. Moreover, the Ministry of Agriculture monitors the price of rice on Madagascar's main markets. The results of the surveys conducted by the monitoring body are published weekly. The prices of the rest of the agricultural produce are determined by the market forces. The State no longer intervenes in fixing the purchasing price from farmers.

4.6.3. **SPS Issues (Animal)**

The legislation regulating the SPS is stipulated in the Ordinance No. 62-072 of 29 September 1962. The Ministry of Agriculture, Livestock and Fisheries (MAEP) is responsible for taking sanitary measures relating to animals with a view to keeping Madagascar free of diseases that do not exist there. Since 2004, Madagascar has also taken a number of measures to prevent the outbreak of bird flu, in view of the risk associated with the migration of wild birds from Asia. A period of quarantine is normally required. A veterinary certificate is needed to import and export live animals and animal feed. An application must be made to the Animal Health and Phytosanitary Directorate. At importation, the sanitary certificate of the country of origin is required for the purposes of issuing a permit. As soon as the goods in question arrive, the importer must inform the Animal Quarantine Service.

4.6.4. **SPS Issues (Crops)**

Phytosanitary measures are administered by the Plant Quarantine Service in accordance with Ordinance No. 86-013 of 17 September 1986. To import live plants, seed and parts of live plants, as well as plant products, soil and growing media, and packaging made of plant material it is first necessary to obtain a phytosanitary permit, the application for which must be accompanied by the phytosanitary certificate of the country of origin of the goods. As soon as the goods in question arrive, the importer must inform the Plant Quarantine Service, which proceeds to carry out phytosanitary controls. These controls take the form of verification of the phytosanitary documents and verification or inspection of the regulated articles. Then, depending on the result of the controls, a release note for the goods may be issued. A period of quarantine may be required. The costs are borne by the Malagasy State, with the exception of those relating to detention in quarantine and sanitary monitoring at farm level.

5. **EXISTING REGIONAL POLICIES**

Activities undertaken by the Malagasy Government over the last three years conform to the instructions or commitments of the Dar Es Salaam Declaration and to the protocols/treaties/policies and programme of the SADC FANR. For example, the Government allocated 10% of its total budget to the Ministry of Agriculture, as recommended by the Dar Es Salaam Declaration on Agriculture and Food Security in the SADC region. In the seed sector, activities are also being carried out according to the SADC seed policy with the aim of revitalizing and developing this subsector in the country. The SADC free trade agreement has had so far indisputable positive effects on the agricultural sector at national level.

In the MAP commitment 8, one of the challenges is to intensively exploit regional opportunities. Because of its geographical position, Madagascar has joined organizations for cooperation and
regional integration like the Indian Ocean Commission (IOC), the Common Market for Eastern and Southern Africa (COMESA), and the Southern African Development Community (SADC).

Madagascar has already carried out several adjustments of its customs tariffs and its customs nomenclature for its eventual integration into a regional Customs Union. The benefits of regional integration for Madagascar are yet to materialize and the Malagasy business community is taking appropriate steps to be able to reap these benefits.

The core objectives for regional cooperation and economic integration are expansion of the market, the development of exchanges, and the promotion of investments. Madagascar strategies are targeted towards ratifying regional protocols for improved access to cross border trade and investment opportunities, promoting domestic awareness of regional market opportunities and promoting regionalism through the development of inter and intra regional trade and boosting vertical integration at the regional level.
SYNTHESIS OF NATIONAL KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

It was reported that all the areas related to agricultural policies/strategies could be included in the RAP except land tenure and registration, marine fisheries and forestry, where regional efforts are needed to address these issues but not within the RAP. No specific reasons were provided for excluding them in the RAP. However, the main priority policy areas identified were Land tenure security and access to land, rural investment, input and agricultural equipment supply, extension and agricultural training, marketing of agricultural products and agricultural research. Although the forestry and fisheries sector are important economic sectors for Madagascar, no specific mention for any priority areas has been identified.

Table 8: Policy matrix for the RAP

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Key Issues</th>
<th>Proposed Policy measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion of young farmers</td>
<td>Lack of interest for agricultural activities by the younger generation</td>
<td>Setting up of a common policy encouraging young people to undertake agricultural activities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Allocation of subsidies to young farmers for the acquisition of start-up equipment</td>
</tr>
<tr>
<td>Microfinance</td>
<td>Lack of credit</td>
<td>Harmonization of a common legislation allowing for the transfer of funds from one country to another</td>
</tr>
<tr>
<td></td>
<td>Lack of collaterals</td>
<td>Establishment of a guarantee fund or agricultural insurance</td>
</tr>
<tr>
<td>Inputs and agricultural machines</td>
<td>Lack of inputs</td>
<td>Harmonization of policies on seeds, fertilizers and agricultural machines</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Subsidies (50%) on inputs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Financial support for the development of new technologies in agricultural mechanization</td>
</tr>
<tr>
<td>Marketing of agricultural products</td>
<td>Poor Marketing Mechanisms</td>
<td>Harmonization of standards for agricultural products</td>
</tr>
<tr>
<td></td>
<td></td>
<td>50% subsidy for investments required for standardization</td>
</tr>
</tbody>
</table>

7. SUGGESTED OBJECTIVES OF THE RAP

- Improve agricultural productivity/production in order to achieve food security in each country individually and in the SADC community as a whole;
- Increase the added value of agricultural products;
- Facilitate the supply of agricultural inputs and the marketing of agricultural products;
- Generate employment in rural areas in order to put an end to rural poverty and migration to the major cities;
- Promote sustainable agriculture by encouraging the use of technologies that help to produce more and in a more efficient way and at the same time reduce environmental damage or threats from climatic change;
- Support agriculture research that contributes to agricultural development within the SADC region; and
- Build the capacity of the various stakeholders involved in the implementation of the RAP (producers, private operators, NGOs, administrations, academics, researchers).
THE REPUBLIC OF MALAWI

MAP OF THE REPUBLIC OF MALAWI
THE REPUBLIC OF MALAWI

SUMMARY COUNTRY REPORT
ON
AGRICULTURAL AND RELATED POLICY REVIEW – 2009

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<th>Abbreviation</th>
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<tr>
<td>ADD</td>
<td>Agricultural Development Division</td>
</tr>
<tr>
<td>ADMARC</td>
<td>Agricultural Development and Marketing Corporation</td>
</tr>
<tr>
<td>ADP</td>
<td>Agricultural Development Programme</td>
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<tr>
<td>ADPSP</td>
<td>Agricultural Development Programme Support Project</td>
</tr>
<tr>
<td>AEDC</td>
<td>Agricultural Extension Development Coordinator</td>
</tr>
<tr>
<td>AEDO</td>
<td>Agricultural Extension Development Officer</td>
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<tr>
<td>ANRRMP</td>
<td>Agricultural and Natural Resources Research Master Plan</td>
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<td>ARMP</td>
<td>Agricultural Research Master Plan</td>
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<tr>
<td>CAADP</td>
<td>Comprehensive Africa Agriculture Development Programme</td>
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<tr>
<td>CAEO</td>
<td>Chief Agricultural Extension Officer</td>
</tr>
<tr>
<td>COMESA</td>
<td>Common Market for Eastern and Southern Africa</td>
</tr>
<tr>
<td>DADO</td>
<td>District Agricultural Development Officer</td>
</tr>
<tr>
<td>DAES</td>
<td>Department of Agricultural Extension Services</td>
</tr>
<tr>
<td>DARTS</td>
<td>Department of Agricultural Research and Technical Services</td>
</tr>
<tr>
<td>DCP</td>
<td>Department of Crops</td>
</tr>
<tr>
<td>DLRC</td>
<td>Department of Land Resources Conservation</td>
</tr>
<tr>
<td>DNPSW</td>
<td>Department of National Parks and Wildlife</td>
</tr>
<tr>
<td>EIA</td>
<td>Environmental Impact Assessment</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FAFS</td>
<td>Framework for African Food Security</td>
</tr>
<tr>
<td>FANR</td>
<td>Food, Agriculture and Natural Resources</td>
</tr>
<tr>
<td>FAO</td>
<td>Food Agriculture Organization</td>
</tr>
<tr>
<td>GoM</td>
<td>Government of Malawi</td>
</tr>
<tr>
<td>HIS</td>
<td>Health Information System</td>
</tr>
<tr>
<td>ICT</td>
<td>Information Communication and Technology</td>
</tr>
<tr>
<td>IEC</td>
<td>Information, Education and Communication</td>
</tr>
<tr>
<td>IHS</td>
<td>Integrated Household Survey</td>
</tr>
<tr>
<td>IPM</td>
<td>Integrated Pest Management</td>
</tr>
<tr>
<td>IWRM</td>
<td>Integrated Water Resources Management</td>
</tr>
<tr>
<td>MARDEF</td>
<td>Malawi Rural Development Fund</td>
</tr>
<tr>
<td>MASEDA</td>
<td>Malawi Socio-Economic Data</td>
</tr>
<tr>
<td>MBCA</td>
<td>Malawi Business Coalition Against HIV and AIDS</td>
</tr>
<tr>
<td>MDHS</td>
<td>Malawi Demographic and Health Survey</td>
</tr>
<tr>
<td>MFI</td>
<td>Microfinance Institutions</td>
</tr>
<tr>
<td>MGDS</td>
<td>Malawi Growth and Development Strategy</td>
</tr>
<tr>
<td>MLPSS</td>
<td>Ministry of Lands, Physical Planning and Surveys</td>
</tr>
<tr>
<td>MoA</td>
<td>Ministry of Agriculture</td>
</tr>
<tr>
<td>MoAI</td>
<td>Ministry of Agriculture and Irrigation</td>
</tr>
<tr>
<td>MoAFS</td>
<td>Ministry of Agriculture and Food Security</td>
</tr>
<tr>
<td>MoAIFS</td>
<td>Ministry of Agriculture, Irrigation and Food Security</td>
</tr>
<tr>
<td>MoALD</td>
<td>Ministry of Agriculture and Livestock Development</td>
</tr>
<tr>
<td>MoCI</td>
<td>Ministry of Commerce and Industry</td>
</tr>
<tr>
<td>MoEPD</td>
<td>Ministry of Economic Planning and Development</td>
</tr>
<tr>
<td>MoIT</td>
<td>Ministry of Information and Tourism</td>
</tr>
<tr>
<td>MoLG</td>
<td>Ministry of Local Government</td>
</tr>
<tr>
<td>MoLGRD</td>
<td>Ministry of Local Government and Rural Development</td>
</tr>
<tr>
<td>MoLPPS</td>
<td>Ministry of Lands, Physical Planning and Surveys</td>
</tr>
<tr>
<td>MoLR</td>
<td>Ministry of Natural Resources</td>
</tr>
<tr>
<td>MoNREA</td>
<td>Ministry of Natural Resources and Environmental Affairs</td>
</tr>
<tr>
<td>MoTWC</td>
<td>Ministry of Tourism, Wildlife and Culture</td>
</tr>
<tr>
<td>MPRS</td>
<td>Malawi Poverty Reduction Strategy</td>
</tr>
<tr>
<td>MVAC</td>
<td>Malawi Vulnerability Assessment Committee</td>
</tr>
<tr>
<td>NEPAD</td>
<td>New Partnership for Africa’s Development</td>
</tr>
<tr>
<td>NFRA</td>
<td>National Food Reserve Agency</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Full Form</td>
</tr>
<tr>
<td>--------------</td>
<td>-----------</td>
</tr>
<tr>
<td>NRCM</td>
<td>National Research Council of Malawi</td>
</tr>
<tr>
<td>NSO</td>
<td>National Statistical Office</td>
</tr>
<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
</tr>
<tr>
<td>OPC</td>
<td>Office of the President and Cabinet</td>
</tr>
<tr>
<td>OVOP</td>
<td>One-Village-One-Product</td>
</tr>
<tr>
<td>PBA</td>
<td>Project Based Approach</td>
</tr>
<tr>
<td>PLWHa</td>
<td>People Living with HIV and AIDS</td>
</tr>
<tr>
<td>PMTCT</td>
<td>Preventive Mother to Child Transmission</td>
</tr>
<tr>
<td>RAP</td>
<td>Regional Agricultural Policy</td>
</tr>
<tr>
<td>RBM</td>
<td>Reserve Bank of Malawi</td>
</tr>
<tr>
<td>RISDP</td>
<td>Regional Indicative Strategic Development Plan</td>
</tr>
<tr>
<td>RTC</td>
<td>Residential Training Centre</td>
</tr>
<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
</tr>
<tr>
<td>SCG</td>
<td>Sector Coordinating Group</td>
</tr>
<tr>
<td>SCGA</td>
<td>Smallholder Cane Growers Association</td>
</tr>
<tr>
<td>SGR</td>
<td>Strategic Grain Reserves.</td>
</tr>
<tr>
<td>SSMS</td>
<td>Smallholder Seed Multiplication Scheme</td>
</tr>
<tr>
<td>STI</td>
<td>Sexually Transmitted Infections</td>
</tr>
<tr>
<td>SWAp</td>
<td>Sector Wide Approach</td>
</tr>
<tr>
<td>TAD</td>
<td>Trans-boundary Animal Disease</td>
</tr>
<tr>
<td>VCT</td>
<td>Voluntary Counselling and Testing</td>
</tr>
<tr>
<td>VNRMC</td>
<td>Village Natural Resources Management Committee</td>
</tr>
</tbody>
</table>
1. GENERAL INFORMATION

1.1. Geography and Demographics

Malawi is a landlocked country with a land areas of 118,484 km$^2$. The population is estimated at 13 million (2008) growing at 2.8% per annum. It is densely populated (139 persons/km$^2$).

1.2. Farming Systems and the Importance of Agriculture

Agriculture is the mainstay of Malawi's economy, contributing about 31% of the GDP, accounting for more than 90% of export earnings and supports 85% of the total population which resides in rural areas.

The agricultural sector in Malawi is dualistic, comprising smallholder and estate (large-scale) subsectors. Of the 9.4 million hectares of land available for agriculture, about 32% are suitable for rainfed agriculture. Tobacco accounts for about 60% of total estate land. Tea 20%, sugar 18% and the balance (2%) is used for growing other cash and food crops. Estate agriculture accounts for more than 25% of agricultural GDP, 10% agricultural employment, 9% of total GDP and 90% of export earnings.

Malawi's agricultural sector is traditionally bimodal divided into the smallholder and estate (large-scale) subsectors. The smallholder subsector comprises approximately 3.1 million farm families sharing 6.5 million hectares of land (69% of Malawi's total land area of 9.4 million ha available for agriculture under customary tenure system). The average farm size is 0.7 hectares and about 60% of smallholder farmers cultivate less than 1.0 ha of land.

The estate sub-sector shares 1.2 million hectares (13% of Malawi's total land area available for agriculture) under leasehold or freehold tenure systems, and cultivating mainly cash crops such as tobacco, tea and sugarcane. The estates use improved technologies and have better access to inputs, credit, supporting agricultural services and markets, hence have higher productivity levels than smallholders.

Malawi has abundant surface water resources and potential irrigable land is under-utilized with only 78,000 ha of the 400,000 ha of potentially irrigable areas currently being irrigated (about 20% of total irrigable area) with smallholders irrigating only 30,000 ha (about 8% of total irrigable area).

1.3. Key Agricultural Commodities and Farming Practices

The main crops grown are maize, rice, sorghum, millet, groundnuts, pulses, soyabean, tobacco, sugar cane, tea, cotton, coffee, cashew, macadamia, cassava, sweet potato and Irish potato. Wheat, sunflower, sesame, paprika and chillies are also grown but at relatively smaller scale. Maize plays a central role in the economy. Tobacco is Malawi's largest export cash crop, accounting for about 60% of export earnings followed by tea and sugar.

The majority of smallholder farmers (87%) use hand tools for their agricultural operations because of small land holdings, inadequate supply of implements and spare parts, and shortage of draught animals. Agricultural operations (e.g., land preparation, irrigation, weed control, transportation, processing and storage) rely primarily on manpower, especially in the smallholder subsector.

About 13% of smallholder farmers use animal-drawn implements, oxen being the main power source. The majority of farmers use hand tools for cultivation; tractors of 54HP and above are used on medium and large farms. The estates use improved technologies and have better access to inputs, credit, supporting agricultural services and markets, hence have higher productivity levels than smallholders.
1.4. **Key Economic and Financial Statistics**

The country’s Gross Domestic Product (GDP) and GDP per capita are US$ 3.3 billion and US$ 252 respectively. However, Malawi has recorded impressive economic growth in recent years with GDP and GDP per capita increasing by 14.8% and 10.5% in 2007 respectively. Foreign public debt showed a declining trend over the 2005-2007 period (from US$ 2,856.2 to US$ 557.1 million); average annual inflation rate also dropped during the period (from 15.4% to 8.0%); similarly, the base lending rate for commercial banks declined from 25% to 15% during the period.

**Table 1: Economic and Socio-Economic Indicators**

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Unit</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country size</td>
<td>km²</td>
<td>118,484</td>
</tr>
<tr>
<td>Gross Domestic Product (GDP)</td>
<td>US$ billion</td>
<td>3.3</td>
</tr>
<tr>
<td>GDP per capita</td>
<td>US$</td>
<td>251.8</td>
</tr>
<tr>
<td>Agricultural GDP (at 2004 constant prices)</td>
<td>US$ million</td>
<td>747.2</td>
</tr>
<tr>
<td>Proportion of Agricultural GDP to total GDP 2007</td>
<td>%</td>
<td>30.6</td>
</tr>
<tr>
<td>Farm families 2008</td>
<td>Million</td>
<td>3.063</td>
</tr>
<tr>
<td>Rural population</td>
<td>Million</td>
<td>11.106</td>
</tr>
<tr>
<td>Proportion of population living in rural areas</td>
<td>%</td>
<td>85.0</td>
</tr>
<tr>
<td>Land under crop production</td>
<td>million ha</td>
<td>3.210</td>
</tr>
<tr>
<td>Foreign public debt</td>
<td>US$ million</td>
<td>557.1</td>
</tr>
<tr>
<td>Trade balance a</td>
<td>US$ million</td>
<td>(545.0)</td>
</tr>
<tr>
<td>Exchange rate in December 2006</td>
<td>MK:US$</td>
<td>138.645</td>
</tr>
<tr>
<td>Exchange rate in December 2007</td>
<td>MK:US$</td>
<td>140.145</td>
</tr>
<tr>
<td>Average annual inflation rate</td>
<td>%</td>
<td>8.0</td>
</tr>
<tr>
<td>Bank lending rate for commercial banks</td>
<td>%</td>
<td>15.0</td>
</tr>
</tbody>
</table>

*a. Trade balance = merchandise exports (fob) – merchandise imports (fob) = visible trade.

2. **PUBLIC SECTOR IN AGRICULTURE**

2.1. **Principle Government Agencies Involved in Agriculture**

The principal governmental implementing agencies within the agricultural sector in Malawi include the following:

a. **Ministry of Agriculture and Food Security (MoAFS):** This is the most important ministry dealing with agriculture and food security issues. The overall objective of the Ministry is to promote and accelerate broad-based, sustainable agricultural development so as to promote economic growth and contribute to poverty reduction.

b. **Ministry of Lands and Natural Resources (MoLNR):** The MoLNR’s main mission is to create an enabling environment for efficient, effective and sustainable management of land, environment and provision of meteorological services for sustainable economic growth and development.

c. **Ministry of Tourism Wildlife and Culture (MoTWC):** The MoTWC’s department of National Parks and Wildlife mission is to conserve and manage protected areas and wildlife through enforcement of wildlife legislation, adaptive management, effective monitoring and governance with full involvement of all stakeholders.

2.2. **Parastatals and Statutory Bodies**

The following parastatals play an important role in the agricultural sector:
a. **Agricultural Development and Marketing Corporation (ADMARC)** – a parastatal selling farm inputs to smallholder farmers, and buying and selling smallholder produce;

b. **Smallholder Farmers’ Fertilizer Revolving Fund of Malawi (SFFRFM)** – a parastatal importing and supplying fertilizers for smallholder farmers;

c. **National Food Reserve Agency (NFRA)** - a Trust managing Strategic Grain Reserves (SGRs);

d. **Tobacco Control Commission (TCC)** – regulator of the tobacco industry;

e. **Pesticides Control Board (PCB)** – regulator of pesticide industry; and

f. **University of Malawi (Bunda College of Agriculture)** – a parastatal providing degree and postgraduate training in agriculture, and conducting agricultural research.

### 2.3. Public Agriculture Infrastructure

The various types of public infrastructures that are available in the agricultural sector and subsectors of Malawi are sown in Table 2

**Table 2: Public Infrastructure in Agricultural and Related Sectors**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Infrastructure</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>Research Stations</td>
<td>14</td>
</tr>
<tr>
<td>Food Security (NFRA)</td>
<td>Concrete Silos</td>
<td>180,000 MT</td>
</tr>
<tr>
<td></td>
<td>Metal silos (under construction</td>
<td>60,000 MT</td>
</tr>
<tr>
<td>Land Resources Conservation</td>
<td>Training Centre</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Cartographic Units</td>
<td>9</td>
</tr>
<tr>
<td>Fisheries</td>
<td>Processing facilities</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td>Laboratories</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Hatcheries</td>
<td>5</td>
</tr>
<tr>
<td>Livestock</td>
<td>Farms</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Vet Laboratories</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Quarantine stations</td>
<td>3 (2 operational)</td>
</tr>
<tr>
<td></td>
<td>Abattoirs</td>
<td>3 (2 operational)</td>
</tr>
<tr>
<td></td>
<td>Cattle markets</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>Milk cooling tanks</td>
<td>Numerous</td>
</tr>
<tr>
<td>Extension</td>
<td>Rural Training Centres</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>Farm Institutes</td>
<td>3</td>
</tr>
<tr>
<td>Wildlife</td>
<td>National Parks</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Wildlife Reserves</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Nature Sanctuaries</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Training Centres</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Tourism Lodges</td>
<td>11 (all lodges concessioned out)</td>
</tr>
<tr>
<td>Forestry</td>
<td>Training Centre</td>
<td>1</td>
</tr>
</tbody>
</table>

### 3. PRIVATE SECTOR IN AGRICULTURE

#### 3.1. Crop, Livestock, Fishing, Forestry and Game Farming Activities

#### 3.1.1. Crop Farming

Maize is the staple food crop and contributes about 80% of the daily food calories and occupies nearly half (49.2%) of the cultivated area. Total maize production in 2006/07 was estimated at 2.6 million tons, up from 1.2 million in 2005/2006. The main estate-grown crops are tobacco, tea and
sugar. Malawi is the second largest producer of tobacco in Africa after Zimbabwe. Table 3 gives production and yields of the main crops.

### Table 3: Crop Production (MT)

<table>
<thead>
<tr>
<th>Crop</th>
<th>2000/01</th>
<th>2005/06</th>
<th>2006/07</th>
<th>2007/08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cereals</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maize</td>
<td>1,589,437</td>
<td>2,611,486</td>
<td>3,226,418</td>
<td>2,777,438</td>
</tr>
<tr>
<td>Rice</td>
<td>93,150</td>
<td>91,450</td>
<td>113,166</td>
<td>114,885</td>
</tr>
<tr>
<td>Wheat</td>
<td>2,241</td>
<td>2,000</td>
<td>4,605</td>
<td>2,491</td>
</tr>
<tr>
<td>Sorghum</td>
<td>36,806</td>
<td>54,309</td>
<td>63,698</td>
<td>61,999</td>
</tr>
<tr>
<td>Millet</td>
<td>20,414</td>
<td>27,037</td>
<td>32,251</td>
<td>31,869</td>
</tr>
<tr>
<td><strong>Legumes &amp; Oilseeds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Groundnut</td>
<td>147,729</td>
<td>203,071</td>
<td>261,810</td>
<td>260,573</td>
</tr>
<tr>
<td>Pulses</td>
<td>264,030</td>
<td>289,338</td>
<td>340,199</td>
<td>332,379</td>
</tr>
<tr>
<td><em>Phaseolus</em> beans</td>
<td>106,924</td>
<td>117,808</td>
<td>128,632</td>
<td>124,702</td>
</tr>
<tr>
<td>Pigeon peas</td>
<td>105,518</td>
<td>130,987</td>
<td>159,365</td>
<td>149,873</td>
</tr>
<tr>
<td>Soyabean</td>
<td>35,900</td>
<td>55,248</td>
<td>67,332</td>
<td>64,489</td>
</tr>
<tr>
<td>Sesame</td>
<td>354</td>
<td>291</td>
<td>504</td>
<td>909</td>
</tr>
<tr>
<td>Sunflower</td>
<td>3,593</td>
<td>5,450</td>
<td>5,910</td>
<td>5,745</td>
</tr>
<tr>
<td><strong>Cash Crops</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tobacco</td>
<td>82,544</td>
<td>121,600</td>
<td>306,351</td>
<td>160,238</td>
</tr>
<tr>
<td>Tea</td>
<td>42,100</td>
<td>37,978</td>
<td>45,010</td>
<td>na</td>
</tr>
<tr>
<td>Sugar cane</td>
<td>1,879,000</td>
<td>2,134,520</td>
<td>2,298,964</td>
<td>2,115,075</td>
</tr>
<tr>
<td>Cotton</td>
<td>36,742</td>
<td>58,569</td>
<td>63,290</td>
<td>76,761</td>
</tr>
<tr>
<td>Cashew</td>
<td>535</td>
<td>50</td>
<td>283</td>
<td>382</td>
</tr>
<tr>
<td>Macadamia</td>
<td>306</td>
<td>96</td>
<td>35</td>
<td>6,038</td>
</tr>
<tr>
<td>Coffee</td>
<td>2,764</td>
<td>2,091</td>
<td>1,403</td>
<td>1,122,902</td>
</tr>
<tr>
<td><strong>Root &amp; Tubers</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cassava</td>
<td>3,313,126</td>
<td>2,832,141</td>
<td>3,238,943</td>
<td>3,539,660</td>
</tr>
<tr>
<td>Sweet potato</td>
<td>2,528,790</td>
<td>1,781,595</td>
<td>2,264,969</td>
<td>2,362,425</td>
</tr>
<tr>
<td>Irish potato</td>
<td>323,217</td>
<td>527,831</td>
<td>593,842</td>
<td>673,344</td>
</tr>
<tr>
<td><strong>Spices</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paprika</td>
<td>5,972</td>
<td>2,127</td>
<td>1,808</td>
<td>2,215</td>
</tr>
<tr>
<td>Chillies</td>
<td>2,340</td>
<td>1,445</td>
<td>1,109</td>
<td>1,574</td>
</tr>
</tbody>
</table>

### 3.1.2. Livestock and Game Farming

In the livestock sector, chickens, goats, and pigs predominate. In 2005, the majority of households owned chicken (89%), followed by goats (35%) and pigs (10%). Cattle were owned by 8% of the households, and sheep reared by only 1% of the households. Table 4 shows the livestock population in Malawi.

The main challenges that have serious implications for the growth of the livestock industry in Malawi include the following: reduced livestock numbers especially cattle, due to thefts, diseases and parasites; declining land holdings; increasing human population; reduced public sector funding; indiscriminate slaughter of immature and breedable stock; limited involvement of the private sector and NGOs; and poor management practices.
Table 4: Livestock population

<table>
<thead>
<tr>
<th>Livestock type</th>
<th>2000</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cattle</td>
<td>768,501</td>
<td>777,846</td>
<td>799,017</td>
<td>870,622</td>
<td>947,498</td>
</tr>
<tr>
<td>Goats</td>
<td>1,662,930</td>
<td>1,961,080</td>
<td>2,301,349</td>
<td>2,720,126</td>
<td>3,106,271</td>
</tr>
<tr>
<td>Sheep</td>
<td>112,882</td>
<td>156,714</td>
<td>175,394</td>
<td>185,609</td>
<td>166,520</td>
</tr>
<tr>
<td>Pigs</td>
<td>465,419</td>
<td>582,709</td>
<td>636,991</td>
<td>928,952</td>
<td>1,229,472</td>
</tr>
<tr>
<td>Chickens</td>
<td>7,206,377</td>
<td>9,946,591</td>
<td>8,800,960</td>
<td>10,802,810</td>
<td>15,044,516</td>
</tr>
<tr>
<td>Rabbits</td>
<td>127,029</td>
<td>260,380</td>
<td>416,120</td>
<td>513,467</td>
<td>609,319</td>
</tr>
<tr>
<td>Guinea Fowl</td>
<td>74,640</td>
<td>562,115</td>
<td>609,302</td>
<td>726,108</td>
<td>899,911</td>
</tr>
<tr>
<td>Turkey</td>
<td>na</td>
<td>42,756</td>
<td>40,180</td>
<td>48,311</td>
<td>73,865</td>
</tr>
<tr>
<td>Doves</td>
<td>363,416</td>
<td>958,421</td>
<td>na</td>
<td>1,070,681</td>
<td>1,429,169</td>
</tr>
<tr>
<td>Ducks</td>
<td>114,817</td>
<td>378,081</td>
<td>383,345</td>
<td>487,160</td>
<td>609,140</td>
</tr>
</tbody>
</table>

Source: MoAFS (2008a).

3.1.3. Fisheries

The sector comprises two sub-sectors: capture fisheries and aquaculture. Capture fisheries is dominated by small-scale fishers and accounts for 98% of the national fish production. Aquaculture, which accounts for 2% of national fish production, had about 3,000 fish farmers owning about 7,000 fish ponds countrywide in 2006. Aquaculture production stood at 1,200 MT with an estimated value of US$ 856,600.

The fisheries sector contributes about 4% of the country’s GDP. In 2006, the sector employed over 450,000 people through fishing and fisheries-related industries. There were about 56,000 traditional fishermen and crew members countrywide using 15,000 fishing crafts and 22,000 fishing gears and there were 8 registered commercial fishermen using mechanical trawlers on Lake Malawi in 2006.

3.2. Farmers’ Organisations and Professional Organisations

There are many farmers associations dealing with issues related to agriculture and natural resources in Malawi. These include: Farmers’ Union of Malawi (FUM); National Smallholder Farmers’ Association of Malawi (NASFAM); Tobacco Association of Malawi (TAMA); Tobacco Exporters Association of Malawi; Tea Association of Malawi; Smallholder Tea Authority (STA); Smallholder Coffee Authority; Cotton Growers’ Association (CGA); Malawi Milk Producers’ Association (MMPA); National Smallholder Seed Producers’ Association (NSSPA); Poultry Association of Malawi (PAM); Malawi Confederation of Chambers, Commerce and Industry (MCCCI); and CNFA/Rumark.

3.3. Other Private Organisations Providing Support to Farmers

3.3.1. Credit Institutions

There are several institutions that provide credit to the farming community. These include NGO microcredit programs such as those run by World Vision International and Concern Universal. Parastatals such as MSB and MRFC; Small Enterprise Development of Malawi (SEDOM); Development of Malawian Traders Trust (DEMATT); Savings and Credit Cooperatives (SACCOs) such as Malawi Union of Savings Cooperatives (MUSCCO); private sector microfinance companies such as Pride Malawi, INDEFUND and FINCA; projects of international development agencies and donors; and two commercial banks, NBS Bank and Opportunity Bank. NBS Bank was incorporated in 2004 when the only existing building society, the New Building Society, was restructured.

3.3.2. NGOs

Numerous NGOs also operate in the agricultural and related sectors. The main ones include: Action Aid, Concern Universal, World Vision, CURE, Emmanuel International, Oxfam, Save the Children,
Catholic Development Commission (CADECOM), Evangelical Lutheran, Total Land Care (TLC); Research into Use (RIU); and Malawi Economic Justice Network (MEJN).

### 3.3.3. International Donors

Several projects are being implemented that are financed by a number of the key donors in the sector such as the African Development Bank (AfDB), the International Fund for Agricultural Development (FAD), the European Union (EU), Japanese Agency for International Development (JICA), the UN Food and Agriculture Organization (FAO), the UK Department for International Development (DFID), the Norwegian Agency for Development Cooperation (NORAD) and the World Bank. The main sector issues being addressed are: Irrigation development and farmer support in scheme management, agricultural production and marketing; Institutional development and agri-business development, agricultural training; agricultural productivity and diversification; and soil and water conservation, among others.

### 3.4. Trade in the Food Sector

In 2007, Malawi’s visible exports and imports were estimated at US$ 709.0 million and US$ 1,254.0 million, giving a visible trade balance of US$ -545.0 million. While the country has consistently increased its exports to SADC, the growth in imports has continued to outpace the improved export performance. While SADC accounted for 62.1% of Malawi’s imports in 2007, the region accounted for only 27.4% of the country’s exports.  

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NATIONAL AND REGIONAL AGRICULTURAL POLICIES

4. NATIONAL AGRICULTURAL AND RELATED POLICIES
   4.1. General Overarching Framework Documents
      4.1.1. General Overview

Poverty reduction has been a priority of Malawi Government’s development agenda since the 1990s. To reduce poverty, the Malawi Government has developed the nation’s Vision 2020, adopted the Millennium Development Goals (MDGs), and developed the Malawi Growth and Development Strategy (MGDS) and various sectoral and sub-sectoral policies and programmes.

The Malawi Vision 2020 states that “by the year 2020 Malawi as a God fearing nation, will be secure, democratically mature, environmentally sustainable, self-reliant with equal opportunities for and active participation by all, having social services, vibrant cultural and religious values and a technologically driven middle-income economy”.

The nine goals of vision of 2020 are: (1) Good governance; (2) Sustainable economic growth and development; (3) Vibrant culture; (4) Developed economic infrastructure; (5) Social sector development; (6) Science and technology-led development; (7) Fair and equitable distribution of income and wealth; (8) Food security and nutrition; and (9) Sustainable natural resource and environmental management.

The Government of Malawi (GoM) has been developing and implementing various policies and programmes to address challenges in the agricultural sector to improve agricultural productivity, farm incomes and socioeconomic development of the country. The following overarching policies are currently in place to drive agricultural development in Malawi.

- The Agricultural Inputs Subsidy Programme (AISP) (2004),
- The Agricultural Policy of June 2005,
- The Institutional Development across the Agri-Food Sector (IDAF) programme (2006 – 2010).
- The Agricultural Development Programme (ADP) (2008); and
- The Greenbelt Initiative (GBI).

These overarching policies, strategies and programmes are described in more detail in the next sections.


The MoAFS, has been implementing a country-wide Agricultural Inputs Subsidy Programme (AISP) using the coupon system since the 2005/06 agricultural season. The objective of the programme is to achieve food self-sufficiency and increased incomes of resource poor households through increased food and cash crop production. It provides subsidized seeds and fertilizers to maize farmers. For example, in 2007/2008 1.7 million of farmers were provided with subsidy coupons for 170,000 tonnes of fertilisers.

4.1.3. Agricultural Policy (2005)

This Agriculture Policy of 2005 aims at addressing the challenges that continue to affect the performance of the agricultural sector. The overall objective of this policy is to create “a nation with sustainable food security and increased agro-based incomes”. To achieve this objective, the policy’s specific objectives included:
• Attainment of sustainable household and national food security;
• Improved nutritional status of the population;
• Expanded and diversified agricultural production and exports;
• Increased farm incomes;
• Conservation of the natural resource base;
• Formulation of agricultural policies, legislation and regulations with stakeholder participation;
• Provision of agricultural information and market systems to stakeholders;
• Generation and dissemination of appropriate and demand-driven technologies; and,
• Provision of quality control services on agriculture produce; and
• Promotion of value addition and agribusiness development.


The IDAF is an EU-funded programme implemented by the Ministry of Agriculture and Food Security (MoAFS). The purpose of the programme is to foster an enabling institutional environment for development and growth in the agricultural and food industry sector in Malawi. Main areas of focus of the programme include: (i) improved service provision in the agri-food sector through agreement of new partnerships based on core function analysis of the agricultural sector; (ii) improved capacity for development and delivery of agricultural policies; (iii) implementation of the new District Agricultural Extension Service Delivery System (demand-driven, pluralistic extension services); (iv) farmer organizations developed and linked more actively to market stakeholders; and (v) systems and services developed to facilitate increased volume, diversity and value of trade in agricultural produce.


The MGDS is the current overarching medium-term strategy that sets out the Government’s economic growth and development priorities for the five-year period between 2006/07 and 2010/11 fiscal years. The MGDS seeks to achieve the aspirations of Malawi as defined in vision 2020. The overall objective of MGDS is to reduce poverty through sustained economic growth and infrastructure development. The MGDS is organised around five themes: (1) sustainable economic growth (focusing on agriculture sector), (ii) social protection and disaster risk management, (iii) social development, (iv) infrastructural development and (v) improved governance.

Theme 1 concentrates on agriculture as the driver for economic growth and recognizes that food security is a prerequisite for economic growth and poverty alleviation. It relies on six key priority areas: (1) agriculture and food security; (2) irrigation and water development; (3) transport infrastructure development; (4) energy generation and supply; (5) integrated rural development; and (6) prevention and management of nutrition disorders, HIV and AIDS.


The ADP is a means for achieving the agricultural growth and poverty alleviation goals of the Malawi Growth and Development Strategy (MGDS). The overall objective of ADP is to improve food security and generate agricultural growth through increased productivity of food and cash crops, while ensuring sustainable use of natural resources. The main strategies that will be employed to achieve the objectives of the ADP are summarised below:

• Food security and risk management will be achieved by increasing maize productivity, reducing post-harvest losses, diversifying food production, managing risks associated with food reserves at national level. Malnutrition will be reduced by agricultural diversification that includes legumes, vegetables, fruits, small stock (Goat meat and milk), pigs, rabbits, chicken and guinea fowl meat and eggs, and fish.

• Commercial agriculture, agro-processing and market development will entail promoting commercial agriculture production involving smallholder farmers, agricultural diversification, agro-processing for import substitution and value addition, developing the domestic and export markets for inputs and outputs, and finally developing more public private partnerships.
involving producers, buyers, input dealers, service providers, and policy makers in the value chain.

- **Sustainable management of land and water** will focus on sustainable land and water utilization. Emphasis will be on conservation farming, afforestation, protection of fragile land and catchment areas, and rehabilitation of degraded agricultural land. Activities on water will focus on water use efficiency and expanding the area under irrigation.

However, at the time of this report (August 2009), the ADP has not yet been approved by Cabinet, thereby stalling its full implementation.

### 4.1.7. Greenbelt Initiative (GBI)

Malawi’s GBI, initiated by Presidential Decree but currently under preparation, aims at increasing production and productivity of agricultural crops, livestock, and fish farming both inland and along the shores of Lake Malawi and the banks of Shire and other water bodies. The programme interfaces with the MGDS in the areas of agriculture, food security, irrigation and disaster risk reduction, and is line with the priority pillars (focus areas) of the ADP. The specific objectives of the GBI are:

- To increase production and productivity for crops, livestock and fisheries enterprises;
- To increase value addition and agricultural exports through sustainable irrigation farming;
- To increase diversification and improve knowledge and operations of small-scale and large-scale farmers;
- To improve value chain linkages and operations; and
- To increase private sector participation in agricultural production under irrigation farming.

The Strategies of the GBI are:

- **Irrigation development and rehabilitation**: This is the core strategy of the initiative and involves (i) establishing both small-scale irrigation schemes operated by smallholder farmers and large-scale irrigation schemes operated by commercial farmers; (ii) rehabilitating all existing irrigation schemes; and increasing land tenure security at the schemes;
- **Credit and microfinance development** to ensure availability of finance to both smallholder and commercial farmers by encouraging Commercial Banks to earmark loans for agricultural production in this greenbelt;
- **Natural resource management** to ensure sustained agricultural production, food security and agricultural incomes for the present and future generations;
- **Research-based technology development, dissemination and utilisation** to package demand-driven, market-oriented and evidence-based strategies to ensure successful implementation of the initiative. These packages will be tailored to respond to both demand and supply needs regarding the execution of the initiative;
- **Infrastructure and market development** involves Government working in partnership with private sector to provide for large-scale infrastructure development to ensure a conducive environment to sustain the operations of the initiative by providing good transport systems, energy, processing plants, storage and handling facilities, among others; and promoting marketing a information systems and market extension programme; and
- **Mainstreaming cross-cutting issues** to mitigate the negative impact of HIV&AIDS pandemic, gender imbalance, and environmental degradation on agricultural productivity.
4.2. **Agricultural Policies and Strategies**

4.2.1. **Land Infrastructure**

4.2.1.1. **Land Policy**

The Malawi National Land Policy (NLP) of January 2002 goal is to ensure land tenure security and equitable access to land and to facilitate the attainment of social harmony and broad-based social and economic development through optimum and ecologically balanced use of land and land based resources. The specific objectives of the policy are to:

- Promote tenure reforms that guarantee security and instil confidence and fairness in all land transactions;
- Promote decentralized and transparent land administration;
- Extend land use planning strategies to all urban and rural areas;
- Establish a modern land registration system for delivering land services to all;
- Enhance conservation and community management of local resources; and
- Promote research and capacity building in land surveying and land management.

The NLP is supported by (i) National Physical Development Plan which provides guidelines for sectoral development and spatial framework for the coordination of social, physical and economic development in Malawi; (ii) the National Land Use and Management Policy which aims at securing social and economic development through optimum and ecologically balanced use of land and land based resources; (iii) the International Boundary Demarcation Programme (IBDP); and (iv) the Land Reform Programme Implementation Strategy (LRPIS).

The main strategies of the National Land Policy include:

a. **Land access and tenure reforms:** (i) allowing customary land to be registered and protected by law against arbitrary conversion to public land; (ii) encouraging all customary landholders (entire communities, families or individuals) to register their holdings as private customary estates with land tenure rights that preserve the advantages of customary ownership but also ensures security of tenure; and (iii) allowing customary holders (traditional leaders, family heads and individuals) of registered customary land to grant leases.

b. **Land access for non-citizens:** (i) not allowing non-citizens to continue acquiring title to any new freehold estate; (ii) permitting non-citizens and foreign companies to lease land from Government or directly from private land owners for investment purposes; (iii) making freehold ownership a privilege reserved for citizens of Malawi, and encouraging foreign investors interested in freehold land for investment to form partnerships/joint ventures with Malawians; (iv) reducing the standard leasehold term for land leased for investment purposes from 99 years to renewable term of 50 years or less, except for very special types of investments such as mining, forestry and some perennial tree crops such as tea.

c. **Land use planning and registration:** (i) extending land use planning to all rural and urban land, including freehold, leasehold and customary estates; and (ii) avoiding lengthy and costly delays in granting land titles and issuing of leases.

d. **Land administration and dispute settlement:** (i) guaranteeing secure tenure and equitable access to land without any gender bias and/or discrimination to all citizens of Malawi; (ii) formalizing and making land administration and the roles and responsibilities of traditional leaders (chiefs, clan leaders, head persons and family heads) more democratic and transparent; and (iii) encouraging community-based land acquisition and development in areas with higher than normal land pressure to ease land pressure and secure resources necessary to support resettlement of land-starved households.

e. **Cross-cutting and inter-sectoral issues:** (i) training, modernizing and capacity building in surveying and land management; (ii) supporting community participation in management and the right to share revenue derived from public land established on land managed by a Traditional Authority, including land reserved for national parks, forest reserves and protected
areas; and (iii) recognizing and affirming other land sector policy reforms enacted since 1994 encouraging agriculture, forestry, tourism, mining and natural resources management and habitat preservation.

4.2.2. Natural Resources Policies and Strategies

4.2.2.1. Irrigation

Irrigation development in Malawi is guided by National Irrigation Policy and Development Strategy (NIPDS) of June 2000. Its Mission is to manage and develop water and land resources for diversified, economically sound and sustainable irrigation and drainage systems under organized smallholder and estate management institutions and to maintain an effective advisory service. The policy focuses on shifting away from public sector irrigation to private sector irrigation development, local participation, sustainable natural resource development and coordination. The objectives of the NIPDS are to:

- Increase agriculture production and enhance food security through irrigation;
- Extend cropping opportunities and provide a wider variety of crops in both wet and dry seasons to improve nutritional status, especially of children and women;
- Create an enabling environment for irrigated agriculture;
- Optimize government investment in irrigation development by applying principles of cost sharing and cost recovery;
- Enhance human capacity for irrigated agriculture in the public, parastatal and private sector;
- Facilitate irrigation technology development and testing; and
- Promote marketing of irrigated produce.

The main strategies being adopted are (i) rehabilitating existing irrigation facilities such as Muona, Mkhati, Bwanje, Likangala and Limphas, (ii) developing new large scale irrigation schemes such as Shire Valley (40,000 ha) and utilizing Lake Malawi water in Lakeshore and upland districts (200,000 ha), (iii) developing water resources for irrigation through construction of dams, drilling of boreholes and canalization, (iv) promoting rainwater harvesting technologies throughout the country (v) providing technical services to medium and large scale commercial farmers in irrigation technologies, (vi) enhancing technical capacity in irrigated agriculture through support to training institutions, staff and farmer training, and (vii) enhancing technical capacity of local artisans in the repair and maintenance of irrigation equipment through training.

The legislative framework for the NIPDS is provided by the Irrigation Act (2001) which provides for: (i) establishment of a National Irrigation Board, Irrigation Fund and Irrigation Management Authorities; (ii) registration of consultants operating in the sector; and (iii) penalties for offences.

4.2.2.2. Water

The National Water Policy of August 2005 provides guidelines for proper implementation of various activities in the Water and Sanitation Sector. The policy addresses all aspects of water including resource management, development and service delivery. The overall water policy goal is sustainable management and utilization of water resources, in order to provide water of acceptable quality and of sufficient quantities, and ensure availability of efficient and effective water and sanitation services that satisfy the basic requirements of every Malawian and for the enhancement of the country's natural ecosystems. The policy is supported by the National Water and Irrigation Strategy and the National Water Development Programme II. Water Resources Management Policy (2008), aimed at promoting integrated water resources management but it has not been passed by cabinet.

4.2.2.3. Forestry

The forestry sector is guided by the National Forest Policy (NFP) of January 1996. The goal of the policy is to sustain the contribution of the national forest resources to the quality of life in the country by conserving the resources for the benefit of the nation. The objectives of the policy are to:

- Provide regulated and monitored access to some forest products by all citizens;
- Contribute towards improving the quality of life in the rural communities and providing a stable local economy; and
Establish appropriate incentives that will promote community-based conservation and a sustainable utilization of the forest resources.

The policy focuses on (i) forestry protection through law enforcement and public awareness; (ii) forestry governance through decentralization; (iii) public-private partnerships in managing industrial forest plantations; (iv) community-based forestry management; (v) co-management of forestry resources; and (vi) sustainable utilization of forestry resources (forest reserves). The policy is complemented by the Community-Based Forest Management – A Supplement to the National Forestry Policy (2003), and the National Forestry Programme (2001). The broad strategies of this policy include:

- Enacting a law that removes restrictions to access to the use of forests and forest products, and promote equity and participation by local communities;
- Promoting proven methods for utilizing forest products and introducing value-adding processes to popularize their commercial values;
- Encouraging establishment of investment incentives to promote the development of small- and medium-scale industries in the rural areas thereby offering employment opportunities to the rural communities;
- Enhancing and supporting sustainable and profitable networks of rural marketing services and the transportation of forest products;
- Promoting increased forestry yield and controlled utilization of over-mature trees, licensed grazing and access for the collection of non-timber forest products;
- Encouraging agro-forestry to improve land fertility and meet some of the farmers' needs for fuel wood and fodder;
- Promoting, at communal and individual levels, (i) ownership of forests and forest resources; (ii) establishment of nurseries to increase diversity of species; and (iii) marketing of seeds, seedlings and other forest products;
- Strengthening and maintaining regular reward system for tree planting; and
- Improving the public information system.

4.2.2.4. Wildlife Policy

Government regards wildlife as a valuable resource and is committed to its conservation and management. The Wildlife Policy of 2000 provides guidance on conservation and management of wildlife resources. The objectives of the policy are to:

- Ensure adequate protection of representative ecosystems and their biological diversity through promotion and adoption of appropriate land management practices that adhere to the principle of sustainable use;
- Enhance public awareness and understanding of the importance of wildlife conservation and management and its close relationship with other forms of land use;
- Curtail illegal use of wildlife resources by taking necessary legislative steps and pertinent enforcement measures;
- Create an enabling environment for wildlife-based enterprises; and
- Develop cost-effective legal and institutional frameworks for managing wildlife resources without comprising the special ecological attributes of the resources.

4.2.2.5. Environmental Policy

In 2004, the Government revised the National Environmental Policy (NEP) of 1996. This policy provides guidance and sets standards for the development of sector policies in environment and natural resources. The policy is supported by the National Strategy for Sustainable Development (2004), National Environmental Action Plans (1994, 2002, 2003), State of the Environment Reports (2001, 2002), Guidelines for Environmental Impact Assessment (1997), and Decentralized Environmental Management Manual (2002). The policy seeks to achieve the following objectives:

- Promote sustainable utilization and management of the country's natural resources
- Facilitate rehabilitation and management of essential ecosystems and ecological processes;
• Enhance public education and awareness of various environmental issues and public participation in addressing them;
• Integrate sustainable environment and natural resources management into the decentralized governance systems;
• Promote local community, Non-Governmental Organisations (NGO) and private sector participation in environment and natural resources management;
• Promote co-operation with other Governments and relevant regional and international organizations in the management and conservation of the environment
• Develop and regularly update environmental information systems to facilitate planning and decision-making at local, national and international levels;
• Facilitate development and regular review of policies and legislation to promote sustainable management of the environment and natural resources; and
• Facilitate development of mechanisms for management of conflicts in the environment and natural resources sector.

Some of the strategies that are being used to promote sustainable utilization of natural resources especially soil, water and trees include (i) controlling surface run-off for agriculture and other uses, (ii) upscaling soil conservation and fertility improvement technologies, (iii) reclaiming and rehabilitating degraded lands, (iv) enforcing cultivation regulations/guidelines on the width of free zone of the river line to avoid environmental degradation, (v) intensifying afforestation, reforestation, planting of vetiver, Napier grass and/or bamboos on river banks, and (vi) enforcing the requirement, as provided for in the Environmental Act, that any irrigation scheme above 10ha must undergo an Environmental Impact Assessment.

4.2.2.6. Fisheries

The overall objective of the National Fisheries and Aquaculture Policy (NFAP) (2001) is to increase and sustain fish production from capture fisheries and aquaculture. Specific objectives are to:

• Maximize the sustainable yield of fish from the national waters of Malawi and man-made water bodies and improve efficiency of exploitation, processing and marketing of quality fish products; and

• Promote investment in the fishing industry, rural fish farming units and exploit all opportunities to expand existing and develop new aquatic resources

The policy focuses on improving fish production, fish marketing, information and fisheries research and development in both capture fisheries and aquaculture. To improve fish production in capture fisheries, the strategy encourages fishing in the deeper parts of Lake Malawi to exploit the under-exploited fish stocks. This is done through implementation of two projects; the Lake Malawi Artisanal Fisheries Development Project (LMAFDP) and the Smallscale Offshore Fishery Technology Development Project (SOFTDP).


Fisheries by-laws have been developed (since 2004), in a consultative manner, for south-east and south-west of Lake Malawi, Upper Shire River and Lake Malombe;

Under aquaculture, the policy promotes the growing of fish by implementing PIAD which aims at boosting aquaculture through adoption of modern fish farming technologies, initiating a credit scheme, and developing fish marketing and business development services. Through the NASP, aquaculture extension is being revamped by promoting farmer-to-farmer exchange of technology and integrating farmer associations into the extension service.
In fish marketing, the sector is reducing post-harvest losses and addressing food safety concerns by improving infrastructure along Lake Malawi and the market chain, introducing fish quality standards, providing marketing information and training.

The goal of the Fisheries HIV and AIDS Strategy is to prevent the further spread and transmission of HIV amongst workers, communities, households and individuals dependent on fisheries and to improve, in a sustainable way, livelihoods and quality of life of those who are living with and affected by HIV and AIDS.

4.2.2.7. Natural Resources

Land resources conservation in the country is guided by the National Land Resources Management Policy and Strategy (NLRMPS) of July 2007. The overall objective of the policy is to promote the efficient, diversified and sustainable use of land-based resources both for agriculture and other uses in order to avoid sectoral land use conflicts and ensure sustainable socio-economic development. Specific Objectives of the policy are to:

- Improve and sustain land productivity for agriculture and other alternative uses;
- Rehabilitate degraded land for agriculture production and other alternative uses;
- Control surface runoff water for agriculture and other uses;
- Develop technologies that are economically viable, ecologically sound and social-culturally acceptable;
- Promote the use of incentives that encourage communities to undertake soil conservation measures;
- Protect and preserve environmentally fragile areas such as steep slopes and stream banks, watershed areas, swamps and dambos;
- Provide where necessary the legal framework to support land resources conservation and management policies for rational and informed land resources management; and
- Integrate gender issues in all phases of policy and decision making on land so that both men and women as equal partners have a shared responsibility over sustainable use and management of land resources.

Strategies of the policy include: (i) promoting technologies for building soil organic matter, controlling soil erosion and rehabilitating degraded land; (ii) promoting research and development; (iii) carrying out environmental impact assessment where necessary; (iv) formulation of a legal framework and enforcement of standards, guidelines and development regulations; (v) encouraging community participation in managing the land resources; and (vi) mainstreaming gender in all programmes addressing land use and management issues.

The NLRMPS is supported by the Draft Land Resources Conservation Strategic Plan 2007-2011 of December 2006. The strategic plan provides a basis for sustainable utilization of land resources in a manner that would optimally contribute to food security and poverty reduction in the country. The vision of the strategy is for Malawi to become a nation with reduced land degradation and emphasizes on (i) reducing land degradation and enhancing sustainable land productivity; (ii) institutional capacity building; and (iii) information dissemination. The strategy complements relevant national policies such as the Food Security Policy, National Land Policy, Malawi Strategy for Sustainable Development, National Environmental Policy and the MGDS.

4.3. Support Services for Farmers

4.3.1. Collection of Information and Dissemination

Through the Irrigation Rural Livelihood Agricultural Development Project (IRLADP) – a world bank funded project, the sub-sector is strengthening agricultural marketing information systems for smallholders by establishing business and market information centres in selected Extension Planning Areas (EPAs).

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Under the IDAF Programme, a website of MoAFS and Agricultural Resources Centres (ARC) have been established across the country. The objective of ARCs is to promote access to agricultural marketing and technical information to increase agricultural production and promote agribusiness enterprises. Primary beneficiaries for the ARCs are the farmers, but other stakeholders are also targeted including FBOs, extension workers, traders, local leaders, processors and other produce buyers, agro-dealers, education institutions, public and private organizations, and policy makers.

4.3.2. Seed

Seed provision in Malawi is guided by the National Seed Policy of Malawi (NSPM) of 1993. Its specific objective is to establish, through appropriate policies and programmes, an environment conducive to the development of a sustainable seed industry. The policy focuses on variety research and development; pre-basic, basic and certified seed production; quality control; ensuring seed availability through buffer stock schemes; and strengthening stakeholder collaboration. The policy is supported by the Seed Act (1996). Strategies of the policy include:

- Promoting use of improved seed varieties;
- Establishing national seed reserves (buffer seed stocks) to ensuring seed availability in the event of a drought or natural or man-made disasters;
- Strengthening linkages and collaboration among stakeholders in the seed sector;
- Operating an effective market-oriented variety improvement programme for all main crops;
- Developing Smallholder Seed Multiplication Schemes (SSMSs) and extension service;
- Enhancing capacity building by encouraging inclusion of seed technology topics in the curricula of tertiary institutions (University of Malawi and Natural Resources College);
- Promoting private sector research through provision of germplasm to the private sector;
- Establishing a plant breeder's rights system for hybrids and other varieties of selected crops;
- Encouraging exportation of seed for planting and agricultural crops provided national seed requirements are not jeopardized;
- Providing seed certification services to the commercial seed companies and SSMS in accordance with the Seed Act;
- Ensuring Seed Services Section is financially self-sustaining to meet its costs by charging for its services; and
- Strengthening regulation by intensifying crop inspection, licensing of seed dealers and seed testing, and enforcement of Seed Act.

4.3.3. Fertiliser

The National Fertilizer Strategy (NFS) of 2007 aims to increase fertilizer availability; improve farmer access to affordable fertilizer; improve utilization of fertilizer and related inputs; facilitate improvement of infrastructure; and create an enabling environment for public-private sector partnership in the development of the fertilizer industry. In order to achieve its objectives, the NFS uses the following strategies:

- Improving implementation of input intervention programmes by using market friendly approaches (FSP and IAP);
- Intensifying farmer and extension specialist training in fertilizer use, handling and management;
- Training Agro-input Dealer in fertilizer use, handling, management and marketing;
- Formation of Agro-Input Dealer associations and cooperatives;
- Introducing cost effective fertilizer formulations and recommendations based on plant nutrient requirement and agro-ecological specifications;
- Establishing a fertilizer buffer stock;
- Importing fertilizer in bulk;
- Facilitating the development of fertilizer plants (fertilizer manufacturing and blending);
- Developing Fertiliser Production and Marketing Information Systems;
- Improving fertilizer credit systems;
- Promoting integrated use of organic and inorganic fertilizer;
- Strengthening fertilizer regulatory framework; and
- Regulating fertilizer and output prices.
4.3.4. Farm Mechanisation

The Guide to Agricultural Production and Natural Resources Management in Malawi (undated) stipulates the country’s Farm Mechanization Policy and strategies. Farm mechanization aims at reducing the drudgery experienced by farmers through adoption of draught animals and appropriate forms of machinery to increase land and labour productivity. To achieve its goals, the policy focuses on:

- Training in selection, utilization, care and management of draught animals and farm implements by (i) introducing and supplying alternative sources of draught animals such as donkeys; (ii) improving availability and utilization of both hand-operated and animal-powered machinery for farmers to purchase through cash or credit; (iii) testing and releasing small-scale machines such as grain dehullers, oil extraction machines and water pumps; (iv) and assisting manufacturers in the design and production of quality implements and back-up services;
- Encouraging farmers to dip their animals regularly as well as purchase and stock animal drugs in groups to control animal diseases;
- Training frontline extension workers and ox-trainers so that they provide quality advisory services to farmers; and
- Encouraging farmers to hire farm implements such as tractors, animal drawn implements, irrigation pumps and sprayers.

4.3.5. Agricultural Research (ARMP)

Agricultural research in Malawi is guided by the Agricultural Research Master Plan (ARMP) of 1995. The overall objective of the plan is to develop crops and livestock technologies that will promote increased crops and livestock production and to develop systematic and comprehensive information management systems that will provide information on technologies that can be utilized by all farmers.

Strategies of the Master Plan include: (i) developing high yielding varieties which are tolerant or resistant to pests and diseases for food and cash crops, pastures and livestock; (ii) developing appropriate cultural practices and integrated pest management systems for all crops, pastures and livestock to sustain yields; (iii) developing multiple cropping system combinations for cereals, legumes, root and tuber crops, pastures and different species of livestock enterprise for optimum yield and conservation of resources; (iv) developing labor-saving technologies; (v) increasing stability of agricultural production by developing varieties of crops which are tolerant to drought and resistant to pests and diseases and livestock breeds of wider adaptation; (vi) developing agro-ecological zone specific recommendations for crops, pastures and livestock; (vii) developing methods of controlling soil erosion and fertility loss; (viii) developing irrigation technologies to increase crop, livestock and fish production; (ix) developing technologies that would lead to crop and livestock diversification; and (x) developing and promoting technologies for natural resources conservation.

4.3.6. Agricultural and Natural Resources Master Plan (ANRRMP) (1999)

Agricultural and Natural Resources Research Master Plan (ANRRMP) of 1999 complements the ARMP. It gives research priorities and priority researchable areas for crops, livestock capture fisheries, aquaculture, forestry and environment. The following are the top priority researchable areas for these sectors: crops – soil fertility and plant nutrition; livestock – feeds and nutrition; capture fisheries – management strategies; aquaculture – fingerling production and management; forestry – seed production, storage and quality; and environment – deforestation prevention and control.
Table 5: R&D Priority Ranking of Commodity Groups

<table>
<thead>
<tr>
<th>Priority rank</th>
<th>Commodity group</th>
<th>Commodities listed in order of priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cereals</td>
<td>Maize, rice, sorghum, millet</td>
</tr>
<tr>
<td>2</td>
<td>Industrial and cash crops</td>
<td>Tobacco, sugarcane, tea, cotton, coffee, rubber, macadamia, cashew</td>
</tr>
<tr>
<td>3</td>
<td>Roots and tubers</td>
<td>Cassava, sweet potato, potato</td>
</tr>
<tr>
<td>4</td>
<td>Vegetables</td>
<td>Tomato, cabbage, onion, pumpkin, amaranthus, carrot, mushroom</td>
</tr>
<tr>
<td>5</td>
<td>Legumes and oilseeds</td>
<td>Beans, groundnuts, pigeon peas, soyabeans, sunflower, cowpeas</td>
</tr>
<tr>
<td>6</td>
<td>Fisheries</td>
<td>Capture fisheries, aquaculture</td>
</tr>
<tr>
<td>7</td>
<td>Livestock</td>
<td>Cattle, chickens, goats, pigs, sheep</td>
</tr>
<tr>
<td>8</td>
<td>Fruits and flowers</td>
<td>Banana, mango, citrus, flowers, pineapple, guava, avocado pear, apple, peach</td>
</tr>
<tr>
<td>9</td>
<td>Spices</td>
<td>Chillies, paprika, ginger, turmeric</td>
</tr>
<tr>
<td>10</td>
<td>Forestry</td>
<td>Indigenous, plantation, trees on farm</td>
</tr>
</tbody>
</table>

4.3.7. Agricultural Extension

The Government's vision is to have pluralistic, decentralized and demand-driven extension in Malawi, and that all farmers are able to demand and have access to high quality extension services from those best able to deliver them. The specific objectives of the policy are:

- Increase contact with farmers through farmer based organizations including clubs, associations, cooperatives and trusts;
- Expand contact with disadvantaged groups in the community such as women, the youth, people with disabilities and other vulnerable farmer groupings;
- Strengthen research-extension-farmer mechanisms;
- Foster cooperation with NGOs involved in agricultural development programmes;
- Promote irrigation, food and nutrition and land resource conservation technologies;
- Promote integration of crop and livestock production in farming systems in order to facilitate availability of appropriate technologies to farmers;
- Promote use of innovative and participatory approaches and techniques, as well as methods of working directly with farmers;
- Disseminate new recommended practices using various methods such as campaigns, shows, visits, tours, field days and meetings;
- Organize, conduct and implement commodity oriented advisory services; and
- Provide in-service training for extension staff to improve their competence in working with both male and female smallholder farmers.

The policy puts emphasis on (a) assisting farmers to become aware of improved technologies and make them actively undertake efficient crop production, livestock, irrigation, nutrition, and land resource conservation programmes, and (b) enabling farmers participate in lucrative and profitable income generation for the improvement of their welfare. Key strategies being employed include participatory extension, commercialization and privatization of extension services, collaboration/partnerships, capacity building and mainstreaming of cross-cutting issues of gender, environment and HIV and AIDS.

4.4. Support to Investment

4.4.1. Access to Credit and Financing

In Malawi access to credit, savings opportunities and other financial services still remains one of the major constraints to enterprise development. This is more so among micro-enterprises who formed 96.4% of all micro, small and medium enterprises in 2002, and in particular those owned by women. The
formal financial sector does not cater for these enterprises because they do not have collateral and security guarantees. They are also believed to be high-risk clients who are unable to repay loans and the cost of delivering credit and saving services to them is deemed to be very high.

The Government is committed to provide credit facilities to the various enterprises including the agricultural sector. In this context a Microfinance Policy and Action Plan was established to provide framework and supportive guidelines for the further development of microfinance in Malawi. It defines guiding principles for the support of microfinance and assigns roles and responsibilities to different stakeholders for carrying out an action plan to develop a “sustainable microfinance industry”. The Key objectives of the policy include:

- Creating an enabling legal and regulatory framework;
- Support for conducive economic policies;
- Developing the capacity of service providers and their clients;
- Supporting the development of an industry infrastructure including the Malawi Microfinance Network;
- Promoting best practices at the level of institutions and donors; and
- Increasing coordination among sectors on issues affecting financial service delivery.

The Government will soon pass a separate and distinct bill for Savings and Credit Cooperatives (SACCOs) that should ensure that they will be able to operate in an environment that recognizes their similarities to banks, microfinance institutions and cooperatives while at the same time allow for their unique differences.

4.4.2. Specific Commodity Chains

Crop Production
Crop production in Malawi is guided by the Crop Production Policy (CPP) of 1987. The overall objective of the policy is to promote increased and sustainable production of both food and cash crops. Its specific objective is to get a balanced and diversified production of food and cash crops to meet the country’s requirements for food, foreign exchange and raise rural incomes while maintaining the productive potential of the land.

The Crop Production Policy provides strategies for various crops grown in the country. Key strategies include: (i) promoting production of recommended varieties in suitable agro-ecological areas; (ii) encouraging use of improved technologies, use of manure and incorporation of crop residues to improve soil fertility; (iii) Encouraging production/multiplication of improved seed varieties; (iv) promoting dry season cultivation through residual moisture (dimba/wetland cultivation) and irrigation; (v) promoting crop diversification; (vi) promoting contract farming and commercialization of some smallholder crops including maize, groundnuts and cotton; and (vii) encouraging community storage technologies and formation farmer-based organizations.


National Contract Farming
The National Contract Farming Strategy for Malawi (CFS) (2007) which mainly aims at increasing the volume of marketed agriculture commodities through contract farming. The CFS provides an enabling environment through a public-private partnership (PPP) institutional framework. The objective is to enable the partnership arrangements to promote coordination, collaboration and effective functional linkages among stakeholders at all levels. Potential crops for contract arrangements include tobacco, sugarcane, spices, cotton, tea, coffee, maize, seed maize, groundnuts and beans. The major stakeholders are the farming community, contractors (private sector), financial institutions, civil society organizations, and MoAFS. The CPP is backed by various legislations related to crops and farm inputs including the Seed Act (1996), Fertilizer Act (2003), Pesticide Act (2000) and Tobacco Act (1970).

Livestock
The overall goal of the livestock Policy (2006) is to contribute towards improved household, national food security and poverty reduction through sustainable private sector and farmer demand driven
livestock services. The overall objective is to increase availability of quality livestock and livestock products by promoting local production through enhancement of service delivery. The specific objectives of the policy are to:

- Liberalize marketing and involvement of NGOs and farmer groups to facilitate capacity development in the livestock sub-sector;
- Specifically tailor the livestock development strategies to contribute to challenges of poverty reduction and improvement of rural livelihoods in Malawi;
- Coordinate and network the roles of the various stakeholders in the Livestock sub-sector, and in particular the private sector (commercial producers), NGOs, farmers associations and cooperatives and the public sector;
- Prevent and control animal diseases in order to create an enabling environment for the improvement of livestock production; and
- Protect the public from zoonotic and food-borne diseases.

The Key strategies are provided below.

a. **Livestock production** is promoted by (i) encouraging introduction of technologies that are environmentally friendly, cost-effective and guarantees consumer safety; (ii) facilitating specialized training on all livestock commodities (beef, dairy, pig, poultry and non-conventional stock and small ruminants; (iii) promoting and supporting livestock farmer organizations; (iv) facilitating integration of livestock farming into estate agriculture; (v) Supporting the introduction of approved and registered exotic breeds with superior characteristics. Such introductions may be through importation of live animals, artificial insemination and embryo transfer technologies; (vi) promoting artificial insemination using semen from only approved registered breeds and sources; (vii) promoting production of quality feeds and prohibiting use of growth stimulators and unapproved feed additives; (viii) empowering livestock farming communities to run livestock markets and disseminate necessary marketing information; and (ix) promoting value-addition/agro-processing in rural, peri-urban and urban areas.

b. **Other strategies for improving and expanding livestock production to meet demand** are through (i) rehabilitation and restocking of livestock multiplication centres to improve supply of breeding stock, (ii) expansion of dairy schemes to areas with comparative advantage, (iii) prevention of indiscriminate slaughter of young and breedable stock through movement controls and strict inspections, (iv) promotion of improved breeding and management systems to promote productivity, (v) promotion and expansion of strategic dipping to control tick-borne diseases through rehabilitation of dipping tanks, and (vi) repairing and revitalization of livestock markets and promotion of auctioning across the country.

c. **Animal health and disease control** are promoted by (i) controlling trade-sensitive, production, zoonotic and food-borne diseases; (ii) executing the policy in conformity with the animal health international protocols and codes of the SADC Livestock Sector Coordination Programme, the African Union Inter-African Bureau of Animal Resources (OAU/IBAR) and the Office for International Epizootics (OIE); (iii) providing free services for the prevention and control of trans-boundary animal diseases (TADs) to the livestock farming community; (iv) promoting management of TADs through routine disease surveillance, creation of zones around focal areas of confirmed reservoir infections (particularly FMD) and strict movement control; (v) using stamping-out strategy in case of CBPP, Rinderpest and ECF outbreaks; (vi) implementing the slaughter and compensation policy in accordance with specific provisions of the Control and Diseases of Animals Act, which stipulates circumstances under which animals may be slaughtered with or without compensation; (vii) empowering livestock farming communities to run the dipping facilities on cost recovery under close supervision and regulation; (viii) strengthening stakeholder capacity in dealing with Avian Influenza; (ix) gradually privatizing the delivery of some of the animal health services and responsibility for the management of production and non-notifiable diseases to the private sector; (x) promoting and encouraging private sector development of sustainable delivery systems for veterinary medicines, drugs, vaccines, biological materials and chemicals supplies; and (xi) promoting research and development to generate livestock technologies.
Youth
The youth are mobilised into agriculture through (i) provision of start-up capital to school leavers who want to start farming, (ii) provision of appropriate skills through crush training programmes (maximum 4 weeks) to school leavers before providing capital, (iii) introduction of maize contract farming programme for youth, and (iv) reviewing of agricultural education curriculum in schools to enhance agriculture business training programmes.

4.5. Emergency and Disaster Preparedness
4.5.1. Food Security
The Food Security Policy (August 2006) stipulates the food security policy of the country. The focal point for this policy is the planning division of the Ministry of Agriculture. A National Food and Nutrition Security Joint Task Force (FNSJTF) brings together and coordinates the implementation of the Food Security and Nutrition Security policies which are handled by different government institutions. The Food Security Policy focuses on ensuring sustainable availability, access and stability of food. The strategies for the three focus areas include:

- **Sustainable food availability** by (a) increasing food quantity and quality, access to agricultural inputs, and access to credit by female and male farmers; (b) promoting irrigation development and integrated water resources management by encouraging sustainable utilization of wetlands for agricultural use, among others; crop protection, animal power and farm mechanization, adoption of appropriate technologies, environmental and land management, animal health and livestock development, fisheries and aquaculture development, and sustainable harvesting of natural food resources; and (c) improving coordination and management of food aid and imports, and access to domestic, regional and international markets.

- **Sustainable access to food** is achieved by (a) promoting sustainable access to adequate nutritious food and other resources at household level; (b) increasing the purchasing power or real income levels of all those depending on the market as source of food supplies; (c) transforming subsistence producers into commercial-oriented producers and (d) improving delivery of social support to the poor and socio-economically vulnerable individuals.

- **Stability in food** is achieved by improving the management of disasters through (i) promotion of promotion of a coordinated approach to disaster preparedness and management, (ii) ensuring allocation of adequate resources to disaster management and (iii) improving the system of assessing possibilities of a shock.

Through the Implementation of the policy and activities of FNSJTF, it has been possible to track Malawi’s progress on food security and nutrition, enhance collaboration among 20 different stakeholders, build capacity of stakeholders in developing indicators for tracking progress of projects through training and create a data base of projects.

4.5.2. Food Reserves
Malawi has Strategic Grain Reserves (SGR) managed by the National Food Reserve Agency (NFRA), a Trust. Only maize is presently stored in the SGR and the prescribed level is 60,000 MT, although GoM prefers to have a minimum of 107,000 MT at any given point in time.

4.5.3. Early Warning Systems
The Malawi Vulnerability Assessment Committee is responsible for providing up to date authoritative information in Malawi on vulnerability primarily to government and its related stakeholders. Their information is used to inform mainly the humanitarian response to disasters that impinge on food insecurity for the majority of the Malawian population.
4.5.4. **HIV/AIDS Related Agricultural Policies**

The HIV and AIDS pandemic is one of the many challenges facing the agricultural sector in Malawi. The Vision of the policy is for the country to have a progressive agricultural sector with a vibrant, HIV and AIDS-free labour force, and the Mission is to provide guidance for the mobilization and coordination of resources for mainstreaming HIV and AIDS and gender issues into policy for increased agricultural productivity. The goal of the policy is to mainstream HIV and AIDS and gender issues into all agricultural programmes and projects. The HIV/AIDS policy and strategy for the agricultural sector identifies policy recommendations, strategies and major actions for eight priority areas: (i) gender and HIV and AIDS mainstreaming; (ii) economic empowerment; (iii) community-based support; (iv) food and nutrition security; (v) expanded HIV and AIDS communication; (vi) human resources protection and management; (vii) workplace support; and (viii) HIV and AIDS action research.

4.6. **Trade Related Issues**

4.6.1. **Trade Policy**

a. **Integrated Trade and Industry Policy (ITIP) of 1998** is the overarching policy integrating industry and trade policies so that they complement each other in their operations. The policy supports and encourages private sector development and embraces interests and needs of enterprises at all levels (small, medium and large-scale) in order to make them more competitive. The overall policy goal is to create a conducive environment in which the performance of the private sector will be efficient and market oriented, and improve its competitiveness domestically and internationally with a view to ensuring the sectors maximum contribution to the achievement of overall social-economic objectives.

b. **Promoting regional and international trade on agricultural commodities** is undertaken by (i) conducting extensive promotional campaigns for Malawi’s agricultural products abroad through foreign missions and trade fairs, (ii) creating positions for agriculture attachés in foreign missions, (iii) strengthening Malawi’s negotiating capacities in world trade issues; and (iv) complying with international protocols and agreements on trade, sanitary and phytosanitary issues.

4.6.2. **Price Setting Mechanisms**

Currently, GoM operates a *price-band for smallholder maize*. It announces the floor price for purchasing the crop from producers (smallholder farmers) and the ceiling price for selling the commodity to consumers. Government also implements a *minimum price policy for tobacco and cotton*. GoM announces minimum prices for these commodities and commercial buyers are required to offer prices above the minimum prices. Currently, Malawi does not have an agricultural marketing and pricing policy; normally administrative directives are used. Government is currently considering to formulate an Agricultural Marketing Policy that covers maize, cotton and contract marketing policies.

4.6.3. **Food Safety and Nutrition**

The National Nutrition Policy (NNP) of 2007 provides guidance to the development, implementation, monitoring, evaluation and coordination of various strategies and interventions aimed at improving the nutritional status of men, women, boys and girls in Malawi. Its main objectives aim to:

- Coordinate and streamline nutrition activities at all levels;
- Build and improve nutrition capacity at all levels of society for the delivery of appropriate nutrition education interventions and outreach programmes;
- Build capacity for, compile and coordinate existing nutrition research and development interventions;
- Establish a set of national nutrition guidelines for Malawi;
• Promote the control, prevention and treatment of micronutrient deficiency disorders caused by vitamin A, iodine, and iron deficiencies; and macronutrient deficiency disorders such as Protein-Energy Malnutrition (PEM);
• Promote control, prevention and management of dietary related diseases that impact negatively on nutrition wellbeing of Malawians;
• Promote appropriate food utilization and dietary diversification at household, community and national levels to achieve and sustain adequate nutrition;
• Protect consumers from health hazards resulting from poor food handling techniques, quality and contamination;
• Improve nutrition services for People Living With AIDS (PLWAs); and
• Meet the nutritional needs of vulnerable groups in Malawi;

5. EXISTING REGIONAL POLICIES AND COUNTRY PRIORITIES

5.1. SADC Policies and Strategies

Malawi participates in the preparation and implementation of various SADC initiatives. Implementation of the Seed Policy, Plant Breeders’ Rights Bill and the Fisheries and Forestry Protocols has not started because not all Member States have ratified them. On the other hand, the country is implementing Protocols on Trade, Shared Water Courses and Wildlife Conservation and Law Enforcement; Treaty on Agriculture, Food the Water Policy; and projects in the Livestock sector programmes/projects. Table 6 summarises Malawi stakeholders’ knowledge of SADC’s agriculture-related policies, as well as their views on what these policies have achieved.

Table 6: Malawi Stakeholders’ Knowledge and Views on SADC’s Agriculture-Related Policies

<table>
<thead>
<tr>
<th>Protocol on Trade</th>
<th>Malawi is one of the countries that failed to remove duty (reduce duty to zero) for its Category B products by January 2008. The following reasons are given for Malawi’s non-compliance:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. Malawi expects to lose out from the agreement. South Africa is Malawi’s main trading partner and removal of duty from imports from South Africa is likely to result in heavy revenue losses for the country. Currently, the country does not have reliable estimates of the amount of the loss in revenue superscript 19; and</td>
</tr>
<tr>
<td></td>
<td>2. Some industries thrive/survive on the tariff mark-up, hence are likely to collapse if the tariff is removed. However, the industries that are likely to be affected by the tariff removal are not known, and it is argued that other firms may benefit from the collapse of such industries. For instance in 2008, South Africa and Zambia bought soya beans causing domestic prices of the crop in Malawi to increase tremendously. This negatively affected the poultry industry as feed became very expensive particularly for the small poultry producers.</td>
</tr>
</tbody>
</table>

A study was recently commissioned to analyze the impact of duty removal.

The Government of Malawi intervention in the maize market is very strong, maize being a strategic food crop. In 2009, the government banned maize exports for food security reasons. The ban may be lifted in seasons with high surplus maize production. Such government action, logical it may be, contradict the SADC Protocol on Trade or the Free Trade Agreement and the motive for SADC to become an FTA. It also inhibits private sector participation in the international maize market, thereby conflicting the tenets of market liberalization introduced in the late 1980s.

superscript 19 In 2000, an indicative loss of MK 10 billion (US$ 7.0 million) was estimated, but the dynamics have changed since then.
Table 6(Cont): Malawi Stakeholders’ Knowledge and Views on SADC’s Agriculture-Related Policies

<table>
<thead>
<tr>
<th>Policy Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seed Policy (2008)</td>
<td>Malawi participated in the preparation of the Agreements through its Seed Services Unit of the Department of Agricultural Research Services in the Ministry of Agriculture and Food Security. Implementation of the Seed Policy has not started since the Council of Ministers has not yet approved the Agreements.</td>
</tr>
<tr>
<td>Bill on Plant Breeders’ Rights</td>
<td>Malawi, through the Department of Agricultural Research Services (DARS) as the focal point, participated in the preparation of this bill. The main concern is that SADC has not yet enacted the bill, reasons are not clear to the stakeholders.</td>
</tr>
<tr>
<td>Protocol on Fisheries (2004)</td>
<td>The SADC Protocol on Fisheries of 2004 was developed following a consultative process whereby Member States provided input into the process. An implementation strategy has also been developed but has yet to be approved. The Protocol, however, has not yet been implemented because some Member States have not ratified the Protocol; all Member States are required to ratify the Protocol for implementation to start. Enforcement is weak due to lack of mechanism to enforce Member States to ratify the Protocol and later comply. Additionally, collaboration and cohesion among the Member States is weak because Members fund themselves to attend meetings to discuss the protocol, resulting in poor attendance or postponements because of lack of quorum. The fact that some Member States have still not ratified the Protocol five years after its development indicates the Protocol is not their priority (e.g., fisheries may not be a priority to some inland members) and implementation may not start for some time to come in the absence of a mechanism to force Member States to ratify the Protocol.</td>
</tr>
<tr>
<td>Protocol on Forestry (2002)</td>
<td>Malawi signed the Protocol in October 2002 and ratified it in 2004. The Protocol is not being implemented because it has not been ratified by all Member States. Stakeholders also reported that there is poor coordination between SADC and the Member States because of the apparent lack of knowledge of the contact person in forestry at the SADC secretariat.</td>
</tr>
<tr>
<td>Water Policy</td>
<td>Malawi is applying the SADC Water Policy and its national Water Policy is the derivative of the regional policy. Malawi is a member of the Water Resources Technical Committee (WRTC) which coordinates the implementation of the regional policy. No serious challenges were reported in applying the regional policy.</td>
</tr>
<tr>
<td>Protocol on Shared Watercourses (1995)</td>
<td>Malawi signed and ratified the protocol, and it is being implemented; the Department of Water Development in the MoIWD is the focal point. Implementation of the Protocol, however, is deemed to be poor and slow because of politics. For instance, there have been problems in defining borders between Malawi and her neighbours on Lake Malawi, which is called by a different name by the neighbours. There appears to be no political will to resolve the problem, and then strategize on management of the shared water bodies.</td>
</tr>
<tr>
<td>Protocol on Wildlife Conservation and Law Enforcement</td>
<td>Malawi ratified the protocol in April 1999. Malawi, through the Department of National Parks and Wildlife in the MoTW, coordinated the implementation of SADC Wildlife Sector Policy. The coordination function ended in 2001 when SADC centralized coordination functions. One of the milestones was the adoption of this protocol whose principle is the implementation of Transfrontier Conservation Areas (TFCAs). Malawi is implementing these conservation areas in Nyika, Vwaza and will reach Kasungu. However, inadequate financial support tends to negatively affect implementation of the protocol and different activities of the department and ministry.</td>
</tr>
</tbody>
</table>

5.2. Lessons Learnt

The country report mentioned that several lessons have been learned from Malawi’s involvement in SADC initiatives. These lessons include:

- Preparation of SADC protocols has been consultative and participatory with Member States providing input to the process. This is not only a platform for providing information, but enhances capacity building through sharing of information and imparting of skills;
Some Member States sign, ratify and implement protocols without understanding the cost, revenue, poverty and social implications based on credible empirical research, i.e., decisions are based on value judgments. The effect of such decisions may stall implementation of protocols as has been the case of the Protocol on Trade.

Free trade, which opens up economies to international competition, may negatively affect small entrepreneurs through increases in production costs and hence reduction of profits. This was the case with small scale poultry producers in Malawi who could no longer afford to purchase poultry feed because the price of its raw material (soya beans) sky-rocketed due to increase in demand arising from foreign competitors.

Some SADC Protocols are taking long to be implemented, despite some being prepared five years ago, because some Member States have not ratified them. This is demotivating to those Member States who prioritize the affected protocols and are interested in implementing them.

Divergence of priorities and political interests among Member States stalls implementation of policies and protocols. Thus, it is difficult to make significant progress in those Member States where the policy or protocol is not a priority or there is no political will.

Centralization of coordination functions of various SADC programmes to SADC Secretariat is weakening coordination between SADC and Member States, and among Member States due to lack of information in various departments of Member States.

Lack of funding is stalling some SADC activities, such as attending meetings, this generally results in marginalization of SADC programmes/activities. Cash-strapped Member States and departments normally find it difficult to fund activities of a regional block like SADC. This partly explains non-attendance by some Member States at SADC meetings held in other countries.
SYNTHESIS OF NATIONAL KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

The stakeholders are also of the opinion that priority areas of SADC-RAP should include (i) food security, (ii) sustainable management of natural resources, (iii) agribusiness management and market development, (iv) agricultural research and development, and (v) gender and HIV and AIDS. These are consistent with Pillar 4 of CAADP. Malawi identified the following priority areas for convergence, harmonisation and common policy which are shown in Table 7.

Table 7. Policy Areas and Topics of High Priority for Convergence and Harmonisation

<table>
<thead>
<tr>
<th>Area of interest</th>
<th>Policy or strategy measure</th>
<th>Investment or measure with financial implications</th>
<th>Areas requiring further works</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food security</td>
<td>Harmonization of regulations and quality standards for maize trade</td>
<td>Strengthen accreditation of local institutions under the supervision of SADCAS using SADC funds. Meanwhile entrust SADCAS with certification of export commodities from Member States without accreditation capacity</td>
<td>Review of trade regulations; definition of classifications and quality standards</td>
</tr>
<tr>
<td></td>
<td>Harmonization of training in food security and nutrition issues including risk management</td>
<td>Establish a Trust Fund with donor support and identify a Centre of Excellence to provide the training with SADC supervision.</td>
<td>Conduct regional needs assessment study</td>
</tr>
<tr>
<td>Fisheries</td>
<td>Harmonization of quality standards for fish trade</td>
<td>Regional project that includes investment in laboratories and human resources funded by donors with Government contributions</td>
<td>Rules of Origin-indicate origin and composition of commodity</td>
</tr>
<tr>
<td></td>
<td>Harmonization of management of shared water bodies incorporating Malawi, Mozambique and Tanzania</td>
<td>Establish neutral regional body. Initially use donor funding but later use funds realized from levies</td>
<td>Identify areas of cooperation; capacity building; draw lessons from Lake Victoria</td>
</tr>
<tr>
<td></td>
<td>Standardization of fisheries management information</td>
<td>Regional project funded by donors and Government contribution</td>
<td>Assessment of methods of collecting information among Member States</td>
</tr>
<tr>
<td>Area of interest</td>
<td>Policy or strategy measure</td>
<td>Investment or measure with financial implications</td>
<td>Areas requiring further works</td>
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<tr>
<td>Research</td>
<td>Development of capacity in biotechnology</td>
<td>Establish Centres of Excellence in Member States through regional project funded by Government and donors</td>
<td>Identify focus countries and their training needs; train human resources</td>
</tr>
<tr>
<td></td>
<td>Promotion of food technology and agro-processing</td>
<td>Developing technologies for value addition through regional project funded by Government and donors</td>
<td>Identify focus countries, technologies and training needs; train human resources</td>
</tr>
<tr>
<td>Seed</td>
<td>Harmonization of sanitary and phytosanitary (SPS) standards and measures</td>
<td>SADC funds sourced from donors (e.g., donor-funded project)</td>
<td>Approval of Technical Agreements on Harmonization of Seed Regulations in the SADC Region by Council of Ministers</td>
</tr>
<tr>
<td></td>
<td>Harmonization of legislation to ease seed movement among Member States</td>
<td>SADC funds sourced from donors</td>
<td>Approval of Technical Agreements on Harmonization of Seed Regulations in the SADC Region by Council of Ministers</td>
</tr>
<tr>
<td>Marketing</td>
<td>Grain – Harmonization of quality specifications</td>
<td>SADC funds sourced from donors</td>
<td>Assessment of the specifications used by different Member States</td>
</tr>
<tr>
<td></td>
<td>Market research - strengthening capacity in marketing research</td>
<td>SADC funds sourced from donors</td>
<td>Regional marketing assessment study</td>
</tr>
<tr>
<td></td>
<td>Inputs - consolidation of input buffer stock management especially fertilizers.</td>
<td>Establish regional buffer stock initially using Government and donor funding, but later private finance by introducing a fee (levy)</td>
<td>Feasibility study to identify strategic location of buffer stock and get private sector consensus; formation of regional fertilizer associations</td>
</tr>
<tr>
<td>Land resources conservation</td>
<td>Land resources management – standardization of land resources information</td>
<td>Regional project funded by donors and Government contribution</td>
<td>Assessment of land resource classifications used in different member states</td>
</tr>
<tr>
<td>Agricultural information</td>
<td>Strengthening and harmonization of agricultural information systems</td>
<td>Develop data protocol and networking mechanism using SADC funds sourced from donors and later charge a fee</td>
<td>Take stock of existing systems, information collected, and identify gaps</td>
</tr>
<tr>
<td>Wildlife</td>
<td>Harmonization of training in wildlife conservation and management</td>
<td>Identify centre of Excellence through donor-funded project</td>
<td>Conduct Regional Needs Assessment Study</td>
</tr>
<tr>
<td></td>
<td>Harmonization of wildlife research</td>
<td>Establish regional research institute using SADC funds sourced from donors through a project</td>
<td>Define regional research agenda</td>
</tr>
</tbody>
</table>
7. **SUGGESTED OBJECTIVES FOR THE RAP**

The country report recommended that the regional policy should be designed to achieve the following main objectives:

1. **Reinforce food security** to reduce dependency on food imports and hunger;
2. **Enhance regional integration** to facilitate trade, through removal of barriers, and to make it easier for Member States to get assistance from each other when there is a problem (e.g., hunger and seed shortage);
3. **Raise agricultural GDP and rural incomes** so that stakeholders of the agricultural sector, particularly farmers, realize decent income from their activities;
4. **Increase agricultural productivity**, through use improved production technologies, to ensure the region is secure in agricultural products which facilitates improvements in food supply, incomes and exports;
5. **Promote irrigation development** which facilitates improvement in agricultural productivity and crop diversification;
6. **Promote sustainable use and management of natural resources**;
7. **Consolidate buffer stock management** particularly for farm inputs;
8. **Promote value-addition** by encouraging production of crops and livestock products with potential for agro-processing at small-scale and large-scale, thereby help improve agricultural incomes and generate employment;
9. **Strengthen agricultural research and development** particularly applied research to answer what market wants as agricultural production should be demand-driven;
10. **Strengthen regional agricultural information systems** for monitoring and evaluation of production, use of technologies, marketing and trade;
11. **Take advantage of regional potential** through market expansion and resultant economies of scale, thereby reduce unit costs of production, marketing and trade; and
12. **Promote specialization and comparative advantage** so that Member States gradually concentrate in production and export of those commodities in which they have comparative advantage, and import those in which they have comparative disadvantage.

8. **SUGGESTED GUIDING PRINCIPLES FOR THE RAP**

The stakeholders in Malawi stated that SADC – RAP should be guided by the following principles during its implementation:

- **Subsidiarity**: areas or issues handled at the regional level should be only those that cannot be addressed at a lower level, national or local. Thus, national jurisdiction is the rule; regional jurisdiction is the exception;
- **Complementarity**: comparative advantages of different countries and production sectors should be taken into account as well as bringing a geographic dimension to agricultural policy;
- **Regionality**: the regional level only deals with issues that concern two or more Member States;
- **Proportionality**: action at the regional level should not exceed that which is necessary to achieve objectives of the regional agricultural policy, and avoid imposing on Member States rules that are too stringent or efforts that are too great relative to those that would be reasonable or effective;
- **Solidarity**: the region guarantees a minimum level of cohesion between its members and provides common financial, human and institutional resources to reduce the disparities that exist between the members;
- **Progressivity**: the principle involves moving forward gradually so as to take into account different national circumstances and particular interests;
- **No dumping**: dumping should be prohibited and anti-dumping measures put in place to prevent dumping of commodities to poorer Member States; and
- **Partnership and consultation**: there is permanent involvement of stakeholders in the agricultural sector in the implementation, monitoring and evaluation of the regional agricultural policy. This suggests sharing of responsibilities based on experience and knowledge of the different stakeholders and institutions working in the sector.
THE REPUBLIC OF MAURITIUS

MAP OF THE REPUBLIC OF MAURITIUS
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ABBREVIATIONS

ACP  African, Caribbean and Pacific Group of States
ADC  Agricultural Development Certificate
AIC  Agro-based Industry Certificate
AMB  Agricultural Marketing Board
APEXHOM Association of Producers and Exporters of Horticultural Products of Mauritius
AREU Agricultural Research & Extension Unit
AS  Agricultural Services
ASC  Agricultural Services Centre
ATDS Agricultural Technology Diffusion Scheme
AU  African Union
BAT  British American Tobacco
BOI  Board of Investment
CBD  Convention on Biological Diversity
CEB  Central Electricity Board
COMESA Common Market for Eastern and Southern Africa
CSO  Central Statistics Office
CWA  Central Water Authority
DBM  Development Bank of Mauritius
EC  European Community
EEZ  Exclusive Economic Zone
ESD  Energy Services Division
FAD  Fish Aggregating Device
FAO  Food and Agriculture Organisation of the United Nations
FARC Food and Agricultural Research Council
FIT  Fishermen Investment Trust
FiTEC Fisheries Training and Extension centre
FRS  Freight Rebate Scheme
FSC  Farmers Service Centre
FTA  Free Trade Area
GDP  Gross Domestic Product
GMO  Genetically Modified Organisms
HACCP  Hazard Analysis and Critical Control Point
HRDC  Human Resource Development Council
ICT  Information & Communication Technology
IOR-ARC The Indian Ocean Rim Association for Regional Cooperation
IPPC  International Plant Protection Convention
LBOI  Land Based Oceanography Industry
MAIFPS Ministry of Agro-Industry Food Production & Security
MAMCF Mauritius Agricultural Co-operative Federation Ltd
MCA  Mauritius Chamber of Agriculture
MCFI  Mauritius Chemical & Fertiliser Industry
MIE  Mauritius Institute of Education
MMA  Movement Auto Suffisance Alimentaire
MOU  Memorandum of Understanding
MPU  Ministry of Public Utilities
MRC  Mauritius Research Council
MQA  Mauritius Qualifications Authority
MSA  Mauritius Sugar Authority
MSB  Mauritius Standards Bureau
MSIRI Mauritius Sugar Industry Research Institute
MSPA Mauritius Sugar Producers Association
MUR  Mauritius Rupees
MVPA  Mauritius Vegetable Producers Association
NFYFC  National Federation of Young Farmers Clubs
NGO  Non-Governmental Organisation
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>NPIP</td>
<td>Northern Plains Irrigation Project</td>
</tr>
<tr>
<td>NPPO</td>
<td>National Plant Protection Office</td>
</tr>
<tr>
<td>PBB</td>
<td>Programme Based Budget</td>
</tr>
<tr>
<td>PBR</td>
<td>Plant Breeders Right</td>
</tr>
<tr>
<td>RAP</td>
<td>Regional Agricultural Policy</td>
</tr>
<tr>
<td>RISDP</td>
<td>Regional Indicative Strategic Development Plan</td>
</tr>
<tr>
<td>RTC</td>
<td>Regional Training Centre</td>
</tr>
<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
</tr>
<tr>
<td>SIE</td>
<td>Sugar Efficiency</td>
</tr>
<tr>
<td>STC</td>
<td>State Trading Corporation</td>
</tr>
<tr>
<td>SMEs</td>
<td>Small &amp; Medium Enterprises</td>
</tr>
<tr>
<td>SIT</td>
<td>Sugar Investment Trust</td>
</tr>
<tr>
<td>SPS</td>
<td>Sanitary &amp; Phytosanitary</td>
</tr>
<tr>
<td>SPWF</td>
<td>Small Planters Welfare Fund</td>
</tr>
<tr>
<td>UNEP/GEF</td>
<td>United Nations Environment Programme /Global Environment Fund</td>
</tr>
<tr>
<td>VAT</td>
<td>Value Added Tax</td>
</tr>
<tr>
<td>WMA</td>
<td>Wastewater Management Authority</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organisation</td>
</tr>
<tr>
<td>WUAs</td>
<td>Water Users Associations</td>
</tr>
<tr>
<td>WUC</td>
<td>Water Users Cooperatives</td>
</tr>
</tbody>
</table>
NATIONAL ASSESSMENT

1. GENERAL INFORMATION

Mauritius is moving fast towards being a knowledge and service based economy and it is expected that the contribution of agriculture (comprising mostly of exports of sugar) to GDP will continue to decrease in the coming years. This is mainly due to the decline in preferential market access for sugar. Mauritius is a net importer of food, so the country would greatly benefit from diversification of its agricultural base. Most of the local production caters, to a large extent, for the needs of the population and there are negligible exports except for a few commodities like litchis and pineapples.

The Food Security Policy of Mauritius is based in promoting local production of certain crops, fisheries and livestock. In this context, the government has set up appropriate institutions and infrastructure to boost agricultural production. This study has shown that there are a wide range of policies and incentives that have been put in place to promote agricultural production. The latest initiative is the setting up of a food security fund to the tune of RS 1 billion to increase local food production.

As part of its strategy to diversify its agricultural base, the government has in its agricultural policies clearly mentioned that Mauritius need to take advantage of the region as a production base and to utilize the production capabilities in neighbouring countries to grow crops that are in short supply in Mauritius. The main crops being targeted are potatoes, onions and maize.

The Mauritian Government has taken note of the impact of the trade liberalisation policy, the rapidly increasing demand for food from emerging countries, the decrease in food production worldwide, and the increase in production of bio-fuels on net food importing countries like Mauritius. With a view to reducing dependence on food import, a series of programs have been initiated with a view to:

- Reducing dependency on imports through the enhancement of self-sufficiency, with particular emphasis on potatoes, onions, tomatoes (for processing), maize, milk, meat and fish products;
- Seizing all opportunities on the regional front for food production and to develop Mauritius into an agro-business hub through cross border initiatives;
- Developing a modern agricultural sector and a fisheries sector in line with the sophistication taking place in other sectors of the Mauritian economy;
- Sharpening its competitive edge on the export front with quality and diversified products taking into account trade liberalisation, globalisation process and cross border initiatives;
- Empowering economically and technically, the agricultural community, especially the younger skilled generation, by giving them opportunities and appropriate training and support to enable them to emerge as agricultural entrepreneurs;
- Addressing the synergistic linkage between tourism and agriculture for promoting island foods and beverage supply chains, hospitality and agro-tourism; and
- Encouraging artisanal fishermen to fish off lagoon and entrepreneurs to invest in the fisheries and aquaculture sector.

1.1. Geography and Demographics

The Republic of Mauritius, an island nation, is a small tropical volcanic island of about 2040 km² situated in the West Indian Ocean at about 2200 km off the southern east coast of Africa. In addition to mainland Mauritius, the Republic of Mauritius also comprises of the outer islands: Rodrigues (surface area 10,800 ha) Agalega, St. Brandon, Tromelin and some small islets. The total area of the Republic of Mauritius is some 2045 km², with an Exclusive Economic Zone (EEZ) of 1.9 million km² extending 200 nautical miles from the coasts of the island. It is almost entirely surrounded by coral reefs.
Mauritius has two main seasons: winter between May to October and summer between November to April. The island receives its maximum precipitation (70%) in terms of rainfall intensity and quantity during the summer season. Annual average rainfall varies from 4,000 mm on the Central Plateau to 900 mm along the northern and western coasts. Rainfall areas are referred to as super-humid (2400 mm rainfall/year), humid (1200-2400 mm rainfall/year) and sub-humid (1200 mm rainfall/year). The island is visited annually by cyclones, of varying intensity in the months of November to March.

As at 1st July 2008, the population of the Republic of Mauritius stood at 1,268,835 (1,260,692, in 2007) of which 56% live in the rural areas. However, the percentage of the rural population must be interpreted with caution for given the small size of the island and the easy accessibility due to a well-developed road network the rural sector cannot be clearly demarcated. Island-wise, the population as at 1st July 2008 was as follows: Island of Mauritius 1,230,975, Island of Rodrigues 37,571 and other islands 289. The population density of the Republic of Mauritius is around 622 persons per square kilometre as at 1st July 2008 (CSO, 2007).

1.2. Farming Systems and the Importance of Agriculture

The Mauritian farming system is characterised by 3 major systems of production: backyard production, small scale market production with an average farm size of 0.25a, commercial market production and a few large scale production units by the corporate sector such as large planters and sugar estates.

The two major sub sectors of the agricultural sector are the sugar and non sugar industries. The sugar sector includes cane plantation and sugar manufacture while the non sugar sector includes tea, tobacco, flower growing, fishing, food crop and animal production. About 80,000 ha (i.e., about 43% of the total land) is under agriculture, of which 72,000 ha is under sugarcane production whilst the rest (8,674 ha) are under cultivation of food-crops, tobacco, tea and fruits and 47, 200 ha are forested. The crop sector involves around 13, 000 small growers on small parcels of land of 0.25 to 2.5 hectares, and very few (30) large growers operating over larger areas. Table 1 depicts land utilisation in Mauritius.

### Table 1: Land Utilisation in Republic of Mauritius

<table>
<thead>
<tr>
<th>Area (hectares)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>80,674</td>
</tr>
<tr>
<td>Sugar cane</td>
<td>72,000</td>
</tr>
<tr>
<td>Other agricultural activities</td>
<td>8,674</td>
</tr>
<tr>
<td>Forest, scrubs and grazing lands</td>
<td>47,200</td>
</tr>
<tr>
<td>Reservoirs, ponds, swamps &amp; rocks</td>
<td>2,900</td>
</tr>
<tr>
<td>Roads and footpaths</td>
<td>4,500</td>
</tr>
<tr>
<td>Built-up areas</td>
<td>46,500</td>
</tr>
<tr>
<td>Abandoned cane fields</td>
<td>4,726</td>
</tr>
<tr>
<td><strong>Whole Island</strong></td>
<td><strong>156,500</strong></td>
</tr>
</tbody>
</table>

At the time of independence (1968), agriculture was the largest sector in the economy and accounted for more than 25% of the GDP. Over the years, its share to the GDP has declined gradually attaining 4.5% in 2007 (CSO, 2007). Sugar account for almost 52% of the share of agriculture in GDP, followed by food crops (19%), livestock and poultry (14%) and fishing (4%). This decline is mainly attributed to a general reduction in the national agricultural production (especially sugar cane production) and the growing diversification of the Mauritian economy into other sectors.

Mauritius has undergone immense social and economic change over the last 20 years. Mauritius has now a relatively diversified, export-oriented economy which is based on tourism, textiles, sugar,
financial services and information and communication technology (ICT) and seafood have emerged
as important sectors of the economy. The services sector is the most important in terms of
contribution to GDP (nearly 70% in 2007). The sector is dominated by financial services particularly
in offshore enterprises and tourism, which have become the single largest source of foreign-exchange
earnings, before sugar. Manufacturing contributes about one fifth to GDP and some 69% to the total
value of merchandise exports (down from 75% in 2001); textiles and clothing account for around one
third of manufactured production.

1.3. Key Agricultural Commodities and Farming Practices

Potatoes, onions, tomatoes, carrots, chilies, crucifers, garlic and ginger are the main cultivated crops
grown throughout the island. The production mainly caters for the local market. Mauritius is self-
sufficient in fresh vegetables, with some 100 000 t produced annually over an estimated land area of
4,200 ha. However, Mauritius has so far attained 60% self-sufficiency in potato (average of 13 000 t
of potato are produced annually) and 38% for onions (5 000 t of onion are produced annually) (CSO,
2007 and MAIFPS, 2007). In addition, some 216 hydroponic agro-entrepreneurs are also producing
selected vegetables and flowers over some 12.3 ha of protected structures.

Fruit production consists of mainly banana, pineapple, watermelon and seasonal fruits such as litchi
and mangoes. It is estimated that over 20,000 t are produced annually, covering 46% of Mauritius’
needs (47,000 t), over an equivalent of 725 ha of land. These fruits are mainly cultivated in small
orchard and backyard gardens (76%) and the rest are grown in large orchards.

Tea was the second largest cash crop prior to the 1980’s. However, production has declined steadily
over the years. In 2007, about 1500 tonnes of black tea was manufactured from a total area of 688
ha. Most of the abandoned tea lands have been converted to sugarcane and food crop production.

Tobacco production has also gone down over the years. It is produced exclusively for domestic
consumption. For the crop year 2006/2007, about 300 tonnes of tobacco leaf was produced from
about 250 ha of land. The local requirement of flowers and ornamentals is entirely met from local
production. Anthurium blooms are exported and the production is estimated at 5 million blooms
annually. Ornamental supply has been diversifying towards rose production for the local market.
Around 1,000 small and some 20 large growers are involved in ornamental production valued at
around RS 230 million in 2007.

Cattle, sheep, goat, deer, poultry and pigs are the main livestock species reared in Mauritius. It is
being undertaken mostly by small breeders and a few medium to large producers in the poultry and
deer sector. The production of deer meat has become more important. It is the only meat other than
poultry that is not subject to religious considerations. Overall, local production in the livestock sector
excluding poultry, accounts for only 11% of Mauritius’ total requirement in meat and for only 2% in
milk. Although the country is considered self sufficient in poultry and eggs (almost 100%), this sector
relies almost entirely on imported raw materials (approximately 145,300 tonnes annually) representing
80% of total feed requirements.

Fish production stood at 7,480 tonnes in 2007 (down from 10,046 tonnes, in 2006). Local production
contributes to 30-40% of local consumption. Mauritius currently imports 13,000 tonnes of fish,
crustaceans, and fishery products for direct consumption. In addition, frozen tuna are imported for
processing by the canneries for export. Fish and fish preparations are the main seafood being
exported to the EC market.

Mauritius relies heavily on imports to meet the ever-growing needs of its domestic food market. In
2007, food imports accounted for 22.7 billion Rupees equivalent to 18% of total import bill. The main
imports include cereal (e.g., rice) and cereal preparations (flour), dairy products, fish products, fruits,
vegetables (predominantly frozen or processed vegetables and miniature vegetables), meat products,
vegetable oils and fats, beverages, tobacco and live animals. Rice, wheat, oil & fats, meat and milk
represent 66 per cent of our food imports.
1.4. Key Agricultural and Financial Statistics

Table 2: Key Economic and Financial Statistics for Mauritius

<table>
<thead>
<tr>
<th>Subject</th>
<th>Unit</th>
<th>Date and Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country Size</td>
<td>2,000 Km²</td>
<td></td>
</tr>
<tr>
<td>Land Under Crop Production (Ha)</td>
<td>8674</td>
<td>Digest Of Agricultural Statistics, CSO, 2007</td>
</tr>
<tr>
<td>Number Of Fishermen (Artisanal)</td>
<td>2300</td>
<td>Fisheries Division, 2007</td>
</tr>
<tr>
<td>Population</td>
<td>1,268,835</td>
<td>July 2008</td>
</tr>
<tr>
<td>Rural Population</td>
<td>710,547</td>
<td>CSO, 2007</td>
</tr>
<tr>
<td>Number Of Farmers Excluding Livestock Farmers</td>
<td>15,000</td>
<td>AREU, 2007</td>
</tr>
<tr>
<td>% Of The Population Living In Rural Areas</td>
<td>56</td>
<td>CSO, 2007</td>
</tr>
<tr>
<td>GDP</td>
<td>RS 264,636 Bn</td>
<td>264,636 million</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>RS 184,336</td>
<td>184,336</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>US$ 5,776.70</td>
<td>5,776.7</td>
</tr>
<tr>
<td>Agricultural GDP</td>
<td>RS 11.2 Billion (374 Million Us$)*</td>
<td>CSO, 2007</td>
</tr>
<tr>
<td>Ag Budget 2007/2008</td>
<td>1,321,392,000 (44 million Us$)</td>
<td>Ministry Of Finance And Economic Empowerment, Budget 2007/2008</td>
</tr>
<tr>
<td>Ag Budget 2007/2008 In % Of Total Budget</td>
<td>2.2% (includes Fisheries and Forestry)</td>
<td></td>
</tr>
<tr>
<td>Ag Budget In % Of The GDP</td>
<td>0.5%</td>
<td></td>
</tr>
<tr>
<td>Trade Balance For Fiscal Year 2007/08</td>
<td>RS 55,272</td>
<td>55,272</td>
</tr>
<tr>
<td>Foreign Public Debt/Total External Public Sector Debt</td>
<td>RS 20,455 Bn</td>
<td>20,455 Million</td>
</tr>
<tr>
<td>Budget 2008 In % Of The GDP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budget Deficit 2007</td>
<td>RS 9.439 Bn</td>
<td>9.439 Million</td>
</tr>
<tr>
<td>Exchange Rate (2006)</td>
<td>US$ To RS 33.425</td>
<td>33.425</td>
</tr>
<tr>
<td>Exchange Rate (2007)</td>
<td>US$ To RS 29.050</td>
<td>29.050</td>
</tr>
<tr>
<td>Exchange Rate (2008)</td>
<td>US$ To RS 32.384</td>
<td>32.384</td>
</tr>
</tbody>
</table>

*(1 U$=30 Rupees) : Source: CSO (2007) and BOM (2007)

2. PUBLIC SECTOR IN AGRICULTURE

2.1. Principle Government Agencies Involved in Agriculture

Ministries in charge of issues related to Mauritius' agriculture and their mandates include:

- **Ministry of Agro-Industry and Food Production and Security (MAIFPS):** formerly known as the Ministry of Agro-Industry Fisheries (MAIF), is responsible for the planning and implementation of government agricultural, fisheries and forest development policies aimed at optimizing agricultural production through rational use of resources; ensuring the sustainability of the agricultural sector; preserving agricultural lands; and conservation of natural resources such as forests, fauna and flora.

- **Ministry of Public Utilities:** The main activities of the Ministry of Public Utilities (MPU) are the formulation of policies in the energy, water and wastewater sectors with the aim to provide a 24-hour water and energy supply while maximizing the use and benefits of renewable local sources of energy; and extending the wastewater network island wide.

- **Ministry of Environment and National Development Unit:** Its prime mandate is environmental management. The unit provides general response with regard to environmental pollution and ensures the protection and management of the environmental assets of the country.
2.2. Ministry of Business, Enterprise and Cooperatives: The ministry’s mandate is to facilitate and assist the development of co-operatives through the creation and provision of a favourable and conducive legal and institutional environment together with adequate support and incentives. It has the statutory duty to ensure that the co-operative societies operate within the co-operative legal regulatory framework.

Ministry of Foreign Affairs Regional Integration and International Trade: The primary responsibility for the formulation of trade policies lies with the Trade Policy Unit under this Ministry.

2.2. Parastatals and Statutory Bodies

National companies / institutions with an important role in the agricultural sector in Mauritius include:

2.2.1. Food and Agricultural Research Council (FARC)

The FARC, established in 1985, was assigned the responsibility for coordinating, promoting and harmonizing agricultural and food research of the various agricultural institutions.

2.2.2. Agricultural Research and Extension Unit (AREU)

AREU, a parastatal under the Ministry of Agriculture, is the main agricultural institution serving the farming community in Mauritius. It is responsible for conducting research in non-sugar crops and livestock, and in providing extension services to all farmers in Mauritius including its outer islands. AREU’s policy is to conduct strategic and adaptive research.

2.2.3. Irrigation Authority

The Irrigation Authority, under the Ministry of Public Utilities, was established to develop irrigation infrastructure for the irrigation of specific areas, to implement and manage irrigation projects and to undertake research into the optimum use of water made available by the CWA for irrigation. Several institutions are involved in the production and distribution of water. They include:

- The Central Water Authority (CWA), which, according to the CWA Act, is responsible for the control, development and conservation of water resources and also for the treatment and distribution of water to domestic, industrial and institutional consumers. The legislation also entitles the CWA to carry out operations relating to sewerage and irrigation.
- The Water Resources Unit (WRU), which is responsible for developing water policy and for carrying out studies to determine water requirements. It is currently working on a water act.
- The Waste Water Management Authority, which is responsible for sewerage operations.

2.2.4. Trade Policy Unit

The Trade Policy Unit is responsible for the formulation of trade policies. Major agricultural trade policy decisions are made in consultation with the MAIFPS.

2.2.5. The Agricultural Marketing Board

The Agricultural Marketing Board, a parastatal under the Ministry of Agriculture, set up by the Mauritius Agricultural Marketing Board Act 963, is responsible for providing efficient marketing facilities of controlled agricultural products such as potatoes, onions, garlic, tumeric and milk at fair and reasonable prices. It also provides storage, handling and processing facilities and the purchase, sale, import, export of controlled products.

2.2.6. Mauritius Meat Authority

The Mauritius Meat Authority, a parastatal under the Ministry of Agriculture, has the power to establish and manage abattoirs, purchase and import livestock for slaughter, control and regulate the
sale of meat and meat products and, with the approval of the Ministry of Commerce, to fix prices. However, since the liberalisation of the import of cattle in 1996, it has stopped importing livestock for slaughter.

2.2.7. The Tobacco Board

Under the MAIFPS, has the mandate to control and regulate the local tobacco industry and business primarily through controls over the production and sale of leaf tobacco, as well as the importation of tobacco and tobacco products.

2.2.8. The Tea Board

The Tea Board, a parastatal under the Ministry of Agriculture was established in 1975 with the following objectives: to promote and encourage co-operation, education, research and development in relation to the production and marketing of tea, to regulate and control the activities of the tea industry and to assist tea planters to diversify to other agricultural activities.

2.2.9. State Trading Corporation

The State Trading Corporation, a parastatal set up to regulate and rationalize trade. Its main objectives are; to negotiate the purchase of goods; to engage in the manufacture or processing of goods and to ensure their marketing; to import goods with a view to their marketing; to export goods; and to engage in such other activities as may be authorised by the Minister. The main food commodities imported by STC are ration rice (long-grain rice with 25% broken) and wheat flour. These products are considered essential goods for which there should be a regular and reliable supply to the consumers.

2.2.10. Agricultural Education

There is no designated agricultural education ministry within the Mauritian science and technology context. However, it is the Ministry of Agriculture’s responsibility to ensure that agricultural education is incorporated within their strategic plans, to achieve the national development goals. On other hand, the Faculty of Agriculture of the University of Mauritius translate government agricultural policies by devising appropriate study programmes to train adequate manpower for the sector.

2.2.11. Mauritius Institute of Education

The MIE was set up in 1973 “to provide facilities and to engage in educational research, curriculum development and teacher education and thereby to promote the advancement of learning and knowledge in the field of education and, in particular, to provide a teacher education responsive to the school, to the social, linguistic, administrative, scientific, agricultural and technological needs of Mauritius. It was originally entrusted with training of the secondary school teaching workforce. Since the early 1980s it has been entrusted with training all pre-service primary school personnel. Today, it caters for the whole range of training for pre-primary, primary and secondary school personnel, both academic and managerial cadre. However, the institute has now ceased to offer BEd programme with specialisation in agriculture due to a low enrolment on this programme.

2.2.12. Mauritius Quality Authority

The MQA is responsible for ensuring the quality of all training, be it the state or the private sector, and also deals with recognition and equivalence of technical qualifications. The MQA registers training institutions, managers, programme officers and trainers and approves courses as well as accrediting training institutions and courses. The quality assurance mechanism allows for accreditation of the providers of training, which ensures that courses delivered at different levels are evaluated for high quality education and training. At present, it is preparing a quality framework for agriculture in order to grant accreditation to courses in agriculture at the vocational and technical level.
2.2.13. **Mauritius Sugar Industry Research Institute (MSIRI)**

The MSIRI, founded in 1953, was mandated "to promote by means of research and investigation the technical progress of the sugar industry". The main mission of MSIRI is to carry out high quality research and development on sugar cane and other crops (potato, maize,) that meet the agricultural, commercial and societal needs of the country. However, its main areas of activities are in sugar cane production.

2.2.14. **Farmer Service Centre (FSC)**

The FSC, a parastatal established in 1991, is mandated to provide technical and non technical services to the small sugarcane planters across the country.

2.2.15. **Mauritius Sugar Authority (MSA)**

The MSA, established in 1984, is responsible for: formulating systematic and national integrated planning for the ministry; monitoring and coordinating research, planting, milling, transport, bulk handling, marketing and other activities of the industry; advising the minister on measures necessary to ensure the viability of the industry; reviewing, on a regular basis, the economic and financial performance as well as the problems and prospects of the industry; advising the Minister on legislative proposals likely to affect the industry and collecting CESS money on the exports of the sugar industry and channelling these funds into the financing of institutions.

2.2.16. **Mauritius Sugar Insurance Fund Board**

The Mauritius Sugar Insurance Fund Board provides insurance cover (to the insured only) for losses in sugar production arising from inclement weather such as cyclones, drought and excessive rainfall. The fund also operates a fire insurance. The fund operates under the Ministry of Finance & Economic Development and is funded entirely by the insured of the sugar industry.

2.2.17. **Sugar Planters Mechanical Pool Corporation**

The Sugar Planters Mechanical Pool Corporation is a service-oriented organisation serving mainly the small sugar cane planters community by providing mainly machinery for de-rocking and preparation of land for sugarcane cultivation.

2.2.18. **Development Bank of Mauritius (DBM)**

The Development Bank of Mauritius (DBM) is the financing arm of the government in the implementation of its socio-economic programmes. It provides loan schemes in various sectors of the economy such as agriculture, large-scale manufacturing and tourism, small and medium enterprises and industrial estates. The main areas of intervention for the agricultural sector are for sugar cane, vegetables, livestock and miscellaneous agricultural products where loans are provided at concessionary terms.

2.2.19. **The Board of Investment (BOI)**

The Board of Investment (BOI) was established in 2001 under the Investment Promotion Act to give new impetus to Foreign Direct Investment. It is the apex organisation for the promotion and facilitation of investment in Mauritius. The primary role of the BOI is to stimulate the development, expansion and growth of the economy by promoting Mauritius as a competing business and service centre. A one-stop shop service to investors, it receives, processes and approves all applications for investing in Mauritius and assists investors in obtaining the necessary secondary permits and clearances from relevant authorities, thus ensuring a speedy implementation of their investment project. The BOI also acts as adviser to government on investment policies and is the sole authority for the approval of major projects.
2.2.20. **Small Planters Welfare Fund**

The Small Planters Welfare Fund is a parastatal set up to look after the economic and social welfare of around 40,000 small planters & their families in Mauritius & Rodrigues, of sugar cane, tea, tobacco, or food crops; including fruits, and ornamentals on their own land or on leased land to an extent not exceeding 10 hectares. Its main priority area is presently the crop insurance scheme.

2.2.21. **Co-operative Development Advisory Board**

The Co-Operative Development Advisory Board was established under the Co-Operative Act 2005 with the following aims: (a) promote development of the co-operative sector; (b) promote business entrepreneurship in co-operatives; (c) encourage the co-operative movement to take advantage of investment opportunities at national and regional levels; (d) ensure coordination and cooperation with organizations concerned with co-operative activities; (e) carry out research and commission studies on co-operative business sectors and related fields; (f) promote the clustering of co-operative activities through the creation and development of co-operative business service centres; (g) formulate national policies and strategies; and (h) advise the minister generally on any matter relating to co-operative development. The board members are from different ministries including agriculture.

2.2.22. **National Federation of Young Farmers Clubs**

The federation, by virtue of the National Federation of Young Farmers Clubs Act of 1966, has to provide the following facilities (i) training of members in the agricultural field and overall crop cultivation techniques; (ii) encouraging food crop production and backyard gardening; (iii) training in small livestock farming; (iv) training in food processing and preservatives; (v) dispensing courses in leadership, communication and club management.

2.2.23. **Mauritian Research Council (MRC)**

The MRC is as an apex body to promote and co-ordinate government's investment in research. It acts as a central body to advise government on science and technology issues and to influence the direction of technological innovation by funding research projects in areas of national priority and encouraging strategic partnerships.

2.2.24. **Fertiliser Production**

Presently, the importation of fertilizers is liberalized, and there are about 20 local importers of fertilizers. The 2 main companies that manufacture and distribute fertilizer to the farming community are the Mauritius Chemical and Fertiliser Industry (MCFI) and Island Fertiliser - a fertilizer blending company. The former controls about 60% of the market. MCFI is a private company while Island Fertiliser is a joint venture between a private company and the Mauritius Co-operative Agricultural Federation.

2.2.25. **Herbicides and Pesticides**

Herbicides and pesticides are imported by the private companies. The imports of these chemicals are governed by the Dangerous Chemical Act 2004.

2.2.26. **Seed Production**

The main suppliers of seed are both the state and private companies. The government seed production centres produced about 12,000 tonnes of seeds in 2007. Since 2006 some food crop growers have started to produce vegetable and potato seeds for sales to other farmers.
2.2.27. Animal Feeds

There is only one state owned livestock feed factory which manufactures animal feed from imported and locally available raw materials. They supply mostly the small livestock producers. There are 2 privately owned feed mills that manufacture various types of feeds for dairy cattle, pigs, fish, deer and poultry.

2.2.28. Veterinary Drugs

There is only one private company which imports veterinary drugs. The animal health laboratory of the veterinary services produces a limited number of vaccines mainly for poultry.

2.3. Public Agriculture Infrastructure

2.3.1. Cold / Frigorific Infrastructure

The AMB has about 8 400 tonnes of cold storage facilities used mainly to store the controlled products such as onion, potato, garlic and seeds. It also has 300 tons cold storage facilities for storing sea food products at temperatures that can go down to -25°C. A further 2000 tonnes cold store facilities for food crops and vegetables down to a temperature of 1°C. The airport 1 600 tonne cold store facility is used to store and facilitate export of fruits and vegetables from Mauritius and imports of temperature sensitive products such as flowers, meat, or medicine.

2.3.2. Market Places

Several markets are located in the main city centres and villages. Most of the markets surfaces are tarred and covered. These markets are stated owned and are managed by the municipalities and district councils. Some of these markets have basic facilities for cleaning and washing vegetables and fruits.

2.3.3. Abattoirs / Animal Slaughtering Houses

There is only one abattoir—owned by the Mauritius Meat Authority—to slaughter animals such as cattle, goats, sheep and pigs. There are about 12 private slaughter houses for slaughter of poultry. Out of these 2 are operated on an industrial scale, slaughtering about 20,000-30,000 birds per day. The rest are small scale slaughter houses (killing 300-500 birds per day) which cater mainly for the small scale poultry producers.

2.3.4. Laboratories

2.3.4.1. National Plant Protection Office

This laboratory is equipped for detection and identification of diseases caused by pathogenic fungi, virus, bacteria, nematodes and non parasitic diseases associated with mineral deficiencies. A plant health diagnostic and advisory service is available free of charge to the planting community and the public at large. Its main activities are: examination and clearance of incoming agricultural commodities; inspection of incoming ship vessels and aircrafts; implementation of quarantine protocol; post entry quarantine monitoring of introduced planting materials; disease surveillance; policy formulation of phytosanitary measures related to international trade; risk analysis for imported agricultural commodities; and seed health testing and monitoring of imported and locally produced seeds.

2.3.4.2. Food Technology

A new food technology laboratory was set up in 2007 with up to date equipment for the control of the quality of agricultural produce destined for local consumption as well as for exportation. It consists of six main laboratories within a single block, i.e. the radioactivity, physical, microbiology, organic chemistry, general chemistry and bio-molecular laboratories. Its main objectives include: provision of testing facilities with regard to food (plant and animal origin) safety and quality; safeguarding of imports of food items; and provision of the necessary analytical back up to product development.
2.3.4.3. Agricultural Chemistry

The Agricultural Chemistry provides analytical support to the farming community and agricultural parastatal bodies such as AREU and FSC. The main analysis are as follows: chemical analysis of soil samples for small cane planters and non-sugar crop growers for major and minor nutrients; analysis of fertilisers for their quality/composition; analysis of leaves and other plant parts for their mineral composition; analysis of animal feeds and fodder for their proximate nutritional composition / nutrient status; analysis of water for their irrigation suitability; analysis of agricultural commodities like vegetables for pesticide residues.

2.3.4.4. Animal Health

The Animal Health lab of the veterinary services has three main sections, namely the diagnostic, virology and food hygiene section. The latter has now been transferred to the food technology laboratory. This section has facilities for microbiological analysis of frozen/chilled/cooked meat and their preparations, canned products and animal/pet foods. In the wake of the African Swine Fever, it was recommended by the OIE to reinforce the structure of the veterinary services, especially with regard to early detection, epidemiological surveillance, diagnostic capacity, risk analysis and rapid response. The animal health laboratory lacks the basic equipment to carry out tests to confirm most of the important animal diseases.

2.3.4.5. Artificial Insemination

There is one laboratory at the veterinary services for the production and storage of frozen semen. It has basic facilities for collection, dilution and storage of semen. However, it requires upgrading.

2.3.4.6. Mauritius Standard Bureau (MSB)

The MSB - a parastatal - is the sole product certification body. It provides a range of chemical and microbiological tests for some food products such as dairy products and canned products. The bureau also certifies management systems such as HACCP, ISO 2200 (Food Safety Management) certification to food industries.

2.3.5. Research Stations

The main research departments of AREU are the Crop Research and the Livestock Research Departments. Within the Crop Department there are the following divisions: agronomy, fruit research, vegetable and ornamental, plant pathology, entomology and resource management. AREU has the following facilities for development and conduct of its research activities; entomology laboratory, plant pathology laboratory, food processing laboratory, post harvest laboratory, 2 crop research stations and the Curepipe livestock research station and a natural resource unit.

2.3.6. Seed Production Centres

The Horticulture Division of the AS has four seed production centres to produce quality seeds for the farming community. Its other main activities include: provision of planting materials (e.g., seedlings), conservation of plant genetic resources, ex situ conservation of certain endangered species and their rescue, production of tissue culture plants - mainly ornamentals

2.3.7. Animal Husbandry Centres

The Animal Production Division of the Agricultural Services used to manage four livestock stations and 2 fodder stations. These farms were mainly breeding centres producing animals and fodder and demonstration centres for the livestock farmers. Most of these farms have been closed due to recurrent financial loss and poor farm productivity. They have been leased to entrepreneurs for dairy
production, fodder production, and pig farming. The only remaining one is the poultry breeding centre which produces day-old chicks for mainly small scale poultry producers.

2.3.8. Irrigation Schemes

Of the total cultivable area of 86,000 ha, 33,000 ha are irrigable and 22,000 ha are currently under irrigation. Most of the irrigated lands are located along the coastal regions where rainfall is not sufficient and erratic: in the north 6,671 ha, the south 5,243 ha, the east 3,173 ha and the west 5,358 ha and the centre of the island 777 ha. Three categories of irrigation schemes can be distinguished: i) small-scale irrigation schemes (< 2 ha) amounting to 4,548 ha; ii) medium-scale irrigation schemes (2-40 ha) amounting to 328 ha and iii) large-scale irrigation schemes (> 40 ha) amounting to 16,346 ha.

2.3.9. Vocational Training Centres

2.3.9.1. The AREU Training Centre

Since 2005, AREU operates a training centre. The centre has 4 regional centres (model farms/demonstration centres) across the island where training is being given. Planters and breeders are being trained by the extension of AREU on good agricultural practices, agro processing and animal husbandry respectively to enable them to adopt modern agricultural techniques for productivity improvement and also for minimizing post harvest losses. The training centre also comprises an agro processing centre where training in agro processing are given.

2.3.9.2. The Industrial Vocational Training Board (IVTB)

The Industrial and Vocational Training Board (IVTB), a parastatal under the Ministry of Education and Human Resources offers training courses in agricultural related fields. Together with AREU, they have mounted a national trade certification course in agriculture. Its main objectives are to respond effectively to training needs in agriculture and agro-industry and to raise the level of professionalism of farmers in the agricultural sector through the training process.

2.3.9.3. Farmers’ Training School

The AREU operates a Farmers’ Training School with training courses targeted towards a wide range of clients, namely: the actual farming community, potential agro entrepreneurs, women, youth, retrenched workers, unemployed and members of the vulnerable groups and members of the early retirement scheme and voluntary retirement scheme of the sugar industry. The courses will cover a wide range technical and management skills such as hydroponics, livestock, crop, fruits and flower production, irrigation, mechanisation, processing and farm management.

2.3.9.4. National Federation of Young Farmers Clubs (NFYFC)

The NFYFC is a non-governmental organisation working under the Ministry of Agriculture. The federation promotes the formation and affiliation of young farmers’ clubs and coordinates the work of such clubs. It also provides technical and material help to the clubs and organizes training courses and educational activities for its members. On the other hand, the Young Farmers’ Clubs look after the advancement of their members by providing training courses to their members in the field of agriculture, homecrafts, etc.

2.3.9.5. The National Institute of Cooperative Entrepreneurship

The National Institute Of Cooperative Entrepreneurship provides training in co-operative management. It has been instrumental in the setting up of a number of cooperative societies, in various sectors of the economy, which contribute to the alleviation of poverty and the creation of employment opportunities.
2.3.9.6. **Regional Training Centre (RTC)**

The RTC (Mauritius) is a private centre offering international certificate courses in: sugar cane agronomy, cane sugar manufacture and chemical control of sugar factories. It also offers short courses in gardening, business and other allied subjects.

2.3.9.7. **Fisheries Training and Extension Centre (FITEC)**

The FITEC provides training primarily to new entrants to fishing as a career and to registered fishers operating in the off lagoon areas and around Fish Aggregating Devices (FADS). The objectives of the centre are to: enhance knowledge and skills of fishers to operate in the off lagoon area; dispense proper training to new entrants for a career in the fishing industry; ensure effective fishing techniques; provide training for enhanced safety and security at sea, and create awareness on marine environment, protection and conservation.

2.3.9.8. **Faculty of Agriculture**

The Faculty of Agriculture of the University of Mauritius provides post secondary education in agriculture. It has 2 departments; Department of Agricultural Production and Systems and the Department of Agricultural and Food Sciences. The faculty has responded to rapid changes in the agricultural scene over the past 10 years by offering new programmes of studies and/or new/revised modules in the programmes on topics such as agricultural biotechnology, agribusiness, food processing and marketing, post-harvest technologies soil-less agriculture culture, organic farming and sustainable agricultural management practices.

3. **PRIVATE SECTOR IN AGRICULTURE**

3.1. **Crop, Livestock, Fishing, Forestry and Game Farming Activities**

3.1.1. **Crop Farming**

**Sugar Sector**

The agricultural sector in Mauritius is still dominated by sugar, though its importance is decreasing. Sugar has traditionally been viewed as a multifunctional pillar of Mauritius’ economy, given its direct contribution to economic growth, rural stability, increased social welfare provision and the protection of the environment. The sugar industry employs about 15,800 workers. Sugar is grown all over the island and where rainfall is inadequate, irrigation is practised. There are four categories of cane producers in Mauritius, the corporate sector (sugar estates) accounting for some 40% of total land under cultivation (8 Millers); the medium and large planters (171 owning more than 10 ha) represents about 31% of production; Small planters (24,000) whose plot size is up to 10 ha accounting for 28% of the production and the Metayers (630) accounting for 1% of production (are employees of the millers who are allowed to grow sugarcane on their lands).

In 2007, 68,523 hectares were under sugar cane plantation as compared to 70,081 hectares in 2006, showing a decrease of around 2.4% (CSO, 2007). Out of these, 27483 ha were cultivated by the sugar estates, 965 ha by Metayers and 40,075 ha by both small and large planters. The average annual sugar production for 2007 was 435,972 tonnes (down from 504,857 in 2006) which were all exported.

**Tea Production**

The tea industry which was the second largest agricultural revenue earner prior to the 1980’s eventually became unprofitable due to quality and uncompetitive prices on the world market and high cost of production. Tea plantations have seen a drastic reduction in acreage, down from 3500 ha in 1990 to only about 709 ha in 2007.

**Tobacco Production**

Tobacco plantation has declined consistently over the recent years, 50% down from 691 ha to 398 ha. In 2007 there were only 294 growers cultivating about 252 ha and 322 tonnes of tobacco leaf were harvested. The majority of it (306 tonnes) was Virginia (flue cured). Presently, leaf tobacco purchased
by BAT is now exported to its processing and manufacturing facilities in Kenya. Currently, all tobacco products sold in Mauritius are imported.

**Food Crops**

Food crop production in Mauritius is dominated by small scale farming with an average holding of 0.25 ha and a few large farms that are greater than 10 ha. Most of production of vegetables, crops and fruits (95%) comes from the smallholders.

There are at present 216 farmers involved in hydroponic production over an area of around 12 ha. 324 green houses are in operation producing tomatoes, sweet pepper, English cucumber, melon, lettuce and some ornamental crops like roses and gerbera. Their production is estimated at 2,500 tons annually. There are also 35 producers in the corporate sector producing over an area of 17 ha with an estimated annual production of 3,400 tons. Table 3 depicts production of the main crops.

### Table 3: Production of Main Crops in Mauritius

<table>
<thead>
<tr>
<th>Crop</th>
<th>Cultivated (ha)</th>
<th>Area 2000</th>
<th>Area 2005</th>
<th>Area 2007</th>
<th>Production (Tonnes) 2000</th>
<th>Production (Tonnes) 2005</th>
<th>Production (Tonnes) 2007</th>
<th>Yield (T/ha) 2000</th>
<th>Yield (T/ha) 2005</th>
<th>Yield (T/ha) 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maize</td>
<td></td>
<td>70</td>
<td>63</td>
<td>47</td>
<td>623</td>
<td>475</td>
<td>1021</td>
<td>8.9</td>
<td>7.5</td>
<td>9.5</td>
</tr>
<tr>
<td>Cassava</td>
<td></td>
<td>10</td>
<td>14</td>
<td>17</td>
<td>151</td>
<td>206</td>
<td>240</td>
<td>15.1</td>
<td>14.7</td>
<td>14.1</td>
</tr>
<tr>
<td>Sweet Potato</td>
<td></td>
<td>48</td>
<td>67</td>
<td>79</td>
<td>651</td>
<td>652</td>
<td>800</td>
<td>13.6</td>
<td>9.8</td>
<td>10.1</td>
</tr>
<tr>
<td>Sugar Cane</td>
<td>73056</td>
<td>68531</td>
<td>65259</td>
<td></td>
<td>5109900</td>
<td>4984000</td>
<td>4235849</td>
<td>69.9</td>
<td>72.9</td>
<td>64.9</td>
</tr>
<tr>
<td>Sugar</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>569898</td>
<td>519816</td>
<td>435972</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pineapple</td>
<td></td>
<td>79</td>
<td>134</td>
<td>204</td>
<td>3416</td>
<td>4885</td>
<td>6398</td>
<td>43.2</td>
<td>36.4</td>
<td>31.4</td>
</tr>
<tr>
<td>Bananas</td>
<td></td>
<td>489</td>
<td>521</td>
<td>461</td>
<td>8500</td>
<td>11580</td>
<td>9026</td>
<td>17</td>
<td>22.2</td>
<td>19.5</td>
</tr>
<tr>
<td>Vegetables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>80959</td>
<td>47499</td>
<td>48684</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potatoes</td>
<td>622</td>
<td>599</td>
<td>591</td>
<td></td>
<td>13843</td>
<td>12777</td>
<td>15367</td>
<td>22.2</td>
<td>21.3</td>
<td>25.1</td>
</tr>
<tr>
<td>Onion</td>
<td>310</td>
<td>253</td>
<td>208</td>
<td></td>
<td>11134</td>
<td>5637</td>
<td>6187</td>
<td>35.9</td>
<td>22.3</td>
<td>25.6</td>
</tr>
<tr>
<td>Tea (greenleaves)</td>
<td>670</td>
<td>670</td>
<td>709</td>
<td></td>
<td>6440</td>
<td>6798</td>
<td>8027</td>
<td>9.6</td>
<td>10.1</td>
<td>11.3</td>
</tr>
<tr>
<td>Tea (manufactured)</td>
<td>1312</td>
<td>1387</td>
<td>1563</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tobacco</td>
<td>383</td>
<td>287</td>
<td>252</td>
<td></td>
<td>563</td>
<td>296</td>
<td>316</td>
<td>1.5</td>
<td>1.03</td>
<td>1.25</td>
</tr>
<tr>
<td>Groundnut</td>
<td>123</td>
<td>137</td>
<td>140</td>
<td></td>
<td>408</td>
<td>231</td>
<td>290</td>
<td>3.3</td>
<td>1.7</td>
<td>2.1</td>
</tr>
<tr>
<td>Tomato</td>
<td>788</td>
<td>918</td>
<td>734</td>
<td></td>
<td>9719</td>
<td>12840</td>
<td>11117</td>
<td>12.3</td>
<td>14.0</td>
<td>15.1</td>
</tr>
</tbody>
</table>

Source (Digest of Agricultural Statistics, CS0, 2000, 2005 and 2007)

### 3.1.2. Livestock and Game Farming

Table 4 below depicts the livestock production statistics for Mauritius.

### Table 4: Number of Livestock Animals and Owners in Mauritius, 2007

<table>
<thead>
<tr>
<th>Number of Owners</th>
<th>Population of Animal Species</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>2005</td>
</tr>
<tr>
<td>Cattle</td>
<td>2129</td>
</tr>
<tr>
<td>Dairy Cows</td>
<td></td>
</tr>
<tr>
<td>Bulls</td>
<td></td>
</tr>
<tr>
<td>Sheep</td>
<td>41</td>
</tr>
<tr>
<td>Goat</td>
<td>2927</td>
</tr>
<tr>
<td>Pig</td>
<td>486</td>
</tr>
<tr>
<td>Deer</td>
<td>60 production units</td>
</tr>
<tr>
<td>Ducks</td>
<td>na</td>
</tr>
<tr>
<td>Rabbit</td>
<td>236</td>
</tr>
<tr>
<td>Broilers</td>
<td>243</td>
</tr>
<tr>
<td>Layers</td>
<td>219</td>
</tr>
</tbody>
</table>

Source: AREU, 2009
• **Milk Production:** The dairy sector is mainly characterised by backyard producers operating on a low input-low output system. They own 1-2 cows which are reared in their back yard. Over the years, the number of cattle and farmers has declined steadily. Between year 2000 and 2007, the dairy cattle herd has decreased from 9,600 to 5,800 head while the number of farmers has also declined from 2,500 to 1,700 for the same period (CSO, 2007). However, a new category of dairy entrepreneurs are emerging. They have invested in medium and large sized scale dairying production systems on leased state lands. In December 2008, 2 dairy companies imported 750 dairy cows to start their business and one of them is expected to produce 5000 litres per day as from April 2009.

• **Beef:** Annual consumption of fresh beef amounts to 2,200 tonnes, of which national production (local and Rodrigues) accounts for some 100 tonnes, representing less than 5 per cent self sufficiency. The decision of large farmers to withdraw from the production of fresh beef was motivated by Government's decision to liberalize, in 1996, the importation of slaughter cattle, which was until then solely undertaken by the Meat Authority. Beef production is now mainly undertaken by a few private companies. They import young animal which are fattened until slaughter. The small farmers fatten mainly the male calves originating from the dairy sector. Currently, some 10,000 live animals are imported annually to satisfy local demand.

• **Sheep and Goat production:** In Mauritius, goat rearing is mainly a part-time activity. There is a high demand for goat meat during the end of year festivities, weddings and religious ceremonies. Despite, the incentives provided by the Government, goat production has not unfortunately developed fully so as to cater for the local demand. On the contrary goat meat production has fallen drastically from 56 tonnes in 2000 to about 26 tons in 2005. More than 50% of the goat meat requirements are now being imported from various countries in the regions. Most of the goat farms are small in size (from 5 to 20 heads) while there are also a few medium sized operations (20 to 75 heads) and about 5 large farms which have over 100 heads. Goats are reared in single pens or groups with minimum inputs resulting in low productivity and high rates of inbreeding. The large farms which are more oriented towards income generation adopt some improved nutritional and management practices. On the other hand, sheep production (96 farmers rearing about 100 sheep) has gone down drastically and most of the local requirements are imported.

• **Deer Ranches:** Deer farming has established itself as a fully-fledged economic activity and also as an integral part of the livestock sector. It is estimated that there are about 70 000 head of deer in the country. Two systems of deer management are practised: ranching and intensive farming. Ranching is by far the most popular activity and comprises about 60 000 head of deer reared on 23 500 ha, of which 10 000 ha are state forestland leased to deer ranches. Intensive farming comprises a herd of 10,000 head of deer and occupies 1 500 ha, essentially of pasture lands. There are about 60 production units of varying land area scattered over the island, mainly on the western coast of the island. About 50 t of venison is also produced during the close season from intensive farms grouped under the Mauritius Deer Farming Cooperative Society Limited.

• **Poultry production:** The poultry farming sector is dominated by large producers which account for 60% of the local production and medium ones (15% of production). The sector comprises of about 630 farmers. Out of these there are 7 farms that operate on an industrial scale rearing about 17.5 million of birds. The rest are small scale producers rearing between 200-10,000 birds. In all the total number of birds reared by those 2 main production systems is about 19 million. It is estimated that the poultry sector provides directly and indirectly some 25,000 jobs.

• **Pig Production:** As at mid 2007, Mauritius had a domestic pig population of 18,000 animals, belonging to some 500 breeders (small breeders 261, medium breeders 121 and large breeders 114). Due to the small size of the country, pig production is restricted to only a few regions. Mauritius also has a wild pig population of around 6,000. However, following an outbreak of African Swine Fever in October 2007 – the first ever recorded in Mauritius - a large number of pigs died. As a result, the local herd has decreased to about 6000 head.
• **Honey production:** There are currently 240 beekeepers keeping some 2,000 bee colonies which produce, on average, 45 tons of honey annually representing 25 per cent of Mauritius’ honey requirements. Apiculture is practised mainly as a part-time activity in Mauritius.

• **Fisheries:** Fishing activities fall under 3 main categories: coastal fisheries (artisanal fishery), bank fishery and tuna fisheries. The fishing sector employs 12,000 persons, including those involved in fishing, canning, other processing activities, distribution and marketing and contributes to 1% of the GDP. Total fish production for 2007 was about 7480 tonnes (down from 10,000 in 2006). The decrease is mainly due to a fall in artisanal fishery catch as a result of a lower production capacity in the lagoon and ceasing of activities of demersal trawlers.

• **Aquaculture:** At present there is one marine aquaculture farm in the south of the island. The total harvested catch of red drum, silver sea bream and rabbit fish from the farm was 550 tonnes in 2007. The catch is meant for both the local and export markets.

• **Tuna Processing:** In 2007, the two tuna processing plants imported 62,500 and 30,623 tonnes of raw materials, respectively. 32,575 tonnes of canned tuna was exported to European countries and 1,131 tonnes were put on sale on the local market. A total of 10 635 tonnes of tuna loins was produced and exported to Europe.

• **Salted fish:** Two companies are engaged in the production of salted fish (Snoek) from frozen Barracouta (Thysites atun). 1 066 tonnes of frozen barracouta were imported for the production of salted snoek. Barracouta was imported from New Zealand and Namibia. The amount produced was 651 tonnes of which 98 tonnes were exported.

• **Sea Cucumber:** In Mauritius, the development of the sea cucumber fishery for export purposes started in 2006 and the total catch of sea cucumbers from the lagoon amounted to 493 tonnes live weight. Mauritius exports dried sea cucumber. Due to the economic and ecological concerns, the Mauritian Government has put a quota system for the exploitation of sea cucumber fishery.

### 3.1.3. Forestry

Once densely covered with indigenous species, the forest cover (~ 1% of the total land area) of Mauritius today amounts to 50,000 hectares of which 60% are privately owned. There are about 22,500 ha of state-owned forests out of which 4,600 hectares have been declared Nature Reserves and National Park. This sector offers employment directly or indirectly to about 5000 people.

### 3.2. Farmers’ Organisations

The main types of farmer’s organisations are the cooperatives. They are about 16 active ones in the crop sector and 5 in the livestock sector. Most of them play an active role in agricultural policy development by representation on committees or memorandum to the Ministry. The combined main objectives of these associations are: to promote the food security of families of the most vulnerable groups to meet their nutritional needs; to empower the poor and marginalised communities and facilitate their actions towards sustainable development; to advocate so that the realization of food security be the central objective of agricultural and food policies; and to encourage improved methods of agricultural production and to promote the interest of small planters.

These farmer organisations include:

• **The Mauritius Agricultural Co-operative Federation Ltd:** The MAMCF is a group of some 40 Agricultural Marketing Co-operative societies (over 2,500 planters and produces 80% of the country’s vegetable production by cultivating over 7,000 acres of land).

• **The Mauritius Vegetable Association:** The MVPA groups about 4700 planters of vegetables, fruits and flowers scattered throughout the island.
• **The Water Users’ Associations (WUAs) and Water Users’ Cooperatives (WUC):** The WUAs are very active in about 60% of the 17 irrigation projects managed by the Irrigation Authority. They start the equipment, monitor water distribution, manage minor reparations, collect irrigation dues to reimburse the IA, manage conflicts, etc. Alternatively to WUAs, planters can form WUCs. Their activities are more or less similar to the WUAs. However, the WUCs tend to be less successful than WUAs probably because of the greater flexibility of the latter.

• **Livestock Farmer Organisations:** In the livestock sector the main types of farmers’ organisations are the cooperatives. There are several types of cooperatives depending on the type of animal activity. In the deer sector there is one, the Mauritius Deer Farmers Cooperatives which consists of intensive deer farmers rearing deer in feedlots during the off hunting season. While the Mauritius Meat Producers Association consists of mostly extensive deer farmers. Some large beef producers and poultry producers are also members of this association. With regard to the dairy sector, lately there has been an increase in the number of cooperatives. Presently, there are about 5 such dairy cooperatives

### 3.3. Other Private Organisations Providing Support to Farmers

#### 3.3.1. Mauritius Chamber of Agriculture

The MCA groups agricultural producers and other persons or firms connected with sugar and other agricultural crops and industries. Its basic objective is to promote and safeguard the interests of the agricultural community. It plays an important role in policy formulation for agricultural development in Mauritius. The Chamber provides a high-level forum for exchange of ideas and views and for the formulation of general policies and strategies on all major issues pertaining to the development of agriculture and agricultural industries in Mauritius.

#### 3.3.2. Association of Producers and Exporters of Horticultural Products of Mauritius (APEXHOM)

APEXHOM is a non-profit association created in 1996. It aims to promote and develop the horticultural sector, especially in the following commodity chains: flowers, fruits and vegetables, spices, and processed products. Its role is to: defend the interests of horticultural operators, and in particular those who are involved in export, contribute to better define the sector's overall development strategy, support horticultural sector structuring and create an environment conducive to increasing commercial activities in this sector, and facilitate operators’ access to technical and commercial information. Its actions are conducted in collaboration with the local agricultural research and extension services.

#### 3.3.3. Movement for Food Security (MMA)

The Movement Pour Auto Suffisance Alimentaire (MMA) (Movement for Food Security), since 1981, is the only active NGO in the agricultural field. It aims to promote food security of the most vulnerable groups to meet their nutritional needs, to empower the poor and marginalised communities and facilitate their actions towards sustainable development, and to advocate that food security be the central objective of agricultural and food policies. Over the years, the NGO has implanted a series of self help agricultural projects in the most deprived regions of the island. It also plays a very important role in agricultural policy formulation by its active participation in numerous committees of the Ministry of Agriculture.

#### 3.3.4. Agro Industries

It is estimated that this sector employs around 10,000 people, and contributes to only around 2% to GDP. The major components of this sector comprise of the production of canned vegetables and fruits, cut flowers and foliage, fish and fish preparations, poultry and dairy products, meat processing, flour milling, edible oil refining. A few large processing plants have emerged principally in the areas of edible oil refining, animal feed compounding, dairy products manufacturing, wheat flour milling, tuna canning, beer manufacture, canning of vegetables and meat processing. A few smaller scale
enterprises have managed to develop in areas of food-crop processing and preservation (e.g., pickles) using both locally available and imported raw material.

The primary objective of local agro-processing industries was to supply the domestic market. However, over time, owing to the limited size of the domestic market, some enterprises started to tap regional niche market opportunities (e.g., wheat flour). A few smaller scale agro-processing companies have also managed to tap export markets through their variety of exotic products (e.g., Herbal Tea, Pickles) at the regional and international level.

3.4. Professional Organisations Involved in Agriculture

3.4.1. Mauritius Chamber of Commerce and Industry

The Chamber was set up in 1850. Today, the Mauritius Chamber of Commerce and Industry has 415 members representing a wide spectrum of economic sectors including Commerce, Industry, Banking, Insurance, Transport, Tourism and more. Throughout its existence, the Chamber has upheld its basic mission of defending and promoting the vital interests of its membership. It has also constantly consolidated its structures so as to be in a position to provide highly professional services to them. Currently, it provides the following services Advisory and consultative, Information, Legal, Promotional, Trade Facilitation and Training to its members. It has always maintained close links with Members of the Government and the Civil Service. Furthermore, in its constant effort to promote Mauritius in the world and widen the scope of its activities abroad, it endeavours permanently to set up links, affiliations and contacts with private sector and multilateral organisations internationally. It also contributes to the outlining of the strategy of Mauritius in its foreign economic relations.

3.5. Traders in the Food Sector

Mauritius relies heavily on imports to meet the ever-growing needs of its domestic food market. Food imports presently account for RS 18 billion equivalent to 18% of Mauritian total import bill. The main imports include cereal (e.g., rice and wheat), flour, dairy products, fish products, fruits, vegetables (predominantly frozen or processed vegetables and miniature vegetables), meat products, and other similarly significant imports such as vegetable oils and fats, beverages, tobacco and live animals. Rice, wheat, oil & fats, meat and milk represent 66 per cent of all food imports.

Apart the export of sugar and molasses, agricultural exports are mainly limited to anthurium flowers and to small volumes of tropical fruits such as pineapples and litchis. Exports for chillies, breadfruit and miscellaneous greens have been attempted but it is limited to low volumes. On the other hand, Mauritius exports a substantial amount of processed fish, mainly canned tuna, to the EC market.
NATIONAL AND REGIONAL AGRICULTURAL POLICIES

4. NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1. General Overarching Framework Documents

4.1.1. General Overview

Over the years, two separate and distinct sets of policies vis-à-vis the agriculture sector has been developed. One for the sugar sector and one for the non-sugar sector with very little linkages between the two sectors. Mauritius’ agriculture policy has always aimed at ensuring food security and diversifying production within and away from sugar. Since 2002, successive governments have produced strategic documents for improving agricultural production in the country.


Government’s policy regarding the agricultural sector (non sugar) was elaborated in the Non-Sugar Sector Strategic Plan for the period 2003-2007. This 5 year plan proposed the transition of agriculture from traditional practices to the adoption of modern production techniques and innovative technologies. The main objectives of the policy are: (a) to increase food crop and livestock production, maintain/increase self-sufficiency in certain essential commodities; (b) to liberalize markets and to support private sector development; (c) to optimize the use of water resources through the introduction of efficient irrigation systems and increased water storage capacity; (d) to make optimal use of agricultural lands, diversify agricultural production for local consumption and export; (e) to ensure national food security through the production of adequate supplies of basic food items at competitive prices; (f) to intensify research and development activities through biotechnology; (g) to delocalize agricultural production to the region through the establishment of strategic alliances; (h) to promote agro-based industries; (i) to promote an agricultural training policy; and (j) to develop appropriate marketing strategies.


In light of the above changes, a revised agricultural plan called The Strategic Options for Crop Diversification and Livestock (2007-2015) was launched. The plan advocates the adoption of modern production techniques and innovative technology in a well defined framework to face the challenges of: mounting pressure on land resources, climatic uncertainties, rising costs of imported inputs, exposure to pests and diseases, rigorous sanitary and phytosanitary use, among others. The overall goal of the program is to significantly increase food and agricultural production by the year 2015 through the adoption of newer technologies and production methods and the development of novel products while opening access to new markets.


Taking into account the unprecedented changes in the world food system, a new strategy for a sustainable Diversified Agri-Food Sector for Mauritius for the period 2008 to 2015 was published. The strategy document analyses the threats and challenges of the Mauritian agri-food system and presents the expected outputs through production of priority food-crops, fruits and ornamentals, promising crops, as well as the promotion of important species of farm animals and poultry, for enhancing food security. The overall vision of the strategy is to enable the Mauritian agri-food system to become, by year 2015, (i) diverse and multi-functional for food supply stability and nutritional security; (ii) modern, competitive and economically, socially and environmentally sustainable; and (iii)
flexible and responsive to changes in consumer demand. This is the current policy document which is
driving development in the agricultural sector.


In April 2006, the Government presented its Multi-annual strategy and Action Plan 2006-2015 for the
re-engineering of the sugar industry following an impact assessment study on the competitiveness of
the sugar industry commissioned in late 2004.

The overall objective of the Adaptation Strategy is to ensure the commercial viability and sustainability
of the sugar sector for it to continue fulfilling its multi-functional role in the Mauritian economy, but at a
significant social cost. In this context, the Adaptation Strategy has five specific objectives: (a)
transformation of the sugar industry into a sugar cane cluster (production of several types of sugar, of
electricity from bagasse/coal and ethanol); (b) establishment of a competitive, viable and sustainable
sector; (c) fulfilment of the country’s trade commitments; (d) reduction of the dependency on imported
fossil fuels; (e) continuing the multifunctional role of sugar and in particular the support to national
environment and social objectives. The Strategy provides for a set of measures/projects aiming at
increasing the country’s revenue, optimising the use of by-products, maintaining the social welfare of
low income groups of the sugar industry, while fully taking into account the social and environmental
implications. In addition, the development of the energy sector is fundamental to the setting up of the
sugarcane cluster in the light of the soaring price of oil on international markets.

4.2. Agricultural Policies and Strategies

It has been the Mauritian Government’s policy not to be directly involved in any type of crop or animal
production. It acts mainly as a facilitator and a catalyst for supporting the farming community.

4.2.1. Land Infrastructure

Most of the productive land in Mauritius, including all agricultural land, is largely privately owned.
State lands are scattered throughout the island. The different types of land leased for agriculture are:
State forest lands (mainly for deer ranching); state tea lands and miscellaneous scattered parcels of
small and varying sizes land blocks. The allocation of state land is governed by the State Land Act.

Mauritius being a small island, land is a very scarce resource. It is thus the government policy to
preserve as far as possible agricultural lands for production purposes. Thus the conversion of
agricultural land into non-agricultural land is therefore subject to a Land Conversion Permit from the
MAFPS and payment of land conversion tax.

4.2.2. Rural Roads and Other Road Infrastructure

Roads in Mauritius are well-developed. They are maintained in very good condition, with 1,834
kilometres out of a total of 1,910 kilometres of roads being paved. Currently, 89% of the Mauritian
households have a fixed telephone line while the number of mobile subscribers has increased
significantly reaching an estimated of 772,400 in 2007. The whole country is serviced with electricity.

4.2.3. Conservation Agriculture

It is Mauritian Government policy to promote sustainable agricultural practices through
environmentally sound methods in agriculture. A number of strategies are being employed to achieve
this and these include the promotion of use of compost, preservation of soil fertility (e.g. Use of cover
crop), customisation of fertiliser recommendations based on soil analysis and crop requirements,
implementation of pest control programs using environment friendly control methods with reduced
insecticide usage, development of integrated pest management packages and integrated plant
nutrient management systems.
4.2.4. Hydroponic Culture Systems

It is Mauritian Government policy to encourage farmers to adopt the hydroponic culture given that there is a remunerative market for hydroponic food crops and scarcity of land.

4.2.5. Natural Resources Policies and Strategies

4.2.5.1. Water and Irrigation

Irrigation is a high priority for the government which has been giving financial and technical support to the development of irrigation schemes. One of the objectives of the Government plan is to increase the areas of irrigated land to 33,500 ha (up from the present 22,000 ha). The main government’s strategy for developing the irrigation sector includes: Consolidation and modernization of the existing schemes to ensure higher efficiency and more flexibility within the system to accommodate full stand of non-sugar crops; Implementation of a new major irrigation schemes (3,500 ha sub-divided into eight blocks) whereby 20% of the total area is earmarked solely for the production of fruits and vegetables; Harnessing new water resources and developing small scale irrigation projects (SSIPs); and exploring the possibilities of using recycled wastewater for irrigation of sugar cane; Improving the efficient utilization of water resources in agriculture, through sensitization of irrigation developers and planters on efficient irrigation techniques, and strengthening the institutional set-up to oversee and promote efficient irrigation development.

Water usage and distribution is governed by the following Acts: Rivers and Canal Act (1863) provides for management of rivers and canal as well as for protection of river water against pollution; CWA Act (1971) provides for the creation of the authority and its duties and powers regarding supply of potable water for different purposes and water resources development, management and conservation; Groundwater Act (1970) provides for management of the aquifers; Environment Protection Act (2002) provides for protection of water resources (standards for water).

4.2.5.2. Forestry Policy Framework (2006)

There are only two types of forest ownership in Mauritius: public and private. There are no communal forests and no communities living within or dependent on the forests. Government has established a legal framework through the enactment of the Forest and Reserves Act of 1983 and the National Parks Act of 1993 to regulate the management of forest resources and wildlife. A new policy framework for the forestry sector was published in 2006. Its overall goals are to create public awareness of the productive and protective functions of the forests, the important role the forest sector plays in national development and human wellbeing and to ensure the conservation and sustainable management of forests and forest ecosystems of the country for the benefit of present and future generations and to re-afforest degraded forests.

4.2.5.3. Inland Fisheries

Mauritius has no inland fishery as such, however, the water bodies and reservoirs harbour species of tilapia and black bass. These are usually fished by amateur fishermen. There is no specific regulation governing this type of fishery.

4.2.5.4. Marine Fisheries

The main objective of the government is to reduce the pressure on the overfished lagoon resources and encourage fishermen to use off-lagoon fisheries. The main priorities include: protection of lagoons, control of overfishing, reduction in water pollution from agro-chemical run-off, industrial waste and sewage seepage, and the strengthening of the Integrated Coastal Zone Management Unit. In this context a new, Fisheries and Marine Resources Act 2007 came into operation in May 2008; replacing the 1998 Act.

4.2.5.5. Sea Food Hub Strategy

The positioning of Mauritius as a World Class Seafood Hub forms part of Government Strategy to further diversify the Mauritian economic base. The Seafood Hub is defined as: ‘An efficient and
attractive environment for the supply of value added processes and services related to the sourcing and marketing of sea food products”. Since Mauritius is situated in a strategic position within its Exclusive Economic Zone, its friendly investment environment and its modern port infrastructure coupled with Freeport facilities are the main ingredients that would contribute to make Mauritius a competitive platform in the Indian Ocean for the transhipment and processing of sea food.

The strategy of the Seafood Hub is focused on the development of value added fisheries and seafood related sectors including fishing, trans-shipment, storage and warehousing, light processing (sorting, grading, cleaning, filleting and loinning), canning, ancillary services (bunkering, vessel husbandry, ship agency, ship building and repair). A one-stop shop has been set up at the Trade and Marketing Centre in the free port to facilitate the administrative procedures for loading/unloading/export of fish and fish products.

4.2.5.6. Aquaculture and Fish Farming

Aquaculture is viewed as an important sector for Mauritius, in particular because of both dwindling fish stocks and a rising demand for seafood products. Thus, Government is supporting aquaculture development to complement the seafood hub activities and as a means to increase total fish production. In this context, the Government has produced an Aquaculture Master Plan for the promotion on aquaculture development in Mauritius. The Fisheries and Marine Resources Act (2007) was amended to make provision for marine aquaculture development in Mauritius.

4.2.5.7. Land Based Oceanic Industry (LBOI)

The Mauritius Research Council (MRC) in collaboration with the Fisheries Division has prepared the Land Based Oceanic Industry (LBOI) project. It aims at exploiting deep sea water for various uses. It comprises of the marketing of quality deep sea water for consumption, use of the cold water for refrigeration purposes, and aquaculture development using the water which has a high level of nutrients.

4.2.5.8. Other Natural Resources

Biodiversity

Mauritius signed and ratified the Convention on Biological Diversity. In that context, a National Biodiversity Strategy and Action Plan (2006-2015) was drafted and it includes the following thematic sectors: Forest Biodiversity; Terrestrial Biodiversity; Agro Biodiversity; Freshwater, Coastal and Marine Aquatic Biodiversity. It sets prioritized activities, with structured goals and targets as determined by extensive stakeholder consultations and input. Activities are based on the development of representative and viable protected area networks, the control of invasive alien species, the management of key components of biodiversity (e.g., promote agricultural biodiversity conservation), the enhanced identification and monitoring of biodiversity and mechanisms to enable sustainable use through ecotourism development and sound management of natural resources.

Environment

The Government of Mauritius is fully committed to the protection of the environment. Policies for sound environmental management have been promulgated in the Environment Protection Act 2002. It provides the main legal framework and the mechanism to protect the natural environment and to ensure the proper implementation of government policies and enforcement provisions. The gist of the environmental policies is set out in the National Environmental Policy 2007. In the act there are provisions for the protection of natural resources (water, land) and biodiversity. It is also mandatory for any promoter of an undertaking to submit an environmental impact assessment document before embarking on implementation of the project.

4.3. Support Services for Farmers

4.3.1. Collection of Information and Dissemination

The Central Statistics Office publishes annually the Digest of Agricultural Statistics which contains agricultural data on sugar, tea, tobacco, food crops, livestock and fisheries. Patterns on food consumption of the population are also given in the Food Balance Sheets, Producer Price Index and
other miscellaneous agricultural statistics (e.g. land utilization, imports of major agricultural inputs, consumption and average price of fertilizers, meteorological data, etc.). These data provide timely and reliable statistics/information on food and agriculture for policy formulation, strategic planning, decision-making, and research and for the farming community at large.

The Agricultural Research and Extension Unit (AREU) publishes a bimonthly publication called farming news. It provides a wide range of technical and non technical information on a wide range of topics related mainly to vegetables, fruits and livestock production. A Market Information System has been implemented at the (AREU) as part of a EC–funded project to support agricultural diversification within the Northern Plains Irrigation Project (Phase II). The system aims to provide information on prices of fruits and vegetables on the local market on a weekly basis and a monthly summary of area under cultivation and production. The provision of such type of information to producers was to reduce the risk associated with market price fluctuations so that they can, in turn, devise appropriate strategies of production to make best use of market opportunities.

The Agricultural Marketing Board (AMB) had the responsibility to set up a Marketing Intelligence Unit whose objectives are to increase the profit margin of planters; to provide a timely and effective marketing strategy to ensure supply as per demand and to meet market exigencies; gearing production towards export orientation; providing weather forecast conditions (from meteorological services), wholesale and retail prices (from AREU services), so that planters can plan their production to avoid unexpected losses; to survey market demands and trends both at local and international level; to provide feedback to local agricultural stakeholders on market exigencies, changes, norms and standards; to plan harvesting; to estimate area to be harvested in time in order to enhance sales potential; and to diversify into secondary products, that is, to preserve perishable produce and extension of shelf life.

4.3.2. Agriculture Education

As part of its strategy to modernise the agricultural sector, training at various levels in agriculture is a priority for the Government. The Ministry of Education has prepared a training need assessment for the agriculture sector. The Faculty of Agriculture, University of Mauritius forecasts such training needs through its Faculty Advisory Committee in which various stakeholders in the agricultural field are represented. It then offers appropriate undergraduate, postgraduate programmes with a view to provide/prepare the required manpower resources to sustain Government policy in agricultural development.

Along with developing manpower resources at higher levels, training of farmers and empowerment of agricultural entrepreneurs is also an integral component of the Government training strategy. It aims at training the farmers in modern production technologies, modern farm management strategies, post harvest handling and agro-processing techniques. In addition to the local training Government, through its bilateral agreement with several countries, has facilitated the attendance of its scientific and technical cadre to various training programmes hosted by the partnering countries.

Agriculture is an optional subject at the secondary school level. However, not all public secondary schools, offer the subject. The number of students who participate in the examination in Agriculture at School Certificate is very low. Secondary school agriculture is not essential for admission into an agricultural Degree or Diploma programme in Mauritius.

4.3.3. Cooperative and Farming Organisations

The Mauritian Government not only reckons the contribution of co-operatives in the generation of national income, the economic democratisation process and in the strengthening of the foundation of the present economy but views co-operatives as instruments of social justice whereby a substantial number of people especially from the lower strata may improve their real and relative position thus reducing diseconomies which may arise from social imbalances. The Mauritian Government encourages the setting up of co-operative societies at various levels, including the agricultural sector. In this context, a new Co-operatives Act was promulgated in 2005. The Act provides for (a) the registration of a cooperative society with either limited or unlimited liability; (b) the non-eligibility of the internal controller of a cooperative society to be a Director of the Board; and (c) the appointment of a Liquidator by the Registrar of Cooperatives in such cases as he may deem fit.
4.3.4. Extension Services

It has always been the Government policy to provide the necessary infrastructure to increase farmer’s knowledge and skills in the best agricultural practices and technologies that would raise farm productivity. The main provider of extension services is AREU. It seeks to ensure that there is a rapid transfer of new knowledge gained from research for the benefit of farmers, consumers and the environment. The extension unit is involved in a number of activities such as: Training of farmers on a number of agricultural issues (e.g., identification of pests, feeding of animals), Advisory service for production and protection of food-crops and fruits /livestock, Diagnostic service for pests and diseases of food-crops and fruits, acts as an interface between the farming community and service providers, investigation of farmers’ needs and grievances, Field visits to offer practical Advice to individual farmers, Training in Elementary Agriculture for Farmers, Agricultural Youth Clubs and Women’s Associations, Conducted tours and Field Demonstrations of improved agricultural techniques, Radio-Talks on best Agricultural Practices for the benefit of Farmers and production of Farming News – a publication that provide up to date information on crop and livestock production and technical leaflets for production of food-crops and fruits /livestock.

4.3.5. Agricultural Research

It is the policy of the government to strengthen research and development in agriculture to provide high yielding planting materials, precise and rapid diagnosis and treatment services in horticulture and livestock, efficient biological control mechanisms, modern production systems and soil-less cultivation techniques, environmentally friendly production techniques, efficient post harvest techniques and handling methods to minimize losses, optimized techniques for food preservation and processing to develop the local agro-industry. In addition capacity building of scientific and technical staff to improve service delivery, in particular technical training, in new and improved primary production techniques and other agricultural related are encouraged.

4.3.6. Intellectual and Patenting Rights

Mauritius has enacted a number of new intellectual property laws, with the aim of bringing its legislation into conformity with the WTO agreement on Trade- Related aspects of intellectual property rights. It adopted a law on patents, industrial designs and trademarks, and on protection against unfair practices. Copyrights are governed by the Copyright Act 1997. A Plant Breeders Right Bill is being finalised and it aims to provide for the protection of plant breeder’s right on new varieties in the Republic of Mauritius. A seed bill has also been prepared and aims to provide the necessary institutional support to regulate the seed industry, including the production, sale and exportation of seeds.

4.3.7. Inputs Provision (Crops)

The Agricultural Services (AS) is one of the major departments of the Ministry of Agro Industry and Food Production and Security that provide technical services and agricultural inputs to the farming community and the public in general. The activities and services provided by its main divisions are detailed below.

- **Agricultural Chemistry Division**: It provides analytical support to the farming community and parastatal bodies such as AREU, FSC, for the chemical analysis of soil, plant tissues, fertilisers, compost, feeds and fodder amongst others.

- **Agricultural Development Division**: It manages five agricultural services centres (ASC) and aims to provide a regional proximity service to farmers for sale of feeds, plants, poultry vaccines, and free distribution of environment friendly fruit fly baits.

- **Agronomy Division**: It is responsible for the production of vegetable and tobacco seeds. It advises on soilless culture an organic vegetables production.
Horticulture Division: It is involved in the production and sale of vegetable seeds and ornamental plants; conservation of plant genetic resources and production of tissue culture plants. The aim of the division is to increase the technology of seeds production for better quality and quantity seeds. The policy of the Government is to gradually decrease its seed production activities and encourage private companies to undertake seed production as well as individuals.

Land Use Division: Its main mandate is to provide rational advice on the use of agricultural land resources and to safeguard these resources against pressure from non-agricultural purposes.

National Plant Protection Office (NPPO): Its main activities involve protecting the national agricultural economy from introduction, establishment and spread of exotic pests. It also deals with plant health improvement and disease surveillance, and the issue of phytosanitary certification for export and import of plants/plant products in compliance with international Agreements and Conventions, including the International Plant Protection Convention (IPPC) of the FAO, the Convention on Biological Diversity (CBD) and the Sanitary and Phytosanitary (SPS) Agreements of the WTO. The Mauritian Government enacted a new Plant Protection Act in 2006 to replace the Plants Act of 1976.

Entomology Division: It helps in preventing entry and establishment of exotic pests. Other activities involve the biological control of insect pests (spiraling white fly, coconut beetle, cypress aphid); Spraying of fruit trees and curcubits against fruit fly. It also sells queen bees and advises on beekeeping.

Food Technology Laboratory: It is involved in the microbiological and chemical analysis of foods (pesticides residues, heavy metals, toxins), animal feeds and water for Mauritian export and import requirements. It provides technical assistance to all stakeholders regarding food quality and safety. It provides assistance to SME’s for product development. It also carries out GMO testing, radioactivity detection and sensory analysis. The GMO Act was partly promulgated in 2004 as regulations were not in place. These regulations have now been worked out and submitted to the State Law Office for vetting.

Forestry Services and the National Park and Conservation Service: Their main responsibilities include the protection of the upland forests for soil and water conservation and the protection of the rare native flora and fauna. The Forestry Service is responsible for all state and forest plantations and a considerable area of native forests while the National Park and Conservation Service is responsible for the management of the National Park and the islets around Mauritius.

Fisheries: The fisheries division is responsible for ensuring the sustainable development and management of fisheries resources, conservation and protection of living aquatic resources and the marine environment in the maritime zones of Mauritius.

Vegetable Seeds: The Ministry of Agro-Industry supplies 40% of the national requirement of vegetable seeds at subsidized price and is encouraging vegetable growers to embark in the business of seed production for certain selected crops namely squash, cucumber and onion.

Potato Seeds: The AMB is the sole importer of potato seeds and guarantees a minimum price, determined by the National Potato Committee, for registered dealers. However, the subsidy on the sale of seeds to producers of both seed and ware potatoes (in order to reduce the production cost of table potatoes) is no longer granted. Instead, the AMB imports potato seeds and sells them to producers at lower prices. Imports of potato seeds are scheduled to be liberalized as 2009.

Water for Irrigation: Irrigation Authority provides various services to farmers including the following: (i) helping beneficiaries in identifying, investigating, planning, designing and implementing irrigation projects; (ii) providing irrigation water at subsidized costs to planters and breeders within the boundary of an irrigation project; (iii) importing dripper lines and other irrigation equipments at duty free prices on behalf of planters; (iv) providing various certifications to planters in relation with their irrigation activities; (v) advising planters on irrigation matters related to water availability, design and
irrigation equipment; (vi) offering facilities of drilling of boreholes in the land of planters at subsidized rates.

4.3.8. Inputs provision (Animals)

Animal Production Division: Its main activities revolve around formulating livestock policy; providing technical advice to breeders; production of day-old ducklings and day old chicks; training in duck keeping; artificial insemination in pigs; and developing a new approach to livestock waste management.

Richelieu Livestock Feed Factory/Feed Promotion Scheme Unit: It is involved in the production of animal feeds; sale of feeds at a subsidised rate to small breeders in its twenty-four Feed Sales Centres.

Veterinary Services: It is involved in the laboratory diagnosis of diseases; artificial insemination and pregnancy diagnosis for cows; sale of vaccines (mainly for poultry); treatment of animals diseases and distribution of free drugs to small livestock breeders; and provide a quarantine facilities for imported animals;

4.4. Support to Agricultural Investment

4.4.1. Subsidised Loans

The Development Bank of Mauritius provides several types of loan schemes for the sugar cane, agricultural, hydroponic and fishing community. Loans are available for potato and onion plantation, construction of onion sheds, field mechanisation, pig and cow breeding among other agricultural activities. All the loans carry 3% interest per annum. The DBM provides loans at subsidised interest rates and grant schemes for the agricultural cooperatives as well.

The Mauritius Leasing Company provides financial leases to eligible clients for the purchase of machinery and equipment. Leases are offered for periods ranging between three and seven years and provide an option for the lessee to purchase the leased asset at the expiry of the contract period. Under this scheme, agriculture and the sugar industry among other sectors are eligible for lease facilities.

4.4.2. Development Incentives

Under the Development Incentives Act 1990, exemptions from payment of income tax on dividends paid out of income derived by a company holding an Agricultural Development Certificate (ADC) or an Agro-based Industry Certificate (AIC) are granted for 20 years (from its date of production or its date of operation). Exemptions from duty are also granted on machinery and equipment (excluding vehicles) for companies holding an ADC or an AIC, upon approval by the MAIFPS; on selected office equipment used by companies holding an ADC, upon approval by the MAIFPS; as well as on specialized spare parts of equipment used by companies holding an AIC. In addition, remissions of two thirds of municipal taxes are granted to companies holding an ADC during the tax exemption period, and remission of 50% on registration dues for the purchase of land and buildings to be used in relation to projects of companies holding an ADC or an AIC (MAIFPS, 2007).

4.4.3. Foreign Investments

The Government of Mauritius welcomes foreign investment and has created a favourable investment environment offering a wide range of facilities geared toward attracting foreign direct investment and institutional investors. Investment in Mauritius is governed by the Non-Citizen (Property Restriction) Act 1975 (revised 2006), the Investment Promotion Act of 2000 which established the Board of Investment whose task it is to promote and facilitate investment in Mauritius, and The Business Facilitation Act 2006, which considerably facilitated company creation by local and foreign citizens or companies.
4.5. Emergency and Disaster Preparedness

4.5.1. Food Security and Early Warning Systems

Disease Surveillance: The NPPO is responsible for maintaining a database on the occurrence of pest and diseases. Regular pest surveillance and monitoring surveys are organised island wise to assess pest/disease situation and as an early warning system for rapid pest or disease control response. AREU has developed a disease alert system by SMS to inform the farmers of any pest and disease threats. The entomology division also monitor early detection of insect pests through the use of light trap at ports of entry (airport and seaport).

Cyclones Warnings: The Mauritius Meteorological Services is responsible for issuing tropical cyclone warnings through radio and television.

Climate Prediction: The Meteorological Services has been preparing seasonal climate prediction for over 15 years now. Some experience and expertise have been developed. During their education and awareness campaign farmers are familiarised with these long range forecasts and are taught how to interpret and apply them in their farming activities.

Importation of Vegetables: In view of the cyclonic season (November – March), the AMB registers prospective importers who are willing to import fresh vegetables to meet any shortages after the passage of a cyclone or bad weather. Imports are allowed for a selected number of vegetables (e.g., carrots, cabbage) which would be deemed necessary and for a limited period of time. The seed production centres maintain a strategic seed reserves to respond quickly to any emergency situation.

4.5.2. Food Reserves

The STC keeps strategic reserve stocks of 20,000 tonnes of rice, representing a safety margin of about 2 months consumption. The AMB has storage facilities for certain agricultural produce, namely potatoes, onions, and garlic, with the purpose of ensuring adequate and regular supply of these items to consumers. Strategic reserve stocks, for at least one month of consumption, are maintained.

4.5.3. Safety Nets in Rural Areas

The Small Planters Welfare Fund (SPWF) has introduced a Crop Insurance Scheme, a risk management tool to provide insurance coverage to small planters whose production would have been damaged by drastic climatic conditions like drought and cyclones. The fund provides necessary financial support to the farmers to go back to production in the shortest delay after the occurrence of the calamity. Currently, three crops are considered namely carrot, tomato and potato.

4.5.4. HIV/AIDS Related to Agricultural Policies

Although the extent of HIV/AIDS in Mauritius remains fairly limited (0.1%), and is significantly lower than in many neighbouring countries and among the lowest in the sub-Saharan African region, the government has put in place necessary legislation and infrastructure to combat HIV/AIDS in the country. At present, there is no HIV/AIDS policy related to agriculture as the agricultural workers and farmers are not affected by the HIV.

4.5.5. Other Emergencies

In the wake of the Avian Influenza outbreaks in several countries, the Government has developed a contingency plan to respond swiftly to any case of suspected and/or confirmed outbreak of Avian Influenza. The main objective of the contingency plan among others is to articulate on the procedures to be followed in case of a suspected and/or confirmed outbreak of avian influenza.
4.6. Trade and Related Issues

4.6.1. Tariffs and Non-Tariff Barriers

Goods imported to Mauritius are generally subject to the customs tariffs, and to internal taxes (i.e., VAT (15%) and excise duties on selected products). Customs tariffs on agricultural imports range from zero to 80%; the 80% rate applies, inter alia, to cane or beet sugar, chemically pure sucrose (in solid form), and molasses resulting from the extraction or refining of sugar. Other trade restrictions in the form of quotas are maintained on private imports of potatoes and on exports of certain types of chilled fish, the latter with the objective of preserving the country’s marine biodiversity. A 30% rate of customs tariff, as well as excise duties, is applied to imports of tobacco and tobacco products.

4.6.2. Import and Export Policy

Mauritius, on account of its limited size, the absence of economies of scale and the high comparative advantage of sugar cane both in agro climatic, environmental and economic terms, is compelled to import all the key and essential food items, namely cereals, heat/flour and rice, pulses, edible oil, meat and dairy products and spices. Inputs for the poultry and egg industries where Mauritius has more or less attained self sufficiency, for instance maize, have to be imported. Mauritius also imports fruits, oranges, apples, grapes etc, as well as a fair proportion of its potato, onion, garlic and ginger needs. The government has gradually abolished customs tariffs and VAT on almost all foodstuffs to support the purchasing power of the population and maintain food security.

In order to preserve the local fisheries resources export of chilled fish is subject to a quota. Clearance by AMB is required for salted fish.

4.6.2.1. Freight Rebate Scheme for Exports

The AMB operates a Freight Rebate Scheme (FRS) under which partial refunds of freight costs or f.o.b. value (whichever is lower) are granted for selected exports. Under the revised scheme, all processed products (i.e. peeled, sliced, and packed before export) benefit from 50% freight refund; all unprocessed fresh products benefit from 25% freight refund with the exception of green chillies, which continue to benefit from 50% freight refund.

4.6.2.2. SPS and Phytosanitary

At the regional level Mauritius has cooperated with other member states of COMESA, SADC and AU to arrive at a common policy on SPS issues.

4.6.2.3. Income Tax Rebates

Under the Income Tax Act, every person who derives income from agriculture in an income year, is allowed relief, by way of deduction of an amount equal to 15% of his net income from agriculture or MUR 100,000, whichever is lower. An annual allowance of 20% for income tax purposes is granted on the costs incurred in the clearance or improvement of land used or intended for use for agriculture (including the construction on agricultural land of any road, bridge, irrigation work or building used for agricultural purposes), and on the costs incurred on research for the purpose of establishing a new industry or expanding an existing one. Until 2007, income tax exemptions were granted to sugar planters and persons providing management services in relation to sugar cane cultivation.

4.6.2.4. Customs Tariffs on Inputs

In accordance with its policy of encouraging agricultural production and to reduce the cost of production and investment, Government provides exemptions (both tariffs and VAT) on the main inputs in agriculture such as vegetable seed, plants or parts thereof (e.g. grafts) for use as planting material, residues from the food industry used primarily as food in the livestock sector, agricultural equipment for soil preparation or cultivation or on mechanical harvesters, and milking and dairy machines and complete hydroponic unit. The Fertiliser Price Stabilisation Fund which aimed at stabilizing the price of fertilizers by refunding the difference between the dollar/rupee rate was
discontinued in 2004. There are no customs or VAT on most types of fertilizers, and those used in hydroponics production system.

4.6.2.5. Agricultural Technology Diffusion Scheme

The Ministry has set up the Agricultural Technology Diffusion Scheme (ATDS) for the benefit of agricultural producers, exporters and agro-processors. The main aim of this scheme is to help operators in the agricultural sector to improve their production activities, their productivity and marketing strategies. It also provides assistance on how to decrease costs of production to be more competitive on both the national and export markets. The ATDS helps agricultural operators by enabling them to have access to professional expertise from consultants for introduction of new technologies which aim at increasing profits, improving productivity, improving competitiveness, promoting mechanisation, improving quality, improving postharvest treatment of produce, processing of fresh produce for value addition, encouraging sustainable agricultural production practices. The ATDS allows beneficiaries to recover up to 75% of their expenses related to the professional fees of the consultant up to a maximum of RS 250,000 per project. According to the authorities, the target group has been restricted to large and medium farmers. It is now being reviewed so as to ensure that it benefits a wider group of farmers and includes a training component.

4.6.3. Support for Commodity Chains

4.6.3.1. Sugar Production

The agricultural sector in Mauritius is still dominated by sugar, though the importance of the sugar industry is decreasing. Sugar production has been the backbone of the economy. Sugar has traditionally been viewed as a multifunctional pillar of Mauritius’ economy, given its direct contribution to economic growth, rural stability, increased social welfare provision and the protection of the environment.

Since 1975, Mauritius has been granted preferential access to the European market under the Sugar Protocol of the Lomé Conventions. The quota amounts to 491,000 tons (white sugar equivalent) per year together with an additional amount of 65,000 tons per year allowed under the Special Preferential Sugar Agreement. Net sugar revenues under the preferential terms (well above the world market price) of the Sugar Protocol have been estimated at some € 4 billion over the last 30 years. The country has judiciously used these revenues for investment not only in the sugar sector but also to transform the economy from a mono-crop to a five-pillar based economy (manufacturing, tourism, sugar, financial services and more recently ICT).

With a 38% share of ACP preferential sugar quotas, the reform of the European sugar market and its resulting price decrease by 37% will therefore have a direct impact on the Mauritian economy and its competitiveness in this field. With sugar still representing 30% of the country’s exports, it is estimated that the reduction of EC sugar prices will represent a shortfall in export earnings of € 782 million over the period 2006-2015. The effective loss to the economy would be much higher if all social and environmental costs were also taken into considerations. Consequently, under such circumstances, Mauritius is struggling to be a cost competitive supplier in the new market environment, leading to the adoption of a roadmap for the Mauritius Sugarcane Industry for the 21st Century. The Multi-Annual “Sugar Adaptation Strategy” was developed to re-organise the sugar industry. This strategy was described in an earlier section. Various other strategies have been proposed, adopted and strengthened. One such strategy involves field operations. The challenge is to improve yields thorough adoption of mechanization and irrigation which is hoped to reduce production and management costs. The small planters and metayers who grow canes in difficult and low yielding regions could improve yield by intensive land preparation, derocking and irrigation.

4.6.3.2. Energy Production from Sugar Cane Co-products

Bagasse and its optimal use: Independent power plants located in sugar factory sites are expected to export around 1,700 giga watt per hour (GWh) of electricity by 2015. In normal circumstances, some 1100 GWh would come from coal. However, with a high biomass supply, cane trash and more particularly, energy cane and fuel cane would reduce the contribution of coal with benefits on foreign
exchange, the revenue of the sugar industry, the mitigation of the enhanced effect and the reduction of the volume of coal ash.

**Energy and Fuel Canes:** Energy and fuel canes can provide cost-effective alternatives in the use of cane and as a source of renewable biomass for the production of electricity. The fuel cane with its very high fibre content is suitable only for energy production. The energy cane, which has a sufficiently high sucrose content can be used both for sugar and energy production. The fibre output per hectare fuel cane could be up to three to four times that of typical sugar cane varieties. The costs of production would be lower than those of cane for sugar production as both energy canes and fuel canes have a much higher ratooning capacity, require less replanting, less weed control, and they show higher resistance to pests, diseases and wind. Given their vigour, they could be particularly appropriate for suitable lands.

**Ethanol:** It is estimated that some 30 million litres of ethanol can be obtained locally for use as blended gasoline/ethanol. The vision is to use Mauritian molasses to produce ethanol for blending and/or export, imported molasses to produce ethanol for blending and/or export and the processing of imported hydrous ethanol into anhydrous ethanol for re-export.

**Rhum Agricole:** The production of Rhum Agricole as a high value product will be encouraged and production increased.

**Equity Participation:** Planters and employees own some 20% of equity in milling companies through the Sugar Investment Trust (SIT). In order to foster the sense of ownership and participation in the reform process, the following measures are proposed: an increase of the share of planters in power companies over and above the share of SIT; an increase of the bagasse transfer price for small planters; providing at least 25% equity participation of ethanol companies to small planters and sugar cluster employees; and a possible increase of the share of SIT in the equity of milling companies in the context of the new deal to further foster commonality of interests between all categories of producers.

**4.6.3.3. Milk Production**

In the 1980s and 1990s Government provided a wide range of incentives (cash grant for successful calving of cows, compensation for accidental loss of animal, subsidy on feed, milk productivity bonus scheme - to reduce the calving interval and the milk and meat marketing scheme - to guarantee a floor price to the producer) for developing the dairy sector, especially among the small holders. However, in 2004 Government has abolished these incentives, except the feeds subsidy and the milk marketing scheme. Instead, concessory loans from the DBM were made available to the farmers.

**4.6.3.4. Tobacco**

The Board provides, free of charge, support to the growers through its extension/advisory service. The Board also runs a mechanization and inputs scheme under which interest-free loans are granted to growers for the purchase of equipment, spare parts, fertilizers, chemicals, and materials for the repair of barns and curing sheds. Tobacco seeds are provided free of charge.

**4.6.3.5. Marine Fisheries**

The incentives granted by the Government to fishermen include bad weather allowances for artisanal fishers, closed season allowances, scholarship allowances to fisherman's wards, and duty concessions. In addition, concessory loans are granted for purchase of equipment. According to the revised schemes, loans are now being disbursed (with a reimbursement period of up to seven years) at an annual interest rate of 14.5 % for the semi-industrial fishing industry and for the fish and seafood processing industry; and at an annual interest rate of 9% for off-lagoon artisanal fishing. In 2007, the Fishermen Investment Trust (FIT) Fund was established, to promote investment in fishing activities, processing activities, marketing, and other activities related to the fishing industry.
4.6.3.6. Honey Production

The Apiculture Unit of agricultural services and AREU provides technical support and advisory services to the beekeepers as well as training in queen bee production and supply of queen bees. Beekeepers are also exempted from payment of custom duty on all equipment used exclusively for apiculture and loan facilities are available at the DBM for the purchase of such equipment.

4.6.4. Food Safety and Nutrition

The primary concern of government is to ensure that consumers are being supplied with quality and safe food to eat. In this context, a new Food Act was put into force as from 1st January, 2000 and replaced the Food and Drugs Act of 1940 which was no longer coping with the emerging challenges and new changes occurring in food technology, food consumption patterns and quality assurance. The Food Act and its Regulations is a new and consolidated version of all existing legislation regarding food and have been worked out according to international norms and standards such as those recommended by the Codex Alimentarius Commission. The act is administered by the Ministry of Health and Quality of Life.

The national priority in terms of nutrition is the reduction of diet-related chronic diseases. The national policy focuses on promotion of appropriate diets and healthy lifestyles, setting national dietary guidelines, and protection of consumers through improved food quality and safety. Specific national targets include decreasing consumption of oils and fats, raising the consumption of key foods, maintaining the present consumption level of rice, limiting alcohol intake, and enforcement of the Food Act with the collaboration of the Ministry of Commerce in exercising control on the importation of products containing a high percentage of saturated fatty acids.

5. EXISTING REGIONAL POLICIES

Although SADC-FANR has developed a number of policies/treaties/activities in the sector: Agriculture and Natural Resource, there is limited knowledge of these policies. It is suggested that these treaties and activities need to be promoted by organizing sensitization campaigns to increase local awareness of these SADC programmes. It is evident that the success of the RAP would depend on strong interaction between the national coordinating body and the regional secretariat responsible for the Regional Agricultural Policy.

- **Seed policy:** Mauritius has actively participated in the development of the SADC seed policy through SADC Seed Security Network. Mauritius has used the seed protocol as a basis for the development of its seed Act. However, Mauritius has yet to promulgate its legislative framework for the seed sector. The Plant Breeders’ Rights (PBR) framework developed by SADC has been used by the competent authorities to develop a Mauritian Legislation pertaining to the PBR.

- **Forestry Policy:** The basic regional policy framework on forestry is provided by the Forestry Protocol which aims at promoting regional cooperation through aspects such as raising awareness, promoting trade in forest products, forest research and training, and harmonisation of approaches to the management and safeguarding of forest resources. According to the Forestry Division, the National Forest Policy is based partly on the SADC Forestry Protocol.

- **Free Trade Area:** Since Mauritius joined SADC in 1996, it has through its Trade Policy unit led a team comprising of the private and public sector to negotiate the SADC Trade Protocol and ultimately the SADC Free Trade Area. However, Mauritius has not been able to reap the full benefits of the Trade Protocol due to several trade-related constraints namely, the stringent rules of origin and the non-tariff barriers. At present, very little regional trade occurs in the agricultural sector, except from imports of bovine meat from Botswana.
SYNTHESIS OF NATIONAL KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

The main priority areas of agricultural policies that have been identified as potential candidates for consultation/harmonisation at regional level for Mauritius are based on its agricultural policy documents and the views of its key stakeholders.

6.1. Land Policy

Given Mauritius’ limited land resources and the competing uses, use of land in the neighbouring SADC countries is a proposed option. In this regard, in February 2008 Mauritius signed an agreement with Mozambique for an initial 5,000 hectares of land for production of potato, onion, maize and other crops. However, a number of constraints such as land entitlement and land infrastructure need to be tackled first. It is therefore suggested that through the RAP a clear and well defined land policy is elaborated in Member States where land is not a constraint, for foreign investors. In addition information on the land suitability and data on agro climatic conditions needs to be provided. Other major areas of concern include road infrastructure, promotion of sustainable agriculture practices and prevention of land degradation.

6.2. Agricultural Trade Facilitation

Given SADC’s free trade area, it is important from Mauritius’ perspective to increase access to the regional markets both for supply of inputs and marketing of agricultural produce. It is argued that a common agricultural policy will improve regional trade by eliminating technical barriers to trade. Mauritian stakeholders proposed the setting up of a freight revolving fund to improve trade within Member States by reducing freight cost; the creation of a database for all import and export protocols of SADC Member States; and the development of a price setting mechanism for sensitive products and inputs.

Whilst acknowledging the work already being done through the SADC Trade Protocol on issues of SPS, Mauritius believes it crucial to establish and harmonize SPS standards, certification systems etc to required international standards. What is required in this area are capacity building and infrastructure development. A regional SPS network should also be established including a regional accreditation body for SADC which should work to assist SADC Member States upgrade and accredit their national competent authorities, laboratories for instance Animal Health Lab, Food Safety Lab and National Plant Protection Laboratories.

6.3. Seed Policy

The main stakeholders agree that with an appropriate seed legislative framework in the region, investment in seed production would be enhanced and therefore seed availability would improve. This would facilitate the Mauritian food crop growers to gain easy access to high quality seeds being produced in the region. What Mauritius needs to do is to enact its seed bill that harmonises to the SADC harmonized seed regulatory system.

6.4. Emergency and Disaster Preparedness

Early warning systems for both crop and livestock sector should be in place for the region taking into consideration consumer preferences of the SADC region. Risk management Tool/Alert
6.5. Research and Knowledge Dissemination

In order to increase the impact of agricultural research and dissemination of agricultural technologies it would be important to establish a common policy framework for agricultural research and knowledge dissemination. The key elements for collaboration are strengthening cross country research collaboration, development of regional research agendas and creation of networking platforms.

6.6. Training

It is still considered vital to build human capacity in agricultural training. It is proposed that through the RAP a policy is developed for strengthening collaboration among providers of training for agriculture in order to enhance sharing of resources, educational experience and greater exposure of students to agriculture in the region.

6.7. Infrastructure Development

6.7.1. Irrigation

Water availability remains a serious constraint in many areas for increasing agricultural productivity. It is envisaged that through the regional agricultural policy framework appropriate consideration be given to develop irrigation infrastructure so as to increase the total land acreage under irrigation. The use of recycled water and desalination are two of the main areas in which research is needed at the regional level.

6.7.2. Storage

The perishability of certain food commodities such as onions, potatoes – which Mauritius would wish to produce in the region - requires careful handling, special facilities (pack houses, cold storage and refrigerated transport) prior to exports. In this regard, it is proposed that adequate investments for storage and transport are made in these areas to prevent heavy losses.

6.7.3. Inland Fisheries and Marine Policy

Another policy that some stakeholders wished to be harmonized both in the national interest and at the regional level is the Inland/Marine Fishery Policy. The main drawback for implementation of this policy in Mauritius is the high investment cost for the purchase of fishing vessels.

Mauritius currently imports 50% of its tuna fish for the local canning industry. With respect to the Rules of Origin certification, there is a need for Mauritius to have its own fishing vessels. In this context, Mauritian stakeholders suggested that the RAP should make provision for the issuing of licenses to fishermen from SADC countries in order to promote fish capture within the economic zone of the SADC region, which need to be considered as a common economic zone for the whole region. The policy should also indirectly increase protein consumption by SADC countries.
6.7.4. Summary Policy Matrix for the RAP

One of the major constraints of the involvement of the private sector in agriculture is the lack of legal framework to assure the investors on security of their funds and assets. Therefore it is essential that Member States of the SADC should commit themselves to create in their respective countries a legal structure in the form of protocol, specific law, rules and regulations to foster and guarantee security of private investments. Table 5 presents a summary of policy issues that Mauritius would wish to see included in the RAP.

<table>
<thead>
<tr>
<th>Areas of interest</th>
<th>Policy or strategy measures</th>
<th>Investment or measures with financial implications</th>
<th>Areas requesting further works</th>
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<tbody>
<tr>
<td>Land</td>
<td>Fine Tuning of regional land policy (No well-defined land policy yet) Setting up and harmonization of MIS for land resources in the SADC countries Land Management Systems Critical Land Holding to sustain food security in SADC regions Land Tenure Land Reform Programmes Sustainable Land Management</td>
<td>Review and rationalize land tenure Construction of land infrastructure (e.g. roads) to increase accessibility to port and other utilities Implementation of land reform programmes</td>
<td>Information needs on land suitability Use of remote sensing and global positioning techniques</td>
</tr>
<tr>
<td>Agricultural Trade Facilitation</td>
<td>Harmonized SPS standards, certification systems etc. Creation of a database on all import and export protocols of SADC member states Creation of a freight revolving fund</td>
<td>Upgrading and Accreditation of all SADC national laboratories (e.g., National Protection Laboratory, Animal Health Lab).</td>
<td>Price Setting Mechanism for sensitive products</td>
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<tr>
<td>Seed Policy</td>
<td>Enacting its own seed bill to facilitate the seed trade. The enactment of the bill would allow the country to harmonise the Seed Act with the SADC harmonized seed regulatory system. Development of an appropriate legislative framework to encourage seed production in the region</td>
<td></td>
<td>To look at the outstanding issues not currently addressed by the SADC Seed Harmonisation Exercise</td>
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<tr>
<td>Emergency and Disaster Preparedness</td>
<td>Development of risk management tool and surveillance tools. Creation</td>
<td>Creation of financial reserves and a crop insurance scheme.</td>
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</tbody>
</table>
Areas of interest | Policy or strategy measures | Investment or measures with financial implications | Areas requesting further works
--- | --- | --- | ---
Research & Development | Establish a common policy framework for agricultural research and knowledge dissemination. | The key elements for collaboration are strengthening cross country research collaboration, development of regional research agendas and creation of networking platforms. | How best can the MAPP processes augment the development of the RAP?

Training | Develop a policy for strengthening collaboration among providers of training for agriculture. |  |  

Irrigation | Development of a defined irrigation policy | Increasing area under irrigation (e.g., preparation of land, development of irrigation infrastructure) | Use of recycled water Desalination

Storage | Development of storage infrastructure | Adequate investments for storage and transport are made in these areas to prevent heavy losses. | Encourage investments into storage infrastructure

Property and Assets Rights | Creation of a legal structure in the form of protocol, specific law, rules and regulations to foster and guarantee security of private investments |  |  

Fisheries Policy | Harmonisation of fisheries policy in the SADC economic zones | Issue of licenses to fishermen from SADC countries |  

7. **SUGGESTED OBJECTIVES FOR THE RAP**

According to various Mauritian stakeholders, the development of a regional agricultural policy framework should inter alia aim at

1) Promoting sustainable agriculture in all regions of the SADC;  
2) Increasing food security in the region – ensuring a stable supply of affordable and safe food for its population;  
3) Increasing supply of agricultural inputs;  
4) Creating dynamic agricultural markets by taking into account each Member State’s comparative and competitive advantage;  
5) Developing cooperatives programmes in agricultural research and professional training;  
6) Facilitating the access to agricultural inputs (e.g., seeds, fertilizer etc);  
7) Put in place regulations to encourage investment in agriculture in the region as a whole;  
8) Reducing imports from other countries and increasing agricultural trade among the SADC countries;  
9) Establishing vigorous sanitary and phytosanitary norms to ensure food safety;  
10) Improving income and employment opportunities, promoting food and nutrition security and poverty alleviation;  
11) Establishing effective information and market intelligent services; and  
12) Establishing policies and related regulations designed to attract investment to the agricultural sector.

8. **SUGGESTED GUIDING PRINCIPLES FOR THE RAP**

In essence, the Mauritian stakeholders agreed that the following principles (presented at the SADC briefing seminar) should be taken into account in developing the RAP:

The principles of subsidiarity; proportionality; complementarity; regionality; solidarity; partnership and consultation; and progressivity.

9. FUNDING MECHANISMS FOR THE RAP

According to the Mauritian stakeholders, the success of the RAP will depend on an adequate flow of financial resources. Although not yet clear to many stakeholders how the funds will be managed, Mauritians propose that a common fund be established which can be funded by the community’s own resources (e.g. levy on food commodities), Member States fees and donor funds. The Mauritian key stakeholders are of the view that a wider financial portfolio (based on different sources of funds) would be a better strategy to support the SADC RAP.
THE REPUBLIC OF MOZAMBIQUE

MAP OF THE REPUBLIC OF MOZAMBIQUE
# THE REPUBLIC OF MOZAMBIQUE

## SUMMARY OF COUNTRY REPORT ON AGRICULTURAL AND RELATED POLICY REVIEW – 2009

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21 Original Country Report was authored by MR. DANILIO CARIMO ABDULA and submitted to SADC in September 2009. The original country report was in Portuguese. This summary derives from the English translation of the original document. No validation workshop was conducted on the original report in Mozambique.
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<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>CEPAGRI</td>
<td>Centre for Promotion of Agriculture</td>
</tr>
<tr>
<td>CTA</td>
<td>Confederation of Economic Associations</td>
</tr>
<tr>
<td>ECA</td>
<td>Agricultural Commercialization Strategy</td>
</tr>
<tr>
<td>ESAN</td>
<td>Food Security and Nutrition Strategy</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>ha</td>
<td>Hectare</td>
</tr>
<tr>
<td>IIAM</td>
<td>Agronomic National Research Institute</td>
</tr>
<tr>
<td>INE</td>
<td>National Institute of Statistics</td>
</tr>
<tr>
<td>IPEX</td>
<td>Institute for Export Promotion</td>
</tr>
<tr>
<td>km</td>
<td>Kilometers</td>
</tr>
<tr>
<td>NGOs</td>
<td>Non Governmental Organization</td>
</tr>
<tr>
<td>MIC</td>
<td>Ministry of Industry and Trade</td>
</tr>
<tr>
<td>MICOA</td>
<td>Ministry for Environment Coordination</td>
</tr>
<tr>
<td>MINAG</td>
<td>Ministry of Agriculture</td>
</tr>
<tr>
<td>mm</td>
<td>Millimeters</td>
</tr>
<tr>
<td>MPESCAS</td>
<td>Ministry of Fisheries</td>
</tr>
<tr>
<td>Mt</td>
<td>Meticais (Currency)</td>
</tr>
<tr>
<td>PAEI</td>
<td>Agricultural Policy and Implementation Strategy</td>
</tr>
<tr>
<td>PARPA</td>
<td>Poverty Reduction Action Plan</td>
</tr>
<tr>
<td>PQG</td>
<td>Government Program</td>
</tr>
<tr>
<td>TIA</td>
<td>Agricultural Survey</td>
</tr>
<tr>
<td>UNAC</td>
<td>Farmers Union</td>
</tr>
<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
</tr>
</tbody>
</table>
1 GENERAL INFORMATION
1.1 Geography and Demographics

Mozambique is located on the Eastern Coast of Southern Africa and covers an area of 799,390 km², a third the size of DRC. It is bordered by Tanzania in the North, South Africa and Swaziland in the South, and Zimbabwe, Zambia and Malawi in the West. It has ten provinces with Maputo as the capital city. The country is drained by five principal rivers and several smaller ones with the largest and most important being the Zambezi. The Zambezi divides the country into two topographical regions. The country also has three main lakes, all situated in the north, namely the Niassa, Chiuta, and Chirua.

Mozambique has a tropical climate with a wet season from October to March and a dry season from April to September. Rainfall is heavy along the coast and decreases in the north and south. The average annual precipitation is around 590 mm. Cyclones are also common during the wet season.

In 2007 the population was estimated at 20,366,795 with the Northern provinces of Zambezia and Nampula accounting for almost 40%.

1.2 Farming Systems and the Importance of Agriculture

Agriculture plays an important role in the economy of Mozambique. In 2006 the contribution of agriculture to GDP was about 25%. However, recently the real contribution of the agriculture sector (as a percentage of the country GDP) has decreased from around 35% in 1991 to about 24% in 2008, while overall value added in agriculture expanded by 74 percent over the past 10 years. There has also been substantial investment in agriculture recently especially in clearing land for extensive expansion of cultivated area.

The main farming system in Mozambique is traditional farming which is mainly focused on subsistence agriculture. Mozambican agrarian landscape is dominated by smallholder agriculture. About 99.6% of agricultural households (family sector) farm in small size plots which cover about 95% of total farmed area in the country. In 2006 the number of small and medium sized farms was around 3,396,000 exploiting about 5.1 million hectares. They rely mainly on traditional plant varieties and cultivation techniques, with maize and cassava being the main crops produced. Large commercial farms occupy less than 1% of the total cultivated area in the country. Table 1 summarises the agricultural socio-economy of Mozambique.

Table 1: Agricultural Socio-Economy of Mozambique

<table>
<thead>
<tr>
<th>Subject</th>
<th>Figure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural GDP (%)</td>
<td>24.1</td>
</tr>
<tr>
<td>Agricultural trade balance</td>
<td></td>
</tr>
<tr>
<td>Rural population (%)</td>
<td></td>
</tr>
<tr>
<td>Number of farms (small-medium farms, Thousands)</td>
<td>3,396</td>
</tr>
<tr>
<td>Agricultural budget in 2007 (millions Mt)</td>
<td>2,387</td>
</tr>
<tr>
<td>Agricultural budget in 2007 in % of the total budget</td>
<td>4.01</td>
</tr>
<tr>
<td>Agricultural budget in 2008 in % of the GDP</td>
<td></td>
</tr>
<tr>
<td>Land under crop production</td>
<td></td>
</tr>
<tr>
<td>Agricultural employment of total employment (%)</td>
<td>78.5</td>
</tr>
</tbody>
</table>

1.3 Key Agricultural Commodities and Farming Practices

Maize and cassava are the main staple foods. Other food crops include sorghum, millet, rice, beans and peanuts. A number of cash crops are also produced including cotton, cashew, sugarcane, tea, citrus, coconut and tobacco. With regards to livestock, production of cattle, sheep, goat, poultry, duck and pigs
predominates. Traditional farming techniques are used and Mozambique has an abundance of low-cost labour.

1.4 Key Economic and Financial Statistics

In 2008, the GDP grew by 6.8 percent. This was primarily due to the growth of the primary sector by 9.3 percent, the agricultural sector by 9.4 percent, the mining industry by 13.1 percent, the tertiary sector by 9 percent and boosted by growth in the transport and communications (18.3%) and financial sector (12.9%). In conjunction with the performance of the whole economy and a favourable fiscal and monetary policy, the annual inflation (measured by Consumer Price Index - CPI), reached 6.1 percent by December 2008, the lowest level in the last five years. The food price index was the main determinant of the inflation, registering an annual variation of 8.6 percent in December 2008. The reduction of inflation was a result of the stability of the Mozambican currency (Metical) throughout the year and the Government measures to soften the negative impact of high international prices for cereals and crude oil.

1.5 Key Challenges in the Agricultural Sector

The key challenges in the agricultural sector include:

- Low productivity;
- Limited access to improved seeds;
- Limited access to fertilisers;
- Limited access to credit and financial services;
- Poor input distribution network;
- Movement of labour from agriculture to other economic activities;
- Decline in export of agricultural products; and
- Decline in the contribution of agriculture sector to the GDP.

2 PUBLIC SECTOR IN AGRICULTURE

2.1 Principle Government Agencies Involved In Agriculture

The mandates and functions of the main institutions in charge of agricultural activities and natural resource management are shown in Table 2

<table>
<thead>
<tr>
<th>Ministry/Directorate/Institutes</th>
<th>Mandate/Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Agriculture (MINAG)</td>
<td>Directing, planning and implementing Government policies in matters related to land, agriculture, livestock, forestry, wildlife and irrigation</td>
</tr>
<tr>
<td>National Directorate for Agrarian Services (DNSA)</td>
<td>Responsible for activities relating to production, early warning, seed production, irrigation and drainage.</td>
</tr>
<tr>
<td>National Directorate of Land and Forest (DNTF)</td>
<td>Responsible for management of land issues. Core functions are to elaborate rules and regulations regarding access to land, rights of use of lands and penalties. Also the Directorate is responsible to land mapping and supervision, as well as the promotion of sustainable use of land and natural resources.</td>
</tr>
<tr>
<td>National Directorate of Extension (DNEA)</td>
<td>Responsible for provision of extension services for smallholder farmers.</td>
</tr>
<tr>
<td>General Inspection</td>
<td>Responsible to realize inspections at central and provincial level, in order to control the right application of financial resources as well as the promotion of actions to secure the secrets of the state.</td>
</tr>
</tbody>
</table>
Table 2 (Cont): Ministries and Directorates in Charge of Agriculture and Natural Resources

<table>
<thead>
<tr>
<th>Ministry/Directorate/Institutes</th>
<th>Mandate/Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Directorate of Economy (DE)</td>
<td>Responsible for agricultural economic issues, including statistical data collection and dissemination. Is also responsible to elaborate and harmonize all annual plans of activities of the MINAG.</td>
</tr>
<tr>
<td>National Directorate of Human Resources (DRH)</td>
<td>Responsible for human resources management.</td>
</tr>
<tr>
<td>National Directorate of Finance (DAF)</td>
<td>Responsible for general administration of whole MINAG. Is also responsible for MINAG' budget allocation and execution.</td>
</tr>
<tr>
<td>Center of Agrarian Documentation (CDA)</td>
<td>Responsible to coordinate, elaborate, and publish all documents of interest to agrarian sector.</td>
</tr>
<tr>
<td>Department of International Cooperation (DCI)</td>
<td>Responsible to coordinate and implement policies related to international cooperation within MINAG.</td>
</tr>
<tr>
<td>Cabinet of Ministry</td>
<td>Responsible to prepare the daily agenda of the Ministry and Vice Ministry of MINAG. Is also responsible to keep control of all documents, correspondence, and maintain an archive with these documents.</td>
</tr>
<tr>
<td>Ministry of Fisheries (MPESCAS).</td>
<td>The competences of this ministry includes: (i) propose policies and strategies for fisheries’ development and ensure its implementation; (ii) support and promote actions of national fisheries’ resources valorization; (iii) regulate licensing and monitor fisheries’ resources exploitation; (iv) inspect and certify the quality of fisheries’ products; (v) coordinate the fisheries’ policy execution with other public and private institutions.</td>
</tr>
<tr>
<td>The Ministry for Environment Coordination (MICOA)</td>
<td>Leads the execution of environment policy. It coordinates, control and incentive adequate planning and utilization of natural resources in the country.</td>
</tr>
<tr>
<td>The Ministry of Industry and Trade (MIC)</td>
<td>Within this Ministry, there are some institutes such as the Institute for Export Promotion (IPEX). The main competences of this institute include the promotion of exports as well as facilitate the access of Mozambican products in external markets.</td>
</tr>
</tbody>
</table>

2.2 Parastatals and Statutory Bodies

Table 3 depicts various parastatals / statutory bodies operative in Mozambique.

Table 3: Parastatals / Statutory Bodies in Mozambique

<table>
<thead>
<tr>
<th>Institutions</th>
<th>Mandate/Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Institute of Agriculture (IIAM)</td>
<td>The competences include: (i) undertake scientific research in agriculture, livestock, natural resources and agri-business fields; (ii) provide technical and scientific support; (iii) training, and technology transfer.</td>
</tr>
<tr>
<td>National Institute for Cotton (IAM)</td>
<td>The main competences include: (i) orient and monitor activities related to production, trading, processing and export of cotton; (ii) cooperate with research institutions</td>
</tr>
<tr>
<td>National Institute of Cashew (INCAJU)</td>
<td>The main competences include: (i) promotion of cashew trees plantation; (ii) promotion of cashew nuts industry and its derivatives</td>
</tr>
<tr>
<td>Agricultural Promotion Center (CEPAGRI)</td>
<td>The main competences include: (i) interact with agrarian and agro-industrial sectors; (ii) analyze the evolution of the agrarian and agro-industrial sectors; (iii) mobilize capacities, experiences and resources, in coordination with other institutions, for the development of agrarian and agro-industrial sectors</td>
</tr>
<tr>
<td>National Center for Cartography (CENACARTA)</td>
<td>The main competence is to train middle level technicians in cartography, geodesy, photogrammetric, topography, and land management</td>
</tr>
<tr>
<td>The National Institute for Calamities Management</td>
<td>It has been coordinating all activities related to emergency and calamities issues that happen in Mozambique, especially during floods and droughts.</td>
</tr>
</tbody>
</table>
2.3 Public Agriculture Infrastructure

2.3.1 Silos

In order to assure food security in grain, in the last few years, the Mozambique Government has built silos in Sofala, Zambezia, and Niassa Provinces – all of them in high productive zones.

2.3.2 Cold Storage Facilities

Maputo Port has limited cold storage facilities (4,000 tons). Cold storage facilities are expected to be built in Nacala Port which will be the gateway for banana exports to the EU and the Middle East. More recently, CEPAGRI provided funds to install a cold storage in Moamba District (Maputo Province). The cold storage has eight containers, each with 67 cubic meters of capacity.

2.3.3 Markets

Although there are several gross markets throughout the country, most of them are informal. Maize, beans and cassava are the main products traded there. In Maputo City, the major consumption market in the country, the Government invested in a new gross market, the Zimpeto Gross Market.

A replica of this market will be built in Matola City, 8 km from the Maputo City, in partnership between CEPAGRI and the Matola City Council on 14 ha. The new fresh fruit and vegetables market will be located across Maputo-Witbank highway which leads to South Africa, and it is strategically well located because it is close to the two potential horticultural production areas, namely the Districts of Boane and Moamba.

2.3.4 Abattoirs

All provinces in the country have abattoirs. They belong to the local municipalities and are managed by the Sanitary National Authorities.

2.3.5 Research Centres

The Research Institute (IIAM) has four research centers (South, Centre, Northwest and Northeast). These are local agrarian research structures responsible for policy, strategy, programs and projects execution. The Research Centres comprise Agrarian Station, Agronomic Posts, Forestry Stations, Labs and Zootech stations.

2.3.6 Green Houses

Six green houses are already installed at IIAM facilities in Maputo. Four are dedicated to horticulture nursery production and two for fruit nursery plants. The nurseries will be leased to the private sector and the many entrepreneurs that work in nursery’s multiplication.

3 PRIVATE SECTOR IN AGRICULTURE

3.1 Crop, Livestock, Fishing and Game Farming Activities

3.1.1 Crop Production

There are about 3,396,000 small and medium-sized farms covering an area of about 5.1 million of Hectares. The production of food crops and cash crops for the year 2006 is shown in Table 4 and Table 5 respectively.
### Table 4: Agricultural Production in Mozambique – Food Crops ('000 Tonnes)

<table>
<thead>
<tr>
<th></th>
<th>Maize</th>
<th>Sorghum</th>
<th>Millet</th>
<th>Rice</th>
<th>Beans</th>
<th>Peanut</th>
<th>Cassava</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Area</td>
<td>Prod</td>
<td>Area</td>
<td>Prod</td>
<td>Area</td>
<td>Prod</td>
<td>Area</td>
</tr>
<tr>
<td>2005</td>
<td>1,440</td>
<td>942</td>
<td>530</td>
<td>115</td>
<td>95</td>
<td>15</td>
<td>191</td>
</tr>
<tr>
<td>2006</td>
<td>NA</td>
<td>1,395</td>
<td>NA</td>
<td>202</td>
<td>NA</td>
<td>22</td>
<td>NA</td>
</tr>
<tr>
<td>2007</td>
<td>1,664</td>
<td>1,134</td>
<td>406</td>
<td>167</td>
<td>57</td>
<td>25</td>
<td>358</td>
</tr>
<tr>
<td>2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: INE (2007)

### Table 5: Agricultural Production in Mozambique – Cash Crops ('000 Tonnes)

<table>
<thead>
<tr>
<th></th>
<th>Raw Cotton</th>
<th>Cashew</th>
<th>Sugar Cane</th>
<th>Tea</th>
<th>Citrus</th>
<th>Coconut</th>
<th>Tobacco</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>102</td>
<td>52</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>62</td>
</tr>
<tr>
<td>2006</td>
<td>122</td>
<td>63</td>
<td>2060</td>
<td>16</td>
<td>NA</td>
<td>47</td>
<td>59</td>
</tr>
<tr>
<td>2007</td>
<td>113</td>
<td>74</td>
<td>2249</td>
<td>17</td>
<td>NA</td>
<td>47</td>
<td>73</td>
</tr>
<tr>
<td>2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: INE (2007)

### 3.1.2 Livestock Farming

In Mozambique, cattle, poultry and goat production are dominant. Table 6 summarises the livestock production in Mozambique in 2006.

### Table 6: Number of Livestock in Mozambique (in Thousands)

<table>
<thead>
<tr>
<th></th>
<th>Bovine</th>
<th>Sheep</th>
<th>Goat</th>
<th>Poultry</th>
<th>Duck</th>
<th>Donkeys</th>
<th>Pigs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1,243</td>
<td>197</td>
<td>4,929</td>
<td>14,217</td>
<td>1,505</td>
<td>24</td>
<td>1,631</td>
</tr>
<tr>
<td>2006</td>
<td>1,055</td>
<td>145</td>
<td>4,255</td>
<td>18,080</td>
<td>1,251</td>
<td>46</td>
<td>1,183</td>
</tr>
<tr>
<td>2007</td>
<td>1,308</td>
<td>200</td>
<td>4,395</td>
<td>17,503</td>
<td>1,668</td>
<td>46</td>
<td>1,343</td>
</tr>
<tr>
<td>2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: INE (2007)

### 3.2 Farmers’ Organisations

Farmer associations have been around for along time in Mozambique. During socialist times, they consisted of large state owned cooperatives with a strong ideological character which turned out to be highly inefficient and bureaucratic with onerous structures, often appropriated by the elite. These massive organisations were progressively dismantled and privatized and farmer associations today are important platforms for small farmers to gain access to markets and services.

Farmer associations are also organized into groups of associations or ‘forums’ which allow farmers to coordinate their agricultural marketing efforts on a broader scale. Some of these forums have been turned into private enterprises (e.g. IKURU, a farmers’ trading company in Nampula Province). An important farmers’ association is Cooperatives Union (UGC), which was formed by Maputo-based agricultural cooperatives in the early 1980s with strong gender and social protection components.

The Farmers’ Union (UNAC) was created to give small farmers a voice in rural and agricultural policy-making. UNAC currently has about 65,000 members, organized in 58 unions and 1,243 farmer associations and cooperatives as well as non organized farmers. Its activities include training (e.g. financial services, disaster prevention, strengthening leadership of women farmers), dissemination of information and advocacy campaigns (e.g. campaign against the forced acceptance of GM foods).

Another influential civil society player in the sector is the Organização Rural de Ajuda Mútua (ORAM), which was founded in the aftermath of the war and has focused primarily on land reform issues, particularly supporting rural communities to understand and protect their land rights. Both UNAC and ORAM have played a central role in protecting peasant interests in the Land Law approved in 1997.
The private sector is represented in a Confederation of Economic Associations (CTA), created in 1999 to promote their interests and contribute to economic development. CTA includes agriculture associations.

### 3.3 Other Private Organization Providing Support to Farmers

NGOs have been playing a key role in extension service provision (accounting for about 35% of the extension service network in the country), in the establishment and development of smallholder farmer associations and in helping them establish better relationships with the commodity traders and other agribusinesses.

CLUSA, TechnoServe, CARE, Save the Children, SNV and World Vision are amongst the most active international NGOs in the sector. There are also smaller local NGOs working with farmers, such as the Rural Women Association in Nampula. The sphere of intervention of NGOs is however limited and they tend to be concentrated in certain geographical areas, which do not seem to be addressing coverage gaps of the Government’s extension network.

### 3.4 Professional Organisations Involved in Agriculture

In the agricultural and agro-industrial sector, there are very few organisations which are basically traders’ organizations and agro-industries associations. These include FRUTISUL – Association of Fruit Producers from South of Mozambique; APAMO – Mozambican Sugar Producer Associations and FONPA – Cotton Producers National Forum.

### 3.5 Trade in the Food Sector

Mozambique is basically a net importer, importing most of its necessities in terms of agricultural products. The importance of agriculture as a source of exports has declined over the past ten years, despite strong growth in absolute terms. The mixed picture is due to the advent of mega-project exports of aluminum ingots, electricity, and natural gas. Over the period 2000-2007, the dollar value of agricultural exports (including fishery products) grew at an average rate of 8.6 percent per year, and by 77.6 percent overall (USAID, 2008). Nevertheless, the sector’s share of total export earnings fell from 42.6 percent at the beginning of the decade to just 11.4 percent in 2007. The Table 7 gives import and export figures for main agricultural products in 2007.

#### Table 7: Imports and Exports (in Thousands)

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Imports Value in USD</th>
<th>Exports Value in USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grains (Cereals)</td>
<td>193,630</td>
<td>5,136</td>
</tr>
<tr>
<td>Fruits</td>
<td>2,562</td>
<td>25,378</td>
</tr>
<tr>
<td>Vegetables (Edible, Roots, Tubers)</td>
<td>12,140</td>
<td>4,814</td>
</tr>
<tr>
<td>Edible Oil</td>
<td>54,603</td>
<td>5,396</td>
</tr>
<tr>
<td>Animal Feed</td>
<td>4,596</td>
<td>6,048</td>
</tr>
<tr>
<td>Oiisseed</td>
<td>4,694</td>
<td>22,817</td>
</tr>
<tr>
<td>Coffee, Tea, Spices</td>
<td>1,416</td>
<td>2,435</td>
</tr>
<tr>
<td>Tobacco</td>
<td>12,444</td>
<td>53,415</td>
</tr>
<tr>
<td>Cotton</td>
<td>2,583</td>
<td>36,475</td>
</tr>
<tr>
<td>Live Animals</td>
<td>2,244</td>
<td>1,184</td>
</tr>
<tr>
<td>Edible Meat</td>
<td>8,842</td>
<td>20</td>
</tr>
<tr>
<td>Dairy and Eggs</td>
<td>56,492</td>
<td>33</td>
</tr>
<tr>
<td>Sugar and Confectionary</td>
<td>5,849</td>
<td>77,365</td>
</tr>
</tbody>
</table>

Several private companies also play an important role in the agricultural sector. This role is divided between imports, production and processing. For example, Development and Agrarian Trade (DECA) is one of these companies. They buy agrarian surplus and process them to sell on local markets. MEREC, HIGEST, CIM, SOCIMOL are other private companies involved in importing and processing agricultural products, mainly imports of maize grain (processing into maize meal and animal feed), rice, and wheat.
NATIONAL AND REGIONAL AGRICULTURAL POLICIES

4 NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1 General Overarching Framework Documents

Within the agricultural policy framework, the main axes of intervention/strategies are aimed at:

- Increasing production and productivity;
- Promoting coherence in rural development support and coordination of national, regional, district and local priorities, programmes and action plans for markets, rural finances, private investment projects and decentralization;
- The rehabilitation of agricultural service roads in order to allow the agricultural producers to have access to their traditional markets and to promote the competitiveness of export productions;
- Promoting the development of agricultural commercialization activities for outputs, agricultural equipment and other inputs;
- Food production and availability, food access, food use and utilization, and food stability along the year;
- Expansion of cane production based on independent producers;
- Developing biofuels value chain through policies and strategies formulation and action plans implementation;
- Rehabilitation of irrigation schemes; and
- Providing training to extension officers.

4.1.1 The Five-Year Government Programme (PQG)

The PQG is the Government's main policy instrument which sets objectives and priorities for a five-year mandate. The Poverty Reduction Action Plan (PARPA) is a subset of PQG which emphasizes on poverty reduction objectives and the policy interventions required to reach them. The overarching goal being to reduce poverty incidence from 54% in 2003 to 45% in 2009.

PARPA uses a multi-dimensional notion of poverty and therefore covers a broad range of areas of intervention along three pillars: (i) governance, which focuses on strengthening state systems and services and thereby consolidate democracy and fight corruption; (ii) human development, which emphasizes access to education, health, water and sanitation and improvement of the quality of public services; and (iii) economic development, which focuses on creating the basics for the development of economic activities such as infrastructures, reduced red tape and sound regulatory framework.

Its main objectives include annual growth on GDP above 7 percent in real terms over 2005-2009 period; increase on public receipts from 14.1 percent in 2005 to 15.1 percent in 2009; expand the financial system into rural areas; and reinforce investment on infrastructure.

4.1.2 Agricultural Policies

PROAGRI represents the core of current agricultural policy. Officially launched in 1998, PROAGRI drew substantially from the existing 1995 Agricultural Policy and Implementation Strategy (PAEI) but also led the way to important policy and institutional changes in the sector. PROAGRI has been mainly geared towards reform and modernization of the state machinery and towards improving coordination of interventions and resource management efficiency. More recently, the four-year Agrarian Priorities Document has put agricultural production, with emphasis on food security and poverty reduction, back at the centre of policy focus.

Both PQG and PARPA draw on PROAGRI, although adding their own emphasis with regard to priority objectives and areas of intervention. On the whole, PAEI, PROAGRI and the Agrarian Priorities are not mutually exclusive or contradictory. They are all products of Ministry of Agriculture and, inevitably, there is significant overlap between the three.
Besides the general policy documents related to agriculture, there is also a range of sub-sectoral strategies relevant to agricultural policy such as the Food Security and Nutrition Strategy (ESAN), the Agricultural Commercialization Strategy (ECA) and the Roads Policy and Strategy (PEE). In some cases, the responsibility for the drafting and implementation of some of these strategies lies outside the Ministry of Agriculture, although there is significant overlap with the agricultural policy.

4.2 Agricultural Policies and Strategies

4.2.1 Land and Infrastructure

4.2.1.1 Land Ownership and Land Title

The land tenure system in Mozambique is governed by the Land Law in 1997. It states that land is the property of the State. There is no formal market on land. However, long lease title can be obtained for 30 to 50 years and recorded officially in the registry. There is no levy on land. The National Directorate of Land and Forest (DNTF) is responsible for management of land issues. Core functions are to elaborate rules and regulations regarding access to land, rights of use of lands and penalties. Also the Directorate is responsible for land mapping and supervision, as well as the promotion of sustainable use of land and natural resources.

4.2.2 Natural Resources

4.2.2.1 Forestry

Mozambique has a Forestry Strategy in place. All the projects above 10,000 ha have to undertake the Environment Impact Evaluation.

4.3 Support Services

4.3.1 Fertilisers

A private fertiliser factory is under construction. It will sell fertilisers in small bags in order to allow access by low income smallholders.

4.3.2 Mechanisation

Under the Green Revolution Strategy, the Government has launched a program of mechanisation. Equipment has been passed to the beneficiaries in form of credit for a period of 5 years (one year of acceptance), paying 5% of the value at the signing of the contract, with an interest rate of 5% per year.

4.3.3 Research

The Research Institute opened many research lines for Irish potatoes, maize, etc.

4.3.4 Irrigation

The National Directorate of Agrarian Services (DNSA) is MINAG’s designated lead agency in the preparation of the National Irrigation Strategy and Program. This is being finalised.

4.3.5 Extension

Mozambique Government has been training extension workers to assist smallholder’s farms. In 2009, the number of extension workers increased from 590 to 670.

4.4 Support to Investment

The Centre for Promotion of Agriculture (CEPAGRI) and the Special Economic Zones Office (GAZEDA) have been established. A clear and comprehensive investment law, including fiscal and non fiscal incentives has been defined.
4.5 Trade and Related Issues

4.5.1 Tariffs and Non-Tariff Barriers

The Tariff policy in Mozambique contains all the duties and taxes to be charged on imports. It is categorised into imports from South Africa, imports from SADC region and imports from other countries. For SADC region imports the duty is zero. The importer only pays the VAT and other taxes. The new tariff book was approved, with all the categories already harmonized with international codes.

4.5.2 Sanitary and Phyto-Sanitary Measures

Any animal/husbandry or fresh fruit and vegetables imported into Mozambique must be pre inspected by the Phytosanitary Authorities at the border points to ensure that they are free of diseases. It is not allowed to import varieties which are not registered in the country. The Council of Ministers approved a new Phytosanitary regulation that is harmonized with regional rules and regulation in SADC region.

4.5.3 Price Setting Mechanisms

Minimum prices for cotton and tobacco produced by smallholders are fixed by the Government. Prices are negotiated between companies that promote out grower schemes and smallholders represented by associations. The Government role is to regulate the market and fix the minimum price.

4.5.4 Food Safety and Nutrition

The National Institute for Quality and Normalization (INNOQ) has developed more than one hundred national quality standards and associated rules.

5Existing Regional Policies

Mozambique is already implementing and taking advantage of a number of regional policies such as the Treaty of Marine Fisheries; Treaty of Natural Resources - the implementation of SADC Mines protocol is one the priorities defined in the Mozambique strategy for regional integration in SADC region; the Protocol of Shared Water Course - Mozambique has signed many Agreements for water sharing in the region; and the Free Trade Agreement - Mozambique Authorities regularly organize seminars and training to advise and capacitate private sector on Free Trade Agreement benefits.
SYNTHESIS OF KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6 PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

In Mozambique, access to quality seeds, fertilisers and credit seem to be of major concern. Several policy issues in crop production, animal production and the fisheries sector have been proposed for inclusion in the RAP. The various policy issues proposed are summarised in Table 8.

Table 8: Priorities for Regional Policy Framework

<table>
<thead>
<tr>
<th>Area of priority</th>
<th>Policy or strategy measures</th>
<th>Investment or measures with financial implications</th>
<th>Areas requesting further works</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seeds</td>
<td>Re-formulate national rules and regulations to accelerate testing period for new varieties</td>
<td>Seed prices Accreditation of Mozambique national laboratory New seeds varieties approval Harmonize national regulations with SADC ones Training</td>
<td>Harmonisation of national standards for certification, quality control, quarantine and Phytosanitary measures</td>
</tr>
<tr>
<td>Pesticides</td>
<td>Pesticides Regulation already approved. Registered pesticides list updated regularly</td>
<td>Harmonization of pesticides regulations (unified control and registered) with SADC regulations</td>
<td>Harmonisation of pesticides regulations (unified control and registered) with SADC regulations</td>
</tr>
<tr>
<td>Fertilisers</td>
<td>Harmonized Regulation</td>
<td></td>
<td>Elaboration of regulations</td>
</tr>
</tbody>
</table>

7 SUGGESTED OBJECTIVES OF THE RAP

The report was incomplete in this respect.

8 SUGGESTED GUIDING PRINCIPLES FOR THE RAP

The report was incomplete in this respect.
THE REPUBLIC OF NAMIBIA
SUMMARY OF COUNTRY REPORT ON
AGRICULTURAL AND RELATED POLICY REVIEW – 2009

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22 Original Country Report was authored by MR. PIERS VIGNE and submitted to SADC in February 2009
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>CET</td>
<td>Common External Tariff</td>
</tr>
<tr>
<td>COFOG</td>
<td>Classification of Functions of Government</td>
</tr>
<tr>
<td>DRC</td>
<td>Democratic Republic of Congo</td>
</tr>
<tr>
<td>EPA</td>
<td>Economic Partnership Agreement</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FANR</td>
<td>Food, Agriculture and Natural Resources</td>
</tr>
<tr>
<td>FANR PAN</td>
<td>Food, Agriculture and Natural Resources Policy Analysis Network</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agriculture Organisation of the United Nations</td>
</tr>
<tr>
<td>GAP</td>
<td>Good Agricultural Practice</td>
</tr>
<tr>
<td>ICRISAT</td>
<td>Institute for Crop Research in the Semi-Arid Tropics</td>
</tr>
<tr>
<td>IUU</td>
<td>Illegal Unreported Unregulated</td>
</tr>
<tr>
<td>MS</td>
<td>Member States of SADC</td>
</tr>
<tr>
<td>MCS</td>
<td>Monitoring Control and Surveillance</td>
</tr>
<tr>
<td>OVC</td>
<td>Orphans and Vulnerable Children</td>
</tr>
<tr>
<td>RAP</td>
<td>Regional Agricultural Policy</td>
</tr>
<tr>
<td>REC</td>
<td>Regional Economic Community</td>
</tr>
<tr>
<td>SACCAR</td>
<td>Southern African Centre for Cooperation in Agricultural Research</td>
</tr>
<tr>
<td>SACU</td>
<td>Southern African Customs Union</td>
</tr>
<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
</tr>
<tr>
<td>SPS</td>
<td>Sanitary and Phyto-sanitary</td>
</tr>
<tr>
<td>TADs</td>
<td>Trans-boundary Animal Diseases</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
</tbody>
</table>
1. GENERAL INFORMATION

1.1. Geography and Demographics

Namibia is generally an arid country with 22% of its landmass classified as desert with a mean annual rainfall of less than 100 mm. 33% of the land can be classified as arid, with a mean annual rainfall of between 100 and 300 mm, 37% is semi-arid, with a mean annual rainfall of between 301 and 500 mm, and 8% is sub-humid, with a mean annual rainfall of between 501 and 700 mm. In addition to low rainfall, poor soils also constrain farm production. About 97 per cent of the country’s soils have less than 5 per cent clay content and only about 1 per cent have medium to high potential for rainfed or irrigated arable production.

About 55 million hectares or 67% of the country is used for farming while the remaining 33% consists of national parks, game farms, urban areas, mineral concessions and areas too dry or remote to be used for agriculture. Over 1.2 million people (total Namibian population was 1,830,330 as at the last census in 2001) live on farmland, which is many more than in any other economic unit.

1.2. Farming Systems and the Importance of Agriculture

Namibia may be divided into four main commodity based farming systems with various sub-systems related to land tenure (see Table 1).

Table 1. Namibia’s Four Major Farming Systems

<table>
<thead>
<tr>
<th>Farming system</th>
<th>Main commodities</th>
<th>Land area</th>
<th>Use of production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small-scale cereals and livestock</td>
<td>Mahangu, sorghum, maize, goats and cattle</td>
<td>Small exclusive farms and open grazing in communal land</td>
<td>Domestic consumption supplementing incomes from non-farming activities</td>
</tr>
<tr>
<td>Cattle ranching</td>
<td>Cattle</td>
<td>Large freehold and exclusive farms in communal land, and in open grazing in northern Kunene</td>
<td>Beef, mainly for commercial sale to South Africa, Europe and Namibian consumers</td>
</tr>
<tr>
<td>Small stock</td>
<td>Sheep and goats</td>
<td>Large freehold farms and open grazing in communal land in southern and western regions</td>
<td>Mutton and goats for commercial sale to South Africa and Namibian consumers</td>
</tr>
<tr>
<td>Intensive agriculture</td>
<td>Maize, wheat, mahangu, grapes, ostriches, olives, dates, flowers, pigs, fruit, dairy products, vegetables, fruit</td>
<td>Small farms, mostly irrigated</td>
<td>Commercial sale to export markets and Namibian consumers</td>
</tr>
</tbody>
</table>

Despite the high proportions of farming land and households dependent on agriculture in Namibia, agriculture contributes a comparatively low percentage to Namibia’s Gross Domestic Product (GDP). The agriculture and forestry sector made up 5.9% of GDP in 2007, ranking sixth after government services; mining; finance, real estate and services, wholesale and retail trade; and manufacturing. The relatively small contribution of agriculture is due to several factors: low capacity as a result of aridity and poor soils, small market demands within Namibia and elsewhere for Namibian products, low market prices and inefficiencies in transport and logistics.

and the lack of market development in most communal areas. In addition, there is relatively low value added through local processing.

1.3. Key Agricultural Commodities and Farming Practices

In terms of importance for the economy, food security, livelihood and agricultural policy for Namibia, the five major agricultural commodities produced in terms of value are marine fishing, beef production, grape production, sheep and goat production, and wildlife production. Of the five major commodities Government ministries are most active in relation to livestock production providing a full range of services including veterinary, research, extension, planning and marketing and land administration services. Government support to the marine fishing industry is focused on fisheries research and monitoring, control and surveillance, as well as training and planning. To prevent overexploitation and to promote economic viability in the industry, the Ministry issues rights of exploitation, fishing vessel licenses, and in some fisheries, total allowable catches (TACs) and individual catch quotas.

Game farming on freehold land receives relatively little support, while that on communal land conservancies receives some capacity building support from the Ministry of Environment and Tourism often working closely with a number of non-governmental organisations. Grape production receives support in terms of the development of some of the irrigation schemes which produce grapes and in phytosanitary monitoring.

1.4. Key Economic and Financial Statistics

Table 2 provides key economic and financial statistics for Namibia.

2. PUBLIC SECTOR IN AGRICULTURE

2.1. Principle Government Agencies Involved in Agriculture

The principal governmental implementing agencies within the agricultural sector in Namibia include the following:

1) Ministry of Agriculture, Water and Forestry (MAWF):

   Ministry of Agriculture, Water and Forestry (MAWF) is responsible for agriculture, water development [provision and quality], state herbarium, veterinary services and forestry. In particular,

   a. In collaboration with the Central Bureau of Statistics of the National Planning Commission Secretariat, the Directorate of Planning of the MAWF produces the annual Agricultural Statistics Bulletin as well as periodical Crop Bulletins and Crop Prospects and Food Security Situation Reports. Food commodity surveillance and reporting systems are implemented by the Namibia Early Warning and Food Information Unit.

   b. The Ministry delivers a range of information, advisory and non-formal training services to farmers through its agricultural extension, forestry and veterinary offices throughout the country with the aim of empowering farmers and encouraging the adoption of improved agricultural and related income generating technologies and practices.

   c. The Directorate of Agricultural Research and Training in the Ministry undertakes research activities through Divisions of Livestock and Plant Production Research to promote optimal agricultural production and the sustainable utilisation of natural resources. Priorities have been reoriented towards demand-driven, multi-disciplinary and holistic research approaches to ensure efficiency and equity in agricultural development. Other research aims to improve and diversify agricultural production in market-oriented farming systems.
### Table 2: Economic and Financial Statistics for Namibia

<table>
<thead>
<tr>
<th>Subject</th>
<th>Figure</th>
<th>Year and source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country size</td>
<td>824,116 square kilometres</td>
<td>2001 Population and Housing Census, National Report, Basic Analysis with Highlights</td>
</tr>
<tr>
<td>Land Under Crop Production</td>
<td>6 year (2001/02 – 2006/07) average area for cereals: 285,439 ha. Data for other crops are not available but is estimated at about 5,000 ha of irrigated table grapes, horticulture and lucerne, as well as an unknown area for other dryland crops including legumes (mainly cowpea, bambara nut and groundnut), cotton and sunflower.</td>
<td></td>
</tr>
<tr>
<td>Overview of Agricultural Policy</td>
<td>The National Agricultural Policy of October 1995, long the staple guide to agriculture sector service planners and delivers, is now clearly out of date. A new process commenced 2009 to update this agricultural policy.</td>
<td></td>
</tr>
<tr>
<td>Population</td>
<td>1,830,330 (2001) Growth rate: 2.6% 2,190,589 (2008) assuming growth rate of last 10 years of 2.6% Average population density of 2 persons per km²</td>
<td>2001 Population and Housing Census, National Report, Basic Analysis with Highlights (the latest) Authors calculation</td>
</tr>
<tr>
<td>Roads and Infrastructure</td>
<td>Total Road length: 43,000 km Paved Road: 5,200 km carrying about 75% of the traffic</td>
<td></td>
</tr>
</tbody>
</table>
| Trade Balance                        | **Imports:** Namibia’s major agricultural imports are wheat, white maize and horticultural products. Only 1% of these agronomic imports are currently procured from SADC Member States outside SACU.  
**Exports:** Namibia’s major agricultural exports are live animals, meat products, fish, and grapes  
**Trade Balance:** 104 (US$M) | EIU 2008, p. 14 |
| Foreign public debt                  | Govt. Total: 2.873 (N$ bn; 2007 year end) 941 (US$m 2007 year end)  
% of total debt: 24.7  
% of GDP: 5.4  
Parastatals 1,104 (N$m year end)  
Total public: 3,973 (N$m) | Bank of Namibia Quarterly Bulletin, March 2008 |
| Budget 2008 in % of the GDP          | 3.3% | Economist Intelligence Unit May 2008; Fiscal year April-March |
| Budget deficit 2007                  | 4.7 (surplus) 2006 (% of GDP) | EIU 2008, p. 14 |
| Exchange rate end 2006²⁴             | 6.97 | Namibian dollar (N$) to the US dollar (US$) |
| Exchange rate end 2007                | 6.81 | Namibian dollar (N$) to the US dollar (US$) |
| Exchange rate end 2008                | 9.3050 | Namibian dollar (N$) to the US dollar (US$) |

²⁴ Report of the Potential Impact of the Abolishment of the Reference Price and Import Measures applied within the Namibian Agronomic Sector, Namibian Agronomic Board, 2 October 2007 (FINAL DRAFT)  
²⁵ 2006/07/08 exchange rates from: http://www.reservebank.co.za/internet/publication.nsf/
d. The MAWF’s **Livestock improvement programme** is providing bulls and rams from a network of Livestock Development Centres and selling them at subsidised prices. These centres are conserving herds of Sanga cattle, flocks of Karakul sheep, Damara Sheep, Boergoats, and indigenous goats.

e. **Input provision (seeds and fertiliser):** The MAWF is returning to direct provision of subsidized ploughing and weeding services, and retailing of subsidised quality seeds and fertilizer, funded under a capital programme called Support to Dry Land Crop Production. The aim is to increase crop production as the private businesses were not delivering the services as anticipated and seed cooperatives and retailers were found not to be reaching farmers in remote areas. The Draft Seed Policy of June 2005 aimed to address the challenges in the seed sector with respect to research and extension, seed imports, seed production, processing and quality control, marketing, distribution and strategic seed reserves, as well as the institutional and legal framework but it remains a draft.

f. **Input provision (veterinary and feed):** The reform of the foot and mouth disease surveillance system which now takes place by roving inspections, the development of Veterinary Service infrastructure and the training of community members to work as veterinary auxiliaries, are greatly improving the services capacity to respond to farmer demands regarding treatment of non-scheduled diseases.

2) **Ministry of Environment and Tourism (MET)** is responsible for flora and fauna, game and National Parks, tourism and resorts, environmental policies;

3) **Ministry of Lands and Resettlement (MLR)** is responsible for land administration and tenure reform, land-use planning and resettlement programmes; and

4) **Ministry of Fisheries and Marine Resources (MFMR)** is responsible for the marine sector, fisheries, resource management and conservation, fresh water fisheries and aquaculture.

Other important and related Ministries are the:

- Ministry of Education (ME): responsible primary, secondary and tertiary education in agriculture and natural resources;
- Ministry of Regional and Local Government and Housing and Rural Development (MRLGHRD): also responsible for issues such as forest fire control and municipal waste, rural development, traditional authorities, regional government and coordination;
- Ministry of Trade and Industry (MTI): responsible for industrial development and domestic and external trade, also for importation of chemicals and production of hazardous substances;
- Ministry of Labour and Social Welfare (MLSW): responsible for labour and workplace issues;
- Ministry of Works and Transport (MWT): responsible for road construction and maintenance, harbours, airports, aspects of marine pollution; and
- National Planning Commission (NPC) and its Secretariat: responsible for macro-economic, sectoral and inter-sectoral planning, coordination of external assistance and NGOs, national statistics.

2.2. **Parastatals and Statutory Bodies**

2.2.1. **Agribank**

The Agribank focuses on supporting the agricultural sector and not any other rural sectors. The bank has two main schemes aimed at enabling poor farmers access to financial resources. The Resettlement of Black Farmers scheme aims to resettle the more established and stronger communal farmers in the commercial areas by way of providing affirmative action loans (long term) backed by government subsidises on the interest rates. The second scheme is the National Agricultural Credit Programme (NACP) which provides loans to communal farmers. It aims to increase the capacity of small-scale farmers, to improve the deficit spending of communal tenure farmers and to increase the production for subsistence farmers.
2.2.2. **Meat Board of Namibia**

The Meat Board aims to facilitate the marketing, processing and trade of livestock, meat and meat products both nationally and internationally.

2.2.3. **The Namibian Agronomic Board**

The Namibian Agronomic Board aims to facilitate the production, processing and marketing of controlled agronomic products, namely maize, wheat, mahangu and fresh horticultural produce.

2.2.4. **Namibia Development Cooperation**

Two of the Namibia Development Corporation’s (NDC) three Divisions provide services in support of the development of agricultural and land resources. The Operations Division provides financial assistance, business advisory services, feasibility studies, project brokering, support to industrial parks and SMEs, while the Special Projects Division manages agricultural development projects on behalf of government, runs a farmer support scheme providing services to emerging commercial farmers, and offers business support services and financial assistance to agricultural businesses.

2.2.5. **Development Bank of Namibia**

The Development Bank of Namibia (DBN) was established to improve citizen’s welfare and quality of life through increased economic activity and improved infrastructure. It complements the Agribank of Namibia and supports secondary and tertiary agriculture related activities. The DBN offers businesses start-up capital and finance for expansion through these broad facilities: Public Sector, Private Sector, Enterprise Development, and SME Finance Facilities.

2.2.6. **University of Namibia**

Agriculture is offered as a subject in the primary and secondary curricula leading to a Namibia Senior Secondary Certificate. Diploma and undergraduate degree courses are offered by the University of Namibia (UNAM) under the Faculty of Agriculture and Natural Resources.

2.3. **Public Agriculture Infrastructure**

2.3.1. **Silo Storage Capacity**

The MAWF has established 4,000 MT silos (4 x 1,000 MT) in Katima Mulilo and Rundu, and 3,000MT silo in Ohangwena region. Others are to be constructed in all of the country’s crop growing regions. Benefits are in terms of a guaranteed local market, with prices excluding transport costs to other regions where sales have taken place previously. These facilities will also reduce transport costs of food aid distribution. It is not clear what will happen if/when supplies exceed storage capacity.

2.3.2. **Cold / Frigorific Infrastructure**

All cold storage infrastructure, except for that related to State owned abattoirs is currently under private ownership. However, the MAWF aims to finance the establishment of horticulture market infrastructure, including cold storage facilities, in Rundu, Oshakati and Windhoek, along much the same lines as exists in Municipal markets in RSA. These will be leased to private sector operators according to arrangements still being designed.

2.3.3. **Market Places**

Several municipalities have established market places for agricultural and other produce. In addition, the Ministry of Trade and Industry has established retail and small scale manufacturing complexes under its Sites and Premises Programme, and in terms of its support to the SME sector in most regional capitals.
2.3.4. Abattoirs

The State is the uncontested owner of abattoirs in the northern communal areas at Oshakati (Eloolo), Rundu, and Katima Mulilo (Ngwezi). A study is ongoing into the current and future ownership of other abattoirs managed by the Meat Corporation of Namibia (Meatco).

2.3.5. Laboratories for Vegetal and Animal Production

Laboratories are currently active in the following institutions, the National Botanical Research Institute (of MAWF), the National Central Veterinary Laboratory (of MAWF), the National Soils Laboratory (of MAWF), the National Fisheries Research Institute (of MFMR), the University of Namibia, Faculty of Agriculture and Natural Resources and the Polytechnic of Namibia.

2.3.6. Major Irrigation Schemes

The State owns all the country's major scale irrigation scheme, which are leased to the private sector for production purposes. The State also owns a few production farms such as the Mangetti Ranch in Oshikoto and Kavango regions managed by a parastatal, the Namibia Development Corporation.

2.3.7. Research Stations

Namibia has approximately 17 research stations and centres involved in agriculture throughout the country. It also has 2 research stations involved in forestry, 2 centres involved in marine fisheries and 2 stations involved in freshwater fisheries. The State is not directly involved in seed production, this is done by the private sector under the Northern Seed Growers Association. In terms of animal husbandry centres, Namibia has developed a network of livestock development centres as described earlier.

2.3.8. Vocational Training Centres

Namibia has approximately 5 major centres where agricultural vocational training (non-formal farmer training) is provided. Namibia does not have a veterinary school. With respect to promoting youth training in agriculture, the Mashare Irrigation Training Centre in the Kavango region commenced operations in 2008 with its first intake of young adults who are being intensively trained in practical and theoretical aspects of irrigated farming. They will, in due course, be resettled on government irrigation schemes as small-scale irrigation farmers.

3. PRIVATE SECTOR IN AGRICULTURE

In the freehold sector there are approximately 6,300 farm units owned by some 5,000 different farmers. Farm size is so variable in Namibia from small stock and game freehold farms in the south often ranging from 10 to 30,000 hectares, freehold cattle ranches in the central areas ranging between 5 and 7,000 hectares and the crop lands of the small farm sector in the north which are usually between 2 and 7 hectares.

According to the Namibia Early Warning and Food Information Unit of the MAWF, the average annual total area cropped over the last six seasons (2001/2002 to 2007/2008) was 285,439 ha and estimates in 2004 were that 400-500 tractors operated in the six northern crop growing regions. These tractors were estimated to have cultivated at least 60,000 ha or 21 per cent of that year’s total cultivated area.

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27 Namibian Agronomic Board, June 2004. An investigation of possible future MAWRD interventions to support agronomic mechanisation (tractors) in the communal areas.
3.1. Crop, Livestock, Fishing, Forestry and Game Farming Activities

The next sections describe various farming, forestry and game farming activities practiced in Namibia.

3.1.1. Crop Farming

Table 4 depicts the main crops produced in Namibia, cultivated areas and production statistics.

**Table 4: Main Crops: Areas/Production 2000; 2005; 2006**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>White Maize (controlled)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rainfed</td>
<td>14,622</td>
<td>9,084</td>
<td>9,606</td>
<td>29,410</td>
<td>16,622</td>
<td>24,931</td>
<td></td>
</tr>
<tr>
<td>Irrigated</td>
<td>608</td>
<td>3,028</td>
<td>3,158</td>
<td>5,590</td>
<td>22,601</td>
<td>23,619</td>
<td></td>
</tr>
<tr>
<td>Yellow Maize (controlled</td>
<td>1,100</td>
<td>1,024</td>
<td>183</td>
<td>2,751</td>
<td>1,752</td>
<td>1,781</td>
<td></td>
</tr>
<tr>
<td>farmer reports)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White Maize (communal)</td>
<td>26,100</td>
<td>6,430</td>
<td>No data</td>
<td>14,900</td>
<td>6,943</td>
<td>No data</td>
<td></td>
</tr>
<tr>
<td>Wheat (controlled)</td>
<td>608</td>
<td>2,123</td>
<td>2,495</td>
<td>3,429</td>
<td>11,940</td>
<td>12,987</td>
<td></td>
</tr>
<tr>
<td>Rice</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Cassava</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Sorghum and millet (not</td>
<td>279,000</td>
<td>256,100</td>
<td></td>
<td>83,600</td>
<td>53,900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>controlled)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Groundnut (controlled</td>
<td>220</td>
<td>250</td>
<td>47</td>
<td>145</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>farmer reports)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sunflower (controlled</td>
<td>44</td>
<td>45</td>
<td>83</td>
<td>49</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>farmer reports)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sugar cane</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Fruits and vegetables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grapes</td>
<td>3,796</td>
<td>12,332</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potatoes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tea and coffee</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Tobacco</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Cotton (controlled farmer</td>
<td>262</td>
<td>5,900</td>
<td>101</td>
<td>235</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>reports)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lucerne</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: for controlled crops - the Namibian Agronomic Board Annual Reports; for communal crops – the 2007 Agricultural Statistics Bulletin, MAWF

3.1.2. Livestock Farming

Table 3 below depicts the total number, by type, of livestock in Namibia.

**Table 3: Livestock**

<table>
<thead>
<tr>
<th>Species</th>
<th>2000</th>
<th>2005</th>
<th>Dec 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bovines</td>
<td>2,504,930</td>
<td>2,219,330</td>
<td>2,383,960</td>
</tr>
<tr>
<td>Sheep</td>
<td>2,446,146</td>
<td>2,663,795</td>
<td>2,660,252</td>
</tr>
<tr>
<td>Goat</td>
<td>1,849,569</td>
<td>2,043,479</td>
<td>2,061,403</td>
</tr>
<tr>
<td>Donkey and horses</td>
<td>229,433</td>
<td>187,720</td>
<td>206,157</td>
</tr>
<tr>
<td>Poultry</td>
<td>476,331</td>
<td>998,278</td>
<td>923,555</td>
</tr>
</tbody>
</table>

28 National Livestock Census Reports, 2000, 2005 and 2006. Directorate of Veterinary Services, MAWF. No figures are available for livestock ownership by species.
3.1.3. Fishing (Inland and Sea Fishing)

Namibia’s fishing grounds of 200 nautical miles are amongst the most productive in the world. Over 20 commercially important fish species are landed using various fishing methods, most notably Hake, Horse Mackerel, Pilchard, Monk, Kingklip, Tuna, Crab and Rock Lobster. Cape Fur Seals are also commercially harvested. Hake and horse mackerel account for over 80 percent of marine fish production, with the hake fishery being by far the largest accounting for over 60 percent of the final value of marine fisheries production. This resulted from pro-value addition and pro-employment policy interventions, which allocated 60 percent of hake TAC for on-shore processing (value-addition) during the NDP2, which was further revised upward to 70 percent during 2006, in response to the reduction in the TAC and to mitigate excess job losses.

The latest Ministry of Fisheries and Marine Resources Annual Report states that 158 fishing rights for various species, including 7, 10, 15 and 20 year harvesting rights, existed in 2006. 269 licensed fishing vessels were operating in Namibian waters. The marine fishing industry and related activities employed some 13,200 persons in 2006. The white fish sector is the largest employer, employing 9,500 workers during 2006.

The commercial mariculture industry in Namibia is dominated by oyster production in the Swakopmund, Walvis Bay and Luderitz area. There are currently twelve operational oyster farms. Other species produced include abalone and seaweed. Freshwater aquaculture in Namibia is practiced to enhance food security by facilitating the provision of fingerling production to rural communities for fish farming. Freshwater aquaculture production in Namibia is dominated by Tilapia and Catfish fish species.

Freshwater fishing is an important activity in the Caprivi regions and to a lesser extent in the Kavango region. Freshwater aquaculture is being vigorously promoted by the Ministry. The model adopted is one of community ownership of the productive assets on behalf of the State and production for non-commercial purposes.

3.1.4. Forestry and Forest Products

Broad-leafed forests and woodlands are located in the Northern and North-Eastern parts of Namibia. The Central part of the country is covered by wooded grassland and bush land, while the desert area in the South-Western part of the country is home to a few scattered trees. Woodlands cover about 20 percent of the land area while savannas cover 64 percent. Namibia’s total woody standing stock of all species was estimated at 256.8 million m³ in 2004.

These woodlands are important sources of firewood and charcoal (Acacia and various bush invaders), poles and posts for construction (Mopane), food, fruits, nuts, honey, crafts and medicines. Forests provide fodder for livestock particularly in the central and southern regions, as well as habitat for wildlife. Commercial logging (of Pterocarpus and Baikea spp.) for instance has virtually ceased except on a small scale in Caprivi and Kavango regions. There are however a large number of charcoal and firewood producers.

Apart from the quantifiable monetary value of the forest resources, there are also some non-quantifiable benefits accruing from the effective management and utilisation of forest products, such as the conservation of biodiversity and soil and water resources; protecting and maintaining water catchments; and acting as carbon (dioxide) sinks.

3.1.5. Game Farming

An estimated 10 per cent of the country’s freehold farms derive their main income from wildlife including game. Income is mainly from non-consumptive activities such as tourism and hunting, as well as from consumptive uses of wildlife. However all freehold farmers can be described as game farmers insofar as wildlife on freehold farms is recognised by law as belonging to the land owner. In communal areas, wildlife, as the land itself, belongs to the State except in the case of registered Conservancies where user rights are granted to communities. Conservancy members can be said to be game farmers and manage the wildlife on their land for income purposes. In 2007 there were 50
Conservancies managing about 119,000 square kms of communal land with about 220,600 residents, and generating a cash and kind income of nearly N$ 40 million.  

3.2. Farmers’ Organisations

Namibia’s co-operative sector is still small, comprising a little over a hundred registered cooperatives and a few thousand members. Co-operatives are active in agricultural production, processing and marketing, general retailing, tailoring, construction, mining, baking, and savings and credit services. Multi-purpose agricultural cooperatives are active in most communal areas. Their services are however mainly focused on marketing and providing project support including supplies of equipment, materials, seed, fertiliser, fodder and other inputs from outlets in most regions in the country.

Most communal cooperatives as well as some farmers associations and other groupings are linked to the Namibia National Farmers Union (NNFU), which claims to represent the majority of communal farmers and advocate for their interests. The Namibia Agricultural Union (NAU) and its subsidiary local level farmers associations on the other hand represent mainly the interests of freehold farmers.

Other important civic organisations which play a role in the agricultural sector include the Namibia Stud Breeders’ Association which provides registration, performance testing and evaluation services to nearly 400 livestock breeders. The Karakul Producers’ Association represents the interests of Karakul farmers. The Agricultural Trade Forum of Namibia represents the private sector in matters of international trade, and in so doing is linked to the National Trade Forum of Namibia. The Namibian Manufacturers Association is a grouping including food processing and packaging companies. Agriculture is also of interest to the Namibia Chamber of Commerce and Industry which is an umbrella body representing the manufacturing, industrial and trade sectors.

Fishing industry associations include the Pelagic Fishing Association; the Hake Association; the Midwater Trawling Association; the Monk and Sole Association; the Tuna and Hake Longline Association and the Deepwater Fishing Sector.

3.3. Other Private Organisations Providing Support to Farming

Various non-governmental organisations, other than farmers’ and fishing organisations, provide support to farmers on a project basis. These are funded by various international donors as well as local sources. Some of the more prominent organisations operating in the sector include statutory bodies such as regional councils, the Namibia Agronomic Board, the Meat Board of Namibia and the Karakul Board. Farmers Unions include the Joint Presidency Committee of the Namibia National Farmers Union and the Namibia Agricultural Union. Civic organisations include Agrifutura, the Namibia Nature Foundation, the Desert Research Foundation of Namibia, the Cheetah Foundation, Integrated Rural Development and Nature Conservations, Women’s Action for Development and the Rossing Foundation.

3.4. Agro-Industries

The major companies involved in agro processing include Namib Mills and Pasta Polana and some 30 registered grain processors are involved in the milling and bakery industry; Meatco, Just Lam, Hartlief, Windhoek Schlachterie, Witvlei and others in the meat and meat processing industry; Namibia Breweries in the water, juice, soda and beer brewing industry; Namib Mills in the sugar and sweet industry; Namibia Dairies in the milk and dairy industry; and many in the fisheries industry.

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3.5. Traders in the Food Sector

Table 5 depicts general trade in the food sector in Namibia for 2007 for selected commodities.

Table 5: Trade in the Agriculture and Food Sector

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Export Quantities in Tonnes</th>
<th>Export Value in USD</th>
<th>Import Quantities in Tonnes</th>
<th>Import Value in USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maize and maize flour</td>
<td>3</td>
<td>45,333</td>
<td>1,688,621</td>
<td>16,924,336</td>
</tr>
<tr>
<td>Wheat and wheat flour</td>
<td>0.003</td>
<td>1,030</td>
<td>127,423</td>
<td>15,562,993</td>
</tr>
<tr>
<td>Rice</td>
<td>15</td>
<td>47,818</td>
<td>1,987</td>
<td>2,549,669</td>
</tr>
<tr>
<td>Fruits and vegetables</td>
<td>37,488</td>
<td>49,618,117</td>
<td>48,996</td>
<td>34,622,602</td>
</tr>
<tr>
<td>Edible oil and oilseed</td>
<td>5,628</td>
<td>6,658,647</td>
<td>21,531</td>
<td>28,814,610</td>
</tr>
<tr>
<td>Potatoes</td>
<td>1593</td>
<td>554,762</td>
<td>1,744</td>
<td>1,752</td>
</tr>
<tr>
<td>Soy cake and other feed</td>
<td>6</td>
<td>47,907</td>
<td>2,939</td>
<td>1,092</td>
</tr>
<tr>
<td>Coffee</td>
<td>19.2</td>
<td>78,405</td>
<td>1,114</td>
<td>4,459,450</td>
</tr>
<tr>
<td>Tea</td>
<td>73,403</td>
<td>98,819,496</td>
<td>97,362</td>
<td>71,952,246</td>
</tr>
<tr>
<td>Tobacco</td>
<td>105</td>
<td>2,228,147</td>
<td>117,262</td>
<td>31,057</td>
</tr>
<tr>
<td>Cotton</td>
<td>772</td>
<td>463,175</td>
<td>624</td>
<td>4,678,419</td>
</tr>
<tr>
<td>Live animal</td>
<td>63,589</td>
<td>101,933,393</td>
<td>1,734</td>
<td>4,697,562</td>
</tr>
<tr>
<td>Meat – excluding chicken</td>
<td>42,245</td>
<td>141,621,578</td>
<td>6,176</td>
<td>13,258</td>
</tr>
<tr>
<td>Chicken meat</td>
<td>3,749</td>
<td>7,748,722</td>
<td>18,724</td>
<td>29,314,112</td>
</tr>
<tr>
<td>Dairy</td>
<td>426</td>
<td>1,750,647</td>
<td>11,853</td>
<td>26,355,969</td>
</tr>
<tr>
<td>Spices</td>
<td>22</td>
<td>220,717</td>
<td>129,914</td>
<td>22,753,784</td>
</tr>
<tr>
<td>Other important: fish</td>
<td>322,199</td>
<td>461,097,969</td>
<td>17,745</td>
<td>30,409,337</td>
</tr>
<tr>
<td>Other important: fish products</td>
<td>5,900</td>
<td>15,828,474</td>
<td>3,555</td>
<td>6,210,421</td>
</tr>
</tbody>
</table>

Source: Trade Statistics (4 digit) on Selected Commodities for the Preliminary 2007, National Planning Commission Secretariat

3.6. Professional Organisations Involved in Agriculture

Important professional organisations which play a role in the agricultural sector include the Namibia Stud Breeders’ Association which provides registration, performance testing and evaluation services to nearly 400 livestock breeders. The Karakul Producers’ Association represents the interests of Karakul farmers. The Agricultural Trade Forum of Namibia represents the private sector in matters of international trade, and in so doing is linked to the National Trade Forum of Namibia. The Namibian Manufacturers Association is a grouping including food processing and packaging companies. Agriculture is also of interest to the Namibia Chamber of Commerce and Industry which is an umbrella body representing the manufacturing, industrial and trade sectors.
NATIONAL AND REGIONAL AGRICULTURAL POLICIES

4. NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1. General Overarching Framework Documents

The Constitution of the Republic of Namibia, under Article 95(1) of the Constitution: Promotion of the Welfare of the People, states that the State shall promote and maintain the welfare of the people by adopting policies aimed at “...the maintenance of ecosystems, essential ecological processes and biological diversity of Namibia and utilisation of living natural resources on a sustainable basis for the benefit of all Namibians, both present and future...”.


The National Agricultural Policy of October 1995, long the staple guide to Namibia’s agriculture sector service planners and deliverers, is now clearly out of date. Following the failed process in 2007, a new process to revise the policy commenced in 2009. It was noticed that policy implementation has often been weak, often because of lack of policy prioritisation, weak implementation strategies and plans and lack of appropriate budgetary provisions.


Third National Development Plan or NDP3 is the first systematic attempt to translate Namibia’s Vision 2030 objectives into actions. The overall theme of the NDP3 is “Accelerated Economic Growth and Deepening Rural Development.” The NDP3 is based on eight Key Result Areas (KRAs), each corresponding to one of the eight main objectives of Vision 2030. These are outlined in Table 6.

4.1.3. Other Sources of Policy Pronouncements

Other sources used to identify national policy directions include the Ministry of Agriculture, Water and Forestry’s Strategic Plan of 2008, as well as reports of Cabinet retreats that took place in 2005 and 2008 under the theme “Economic Growth and Sustainable Development”, and a range of Presidential and Ministerial statements.

Apart from the NDP3 budget, it has been instructive to review the Ministry of Agriculture, Water and Forestry’s current Strategic Plan and its Three Year Rolling Development Budget, as well as its annual budget. The Ministry’s Three Year Rolling Budget includes the following projects which reflect important current policy directions (ranked in descending order by size of budgetary allocations for the period 2008/9 – 2010/11): Green Scheme; Horticultural production, marketing and processing; Livestock Marketing Infrastructure in the NCAs; Integrated grain storage facilities; Extension of Central Vet Lab; Construction of vet clinics, offices, and accommodation; Relocation of the Vet Cordon Fence; Bush utilisation; and Development of Livestock Improvement Centres.

4.1.4. Investment Climate in Namibia

The investment climate in Namibia is guided by the Foreign Investment Act (e.g. Certificate of Status, investment provision, tax and non-tax incentives, etc), Income Tax Act (e.g. manufacturing status provision), Export Processing Zone Act, Labour Act and Company Act.
## Table 6: Namibia’s Vision 2030 Objectives and Key Result Areas

<table>
<thead>
<tr>
<th>Vision 2030 Objectives</th>
<th>Key Result Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ensure that Namibia is a fair, gender responsive, caring and committed nation in which all citizens are able to realise their full potential in a safe and decent living environment.</td>
<td>KRA 1: Equality and Social Welfare</td>
</tr>
<tr>
<td>2. Create and consolidate a legitimate, effective and democratic political system (under the Constitution) and an equitable, tolerable and free society that is characterised by sustainable and equitable development; and effective institutions, which guarantee peace and political stability.</td>
<td>KRA 2: Peace, Security and Political Stability</td>
</tr>
<tr>
<td>3. Develop diversified, competent and highly productive human resources and institutions, fully utilising human potential; and achieving efficient and effective delivery of customer-focused services, which are competitive not only nationally, but also regionally and internationally.</td>
<td>KRA 3: Productive and Competitive Human Resources and Institutions</td>
</tr>
<tr>
<td>4. Transform Namibia into an industrialised country of equal opportunities, which is globally competitive, realising its maximum growth potential on a sustainable basis, with improved quality of life for all Namibians.</td>
<td>KRA 4: Competitive Economy – 4A. Macro-economy; 4B Infrastructure</td>
</tr>
<tr>
<td>5. Ensure a healthy, food-secured and breastfeeding nation in which all preventable, infectious and parasitic diseases are under secure control; and in which people enjoy a high standard of living, with access to quality education, health and other vital services, in an atmosphere of sustainable population growth and development.</td>
<td>KRA 5: Quality of Life</td>
</tr>
<tr>
<td>6. Ensure the development of Namibia’s natural capital and its sustainable utilisation for the benefit of the country’s social, economic and ecological well-being.</td>
<td>KRA 6: Productive Utilization of Natural Resources and Environmental Sustainability – 6A. Sustainable Utilization of Natural Resources; 6B. Environmental Sustainability</td>
</tr>
<tr>
<td>7. Accomplish the transformation of Namibia into a knowledge-based, highly competitive, industrialised and eco-friendly nation, with sustainable economic growth and high quality of life.</td>
<td>KRA 7: Knowledge Based and Technology Driven Nation</td>
</tr>
<tr>
<td>8. Achieve stability, full regional integration and democratised international relations, the transformation from an aid – recipient country to that of a provider of development assistance.</td>
<td>KRA 8: Regional and International Stability and Integration</td>
</tr>
</tbody>
</table>

### 4.2. Agricultural Policies and Strategies

#### 4.2.1. Land Infrastructure

##### 4.2.1.1. Land Ownership and Land Title

Namibia undertook important land reform initiatives in recent years aimed at broadening access to productive land. These included:

- The resettlement of large-scale livestock owners (who can demonstrate ownership of at least 150 cattle or 800 small stock) from the communal areas, thus freeing up land resources in these areas, onto freehold farms by means of the Affirmative Action Loan Scheme. The numbers of beneficiaries of the Affirmative Action Loan Scheme since its introduction in 1992 amounted to 528 farmers. They are farming on a total of 3,125,143 hectares, with an average farm size of 5,919 hectares. This represents about 8.6 per cent of the total of 36,164,880 hectares of commercial farmland.

- The resettlement of farmers without assets but with management potential on so-called farming units, comprising sub-divided freehold farms bought by the Government, which in due course should be operated under leasehold agreements with the Government. There are approximately
240 farmers, or family farming units, occupying some 460,000 hectares of land on 61 freehold farms which may be deemed to fall into this category. This represents about 1.3 per cent of the total of 36,164,880 hectares of commercial farmland.

- The resettlement of resource poor farmers onto State owned farms in the freehold farming area and in communal areas. In total the Ministry of Land Resettlement and Rehabilitation's National Resettlement Programme has involved farms in this category amounting to about 270,000 hectares.
- The maintenance of access of farmers to State owned land in the communal areas as governed by local Land Boards, which include representatives of local traditional authorities.
- The introduction of new exclusive user rights, be it for individuals or groups, in the communal areas, again as governed by local land boards.

4.2.1.2. The Agricultural (Commercial) Land Reform Act of 1995

The government is seeking to redress the unequal distribution of land by implementing a redistributive land reform. It buys land in the commercial farming sector either on the open market or by compulsory acquisition for redistribution to people in need of land. The Agricultural (Commercial) Land Reform Act of 1995 spells out the procedures for acquiring and redistributing commercial agricultural land. Although the Land Reform Act provides for a preferential right of government to buy land, it also lays down certain principles which protect the interests of commercial farms.


The National Land Policy (1998) proposes a ‘unitary land system in Namibia’ in which all citizens will enjoy, amongst other things, security across a range of tenure and management systems. More specifically, the policy promises equal legal status to all tenure systems. The forms of land rights which will be recognised are the following: customary grants; leasehold; freehold; licenses, certificates or permits; and state ownership.

4.2.1.4. The Communal Land Reform Act No. 5 of 2002

The Communal Land Reform Act No. 5 of 2002 provides for the allocation of two types of rights in communal areas: customary land rights and rights of leasehold. The Land Acquisition and Development Fund benefits only emerging farmers in commercial areas and excludes farmers in the communal areas. These limitations are a result of the provisions in the Agricultural Commercial Land Reform Act (no. 6 of 1995) that formed the basis for establishment of the Fund. Against this background, the Ministry of Land Reform (MLR) is considering consolidating the two Acts [The Agricultural (Commercial) Land Reform Act No 6 of 1995 and the Communal Land Reform Act No. 5 of 2002], so that all farmers in commercial and communal areas can benefit from the Fund.

4.2.2. Livestock Policies and Strategies


The National Agricultural Policy of 1995 (currently being reviewed) called for increased attention to be given to the communal areas. The reform of the foot and mouth disease surveillance system which now takes place by roving inspections, the development of Veterinary Service infrastructure and the training of community members to work as veterinary auxiliaries, are greatly improving the services capacity to respond to farmer demands regarding treatment of non-scheduled diseases. One of the Government’s key objectives is to make the northern communal areas (NCAs) a disease-free zone. This is intended to allow, in turn, the NCA’s livestock produce to enter the private tenure farm market and the export market without costly restrictions and procedures.

There is a greater emphasis on veterinary – public health linkages and food safety with special focus on local abattoirs and informal slaughtering facilities, as well as informal and municipal markets. It is intended to bring animal and plant health surveillance and control mechanisms closer together, for example by implementing joint border control systems.
4.2.3. Rural Roads and Other Rural Infrastructure

One of the major achievements of recent years was the conceptualisation and development of transport corridors, that is the Trans-Caprivi and the Trans-Kalahari Highways. The main focus was not only on maintenance and improvement of roads, but also on construction of new roads with a particular focus on previously neglected areas in order to provide the population in the rural areas with adequate and improved access to markets, improved employment opportunities, training and education facilities and health and other social services. Private business investors continue to gradually take advantage of the enabling road infrastructure in these regions.

4.2.4. Natural Resources Policies and Strategies

4.2.4.1. The Water Supply and Sanitation Policy (1993)

One of the objectives identified by Vision 2030 is ‘to achieve equitable access to potable water and freshwater resources by all’. The Water Supply and Sanitation Policy of 1993 (which is currently being reviewed) includes the following key elements: essential water supply and sanitation services should become available to all Namibians on an environmentally sustainable basis, and be accessible at a cost which is affordable to the country as a whole; and the equitable improvement of services should result from the combined efforts of the Government and the beneficiaries, based on community involvement, participation and responsibility.

During the 2002-2006, a number of programmes related to water infrastructure were implemented and the achievements include the following: (i) a number of new rural water supply schemes were constructed; (ii) 1,269 new community water points associated with new pipelines were constructed; (iii) 138 borehole-based water points were established; (iv) 81 new earth dams were constructed; and (v) regional rural water supply development plans were developed.

State investment in irrigation infrastructure, has seen a growth in the irrigated areas from some 6,000 hectares in 1999 to slightly over 8,600 ha. currently. It is believed that there is potential for putting an additional 27,000 hectares under irrigation. The Division of Agricultural Engineering Services of the MAWF provides specialist planning and management services and technical extension services in relation to sustainable irrigation development and other civil engineering activities.

A Revised Green Scheme Policy (that is an irrigation development policy) was passed by the Cabinet in December 2008. This changes the emphasis from public-private partnerships in developing new irrigation schemes, which has not been successful in the last five years, to allow for greater public investment and greater flexibility in setting up schemes.


These policy instruments have the following broad objectives:

- To reconcile rural development with biodiversity conservation by empowering farmers and local communities to manage forest resources on a sustainable basis;
- To increase the yield of benefits of the national woodlands growing stock through research and development, application of silvicultural practices, protection and promotion of requisite support projects;
- To create favourable conditions to attract investment in small and medium industry based on wood and non-wood forest raw materials; and
- To implement innovative land-use strategies including multiple use conservation areas, protected areas, agro-forestry and a variety of other approaches designed to yield forestry global benefits.

A major recent achievement has been the declaration of 13 community forest areas covering about 1.3 million ha accessed by about 230,000 people, with forest management plans completed and starting to be implemented in each area. Another 16 community forest areas are in advanced stages towards declaration.

Other activities included promotion of the principles of Forest Protection and Conservation for national and global benefits; law enforcement; regulation of forest products by issuing permits; and forest fire
prevention, suppression and management. Several forestation and reforestation programmes were implemented with about 200 ha of tree planting in the last five years; establishing four forest research stations; collecting baseline data and establishing an information system on the forest resource base; and promoting bush utilisation so as to realise economic benefits in terms of charcoal production, poles and dropper production as well as electricity production through the use of wood gassifier technologies. Bush clearance should also improve rangeland productivity.

4.2.4.3. The Inland Fisheries Act

The Inland Fisheries Act includes the following policy objectives:

- The conservation and promotion of the sustainable utilisation of the freshwater fisheries of Namibia;
- The protection and conservation of ecosystems and habitats on which freshwater fish are dependent;
- To ensure that the benefits from freshwater fishery resources are justly and equitably distributed, in particular that traditional and subsistence fisher people are not deprived of the resource; and
- To enter into co-operative agreements with neighbouring states whose freshwater catchments are shared with Namibia.

A White Paper on the Responsible Management of the Inland Fisheries of Namibia of 1995 aims, in summary:

- To allow sustainable use and to protect biodiversity, for instance by having closed seasons and closed areas (or breeding sanctuaries), by banning of certain fishing methods, by developing an appropriate licensing system, and by bag limits and size restrictions;
- To develop different management approaches for different systems;
- To protect the interests of subsistence households;
- To control fishing by gear restrictions, preferring "passive" to "active" gear, and traditional to modern gear.
- To police fishing activities using police officers and Ministry officials;
- To allow local communities to share the income generated from fish;
- To support research, and to develop regional co-operation where needed.

4.2.4.4. The Marine Fisheries Act (1992)

Major fisheries policies were set out in December 1991 in a White Paper entitled Towards Responsible Development of the Fisheries Sector. Policies outlined in this document were translated into legislation by the Marine Fisheries Act (1992).

While environmental uncertainties must always be recognised as an issue in any strategy for the fishing industry, the government of Namibia has accepted that some level of certainty for fishing companies must be in place. A clear statement of the government's intent in the development and management of the fisheries sector has thus been made and the mechanisms for long term rights and fish quotas established. Details on the new system of long term fishing rights and vessel quotas were set out in the Policy Statement on the Granting of Rights of Exploitation to Utilise Marine Resources and on the Allocation of Fishing Quotas of 8 July 1993.

Critical main sector issues are as follows:

- **Maintaining stock recovery**
  This is required to ensure the sustainable utilisation of marine resources through the promotion of stock recovery to long-term sustainable yield levels by way of conservation of marine resources and the protection of the Namibian EEZ. The current strategy is setting total allowable catches (TACs) at levels low enough to promote recovery of depleted stocks.

- **Compliance Control**
  To protect the Namibian EEZ, the Ministry will continue to curb illegal fishing and harmful fishing practices. Monitoring, control and surveillance will become an even more important issue in the
future, since the enhanced status of fish stocks will become an increasingly attractive target for illegal fishing.

- **Industrial Development**
  To ensure that gains in rebuilding fish resources are translated into economic gains in terms of increased private incomes, employment and government revenue, the industry must be given a viable economic environment. Furthermore, the central importance of maintaining a policy environment that encourages investment is recognised. This is especially important in on-shore processing and in areas such as quality control and export promotion.

- **Namibianisation**
  To be able to take up opportunities provided by development of the fisheries sector, Namibians must be able to acquire skills through training. In addition, to increase the role which Namibian businesses play in the sector, supporting policies and programmes are needed for the allocation of fishing rights and quotas. This goal will be achieved by strengthening the research and training capacities of the fishing industry.

- **Advancement of socially or educationally disadvantaged persons**
  To ensure greater beneficial participation in the sector for Namibians coming from groups previously subject to discriminatory laws and practices. This will be achieved through affirmative action.

- **Improving the services of the Ministry of Fisheries and Marine Resources**
  This is required to ensure effectiveness, efficiency and economy of the Ministry. Achieving this requires the training of qualified and competent personnel in the fishing industry, as well as the Ministry. Also, fair returns from the fishing industry to the government need to be ensured. The Ministry must guarantee the conservation and protection of Namibia’s freshwater fish resources. To remain a focused Ministry and to keep abreast of the changes in the industry, the Ministry has developed a strategic plan spelling out strategies and initiatives for a period of five years.

- **Successfully promoting regional co-operation in marine fisheries**
  Regional co-operation is to be enhanced through the activities of the SADC Sector Coordinating Unit for Marine Fisheries and Resources.

**Implementation of Fisheries Legislation:** To put into effect the legislation, as set out in the Marine Fisheries Act, the Ministry has adopted two broad categories of control measures:

- **Input controls**
  These relate to controlling fishing effort and gear, and to the permissible time and place that fishing may take place. This is implemented mainly by limiting the number of vessels licensed to fish in Namibian waters, setting regulations regarding the types of fishing gear vessels may use, and by restricting the time of year fishing can take place and seasons.

- **Output controls**
  These relate to setting limits and regulations on the amount of fish that may be caught, and on the size and other characteristics of the fish that may be landed. The main control is by the establishment of TACs and quota allocations.

Currently, one of the main resource management challenges remains the regulation of fishing capacity at a level consistent with the potential yield of fish stocks, i.e., fishing effort control.

**Measures to Encourage Value Adding:** The following measures are being adopted by the Namibian government to encourage value addition from fisheries:

- **Namibia’s Marine Resources Policy:** *Towards Responsible Development and Management of the Marine Resources Sector* (2004) calls for Government to introduce new measures to encourage further investment in land-based fish processing with a view to increase employment and overall earnings for Namibia.

- Measures to increase value-addition, such as bans on the export of “unprocessed” commodities, are difficult to apply and often unsuccessful. The viability of value addition is market-specific and there is an urgent need to identify product preferences and trends in world markets (and not just the EU),
identify those markets where Namibia has a productive advantage to produce preferred products, and then work with industry on a strategy to increase market penetration of Namibian value added products. The creation of a fish export promotional body is currently under investigation.

- The key issue in regard to value-addition is profitability – some products are highly profitable even if not ‘value-added’ in the usual sense e.g. fresh on ice hake, tuna loins, export of live rock lobster, etc. The drive to increase ‘value-addition’ needs to consider productive advantages, economics and profitability.

4.2.4.5. Other Natural Resources Legislation

The Department of Agriculture is responsible for the following legislation related to natural resources management.

Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act 36 of 1947) work is in progress on a new "Plant Protection Improvement Bill" covering quality control of pesticides, farm feeds and fertilisers, and their right use. The Bill adopts international standards for the registration, distribution and use of agro-chemicals, and makes the role of customs and agricultural extension officials clear.

Agricultural Pests Act, 1973 (Act 3 of 1973) has been revised and it is expected that a new Pest Quarantine Bill will be tabled in 1999. It aims to control the movement of crop pests and diseases into (including provisions for quarantining) and within the country according to international phytosanitary standards.

The Act also provides for crops to be declared pest free, and therefore not subject to international trade related quarantine regulations. This is of importance for trade purposes and should enable Namibia to develop an international in situ gene bank for dates.

The objective of the Sub-division of Agricultural Land Act, 1970 (Act 70 of 1970) is to prevent the break-up of commercial holdings into small units the size of which is considered insufficient for the generation of an adequate income from farming. The rationale behind the Act is that if units become too small farmers will be more likely to farm too intensively and so damage the natural resources.

The Minister of Agriculture, Water and Rural Development appointed the Meat Industry Committee which has been sitting since mid-1998 in an attempt to update the Livestock Improvement Act, 1977 (Act 25 of 1977) [and Livestock Improvement Bill (25 of 1993) and the Meat Industry Act, 1981 (Act 12 of 1981). The Meat Industry Committee is considering the establishment of a Livestock and Meat Industry Council to be financed mainly by the private sector. At the time of reporting it remains unclear if the provisions of the Livestock Improvement Act, which establishes the Registrar of Livestock Improvement and the Livestock Improvement Board, the functions of which are shown below, will remain separate or will be merged with those of the new Livestock and Meat Industry Council.

A first draft Seed Bill (or Plant Improvement Bill) has recently been prepared to certify and control seed quality has been prepared and should be enacted in the next two to three years. It aims to establish the establishment of an internationally accepted seed and plant improvement certification system.

The objectives of the Soil Conservation Act, 1969 (Act 76 of 1969) are "to provide control over the utilisation of the natural agricultural resource of Namibia in order to promote the conservation of the soil, the water sources and the vegetation and the combating of weeds and invader plants". Its ambitious aim is to enable the State to control a wide range of land husbandry practices including most, if not all of those identified in Part 3 of this report as being the proximate causes of resource status change in Namibia. Its main emphasis is on the adoption of control measures, and it also make provision for the State itself to undertake control measures and to reclaim costs from land owners, as well as for the payment of subsidies for good practice.
4.3. Support Services for Farmers

4.3.1. The National Co-operatives Policy (1992)

The main objective of the National Co-operatives Policy of 1992 is stated as being “to create an economic, legal and institutional environment which is conducive to the development and growth of all types of co-operatives in Namibia”. Importantly, the policy states that “co-operatives are part of the private sector and that they are an important option for socio-economic development but that co-operatives are not an instrument of the state”. As such, “the co-operative movement will develop without undue interference from the state.”

The policy recognises the full range of possible co-operative enterprises, and supports the internationally recognised co-operative principles. It also provides for a government service (which is the Division of Co-operative Development in the Ministry of Agriculture, water and Forestry) to work alongside a range of other relevant government and parastatal agencies, non-governmental and private sector organisations, supporting co-operative development by providing (i) education, training information and advice on and to co-operatives, and (ii) accounting and auditing services, monitoring of co-operative performance and facilitation of supportive actions, assisting with preparation of co-operative by-laws and project proposals.

4.4. Support to Investment

4.4.1. Agro Industries, Large Commercial Farms

In Namibia, the main financial service providers include banks, microfinance institutions such as savings and credit associations and cooperatives, pension schemes and insurance companies. However, most of the banking network is concentrated in urban centres. Extension of the existing banking network into rural areas is limited by harsh, dry desert climate, sparsely distributed rural population, high per unit costs of serving the rural poor due to the relatively small size of each transaction and rigid bank regulations. The possibility of the creation of a microfinance bank in Namibia is being considered.

Import substitution in the economy generally and the agricultural sector specifically is a key policy objective. At the same time the government seeks to avoid exporting raw materials if it is possible to add value to them locally before exporting. This requires the creation of an enabling environment to encourage local and inward investment in agro-processing. Namibia seeks to offer advantages that are comparable to those offered in the region by inter alia:

- Minority GRN equity investment in identified manufacturing ventures, directly or through appointed agencies;
- Interest-free loans to investors in the manufacturing sector for a period of about five years, after which repayment would be effected;
- Preferential local procurement by Government;
- Factory building for rental at affordable rates for a period of five years after which full economical rates would be charged with a view to recovering cost in the long run.

Also, Namibia seeks to maintain duty-free access to the markets of the SADC, EU, USA and China.

4.4.2. Specific Commodity Value Chain Support

Horticulture Market Share Promotion Scheme: Since July 2006 only licensed traders are allowed to import fresh fruit and vegetables into Namibia. Traders are required to increase the percentage of fresh produce they procure locally gradually. While local produce provided for an estimated 7% of formally marketed fresh produce in the early 2000s, this figure has now risen to about 30%. Traders are now competing with each other for all local produce.

Horticultural marketing cold storage/collection points/markets: As mentioned earlier, the MAWF aims to finance the establishment of horticulture market infrastructure along much the same lines as exists in Municipal markets in RSA.

Support to grain crop producers and processors: Under the current Agronomic Industry Act (Act 20 of 1992) white maize, wheat and mahangu and their milled products are declared controlled. White maize and its products are subject to permit controlled import restrictions and a minimum floor price
mechanism (based on a five year average of the actual SAFEX spot price over the whole 12 month period, and adjusted for inflation, and including transport costs formula) during the local maize marketing season (usually 1 May till end of September). In the case of wheat there is no closed board period but mills have agreed to purchase local wheat at a pre-agreed price when it is available. Only about 15% of domestic wheat demand is locally produced. A pilot scheme has recently been introduced for mahangu which is similar to that for maize. No maize, wheat or mahangu meal may be exported.

**Small stock marketing scheme:** At consultative sessions with the sheep export abattoirs and sheep producers held in June 2008 both the abattoirs and producers agreed that a fixed levy is the preferred means of encouraging local marketing.

**Biofuels:** Namibia does not have a bio-energy policy and efforts are underway to expedite the formulation of Namibia's Bio-energy Policy. In general however the government’s position on bio-fuels is that Namibia cannot afford to promote bio-fuels at the expense of food production. In 2006 a National Stakeholders Workshop adopted a National Bio-Oil Energy Road Map which recognised that Namibia could develop an oil crop for energy industry based on the oil nut bearing perennial shrub, Jatropha curcas sp.. It was estimated that by 2013 63,000 ha could be produced in the maize growing areas. This would contribute to blended (up to 5%) commercial diesel, as well as paraffin and soap. It was envisaged that up to 12 1-MW power stations could attract carbon credits under the Clean Development Mechanism for developing countries under the Kyoto Protocol.

### 4.5. Emergency and Disaster Preparedness

#### 4.5.1. The Food Security and Nutritional Policy (1995)

The Food Security and Nutrition Policy for Namibia of 1995 has the overall objective of improving the food security and nutritional status of the population. It takes into account policy initiatives in other sectors, particularly agriculture and health. The policy identifies three key areas requiring actions and enabling policies to address the underlying causes of food insecurity and malnutrition in Namibia. These are: (i) improving access to adequate resources to grow or purchase necessary food commodities, (ii) improving the knowledge and understanding needed to use those resources to their best advantage, and (iii) improving access to appropriate services.

In general, agricultural policies of the 1990s focused on national and household food security, recognizing that Namibia is an arid country which should produce according to where it has comparative advantage, and trade for food on the world market. This policy has been gradually overwhelmed by calls for food self-sufficiency. World food price instability has added to nationalistic psycho-sociological tendencies driving this change.

#### 4.5.2. The Strategic Food Reserve Policy

In terms of a new Strategic Food Reserve policy which is in line with SADC’s Dar es Salaam Declaration, the MAWF has recently established 4,500 MT capacity silos in Katima Mulilo and Rundu. In the 2008/09 financial year 3,000MT silos are being constructed in three regions. Another 9,000 MT capacity silo is planned elsewhere in the crop growing regions bringing the total capacity to 27,000 MT. Benefits are expected in terms of a guaranteed local market, with prices excluding transport costs to other regions where sales have taken place previously. They will also reduce transport costs of food aid distribution.

#### 4.5.3. Social Welfare Policy (Safety Nets in Rural Areas)

Social welfare policy aims to expand service provision and reduce inequalities in existing provisions through improved coordination of services and targeting of assistance to the needy, encouraging greater community, private sector and non-governmental organisation involvement in providing for the disadvantaged, and reducing dependency on Government assistance by encouraging self-reliance, this is assisted by the land ownership policy which provides for land to the poor. The National Pension Scheme, provides senior citizens (aged over 60) with a flat-rate, universal, non-contributory and non-taxable pension. Other transfers under the Scheme include grants for disability, child maintenance, school fees relief and foster parent care. In addition, the government offers a range of food assistance programmes, such as feeding programmes for Primary School Children, both in the context of emergency and development situations. Labour intensive public works are also a means of increasing employment and building infrastructure.
4.5.4. **HIV/AIDS Related to Agricultural Policies**

The Government has adopted a detailed multi-sectoral strategy for combating HIV/AIDS, which recognizes that the epidemic is the most serious challenge to development in the country\(^3\). Its aim is to reduce transmission to below pandemic levels and to mitigate its impacts across individuals, families, communities and sectors. Free anti-retroviral treatment for HIV/AIDS patients was introduced in 2004, while treatment to reduce the likelihood of mother to child transmission at birth was introduced in 2002. The National Strategic Plan on HIV/AIDS (MTPIII) provides the guiding framework of the multi-sectoral HIV/AIDS response in Namibia.

4.5.5. **National Drought Policy and Strategy (1998)**

The National Drought Policy and Strategy (1998) aims to shift responsibility for managing drought risk from the Government to the farmer. It argues that previous perceptions of the degree of drought warranting relief measures were misconceived. Drought relief should only apply when a disaster drought, defined in terms of its extremity and rarity in relation to normal arid conditions, occurs. The policy seeks rather to emphasise long-term measures that support the management of risk by farmers. Short term assistance to support crop and livestock farmers will be limited to disaster droughts when conditions are so severe or protracted that they are beyond what a farmer would be expected deal with in terms of normal risk management. In December 2008 the government adopted a new overall Disaster Risk Management Policy.

4.6. **Trade Related Issues**

4.6.1. **Tariffs and Non-Tariff Barriers**

Tariffs have been agreed upon by trading partners to allow agricultural industries and value chains to develop, but also to protect agricultural production in all its forms against subsidization and protection by trading partners. Agricultural rebates are therefore critical in the development of especially developing and least developed countries and play a meaningful role to address imbalances in custom unions such as the SACU in which Namibia is a member.

4.6.2. **Agricultural Trade**

Namibia attaches great importance to the international regulation of agricultural trade, both as a means of ensuring the future of its exports, and of nurturing its farming enterprises for the domestic market. Yet, meaningful participation in international trade negotiations places a heavy strain on its human and financial resources. Namibia’s major agricultural exports are live animals, meat products, fish, and grapes, while its main imports are wheat, white maize and horticultural products.

Namibia is active in several bilateral trade negotiations, and in developing and implementing anti-dumping legislation, intellectual property rights, and sanitary and phytosanitary legislation. There is concern that these inter-related trade formations could cause problems when tariff and non-tariff barrier reductions, for instance within the SADC process, expose member states to improved market access from other non-member states via member states using bilateral agreements or other trade formations.

4.6.3. **SPS Issues**

4.6.3.1. **Agricultural Pests Act (1973)**

The principal legislation governing plant health in Namibia is the Agricultural Pests Act, (Act No.3 of 1973) enacted before Namibia's accession to the International Plant Protection Convention (IPPC). The Agricultural Pests Act is out of date and needs to be amended to take into account the IPPC provisions. A draft of a new Plant Protection Bill has been prepared and is awaiting enactment. This officially designates the Phytosanitary Unit in the MAWF as the National Plant Protection Organization. The challenge remaining it to strengthen the Phytosanitary Unit by ensuring that it has the appropriate technical competencies and appropriate administrative structure to enforce new plant health law.

4.6.3.2. Animal Diseases and Parasites Act (1956)

The main legislation governing animal health is the Animal Diseases and Parasites Act of 1956. In addition, there are at least nine other laws that regulate various related aspects of animal health standards and trade in meat and other products. The Directorate of Veterinary Services in MAWF is primarily responsible for ensuring compliance with animal health hygiene and welfare standards. A draft of a new Animal Diseases Control Bill has been prepared and is awaiting enactment.

4.6.4. Price Setting Mechanisms

Livestock and meat prices are determined by the free market which is becoming increasingly competitive. As regard crop pricing, the Namibian floor or reference price for white maize is calculated as a five year average of the WM1 SAFEX spot price, adjusted for inflation. A GMO-free premium and additional transport costs are also used in the calculation of the price. If the SAFEX price is higher than the reference price on the date of sale, the producer receives the SAFEX price with transport adjustments. The mahangu pricing mechanism is the same as that for maize. The minimum reference for wheat is calculated on the basis of 30% of the five year average SAFEX spot price, plus transport cost from Uppington to Windhoek and 70% of the five year average adjusted for inflation, import parity price from the US, the US$/N$ exchange rate and transport from Walvis Bay to Windhoek. Prices are not fixed for other agronomic produce.

4.6.5. Quality Promotions

4.6.5.1. Farm Assured Namibian Meat Scheme (1999) and Stock Brands Act (1995)

The Farm Assured Namibian (FAN) Meat Scheme as well as the Stock Brands Act (Act 24 of 1995) provide for systems to identify all livestock through ear tagging, to record changes in on-farm populations, and to record movements to and from farms. They also prescribe the format for the recording of all supplementary feeds and medicines used. Farms in Namibia are subject to animal health inspection at least once a year.

In terms of meat processing, the Meat Board of Namibia ensures the delivery of accurate and unbiased quality standards based on established procedures to export abattoirs and a limited number of high throughput local abattoirs.

One of the Namibian Agronomic Board and its secretariat’s core functions is to maintain a regulatory framework for controlled crops and their products, recommend crops for gazetting, and maintain quality standards and monitoring of controlled agronomic crops and their products. Wheat, White Maize and Mahangu (Pearl Millet) are currently controlled crops.

4.6.6. Food Safety and Nutrition

4.6.6.1. Public Health Act (1919) and Food, Drugs and Disinfectants Ordinance (1952)

Namibia recognises that food safety and the protection of consumers against food borne diseases are challenges that need serious attention in the face of globalization of trade in food. The Public Health Act, (Act 36 of 1919) and the Food, Drugs and Disinfectants Ordinance of 1952, are currently the legal basis for food safety. Namibia became a member of the Codex Alimentarius Commission at the 23rd Session of the Commission in July 1999. The setting up of National Codex Committee is underway and a new comprehensive Food Safety Bill has been drafted through joint collaboration of the Line Ministry (Ministry of Health and Social Services) and the MAWF and awaits enactment.

Different government agencies regulating issues that have a direct bearing on food safety issues include the Ministry of Health and Social Services which is the custodian of Public Health Act, of 1952, and as such is charged with the responsibility of public health in food related issues; the Directorate of Internal Trade within the Ministry of Trade and Industry which is responsible for sanitary issues relating to fish and fish products; and the Directorate of Veterinary Services within MAWF is responsible for controlling animal diseases and safety of livestock products – issues that have direct bearing on food safety.
4.7. Other Related Policies

Gender Equality Policies

The country has a National Gender Policy and Action Plan through which it promotes increased female participation at all levels of politics and decision making. Important laws that have empowered women include the Married Persons Equality Act (Act 1 of 1996), the Combating of Rape Act (Act 8 of 2000), the Combating of Domestic Violence Act (Act 4 of 2003). Aspects of traditional law are also undergoing a process of reform; for instance inheritance practices in certain traditions. Namibia is a signatory to the Convention on the Elimination of All Forms of Discrimination against Women, the Beijing Platform of Action and the SADC Declaration on Gender and Development.

Environmental Management Policy

Environmental policy has been elaborated in a number of different policy statements. These include statements on:
- Conservation and biotic diversity and habitat protection;
- Land use planning;
- Namibia’s Environmental Assessment Policy;
- Namibia’s Park Management Plan Policy;
- Natural resource management and utilisation in communal areas.
5. EXISTING REGIONAL POLICIES

The table below summarises these stakeholders' knowledge of SADC's agriculture-related policies, as well as their views on what these policies have achieved.

Table 7: Stakeholders’ Knowledge of and Views on SADC’s Agricultural Policies

<table>
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<th>Policy area</th>
<th>Achievement and why</th>
<th>Stakeholder views</th>
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| Marine Fisheries  | The SADC Protocol on Fisheries, (8 August 2003) is well known, not least because it was developed when responsibility for SADC Marine Fisheries Sector coordination resided with Namibia. Several articles deal directly with improving regional cooperation related to sectoral management structures, capacity and processes, resource management strategies. The key problem in applying the Protocol is the lack of strategy development due to capacity constraints related to fisheries. Marine fisheries makes a major contribution to several SADC Member States’ economies which should justify it attracting significant policy attention from a regional configuration consisting of such Member States. | **RAP objectives:** The SADC Protocol on Fisheries Art. 3 is suitable.  
**RAP principles:** The SADC Protocol on Fisheries Art. 4 is suitable  
- Shared fishing vessel register  
- Support to participation in various Regional Fisheries Management Organisations (e.g. the Benguela Current Commission)  
- Harmonisation of licensing fees and resource rent systems  
- Harmonisation of port state measures, e.g. to block Illegal Unreported and Unregulated (IUU) vessels (ref. H. Khoeses, MFMR)  
- Joint research on shared stocks  
- Joint Monitoring Control and surveillance (MCS) systems and operations (ref. M. Amutse, MFMR)  
Namibian companies should pursue mutually beneficial business arrangements with fisheries businesses within the SADC Region and further afield, as provided for under the SADC Protocol on Fisheries, and also, through Namibia’s membership of international fisheries organisations, provide the opportunity for increasing catches on the high seas. Namibia is a member of ICCAT (tuna), SEAFO (amourhead, orange roughly, red crab) and CCAMLR (tooth fish, ice fish). In these cases, catches could be returned to Namibia for processing.  
Issues to be excluded from the RAP: There is a strong feeling that the Marine and Inland Fisheries Sector should be excluded from the RAP. First, because the SADC Protocol of Fisheries already exists and is adequate, although strategy issues still need to be developed further. Second, because subsuming the Marine Fisheries Sector within an RAP will inevitably downgrade its significance in those Member States where it of major significance to the economy (Angola, Mozambique, Namibia, South Africa, Tanzania, and the island Member States).  
The position of aquaculture, while being a candidate for an RAP insofar as some SADC Member States are concerned, is already dealt with in the SADC Protocol on Fisheries. It could also be covered in the RAP as long as this was done in a complementary manner. |
Table 7(Cont): Stakeholders’ Knowledge of and Views on SADC’s Agricultural Policies

<table>
<thead>
<tr>
<th>Policy area</th>
<th>Achievement and why</th>
<th>Stakeholder views</th>
</tr>
</thead>
</table>
| Forestry    | The Directorate was an active participant in development of the SADC Protocol on Forestry (3 October 2002), as led by the SADC Forestry unit in Malawi, and as signed in Angola in October 2002. The Protocol is well known and believed to be an appropriate regional policy instrument. Several articles deal directly with improving regional cooperation related to sectoral management structures, capacity and processes, resource management strategies. The main problem in applying the Protocol is lack of capacity | RAP objectives: The SADC Protocol on Forestry, Art. 3 is suitable. RAP principles: The SADC Protocol on Forestry, Art. 4 is suitable | Priority issues for harmonization: Those noted in the SADC Protocol on Forestry are appropriate. Specific priorities identified by the respondents were as follows:  
- Transboundary (e.g. cross-border) fire prevention and fighting: especially between Botswana and eastern Namibia, Zambia and Namibia west of the Zambezi river, and between Angola and northern Namibia.  
- Management of Transboundary Forests (ref. SADC Protocol on Forestry Art. 14) such as the Kalahari Forest Zone (covering Angola, Namibia and Botswana) could be achieved by common projects which would bring many benefits in managing what is a common biodiversity complex. As it is currently, transboundary forestry issues are part of international Transboundary National Park initiatives, where the importance of forests is recognized as wildlife habitats.  
- Harmonisation of forest protection laws and cooperation on law enforcement, including information sharing and adoption of standard permits and forms allowing for trade and transport is important to control illegal harvesting. Angola, Zambia, DRC and Namibia all loose as things are currently because of lack of clarity on permits and the origin of traded timber.  
- Namibia would benefit from common projects in support of the forestry sector such as projects in human resources development (forestry colleges), joint research projects, sustainable management of indigenous forests, and others.  
- Reduction of non-tariff barriers, including administrative red tape, could lead to diversification of Namibia’s trade relationships in forest products with SADC Member States. Currently formal trade is almost entirely with SACU countries.  
Issues to be excluded from the RAP: The Sector could be excluded from the RAP because the SADC Protocol of Forestry already exists and is an adequate expression of policy, although strategy issues still need to be developed further. The key question is which option (stand alone Protocol or integration into the RAP) will in future bring greater focus on and resources to forestry in the SADC system. As this is not known, forestry may as well be included in the RAP. |
Table 7(Cont): Stakeholders’ Knowledge of and Views on SADC’s Agricultural Policies

<table>
<thead>
<tr>
<th>Policy area</th>
<th>Achievement and why</th>
<th>Stakeholder views</th>
</tr>
</thead>
<tbody>
<tr>
<td>Livestock</td>
<td>Animal health</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prior to the 2002, Namibia had always coordinated animal health related matters under SADC. This activity has been useful in enabling contacts, communications and collaboration between member states.</td>
<td></td>
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<tr>
<td></td>
<td>There is a perception amongst livestock service providers in the region that, despite the importance of the livestock sector to countries like Namibia, Botswana, Zimbabwe and South Africa, and its potential importance in other SADC Member States, livestock matters are given less importance than they deserve within agricultural policy, planning services and coordinating structures. These tend to be dominated by crop related interests.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Animal health</td>
<td></td>
</tr>
<tr>
<td></td>
<td>As per the SADC Workshop on Livestock Policy Issues / Contributions to the SADC Regional Agricultural Policy (RAP), 04 – 06 November 2008, Gaborone Sun Hotel, Botswana, the objectives and principles as adopted by the livestock thematic groups are believed to be a good starting point:</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Animal production</strong>: Regional self sufficiency in animal and animal products through increased national production and the promotion of intra-regional trade in livestock, livestock products and inputs.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Animal health</strong>: Safeguard economic animal agriculture, regional integration, market access and trade in animal products in accordance with international norms whilst ensuring and safeguarding human health, social welfare and livelihoods.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Livestock Rangelands and Public Services</strong>: Effective utilisation of natural resources for sustainable livestock development.</td>
<td></td>
</tr>
</tbody>
</table>
### Livestock (Cont)

<table>
<thead>
<tr>
<th>Policy area</th>
<th>Achievement and why</th>
<th>Stakeholder views</th>
</tr>
</thead>
</table>
| Animal genetics | Having been endorsed by SADC Head of States in 1997, the Regional Farm Animal Genetic Resources Project (FAnGR) supported by SADC/FAO/UNDP ran from 1998 to 2003. Key activities of the Project included:  
- Facilitating a communications network between National Coordinators.  
- Describing of indigenous livestock (cattle, sheep, goats, pigs and chickens).  
- National breed survey (this was not finalised due to lack of statistical analysis of field data).  
- Genetic characterisation of indigenous cattle, goats and pigs.  
- Workshops on developing a policy and legal framework for Farm Animal Resources, including conservation and trade issues.  
- Training of National Coordinators and other personnel.  
- Development of a web-based virtual library of all official scientific and semi-scientific publications, which included more than 300 from Namibia – and was still not complete when the project was completed (now hopefully taken over by AIMS).  
- Contribution to the FAO DADIS database.  
- Contribution to the State of World Animal Genetic Resources report. | Projects such as the FAnGR, PRINT, AIMS and ICART are very useful for SADC members. ICART supported Masters level training and PRINT short course training is beneficial. Research projects working in several countries are more likely to attract scarce funds. For instance, breeding projects operating in several countries are a possible future undertaking. Common breed standards are in place for the main breeds (e.g. Afrikaner, Bonsmara and European breeds such as the Simmentaler), and for Sanga/Nguni in RSA and Namibia. Regional initiatives to extend breeders associations and their systems would be beneficial.  

**RAP principles:**  
The realization of SADC’s economic integration agenda with regard to animal commodities (of both domesticated and wild origin) depends on the progressive improvement of the animal health status of the Member States.  
The RAP should conceive of animal health policies and strategies not merely in terms of an on-farm technical service, but as contributing to the global goal of safe-guarding, on the one hand, animal agriculture, animal biodiversity and trade in animal commodities, and, on the other, human health and welfare.  
The RAP should aim to support existing international agreements including the WHO mandated roles of the World Organisation for Animal Health (OIE), the Codex Alimentarius and the joint FAO-OIE-WHO Global Framework for the Progressive Control of Transboundary Animal Diseases and Zoonoses.  

**Priority issues for harmonization:**  
Stakeholders supported the list of policies and strategies for achieving the animal health, animal production, trade and range management objectives as drawn up in the SADC Livestock workshop in November 2008 (see workshop report). Prioritisation is difficult because many of the strategies are inter-related. Some of the policies and strategies focus on the national rather than regional level because regional harmonization can only take place after national standards have been attained.  

Issues to be excluded from the RAP: On the contrary care must be taken not to reduce the importance of livestock in relation to crops in the RAP.
<table>
<thead>
<tr>
<th>Policy area</th>
<th>Achievement and why</th>
<th>Stakeholder views</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crops</td>
<td>The Namibian crop production and processing industry is familiar with SADC policies and strategies, particularly the SADC Protocol on Trade. SADC matters are dealt with together with a plethora of other current trade agreements (SACU (EFTA, MERCOSUR, US, India), SADC, SADC EPA, WTO (Committee on Agriculture, SPS measures)). Trade with non-SACU SADC Member States is negligible. Potential for increased exports is considerable to the Angolan and DRC markets, but these are not party to the SADC Protocol on Trade. Action on harmonizing SPS and TAD measures would be of significant benefit to Namibia, but Angola currently has little to gain from SADC policy harmonization. The exclusion of Angola and DRC from the SADC FTA is seen as significantly diminishing its value as a trade promotion instrument. Namibia has a direct interest in the SADC seed policy, and would like to see the establishment of a National Seed Council to monitor and control standards and to ensure sufficient supplies and access in the crop growing regions. Namibia's trade in seed is however very limited. It is also over-ridden by other instruments such as the Cartagena Protocol (on GMOs) and the Biodiversity Act.</td>
<td>RAP objectives: The objectives as per the RAP leaflet are a good starting point. National food security interests are, despite the rhetoric, of higher importance than commitments to regional free trade. Priority issues for harmonization: The Namibian agricultural private sector is interested in revitalizing the FANR PAN initiative of the mid-1990s which provides for an organ for the private sector, including unions, to advise governmental and regional institutions on agricultural issues. The aim is to develop a well coordinated mouthpiece for the private sector to enable high level engagement with the government. Sharing of good agricultural practice (GAP), for instance relating to conservation agriculture, as is currently taking place between Zambia (GART) and the NAB. Continued trade facilitation measures: information sharing. Issues to be excluded from the RAP: none excluded but the Regional policy and legislation needs to recognize &quot;sensitive products&quot; (staple foods that contribute to national food security), infancy protection, and anti-dumping measures.</td>
</tr>
<tr>
<td>Water resources</td>
<td>Namibia was an active participant of SADC initiatives in the 1990s leading to the adoption of the SADC Water Policy and the Revised Protocol on Shared Watercourses, signed on 7 August 2000. Under this Protocol River Basin Commissions are operational covering the Orange river, the Okavango, the Zambezi and the Kunene rivers. Even where committees are not instituted, such as for the Chobe river, the provisions of the Protocol regarding measures taken by riparian States still hold. Constraints can be categorised according to their technical, political and financial natures. Technically, it is challenging to undertake the necessary extensive research, planning and consequent negotiations over shared water courses. Hydro geological studies take time, and in some instances cannot overcome some unknowns. Yet, countries are under great pressure to use shared water courses and river basins, including both surface and groundwater. Politically, shared river basins are highly sensitive, and while SADC's level of integration is as superficial as it is currently, it is difficult to trade off compromises in one policy area for benefits in another. Matters arising from the Protocol are often taken up to the biannual SADC Ministerial meetings and the Heads of State meeting. Finally, financial requirements can be significant. Okacom, the Okavango River Basin Commission, has been heavily supported by donors, though countries are making efforts to budget for its activities. The Protocol is an extremely important instrument for arid countries like Namibia and its neighbours where potential for contestation over shared water resources is significant. Successes can be attributed in large</td>
<td>SADC’s provisions for shared water courses work well. With regard to agriculture, they serve to facilitate orderly and sustainable irrigation development. As such, while the matter may be noted in the RAP, no new provisions are required.</td>
</tr>
<tr>
<td>Policy area</td>
<td>Achievement and why</td>
<td>Stakeholder views</td>
</tr>
<tr>
<td>-------------</td>
<td>---------------------</td>
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</tr>
<tr>
<td>General</td>
<td>The Ministry is well aware of issues related to the SADC Protocol on Trade. It used to be actively involved in negotiations but human resource constraints mean they are less involved currently. The Directorate of Planning is more involved with SACU initiatives currently, as well as with the EPA negotiations. Namibia is also active in several bilateral trade negotiations, and in developing and implementing anti-dumping legislation, intellectual property rights, and sanitary and phytosanitary legislation. There is concern that these inter-related trade formations could cause problems when tariff and non-tariff barrier reductions, for instance within the SADC process, expose member states to improved market access from other non-member state via member states using bilateral agreements or other trade formations. SADC trade policies have yet to have major impact on trade relations which remain firmly oriented to SACU and the EU. Trade facilitation measures (customs, transport etc.) have been helpful in the minor trade that takes place (e.g. import of seeds from Zambia and Zimbabwe to the north east, fish trading, import of implements). The Ministry and private sector has been involved with different SADC projects in the past. Constraints to applying SADC policies and strategies include lack of human resources capacity at the national level which constrains involvement in SADC trade matters currently. SADC trade policies have yet to have major impact on trade relations which remain firmly oriented to SACU and the EU.</td>
<td>RAP objectives: The objectives as per the RAP leaflet are a good starting point. Priority issues for harmonization: These should include those to be identified for the SACU Regional Agricultural Policy (which is not available at the time of preparing this report).</td>
</tr>
</tbody>
</table>
SYNTHESIS OF KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

According to Namibia, the following table are priority areas for convergence, harmonisation and common policy.

Table 8: Policy Areas and Topics of High Priority for Convergence and Harmonisation

<table>
<thead>
<tr>
<th>Policy area</th>
<th>Policy topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>• Approaches to institutional pluralism, consultative and participatory processes.</td>
</tr>
<tr>
<td>Animal health</td>
<td>• Basic national veterinary service systems in the Member States in line with relevant International Standards, Guidelines and Norms.</td>
</tr>
<tr>
<td></td>
<td>• Sanitary regulations in Member States including harmonised implementation of Sanitary regulations under the (Sanitary and Phytosanitary) SPS annex.</td>
</tr>
<tr>
<td></td>
<td>• Regulation of veterinary medicines, pesticides and drugs.</td>
</tr>
<tr>
<td></td>
<td>• Methods for animal and by-products identification and traceability.</td>
</tr>
<tr>
<td></td>
<td>• Long-term strategies for the progressive control of a limited number of Transboundary Animal Diseases (TADs) and Zoonoses.</td>
</tr>
<tr>
<td></td>
<td>• Animal health information systems in the SADC Member States (MS) must be developed (e.g. SADC’s Livestock Information Management System) to enhance information sharing, including harmonised national and regional early warning and response systems for TADs and zoonoses.</td>
</tr>
<tr>
<td>Livestock production</td>
<td>• Fodder SPS standards (levels of additives, residues, feed ingredients, proteins of animal origin, etc) and to meat and meat products quality guidelines.</td>
</tr>
<tr>
<td></td>
<td>• The existence and enforcement of legislation on standards for animal infrastructure (fences, dipping facilities, water facilities etc) and on matters of animal welfare.</td>
</tr>
<tr>
<td></td>
<td>• The existence and enforcement of legislation on stock theft and the institution of law enforcement collaboration in dealing with cross border stock theft.</td>
</tr>
<tr>
<td></td>
<td>• Preservation of indigenous breeds (beef, dairy, sheep, goats, pigs and poultry).</td>
</tr>
<tr>
<td></td>
<td>• Livestock research and tertiary level training activities.</td>
</tr>
<tr>
<td>Livestock marketing and trade</td>
<td>• The setting of Common External Tariffs as part of the SADC Customs Union.</td>
</tr>
<tr>
<td></td>
<td>• Negotiating trade agreements with other configurations.</td>
</tr>
<tr>
<td></td>
<td>• SPS measures.</td>
</tr>
<tr>
<td></td>
<td>• Livestock related levies.</td>
</tr>
<tr>
<td></td>
<td>• Regional market intelligence institutes and training</td>
</tr>
<tr>
<td></td>
<td>• Laboratories.</td>
</tr>
<tr>
<td></td>
<td>• Trans-boundary zoning (regional zoning).</td>
</tr>
<tr>
<td>Crop production</td>
<td>• Seed regulation, availability and access.</td>
</tr>
<tr>
<td></td>
<td>• Registration, use and disposal of crop protection products.</td>
</tr>
<tr>
<td></td>
<td>• Phytosanitary measures and food safety.</td>
</tr>
<tr>
<td></td>
<td>• Transboundary pest control strategies.</td>
</tr>
<tr>
<td></td>
<td>• Facilitation in negotiations for irrigation development in terms of using waters from shared water courses.</td>
</tr>
<tr>
<td></td>
<td>• Improving fertiliser availability and access through trade facilitation.</td>
</tr>
<tr>
<td></td>
<td>• Regional information collection, processing and sharing regarding crop production.</td>
</tr>
</tbody>
</table>
Table 8(Cont): Policy Areas and Topics of High Priority for Convergence and Harmonisation

<table>
<thead>
<tr>
<th>Policy area</th>
<th>Policy topic</th>
</tr>
</thead>
</table>
| Crop marketing and trade | • The setting of Common External Tariffs as part of the SADC Customs Union.  
• Competition and anti-dumping legislation and enforcement mechanisms.  
• Recognition of sensitive products.  
• Continued trade facilitation measures: information sharing. |
| Forestry | • Transboundary (e.g. cross-border) fire prevention and fighting.  
• Management of Transboundary Forests.  
• Harmonisation of forest protection laws and cooperation on law enforcement.  
• Collaborative projects.  
• Reduction of non-tariff barriers including administrative red tape. |

7. **SUGGESTED OBJECTIVES FOR THE RAP**

The following table is commentary on the draft objectives earlier suggested at the time of commencing the formulation processes of the RAP:

Table 9: Commentary on SADC RAP Objectives

<table>
<thead>
<tr>
<th>SADC draft objective</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>To enhance regional integration</td>
<td>The RAP should be seen in relation to the overall regional economic integration project. The RAP should contribute to this process and conversely it should be supported by economic integration in other sectors. The overall SADC integration project which seeks to position member States in a new political and economic configuration to deal with the opportunities and threats of globalisation is indeed the overriding objective of the RAP.</td>
</tr>
<tr>
<td>To reinforce food security</td>
<td>This is understood to refer to regional and national food security both of which are essential within a stable and equitable community of nations such as SADC seeks to become. Food security policies differ from food self-sufficiency policies, yet the former can imply moving towards regional food self-sufficiency. By definition, as regional economic integration deepens the importance of national food self-sufficiency diminishes as food production gravitates to wherever in the region has the comparative advantage. It is not yet clear how far SADC intends to go in this regard in the medium to long term especially with regard to staple food production. Given the current limited status of integration the focus of the Member States is inevitably on pursuing their own national food security interests. Food security is understood to include aspects of food quality, nutrition and health. Rephrased: “To ensure food security and improved nutrition.”</td>
</tr>
<tr>
<td>To raise agricultural GDP and rural incomes</td>
<td>Achieving growth rates in the sector higher than rates of growth of the population dependent on the sector can be accomplished by increasing agricultural productivity and growth and/or by reducing the number of people dependent on the sector. Namibia believes that despite its arid climate there remain many opportunities for growth in its agricultural, forestry and fisheries sectors not only in terms of production but also in related up and downstream industries. Namibia’s Vision 2030 envisages a drastic decrease in the number of people dependent on agriculture. This requires a dramatic increase in manufacturing industry which is why it is important for the RAP to emphasise the expansion of vertical integration and domestic and regional value added for agricultural products. Re-phrased: “To achieve agricultural GDP growth rates that are higher than the growth rate of the population dependent on agriculture for their livelihoods.”</td>
</tr>
</tbody>
</table>
### Table 9 (Cont): Commentary on SADC RAP Objectives

<table>
<thead>
<tr>
<th>SADC draft objective</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>To decrease de facto rural poverty</td>
<td>While poverty in SADC Member States is predominantly rural, the agricultural sector (including fisheries and processing industries) contributes to poverty reduction in rural and urban areas. In terms of targeting it is suggested to specify those that are vulnerable to extreme poverty, including women and OVCs. Namibia also recognizes that poverty is not limited to income issues. It includes issues of empowerment, health, education, employment and security. Agriculture, and its related up and down stream economic activities, have an important role to play in building and sustaining strong communities needed to address broader aspects of poverty. Re-phrased: &quot;To reduce levels of poverty.&quot;</td>
</tr>
<tr>
<td>To increase agricultural trade balance</td>
<td>This is understood to refer to the integration of agricultural enterprises into regional and international markets through trade. It is important that the institution of SADC aims not only to enhance intra-regional trade but also to strengthen the position of Member States in agricultural trade outside SADC. Rephrase: “To improve the agricultural balance of payments.”</td>
</tr>
<tr>
<td>To improve management of economic and climatic risks</td>
<td>It is believed that the SADC Secretariat could indeed play an important role as a Regional information hub and, by facilitating the sharing of best policy, strategy and actions, it could mitigate economic and climatic risks and deal with problems that arise.</td>
</tr>
<tr>
<td>To sustain regional natural resources</td>
<td>Preserving natural resources and biodiversity is fundamental to sustainable economic activity. Article 95(1) of Namibia’s Constitution: Promotion of the Welfare of the People, declares that the State shall promote and maintain the welfare of the people by adopting policies aimed at: &quot;...the maintenance of ecosystems, essential ecological processes and biological diversity of Namibia and utilisation of living natural resources on a sustainable basis for the benefit of all Namibians, both present and future”. As such agricultural development and the intensification of production systems must be appropriate to the different agro-ecological contexts.</td>
</tr>
<tr>
<td>To take advantage of regional potential</td>
<td>This is understood to refer to developing regional complementarities and comparative advantage in the agriculture sector. In general, this basic objective of regional economic integration is supported although it is believed that many SADC members would seek to retain control over staple grain production.</td>
</tr>
<tr>
<td>To increase investment in agriculture</td>
<td>The aim here is to mobilize increased national and regional investment in agriculture by the private sector and the public sector (including that provided by donors) by providing an attractive and stable services and market environment. Re-phrased: “To improve the profitability and security of agricultural enterprise and increase investment in agriculture.”</td>
</tr>
</tbody>
</table>

### 8. SUGGESTED GUIDING PRINCIPLES FOR THE RAP

The following statements of principle are presented for consideration by the SADC Secretariat as “guiding principles” for the RAP.

- The RAP adopts of **consultative and participatory approaches** in the search for and implementation of solutions to identified constraints and opportunities.

- The RAP is committed to increased regional, national and local level **institutional pluralism and broad-based participation** by rural people and their organizations.

- The RAP deals only with issues where **regional action adds value** over and above that which would be possible at the national level alone.

- The RAP deals only with issues that concern **two or more Member States**.
• The RAP supports **cohesion and solidarity** between its members and provide common financial, human and institutional resources to reduce the disparities that exist between the Member States.

• The RAP recognises that sustainable agricultural development requires investment in a complex of basic factors including technology, human capital, physical infrastructure, farmer institutions and services, and an enabling political and economic policy environment. These all require sustained long-term attention from policy makers which will enable the Policy to evolve and be responsive to a changing external environment. In other words, the RAP must be an organic or **evolving rather than static instrument** which focuses on a set of basic fundamentals and grows iteratively in response to experience and changing circumstances. This implies that SADC must establish capacity for monitoring and evaluation of policy implementation and impact and, accordingly, for policy review and reformulation.
THE REPUBLIC OF SEYCHELLES

MAP OF THE REPUBLIC OF SEYCHELLES ISLANDS
THE REPUBLIC OF SEYCHELLES

SUMMARY COUNTRY REPORT ON
AGRICULTURAL AND RELATED POLICY REVIEW – 2009

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1. GENERAL INFORMATION

1.1. Geography and Demographics

The Republic of the Seychelles is a group of small islands located in the South Western Indian Ocean. Seychelles constitutes of up to 115 islands with a total surfaces area of 45,500 ha. Seychelles enjoys an Exclusive Economic Zone (EEZ) of about 1.3 million km². Annual rainfall ranges from 1,700 mm in the south to about 3,000 mm in the hills. The population of the Seychelles, in 2009, stood at just over 87,000 with over 85% living on the main island of Mahé (area of 152.5 km²).

Table 1: Total Land Area of the Seychelles

<table>
<thead>
<tr>
<th>Island Group</th>
<th>Area (km²)</th>
<th>Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mahe</td>
<td>152.5</td>
<td>15,250</td>
</tr>
<tr>
<td>Praslin</td>
<td>39.8</td>
<td>3,980</td>
</tr>
<tr>
<td>La Digue</td>
<td>14.6</td>
<td>1,460</td>
</tr>
<tr>
<td>Other Islands</td>
<td>248.1</td>
<td>24,810</td>
</tr>
<tr>
<td><strong>Total land area</strong></td>
<td><strong>455.0</strong></td>
<td><strong>45,500</strong></td>
</tr>
</tbody>
</table>

1.2. Farming Systems and the Importance of Agriculture

The major farming systems are (i) registered commercial farmers on average sized farm of 0.5 ha either growing vegetables, rearing livestock or carrying out mixed farming; and (ii) home gardeners that produce for home consumption, barter or sale with friends, relatives and neighbours.

The Agricultural sector in Seychelles has lost most of its economic importance over the last two decades. The fisheries sector has become a strong economic pillar. Forestry in the Seychelles remains a relatively non productive sector. Approximately 8% of the total labour force (3,800 persons) in the country are employed in the agriculture, fisheries and forestry sectors

Agricultural land area has been decreasing rapidly in the past decade due to tourism development, housing and other socio-economic activities. It is estimated that only 500 hectares are presently being utilized for agricultural production. Very little privately owned land is under agricultural production.

Local production of fruits, vegetables, meat and eggs continue to contribute significantly to local consumption requirements. In 2007, it was estimated that 60% of total consumption of fruits and vegetables were locally produced along with 60% pork, 70% broiler meat and 100% eggs. Plantation crops like cinnamon and coconut have lost considerable importance in the last 20 years.

Table 2: Agricultural Socio-economy (2008)

<table>
<thead>
<tr>
<th>Subject</th>
<th>Figure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural GDP</td>
<td>92.3 M (SR)</td>
</tr>
<tr>
<td>Number of farmers</td>
<td>282</td>
</tr>
<tr>
<td>Agricultural Budget 2008 in % of total budget</td>
<td>1%</td>
</tr>
<tr>
<td>Agricultural Budget in % of GDP</td>
<td>0.7%</td>
</tr>
<tr>
<td>Land under crop production</td>
<td>400 hectares</td>
</tr>
</tbody>
</table>

1.3. Key Agricultural Commodities and Farming Practices

The major crops grown are vegetables (pumpkin, eggplant, cucumber, and other cucurbits, tomatoes and leafy vegetables) and fruits including papaya, bananas, passion fruit. Some root crops are also grown, mainly cassava, sweet potatoes and a small amount of yams. Vegetables are produced in
both open fields as well as under plastic greenhouses. The majority of leafy vegetables are grown in shade houses. Other vegetable crops are grown in open field.

Pig and poultry farming is the most common livestock production system.

1.4. Key Economic and Financial Statistics

With a GDP share of almost 80 per cent, the service sector is the driving force of the Seychellois economy, of which an estimated 21 per cent is accounted for by tourism. Tourism also accounts for 30% of employment and 70% of foreign exchange earnings. Manufacturing represents the second largest sector, accounting for roughly 10 per cent of GDP, and it is dominated by the tuna canning industry. This sector employs 17% of the workforce. Construction contributes almost 8 per cent and is heavily influenced by hotel and resort construction associated with the tourism industry. Agriculture and artisanal fisheries represented about 2.5% of the GDP in 2006 (107.4 million rupees). The tuna processing is not accounted for in this GDP.

In 2006, domestic exports totaled 2,100.3 million rupees (167 million Euros) of which canned tuna alone amounted to 1,030.4 million rupees (82 million Euros). Other significant exports were medicaments and medical appliances, as well as fresh and frozen fish and fish meal. There is no significant export of crop products from Seychelles. In 2008, a total of 5,424 MT of rice was imported at a cost of US$5.1 million; 2,407 MT of Irish potatoes for US$1.5 million and 447 tonnes of pasta for US$1.1 million.

Table 3: National Information

<table>
<thead>
<tr>
<th>Subject</th>
<th>Figure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country size m²</td>
<td>452.5 km²</td>
</tr>
<tr>
<td>Population</td>
<td>85,000 (2007)</td>
</tr>
<tr>
<td>GDP</td>
<td>5614.9 million SR (32) (2007)</td>
</tr>
<tr>
<td>GDP per Capita</td>
<td>71.83 SR (2007)</td>
</tr>
<tr>
<td>Foreign public debt</td>
<td>800 million (USD) (2008)</td>
</tr>
<tr>
<td>Budget (% of GDP)</td>
<td>54% (2008)</td>
</tr>
<tr>
<td>Budget surplus</td>
<td>65 million rupees (2007)</td>
</tr>
</tbody>
</table>

2. PUBLIC SECTOR IN AGRICULTURE

2.1. Principle Government Agencies Involved in Agriculture

2.1.1. Ministry of Environment, Natural Resources and Transport

This Ministry replaced the Ministry of Agriculture and Marine Resources in 2003. It is made up of 2 major departments, the Department of Environment and the Department of Natural Resources. Up until December 2008 the Department of Natural Resources was responsible for development and implementation of all agricultural and fisheries policies. Its activities have now been taken over by the Seychelles Agricultural Agency. The Department operates a unit that manages water for irrigation and another unit to sell agricultural inputs.

2.1.2. Ministry of National Development

This Ministry has the responsibility for administration and management of all state land in the Republic. The land management unit of the Seychelles Agricultural Agency is however responsible for technical assessment and recommendation for allocation of agricultural state land to applicants who request such land for farming activities.

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32 The currency of Seychelles is the Seychelles Rupee (SR)
2.2. Parastatals and Statutory Bodies

2.2.1. Development Bank of Seychelles (DBS)

The Development Bank of Seychelles (DBS), established in 1977 has a specific mandate to assist in the economic development of the Seychelles. DBS engages in local and external borrowings to finance economically viable projects in all sectors of the economy, particularly Agriculture, Fisheries, Industry, Tourism and Services.

2.2.2. Islands Development Company (IDC) of Seychelles

The Islands Development Company (IDC) is a state owned company mandated to develop the Seychelles outer islands in a manner that is economically, socially and environmentally sustainable.

2.2.3. Seychelles Trading Company (STC)

This company ensures the import and retail of basic commodities at fair and reasonable prices. STC also manages a small tea factory and surrounding plantations producing 50 tonnes per annum.

2.2.4. Small Enterprise Promotion Agency

The Small Enterprise Promotion Agency (SenPa) has a role to promote and develop small business enterprises, crafts and cottage industry. Their mission is to improve the business environment and facilitate entrepreneurship in small enterprises and to provide the necessary structures for their sustainable growth.

2.2.5. Seychelles Investment Bureau (SiB)

The Seychelles Investment Bureau (SiB) is the first point of contact for all matters relating to investment and business in Seychelles. The main objectives of the Bureau are to promote the Seychelles as the ultimate environment for business and to create an investor friendly culture in the country.

2.2.6. National Statistics Bureau (NSB)

The bureau is the official source of data collected nationally. The NSB collects agricultural data as part of the National Census.

2.2.7. Seychelles Fishing Authority (SFA)

The Seychelles Fishing Authority (SFA) was incorporated in August 1984. It discharges its responsibilities and functions as defined by the Seychelles Fishing Authority. Its mandate is to develop the fishing industry to its fullest potential and to safeguard the resource base for sustainable development. It is the executive organization of all fisheries development. The functions of the SFA as defined in article (5) of the Seychelles Fishing Authority (Establishment) Act are to:

- Promote, organise and develop fishing, fishing industries and fishing resources in Seychelles;
- Assist in the formulation of national policy with respect to fishing, fishing industries and fishing resources and in the implementation of that policy;
- Conduct negotiations, engage in meetings, seminars or discussions, with regard to fishing or fisheries and the establishment or operation of fishing industries, whether at a national or international level, on behalf of the Republic; and
- Identify the manpower training requirements of Seychelles with regard to fishing and fishing industries.
2.2.8. Seychelles Agricultural Agency (SAA)

The Seychelles Agricultural Agency (SAA) was set up in December 2008 with the objectives to increase the contribution of agriculture in the country’s GDP, to support the enhancement of national food security and to facilitate the modernization and development of the agricultural sector. It is made up of three main sections – agricultural land and project management, crop and livestock development support, and crop and animal health services.

2.3. Public Agriculture Infrastructure

2.3.1. Public Retail Market

These markets facilitate retail of fruits, vegetables, root crops and fish and are equipped with basic facilities. Currently, they are maintained by the Natural Resources Department but there are plans to privatise them.

2.3.2. Abattoirs

There is only one red meat and one white meat abattoir in the Seychelles run by the Seychelles Farmers Cooperative, following transfer from the Seychelles Marketing Board.

2.3.3. Laboratory Facilities

The SAA operates a pest and disease diagnostic laboratory under the responsibility of the National Plant Protection Office. The Soil Diagnostic Laboratory remains at the main agriculture office performing pH tests, soil moisture and OM content. Testing for macro and micro nutrients are done at the National Laboratory facilities – The Seychelles Bureau of Standards (SBS) at a commercial price. Ministry of Health operates a Food Technology laboratory and advanced testing is carried out by the Seychelles Bureau of Standards.

The Seychelles Fishing Authority operates a well equipped laboratory funded by JICA for fisheries research and all EU SPS Support documents are issued by the Fish Inspection and Quality Control Unit of The Seychelles Bureau of Standard.

2.3.4. Seed Production Centres

There is no seed production centre in the Seychelles. Most seeds are imported, mainly from European companies. The Government operates a plant propagation station for production and sale of orchard crops (e.g., citrus).

2.3.5. Research Stations

There is presently one research station for crop research, the Vegetable Evaluation Research Station at Anse Boileau. There are no livestock research stations.

2.3.6. Irrigation Schemes

There are presently six irrigation schemes on Mahe and one on Praslin, the main farming areas. There are three fully functional systems, two on Mahe and one on Praslin. There is an urgent need to upgrade the irrigation facilities available to farmers. The schemes are maintained by research station staff but may require independent administration for more efficient and effective management of the schemes, many of which were funded by the African Development Bank under the Integrated Agricultural Development Project (IADP).

2.3.7. Vocational Training Centre

There is one Vocational Training Centre for Agriculture and Horticulture which falls under the responsibilities of the Ministry of Education. The Centre recruits secondary school leavers to follow either a one-year or two-year certificate course at the end of which they can either be employed as agricultural workers or junior technicians.
2.3.8. Other Infrastructure

The Pig Genetic Centre at Grand Anse produces breeding stock of boars and sows for sale to licensed pig breeders who in turn produce fatteners that are then sold as fresh pork on the local market. The Cattle Genetic Centre was closed down in 2008 on the premise that cattle production in Seychelles is uneconomical.

3. PRIVATE SECTOR IN AGRICULTURE

3.1. Crop, Livestock, Fishing, Forestry and Game Farming Activities

3.1.1. Crop Farming

There are around 500 commercial farmers on average sized farms of 0.5 ha (Table 4). There are also some 6,000 households that are engaged in farming whereby, they either grow for their own consumption, or sell surplus to supplement household income.

Table 4: Farm Sizes of Registered Farmers

<table>
<thead>
<tr>
<th>Size of farm (ha)</th>
<th>Number of Registered Farmers</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0-0.5</td>
<td>173</td>
</tr>
<tr>
<td>0.5-1</td>
<td>113</td>
</tr>
<tr>
<td>1-2</td>
<td>55</td>
</tr>
<tr>
<td>&gt;2</td>
<td>20</td>
</tr>
</tbody>
</table>

They grow Pumpkin, eggplant, cucumber, and other cucurbits, tomatoes and leafy vegetables and fruits including papaya, bananas, passion fruit and some root crops mainly cassava, sweet potatoes and yams. These are grown in both open fields and under shade houses.

Table 5: Crop Production (2005-2007) (tonnes)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vegetable</td>
<td>1,293</td>
<td>2,523</td>
<td>1,496</td>
</tr>
<tr>
<td>Fruit</td>
<td>1,271</td>
<td>2,436</td>
<td>2,428</td>
</tr>
<tr>
<td>Spice</td>
<td>36</td>
<td>39</td>
<td>69</td>
</tr>
<tr>
<td>Root crop</td>
<td>401</td>
<td>570</td>
<td>942</td>
</tr>
<tr>
<td>Total (tonnes)</td>
<td>3,000</td>
<td>5,568</td>
<td>4,935</td>
</tr>
</tbody>
</table>

3.1.2. Livestock

There are 15 poultry broiler farmers. The largest farm is 40,000 birds and the smallest is 2,000 birds. There are 32 layer producers rearing a total of 107,500 birds and the largest farm manages 33,600 birds and the smallest only 300 birds. In 2008, 24 million of eggs were produced compared to 18 million in 2006.

A total of 32 breeders produce approximately 2000 fatteners per annum to be supplied to numerous fattening units throughout the island. Table 6 provides statistics on livestock production and imports into Seychelles for the period 2000 – 2008.
### Table 6: Livestock Production and Imports over 2000-2008

<table>
<thead>
<tr>
<th>Year</th>
<th>Pig</th>
<th>Chicken</th>
<th>Beef</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Local</td>
<td>Import (t)</td>
<td>Total</td>
</tr>
<tr>
<td>2005</td>
<td>668</td>
<td>313</td>
<td>981</td>
</tr>
<tr>
<td>2006</td>
<td>671</td>
<td>637</td>
<td>1,309</td>
</tr>
<tr>
<td>2007</td>
<td>687</td>
<td>564</td>
<td>1,251</td>
</tr>
<tr>
<td>2008</td>
<td>554</td>
<td>566</td>
<td>1,120</td>
</tr>
</tbody>
</table>

### 3.1.3. Fishing

Fishing is an important sector of the Seychelles economy. There are three types of fisheries namely, (i) commercial fisheries mainly for tuna cannery; (ii) semi-commercial species to export fresh or frozen fish to Europe; and (iii) the artisanal fisheries both with traps and line who supply the local market. Direct and indirect employment in the fisheries sector is estimated to be approximately 6,000 persons, representing about 13% of total formal employment in the country.

In 2006, domestic production of fish and fish products declined by 3% to an estimated 45,223 MT (46,637 MT in 2005). In 2006, the 11 Seychelles registered purse seiners managed a total catch of 79,347 MT, 9.4% less than the 87,53 MT caught in 2005. This sector also consists of lobster and sea cucumber fisheries which is regulated through licenses form the SFA.

### Table 7: Production of Fish and Fish Products 2004/05 (MT)

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>% change</th>
<th>2006</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artisanal catch</td>
<td>4,177.0</td>
<td>4,583.10</td>
<td>9.72</td>
<td>3,849.00</td>
<td>-16.02</td>
</tr>
<tr>
<td>Semi-industrial catch</td>
<td>110.6</td>
<td>290.30</td>
<td>162.48</td>
<td>219.00</td>
<td>-24.56</td>
</tr>
<tr>
<td>Canned tuna</td>
<td>36109.0</td>
<td>40,606.00</td>
<td>12.45</td>
<td>40,222.00</td>
<td>-0.95</td>
</tr>
<tr>
<td>Other processed tuna</td>
<td>659.0</td>
<td>334.00</td>
<td>-42.91</td>
<td>218.00</td>
<td>-34.73</td>
</tr>
<tr>
<td>Prawns</td>
<td>1,175.0</td>
<td>772.00</td>
<td>-34.30</td>
<td>688.00</td>
<td>-17.36</td>
</tr>
<tr>
<td>Smoked fish</td>
<td>15.9</td>
<td>14.80</td>
<td>-9.92</td>
<td>25.20</td>
<td>70.27</td>
</tr>
<tr>
<td>Others</td>
<td>32.4</td>
<td>36.80</td>
<td>13.58</td>
<td>51.70</td>
<td>40.49</td>
</tr>
<tr>
<td>Total domestic production</td>
<td>42,204.9</td>
<td>46,637.00</td>
<td>10.50</td>
<td>46,222.00</td>
<td>-0.30</td>
</tr>
<tr>
<td>Purse seine catch*</td>
<td>82,000.0</td>
<td>87,535.00</td>
<td>5.97</td>
<td>79,342.00</td>
<td>-9.39</td>
</tr>
<tr>
<td>Longliner catch*</td>
<td>9,998.0</td>
<td>13,049.0</td>
<td>30.52</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

*Seychelles flagged vessels*

Seychelles is a world leader in trans-shipment of tuna fish and its products. Canned tuna which accounts for 89% of total domestic production, remains the dominant commodity produced (Table 8). Sea cucumber fishery is also a popular fishing activity and it is highly regulated. The Indian Ocean Tuna (IOT) canning factory is the largest private company and processes about 400,000 tons of canned tuna per annum. It employs 2,500 workers and also creates indirect job opportunities to the fisheries sector in general.
Table 8: Export of Fish and Fish Products 2005/06

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MT</td>
<td>SR’000</td>
<td>MT</td>
</tr>
<tr>
<td>Fresh and frozen fish</td>
<td>503.00</td>
<td>16,451.00</td>
<td>369.70</td>
</tr>
<tr>
<td>Canned tuna</td>
<td>30,653.00</td>
<td>979,851.00</td>
<td>38,498.00</td>
</tr>
<tr>
<td>Frozen prawns</td>
<td>772.00</td>
<td>31,643.00</td>
<td>624.00</td>
</tr>
<tr>
<td>Other processed fish</td>
<td>267.00</td>
<td>10,232.00</td>
<td>170.00</td>
</tr>
<tr>
<td>Dried shark fins &amp; sea cucumber</td>
<td>39.00</td>
<td>1,026.00</td>
<td>52.23</td>
</tr>
<tr>
<td>Others*</td>
<td>-</td>
<td>-</td>
<td>1.10</td>
</tr>
<tr>
<td>Total</td>
<td>41,234.00</td>
<td>1,039,803.00</td>
<td>39,715.03</td>
</tr>
<tr>
<td>Total domestic exports</td>
<td>1,164,772.00</td>
<td></td>
<td>1,184,600.00</td>
</tr>
<tr>
<td>% of domestic exports</td>
<td>89.27</td>
<td></td>
<td>90.52</td>
</tr>
</tbody>
</table>

Source: SFA and NSB
* Included cage snapper and baby skipjack

3.1.4. Forestry

Forestry in the Seychelles remains a relatively non productive sector. Forests cover 47% of the total land area of Mahe, Praslin and La Digue. Estimated forest cover is 8,200 hectares and the major part is reserved for conservation. The commercial forestry industry in Seychelles is very small and contributes minimally to local timber production. No forest products, including timber, are exported from Seychelles.

3.2. Farmers’ Organisations

There are at present two farmers’ organisations in Seychelles, the Seychelles Farmers’ Association with a membership of around 100 and the Seychelles Farmers’ Cooperative. These two independently registered bodies have been instrumental in the privatization process of the agricultural sector. The cooperative has taken over the national animal feed factory, the hatchery and the abattoir from the Seychelles Marketing Board since January 2009.

3.3. Agro-Industries

Agro processing is underdeveloped and a few small cottage – industry type businesses produce jams, pickles, condiments with local fruit for sale in fairs, exhibitions and other similar events. Very few operators sell their goods through shops or supermarkets. The largest agro processing unit is owned and operated by a parastatal company and it imports raw material to produce tomato sauce, jams, reconstituted milk, yoghurt and fruit juices. The Small Enterprise Promotion Agency has also registered 16 small scale manufacturers of jams, jellies, pickles and chips all processed from local fruits and vegetables. Several local butchers process meat into sausages, black pudding, meat balls and hamburger patties, pork crackling and salted meat.

3.4. Professional Organisations Involved in Agriculture

Seychelles Chamber of Commerce and Industry (SCCI) is the largest and most important business intermediary private sector organisation. Its primary role is to represent the views of its members and the wider business community in all matters related to business development by advising government on economic and fiscal policies and other related issues. The SCCI aims to be an effective provider of services and lends support to and assists the development of business and free enterprise. It also
defends the business community against discriminatory rules and regulations and champions good business practice.

3.5. Traders in the Food Sector

Agricultural exports are limited to canned tuna, fresh and frozen fish, processed fish and fish meal. Apart from a negligible quantity of cinnamon bark (SR 0.5 million in 2008) no other crop or crop products were exported. Exports of agricultural products in 2008 represented 53.2% of total exports from Seychelles. Food and food products, in particular staples such as rice, flour, potatoes, pasta, edible oils and fats (margarine, butter) meat, dairy, products, pulses, beverages, fruits and vegetables and tobacco represent 22.8% of total imports to Seychelles.

Raw material for the production of animal feed is also imported. In 2008, a total of 5,424 MT of rice was imported at a cost of US$5.1 million; 2,407 MT of Irish potatoes for US$1.5 million and 447 tons of pasta for US$1.1 million.

Table 9: Agricultural Exports (2007)

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Value (million SR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canned Tuna</td>
<td>1,231.2</td>
</tr>
<tr>
<td>Fish (fresh/ frozen)</td>
<td>13.9</td>
</tr>
<tr>
<td>Frozen Prawns</td>
<td>17.2</td>
</tr>
<tr>
<td>Cinnamon bark</td>
<td>6.5</td>
</tr>
<tr>
<td>Other processed fish</td>
<td>29.6</td>
</tr>
<tr>
<td>Fish meal</td>
<td>51.9</td>
</tr>
</tbody>
</table>
4. NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1. General Overarching Framework Documents

The Government launched a medium term strategy – Seychelles Strategy 2017- in March 2007. The thrust of the strategy is centred on:

1) **Sound Macroeconomic Management** aims at (i) prudent monetary policy and strict fiscal discipline; (ii) reducing total external debt to 60% of GDP by 2017; and (iii) reducing the size of government and clarify the role of the civil service.

2) **Enhance Competitiveness and Governance** aims at (i) promote Tourism, Fisheries, and Off Shore services; (ii) revamping outdated regulatory practices; (iii) increasing the domestic savings ratio; and (iv) promoting good governance.

3) **Improve Equity** aims at (i) promoting training in vocational, managerial and service skills; (ii) ensuring continued free health care to the needy; and (iii) ensuring social protection for the vulnerable.

4) **Improve Infrastructure, Land Management and Biodiversity** aims at (i) improving utilities (electricity, potable water and ICT); (ii) revising public transport policy to allow private participation; (iii) promoting home ownership financed by private capital; (iv) allocating land in a fair and transparent basis; (v) ensuring national environmental legislation complies with international best practices; and (vi) ensuring national food security and supply for a growing tourism sector.

Seychelles’ agriculture strategy will focus on subsistence farming as well as on small to medium scale agricultural and livestock production (destined primarily for domestic consumption) in which Seychelles has established comparative advantage. Thus, to ensure national food security and adequate supply for a growing tourism sector, the country will engage in imports, a more cost effective option than attempting food self-sufficiency. This policy would ensure that agriculture does not hinder the development of the identified core socio-economic activities, notably tourism, fisheries, housing and environmental conservation.

Supporting the Seychelles Strategy 2017 are 3 national policy documents that spell out the overall policies for agricultural development in the Seychelles. The Environment Management Plan of Seychelles 2000-2010 (EMPS 2000-2010), the Agricultural Development Strategy (2007-2011) and the Food Security Strategy 2008-2011. The main thrust of these policies is to ensure food security through the most economically effective methods available, given the numerous constraints to intensive agricultural production in the Seychelles such as climate, soil type, and limited available land.


The EMPS is a plan incorporating ten thematic areas including, Fisheries and Marine Resources Processes and Biodiversity, Forestry and Agriculture. The salient goals pertaining to the agriculture sector are to upgrade professionalism in the agricultural sector and promote sustainable agriculture approaches for food security with minimum impact on the environment.

The Agricultural Development Strategy (ADS) 2007-2011 was launched in October 2007. It sets the strategy for a revised agricultural development in the Seychelles in the next five years. It aims at (i) providing a conducive environment for agricultural production while the responsibility of food production was vested into the hands of the food producing entrepreneurs or farmers; and (ii) attaining self sufficiency in broiler chicken, table eggs and pork, and a minimum of 80% for fruits and vegetables. It established that local agricultural production would only exploit agricultural production domains for which there were comparative advantages. It would favour the importation of other produce for which there is no local comparative advantage in their production.


Following the upsurge in food commodity prices, the Government prepared a food security strategy plan for the agricultural sector. It is a framework for action that translates the aspirations of the ADS into an action plan for immediate execution. There are five focus areas: (i) agricultural land and optimization of land use, (ii) agricultural inputs and supplies, (iii) agricultural infrastructure, (iv) agricultural policy and institutional support, and (vi) human resource development and training. The FSS aims specifically at better land management and use by farmers. Land use will be closely monitored and farmers with less than 80% land use will be given six months to improve output or have the land taken back from them. The ‘every home a garden’ campaign will be stepped up in radio programmes and TV spots.

4.2. Agricultural Policies and Strategies

4.2.1. Land Infrastructure

4.2.1.1. Land

Most of the agricultural land in Seychelles is state owned and leased to individuals for specific periods, or average 5 years. At present the main issues are (a) legal protection of agricultural land because without a legal land use plan, much land originally allocated to agricultural development is being diverted into other socio-economic activities and (b) better monitoring system to ensure better land management and utilisation by farmers. This follows a survey carried out in May 2008 which shows that 41% of state land allocated to farmers is underutilized. The Land Management Plan of Seychelles is still not a legal document and therefore does not give legal protection to agricultural land.

4.2.2. Natural Resources

4.2.2.1. Water and Irrigation

All irrigation systems are now under the administration and management of the Seychelles Agricultural Agency (SAA). Systems exist in the major farming areas and users are metered and billed monthly based on usage. Presently, there are about 150 farmers who are connected to the irrigation facilities provided by the SAA.

4.2.2.2. Forestry

The national park and forestry section of the Department of Environment has the mandate to manage all forest resources of Seychelles for sustainable use. The major activities centre on conservation of the National Parks and sustainable forest management practices. However, there are still a number of issues that need to be addressed such as (i) a thorough inventory of Seychelles forest commercial resources; (ii) modernization of the charcoal industry to meet the tourism and local needs; (iii) review and update of the legislative framework pertaining to National Parks and Forests; and (iv) feasibility study for agro forestry projects.
4.2.2.3. **Fisheries**

The Government has developed a fisheries policy for the sustainable development of the sector. Operations in the fisheries sector are regulated by the Fisheries Act and Regulations of 1985 which have been amended over the years to make them more efficient.

The policy focuses principally on the promotion of sustainable management and responsible fishing practices, to provide food, employment, income, foreign exchange earnings, and the effective protection of the marine eco-system. It is also the government’s desire to promote gender equality and to address any potential inequalities in the continued development of the fishing industry. The objectives of the policy are to:

- Promote conservation and management of marine resources in order to ensure the sustainability and long-term viability of the industry;
- Generate the maximum amount of employment;
- Maximise revenue from fisheries and other related activities;
- Promote an integrated economy;
- Enhance food supply and food security;
- Promote safety at sea; and
- Maintain Port Victoria as the major tuna landing/transhipment port.

4.3. **Support Services for Farmers**

4.3.1. **Agricultural Research**

Agricultural research now falls under the responsibility of the Seychelles Agricultural Agency. The programme incorporates national projects on variety screening of vegetable crops and other agricultural products to determine efficacy under Seychelles soil and climatic conditions. There are also, regional projects on variety screening as well as regional projects through the Indian Ocean Commission with EU funding, bi-lateral research with La Reunion and international projects with the International Atomic Energy Agency and FAO.

4.3.2. **Agricultural Extension**

The only extension services offered to the farming community is through the SAA’s extension services. The SAA offers advisory services to both crop and livestock farmers through individual farm units, farmers’ meetings, demonstrations and field days. The service is offered to the approximately 400 registered farmers.

4.3.3. **Credit**

The Concessionary Credit Agency (CAA) based at the Department of Finance offers a Small Business Finance Facility to processors/manufacturers including crop and livestock agro processors. The maximum loan amount is SR 300,000 at 4% per annum interest.

The Development Bank of Seychelles (DBS) provides basically two credit lines to farmers. One is financed and administered by DBS and is offered at an average interest rate of 17%, which is considered too high to attract investments in the sector. The other loan is offered at 2.5% interest and is a revolving fund borrowed from the ADB, managed by Department of Natural Resources and administered by DBS. The ceiling credit amount is SR200,000. In 2008 the DBS loaned approx SR17 million to the agricultural sector. In 2008 Commercial Banks loaned more than 2.8 billion rupees to the agricultural sector.

4.3.4. **The Agriculture and Fisheries (Incentives) Act**

The Agriculture and Fisheries (Incentives) Act came into force in March 2005. The Act provides for the grant of certain incentives to persons engaged in agriculture, fisheries and related activities. These incentives include (i) business tax concessions; (ii) exemption from social security contributors; (iii) import foreign labour and receive concessions on GOP (Gainful Occupation Permit); (iv) trade tax concessions;
and (v) G.S.T (Goods and Services Tax) concessions and Retentions of a percentage of foreign exchange earnings.

The Act opens up opportunities for investment particularly by Seychellois investors in the production of livestock, fruits and vegetables. Foreign investors are particularly encouraged to exploit the traditional plantation crops like cinnamon, patchouli and vanilla to produce value added products for export to niche markets.

4.3.5. Inputs Provision

Crops
The SAA imports seeds, fertilizers, pesticides and other inputs and distributes these through regional outlets at subsidized prices. Private investments in this area are being promoted by Government. Seychelles is yet to develop a national seed policy.

Animals
Emphasis is on upgrading the genetic stock of the poultry and pig enterprise. The SAA operates a pig genetic centre to supply performing pigs to commercial pig breeders. The SAA operates a veterinary service. New bloodlines have been introduced into the pig production sector in order to improve the breeds used by farmers with the objective to improve national pork production.

Government has started the construction of a Poultry Parent Stock farm to supply breeding stock for both broiler and layer production. The Poultry Keepers Regulations (1997) ensures a system of poultry production that is conducive to human health and the environment and lays down regulations on the number of birds that are allowed to be kept by non-commercial producers.

4.4. Support to Investment

4.4.1. Specific Commodity Chain Support

The small scale fisherman have a rebate on the cost of fuel under the Fuel Incentive Scheme which scheme aims at reducing the operating costs for boat owners hence improve the profitability of their fishing operations. The scheme has been revised and incorporated as a new incentive package in the Fisheries Incentive Act with new rates of rebate on the cost of fuel (diesel and benzene).

In June 1996, SFA, in collaboration with the Social Security Division, initiated a new scheme to compensate full-time fishermen when they fall sick or are unable to work. Under this sickness benefit scheme, fishermen receive SR67 per day for the first 20 days they fall sick during one year and thereafter SR48 for each additional day for which a claim is lodged.

The fisheries component of the Act seeks to encourage persons involved in fisheries and related activities to achieve a higher level of production though the provision of concessionary rates on operational costs. Fishermen, boat-owners, processors and exporters wishing to benefit from these concessions are required to register with the Seychelles Fishing Authority (SFA), in addition to obtaining any authorization that may be necessary to engage in their particular activity.

4.4.2. Direct Farming

Since liberalisation of the economy in 1993, the Government has adopted a role of facilitator and service provider. As a result, the 10 state farms operating under the ministry were leased to the private sector. Today, 3 of these farms are still operational. The government retained one farm for establishment of the present Farmer Training Centre.

4.4.3. Youth

Agriculture does not feature in the curriculum at primary or secondary levels and there are no young farmers groups either at school level or at community level. The Seychelles Agricultural and Horticultural Centre (SAHTC), the only agricultural vocational school in Seychelles, takes youth from 16 years of age to follow either the 1 year or 2 year certificate programs offered by the centre.
4.5. Emergency and Disaster Preparedness

4.5.1. Food Security and Early Warning Systems

Following the December 2004 tsunami, the Government of Seychelles has established a department of risk and disaster management within the President’s Office. This Department has formulated a Disaster Management Policy for Seychelles which covers contingency plans for the major hazards affecting Seychelles, namely, droughts, floods, landslides, tsunami and other seismic activity, terrorism and bioterrorism, fires, lightning, industrial hazards and pollution, human disease epidemics, livestock and wildlife diseases, pest infestation and transport accidents (including air and sea).

4.5.2. Food Reserves

The Seychelles Trading Company (STC) holds a buffer stock of essential commodities representing a safety margin for about one month’s consumption. This is, however, a part of the strategy to allow continuous supply of these goods on the local market. The disaster management policy for Seychelles states that Government will ensure that there is an adequate availability of basic necessities required in the event of a disaster for the population’s relief. The necessities include food, water, drugs, clothing and material for shelter. In the programmes related to disaster management, the commodities and storage of such will have to be addressed.

4.5.3. Contingency Plan

The main objective of the plan is to define detailed procedures to contain any suspected disease case or outbreak of the avian influenza.

4.5.4. Safety Nets

There are ongoing negotiations and studies funded by ADB and FAO to establish an insurance scheme to compensate farmers and fishermen for losses resulting from severe and unusual climatic events.

4.6. Trade Related Issues

4.6.1. Tariffs and Non-Tariff Barriers

Goods imported to Seychelles are subject to customs or trade tax tariffs as well as excise duty and Goods and Services Tax (GST). The standard rate of GST is 12.5%. Trade tax on agricultural imports ranges from 0% to 200%. The importation tax on fresh, chilled, frozen or processed fish ranges from 100% to 200% with a view to preserve/protect the local fisheries sector.

4.6.2. Sanitary and Phyto-Sanitary Measures

Government will establish a National Bio-security Service by combining the responsibilities of phytosanitary and zoo sanitary services under the auspices of the Seychelles Agricultural Agency to enhance the efficiency of the unit. The Plant Protection Act (1996) and the Animal Diseases and Imports Act regulate this service. A new Plant Protection Bill (2008) will soon be enacted. A Biosafety Act is presently being prepared to regulate the movements and control of GMOs.

National legislation guides the imports and exports of both plant and animal products. Imports of animals and their products must receive prior permission from the relevant government vet services and must be accompanied by relevant health documents from the country of origin. All live animals must be quarantined to local requirements. Imports of plants, plant parts, and other regulated products, seeds, cuttings, cut-flowers, fruits, vegetables and related items, require a plant import permit from the NPPO.

A phytosanitary certificate from the country of export must accompany all imported material. Inspections are carried out at the point of entry free of charge and in the presence of the importer. Exports of products are inspected by NPPO and relevant treatment done prior to issue of a phytosanitary certificate. Recently, private pest control operators have been contracted to carry out treatment under supervision of NPPO officials and at the cost of the exporter.
4.6.3. Direct Trading

As part of the recent economic reform program, all importers are now free to import any goods. There is no monopoly of imports of any particular goods. The Seychelles Trading Company (STC) formerly the Seychelles Marketing Board (SMB) purchases essential goods alongside other importers and sets the retail price to avoid too much fluctuation in retail prices of essential goods and in so doing, enhance the purchasing power of the masses. Sanitary and phytosanitary requirements however, still apply.

4.6.4. Price Setting Mechanisms

With the recent economic reform program proposed by the IMF in November 2008, there has been a major overhaul in price setting mechanisms. Imported food items are controlled by a maximum percentage mark up. This is monitored by the price control unit of the Ministry of Finance. This system applies for the majority of imported food items. Until the end of 2008, all broiler poultry was purchased by STC at a fixed price but with the privatization of the National Abattoir, the price is now determined by market forces as with all other livestock and crop products.

4.6.5. Quality Promotion

The Seychelles Bureau of Standards (SBS) has developed a number of local standards for locally processed products such as milk (reconstituted), yoghurt, bottled water and processed meats. The National Consumer Forum (NATCOF) uses the media including television advertisements to educate consumers about the quality of goods and services and consumer rights.

4.6.6. Food Safety and Nutrition

Food Safety is guided by the Food Act. The main objective of the Act is to ensure the availability of safe food to the general public. The Act is based on norms and standards as outlined in Codex Alimentarius.

The Ministry of Health, under the Pesticide Act is responsible for the issue of import permits, inspection, information, guidance, and control on the proper and safe use of transport, market, and storage of chemical pesticides. A national nutrition policy is yet to be published although some preliminary work has started.

5. EXISTING REGIONAL POLICIES

5.1. SADC Protocols

The stakeholders that were consulted for this study showed that they had limited knowledge of these protocols. The SADC desk officer at the Ministry of Foreign Affairs was also unaware of the various policies under SADC/ FANR. This could be that Seychelles rejoined SADC only recently in August 2008. This may have constrained Seychelles to implement some of the relevant protocols developed so far. Seychelles has actively participated in the SADC seed security network. In 2009 SADC hosted a national capacity building workshop on SPS in Seychelles as part of the trade protocol. The workshop covered food safety standards, in particular, residue control.

5.2. Free Trade Area

Seychelles is presently negotiating to join the SADC free trade area. At present, there is little agricultural trade with other SADC countries except with South Africa. There has been no comprehensive study or assessment of the impact on Seychelles’ agricultural sector by joining SADC FTA. However, the recent agreement with COMESA is being carefully monitored and could provide crucial lessons on these impacts. The Ministry of Finance expressed their concern to harmonize trade tax rates of agricultural commodities specifically the CET rates when dealing with imports from third party countries.
SYNTHESIS OF NATIONAL KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

The report for Seychelles has identified the following policy areas of importance for inclusion in the RAP.

6.1. Agricultural Land

Given the small land area of the country and the high competition for land among other socio-economic sectors, land allocated to farmers should be judiciously used. It is envisaged that through the RAP the country could receive assistance to develop a detailed land use plan giving due recognition to the requirements of the agricultural sector and provide guidance in developing legislation to protect the use of these lands. Revision of the present land tenure system will also be important.

6.2. Agricultural Infrastructure

The major areas of intervention envisaged under RAP would be assistance to improve irrigation facilities to farmers in terms of constructing reservoirs and developing a network of pipes to bring water to individual farms.

The next major infrastructure requirement is the construction of a physical central depot for marketing which will bring together buyers and sellers and eliminate some of the pricing issues related to middlemen. This physical market would automatically allow for a system of grading for premium quality to receive premium prices and cottage industry to have access to cheap lower grades for processing.

Livestock infrastructure requirements would include a red and white meat abattoir, national feeds mill, and a national hatchery.

6.3. Agricultural Inputs

Seychelles, being small and very remote is unable to benefit from economies of scale in the purchase of agricultural inputs. Its remoteness does not easily lend to frequent and constant shipping routes. It is believed that with a regional inputs depot, Seychelles farmers could benefit by being able to purchase relatively small quantities at a reasonable price in a one-stop-shop facility and benefit from affordable shipping routes. The items under consideration include seeds, fertilisers, vet drugs, pesticides and small tools and equipment.

6.4. Conservation of Indigenous Genetic Resources

Conservation of indigenous genetic resources for food and agriculture and harmonization of regional legislation on PGR to facilitate the sharing of responsibilities between SPGRC and NPGRCs in order to reduce repetition of the same activity in several regions thus cutting the cost of operation of the two parties involved thus strengthen the network and ensure long term sustainability as pointed out in the SPGRC Long Term Sustainability Strategy.

6.5. Institutional Support (SPS)

A regional policy framework would be crucial for Seychelles to meet its sanitary and phytosanitary obligations by providing crucial input into establishing and harmonising SPS Standards, Compliance and Certification etc. by having competent staff and well equipped laboratory facilities for SPS for both crops and livestock products.
6.6. Human Capacity

Being such a small state, there is an exceptionally limited pool of qualified human resources. There being no tertiary level training institution for agriculture and related sciences means that nationals need to be trained abroad. Training abroad is hindered by cost/affordability and relevance to a tropical, humid, small island (coastal) environment. Stakeholders envision a real advantage in having a regional agricultural policy that can support and organise tertiary level training in the region in specialized areas and facilitate short refresher courses for re-tooling technicians in the field.

Table 10: Summary Policy Matrix For The RAP

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Key Issues</th>
<th>Proposed Policy measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>Under utilisation of land</td>
<td>Land use plan; Soil conservation; Soil Erosion control; and Improve the land tenure system</td>
</tr>
<tr>
<td>Seed</td>
<td>Quality of imported seed cannot be guaranteed.</td>
<td>Harmonisation of standards Harmonisation of food standards</td>
</tr>
<tr>
<td>Food Safety</td>
<td>Lack of human capacity in SPS Lack of laboratory facilities</td>
<td>Harmonisation of SPS standards</td>
</tr>
<tr>
<td>Fertiliser</td>
<td>Low fertiliser use</td>
<td>Improve fertilizer use; Promote organic manure; and Use locally available sources of nutrients</td>
</tr>
<tr>
<td>Natural Resources</td>
<td>Loss of biodiversity</td>
<td>Integrated approach for conservation of indigenous genetic resources</td>
</tr>
<tr>
<td>Marketing</td>
<td>Exploitation by middlemen</td>
<td>Set up of a central buyers and sellers market</td>
</tr>
<tr>
<td>Agricultural Training</td>
<td>Limited pool of qualified personnel in agriculture</td>
<td>Incentives for Training in the region</td>
</tr>
<tr>
<td>Inputs acquisition</td>
<td>High Costs, Inaccessible,</td>
<td>Development of a regional inputs depot</td>
</tr>
<tr>
<td>Irrigation</td>
<td>Degraded irrigation facilities</td>
<td>Invite beneficiary participation</td>
</tr>
<tr>
<td>Processing infrastructure</td>
<td>Lack of agro-processing facilities</td>
<td>Develop processing plants; Use of appropriate agro-processing technologies for both crops and livestock</td>
</tr>
<tr>
<td>Fisheries</td>
<td>Overexploitation of fisheries resources</td>
<td>Fishery Management plan; Monitoring, Control and Surveillance system</td>
</tr>
<tr>
<td>Agricultural Information</td>
<td>Lack of a database</td>
<td>Develop a database for collection of agricultural information; and Implement an agricultural census</td>
</tr>
</tbody>
</table>

6.7. Institutional Framework

Seychelles is a net importer of food and the agricultural sector contribution to GDP has declined tremendously in the past years. Seychelles depends heavily on Fisheries and Tourism and other services for generation of national revenue and this trend is expected to continue for years to come. Joining the SADC free trade area will certainly impact on national food security in terms of more affordable imports from the region. Government however, has elaborated 2 main agricultural development strategy documents the National Food Security Strategy 2008-2011 and the Agricultural Development Strategy 2007-2011.

These 2 programmes are complementary and aim at protecting and enhancing local food production. In this context the government is in the process of establishing and strengthening the institutional framework and developing infrastructure to meet the established local food production targets. Thus, in order to meet increasing demand for food along with an enhancement of food security in the coming decade, especially in the face of decreasing availability of land, it is imperative that the productivity of existing agricultural land is considerably increased through appropriate technologies and conservation methods. Government is also divesting from a wide array of operational matters in the agricultural sector. This is meant to provide a more client oriented service to the whole farming community. The fisheries sector is a flourishing sector and is a leader in the production of canned tuna. Several policy measures are in place for ensuring the sustainable exploitation of the fisheries resources.
THE REPUBLIC OF SOUTH AFRICA

MAP OF THE REPUBLIC OF SOUTH AFRICA
THE REPUBLIC OF SOUTH AFRICA

SUMMARY COUNTRY REPORT ON AGRICULTURAL AND RELATED POLICY REVIEW – 2010

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ABBREVIATIONS

ABC  Agricultural Business Chamber
AET  Agricultural Education and Training
AgriBEE Broad-Based Black Economic Empowerment for Agriculture
AgriSETA Agriculture Sector Education and Training Authority
AMD  Agricultural Markets Division
ANC  African National Congress
APD  Agricultural Products Division
APS  Agricultural Product Standards
ARC  Agricultural Research Council
ASGISA Accelerated and Shared Growth Initiative of South Africa
ASRDC Agriculture and Sustainable Rural Development Committee
ASTI  Agricultural Science and Technology Indicators
BATAT Broadening Access to Agriculture Thrust
BEE  Black Economic Empowerment
CAADP Comprehensive Africa Agricultural Development Programme
CARWG Conservation Agriculture Regional Working Group
CASP Comprehensive Agricultural Support Programme
CBD  Convention on Biological Diversity
CBP  Cartagena Biosafety Protocol
CPI  Consumer Price Index
DAFF Department of Agriculture, Forestry and Fisheries
DBSA Development Bank of South Africa
DEAT Department of Environmental Affairs and Tourism
DEXCO Departmental Executive Committee
DLA Department of Land Affairs
DPLG Department of Provincial and Local Government
DRC Democratic Republic of Congo
DTI  Department of Trade and Industry
DWAF Department of Water Affairs and Forestry
EIA  Environmental Impact Assessment
EU  European Union
FAFS Framework for African Food Security
FAnGR Farm Animal Genetic Resources
FANR Food, Agriculture and Natural Resources
FAO  Food and Agriculture Organisation
FIETA Forest Industries Education and Training Authority
FMD  Foot-and-Mouth Disease
FPM  Fresh Produce Market
FTA  Free Trade Area
GCIS Government Communication and Information System
GDP  Gross Domestic Product
GEAR Growth, Employment and Redistribution
GM  Genetically modified
GMO Genetically Modified Organisms
HDI Historically Disadvantaged Individual
HIV  Human Immunodeficiency Virus
HSRC Human Sciences Research Council
ICT  Information and Communication Technology
IDC  Industrial Development Corporation
IDP  Integrated Development Plan
IFNSTT Integrated Food Security and Nutrition Task Team
IFSS  Integrated Food Security Strategy
ILO  International Labour Organisation
IMF International Monetary Fund
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>INTER-GIS</td>
<td>Integrated Registration and Genetic Information System</td>
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<td>IP</td>
<td>Intellectual Property</td>
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<tr>
<td>IPAP</td>
<td>Industrial Policy Action Plan</td>
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<td>IPPC</td>
<td>International Plant Protection Convention</td>
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<td>ISAAA</td>
<td>International Service for the Acquisition of Agri-Biotech Applications</td>
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<tr>
<td>ISPM</td>
<td>International Standard for Phytosanitary Measures</td>
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<td>ISRDP</td>
<td>Integrated Sustainable Rural Development Programme</td>
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<tr>
<td>ISRDS</td>
<td>Integrated Sustainable Rural Development Strategy</td>
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<tr>
<td>IT</td>
<td>Information Technology</td>
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<td>JSE</td>
<td>Johannesburg Stock Exchange</td>
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<tr>
<td>LAPC</td>
<td>Land and Agriculture Policy Centre</td>
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<td>LARP</td>
<td>Land and Agrarian Reform Project</td>
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<td>LIMS</td>
<td>Livestock Information Management System</td>
</tr>
<tr>
<td>LRAD</td>
<td>Land Reform for Agricultural Development</td>
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<td>MAFISA</td>
<td>Micro Agricultural Financial Institutions of South Africa</td>
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<tr>
<td>MDG</td>
<td>Millennium Development Goal</td>
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<tr>
<td>MERS</td>
<td>Microeconomic Reform Strategy</td>
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<tr>
<td>MFN</td>
<td>Most favoured nation</td>
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<tr>
<td>MLRF</td>
<td>Marine Living Resources Fund</td>
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<td>MOU</td>
<td>Memorandum of Understanding</td>
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<td>MTEF</td>
<td>Medium Term Expenditure Framework</td>
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<tr>
<td>MTSF</td>
<td>Medium Term Strategic Framework</td>
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<tr>
<td>NAFU</td>
<td>National African Farmers Union</td>
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<td>NAMC</td>
<td>National Agricultural Marketing Council</td>
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<td>NARDS</td>
<td>National Agricultural Research and Development Strategy</td>
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<td>NARS</td>
<td>National Agricultural Research Strategy</td>
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<tr>
<td>NDVI</td>
<td>Normalized Difference Vegetation Index</td>
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<td>NEF</td>
<td>National Empowerment Fund</td>
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<td>NEPAD</td>
<td>New Partnership for Africa’s Development</td>
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<td>NFSD</td>
<td>National Framework for Sustainable Development</td>
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<td>NGO</td>
<td>Non-governmental organisation</td>
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<tr>
<td>NIC</td>
<td>Newly-industrialised country</td>
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<td>NIPF</td>
<td>National Industrial Policy Framework</td>
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<td>NIPP</td>
<td>National Industrial Participation Programme</td>
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<td>NLDS</td>
<td>National Livestock Development Strategy</td>
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<td>NLP</td>
<td>National LandCare Programme</td>
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<td>NTB</td>
<td>Non-tariff barrier</td>
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<td>NWRS</td>
<td>National Water Resource Strategy</td>
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<tr>
<td>OBP</td>
<td>Onderstepoort Biological Products</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>OIE</td>
<td>World Organisation for Animal Health</td>
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<tr>
<td>OVI</td>
<td>Onderstepoort Veterinary Institute</td>
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<tr>
<td>PDI</td>
<td>Previously disadvantaged individual</td>
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<tr>
<td>PLAAS</td>
<td>Institute for Poverty Land and Agrarian Studies</td>
</tr>
<tr>
<td>PLAS</td>
<td>Proactive Land Acquisition Strategy</td>
</tr>
<tr>
<td>PMG</td>
<td>Parliamentary Monitoring Group</td>
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<td>PPECB</td>
<td>Perishable Products Export Control Board</td>
</tr>
<tr>
<td>PPP</td>
<td>Public-Private Partnership</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>Research and Development</td>
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<tr>
<td>RAP</td>
<td>Regional Agricultural Policy</td>
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<tr>
<td>RDP</td>
<td>Reconstruction and Development Programme</td>
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<tr>
<td>RISDP</td>
<td>Regional Indicative Strategic Development Plan</td>
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<td>RSA</td>
<td>Republic of South Africa</td>
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<td>SADC</td>
<td>Southern African Development Community</td>
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<td>SADCC</td>
<td>Southern African Development Coordination Conference</td>
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<tr>
<td>Safcol</td>
<td>South African Forestry Company Limited</td>
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<td>SAFEX</td>
<td>South African Futures Exchange</td>
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<td>SAPS</td>
<td>South African Police Services</td>
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<td>SARB</td>
<td>South African Reserve Bank</td>
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<tr>
<td>SASA</td>
<td>South African Sugar Association</td>
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<tr>
<td>SEDA</td>
<td>Small Enterprise Development Agency</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Full Form</td>
</tr>
<tr>
<td>--------------</td>
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</tr>
<tr>
<td>SETA</td>
<td>Sector Education and Training Authority</td>
</tr>
<tr>
<td>SITA</td>
<td>State Information Technology Agency</td>
</tr>
<tr>
<td>SLAG</td>
<td>Settlement and Land Acquisition Grant</td>
</tr>
<tr>
<td>SMME</td>
<td>Small, micro, and medium enterprise</td>
</tr>
<tr>
<td>SPGRC</td>
<td>SADC Plant Genetic Resources Centre</td>
</tr>
<tr>
<td>SPS</td>
<td>Sanitary and Phytosanitary</td>
</tr>
<tr>
<td>Stats SA</td>
<td>Statistics South Africa</td>
</tr>
<tr>
<td>TAD</td>
<td>Transboundary Animal Disease</td>
</tr>
<tr>
<td>TAU</td>
<td>Transvaal Agricultural Union</td>
</tr>
<tr>
<td>TFCA</td>
<td>Transfrontier Conservation Area</td>
</tr>
<tr>
<td>UK</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>US</td>
<td>United States</td>
</tr>
<tr>
<td>WfGD</td>
<td>Water for Growth and Development</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organisation</td>
</tr>
<tr>
<td>ZAR</td>
<td>South African Rand</td>
</tr>
</tbody>
</table>
1. GENERAL INFORMATION

1.1. Geography and Demographics

South Africa occupies the southern tip of Africa, its long coastline stretching more than 2,500 km from the desert border with Namibia on the Atlantic coast, southwards around the tip of Africa, then north to the border with subtropical Mozambique on the Indian Ocean. The total land area of South Africa covers slightly more than 1.2 million square kilometres. South Africa measures some 1,600 km from north to south, and roughly the same from east to west.

The country has nine provinces, which vary considerably in size. The smallest is tiny and crowded Gauteng, a highly urbanised region, and the largest the vast, arid and empty Northern Cape, which takes up almost a third of South Africa’s total land area. According to Stats SA (2009c) mid-year estimates, South Africa has a population of 49.3 million, 52% of which is female. Gauteng province comprises the largest share (21.4%) of the population, followed by KwaZulu-Natal with 21.2% share. Northern Cape province has the smallest share (2.3%) of the population. Nearly a third of South Africa’s population is younger than 15 years and 7.5% is 60 years or older. Over 18 million (79.2%) South Africans classify themselves as African, over two million (9%) as Coloured, 2.6% as Indian or Asian and 9.2% as White. An annual population growth rate of 2.1% is the average for the country. Table 1 summarises the selected macro- and socio-economic indicators of South Africa.

Table 1: South Africa: Selected Macro- and Socio-Economic Indicators

<table>
<thead>
<tr>
<th>Item</th>
<th>Value</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country surface area (km²)</td>
<td>1219.10</td>
<td>World Bank (2008)</td>
</tr>
<tr>
<td>Population (millions)¹</td>
<td>49.30</td>
<td>Stats SA (2009a)</td>
</tr>
<tr>
<td>Population growth (%)</td>
<td>1.07</td>
<td>(from Stats SA data)</td>
</tr>
<tr>
<td>Total life expectancy at birth (number of years)</td>
<td>50.50</td>
<td>World Bank (2008)</td>
</tr>
<tr>
<td>Infant mortality rate (per 1000 live births)</td>
<td>46.00</td>
<td>World Bank (2008)</td>
</tr>
<tr>
<td>Female youth (aged 15-24) literacy rate (%)</td>
<td>96.30</td>
<td>World Bank (2008)</td>
</tr>
<tr>
<td>HIV prevalence (%)</td>
<td>10.60</td>
<td>Stats SA (2009b)</td>
</tr>
<tr>
<td>Gross Domestic Product (GDP), current prices (billion US$)²</td>
<td>277.38</td>
<td>IMF (2009)</td>
</tr>
<tr>
<td>GDP per capita, current prices (US$)³</td>
<td>5635.19</td>
<td>IMF (2009)</td>
</tr>
<tr>
<td>Real GDP growth, fourth quarter 2009, annualised (%)</td>
<td>3.20</td>
<td>Stats SA (2010b)</td>
</tr>
<tr>
<td>Unemployment rate, third quarter 2009 (%)</td>
<td>24.50</td>
<td>Stats SA (2009a)</td>
</tr>
<tr>
<td>Consumer Price Index (CPI), December 2009 (% change)</td>
<td>6.30</td>
<td>Stats SA (2010a)</td>
</tr>
<tr>
<td>Foreign Direct Investment, net inflows (% of GDP)</td>
<td>4.50</td>
<td>World Bank (2008)</td>
</tr>
<tr>
<td>Trade balance, first half 2009 (billion US$)³</td>
<td>-1.77</td>
<td>SARB (2009)</td>
</tr>
<tr>
<td>Total foreign debt, first quarter 2009 (billion US$)³</td>
<td>67.40</td>
<td>SARB (2009)</td>
</tr>
<tr>
<td>National government revenue, 2008/09 fiscal year (billion US$)³</td>
<td>80.53</td>
<td>SARB (2009)</td>
</tr>
<tr>
<td>National government expenditure, 2008/09 fiscal year (billion US$)³</td>
<td>84.24</td>
<td>SARB (2009)</td>
</tr>
</tbody>
</table>

¹Mid-year estimates, 2009
²Estimates, 2009
³Converted from ZAR using an exchange rate of 1 US$ = 7.55 ZAR

1.2. Farming Systems and the Importance of Agriculture

The GDP for agriculture, forestry and fisheries has shown significant fluctuation during the period 2003-2009. In recent years the contribution of Agriculture to the GDP has remained between 2% and 3% in recent years, and has been gradually declining, signalling a more secondary- and tertiary sector-oriented economy for South Africa. Historically, agriculture, forestry and fishing accounted for approximately 15% of GDP in the 1950s and 10% in the 1960s. Although there has been a decline in
the direct contribution of agriculture, forestry and fishing to the economy, forward and backward linkages with other sectors also comprise an important indirect contribution to the economy. Despite the farming industry's declining share of the GDP, it remains vital to the economy, development, and stability of the Southern African region. Figure 1 depicts the trends in GDP and the value added by agriculture, forestry and fisheries.

Figure 1: Trends In The GDP and the Value Added by Agriculture, Forestry And Fisheries

South Africa has been a net exporter of agricultural products since 1990. The country experienced the highest net export value of R10 (US$1.3) billion in 2002. During 2009 the value of agricultural exports amounted to R35 (US$4.7) billion, a decrease of 8.5% compared to 2008. On the other hand, the agricultural exports amounted to R46 (US$6.1) billion in 2009, a 3% increase from 2008, resulting in a positive agricultural trade balance of R10.9 (US$1.5) billion (Figure 2).

Figure 2: Trends in the exports and imports of agricultural products and the net export of agricultural products
Total employment in agriculture during the fourth quarter of 2009 stood at 615,000, down from 738,000 during the first quarter. A recovery in agriculture employment is evident in the first quarter of 2010. Employment of women in agriculture followed the same trends between the first quarter of 2009 and that of 2010, while that of men in the same sector has not recovered since its decrease in the fourth quarter of 2009.

For 2008/09, the gross farm income was estimated at R128.4 (US$17) billion while the net farm income was estimated at R42.4 (US$6) billion. As the South African economy begins to recover, the agricultural sector is expected to recover from the negative growth and demand for agricultural products is expected to improve.

1.3. Key Agricultural Commodities and Farming Practices

Agriculture in South Africa has changed radically in recent years. Formerly, it was a highly regulated sector with subsidies and financial concessions available to farmers. But farming has been deregulated since the 1980s, and the agricultural sector is now expected to respond to free market conditions. Farmers seek the most competitive suppliers and purchasers and are increasingly using the South African Futures Exchange to exchange futures contracts and hedge prices for their products. South Africa has what is known as a dual agricultural economy. On the one hand, there is a well-developed commercial sector; on the other hand, the majority of people engaged in agriculture are involved in subsistence-oriented practices in rural areas. In the predominantly white-controlled commercial sector, applied research and improved farm management have nearly doubled agricultural production during the past 30 years. Currently, South Africa is not only self-sufficient in virtually all major agricultural products but in a normal year is also a net food exporter.

About 13 percent of South Africa’s surface area can be used for crop production. Some 1.3 million hectares are under irrigation. The most important factor limiting agricultural production is the availability of water. Rainfall is distributed unevenly across the country. Almost 50 percent of South Africa’s water is used for agricultural purposes.

The largest area of farmland is planted in maize, followed by wheat and, on a lesser scale, sugar cane and sunflowers. About 15,000 farmers produce maize, mainly in the northwest, the northwestern, northern, and eastern Free State, the Mpumalanga Highveld and KwaZulu-Natal midlands. Local consumption of maize amounts to approximately 6.5 million tons, and surplus maize is usually exported. Wheat is produced in the winter rainfall areas of the western Cape and the eastern parts of the Free State. The average yield per season is 1.5 million tons. Barley is produced mainly on the southern coastal plains of the western Cape, accounting for more than 98 percent of locally produced barley with an average season yield of 215,100 tons. Sorghum is cultivated mostly in the drier parts of the summer rainfall areas. Groundnuts are grown in the northern province, Mpumalanga, the northern Free State, and the northwest.

South Africa is the world’s tenth largest producer of sunflower seeds with an annual harvest of between 186,300 and 780,000 tons. South Africa is also the world’s tenth largest sugar producer. The bulk of the sugar crop is cultivated on the frost-free coastal areas and the KwaZulu-Natal midlands. However, about 10 percent is grown under irrigation in the southern parts of Mpumalanga. Deciduous fruit trees are grown mainly in the Western Cape, as well as in the Langkloof Valley in the eastern Cape. This industry's export earnings represent 21 percent of the country's total earnings from agricultural exports.

South Africa's wine and spirits industry is one of the most developed in the world. About 4,500 grape producers had 103,300 hectares of land under cultivation, making South Africa the 20th largest wine growing area in the world. The average size of the country's harvest is around 900 million liters, ranking it seventh in the world. Exports of South African wine grew from 23 million liters in 1991, to 50 million liters in 1994, and to 100 million liters in 1998. The industry provides income to 3,000 cooperative cellar staff and 45,000 farm workers.

Citrus production is largely limited to the irrigated areas of the northern province, Mpumalanga, the eastern and western Cape and KwaZulu-Natal. Pineapples are grown in the eastern Cape and northern KwaZulu-Natal. Other subtropical crops such as avocados, mangos, bananas, litchis, guavas, pawpaws, grenadillas, and macadamia and pecan nuts are produced mainly in Mpumalanga and the northern province. About 40 percent of the country's potato crop is grown in the higher-lying
areas of the Free State and Mpumalanga. About two-thirds of the country's total potato crop is produced under irrigation. In terms of gross income to the grower—apart from potatoes—tomatoes, onions, green mealies, and sweet corn are probably the most important crops.

Cotton, produced mainly in the northern province, constitutes 74 percent of the natural fiber and 42 percent of all fiber processed in South Africa. About 75 percent of local production is harvested by hand. Virginia tobacco is produced mainly in Mpumalanga and the northern province. There are more than 1,000 growers in the country who produce an annual average of 33 million kilograms on about 24,000 hectares of land. The crop represents 173 different grades of Virginia and 5 different grades of Oriental tobacco.

Rooibos tea is an indigenous herbal beverage produced mainly in the Cederberg area of the western Cape. There are some 280 producers, and about 580 tons of tea are exported annually. Ornamental plants are produced throughout the country. They include nursery plants, cut flowers, and potted plants. The industry creates jobs for about 15,000 people. Proteas are the country's top export flowers.

South Africa has developed one of the largest man-made forestry resources in the world. These plantations cover more than 1.4 million hectares with exports accounting for 35 percent of total turnover of forestry products. The 2 private pulp and paper manufacturers rank among the largest companies of their kind in the Southern hemisphere.

Livestock is farmed in most parts of South Africa, though the numbers vary according to climatic conditions. The 1998 estimates for head of cattle and sheep are 13.8 million and 29.3 million, respectively. South Africa normally produces 85 percent of its meat requirements while 15 percent is imported from Namibia, Botswana, and Swaziland. In 1998, 1.7 million heads of cattle were slaughtered, and the gross value of the red meat industry was estimated to be about R4,954 million. Most sheep are fine-wooled Merinos (50 percent). The Dorper, a highly productive, locally-developed mutton breed for arid regions, and the Merino account for most of South Africa's mutton production. Marketing of wool is free of any intervention.

The indigenous meat-producing Boer goat accounts for about 40 percent of all goats, and the angora goat, used for mohair production, for the remaining 60 percent. South Africa has about 3,500 angora farmers. Compared with the extensive cattle and sheep industries, the poultry and pig industries are more intensive and are located on farms near metropolitan areas. The predominant pig breeds are the South African landrace and the large white. South Africa accounts for 80 percent of world sales of ostrich products, including leather, meat, and feathers. In October 1997, Parliament approved legislation to allow the export of breeding ostriches and fertile eggs, which was previously forbidden. Dairy farming also occurs throughout South Africa. The volume of agricultural production has been erratic in the last decade primarily because of severe droughts. The country is, however, still self-sufficient as far as most primary foods are concerned, with the exception of wheat, oilseeds, rice, tea, and coffee.

### 1.4. Key Economic and Financial Statistics

Since 2003, the real GDP in South Africa has been increasing constantly to peak at R1 821.1 (US$243) billion during the third quarter of 2008. Following the peak, the GDP decreased to reach R1 791.3 (US$239) billion in the last quarter of 2009. After the average GDP growth of 5% for the period 2003 to 2007, South Africa recorded its first GDP contraction in 10 years during the fourth quarter of 2008, when the seasonally adjusted and annualized real GDP recorded negative growth (-0.7%). South Africa entered into technical recession in the first quarter of 2009, when the real GDP recorded the second negative growth of -7.4%.

Growth in the real total value added by agriculture, forestry and fisheries sector fluctuated drastically between 2003 and 2009. The fluctuations featured a notable number of negative growths. The sector's negative growth recorded in the second quarter of 2009 is the highest contraction since 2003. The sector growth remained negative in all four quarters of 2009, with the fourth quarter experiencing negative growth of -7.6%. The year-on-year headline inflation for January 2009 was at 8.1%. The headline inflation decreased to reach below 6%, i.e. 5.1% in March 2010. From the high of 5.7%, in January 2009, the inflation of food and non-alcoholic beverages decreased to reach 1.3% in March 2010. Food inflation decreased from 16.1% to 0.5% during the same period. The value of the Rand
against the US Dollar and the UK Pound has been decreasing since 2006. The global downturn of 2008/2009 resulted in sudden drop in the value of Rand against the foreign currencies, more visible in terms of UK Pound. However, the Rand has recovered since the second quarter of 2009. Since the beginning of 2010, the Rand has been very strong supported by an increased risk appetite for emerging market currencies and a weak US dollar. The Rand traded at R11.99/UK Pound and R7.66/US Dollar in February 2010. Household consumption expenditure tends to be highest in the fourth quarters of the year. During the first three quarters of 2009, expenditure by household slowed down in comparison to the first three quarters of 2008. This can be attributed to the economic recession which resulted in significant job losses and subsequent decreases in the household income. Consumption expenditure by households is back on positive territory with real final consumption expenditure increasing by 1.4% in last quarter of 2009. Figure 3 shows trends in the gross farm income and net farm income between 1990/91 and 2008/09. For 2008/09, the gross farm income was estimated at R128.4 (US$17) billion while the net farm income was estimated at R42.4 (US$6) billion.

Figure 3: Trends in the Gross and Net Farm Incomes

![Graph showing trends in gross and net farm incomes between 1990/91 and 2008/09](source: DAFF)

Figure 4 presents a trend of the budget allocated towards the national agriculture, forestry, and fisheries functions in South Africa since 1996/1997. The trends show that even though the budget has increased in nominal terms, there has been a general decrease in real terms.

Figure 4 Trends in the national Agriculture, Forestry and Fisheries budget in South Africa

![Graph showing nominal vs. real budget](source: DAFF)
As an additional source of revenue for the agricultural sector, the Marketing of Agricultural Products Act (Act 47 of 1996) makes provision for, among others, statutory levies to be collected as approved by the Minister of Agriculture. A statutory levy may be regarded as a “dedicated tax” per unit of an agricultural commodity at any point in the marketing chain between the producer and the consumer, which is collected for a specific purpose such as funding for research, information or transformation (NAMC, 2009). The NAMC is currently responsible for coordinating the administration of statutory levies by approved administrators spread across different commodity groupings. Table 2 below shows total levy income, expenditure and surplus/deficit during the 2008 reporting year.

### Table 2: Total Levy Income, Expenditure And Surplus/Deficit During 2008

<table>
<thead>
<tr>
<th>Industry</th>
<th>Total levy income (R)</th>
<th>Total levy expenditure (R)</th>
<th>Surplus/deficit (R)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citrus</td>
<td>27 451 509</td>
<td>25 084 216</td>
<td>2 367 293</td>
</tr>
<tr>
<td>Cotton</td>
<td>1 901 840</td>
<td>5 099 691</td>
<td>(3 197 851)</td>
</tr>
<tr>
<td>Dairy</td>
<td>27 915 992</td>
<td>22 722 380</td>
<td>5 193 612</td>
</tr>
<tr>
<td>Deciduous fruit</td>
<td>30 683 582</td>
<td>27 485 360</td>
<td>3 198 222</td>
</tr>
<tr>
<td>Dried fruit</td>
<td>2 035 888</td>
<td>3 097 870</td>
<td>(1 061 982)</td>
</tr>
<tr>
<td>Potatoes</td>
<td>23 043 688</td>
<td>24 791 620</td>
<td>(1 747 932)</td>
</tr>
<tr>
<td>Red meat</td>
<td>27 082 303</td>
<td>25 377 676</td>
<td>1 704 627</td>
</tr>
<tr>
<td>Sorghum</td>
<td>1 617 756</td>
<td>1 255 308</td>
<td>362 448</td>
</tr>
<tr>
<td>Table grapes</td>
<td>11 554 840</td>
<td>10 298 938</td>
<td>1 255 902</td>
</tr>
<tr>
<td>Wine</td>
<td>4 892 143</td>
<td>47 543 887</td>
<td>(631 946)</td>
</tr>
<tr>
<td>Winter cereal</td>
<td>27 198 618</td>
<td>29 503 055</td>
<td>(2 304 437)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>229 407 459</strong></td>
<td><strong>222 260 001</strong></td>
<td><strong>7 147 458</strong></td>
</tr>
</tbody>
</table>

2. PUBLIC SECTOR IN AGRICULTURE

#### 2.1. Principle Government Agencies Involved in Agriculture

The key public institutions involved in agriculture are the Department of Agriculture, Forestry and Fisheries (DAFF) (until recently the Ministry for Agriculture and Land Affairs) and its state-owned entities namely the Agricultural Research Council (ARC), the National Agricultural Marketing Council (NAMC) and the Onderstepoort Biological Products (OBP), the Perishable Products Export Control Board (PPECB), Ncera Farms (Pty) Ltd., and the Land Bank (which has recently been transferred to the National Treasury from the former national Ministry of Agriculture and Land Affairs).

#### 2.2. Parastatals and Statutory Bodies

##### 2.2.1. The Department of Agriculture, Forestry and Fisheries (DAFF)

The newly-constituted DAFF excludes Land Affairs (which is now part of the new Department of Rural Development and Land Reform) and incorporates two new sectors namely Forestry and Fisheries. The current (2010/11) DAFF structure comprises seven programmes as follows (DAFF, 2010):

- **Programme 1**: Administration
- **Programme 2**: Policy, Planning, Monitoring and Evaluation
- **Programme 3**: Economic Development, Trade and Marketing
- **Programme 4**: Food Security and Agrarian Reform
- **Programme 5**: Agriculture Production, Health and Food Safety
- **Programme 6**: Forestry and Resources Management
- **Programme 7**: Marine Fisheries and Coastal Management

The above programme structures are reproduced in various forms and combinations at the nine provinces. Provinces work closely with municipalities on FANR issues.

##### 2.2.2. Agricultural Research Council (ARC)

The ARC is an autonomous statutory body set up in terms of the Agricultural Research Act, 1990 (Act 86 of 1990). It is the largest agricultural research organisation in Africa and provides research support to the DAFF and the nine provincial departments of agriculture. It comprises of a number of research institutes that were previously part of the Department of Agriculture. ARC scientific expertise supports...
most of the DAFF’s line functions, such as animal health, public veterinary health, agricultural production, agricultural resource cultivation and plant health. The ARC also supports other agricultural institutions such as the Registrar of Livestock Improvement and Identification, the Registrar of Brands, the South African Veterinary Council and the Perishable Products Export Control Board (PPECB) (GCIS, 2009).

It operates through mainly ten campuses spread throughout the country and grouped under the following divisions:

- **Animals (Livestock)**
  - Onderstepoort Veterinary Institute (OVI) (Onderstepoort Campus)
  - Animal Production Institute (Irene Campus)

- **Grain and Industrial Crops**
  - Institute for Industrial Crops (Irene Campus)
  - Small Grains Institute (Bethlehem Campus)
  - Summer Grains Institute (Potchefstroom Campus)

- **Horticulture**
  - Institute for Tropical and Subtropical Crops (Nelspruit Campus)
  - Infruitec – Nietvoorbij (Stellenbosch Campus)
  - Vegetable and Ornamental Plants Institute (Roodeplaat Campus)

- **Natural Resource and Engineering**
  - Agricultural Engineering Institute (Silverton Campus)
  - Institute for Soil, Climate and Water (Arcadia Campus)
  - Plant Protection Research Institute (Rietondale and Roodeplaat Campuses)

Some of the above-mentioned institutes have branches, satellite offices, research stations, experimental farms and laboratories, which altogether add up to over 80 units.

### 2.2.3. National Agricultural Marketing Council (NAMC)

The NAMC was established in terms of the Marketing of Agricultural Products Act (Act 47 of, 1996). The council, in accordance with the Act, provides the DAFF Minister with strategic advice on all agricultural marketing issues to improve market efficiency and access for all participants, optimise export earnings and improve the viability of the agricultural sector.

Between 2004/05 and 2007/08, the NAMC has been reorganized to become the main state-owned agency for agricultural marketing. The council has developed an economic and market research programme that tracks economic trends and provides market information that is aimed at improving South Africa’s position in future global agricultural markets (GCIS, 2009).

### 2.2.4. Onderstepoort Biological Products (OBP)

The OBP is a state-owned public company. It has the capacity and technology to produce veterinary vaccines and related biological products for local and international markets. The OBP is the sole or main producer of a number of vaccines for African and tropical animal diseases. The OBP provides vaccines to combat major outbreaks of diseases such as CBPP (lungsickness in cattle), lumpy-skin disease, Rift Valley fever, bluetongue, African horse sickness and anthrax (GCIS, 2009).

### 2.2.5. Land and Agricultural Bank of South Africa (Land Bank)

The aim of the Land Bank is to promote, facilitate and support agricultural development. It does this through initiatives aimed at supporting historically disadvantaged people, agrarian reform in all its dimensions, and development and access to land by historically disadvantaged people for agricultural purposes. The Land Bank is a key development finance institution providing access to credit in the agricultural sector. In July 2008, the administration of the Land Bank was transferred from the then Department of Agriculture to the National Treasury (GCIS, 2009 & 2010).
2.2.6. Ncera Farms (Pty) Ltd

Ncera Farms is a public company with the Department of Agriculture, Forestry and Fisheries as the sole shareholder. Ncera Farms is situated on state-owned land of approximately 3 102 hectares. The primary function of Ncera Farms is to assist small and emerging farmers through the provision of various services such as advice, extension services, training and ploughing.

2.2.7. Perishable Products Export Control Board (PPECB)

The PPECB Act mandates the Board to provide control over perishable products intended for export, while the APS Act mandates the Board, as an assignee, to conduct quality inspections on agricultural perishable products destined for exports.

3. PRIVATE SECTOR IN AGRICULTURE

The private sector in agriculture consists of organised agriculture and farmer representative bodies as well as agribusiness. The three main farmer representative bodies are the National African Farmers Union (NAFU), AgriSA and Transvaal Agricultural Union (TAU) SA. The Agricultural Business Chamber (ABC) is a representative body for agribusiness companies in South Africa. The sector is also composed of a number of very well-organised commodity groups and trusts spread among the three agricultural sub-sectors namely, animal production, horticultural production and field crop production.
4. NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1. General Overarching Framework Documents

4.1.1. General Overview

Since 1994, the South African Agricultural strategy has been shaped by four main policy documents:

- White Paper on Agriculture (1995);
- White Paper on South African Land Policy (1997);
- Marketing of Agricultural Products Act (Act 47 of 1996);
- Agricultural Policy in South Africa (1998); and
- The Strategic Plan for South African Agriculture (2001)

Other significant policy documents that set the foundation for current agricultural programmes include:

- Integrated Sustainable Rural Development Strategy (ISRDS)
- Integrated Food Security Strategy (IFSS)
- Broad-Based Black Economic Empowerment Framework for Agriculture (AgriBEE)
- National Agricultural Research and Development Strategy (2008)

4.1.2. White Paper on Agriculture

The stated vision in the White Paper on Agriculture (1996) was “A highly efficient and economically viable market-directed farming sector, characterised by a wide range of farm sizes, which will be regarded as the economic and social pivot of rural South Africa and which will influence the rest of the economy and society.”

The key agricultural policy goals were to:

- Develop a new order of economically viable, market-directed commercial farmers, with the family farm as the basis;
- Broaden access to agriculture via land reform should be enhanced by adequate agricultural policy instruments, and supported by means of the provision of appropriate services;
- To develop financial systems for the resource-poor and beginner farmers, to enable them to purchase land and agricultural inputs;
- Trade in and the marketing of agricultural products should reflect market tendencies;
- Promote sustainable use of the natural agricultural and water resources; and
- Develop agriculture's important role in the regional development of Southern Africa and other countries.

4.1.3. Agricultural Policy in South Africa

The Agricultural Policy in South Africa discussion paper acknowledges the important role that agriculture has in building a strong economy, nurturing natural resources, and reducing inequalities by increasing incomes and employment. It sets the following three major goals for achieving this multi-faceted vision (Ministry for Agriculture and Land Affairs, 1998):

- To build an efficient and internationally competitive agricultural sector;
- To support the emergence of a more diverse structure of production with a large increase in the numbers of successful smallholder farming enterprises; and
- To conserve our agricultural natural resources and put in place policies and institutions for sustainable resource use.
4.1.4. **Strategic Plan for South Africa’s Agriculture**

The Strategic Plan for South Africa’s Agriculture (henceforth the Strategic Plan) was published in 2001. The Strategic Plan reformulated the vision for South African agriculture as: “A united and prosperous agricultural sector”, and introduced a new strategic goal as: “To generate equitable access and participation in a globally competitive, profitable and sustainable agricultural sector contributing to a better life for all” (Department of Agriculture, 2001). The newly reconstituted Department of Agriculture, Forestry and Fisheries is in the process of drafting a new Agriculture, Forestry and Fisheries Sector Plan. It sets forth the following (Table 3) three core strategies, outcomes and programmes in support of the vision and in dealing with profitability, equity and sustainability challenges facing the agricultural sector as follows:

**Table 3: Core Strategies, Outcomes and Programmes of the Strategic Plan for South Africa’s Agriculture**

<table>
<thead>
<tr>
<th>Core Strategies</th>
<th>Outcomes</th>
<th>Programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Enhance equitable access and participation in the agricultural sector;</em></td>
<td><em>Increased wealth creation in agriculture and rural areas;</em></td>
<td><em>Implementing the broad-based safety and security strategy for good working and social stability, trust and confidence</em></td>
</tr>
<tr>
<td><em>Improve global competitiveness and profitability; and</em></td>
<td><em>Increased sustainable employment in agriculture;</em></td>
<td><em>Fostering a shared vision on agriculture, good governance and social partnerships</em></td>
</tr>
<tr>
<td><em>Ensure sustainable resource management</em></td>
<td><em>Increased incomes and increased foreign exchange earnings;</em></td>
<td><em>Fast tracking the programme of land redistribution for agricultural development and processes of empowerment for targeted groups</em></td>
</tr>
<tr>
<td></td>
<td><em>Reduced poverty and inequalities in land and enterprise ownership;</em></td>
<td><em>Transforming agricultural research, transfer of technology, education and extension to be more responsive to markets</em></td>
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<td></td>
<td><em>Improved farming efficiency;</em></td>
<td><em>Redefining the mandate of agriculture marketing and international trade in the post-control board era against greater global competition and demands for market access, infrastructure and information</em></td>
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<tr>
<td></td>
<td><em>Improved national and household food security;</em></td>
<td><em>Building credible agricultural statistical and economic analysis systems that will be accessible to all farmers and enterprises</em></td>
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<td><em>Stable and safe rural communities, reduced levels of crime and violence, and sustained rural development;</em></td>
<td><em>Establishing the integrated rural financial services system outlined by the Strauss Commission Report</em></td>
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<td></td>
<td><em>Improved investor confidence and greater domestic and foreign investment in agricultural activities and rural areas; and</em></td>
<td><em>Developing effective an integrated risk management system for plant and animal health systems, price and income systems and natural disasters</em></td>
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<td></td>
<td><em>Pride and dignity in agriculture as an occupation and sector.</em></td>
<td><em>Targeting investment in rural development nodes to provide livelihoods, infrastructure, irrigation, electricity, telecommunications, transportation, training and skills development</em></td>
</tr>
</tbody>
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34 The Commission of Inquiry into the Provision of Rural Financial Services.
4.1.5. **Broad-Based Black Economic Empowerment Framework for Agriculture (AgriBEE)**

In line with the BBBEE Act of 2003, a policy on Broad-Based Black Economic Empowerment Framework for Agriculture (AgriBEE) was introduced to establish the guiding principles for broad based black economic empowerment in agriculture in a manner that seeks to build on the experience of transformation efforts since 1994. The AgriBEE policy takes what it refers to as the “commodity approach”, which encompasses a thorough interrogation of the backward and forward linkages within the total value chain within and between various commodities. It therefore applies to the entire value chain in the South African agricultural sector (from farm field to consumer plate), including all economic activities relating to provision of agricultural inputs, services, farming, processing, distribution, logistics and allied activities that add value to agricultural products. (Department of Agriculture, 2004). It commits all stakeholders (participants in the entire agricultural value chain as well as current and potential beneficiaries of AgriBEE) to work to create an enabling environment for historically disadvantaged individuals (HDIs) by delivering on the following for the benefit of the targeted beneficiaries (Department of Agriculture, 2004):

- **Agricultural land**: High potential land is to be made available to HDIs for ownership, leasehold and/or use.
- **Human resource development**: Greater attention is to be to expanding the existing human capital pool through investing in people, employment equity, skills development and institutional transformation.
- **Employment equity**: Stakeholders are to ensure that, in line with the Employment Equity and Skills Development acts, a representative management outlook is achieved in all agricultural enterprises.
- **Enterprise ownership and equity**: The goal is to develop and implement a diversity of enterprise ownership models in support of black economic empowerment.
- **Procurement and contracts**: Procurement and contractual behaviour of retail, tourism, distribution and consumer sectors is to be geared towards targeting HDIs.
- **Agricultural support services**: Support services such as access to finance, infrastructure, information and knowledge systems, will be provided to HDIs.

As part of establishment of an implementation framework for AgriBEE, the Agricultural Broad Based Black Economic Empowerment (AgriBEE) Sector Transformation Charter was gazetted in terms of section 12 of the BBBEE Act (No. 53 of 2003) in March 2008. The Charter provides guidelines for transformation in the agricultural sector. The AgriBEE Charter Council was inaugurated on the 05th December 2008 with the purpose of driving the implementation process of the BBBEE in the agricultural sector.

4.2. **Agricultural Policies and Strategies**

4.2.1. **Land Infrastructure**

4.2.1.1. **White Paper on South African Land Policy**

The land policy White Paper has three elements in the land reform programme namely:

- **Redistribution** which aims to provide the disadvantaged and the poor with access to land for residential and productive purposes;
- **Land restitution** which deals with cases of forced removals, which took place after 1913 through the Land Claims Court and Commission, established under the Restitution of Land rights Act (22 of 1994); and
- **Land tenure reform** aimed at improving tenure security of all South Africans and to accommodate diverse forms of land tenure, including types of communal tenure.

The White Paper introduces four goals for land reform as follows:

- To redress the injustices of apartheid;
• To foster national reconciliation and stability;
• To underpin economic growth; and
• To improve household welfare and alleviate poverty.

The document also commits the government to providing an enabling policy environment as well as direct financial and other support services. The two departments responsible for implementation of the land reform programme are Agriculture and Land Affairs.

The South African land policy as laid out in the White Paper of 1997 had its early influence from the World Bank’s 1993 report, “Options for land reform and rural restructuring in South Africa” (World Bank, 1993). The report advocated a market-assisted land redistribution programme aimed at redistributing 30 percent of commercial farmland to black households for productive use, a basic grant to assist households to pay for a rural housing site and a matching grant to facilitate access to land for individuals or groups looking to use land productively, a safety net programme for the poorer households, and a land claims process to settle land claims. The World Bank report also suggested a twin vision of land reform consisting of both a welfare and productive component.

4.2.1.2. Communal Property Associations Act

Based on the 1997 White Paper, a pilot land reform programme was designed following the more or less the market-assisted approach initially advocated by the World Bank. A piece of legislation, The Communal Property Associations Act, was passed in 1996 to enable communities to collectively access the land reform grant known as the Settlement and Land Acquisition Grant (SLAG) initially set at R15 000 (and later increased to R16 000) per household earning less than R1 500 per month. The Provision of Land and Assistance Act (Act 126 of 1993) provided the legal basis for the grant. Land redistribution took several forms namely, group settlement with some individual production, group production, commonage schemes, on-farm settlement of farm workers, and farm worker equity schemes.

The implementation of land reform between 1994 and 1999 generally proved daunting. It is the general conclusion of many observers that in its first five years of implementation, the land reform programme, although project-level successes were noted, failed to meet the broad objectives it had set. After 1999 two changes were introduced in the land reform programme as follows:

• The Integrated Programme of Land Redistribution and Agricultural Development (now called the Land Reform for Agricultural Development programme or LRAD), and
• The new tenure security proposals for the communal areas.

LRAD emphasises the use of redistributed land for agriculture-related productive purposes (Ministry for Agriculture and Land Affairs, 2001). Alongside LRAD, the Comprehensive Agricultural Support Programme (CASP) was introduced in 2004 to enhance the provision of support services for agricultural development, specifically targeting land reform beneficiaries. It has six pillars, namely: information and knowledge management; technical advisory assistance; financial assistance; training and capacity building with private companies; marketing business development; and on- and off-farm infrastructure.

4.2.1.3. Comprehensive Agricultural Support Programme (CASP)

The implementation of the CASP conditional grant started in the 2004/05 financial year with a budget of R200 million to provide post-settlement support, to improve agricultural activity and to support land reform beneficiaries. Government allocated an amount of R750 million of CASP funding over the first Medium Term Expenditure Framework (MTEF). Further allocations of R415 million and R535 million (including R100 million Extension Recovery Plan) were made for the 2007 and 2008 outer years respectively, thus totalling an allocation of R1.7 billion at end of five years. From inception in 2004/05 until 2008/09, a cumulative total of R1.2 billion worth of CASP spending occurred nationally, which was mainly utilised the funds for infrastructure projects, one of the six pillars of CASP. This amount benefitted a total of over 250 000 beneficiaries (Department of Agriculture, 2010).

More recently, with the change in government administration following the 2009 general elections, the Department of Land Affairs has been renamed, “Department of Rural Development and Land Reform”, and the Department of Agriculture has inherited Forestry and Fisheries components from other departments to become the new “Department of Agriculture, Forestry and Fisheries”
4.2.1.4. Proactive Land Acquisition Strategy (PLAS)

In an effort to speed up land reform in 2006 the DLA introduced the Proactive Land Acquisition Strategy (PLAS) by the state for targeted groups in the land market. The PLAS is based on the premise that there is a need or demand for land, which might either be quantified through IDPs or other state driven processes. Through PLAS the state proactively targets land acquisition and matches this with the demand or need for land (Tregurtha and Vink, 2008).

4.2.1.5. Land and Agrarian Reform Project

The latest reinforcement in the land reform programme is the Land and Agrarian Reform Project (LARP), introduced in 2008 as “a new Framework for delivery and collaboration on land reform and agricultural support to accelerate the rate and sustainability of transformation through aligned and joint action by all involved stakeholders” (Department of Agriculture, 2008). LARP came up with a new set of priorities as follows:

- Redistribute 5 million hectares of white-owned agricultural land to 10 000 new agricultural producers
- Increase Black entrepreneurs in the agribusiness industry by 10%.
- Provide universal access to agricultural support services to the target groups.
- Increase agricultural production by 10-15% for the target groups
- Increase agricultural trade by 10-15% for the target groups.

As at September 2009, the following achievements have been made:

- A total of 3 million hectares were delivered under the redistribution and tenure programme.
- The restitution programme transferred 2.6 million hectares (including state land) to land reform beneficiaries.
- In total the land reform programmes delivered 5.6 million hectares since the 30% target was set in 1995 – this constitutes 6.8% of all agricultural land.
- The current shortfall amounts to 19 million hectares (23.2%) of agricultural land still needing to be transferred to land reform beneficiaries.

4.2.2. Livestock Policies and Strategies

The National Livestock Development Strategy (NLDS) was implemented in 2007, and aims to enhance the sustainability of animal agriculture in South Africa across the entire production, processing and supply chain. Implementation includes establishing sector working groups, mobilising rural stock owners and keepers towards economic production and supporting systems for the conservation of veld and livestock resources through sustainable use.

The National Recording and Improvement Scheme, managed by the ARC, ensures the efficient and economic sustainability of livestock production. It also provides scientific and technical assistance to participants to assist in making the right decisions. The Dairy Recording and Improvement Scheme enables dairy farmers to record the genetic economically important traits of their animals. This information feeds into the Integrated Registration and Genetic Information System (INTER-GIS), South Africa’s national farm animals recording database. Through INTER-GIS, raw data is processed and it also generates a range of reports that enable dairy farmers to select and identify the productivity of individual animals and farming enterprises (GCIS, 2010).

The Animal Identification Act, 2002 (Act 6 of 2002), administered by the Directorate: Veterinary Services in the DAFF, regulates the registration of unique markings for all declared animal species. Under the Act, the Minister of Agriculture, Forestry and Fisheries declares animals for compulsory identification. The national register is available to the South African Police Service (SAPS) through State Information Technology Agency (SITA) links to trace ownership of individual animals to their owners (GCIS, 2010).
4.2.3. Natural Resources and Environment

4.2.3.1. Environment

South Africa’s environmental programmes are based on the White Paper on the Conservation and Sustainable Use of South Africa’s Biological Diversity (1997), and multilateral agreements such as the United Nations (UN) Convention on Biological Diversity (CBD), which came into force in December 1993. These are implemented in terms of the National Environmental Management: Biodiversity Act, 2004 (Act 10 of 2004). This Act provides a regulatory framework to protect South Africa’s valuable species, ecosystems and its biological wealth (GCIS, 2009).

The National Environmental Management Protected Areas Act, 2003 (Act 57 of 2003) provides for the protection and conservation of ecologically viable areas that are representative of South Africa’s biological diversity, its natural landscapes and seascapes, and the management of these (GCIS, 2009).

Regulations in terms of the National Environmental Management: Protected Areas Amendment Act, 2004 (Act 31 of 2004) provide for the proper administration of specific nature reserves, national parks and world heritage sites.

In July 2008, the National Framework for Sustainable Development (NFSD) was approved by Cabinet together with the intention to develop an in-depth implementation plan for sustainable development in the country. The NFSD seeks to build on existing programmes and strategies that have emerged in the first 15 years of democracy. It sets the framework for a common understanding and vision of sustainable development, describes the South African context and defines areas for strategic intervention. The NFSD complements current efforts aimed at reducing poverty and growing the economy (GCIS, 2009).

4.2.3.2. The National Land Care Programme (NLP)

The “Land Care” concept was developed in Australia and was exported to South Africa in 1997, after a series of consultations between stakeholders from both countries. The South African version is defined as: “a community based and government supported land management programme. It is a process focusing on the conservation of the natural resources through sustainable utilisation, by a community with a conservation ethic.” The idea is that communities are empowered to identify, implement, and monitor land conserving livelihood activities in their localities. The NLP’s key objectives are to:

- Promote partnerships between the communities, the private sector and government in the management of natural resources;
- Establish institutional arrangements to develop and implement policies, programmes and practices that will encourage the sustainable use of natural resources;
- Encourage skills development for sustainable livelihoods;
- Encourage opportunities for the development of business enterprises with a sustainable resource management focus; and
- Enhance the long-term productivity of natural resources.

Between its inception in 1998/99 and 2008/09, a total of R192 million has been allocated towards the NLP across all nine South African provinces. After ten years of implementation, the NLP faces a number of challenges including lack of specialist skills such as civil engineering, economics and project management among PDIs (DAFF, 2010).

The NLP has been expanded into additional sub-programmes. DAFF has initiated the integrated Soil Protection Strategy in support of growth and sustainable development in the agricultural sector. The project aims to improve agricultural productivity and contribute to economic growth by focusing on erosion, declining soil acidity, soil fertility and organic matter, and veld rehabilitation (GCIS, 2009).

4.2.3.3. Water

The Water Services Act, 1997 (Act 108 of 1997) and the National Water Act, 1998 (Act 36 of 1998) create a regulatory framework within which water services could be provided. Schedule Four of the
Constitution vests the responsibility for water and sanitation services in local government. National government, however, is responsible for the regulatory function (GCIS, 2009).

The National Water Act, 1998 (Act 36 of 1998), to be implemented through the National Water Resource Strategy (NWRS), was enacted to ensure that water resources are protected, used, developed, conserved, managed and controlled in a sustainable manner, for the benefit of everyone in South Africa.

The Water for Growth and Development (WfGD) Framework (2009) was developed to set “the foundation and create necessary pointers for the development of the National Water Resources Strategy (NWRS), which is a legislative requirement” in terms of the National Water Act, 1998 (Act 36 of 1998). The WfGD Framework seeks to achieve the following (Department of Water Affairs and Forestry, 2009):
- To strike an appropriate balance between supply and demand driven approaches, taking into account the specific constraints pertaining to this resource.
- To place water at the heart of all planning that takes place in the country so that any decisions that rely on the steady supply of water adequately factor in water availability.
- To ensure that there is sustained investment in the water sector to avert any potential water crises and to ensure that water management supports social and economic growth targets government envisions for South Africa without compromising ecological sustainability of the resource.

4.2.3.4. Irrigation

The Department of Agriculture, Forestry and Fisheries (DAFF) has developed an Irrigation Strategy for South Africa (2010) in line with its identification of irrigation development as one of the five priority areas for the ASGISA initiative. It has the following objectives:
- Increasing the contribution of irrigated agriculture to the GDP (at least in absolute terms), poverty alleviation, employment creation and skills development, while simultaneously increasing irrigation water use efficiency;
- Increasing equity of access by historically disadvantaged individuals (HDIs) to irrigated agriculture, especially commercial irrigated agriculture, without compromising irrigation water use efficiency in the process; and
- Contributing to food security and improved socio-economic conditions at household and community level by means of mini-scale irrigation.

4.2.3.5. Forestry

The Forestry sector is regulated through the National Forest Act (No. 84 of 1998) and its regulations outlined in the National Forest Act regulations approved on 29 April 2009. The Act sets out rules for protecting indigenous forests, and ensures that the public has reasonable access to state-forest land for recreational, cultural, spiritual and educational purposes. Other important regulations include the Forestry Laws Amendment Act (No. 35 of 2005), National Forest and Fire Act (No. 101 of 1998) and National Forest and Fire Laws Amendment Act (No. 12 of 2001) (GCIS, 2009; Forestry South Africa, 2010).

In an effort to harness the forestry sector’s contribution towards the government’s objectives of halving unemployment and poverty by 2014, the Strategic Framework for the Forestry, Timber, Pulp and Paper Industry was drafted in 2007. The framework outlines four main elements to be addressed for sustained and accelerated growth for the forestry, timber, pulp and paper industry as follows (Department of Trade and Industry, 2007):
- Increase supply of raw materials (fibre);
- Ease supply constraints to downstream processing activities;
- Increase downstream processing activities; and
- Technology transfer and skills development.

The South African Forestry Company Limited (Safcol) is another key player in South Africa’s forestry sub-sector. Safcol is a wholly owned state enterprise reporting to the Department of Public Enterprises. It was formed in 1992 and acquired the former Department of Water Affairs and Forestry’s commercial forestry
assets and related business in April 1993. Since 1993, Safcol has played a leading role in the forestry industry, especially by introducing new forest engineering and sawmilling technology to the local industry (GCIS, 2009).

Recently, the Forest Sector Transformation Charter was developed by forestry sector stakeholders over a period of two years and was gazetted as Sector Codes, in terms of Section 9(1) of the Broad-Based Black Empowerment (B-BBEE) Act in May 2009. The Charter highlights the need for small, micro and medium enterprise (SMME) development “in underpinning economic growth and ensuring that black economic empowerment is broad-based”.

The Charter contains a number of undertakings by Government and Industry for creating an enabling environment for SMME development in the Forest Sector. The Charter also commits enterprises in the forest sector to support B-BBEE and SMME development through procurement and enterprise spending. Overall, the Charter sees both government and industry as having an important role to play in supporting emerging black entrepreneurs in the Forest Sector. The Charter proposes doing, not by creating new delivery structures, but by strengthening existing delivery structures in both the corporate sector and public sector (DAFF, 2010).

4.2.3.6. Fisheries

The South African coastline covers more than 3 200 km, linking the east and west coasts of Africa. South Africa’s shores are particularly rich in biodiversity, with some 10 000 species of marine plants and animals having been recorded. The South African fishing industry has transformed over the last few years to become more representative of the national population (GCIS, 2009).

The Marine Living Resources Fund (MLRF) was established in terms of section 10 of the Marine Living Resources Act (1998) to manage the development and sustainable use of South Africa’s marine and coastal resources and to protect the integrity and quality of the country’s marine and coastal ecosystem. The fund’s activities can be divided into four programmes (Department of Environmental Affairs and Tourism, 2009):

- **Research, Antarctica and Islands** provides advice on the sustainable use of marine and coastal resources;
- **Integrated Coastal Management** manages a variety of human impacts on the coastal environment through regulating activities along the coastline;
- **Marine Resource Management** regulates the use of marine resources through administering fishing rights, permits and licenses; and
- **Monitoring, Control and Surveillance** aims to prevent and reduce illegal marine activities.

With regard to marine aquaculture, the Policy for the Development of a Sustainable Marine Aquaculture in South Africa has been implemented. It is aimed at “promoting the development of an economically sustainable and globally competitive marine aquaculture industry in South Africa” (Government Gazette, 2007). The policy covers, among others, areas of research and development (R&D), environmental protection, aquaculture awareness, transformation and broadening participation, availability and access to services, and technical advice (Semoli, 2010).

A new piece of legislation, the Integrated Coastal Management Act, 2008 (Act 24 of 2008), replaces the Seashore Act, 1935 (Act 21 of 1935) and the Dumping at Sea Control Act, 1980 (Act 73 of 1980). It introduces a comprehensive national system for planning and managing South Africa’s coastal areas. It declares the seashore, coastal waters (including estuaries) and South Africa’s territorial seas to be coastal public property, therefore requiring the State to act as the trustee of coastal public property. A new policy on subsistence/small-scale fisheries is currently being drafted (GCIS, 2009; Department of Environmental Affairs and Tourism, 2009).
4.3. **Support Services for Farmers**

4.3.1. **Marketing of Agricultural Products**

The marketing act stated objectives (NAMC, 1996) are:

- Provision of free market access for all market participants;
- Promotion of efficiency of the marketing of agricultural products;
- Improvement of export earnings opportunities; and
- Enhancement of the viability of the agricultural sector.

The market deregulation process went hand in hand with another - foreign trade liberalisation - which had already started prior to the new democratic dispensation, in line with implementation of South Africa's commitments under the World Trade Organisation (WTO)'s Agreement on Agriculture of 1994.

4.3.2. **Agricultural Marketing Policy (2009)**

The Agricultural Marketing Policy for the Republic of South Africa, (Department of Agriculture, Forestry and Fisheries, 2009) was developed to respond to the absence of a formal approach to guide government intervention in agricultural markets, outside broad principles of the Marketing of Agricultural Products Act (Act 47 of 1996) and preceding sectoral general guidelines contained in such documents as the White Paper on Agriculture (1996) and the BATAT series (1996). Among key of its focus areas, it outlines mechanisms through which to support smallholder farmers and to protect agriculture from unfair external competition.

4.3.3. **Agricultural Marketing Strategy (2010)**

To guide the implementation of the Agricultural Marketing Policy, the Agricultural Marketing Strategy for the Republic of South Africa was developed (Department of Agriculture, Forestry and Fisheries, 2010). Its overall aim is “to minimize or eliminate agricultural market access constraints experienced by agricultural producers and other value chain players both in the local and international markets and to lower transaction costs in agricultural marketing.” The two documents mentioned above have not yet been released for public consumption.

4.4. **Support to Investment**

4.4.1. **Credit Facilities**

The Micro-Agricultural Financial Institutions of South Africa (MAFISA) was introduced in 2004 as a scheme aimed at addressing the constraints facing the target market (micro and small agribusinesses). These constraints include inadequate market activity, low levels of physical, financial and human capital; high transaction costs and interest rates, inadequate access to and long distances from financial service providers, and inadequate personalised client services.

MAFISA seeks to provide funding, through participating institutions, for on-lending to target markets; to address the financial services needs of micro and small agribusinesses and to strengthen the developmental agricultural micro-finance system for their benefit (Parliamentary Monitoring Group, 2008; Department of Agriculture, 2005). It forms part of the CASP programme as one of its six pillars. An amount of R1 billion was set aside for MAFISA. The scheme was initially piloted in three provinces namely Limpopo, Eastern Cape and KwaZulu-Natal.

The bulk of MAFISA loans are managed by the Land Bank. Finance under MAFISA is limited to two products initially, namely production loans and small equipment loans. The production loan is R100 000, at an interest rate of 8%. Government assumes 100% capital risk. The loans are generally for 12 months, except for perennial crops such as sugar cane (Department of Agriculture, 2005). As at December 2009, a cumulative 12 095 beneficiaries have benefitted from a total of just over R80 million worth of MAFISA loans disbursed since 2005 (Department of Agriculture, 2010).
4.4.2. Research

A vacuum has long existed in the South Africa’s National Agricultural Research Service (NARS) whereby there has been a lack of a single public institutional entity that coordinates the national agricultural research agenda. It is partly for this reason that the National Agricultural Research and Development Strategy (NARDS) was formulated. The NARDS was developed with a mission “to guide and direct the generation, adaptation and application of knowledge and innovation for sustainable agricultural development to benefit society (Department of Agriculture, 2008).” The strategy is still to be fully implemented.

4.5. Emergency and Disaster Preparedness

4.5.1. Disaster Management

The Disaster Management Act (Act 57 of 2002) advocates for prevention, mitigation and adaptation strategies such as the strengthening of an early warning system for the sector and research on climate change, including large-scale epidemics and hazards; as well as the provision of information to farmers on agricultural markets and climate. DAFF has also drafted two other policies to strengthen preparedness for disaster management namely, the Agricultural Disaster Management Plan and the Agricultural Drought Management Plan, which are still at consultation stage (GCIS, 2009).

4.5.2. The Integrated Food Security Strategy (IFSS)

The South African government developed the Integrated Food Security Strategy (IFSS) as a response to a realisation that the situation of many disintegrated food security programmes implemented by different government departments was proving “unsatisfactory.” The IFSS was then formulated as a strategy that would harmonise and integrate the different departments’ many food security activities. The IFSS’s overall objective is to “attain universal, physical, social and economic access to sufficient, safe and nutritious food by all South Africans at all times to meet their dietary and food preferences for an active and healthy life.” Its goal is to “eradicate hunger, malnutrition and food security by 2015.” (Department of Agriculture, 2002).

The following are the IFSS’s strategic objectives:
- To increase household food security and trading;
- To improve income generation and job creation opportunities;
- To improve nutrition and food safety;
- To increase safety nets and food emergency management systems;
- To improve analysis and information management system;
- To provide capacity building; and
- To hold stakeholder dialogue.

The IFSS was to be implemented through a multi-departmental effort involving, among others, Departments of Agriculture, Health and Social Development. Under the new administration (2009-2014), this portfolio is now implemented by the Integrated Food Security and Nutrition Task Teams (IFSN TT) under the oversight of the Social Protection and Community Development Cluster of the Cabinet. The Department of Agriculture, Forestry and Fisheries (DAFF), which chairs the IFSNTT, has admitted that the aim of the IFSNTT, which is to implement food security interventions in an integrated manner across government, has not yet been realized, rendering it unable to provide answers on food security in South Africa.

4.6. Trade Related Issues

The latest agricultural trade strategy, which is part of South Africa’s economy-wide trade strategy advocates for tariffs (to be made on a case by case basis) as trade policy tools to be used to promote economic growth, employment generation, investment attraction, productivity growth, food security and rural development. Other forms of export support are also proposed, as and when these will be necessary.

36 Source: unpublished internal DAFF document.
to support exporters and agroprocessors. The strategy also points out potential negative impacts of non-tariff barriers (NTBs) and other support programmes in major global economies, which need to be addressed multilaterally to ensure that South Africa remains a competitive agricultural exporter (Department of Trade and Industry, 2010).

4.6.1. Genetically Modified Organisms (GMO) Policies

With South Africa facing limitations in terms of physical potential for crop production, legislation on genetic modification was introduced “as a way of meeting growing demand for food without placing even greater pressure on scarce resources” (GCIS, 2009). The Genetically Modified Organisms Act (Act 15 of 1997) (GMO) was implemented in 1999 to provide for the regulation of all GMO activities in South Africa. The Act specifically provides for biosafety assessments to be conducted for every proposed GMO activity. The objectives of the Act are to promote the responsible application of GMOs in South Africa without impacting negatively on human or animal health, the environment or biodiversity.

The process of amending the GMO Act was initiated in 2005 in order to align the Act with provisions of the Cartagena Protocol for Biosafety (CBP) and environmental legislation. The aforementioned amendments to the Act were approved and signed by the President in April, 2007 (USDA, 2008). In February 2010 both the proclamation of the GMO Amendment Act and the accompanying regulations were gazetted for implementation (Arendse, 2010).

To date South Africa has approved the commercialization of three genetically-modified (GM) crops, namely maize, cotton and soya beans. Since the adoption of GM crops in 1996, the areas planted to GM maize, soya beans and cotton in South Africa have increased to 2.1 million hectares (James, 2010).

4.6.2. Animal Health and Veterinary Policies

The State Veterinary Services constantly guards against the introduction of animal diseases from outside South Africa. Existing animal diseases, which may be detrimental to South Africa’s economy and to human and animal health, are also monitored, controlled and combated. The Directorate: Veterinary Services of the DAFF sets norms and standards for the delivery of veterinary services in South Africa. Legislation provides the necessary powers to control diseases such as foot-and-mouth disease (FMD), swine fever, rabies and anthrax (GCIS, 2010).

4.6.3. Plan Health

The DAFF conducts plant health regulatory services for imports and exports in terms of the Agricultural Pests Act of 1983 (Act No. 36 of 1983) and the relevant International Standards for Phytosanitary Measures (ISPMs) of the IPPC. The Directorate Plant Health of DAFF is responsible for the development of import conditions based on pest risk analysis and issues import permits for the importation of plants, plant products and other regulated articles. Inspection, certification, surveillance, quarantine and diagnostic services are other key regulatory service delivery areas of DAFF for plant and plant product imports and exports. The ARC provides research support to DAFF for specific plant health projects especially related to diagnostic services for surveillance monitoring and delimitation purposes (Directorate of Plant Health, 2010).

4.7. Other Related Policies

4.7.1. The Integrated Sustainable Rural Development Strategy (ISRDS)

A major strategy, meant to galvanise the equity and redress elements of government’s main post-apartheid policy foci, the Integrated Sustainable Rural Development Strategy (ISRDS) was introduced in 2000 from the Presidency. The ISRDS is a strategic framework for the Integrated Sustainable Rural Development Programme (ISRD). The ISRD’s strategic focus is on coordinating existing departmental programmes to achieve greater rural development impact, while allowing additional activities such as the land reform and community-based income generating activities to play a complementary role. The overall long-term objective is stated thus: “to ensure that by the year 2010 the rural areas would attain the capacity for integrated and sustainable development” (The Presidency, 2000). This objective was to be achieved by letting the government lead in the consolidation, formulation, implementation, monitoring and evaluation of coordinated programmes, with participation by all government spheres and civil society.

The ISRDP was to be implemented in 13 rural nodes (later expanded to 15) identified as some of the most poverty-stricken parts of the country. District municipalities in collaboration with local municipalities
in each node were to be the delivery loci of the ISRDP at local level. Map 2 shows the geographical location of the rural nodes within South Africa. The development needs of the local communities would be expressed through the Integrated Development Plans (IDPs).

A mid-term review of the ISRDP in 2005 found that, notwithstanding considerable effort, the essential economic development in the nodes is that the ISRDP is not generating sufficient economic activity to underpin sustained development. Specific problems were highlighted in the review as follows (The Department of Provincial and Local Government and Business Trust, 2007):

- **Insufficient and unreliable economic data.** Without good intelligence on economic challenges and opportunities, the Presidential poverty nodes are unable to trigger the required economic responses.
- **A project-specific approach to development.** While important in focusing resources, a project-specific approach limits strategic focus and fails to capitalise on nodal-wide competitive advantages.
- **Deficiencies of economic inputs into nodal plans and their implementation.** Insufficient economic input into Provincial Growth and Development Strategies, integrated development plans and nodal business plans increases "the probability of designing over-ambitious and un-implementable plans".
- **The lack of a flexible, user-friendly and market-friendly national funding facility.** Notwithstanding the value of the municipal infrastructure grant and the revised equitable share allocation for nodal development, there is no direct mechanism for stimulating private sector resource flows into the Presidential poverty nodes.
- **Limited economic productive capability in the nodes** frustrates the creation of internal demand for economic goods and services. This relates to education and training, capital for business development, economic and social infrastructure, marketing information and appropriate technologies. It was suggested that human resources providing hands-on support for economic development is far more important than deploying more planning interventions as a response to unemployment.
- **Absence of a specified role for provincial government** as well as other governance structures of nodal development.

### 4.7.2. Industrial Plans

In the early 2000s, the national Department of Agriculture requested agricultural industries to draft commodity plans in order to assist and guide the Department in the implementation of its programmes. A result of this request was the drafting of the grain, fruit, livestock and cotton plans, which came up with a number of recommendations to the Department. Implementation of these recommendations has not taken shape, and will probably be aligned with the implementation of the agriculture, forestry and fisheries sector plan currently under development.

### 5. EXISTING REGIONAL POLICIES

South Africa participates in all the key SADC regional policies, programmes and institutions reviewed in this paper including all the major regional protocols. An electronic survey among a group of key informant officials from DAFF in South Africa, who work on national and regional policy formulation, coordination and monitoring was carried out, to collect information on the status of South Africa’s implementation of SADC rules and protocols and its participation in relevant SADC institutions, key informants’ opinions on South Africa’s experiences (successes, challenges, lessons) in the implementation process and to identify gaps between regional and national policies/programmes. Table 4 summarises South Africa’s stakeholders’ knowledge of SADC’s agriculture-related policies, as well as their views on what these policies have achieved.

#### 5.1. Summary of Regional Policy Experiences

In most cases, implementation by South Africa is at advanced stages, except where policies/programmes/institutions have been recently developed. In all cases, positive implications or outcomes for the South African FANR sectors and the economy have been identified. Indications are that existence of technical capacity for responsible national institutions in crucial in ensuring that
implementation of policies/programmes and participation in regional institutions progresses with minimum interruption. Other critical factors of success in this regard include:

- Cooperation, coordination and good communication between affected government departments;
- Development of and alignment with national supporting policies;
- Cooperation between member countries in implementation of joint actions; and
- Well-organised farmers’ and other stakeholders’ representative bodies.

In cases where the progress in implementation of regional rules has not been good, the following constraints have been pointed out:

- Limited human, financial and technological resources;
- Lack of urgency from other member countries in signing enabling MoUs;
- Lack of national supporting policies;
- Limited support to certain national programmes; and
- Lengthy processes of amendments of national legislation

Certain gaps between national and regional policies were also identified in the key-informant survey notably:

- Lack of provisions for regional cooperation in some national policy instruments (for example the National Veld and Forest Fire Act);
- Differences of opinion between regional and national policy makers regarding certain policy modalities. An example could be found regarding the Rules of Origin emanating from the SADC Sugar Protocol, whereby the rest of the region advocates for lenient rules while South Africa favours stricter rules; and
- Lack of supporting national policies in some member countries (for example in the case of the SADC Plant Genetic Resources Centre Long Term Sustainability Strategy);
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<tr>
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<th>Implications on RSA’s FANR sectors</th>
<th>Gaps between regional and national aspects</th>
<th>Obstacles faced by RSA in implementing regional rules</th>
<th>Reasons for RSA success in implementing regional rules</th>
<th>Lessons learnt by RSA in implementing regional rules</th>
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</thead>
<tbody>
<tr>
<td>Protocol on Fisheries</td>
<td>Food security</td>
<td>Lack of balance between environmental protection and socio-economic benefits</td>
<td>Limited human, financial and technological resources</td>
<td>Cooperation and communication between government departments and stakeholders Joint ventures in the fisheries sectors Encouragement of participation of small business and micro enterprises.</td>
<td>Importance of information exchange Prioritisation of law enforcement</td>
</tr>
<tr>
<td>Protocol on Forestry</td>
<td>Economic growth opportunities offered by Forestry will be opened up.</td>
<td>The decisions on authorisation of afforestation as a water use are not based adequate data and criteria are not consistently applied.</td>
<td>The lengthy process of restructuring of loss-making forest operations in former homeland administration. Member stated are struggling to balance supply and demand.</td>
<td>The development of Research and Development Strategy, the National Forest Programme, the Forestry 2030 Roadmap and the SADC Bilateral Agreements.</td>
<td>The curricula for advanced education and training for forestry in the country needs to be evaluated and developed.</td>
</tr>
<tr>
<td>SADC Fire Management Action Plan</td>
<td>The development of a cross-border fire management strategy will create a mechanism for all countries to work together in dealing with cross border fire management issues.</td>
<td>The National Veld and Forest Fire Act does not make provision for regional cooperation. The Disaster Management Act 57 of 2002 is the legal instrument that makes provision for such matters</td>
<td>Neighbouring SADC countries with whom the process to sign MoUs has been initiated are not coming on board to fast-track the process. There is no sense of urgency on member countries to enter into agreements for purposes of veldfire management.</td>
<td>No success has been registered so far.</td>
<td>The is a need for political support to ensure that member countries take the process forward.</td>
</tr>
<tr>
<td>Revised Protocol on Shared Watercourses</td>
<td>Protection of natural resources</td>
<td>Joint patrols with other member countries Improved management capacity</td>
<td></td>
<td></td>
<td>Cooperation with other member countries</td>
</tr>
</tbody>
</table>
### Table 4 (Cont): Synthesis of Regional Policies, Programmes and Institutions

<table>
<thead>
<tr>
<th>Name of policy/strategy/ institution</th>
<th>Implications on RSA’s FANR sectors</th>
<th>Gaps between regional and national aspects</th>
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<th>Reasons for RSA success in implementing regional rules</th>
<th>Lessons learnt by RSA in implementing regional rules</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protocol on Trade</td>
<td>The impact on intra-SADC trade flow is minimal since most countries are still lagging behind in implementing their commitments to reduce import duties. Significant trade still taking place on a Most Favoured Nation (MFN) basis</td>
<td>None identified</td>
<td>No obstacles in adopting the terms of the trade protocol. Currently 99% of imports from SADC into the RSA market are free of customs duty</td>
<td>Institutional capacity is important in implementing the rules of the trade protocol. RSA has the necessary capacity.</td>
<td>The process of aligning regional laws and domestic legislation is much longer than expected</td>
</tr>
<tr>
<td>Non-Tariff Barrier (NTB) reporting mechanism emanating from the SADC Trade Protocol</td>
<td>The preliminary response from the industry is that if fully implemented, the mechanism would facilitate trade in the region</td>
<td>None identified</td>
<td>None identified</td>
<td>Institutional capacity exists for implementing SADC rules</td>
<td>Too early to evaluate</td>
</tr>
<tr>
<td>SADC Sugar Protocol</td>
<td>To protect RSA sugar producers and to promote regional cooperation for the development of sugar production in SADC</td>
<td>No gap in adopting the sugar protocol. South African Sugar Association (SASA) is taking the lead in the implementation of the protocol.</td>
<td>No problems in implementing SADC rules, however, preferential access to foreign markets by SADC partners disadvantages the RSA industry.</td>
<td>Well organised sugar industry (South African Sugar Association) is important</td>
<td>Agricultural producers should be organized both nationally and regionally to benefit from sector-specific cooperation arrangements</td>
</tr>
</tbody>
</table>
### Table 4(Cont): Synthesis of Regional Policies, Programmes and Institutions

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Rules of Origin emanating from the SADC Trade Protocol</strong></td>
<td>The fear is that cheap and often subsidized imports may flood into the RSA market as a result of not applying this rule properly</td>
<td>The region is in favour of a lenient set of rules of origin, but RSA requires more strict rules. The basis for this difference of approach is the difference of the levels development, of institutional capacities and of RSA’s production capacity for many products.</td>
<td>No obstacles to apply the SADC rules</td>
<td>Research and consultation with the stakeholders is important as well as clear national interests.</td>
<td>Investment in building institutional capacity is needed for a successful free trade area</td>
</tr>
<tr>
<td><strong>SADC Protocol on Inland Fisheries</strong></td>
<td>Closer collaboration and cooperation on issues such as the introduction of invasive species into shared river systems, the control of trans boundary aquatic diseases and training of subject matter specialists in the region</td>
<td>Inconsistencies in areas such as the introduction of invasive species in shared water systems, i.e. <em>Tilapia niloticus</em> in the Limpopo river system, <em>Cherax quadriscarinatus</em> in the Pongolo and Komati river systems</td>
<td>Current lack of one policy to cover all aquaculture</td>
<td>Some success in the implementation of rules regarding the introduction of invasive species</td>
<td>More attention needed to key issues - Inland fisheries also needs to have a more permanent home</td>
</tr>
<tr>
<td><strong>Draft Protocol on Management of Farm Animal Genetic Resources</strong></td>
<td>A critical framework to develop standardised policies and strategies</td>
<td>Some member countries do not have policies in place</td>
<td>No real obstacles besides the formal ratification</td>
<td>Close collaboration between National coordinators of FAnGR</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### Table 4 (Cont): Synthesis of Regional Policies, Programmes and Institutions

<table>
<thead>
<tr>
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<th>Lessons learnt by RSA in implementing regional rules</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seed Security Network</td>
<td>Positive impact on South African seed sector due to the fact that South Africa is the largest producer of seed in the region.</td>
<td>Most member countries don’t have legislation protecting plant breeders rights.</td>
<td>South African legislation, namely Plant Improvement Act, 1976 indicate that varieties that are offered for sale should be on the national variety list. South Africa will have to amend legislation to include the regional variety list.</td>
<td>The commitment and determination shown by Member countries.</td>
<td>Persistence and teamwork work are crucial in terms of ensuring regional economic development.</td>
</tr>
<tr>
<td>SADC Plant Genetic Resources Centre Long Term Sustainability Strategy</td>
<td>SPGRC needs to mobilise resources whilst it operated largely over the last 20 years on donor funding</td>
<td>SPGRC supports national or country-driven programmes on conservation and sustainable use of plant genetic resources. To date, SPGRC played an important role in mobilising resources to support national programmes. A number of countries in the region do not provide adequate support to national programmes, despite the undertakings in the MOU establishing SPGRC.</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>SADC Programme on Conservation and Sustainable Use of Plant and Genetic Resources for Food and Agriculture</td>
<td>Provides a risk management measure to ensure the conservation and use of plant genetic resources in the Region.</td>
<td>Heavy reliance on donor funding to support national programmes</td>
<td>Limited support to national programmes</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
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</tr>
<tr>
<td>Livestock Information Management System</td>
<td>This is mainly a government oriented system that helps with the information and its management amongst SADC members and animal disease reporting</td>
<td>N/A</td>
<td>Information is not reported on time by some members and constant reminders are necessary</td>
<td>Coordination of information is done by one member state who in the end has responsibility to disseminate information to others</td>
<td>Need timely reporting of information</td>
</tr>
<tr>
<td>Regional Plan for Avian Influenza Contingencies</td>
<td>All members have developed their own plans and thus a common approach to the control of possible avian influenza outbreaks</td>
<td>None identified</td>
<td>Financial resources may be a possible challenge</td>
<td>All members had similar concerns and had prioritised the disease</td>
<td>N/A</td>
</tr>
<tr>
<td>Harmonisation of sanitary and phytosanitary requirements</td>
<td>If the approach is properly implemented, it could allow for easier intra regional trade on agricultural products</td>
<td>Gaps in the legislations of different member states</td>
<td>Amending the legislations of different member states takes time and still has to meet the approval of cabinet</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Conservation Agriculture Regional Working Group</td>
<td>To enhance natural resource management</td>
<td>Lack of awareness to provinces to align their Provincial Developmental strategy</td>
<td>Funding challenges.</td>
<td>Conservation Agriculture will bring about change to small scale farmers and on the sustainable use of natural resources. It combines the best known traditional and modern practices to manage soil, water and agriculture.</td>
<td>It allows farmers to save money on inputs immediately and to make more profit on the long term as it improves the soil structure and generally conserves the environment.</td>
</tr>
</tbody>
</table>
SYNTHESIS OF NATIONAL KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

This sub-section presents findings of an electronic survey administered among DAFF officials, South African organised agriculture and agribusiness representatives - AgriSA and Agricultural Business Chamber (ABC), and a representative of academia working on agricultural policy issues. The survey sought to collect information on proposed main objectives, guiding principles, areas of priority, funding mechanism, and areas of harmonisation for the envisaged SADC RAP.

6.1. Priority Areas for SADC RAP

The main priority areas of SADC-RAP identified during the survey include:

1) Trade – all hindrances to free trade in the region should be removed
2) Harmonisation of SPS standards
3) Agroprocessing capacity and value adding should be enhanced
4) Access to regional information should be ensured
5) Enhancement of regional regulatory capacity
6) Coordinated, cohesive and enabling policy environment
7) Investment in infrastructure
8) Creation of Public-Private Partnerships (PPPs)
9) Enhanced R&D capacity

Table 5 provides a proposed policy matrix for the RAP

6.2. Policy Areas Outside the RAP

The stakeholders were of the view that, although industrial policy, infrastructure development policy, investment policy and institutional capacity building are considered good candidate for harmonization, they viewed that they should fall outside the RAP. Another area proposed to be falling outside regional harmonisation is that of land reform. The rationale put forward for such a notion is that each country will have its own land reform policy.

7. SUGGESTED OBJECTIVES FOR THE RAP

South Africa recommended that the SADC regional Agricultural policy should be designed to achieve the following main objectives:

1) Enhancing regional, national and household food security and safety
2) Increasing Investment, growth and employment in the FANR sectors
3) Promotion of and supporting productivity and competitiveness of the FANR sectors
4) Developing markets and intra-SADC trade
5) Promoting sustainable utilisation and management of limited natural resources
6) Increasing growth of rural livelihoods, small scale enterprises and income of rural dwellers
7) Improving access to market information
8) Improving access to finance/credit
9) Improving access to production and agro-processing technology and information
10) Promoting effective research and development across whole value chains
Table 5: **Policy Matrix for the RAP**

<table>
<thead>
<tr>
<th>Subsector</th>
<th>Specific area/issue/measure</th>
<th>Investments needed/ areas with financial implications</th>
<th>Areas requiring further work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant production</td>
<td>Plant variety protection</td>
<td>• Training of plant variety examiners, legal officials • Maintenance of farm infrastructure</td>
<td>Synergy amongst the different Intellectual Property (IP) related international/ regional instruments</td>
</tr>
<tr>
<td>Conservation and sustainable use of biological resources</td>
<td>Access and benefit sharing regimes on genetic resources for food and agriculture</td>
<td>Documenting indigenous knowledge systems</td>
<td>• Development of <em>sui generis</em> IP protection systems • Creating markets for products of indigenous knowledge</td>
</tr>
<tr>
<td>Agricultural trade</td>
<td>SPS standards</td>
<td>Major government investment required to enforce regulatory measures</td>
<td>• Generally a lot of work is still required • Joint participation in SPS and international standard setting bodies and coordination of positions and inputs</td>
</tr>
<tr>
<td>Animal disease control</td>
<td>Major government investment required to enforce regulatory measures</td>
<td>Generally a lot of work is still required</td>
<td></td>
</tr>
<tr>
<td>Border controls</td>
<td>Major government investment required to enforce regulatory measures</td>
<td>Generally a lot of work is still required</td>
<td></td>
</tr>
<tr>
<td>NTBs</td>
<td>Major government investment required to harmonise standards</td>
<td>Generally a lot of work is still required</td>
<td></td>
</tr>
<tr>
<td>All subsectors</td>
<td>Infrastructure (roads, rail, telecommunications, cold storage, etc)</td>
<td>Major government and private sector investment required</td>
<td>Generally a lot of work is still required</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>Major government and private sector investment required</td>
<td>Generally a lot of work is still required</td>
<td></td>
</tr>
</tbody>
</table>

8. **SUGGESTED GUIDING PRINCIPLES FOR THE RAP**

The stakeholders in South Africa stated that SADC–RAP should be guided by the following principles:

1) Subsidiarity: treating at the regional level only that which cannot be better addressed at lower levels
2) Complementarity: taking into account comparative advantages of different countries and production sectors
3) Regionality: dealing with issues concerning two or more Member States
4) Partnership and consultation: assuring permanent involvement of stakeholders in the FANR sectors in the implementation, monitoring and evaluation of the RAP
5) Good governance and ethical business
6) Uniformity in terms of standards, protocols and procedures
7) Sharing of resources
8) Transparency between Member States in guidelines and policies
9) Sustainability in use of natural resources
THE KINGDOM OF SWAZILAND

MAP OF THE KINGDOM OF SWAZILAND
# THE KINGDOM OF SWAZILAND

## SUMMARY COUNTRY REPORT ON AGRICULTURAL AND RELATED POLICY REVIEW – 2010

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37 Original Country Report was authored by Dr. EUGENE T. SIMELANE and submitted to SADC in June 2010
ABBREVIATIONS

ACAT  African Cooperative Action Trust
AEZs  Agro Ecological Zones
AgDS  Agricultural Diversification Strategy
AI  Avian Influenza
ALC  Agricultural Liaison Committee
AMADI  African Management and Development Institute
ARD  Agricultural Research Division
BSc  Bachelor of Science
CAADP  Comprehensive Africa Agricultural Development Programme
CASP  Comprehensive Agricultural Sector Policy
CCU  Central Cooperative Union
CGA  Cotton Growers Association
CSO  Central Statistics Office
CET  Common External Tariff
DARSS  Department of Agricultural Research and Specialist Services
DPM  Deputy Prime Minister
DWA  Department of water Affairs
EPA  Economic Partnership Agreement
FANR  Food, Agriculture and Natural Resources
FTA  Free Trade Area
FAFS  Framework for African Food Security
HIV/AIDS  Human Immunodeficiency Virus / Acquired Immunodeficiency Syndrome
ICPs  International Cooperating Partners
IPPC  International Plant Protection Convention
FAO  Food and Agriculture Organization
GDP  Gross Domestic Product
GNP  Gross National Product
GMOs  Genetically Modified Organisms
PRSAP  Poverty Reduction Strategy and Action Plan
LDS  Lutheran Development Service
KDDP  Komati Downstream Development Project
LUSIP  Lower Usuthu Smallholder Irrigation Project
MDGs  Millennium Development Goals
MOA  Ministry of Agriculture
MNRE  Ministry of Natural Resources and Energy
MOET  Ministry of Education and Training
MRS  Malkerns Research Station
MCIT  Ministry of Commerce, Industry and Trade
MTEA  Ministry of Tourism and Environmental Affairs
NAMBoard  National Agricultural Marketing Board
NDS  National Development Strategy
NGOs  Non-Governmental Organizations
NMC  National Maize Corporation
NEPAD  New Economic Partnership for African Development
RAP  Regional Agricultural Policy
RAPF  Regional Agricultural Policy Framework
RISDP  Regional Indicative Strategic Development Plan
SADC  Southern African Development Community
UN  United Nations
SIPA  Swaziland Investment Promotion Authority
NES  National Export Strategy
SNL  Swazi Nation Land
SDDDB  Swaziland Dairy Development Board
SDB  Swaziland Dairy Board
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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</thead>
<tbody>
<tr>
<td>SCB</td>
<td>Swaziland Cotton Board</td>
</tr>
<tr>
<td>SSA</td>
<td>Swaziland Sugar association</td>
</tr>
<tr>
<td>SMI</td>
<td>Swaziland Meat Industry</td>
</tr>
<tr>
<td>SWADE</td>
<td>Swaziland Water and Agricultural Development Enterprise</td>
</tr>
<tr>
<td>SADP</td>
<td>Swaziland Agricultural Development Project</td>
</tr>
<tr>
<td>TDL</td>
<td>Title Deed Land</td>
</tr>
<tr>
<td>UNISWA</td>
<td>University of Swaziland</td>
</tr>
<tr>
<td>WVS</td>
<td>World Vision Swaziland</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organization</td>
</tr>
<tr>
<td>SPS</td>
<td>Sanitary and Phytosanitary</td>
</tr>
<tr>
<td>PPCU</td>
<td>Public Policy Coordination Unit</td>
</tr>
<tr>
<td>MOF</td>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>MEPD</td>
<td>Ministry of Economic Planning and Development</td>
</tr>
<tr>
<td>MOH</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td>MOPWT</td>
<td>Ministry of Public Works and Transport</td>
</tr>
<tr>
<td>MICT</td>
<td>Ministry of Information, Communication and Technology</td>
</tr>
<tr>
<td>MFAIC</td>
<td>Ministry of Foreign Affairs and International Cooperation</td>
</tr>
<tr>
<td>MCM</td>
<td>Million Cubic Metres</td>
</tr>
<tr>
<td>NASTC</td>
<td>Nhlangano Agricultural Skills Training Centre</td>
</tr>
<tr>
<td>NDMA</td>
<td>National Disaster Management Authority</td>
</tr>
<tr>
<td>NWA</td>
<td>National Water Authority</td>
</tr>
<tr>
<td>NWP</td>
<td>National Water Policy</td>
</tr>
<tr>
<td>OIE</td>
<td>World Animal Health Organisation</td>
</tr>
<tr>
<td>FTCs</td>
<td>Farmer Training Centres</td>
</tr>
<tr>
<td>SWAFCU</td>
<td>Swaziland Farmers Cooperative Union</td>
</tr>
<tr>
<td>SASCCO</td>
<td>Savings and Credit Cooperatives</td>
</tr>
<tr>
<td>RSSC</td>
<td>Royal Swaziland Sugar Corporation</td>
</tr>
<tr>
<td>THS</td>
<td>Tractor Hire Service</td>
</tr>
<tr>
<td>RDAP</td>
<td>Rural Area Development Programme</td>
</tr>
<tr>
<td>RDAs</td>
<td>Rural Development Areas</td>
</tr>
<tr>
<td>SSA</td>
<td>Swaziland Sugar Association</td>
</tr>
<tr>
<td>DISCC</td>
<td>Dairy Industry Stakeholders Coordinating Committee</td>
</tr>
<tr>
<td>SKPE</td>
<td>Swaziland Komati Development Enterprise Limited</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>ECF</td>
<td>East Coast Fever</td>
</tr>
<tr>
<td>NCD</td>
<td>New Castle Disease</td>
</tr>
<tr>
<td>SPP</td>
<td>Swaziland Poultry Processors</td>
</tr>
<tr>
<td>VAC</td>
<td>Vulnerability Assessment Committee</td>
</tr>
<tr>
<td>SACU</td>
<td>Southern African Custom Union</td>
</tr>
<tr>
<td>OIE</td>
<td>Office International des Epizooties</td>
</tr>
<tr>
<td>SABS</td>
<td>South African Bureau Standards</td>
</tr>
<tr>
<td>SWASA</td>
<td>Swaziland Standards Authority</td>
</tr>
<tr>
<td>SNAU</td>
<td>Swaziland National Agricultural Union</td>
</tr>
<tr>
<td>SACAU</td>
<td>Southern Africa Confederation of Agricultural Unions</td>
</tr>
<tr>
<td>VFTC</td>
<td>Veterinary and Farmer Training Centre</td>
</tr>
</tbody>
</table>
1 GENERAL INFORMATION

1.1 Geography and Demographics

The Kingdom of Swaziland is a landlocked country with a total area of 17,364 km\(^{2}\), located in southeastern Africa bordered by Mozambique to the east and the Republic of South Africa on all other sides. Swaziland is characterized by a great variation in landscape, geology and climate. The country has magnificent mountain scenery with unique ancient rock formations, which are a source of fascination for geologists and scholars, as well as visitors.

The country is characterised and traversed by six agro-ecological zones\(^{38}\) (AEZs), namely, Highveld, Upper Middleveld, Lower Middleveld, Western Lowveld, Eastern Lowveld and Lubombo Range. These are based on elevation, landforms, geology, soils and vegetation regions. The average rainfall in Swaziland is about 788mm per annum ranging from as low as 500mm in the dry Lowveld region to 1,500mm in the wet and cooler Highveld region.

The hilly to undulating Middleveld is the most heavily populated and agriculturally important region with great potential for increased agricultural productivity. Much of the grassland of the Upper and Lower Middleveld zones have been replaced by cultivation of crops such as citrus, pineapples, cotton, maize, legumes, horticultural crops and sugarcane. The intensive farming and livestock grazing have caused problems of soil erosion in some parts of the region. Overall, the Lowveld supports extensive grazing and very limited rainfed production of crops. Dominant crops in the region include sugarcane, cotton, groundnuts and sorghum. Finally, the Lubombo Range has limited arable land and the main commercial activities include maize, cotton, minor crop production and ranching.

Land suitable for arable cultivation is rather limited. It is estimated at about 20% of the country or 350,000 ha. The area under crops is estimated (2005) at 120,000 Ha (70,000 ha rainfed and 50,000 ha irrigated), which is a substantial decrease of the percentage rainfed compared to levels in the 1980s and 90s. Land under irrigation is increasing annually with 1,000-2,000 Ha, mostly driven by expansion of the sugar industry, although alternatives are now being sought due to decreasing profitability of the production of sugar in Swaziland and insufficient surface water. The newly irrigated land was formerly used for subsistence farming or grazing.

The country has an estimated population of 1,126,000 inhabitants, with an annual growth rate of 2%. The population indicates a decline in growth since 1997 census from 2.9% to 2%, from a prior growth rate of 3.6%. This reduced fertility is accompanied by worrying reduction in life expectancy from 56 to 39 years during the same period. A further decline in natural growth is anticipated as a result of magnifying the impact of the HIV/AIDS. The HIV/AIDS pandemic, of which Swaziland has one of the highest incidents in the world, was first reported in the country in 1987. Some statistics indicate that 40 % of the population is HIV positive, 66% of which comprises people living below the poverty line.

The 2007 census suggests that 78.9% of the population\(^{39}\) live in rural areas and that the wellbeing of these people, as well as those who derive their incomes from sugar milling and other agro-processing activities in urban centres, depend upon it.

1.2 Farming Systems and the Importance of Agriculture

Conservation farming is another farming system that is practiced in Swaziland. It is undertaken as a response mechanism to counter prolonged drought conditions, in which current externalities (particularly the use of energy) are internalised through diversified farming systems in which each commodity on the farm supports and benefits from the others. It is also promoted as a farming system to reduce the heavy dependence of the agricultural sector upon fossil energy and to increase the efficiency of water utilisation.

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\(^{38}\) Historically, the country has been divided into four physiographic zones (Highveld, Middleveld, Lowveld and Lubombo Plateau).

\(^{39}\) Reported in the Annual Vulnerability Assessment and Analysis, Government of Swaziland (2008).
year on year in a measurable way. Through its integrated farming systems conservation farming has a great potential to high production costs/inputs as each enterprise supports the others. The transition to conservation farming is not easy and will take time as it requires a change of mindset as well as modifications to equipment. Those engaged in agriculture will need to have the opportunity to learn about its principles and practice at all levels – including smallholder and commercial farmers, and agribusinesses.

1.3 Key Agricultural Commodities and Farming Practices

Production in the agricultural sector is undertaken on Swazi Nation Land (SNL) and Title Deed Land (TDL). SNL holds 56% of the land and is governed by Swazi Law and Custom, whilst TDL constitutes 43% of the land and is privately owned by Government, companies and individuals and less than 1% is for urban development. Unlike TDL, SNL cannot be used as collateral; consequently farmers on SNL generally lack access to commercial finance. TDL is individually or corporately owned and is mainly used for industrial timber plantations, livestock production (ranching) and commercial farming under irrigation (mainly sugarcane, but also fruit). TDL is dominated by irrigated agriculture in estates producing cash crops, while SNL is predominantly rain-fed and focuses on subsistence, semi-commercial smallholder agriculture and communal grazing.

Most households derive their income from agriculture activities, either as small-scale subsistence farmers or as employees of the medium and large-scale farms and estates. They derive their livelihoods from engaging in the production of subsistence crops and rearing livestock. Crops produced include maize, cotton, legumes, sweet potatoes, horticulture and to some extent forestry. There is also an observed increase in bee keeping. Rural households rear livestock such as cattle (both beef and dairy), goats, sheep, poultry and pigs.

Due to persistent drought, erratic weather conditions and other factors like plummeting international prices, agricultural productivity on SNL is quite low. Food insecurity is a major concern in Swaziland, owing to low agricultural productivity, but also the increase of commodity prices and fuel crisis across the globe particularly in recent months. In reality hunger and food insecurity are some of the major challenges facing the nation, owing to persistent droughts and erratic weather patterns experienced in the country in recent years. The Swaziland National Vulnerability Assessment Committee Report (2008) estimated that about a third of the population is food insecure in the country. Consequently, food aid has become a necessity for about a third of the population.

Maize is the dominant food crop in Swaziland and is primarily grown for subsistence purposes. Other subsistence crops grown include legumes, tubers, sorghum, horticultural crops, mushrooms and tobacco on a very small scale. Cash crops produced include sugarcane, cotton, citrus and woodpulp. The increasing growing of sugarcane on SNL has somewhat transformed farming methods by smallholder farmers who are increasingly employing modern farming techniques. This development is resulting in improved agricultural productivity in rural areas in a few agricultural enterprises and simultaneously enables farmers to apportion part of their irrigable land to commercially grow maize and vegetables, which has in turn helped in supplementing rural incomes and improved dietary requirements. Other common agricultural activities include cattle rearing on communal pastures and some commercial production of sugar cane, cotton and vegetables.

Livestock rearing plays an important role in the lives of the country’s populace. Livestock production includes beef cattle, dairy cows, goats, sheep, poultry and pigs, producing products such as meat, milk, eggs, draft power, manure, hides and skins. There are two predominant production systems supporting livestock production, namely the traditional or smallholder subsistence system on SNL, and the commercial system on TDL.

The livestock subsector’s contribution to GDP in the formal sector where statistics are captured has been minimal over the years, estimated at less than 2%. However, the belief is that the livestock’s contribution is significantly larger than the quoted 2% since most livestock production is undertaken by the farmers on SNL where operations tend to be informal, thereby increasing possibilities of not capturing the data in official statistics. The contribution of livestock is evident in terms of household milk production, contributing to improving and sustaining nutrition levels. It is also evident in terms of draught power

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(though now on the decline) and kraal manure for fertilisation purposes. Poultry is one subsector where small stock farmers have been vibrant. Enterprises undertaken by poultry farmers include egg production, broiler production, meat production from indigenous chickens and chicken manure. Rabbit production is also on the increase.

**Cattle**

Cattle is by far the most dominant livestock in Swaziland (99% of Swaziland’s livestock and animal products exports), kept as a business enterprise and most importantly as a way of life and great cultural importance used for different traditional and religious beliefs. Cattle, meat and meat products account for approximately 4% of the nation’s exports. About 65 percent of rural homesteads keep cattle which make a significant contribution to income from farming activities perhaps between 30 and 50 per cent (Lukhele & Gumede, 2009). Besides grazing on open communally managed grazing pastures, cattle feeding in winter is supplemented with crop residues comprising mainly of maize stalks.

Marketing of cattle in Swaziland is dominated by the Swaziland Meat Industries (SMI), a major processor licensed to export beef, and about 84 licensed private butcheries and abattoirs, which vary greatly in their size, sophistication and quality control. Private sales and auctions are the two main channels for cattle marketing and take place generally at dip tanks accounting at present for the majority of sales of stock for slaughter. Constraints on beef cattle productivity include low calving percentage or poor fertility of 41.4%, high mortality in calves of 20% of calves born, high cattle mortality over 1 year old (mortality in the whole herd - calf deaths) and stunting due to poor feeding delays productive maturity by at least 1 year (Whelan Associates, 1997).

**Dairy Production**

Dairy production has potential to grow in the country given the local demand which remain unfulfilled up to this day. Current local production is estimated at 8 million litres per year against overall demand of 56 million litres. The formal market is highly concentrated, with only one main processor and several smaller players. Parmalat is the largest dairy processor in Swaziland, accounting for approximately 85% of formal sector processing, with Valley Farm at 11% and Saligna at 5%. Only about 30% of the milk from the national dairy herd goes to the formal market each year, representing 4% of all dairy consumption. Almost all of this milk comes from 8 of the largest dairies in Swaziland. Imports make up 38% of the total dairy market.

Almost 60% of the dairy production in Swaziland goes into the informal market (schools, shops, market centres, direct sales to individuals, clinics, to name but a few), which are easily accessed by farmers at farm-gate levels and offer relatively higher prices than the formal sector.

**Goat Production**

Goat production plays a very important role in the economy of the country. It is one of the main sources of revenue, meat and manure for many dwellers rearing goats in rural areas of the country. Goats in Swaziland survive by grazing on communally managed natural pastures and very few farmers give them supplementary feed. Dairy goat farmers do give their goats commercial feed to compensate them for milk production and allow the goats to graze on cultivated high nutritional pastures in order to provide them with high quality of feed.

The average number of goats in Swaziland is 400,000 and has remained static for years regardless of their prolific nature. Goat production has however been mired by poor animal husbandry practices by indigenous farmers. Further challenges faced by goat producers in Swaziland include theft, high mortality, poor husbandry, lack of formal markets for goats, lack of abattoirs and quarantine facilities for imported goats.

**Poultry Production**

Poultry production is important in ensuring food security at the household and community levels in the country. It is dualistic with the intensive system occurring side by side the traditional free range system, where homesteads keep few birds primarily for home consumption. The country is self sufficient in domestic poultry meat production (excluding free range) which is estimated at over 10 million birds per year or about 16,000 tonnes. The country is also gradually moving towards meeting self-sufficiency levels in egg production.

Challenges facing poultry production include unreliable supply of day old chicks (DOCs) to small farmers, inherent disease risk posed by imported DOCs and other breeding stock, high costs of feeds in relation to
farm gate prices or prices offered by processors, lack of entrepreneurship skills among the farming community and inadequate extension service to reach out the entire poultry industry in the country.

**Pig Production**

Pig production is an enterprise with a potential to augment income streams of smallholder farmers. All pigs produced commercially in Swaziland are zero grazed. Commercial pig producers feed their pigs commercial feed sourced from animal feed manufacturing plants. Feed accounts for 80% of operational costs and the rising costs of feed, transport and electricity have eroded the profit margins pig producers have enjoyed for years. Presently, many pig producers in Swaziland are going out of business and only large scale pig producers are still operating and they too are barely breaking even. This has created a shortfall in pork supply in the market, as a result pork imports have started coming onto the shelf.

The absence of proper abattoirs to serve pig farmers in the rural areas compounds the challenges encountered in the pig industry. There is therefore a need to build pig abattoirs and cold rooms in the regions to help reduce production and transport costs.

### 1.4 Key Economic and Financial Statistics

Agriculture is an important sector in the country’s small open and export oriented economy. It provides raw materials and key inputs for the vibrant manufacturing sector, which adds value to agricultural and forestry products. Agriculture alone contributes about 8% to the country’s domestic output, GDP. This has been declining over the years from an all time high of 40% obtained at independence to 21% in 1988 and to 8% obtained in 2006, whilst manufacturing, the largest contributor to GDP, has grown from 16% to 36% over the same period. Despite the significant contribution by the manufacturing sector to the country’s GDP, agriculture still plays a major role, as the majority of manufacturing entities are agro-based.

Table 1 presents a summary of Swaziland’s general national information, which is further discussed in subsequent sections.

**Table 1: Swaziland National Information.**

<table>
<thead>
<tr>
<th>Subject</th>
<th>Figure</th>
<th>Year and source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country Size</td>
<td>17,364 km²</td>
<td>2007 - CSO</td>
</tr>
<tr>
<td>Population (‘000)</td>
<td>1,163.5</td>
<td>2007 - CSO</td>
</tr>
<tr>
<td>GDP (E’ Million): 2008</td>
<td>22,261.2</td>
<td>Sep. 2008 CBS QR</td>
</tr>
<tr>
<td>GDP per capita: 2008</td>
<td>18,878.2</td>
<td>Sep. 2008 CBS QR</td>
</tr>
<tr>
<td>Agriculture % of GDP: 2008</td>
<td>10.4</td>
<td>CSO 2008</td>
</tr>
<tr>
<td>Agricultural GDP (E’000): 2008 (E million)</td>
<td>1,098.8</td>
<td>CSO 2008</td>
</tr>
<tr>
<td>Ag Budget 2008 (E million)</td>
<td>820.2</td>
<td>MoF</td>
</tr>
<tr>
<td>Ag Budget 2008 in % of Total Budget</td>
<td>8.6</td>
<td>MoF</td>
</tr>
<tr>
<td>Ag Budget in % of GDP</td>
<td>3.7</td>
<td>MoF and CSO</td>
</tr>
<tr>
<td>Trade Balance: 2008</td>
<td>(701)</td>
<td>Sep. 2008 CBS QR</td>
</tr>
<tr>
<td>Foreign Public Debt: 2008</td>
<td>E3.98 billion (18.6% of GDP)</td>
<td>Sep. 2008 CBS QR</td>
</tr>
<tr>
<td>Budget 2008/09 in % of GDP</td>
<td>3.5% of GDP</td>
<td>Treasury Department &amp; MoF</td>
</tr>
<tr>
<td>Budget 2007/08 in % of GDP</td>
<td>3.7% of GDP</td>
<td>Treasury Department &amp; MoF</td>
</tr>
<tr>
<td>Exchange Rate end 2006 vs US$</td>
<td>6.9675</td>
<td>Sep. 2009 CBS QR</td>
</tr>
<tr>
<td>Exchange Rate end 2007 vs US$</td>
<td>6.8070</td>
<td>Sep. 2009 CBS QR</td>
</tr>
<tr>
<td>Exchange Rate end 2008 vs US$</td>
<td>9.2895</td>
<td>Sep. 2009 CBS QR</td>
</tr>
</tbody>
</table>

The agriculture sector remains a critical sector in terms of food security, generating income and creating employment opportunities in the country as it employs 70% of the total labour force in Swaziland in the country’s agriculture and agro-based industries. Agriculture provides over 20% of all formal sector employment and its contribution to employment is even larger in the informal sector when factoring in the contribution of the SNL sector, thus indicating greater economic and social significance. The agriculture sector is thus critical for poverty alleviation and the attainment of the Millennium Development Goals (MDGs). Although the performance of large farms on TDL remains crucial for export purposes and
economic development, rural income and employment depend to a large extent on the performance of agricultural activity on Swazi Nation Land (Lukhele & Gumede, 2009).

An indirect contribution of agriculture to GDP is in the form of value added in the manufacturing sector from processing agricultural and forestry products (mainly sugar and woodpulp, but also beef, maize, citrus and pineapple)\(^4\). Nearly 15% of the stock of Foreign Direct Investment is in agriculture with manufacturing accounting for nearly 60% (Central Bank Annual Report, 2009). Commercial agriculture, forestry and their derived industries are estimated to provide well over one third of total private sector wage employment, which stood at 66,000 jobs in 2002/03, with total formal sector employment around 95,000. The knock-on effect in the economy, with jobs in the agricultural supplies, transport and finance sectors are also substantial (Forsyth-Thompson, 2003; Central Bank of Swaziland, 2005).

2 PUBLIC SECTOR IN AGRICULTURE

2.1 Principle Government Agencies Involved in Agriculture

The Government of Swaziland advances agricultural development in the country through the Ministry of Agriculture (MOA), whose overall responsibility is to transform agriculture from subsistence level to commercial orientation. MOA designs appropriate policies, programmes and projects to achieve the overall goal of transformation of agricultural production in the country. This is undertaken through the departments of Agriculture and Extension Services, Veterinary and Livestock Services, Agricultural Research, Land Use Planning, Land Development, and Economic Planning and Analysis and various other subsections.

The Ministry of Agriculture also collaborates with various Government Ministries and departments for the development of Swaziland’s agriculture. The issues that these Ministries and Departments are in charge of, and their mandates, are discussed in Table 2.

Table 2: Institutions and Their Mandates in the Agriculture Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Ministry</th>
<th>Mandate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>Ministry of Natural Resources and Energy</td>
<td>Develop and manage land and oversee its exploitation.</td>
</tr>
<tr>
<td></td>
<td>Ministry of Agriculture</td>
<td>Develop and manage land for increased agricultural productivity.</td>
</tr>
<tr>
<td>Water for Irrigation</td>
<td>Ministry of Agriculture;</td>
<td>Oversee management and development of water resource for efficient irrigation.</td>
</tr>
<tr>
<td></td>
<td>Ministry of Natural Resources and Energy</td>
<td></td>
</tr>
<tr>
<td>Fisheries</td>
<td>Ministry of Agriculture</td>
<td>Oversee optimal and sustainable exploitation and utilisation of fisheries resource.</td>
</tr>
<tr>
<td>Forestry</td>
<td>Ministry of Agriculture;</td>
<td>Oversee sustainable management and development of all forest resources and environment protection.</td>
</tr>
<tr>
<td></td>
<td>Ministry of Natural Resources and Energy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ministry of Tourism and Environment Affairs</td>
<td></td>
</tr>
<tr>
<td>Other Natural Resources</td>
<td>Ministry of Natural Resources and Energy;</td>
<td>Oversee management, exploitation and utilisation of natural resources.</td>
</tr>
<tr>
<td>Minerals</td>
<td>Ministry of Tourism and Environmental Affairs</td>
<td></td>
</tr>
<tr>
<td>Energy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environment</td>
<td></td>
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</tr>
</tbody>
</table>

\(^4\) At the time of compiling the report SAPPI Usuthu had closed its woodpulp manufacturing operation at Bhunya due to unfavourable global trading conditions and loss of markets.
Table 2 (Cont): Institutions and Their Mandates in the Agriculture Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Ministry</th>
<th>Mandate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inputs</td>
<td>Ministry of Agriculture</td>
<td>Oversee the input industry.</td>
</tr>
<tr>
<td>Agro-industries</td>
<td>Ministry of Agriculture; &amp; Ministry of Commerce, Industry and Trade</td>
<td>Guide and promote the development of agro-industries as well as regulate trade.</td>
</tr>
<tr>
<td>Agricultural Production</td>
<td>Ministry of Agriculture</td>
<td>Oversee and guide agricultural development and regulate trade.</td>
</tr>
<tr>
<td>Domestic Agriculture Trade</td>
<td>Ministry of Agriculture; Ministry of Finance; &amp; Ministry of Commerce, Industry and Trade</td>
<td>Oversee and guide agricultural development and regulate trade.</td>
</tr>
<tr>
<td>Agricultural Education</td>
<td>Ministry of Agriculture; Ministry of education and Training</td>
<td>Oversee education empowerment of agricultural stakeholders.</td>
</tr>
<tr>
<td>Agricultural Research</td>
<td>Ministry of Agriculture</td>
<td>Provide guidance on agricultural research to stakeholders.</td>
</tr>
</tbody>
</table>

2.2 Parastatals and Statutory Bodies

Table 3 presents parastatals and statutory bodies operative in the Kingdom of Swaziland.

Table 3: Parastatals and Statutory Bodies in Swaziland

<table>
<thead>
<tr>
<th>Sector</th>
<th>Parastatal</th>
<th>Other Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>None</td>
<td>Land Management Board</td>
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<tr>
<td></td>
<td></td>
<td>Kings Office</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Swaziland Water and Agricultural Development Enterprise</td>
</tr>
<tr>
<td>Water for Irrigation</td>
<td>Swaziland Water and Agricultural Development Enterprise</td>
<td>NWA</td>
</tr>
<tr>
<td>Fisheries</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Forestry</td>
<td>Swaziland Environment Authority</td>
<td>SAPPI Usuthu</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mondi Forests</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Shiselweni Forests</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Peak Timbers</td>
</tr>
<tr>
<td>Other Natural Resources Minerals, Energy &amp; Environment</td>
<td>Swaziland Environment Authority</td>
<td>NGOs</td>
</tr>
<tr>
<td></td>
<td>Swaziland Electricity Company</td>
<td>Energy Department</td>
</tr>
<tr>
<td>Inputs</td>
<td>National Agricultural Marketing Board</td>
<td>Private Input Traders</td>
</tr>
<tr>
<td>Agro-Industries</td>
<td>National Agricultural Marketing Board</td>
<td>Swaziland Sugar Association</td>
</tr>
<tr>
<td></td>
<td>Swaziland Dairy Board</td>
<td>Swaziland Meat Industry</td>
</tr>
<tr>
<td></td>
<td>National Maize Corporation</td>
<td>NGOs &amp; Farmers’ Organisations</td>
</tr>
<tr>
<td></td>
<td>Swaziland Cotton Board</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Swaziland Standards Authority</td>
<td></td>
</tr>
<tr>
<td>Agricultural Production</td>
<td>National Agricultural Marketing Board</td>
<td>Several NGOs and Farmers’ Organisations</td>
</tr>
<tr>
<td></td>
<td>Swaziland Dairy Board</td>
<td></td>
</tr>
<tr>
<td></td>
<td>National Maize Corporation</td>
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<tr>
<td></td>
<td>Swaziland Cotton Board</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Swaziland Standards Authority</td>
<td></td>
</tr>
<tr>
<td>External Agriculture &amp; Food Trade</td>
<td>National Agricultural Marketing Board</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Swaziland Dairy Board</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Swaziland Standards Authority</td>
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<tr>
<td>Domestic Agriculture Trade</td>
<td>National Agricultural Marketing Board</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Swaziland Standards Authority</td>
<td></td>
</tr>
<tr>
<td>Agricultural Education</td>
<td>University of Swaziland</td>
<td>Non-Governmental Organizations</td>
</tr>
<tr>
<td></td>
<td>Swaziland Water and Agricultural Development Enterprise</td>
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<tr>
<td>Agricultural Research</td>
<td>University of Swaziland</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Malkerns Research Station</td>
<td></td>
</tr>
</tbody>
</table>
3 PRIVATE SECTOR IN AGRICULTURE

3.1 Crop, Livestock, Fishing, Forestry and Game Farming Activities

3.1.1 Crop Farming

Farmers in Swaziland can be categorized into subsistence and commercial. Subsistence farmers are principally preoccupied with agricultural production of a variety of crops on small-scale under rainfed conditions, with very minimal resources and low mechanization. Maze is the staple food grown by most farmers in this category of farmers. In general farms are very small with an average holding size of 1 hectare. Some 65% of more than 80,000 holdings in the country cultivate an area of less than 1 hectare (Agra CEAS Consulting, 2008). Underlying production is the objective to meet family needs and market any surplus informally within their communities and to official commodity markets. This category of farmers is progressing towards commercial agricultural production at the homestead/household level. On the other hand commercial farmers produce cash crops such as sugarcane and citrus on large farms and estates principally for the local and export market. The application of resources is extensive and irrigation is dominant.

The structure of agricultural activity in Swaziland makes individual subsistence farmers vulnerable to market or weather changes and as a result the agricultural sector as a whole has not managed to build its capacity and generate significant value addition to households and the economy. Traditional smallholder agriculture is the main sector of economic activity of the people of Swaziland. It provides the majority of the population with employment, housing and food.

3.2 Farmers’ Organisations

The hosting of the National Agricultural Summit in July 2007 gave the much needed impetus for the establishment of the Swaziland National Agricultural Union (SNAU). The conception of the farmers union was affirmed by a declaration by farmers during the Summit in July 2007. SNAU was formally established in December 2008 out of the need to have a central farmers’ organization that would become the mouthpiece of all farmers in Swaziland.

The main objectives of the SNAU include (i) assisting farmers to transform from subsistence to commercial farming to attain food security; (ii) helping farmers in the negotiation of a better price for both agricultural inputs and commodities for sale and bulk purchase of inputs; (iii) assisting farmers in accessing water for irrigation; (iv) assisting farmers in the negotiation with parastatal organizations under the Ministry of Agriculture; (v) negotiating for lease agreements for the utilization of idle government purchased farms; (vi) representing farmers’ interests with government and other national and international organizations; and (vii) looking after the welfare of farmers with respect to HIV/AIDS.

In executing its mandate, the SNAU derives its income from subscription fees from farmers through the Regional Unions. Support from the Ministry of Agriculture is crucial in sustaining the operations of the union and also from the Southern Africa Confederation of Agricultural Unions (SACAU), which is affiliated to SADC, in the form of training of the national and regional executive committee members and farmers.

3.3 Other Private Organisation Providing Support to Farmers

A number of organizations provide support to smallholders in a various sectors. These include agricultural education, extension, research and micro-credit.

3.3.1 Agricultural Education

The Centre for Regional Integration and Management Development (MANANGA) and The African Management and Development Institute (AMADI) are private institutions that offer in-service training in agriculture through short courses. Courses offered by MANANGA include courses in rural livelihoods, poverty reduction and sustainable development programmes; the management of rural development; participatory community development through extension; project management for food security; agricultural marketing and international trade; socio agro-forestry and energy planning; irrigation technologies for small-scale farmers; integrated water resources management; and the management of irrigation projects.
The training mandate of the African Management and Development Institute (AMADI) is to collaborate and network with donor agencies; public and private institutions in the implementation of local, national and regional community based projects; to enhance the management of resources through education in collaboration with donor, the public sector and other institutions; and to undertake applied research for governments, NGOs and private organizations. Courses offered include agricultural extension service delivery and management; research methods for agriculture and rural development; forestry sustainability and land use; conservation and natural resources management; and agri-business, marketing and export management.

3.3.2 Research

The Technical Services Division of the Swaziland Sugar Association conducts adaptive research on cultivar testing in different agro-ecological zones where sugarcane is grown, chemical ripening, nutrition (amount, timing, frequency, method of application of major nutrients), irrigation scheduling; agronomy advice; irrigation and pest/disease control.

Commercial forestry companies in Swaziland include SAPPI-Usuthu, Shiselweni Forestry company and Mondi Forest. SAPPI-Usuthu focuses its research on plant protection and weed control, whilst Shiselweni Forestry Company conducts adaptive research focusing on identifying improved varieties of timber species that can increase forest production.

3.3.3 Micro-Credit

Regarding micro-credit a number of organizations provide financial support to farmers and these include (i) Imbita provides micro credit finance development of projects, mainly women involved development activities; (ii) Inhanyelo Fund provides seed capital to finance micro and small enterprises in the formal and informal sector; and (iii) World Vision Swaziland operates a micro finance enterprise which provides finance through loans to communities, solidarity groups and individuals where WVS operates.

3.3.4 Extension

The under listed organizations provide extension related services to smallholder farmers.

a. Cotton Growers Association (CGA) provides extension advice to cotton farmers.

b. Swaziland Cane Growers Association (SCGA) provides technical assistance to sugarcane farmers.

c. Swaziland Meat Industries (SMI) provides technical support to livestock farmers in support of scheduled supply of stock for beef production.

d. Swaziland Sugar Association (SSA) provides extension advice to sugarcane farmers through its the Technical Services section.

e. Lutheran Development Services (LDS) empowers the marginalized communities and individuals and serves them to take charge of their own development and improve the quality of life.

f. African Cooperative Action Trust (ACAT) promotes and supports sustainable rural development in targeted rural communities for sustainable living, guided by biblical principles.

g. As a Christian relief and development organization World Vision Swaziland (WVS) provides development services to improve the quality of life of vulnerable and marginalized communities in Swaziland through sustainable community based programmes.

3.4 Professional Organisations involved in Agriculture

Agro-industry business in Swaziland is mainly dominated by manufacturing from agricultural produce. This mainly comprises sugar, dairy, milling and brewing activities and informal activities remain largely unaccounted for. A number of companies are involved in agro-industry in the country. These are presented below (Table 4) according to industry.
### Table 4: Professional Organisations involved in Agriculture in Swaziland

<table>
<thead>
<tr>
<th>Industry</th>
<th>Number of Companies</th>
<th>Name of Main Companies</th>
</tr>
</thead>
</table>
| Meat and meat processing-abattoir | 3                   | • Swaziland Meat Industries  
• Swaziland Meat Wholesalers  
• Poultry Processors        |
| Sugar and sweet           | 3 Sugar 1 Sweet     | Royal Swaziland Sugar Corporation (RSSC)  
Illovo Cadbury Swaziland    |
| Milk and dairy product    | 2                   | Parmalat Swaziland Valley Farm Dairy                       |
| Textile- cotton           | 1 Textile Processing| Tex Ray                                                     |
| Beer, wine, spirit        | 1                   | Swaziland Beverages                                       |

Additional opportunities exist in the agro-processing industry and needs further exploration. Such opportunities include poultry slaughtering and processing; fruit and vegetable processing; small-scale processing of milk and diversification of products.
4 NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1 General Overarching Framework Documents

4.1.1 General Overview

In the past decade, the Government introduced institutional and policy framework reform initiatives to respond to the national development agenda. The policies and strategies focus on the attainment of sustainable human and socio-economic development as well as poverty alleviation, job creation and provision of social services. These are articulated in the Vision of the Government, National Development Strategy, Poverty Reduction Strategy and Action Plan, National Agricultural Summit, Agricultural Diversification Strategy and Swaziland Agricultural Development Project (SADP).

Subject only to the provisions of the Constitution, all policies in Swaziland ought to facilitate the Vision of the Government contained in the National Development Strategy, which is: “To build a truly twenty-first century Kingdom of Swaziland, culturally united, integrated and stable, economically prosperous and socially well organised with equal opportunities for all, irrespective of gender, and responsibility from all.” In line with the Vision, the Mission of the Government of the Kingdom of Swaziland is: “To provide a climate and infrastructure that will progressively maximize the quality and security of life of the people of Swaziland and make the best use of the country’s natural and human resources.”

Key policies driven by the Government of Swaziland include the following:

a) **National Development Strategy:** The National Development Strategy (NDS) is a long term development strategy crafted in 1999 to guide, inspire and direct the socio-economic development through a roadmap over a 25 year period up to 2022.

b) **Poverty Reduction Strategy and Action Plan:** Poverty reduction is tackled through the Poverty Reduction Strategy and Action Plan (PRSAP), which is Swaziland’s overarching planning framework adopted in 2006 for addressing poverty and promoting economic growth. Its overriding goal is to reduce poverty by more than 50% by 2015 and then ultimately eradicate it by 2022, in line with the vision of the NDS.

c) **Comprehensive Agricultural Sector Policy:** The Comprehensive Agricultural Sector Policy (CASP) aims to focus on the contribution of the agriculture sector to the realization of the country’s aspiration of the Vision 2022 and to the achievement of national development goals of the NDS.

d) **Food Security:** The Government’s policy in agricultural production, both crops and livestock, is centred on attaining food security for all its citizens. This is achieved through the four pillars of the National Food Security Policy developed in 2005 and also encompassed in the Comprehensive Agriculture Sector Policy (CASP).

e) **Investment and Job Creation:** This is a cross-cutting policy issue that touches a number of sectors including agriculture. Institutions such as the Swaziland Investment Promotion Agency (SIPA) and the Swaziland Enterprise Development Company (SEDCO) are at the forefront of luring investors into the country and promoting domestic investment. SEDCO is involved in the development of micro and medium scale entrepreneurs to stimulate domestic investment in the country. The principal driver for investment promotion in the country is SIPA, whose activities involve attracting foreign direct investment and promoting the formation and growth of indigenous enterprises. This is achieved through the creation of an enabling environment in which businesses can thrive, thereby achieve the most effective distribution of development across the country. Investments in the country are guided by the draft Investment Policy (2009).
f) **Export Promotion:** The promotion of exports is driven by the National Export Strategy (NES) developed in 2006. The NES targets to achieve a sustainable economic growth through enhanced competitiveness, value addition and export diversification in targeted sectors and a strong public private partnership contributing to the prosperity of the people of Swaziland.

These and other key agricultural policies are further outlined below.

### 4.1.2 National Development Strategy

The National Development Strategy (NDS) is a roadmap for the country’s long-term socio-economic development, which is a national policy orientation that *inter alia* prioritizes food security at household and community levels, commercialisation of agriculture on SNL, efficient water management and use, and rational land allocation and utilisation. The NDS is a long term development strategy crafted by the Government of Swaziland and launched in 1999 to guide strategic socio-economic development of the country over a 25 year period. The vision and objective of the NDS proclaims that: “*By the year 2022, the Kingdom of Swaziland will be in the top 10% of the medium human development group of countries founded on sustainable economic development, social justice and political stability.*”

The implementation is structured into 3-year rolling development plans. The vision of the agricultural sector as expressed in the NDS is about the development and implementation of strategies for food security enhancement, drought mitigation, poverty alleviation and sustainable use of the country’s natural resources. It focuses on improving water availability for both socio-economic and economic productivity. The strategies include: the enhancement of production and diversification of crops and livestock for domestic and international markets by both small and large-scale farmers; improved food management, processing and storage techniques at both national and household level; food security risk mapping and use of drought early warning systems; and, optimal distribution of food within households, communities and regions.

### 4.1.3 Poverty Reduction Strategy and Action Plan

The key element of the Poverty Reduction Strategy and Action Plan (PRSAP) is the empowerment of the poor to generate income through improving access to land, increasing income from agriculture and reducing unemployment. The PRSAP outlines nine broad strategies to increase food security and improve nutrition, namely:

- a. Improving early warning systems and disaster preparedness.
- b. Improving access to water resources for gardening through water harvesting and water rights.
- c. Promotion of water harvesting for livestock.
- d. Modernizing farming methods to increase yield and preservation of pasture.
- e. Promotion of the growing of nutritious food crops such as fruits and vegetables.
- f. Increasing public education and awareness about nutrition practices.
- g. Re-enforcing commercial foods with vitamins and mineral salts.
- h. Increasing the ability of the poor to generate income.
- i. Promoting awareness of planned-parenthood to reduce family size.

The strategies are classified under six broad pillars, which are:

- a. Rapid acceleration of economic growth based on broad participation of the population.
- b. Empowering the poor to generate income and reduce inequalities.
- c. Fair distribution of the benefits of growth through public expenditure.
- d. Ensure food security.
- e. Improving the quality of life of the poor.
- f. Strengthening good governance.

The most essential parts of the PRSAP are consolidated under the empowerment of the poor to generate income through improving access to land, increasing income from agriculture, and reducing unemployment.
The strategies proposed under the human capital development focus on education, health, food security and nutrition, and safe water and sanitation.

4.1.4 Comprehensive Agricultural Sector Policy (CASP) (2005)

The main goal of the CASP is to ensure that the agriculture sector contributes fully to the socioeconomic development of the country. In order to achieve this, the main objective of the policy is to provide clear guidance on policy options and measures necessary to enhance sustainable agriculture sector development and its contribution to overall economic growth, poverty alleviation, food security and sustainable natural resources management. More specifically, the policy is aimed at (i) increasing agricultural output and productivity; (ii) increasing the earning of those engaged in agriculture; (iii) improving food security; (iv) ensuring sustainable use and management of land and water resources; and stabilizing agricultural markets.

4.1.5 Food Security Policy (2005)

The main goal of the Food Security Policy of 2005 is to ensure that all people in Swaziland at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life. Supporting this goal are four key objectives or policy pillars, namely, (i) Food Availability; (ii) Food Access; (iii) Food Utilisation and Nutritional Requirements; and (iv) Stability of Supply.

4.1.6 National Programme for Food Security (2006)

The National Programme for Food Security is a programme that is complementary to the National Food Security Policy aimed at addressing the threats and opportunities relating to food security in Swaziland. It is a comprehensive food security strategy and action plan that elaborates the key strategies already set out by the National Food Security Policy to address food insecurity and poverty reduction through the four pillars for food security. The specific purpose of the programme is to provide clear guidance regarding the strategies and measures that must be adopted in order to improve food security for all people in Swaziland and also to support related initiatives on reducing poverty, improving agricultural production and marketing, enhancing environmental management, strengthening disaster preparedness, improving health delivery and broadening access to water and sanitation.

Furthermore, the programme ensures that development is guided and facilitated within a structured and balanced framework that respects physical limits, equity concerns, and institutional capacities.

4.1.7 National Adaptation Strategy (2006)

The National Adaptation Strategy (NAS) is strategy document adopted by stakeholders in the Swaziland Sugar Industry in 2006. The NAS was developed in response to the declining performance of the sugar sector and provides mitigation measures against the negative effects on the sugar industry and the wider economy that will result from the reform of the European Union (EU) sugar market. The over-arching goal of this strategy is to have the sugar industry continue playing the important economic development role that it has effectively played in the past and to continually maximize on its productivity, efficiency and competitiveness.

In supporting the sugar industry to continue playing its strategic multifaceted role, the strategy seeks to respond along three pillars. First, it supports the restructuring needs of the industry, whilst ensuring that a programme of continuous productivity and efficiency improvement is implemented. Secondly, it ensures the continued viability of smallholder sugarcane farming. The strategy minimizes the possibility of deterioration in living standards resulting from the reforms and to support diversification initiatives, both within the sugar industry and outside to other sectors. This includes the provision of social safety nets to ensure that people who were dependent on the sugar industry (retrenched employees, their families and the communities) are able to continue supporting reasonable livelihoods. Lastly, NAS also provides for the construction of public infrastructure such as bridges to minimize the impact of the sugar reforms on the smallholder farmers and associated stakeholders in their diverse development enterprises.
4.1.8 National Agriculture Summit Report and Action Plan (2007)  
MOA hosted the National Agriculture Summit in 2007 to gain consensus on the policies and strategies that constitute the institutional framework for revitalizing the agricultural sector as well as find solutions to the persistent challenges facing the sector. The most critical factors included the continual decline in agriculture’s contribution to the national economy yet it is realized that it is essential for the sector to continue serving a critical and indispensable role in contributing to food security, rural development, employment creation and poverty reduction.

The National Agriculture Summit brought together representatives of the different role players in the agriculture sector and consolidated their submissions into a 7-year Medium Term Action Plan comprising of programmes and projects for re-orienting agricultural production systems to enable farmers to create wealth for themselves in a production environment that has become adverse and challenging. The idea was borne out of the desire by farmers to exclusively and comprehensively discuss issues affecting agricultural production in the country. The theme of the National Agriculture Summit centred on “A New Agricultural Approach to Sustainable Development through Farmer Empowerment”. Implementation of this Action Plan commenced in 2008/09 Financial Year and continues to guide Government’s investment in the sector.

4.1.9 Draft Agricultural Diversification Strategy (2009)  
The draft Agricultural Diversification Strategy (AgDS) developed in 2009 is a statement of Government’s intent to promote agriculture diversification as a way of reducing reliance on the two primary crops (sugar and maize) and expanding business opportunities for farmers and other small entrepreneurs such as agro-processors, increasing employment opportunities and reducing poverty. The strategy advocates for the production of non-traditional and/or processing agricultural products for new markets, creation of new small and medium-sized agribusinesses and enhancing the incomes and competitiveness of smallholder farmers. With 69% of the population living below the poverty line and with the majority of women experiencing unemployment, adoption and effective implementation of the strategy will complement Government’s efforts of creating employment and increasing incomes of the rural population.

4.1.10 Swaziland Agriculture Development Project (2009)  
This is an intervention that Government commenced in 2009 with the support of the European Commission through Food and Agriculture Organisation of the United Nations (FAO). It aims to improve smallholder production and marketing systems that will lead to sustainable food security and to an improved quality of life for rural households through assisting MOA to develop coherent and relevant policies, institutional structures and field programmes that will result in more effective, demand-driven research and agricultural services to small producers. The project includes investments in facilities, equipment and field operations, as well as in water and livestock management, to provide the foundation for a reinvigorated and sustainable smallholder agricultural sector, while also supporting small producers, local entrepreneurs and agribusinesses to develop improved linkages and investments among smallholders and commercial markets. The major components of the project are: Improved and Sustainable Agricultural Production; Agricultural Research and Service Delivery; and, Agricultural Marketing, Finance and Agribusiness Development.

4.2 Agricultural Policies and Strategies  
The Government of the Kingdom of Swaziland has realised the need to shift towards commercialising agriculture in the country and in response, has set up relevant institutional frameworks to effect this objective. The following are specific policies and strategies in support of the agricultural development in Swaziland as guided by the overarching policies outlined above.
4.2.1 Land Infrastructure

4.2.1.1 Draft Land Policy (1999)

The Draft Land Policy envisages to maximize benefits to the entire society from land on a sustainable basis through (i) improved access to land and secure tenure; (ii) rational and sustainable use of land; (iii) improved productivity, income and living conditions and alleviate poverty; (iv) reduced land-related conflicts; (v) development of an efficient and effective system of land administration; and (vi) enhanced land ownership by Swazi citizens.

4.2.1.2 Land Ownership and Titling

There are two types of land tenure systems in Swaziland (i) Title Deed Land (TDL) and (ii) Swazi National Land (SNL). TDL is privately owned land covering about 43% of the country and mainly used for ranching, forestry or estate production of commercial crops such as sugarcane, citrus fruits and pineapples. SNL is land held in trust by the King for the Swazi people and it covers 56% of the country. It is administered by Traditional Chiefs on behalf of the King and they allocate land with land use rights to people for mainly subsistence production and livestock rearing as well as settlement and resettlement. The remaining 1% is land for urban development.

Current land use categories in Swaziland include crop agriculture, animal husbandry, forestry and extraction of a variety of forest products, extraction and collection, nature protection, settlement and industry, grazing, nature protection and tourism. Several of these land uses are found in complex patterns, such as small scale traditional farming in close association with communal grazing. Cattle dominate the country’s livestock sector and their grazing is the predominant land use in Swaziland, with about 11,630km$^2$ (67% of total land area) being used for grazing (Manyatsi, 2005$^{42}$). An additional 2,509km$^2$ (14.4%) of land under cultivation or fallow in summer augments available grazing during the dry season. The condition of rangelands in commercial ranching on TDL and SNL ranches is better than on SNL communal land, which appears to be increasingly deteriorating as signs of severe erosion become visible. Table 5 gives an overview of the present main land uses in Swaziland$^{43}$.

Table 5: Main Land Uses In Swaziland

<table>
<thead>
<tr>
<th>Groupings of main land uses</th>
<th>km$^2$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Small-scale subsistence crop agriculture (rain fed annual field cropping)</td>
<td>2,140</td>
<td>12.3</td>
</tr>
<tr>
<td>2. Large-scale commercial crop agriculture (irrigated and rain fed field/tree cropping)</td>
<td>1,040</td>
<td>6.0</td>
</tr>
<tr>
<td>3. Extensive communal grazing</td>
<td>8,670</td>
<td>50.0</td>
</tr>
<tr>
<td>4. Ranching</td>
<td>3,320</td>
<td>19.1</td>
</tr>
<tr>
<td>5. Plantation Forest</td>
<td>1,400</td>
<td>8.1</td>
</tr>
<tr>
<td>6. Parks, Wildlife Management</td>
<td>670</td>
<td>3.9</td>
</tr>
<tr>
<td>7. Residential, Industry, Recreation</td>
<td>80</td>
<td>0.5</td>
</tr>
<tr>
<td>8. Water Reservoirs</td>
<td>40</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>17,360</td>
<td>100</td>
</tr>
</tbody>
</table>


This is dominated by communal grazing of livestock, particularly on SNL, followed by ranching principally on TDL and Government farms.

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$^{43}$ Based on the inventory available at scale 1:250,000 done in 1994.
4.2.1.3 Resettlement Policy (2003)

The Resettlement Policy of 2003 envisages the establishment of a durable, practical and participatory framework for the planning and sustainable management of land and the appropriate application of resettlement strategies in rural Swaziland, in order to increase agricultural production, promote the sustainable utilization of natural resources and improve livelihoods.

To this effect, the policy aims to (i) promote the optimal and sustainable use of land by rural communities; (ii) assist local communities in identifying land use strategies and resettlement models that are suitable and appropriate for their particular circumstances; (iii) enable and encourage full participation and involvement of affected communities; (iv) ensure that land allocation in both social and legal contexts is transparent, orderly, legitimate and equitable; (v) ensure farm compensation and appropriate treatment of displaced and other affected people; (vi) strengthen the legislative framework for resettlement and sustainable land management; (vii) facilitate the resolution of land disputes; and (viii) ensure the role and authority of relevant institutions are clear and respected.

4.2.2 Livestock Policies and Strategies
4.2.2.1 The Livestock Development Policy (1995)

The Livestock Development Policy of 1995 aims to develop an efficient, commercialized and sustainable livestock industry to contribute more effectively to economic development. This goal is expected to be attained through improved national herd and animal health, nutrition, meat hygiene standards, marketing, processing industries, commercialisation and promotion of entrepreneurship, range management, research, legislation and communication. Among the many strategies designed to achieve this include the need to improve livestock extension services and R&D; promoting livestock off-take and marketing; maintaining good range and pasture management practices; guaranteeing meat hygiene standards and sanitary requirements; and the manpower development.

4.2.3 Rural Roads and Other Rural Infrastructure

The country’s roads infrastructure is well developed. The policy of aggressively pursuing a programme of improving road infrastructure has yielded positive developments resulting in a national grid of approximately 1,500 km of main roads and almost 2,300 km of district roads. The total length of paved roads increased by 20% and resulted in the creation of 1,171 km of improved road network by 2009.

4.2.4 Natural Resources Policies and Strategies
4.2.4.1 Draft National Water Policy (2009)

The draft 2009 National Water Policy (NWP) provides guidance to stakeholders in the water sector regarding integrated planning, development and management of water resources, with particular emphasis on the role and responsibility of stakeholders. It seeks to increase equitable access to water resources by all sectors of society without prejudicing existing users. The policy promotes sustainable water development in the interest of the whole nation and region without abdicating state integrity and responsibility towards neighbouring countries. The overall goal of the NWP is sustainable development and management of water resources in the country through integrated planning. Moreover, it aims to ensure access to adequate and good quality water for all citizens, and that transboundary and environmental obligations are met at all times.

4.2.4.2 Water and Irrigation

Over 95% of the water demand in Swaziland is for irrigation, over 90% of which is for sugarcane. The irrigation sector is generally marked by inefficient irrigation methods and wasteful water conveyance systems, but cases of a deliberate move towards improved irrigation efficiencies are now becoming more visible. The Ministry of Agriculture drafted an Irrigation Policy which seeks to regulate and enhance productivity through
irrigation. Issues of climate change and its predicted impacts, particularly on agricultural productivity, are now a matter of serious concern.

The main goal of The Irrigation Policy of 2006 is to ensure that the irrigated agriculture sub-sector in Swaziland contributes fully to economic growth and poverty alleviation in accordance with the Government’s Stated Strategy; the National Development Goals, the Water Act of 2003 and the need to use the country’s limited natural resources in a sustainable fashion.

To this effect, the policy aims to (i) optimize the productivity of water in the country’s agricultural sector and broaden the scope for agricultural intensification and diversification; (ii) establish an irrigation sector institutional landscape characterised by transparent regulation and strong, participatory and/or responsive and accountable institutions in Swaziland; and (iii) enhance the structure of the irrigated subsector by promoting new public and private investment opportunities for emerging farmers.

Swaziland is blessed with abundant surface water resources. The country has five river basins which it shares with the country’s neighbours and are as such, international river basins. According to Murdoch (1968), the irrigable portion of the country amounts to nearly 3,500,000 ha. Some of the area is on steep slopes resulting in a net of about 2,600,000 ha. It is estimated that a total area of 100,000 ha is irrigable out of which just over 60,000 ha is current irrigated. An estimated 97% of all irrigation includes irrigation infrastructure found on Title Deed Land (TDL), dominated by large commercial farms and estates. Over 80% of the irrigation takes place in the Lowveld, followed by the Middleveld and then the Highveld. Over 95% of surface water withdrawals is used for irrigation and the main crop utilizing this irrigation water is sugarcane, which accounts for about 95% (46,000 ha) of the total area currently irrigated.

Irrigation activities are classified as large (500 ha or larger), medium (between 50 and 500 ha) and small (less than 50ha). There are apparently 10 large developments which between them occupy 67% of the all irrigated land, while medium and small scale schemes account for 20% and 30% respectively. The main irrigation methods in Swaziland in order of importance are sprinkler, furrow, trickle (both surface and sub-surface) and centre-pivot. The noticeable shift away from draglines has been credited not only with water savings, but also higher yields, higher sucrose content, lower operational costs and smoother power demand. Despite demonstrated clear advantages of more efficient and productive methods, it is thought likely that draglines are likely to remain dominant in small and medium schemes because of their ease of installation and employment potential.

4.2.4.3 Forestry

The country is blessed with a suitable terrain that supports natural and manmade forests. The mountainous terrain of the western parts of the country in the Highveld and Wet Middleveld is very suitable for forestry production. Despite its relatively small size, Swaziland commands one of the largest man-made forests in the world which covers about 45% of Swaziland’s total area. Four different types of forests are found in the country: industrial forests; community forests (community woodlots); urban forests; and natural forests or woodlands.

The large tree coverage indicates the importance of the forest resources of the country. There are, however, significant differences in management and condition of the various forest categories. The overall state of the natural forest and woodland shows poor management and degradation, whereas the plantation forests are generally well managed and in good condition. The current deforestation and degradation of the natural forest and woodland areas is caused by a combination of factors such as conversion of land to agriculture and other land uses, uncontrolled extraction of forest products from communal land, large livestock populations and expanding infrastructure development. Forest degradation is further compounded by a number of underlying socio-economic conditions, caused by increasing population pressure that counteract rational utilization of forest and woodlands. The associated problems include poverty, hunger, access to land, lack of jobs and income-generating opportunities as well as growing economic demands for forest goods and services.
The forestry sub-sector in Swaziland has made, and continues to make, a significant contribution to national economic development. Its contribution to the economy of the country is significant at 30% of GDP in terms of income and employment opportunities.

The responsibility of developing and managing forestry, previously with MOA, now rests with the Ministry of Tourism and Environmental Affairs. The Forestry Section is charged with the responsibility to provide policy, legal and technical direction to ensure sustainable management and development of all forest resources and environment projection.

There is the National Forestry Policy and a National Forestry Programme, which were developed in 2002. A Forestry Bill is under discussion by various stakeholders and will be submitted to Parliament for enactment into law. The goal of The National Forestry Policy of 2002 is to achieve efficient, profitable and sustainable management and utilisation of forest resources for the benefit of the entire society, and to increase the role of forestry in environmental protection, conservation of plant and animal genetic resources and rehabilitation of degraded land.

To this effect, the policy aims to (i) promote economic development through commercial forestry and conservation of natural forests and woodlands; (ii) develop forest resources and its sustainable balance with other land and water uses and the improvement of forest productivity; (iii) promote conservation of biodiversity of forest resources and enhanced forest management; and (iv) promote appropriate agro-forestry practices for Swazi farming systems.

4.2.4.4 Inland Fisheries

There are no marine fisheries in the country, but inland fisheries. The potential exists to develop the fisheries industry in the country. Government's programme of constructing water infrastructure presents opportunities for developing the fisheries industry. MOAC assists fish farmers through the provision of technical assistance and fish-farming programmes. The mandate for fisheries development rests with the Fisheries Section within the Ministry.

Major challenges in the fisheries sub-sector include limited varieties of fish fingerlings, inadequate financial resources to finance fisheries programmes and investments, and, lack of scientific information to support the proper and sustainable exploitation of the water bodies in the country.

4.3 Support Services for Farmers

4.3.1 Collection of Information and Dissemination

The Central Statistical Office (CSO) under the Ministry of Economic Planning and Development has the responsibility to collect and analyse statistics. Technical information is collected by various sectors of the economy and disseminated to relevant stakeholders through the Information Section of the MOA to the various print and electronic media. However, the office lacks capacity to process and generate information to meet the needs and requirements of various stakeholders other than providing raw data.

4.3.2 Agricultural Education

The Ministry of Education and Training has a department responsible for schools agriculture at primary school level and a curriculum in Secondary Schools teaching of agriculture. The Nhlangano Agricultural Skills Training Centre (NASTC) is one of three skills training centres in Swaziland. It offers agricultural training courses, vocational and practical agriculture as well as courses in other vocational disciplines (electrical work, carpentry, metal work and motor mechanics).

The mandate of the Veterinary and Farmer Training Centre (VFTC) is to provide theoretical and practical training to Veterinary Assistants in animal health and production. It also provides in-service training for staff and provides training for local farmers in animal management and health in order to improve animal productivity. The in-service training courses for staff are tailor-made and short, designed to suit the training
needs of the candidates concerned. The same applies to farmers who come to the centre mainly when the students on the veterinary assistants’ course are on holiday.

There are four Farmer Training Centres (FTCs) under the Department of Agriculture in the Ministry of Agriculture. These are mandated to provide short courses for farmers to meet their special training needs. In-service training courses for staff may also be provided at the FTCs according to demand.

Ngwane Teacher Training College offers a three-year diploma course for primary school teachers, with a specialty in agriculture. The main courses offered include crop production, animal production and health land use, mechanization, economics and marketing. The college is affiliated to the University of Swaziland.

The Faculty of Agriculture of the University of Swaziland has a training mandate of designing programmes to teach courses which are responsive to the needs and aspirations of the Faculty and produce a proper balance between teaching, research, outreach activities and enterprise development. The faculty also collaborates with all stakeholders involved in the development and dissemination of technology and information as well as to develop and operate a suitable library that provides an excellent information service to the Faculty and serves as reference centre for the members of the public.

4.3.3 Cooperatives and Farming Organisations

Government supports the development of farmer groups in the form of cooperatives as well as associations. The department responsible for this role was previously under the Ministry of Agriculture and Cooperatives and is now under the Ministry of Commerce Industry and Trade. The department has the responsibility to enforce the Cooperative Societies Act including the Regulation of Cooperatives, Audit of Cooperatives, Education and Training and Marketing.

Co-operative development in the country is guided by The Co-operatives Act of 2003 and the 2003 National Co-operatives Policy, which establishes co-operatives as corporate bodies legally empowered to manage public funds. Members of co-operative institutions collectively mobilise their resources to facilitate their socio-economic development. It is estimated that co-operatives contribute about 2% to GNP and 0.26% to national labour force.

The composition of cooperatives today covers many different sectors of the economy and include both worker cooperatives and service cooperatives. The various forms include: agricultural cooperatives, credit and savings cooperatives, handicraft cooperatives, housing cooperatives, consumer cooperatives and multi-purpose cooperatives. The largest cooperatives are the savings and credit, which provide funds to their members to finance economic development projects. By the end of March 2005, MOAC reports that the membership of registered societies was estimated at 39,246 within 177 cooperative societies. Of the registered societies, 120 were active and viable savings and credit co-operatives; farmers’ co-operatives; multi-purpose co-operatives; marketing co-operatives; and other types of co-operative societies throughout the country. Dormant farmers co-operatives based in rural areas numbered 57.

Agricultural cooperatives are faced with a number of constraints emanating from the existing cartels of input suppliers within and outside the country. Inadequate human resources inhibit the ability of staff to effectively monitor the activities of all existing cooperatives in Swaziland.

4.3.4 Agricultural Extension

Extension services to farmers are provided through several different organizations. Farmers on Swazi Nation Land are served primarily through the Department of Agriculture and Extension, specifically through Technical Services and the Extension Service. Technical Services is manned by Subject Matter Specialists (SMS) whose roles include supporting and training field extension staff in the fields of: irrigation, horticulture, cereals, cotton promotion, crop storage, crop protection, grain legumes, soil testing, seed quality control, farm

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mechanization, forestry, fisheries, sugarcane promotion, tobacco production, rural youth programmes, Land Development Unit, and Home Economics. Extension Service deals directly with farming communities using the technical expertise of the former.

Other support to SNL farmers comes from the various parastatals and other organizations from the private sector including:

a. National Agricultural Marketing Board (NAMBoard) which provides assistance in training, research, promotion and creation of awareness among producers and exporters in understanding and adhering to national and international standards;

b. National Maize Corporation (NMC) which guarantees all year round competitive market for Swazi maize farmers as well as guarantee all year round supplies of maize at reasonable costs to the nation. Moreover, NMC is engaged in reducing marketing barriers and costs to Swazi farmers by improving maize marketing and logistics services;

c. Swaziland Cotton Board (SCB) is responsible for cotton improvement chiefly by controlling planting seed through the administration of the seed improvement scheme and provide advice on matters pertaining to the cotton industry;

d. Swaziland Dairy Board (SDB) promotes and provides dairy development services in milk production, encourages investment in the processing of dairy products, and supplies dairy industry information; and

e. Swaziland Water and Agricultural Development Enterprise (SWADE) provides business and extension support and advice to smallholder farmers in designated areas to attain an improved quality of life.

4.3.5 Agricultural Research

Institutions involved in agricultural research include:

a. The Department of Agricultural Research and Specialist Services (DARSS) which is responsible for carrying out applied and adaptive research on crops and socio-economic circumstances faced by farmers nationwide. Its research mandate is to develop appropriate technologies hence increasing crop productivity while maintaining the natural resource base. Research is currently focused on cereals (maize and sorghum), grain legumes, root crops (sweet potatoes and cassava), horticulture (fruits and vegetables) and food technology. With the exception of cotton, new cultivars and technologies from outside of the country are tested rather than developed within Swaziland. There is limited research on the livestock sub-sector, while none on forages due to limited human and financial resources. Additional activities with respect to enforcement of Sanitary and Phyto-Sanitary (SPS) include implementation of the Sanitary and Phyto-Sanitary (SPS) programme plus food safety. Also provide service of regulating plant health through quarantine.

b. The Animal Production Division of MOA is tasked with undertaking applied research in animal production for the benefit of the livestock industry, as per the articulation of the Livestock development policy. Outstanding research has been undertaken on the conservation and sustainable utilization of the country’s animal genetic resources in cattle and goats.

c. The Faculty of Agriculture of the University of Swaziland is mandated to conduct demand-driven research aimed at increasing agricultural production, alleviating poverty, and conserving the environment. The research activities conducted cover: nature conservation; land utilization and degradation; animal waste management; poultry nutrition; mineral deficiency in cattle; the use of sugarcane tops as an animal feed; the impact of HIV/AIDS on agriculture and food security; credit access by small scale farmers and implications of policy interventions; comparisons of monoculture and multiple cropping systems based on cassava and grain legumes; the effects of mulching with sun hemp on the productivity of beans.
4.3.6 Patenting Technologies

There is still no organization responsible for issues regarding patenting.

4.3.7 Micro-Credit

Micro finance is sometimes regarded as the cornerstone for the development of the SME sector, agricultural sector as well as the micro enterprise sector. Access to credit is cited as the major constraint to SME growth and efforts to establish sustainable sources of finance for the sector have not been successful. There are numerous problems experienced by entrepreneurs when trying to access credit. The problems range from the absence of a policy to guide the operation of the micro finance institutions, limited information on the requirements and procedures of financial institutions which are often lengthy and complicated, very high lending rates as well as requirement of collateral.

4.3.8 Inputs Provision

**Crops**

The use and application of fertilisers plays a significant role in the country's agricultural production regime. Fertiliser application is significantly higher among TDL farmers than SNL farmers. Available limited records indicate that total volume of fertilizer used in TDL farms is almost three times that of SNL. Even though there are gaps in some years because of the change of hands in fertilizer suppliers, there appears to be a significant downward trend in the application of inorganic fertilizers in the twenty year period from 1979/80 to 2000/2001 (Lukhele & Gumede, 2009). Among smallholder farmers, there has been an observed increase in the adoption of improved technologies in the application of inorganic fertilizers and improved seeds in both hybrid and open pollinated varieties.

The development of seed in the country dates back to the 1980s, where seed was imported from South Africa and Zimbabwe. In view of the ideal climate (subtropical to tropical) for the production of a wide range of seeds, the country engaged in seed production to meeting existing shortages by supplying high quality seed adaptable to local conditions. Open pollinated varieties of maize seed and beans were produced. These initiatives led to the Seed Policy of 2000 which aimed to achieve national seed self-sufficiency and through extension and research ensure that all farmers develop a high degree of awareness of the role of improved seed as a major input in crop production. Processes are currently underway to update this outdated Seed Policy.

When investments encountered quality maintenance challenges in seed production, the Government established the Seed Quality Control Section. Currently, seed production is limited to grading, treating and packaging. The Seed Quality Control Section promotes a community based seed production scheme to produce and package marginalized seeds through companies owned by smallholder farmers. The scheme covers a wide range of crops from which farmers make their own selection. Seeds produced todate include millet and Livingstone potato. The produced seeds are very strategic for achieving food security.

**Livestock**

All veterinary products used in Swaziland are imported, principally from South Africa. This also includes all the semen and liquid nitrogen used in artificial insemination. Despite having animal feed processed and manufactured in the country, most of the raw materials for animal feed are imported, mainly from South Africa. Yellow maize accounts for the highest proportion of the ingredients used to manufacture the feed, especially in poultry and pork, and the country imports about 90% of the maize required in the manufacture of such feeds from South Africa. The average daily consumption of yellow maize by the three stock feed plants in Swaziland stands at 180 metric tonnes. The annual demand for yellow maize to manufacture animal feeds could therefore be estimated at 47,520 metric tons. This presents an opportunity for smallholder farmers to engage in the production of yellow maize.
Other commonly used feed components imported from South Africa and/or overseas include sunflower oil cake, soya meal cake, wheat bran, fish meal, vitamins and minerals. Locally produced components include hominy chop, molasses, and bone meal.

4.3.9 Youth Development in Agriculture

Within Government, the Ministry of Sports, Culture and Youth Affairs is responsible for coordinating the National Youth Policy of Swaziland in cooperation with other youth serving ministries and youth organizations, especially in partnership with the Swaziland National Youth Council, the major non-governmental youth coordinating body.

4.3.10 Direct Farming by Government

No direct farming is being carried out by either government or parastatal in Swaziland. It is the government mandate to encourage all commercial activities including farming to be undertaken by farmers and/or farmer groups as viable business entities.

4.4 Support to Investment

4.4.1 Agro Industries and Large Commercial Farms

The interest in investing in Swaziland agriculture from entrepreneurs outside of the country is increasing. The Swaziland Investment Promotion Authority (SIPA) is responsible for encouraging such investment. Such entrepreneurs bring with them finance, technical experience as well as sophisticated and dynamic knowledge of the markets that they plan to sell into.

4.4.2 Mechanization

The Ministry of Agriculture provides two kinds of services under mechanization; tractor hire under the Tractor Hire Service (THS) and heavy plant equipment. Firstly, the THS is provided through the Rural Area Development Programme (RDAP) and targets smallholder farmers on SNL to facilitate land preparation for early planting. The tractor hire charges are subsidized and consequently lower than those of privately owned tractors. Proposals have been made in various forums, including the National Agriculture Summit held in 2007, to privatize and operate the THS on a commercial basis.

Secondly, the Ministry of Agriculture provides heavy plant and equipment for the construction of infrastructure that promotes sustainable production. The utilization of the heavy plant includes construction and rehabilitation of small to medium sized earth dams; water diversion structures and canals for irrigation; soil conservation and rehabilitation of degraded land; construction of firebreaks and farms roads; construction and maintenance of rural infrastructure such as feeder roads and low level crossings; and bush clearing and ripping of farming operations.

4.4.3 Disease Prevention – Phytosanitary and Zoosanitary

The prevention of diseases in the country is the primary domain of the Animal Health Division of the Department of Veterinary and Livestock Services (DVLS). Its principal function is to effect the animal disease control through the enforcement of the Animal Disease Act No. 7 of 1965. Effective animal health programme implemented under this control have ensured that Swaziland maintains a very good record in animal health. Swaziland is therefore one of the six countries accredited for meat export to the EU in ACP countries.

To control ticks the Government continues to provide dipping infrastructure and subsidized dipping services to livestock farmers on SNL, while farmers on TDL provide their own dipping infrastructure and services. The Animal Health Division effects measures such as vaccines and movement restrictions to control the outbreak and spread of animal diseases. A National Avian Influenza Preparedness Plan is in place and includes aspects relating to strengthening early detection and rapid response systems, extensive surveillance and emergency response.
The existence of the Central Veterinary Laboratory is an essential part of the National Veterinary Service delivery mechanism with the provision of expeditious diagnosis for Disease Early Detection - Early Reaction. With the assistance of FAO new serodiagnostic technologies have been established at the Central Veterinary Laboratory for Avian Influenza (AI) and New Castle Disease (NCD). The food safety assurance responsibility of the Veterinary Public Health and Meat Hygiene Services rests with the Swaziland Meat Industries (SMI), Swaziland Poultry Processors (SPP) and other players in the animal health subsector. Diverse food regulatory mechanisms such as Meat Inspection, Ports of Entry Control, Veterinary Certification, Laboratory Monitoring tests are successfully applied at various establishments for food and animal feed safety assurance purposes.

There is also the National Livestock Identification and Traceability System. This was developed in response to the Livestock Development Policy of 1995 which highlighted the necessity for a suitable livestock identification system that would strengthen livestock disease control and enhance livestock anti-theft precautionary measures in the country. This system is in tandem with international standards and requirements for trade. Implementation of this system is supported by the Livestock Identification Act which was enacted in 2001 to guide, support and enforce compliance with this policy objective. The Act provides for the registration of livestock marks and the compulsory marking of livestock with registered livestock marks.

Advanced plans are underway to establish a computerized Livestock Identification System that will effectively control and monitor animal diseases, inhibit local and cross-border stock theft and support genetic improvement of the national herd. The system will include the preparation of regulations to guide the implementation of the provisions of the Act; the establishment of a functional office for the Registrar of Livestock Identification Marks; the establishment of a cost effective national marking system; the installation of a compatible management system for the Livestock Identification marking system; the training of the operational staff and education of the livestock owners on the provisions of the Act and its regulations.

### 4.4.4 Specific Commodity Chains

In the agricultural and manufacturing sector there are a number of organizations supporting various commodities including; the Swaziland Sugar Association, Swaziland Cotton Board, Swaziland Dairy Board, National Maize Corporation, National Agricultural Marketing Board, Swaziland Meat Industries and the Swaziland Water and Agricultural Development Enterprise.

**Swaziland Sugar Association**

The Swaziland Sugar Association (SSA) oversees the affairs of the sugar industry in the country. In particular, it manages the marketing aspects of sugar in local, regional and overseas markets. SSA also operates a Technical Services Division which provides extension to all sugarcane growers in the country in regard to varieties of cane to grow and control and management of pests and diseases. There is also the Swaziland Cane Growers Association which manages the affairs of sugarcane growers and acts as their representatives at the SSA.

**Swaziland Cotton Board**

The Swaziland Cotton Board is a product of the Cotton Act No. 26 of 1967. It is composed of 5 representatives from different stakeholders which comprise of Ginners, Spinners, Cotton Farmers, Ministry of Agriculture and Ministry of Finance. The Board’s broad functions include (i) advising the Ministry on all matters concerning the cotton industry; and (ii) promoting and regulating cotton production and processing in Swaziland by advising on legislation necessary and drafting such legislation; providing extension service, credit input finance, and sourcing good quality planting seed; funding cotton Research through the levy collected from farmers; and stimulating markets and processing cotton.

**Swaziland Dairy Board**

The Swaziland Dairy Board (SDB) is a public enterprise wholly owned by the Swaziland Government, established in 1971 under the Dairy Act No. 28 of 1968. Its initial primary function is to develop and regulate the industry. Its involvement in commercial operations was of a secondary nature as such the Government restructured the Board to enable it to revert back to its original mandate by weaning off the commercial
enterprises. The restructured Board’s core business is to provide developmental and regulatory services to the dairy industry from a neutral position. The SDB complements the Government’s efforts through the provision of a supportive socio-economic environment for the development of the dairy industry aimed at achieving food security, poverty reduction, investment promotion, job creation and export promotion.

Within the dairy sub-sector, there is also the Dairy Industry Stakeholders Coordinating Committee (DISCC), which is a committee that facilitates the resolution and promotion of issues of concern to the dairy industry. This committee consists of representatives from all role players in the industry including: SDB, Ministry of Agriculture, small-scale farmers (dairy farmers cooperatives and associations), large-scale farmers, processors, distributors and retailers, feed manufacturers, financiers, NGO’s, UNISWA, Ministry of Foreign Affairs.

National Maize Corporation
The National Maize Corporation (NMC) is a State-owned enterprise established in 1985 in accordance with the Companies Act of 1912. There is no special Act of Parliament incorporating it. Its two major shareholders are the Ministry of Agriculture and the National Agricultural Marketing Board. NMC trades in white maize. It receives no annual subvention or lifeline from Government and it generates enough income to cover its running costs.

NMC was established to guarantee a market to local maize farmers at competitive prices and to provide good quality maize meal at reasonable prices to the Swazi people. Currently, NMC is no longer involved in maize milling, but only with its purchase, storage and marketing.

NMC operates five silos situated throughout the country with the main responsibility of buying and storing maize from local smallholder farmers. There is one central silo at Matsapha with a bigger handling capacity compared to the four satellite silos. The satellite silos serve as regional maize buying points which help farmers reduce their maize marketing costs by saving on transportation costs. NMC bears the cost of transporting the maize from the regional depots to the central silos in Matsapha.

National Agricultural Marketing Board
The National Agricultural Marketing Board (NAMBoard) is a Public Enterprise established through an Act of Parliament (NAMBoard Act No.13 of 1985), mandated amongst other activities to (i) regulate, where appropriate, Importers and Exporters of Scheduled Agricultural products; (ii) facilitate in the marketing, processing, storage, transportation, distribution and sale of scheduled agricultural products; and (iii) advice the government in all matters related to the supply and demand of Scheduled Agricultural products.

Swaziland Meat Industries
The Swaziland Meat Industries (SMI) is a private company responsible for the marketing of cattle in Swaziland for export markets, particularly to the European Union (EU), Mozambique and South Africa. It operates a processing plant in Matsapha. SMI is the only licensed beef processor for the EU market of 3,360 tonnes of boneless beef. Due to shortage of Swazi cattle, they are unable to capitalize on the quota market. SMI also provides technical assistance to cattle farmers to stimulate and increase production of beef cattle.

Swaziland Water and Agricultural Development Enterprise
The Swaziland Water and Agricultural Development Enterprise (SWADE) is a parastatal established in November 1999 as Swaziland Komati Development Enterprise Limited (SKPE) in accordance with the Companies Act of 1912. In 2005 SKPE was transformed into SWADE to extend its mandate beyond the Komati River Basin. SWADE is a company that is wholly owned by the Government of Swaziland. SWADE’s operations are governed by the Public Enterprises Unit. Unlike some parastatals, SWADE is not a revenue generating entity, but obtains all its funds from the fiscus to finance both its capital and recurrent programmes.

At its establishment, SWADE was tasked with the responsibilities to (i) undertake the co-ordination, monitoring and evaluation programmes arising as a consequence of the construction of Maguga Dam and the subsequent impoundment of water; (ii) co-ordinate all activities related to the construction of Maguga Dam and the Swaziland portion of Lake Matsamo (Driekoppies Dam), to ensure that government’s interests are
properly served; (iii) undertake the programme directed towards the utilization of Swaziland’s share of the additional water available on impoundment following the completion of Maguga Dam, through the promotion and facilitation of irrigation and other agricultural programmes, including resettlement and compensation programmes; (iv) support the development and provision of business advisory and information services, training facilities, monitoring and technology transfers to small farmers; and (v) plan and implement the Lower Usuthu Development Project, and any other major water resources developments that the Directors or Board may assign.

4.5 Emergency and Disaster Preparedness

The National Disaster Management Authority (NDMA) coordinates disaster activities in the country. Its principal focus areas are food and water distribution logistics and provision of remedial solutions in times of natural disasters. NDMA operates under the Deputy Prime Minister’s office.

4.5.1 Food Security and Early Warning

In Swaziland food security is key in improving the livelihoods of people to attain an improved standard of living. In this regard the MOA developed a food security policy to provide guidance regarding strategies and measures for adoption to improve food security for all people in Swaziland. Historically, food security in Swaziland has been related to maize production and as a result the target goal was self-sufficiency. In the early 1990s, food security was adopted as the overriding policy for agricultural production. Simultaneously, early warning systems for food security were put in place to guide the pursuit of food security assessments and determining appropriate courses of action.

The National Early Warning Unit releases a monthly bulletin which provides information on meteorological data (particularly rainfall and temperature data), incidences of pests and food availability in the country predominantly cereals such as maize, wheat and rice. There is also the Swaziland Vulnerability Assessment Committee (VAC) which undertakes field missions to assess mainly maize production prospects and determine numbers of people likely to be affected by natural disasters such as drought and floods and winds.

4.5.2 Food Reserves

Swaziland does not have food reserves storage facilities other than maize cribs at the homestead level and national and regional maize silos operated by NMC.

4.5.3 HIV/AIDS Related to Agricultural Policies

The Poverty Reduction Strategy and Action Programme has Pillar 5 which relates to Improving the Quality of Life of the Poor. Also, the National Food Security Policy has Pillar 1 on Food Availability. This addresses the Impacts of HIV/AIDS on food production. A sluggish agricultural sector, on the other hand, can seriously undermine attempts to curb the spread of HIV/AIDS and other diseases. The loss of women from HIV/AIDS has enormous implications on nutrition and poverty. The cumulative effect of HIV/AIDS on labour and household agricultural production ultimately is likely to have a negative impact at the national levels.

4.6 Trade Related Issues

4.6.1 Tariffs and Non-Tariff Barriers

Swaziland is a member of the Southern African Custom Union (SACU). Swaziland is a signatory and a founding member of the WTO. Swaziland being a member of SADC is involved in EPA negotiations. Moreover, Swaziland is a member of the Common Market for East and Southern Africa.

The Kingdom of Swaziland is a small open economy, in which the private sector-led trade and foreign investment, play a major role in the country’s socio-economic development. The country’s economy is export-oriented and although diversified and dualistic, it is largely based on agriculture and agricultural based industries which support the manufacturing sector. Primary agricultural exports dominated by sugar, account
for at least 50% of the country’s total exports in value terms. Other important exports include citrus fruits as well as wood pulp at 15% - 20% contribution respectively. Swaziland also exports beef to the EU, however beef exports are insignificant compared to sugar and citrus.

### 4.6.2 Sanitary and Phyto-Sanitary Measures

Sanitary and Phyto-Sanitary (SPS) measures are mainly developed by the Ministry of Agriculture in consultation with stakeholders. These measures are based on international standards which are under the Office International des Epizooties (OIE), International Plant Protection Convention (IPPC) and CODEX Alimentarius Commission. The areas of responsibility include plant and animal quarantine as well as food safety. The agencies that apply the SPS measures are the Agricultural Research Division – Plant Health; the Veterinary Services – Animal Health and Meat Hygiene; and the Public Health Department (Ministry of Health) and Home Economics Section (Ministry of Agriculture) – Food Safety.

All agencies that apply the SPS measures do so in accordance to the agreement based on international standards provided by the relevant bodies, i.e., IPPC, OIE and CODEX Alimentarius Commission. Risk assessments are also carried out especially on animal and plant health to ensure disease and pest free areas. In the case of beef, risk assessments are also based on EU Standards as the country exports beef predominantly to the EU. These procedures are not extensively published, but made accessible upon enquiry.

The Public Health Department is to a greater extent responsible for local food safety issues. In addition, Swaziland has a organized national SPS Committees that addresses national SPS Issues. However, it needs strengthening to be effective in providing solutions to the national challenging issues. There is need for review of national policies and legislations that govern plant and animal health as well as food safety.

The country does not as yet have a policy on genetically modified orgasms (GMOs), but there exists a draft bio-safety policy developed in 2006/07. These are prevalent in the seed industry, particularly seeds of maize, sunflower and soya. While GMO production is prohibited in Swaziland, genetically modified soya seed and feed enters the country anyway from South Africa and other exporters. In as much as the GMOs produce high yields, their cost is of great concern to the target population of smallholder farmers. Another great concern is the resultant impact they have on open pollinated varieties which seem to perish from the effects of the GMOs. There is need for the government to review the application for introducing GMOs.

### 4.6.3 Price Setting Mechanisms

The country is an open market economy with liberated price setting mechanisms. There are, however, laws that allow for price setting as a protection to local industry.

### 4.6.4 Quality Promotion

The Swaziland Standards Authority (SWASA) is responsible for the development of standards, the provision of facilities for testing of locally produced and imported commodities, as well as operating and controlling the use of certification and distinctive marks. There are currently no Swazi standards that have been developed, adapted and/or adopted. The authority, however, encourages and helps practitioners to source standards from neighbouring National Standards Bodies. It has been established through research that South African National Standards sourced from SABS are most commonly used by local companies. Another commonly used standard is ISO 9000 and some companies are in the process of implementing HACCP. So far only one company is known to be implementing ISO22000 and is accredited to the standard.

On the other hand it has been noted that local SMEs have very little knowledge on the use of standards and their perceived benefits. SWASA is working with relevant stakeholders to adopt seven international standards (ISO). SWASA has identified five sectors which will be used as a starting point for the development of Swazi National Standards. These sectors are the food, health and safety, consumer products, environment and general standards sectors.
4.6.5 Food Safety and Nutrition

Currently, there are limited food safety controls other than those under formulation. The National CODEX Committee is working on adopting the international standards.

4.7 Other Relating Policies
4.7.1 National Export Strategy (NES)

The rationale behind the development of a National Export Strategy (NES) was to achieve a sustainable economic growth through enhanced competitiveness, value addition and export diversification in targeted sectors, and a strong Public Private Partnership (PPP) contributing to the prosperity of the peoples of the Kingdom of Swaziland. The specific objectives of the national export strategy include (i) expanding the export base and ensure an increased mix of exports thus reducing the burden on the sugar industry as the main foreign exchange earner; (ii) strengthening the existing relationships with current markets to ensure that Swaziland takes full advantage of preferences offered by existing markets; (iii) enhancing market access for Swaziland exports through branding and improved product quality; improving trade facilitation through the establishment of strong Public Private Partnerships; and paving a way for technological innovations that will enhance competitiveness of Swaziland exports by ensuring the use of low cost production methodologies that do not compromise the national objective of employment creation.

The current National Export Strategy, designed for the period 2006-2009, focuses on seven priority sectors, namely, sugar, forestry, horticulture and Citrus Exports, Handcraft, Food and Beverages, Tourism, and Information Communication Technology. These are drawn from agriculture, manufacturing and services.

5 EXISTING REGIONAL POLICIES
5.1 Conflicting Policies at the National Level

Although the majority of agricultural policies and programmes are not in direct conflict, there are some policies that need to be updated. With respect to water and irrigation, it is noted that some of the irrigation policies / strategies are not being implemented. With respect to forestry, it is noted that there is need for sharing of expertise, experience and information. For fisheries, there is need for funding towards training and an increase in the supply of disease free fingerlings. There is need for the enforcement of mutual recognition for product certification in the area of diseases. In the area of research and extension, the is need for further review of technology development in GMOs as well as the management and control of pests and diseases.

5.2 Conflicting Policies at the Regional Level

There are a number of policy areas that are perceived to potentially be in conflict at the regional level and these include the SADC Protocol on Shared Water Courses; Biodiversity legislation versus forestry legislation where biodiversity experts are against the use of exotic species yet they are of economic importance; stringent animal movement control could also be a barrier to trade and trade policies; GMOs; policies which have a bearing on culture; and potential trade conflict between manufacturing countries and non-manufacturing countries.

5.3 Existing Regional SADC Policies and Strategies

Table 6 presents an analysis of knowledge by Swaziland stakeholders of existing SADC protocols and activities and status of implementation. The following Protocols are considered (i) Protocol on shared water courses; (ii) Control of Animal Diseases and Plant Pests and Diseases; (iii) Control of Plant Pests; (iv) Seed Policy; (v) Free Trade Agreement; (vi) Water Policy; (vii) GMOs and bio-safety; and (viii) Phytosanitary.
Table 6: Swaziland Stakeholders’ Knowledge of Existing SADC Protocols/Treaties/Activities and Implementation at Member States Level.

<table>
<thead>
<tr>
<th>KNOWLEDGE ON EXISTING REGIONAL POLICIES</th>
<th>IMPLEMENTATION STAGE</th>
<th>EFFECTIVENESS</th>
<th>CONSTRAINTS</th>
<th>SUCCESSES</th>
<th>LESSONS LEARNT &amp; CHANGES NEEDED TO MAKE REGIONAL POLICIES MORE EFFECTIVE</th>
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| 1. Protocol on shared water courses    | 1. Fully implemented between RSA, Swd & Moz.  
2. Used in the formulation of the Interim Inco Maputo Agreement.  
3. Used as reference in on-going negotiations on Agreement reviewing use of waters of Umbeluzi River Basin. | 1. Water management and information sharing.  
2. Fosters cooperation between riparian states.  
3. Gives important guide to water sharing by States. | Research related activities in respect of the environment and future development studies as different countries are at different levels of development. | 1. Water management and use between Swaziland and South Africa.  
2. Interim IncoMaputo Agreement was developed based on the principles enshrined in the SADC Protocol. | 1. All 3 countries see development of policies & agreements as high priority without undermining each other.  
2. Continued constructive engagements and open sharing of information and research.  
3. Reference to Protocol makes negotiations much easier & minimizes bringing all reference materials to negotiation table. |
| 2. Control of Plant Pests              | Development of Pesticide Bill. | Stakeholders were mobilized to make input into Bill. | 1. Slow input of legal professional.  
2. Shortage of staff. | 1. Bill already in place as working document.  
2. Strict standards of export destination countries.  
Table 6(Cont): Swaziland Stakeholders’ Knowledge of Existing SADC Protocols/Treaties/Activities and Implementation at Member States Level.

<table>
<thead>
<tr>
<th>KNOWLEDGE ON EXISTING REGIONAL POLICIES</th>
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<th>LESSONS LEARNT &amp; CHANGES NEEDED TO MAKE REGIONAL POLICIES MORE EFFECTIVE</th>
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<tr>
<td>3. Seed Policy (harmonization occurred on regulations and not on policy at regional level.)</td>
<td>Adopted in 1993 to guide the then Seed Multiplication Project. The project was later privatized, but has seized local production. a. The Seed Act and regulations is in place. b. The seed regulatory system is functional.</td>
<td>1. Release of new varieties is regulated seed production (informal) is monitored. 2. Carryover seed is sampled and tested for germination. 3. Seed importation and export is regulated.</td>
<td>1. Inadequate personnel and other resources. 2. Local university does not offer seed technology courses.</td>
<td>1. Supply of good quality seed is assured. 2. A well equipped seed testing laboratory is in place.</td>
<td>The implementation of the policies should be accompanied with adequate resources.</td>
</tr>
<tr>
<td>5. GMOs and bio-safety</td>
<td>1. Formulation of a National Biosafety Framework by SEA and MoA. 2. Bio-safety Policy has been approved by Cabinet and Biosafety Bill has been tabled. This is towards meeting obligation of the country under the Cartagena Protocol on Bio-safety.</td>
<td>This is towards controlling of production, handling and transboundary movement of GMOs/LMOs.</td>
<td>1. Limited expertise. 2. Poorly equipped laboratories.</td>
<td>1. Swaziland has a Draft Bio-safety Policy and Bill. 2. Improvement in awareness among stakeholder.</td>
<td>Regional approach need to ensure that countries are at more or less same level of development in this highly scientific area.</td>
</tr>
</tbody>
</table>
Table 6 (Cont):  Swaziland Stakeholders’ Knowledge of Existing SADC Protocols/Treaties/Activities and Implementation at Member States Level.

<table>
<thead>
<tr>
<th>KNOWLEDGE ON EXISTING REGIONAL POLICIES</th>
<th>IMPLEMENTATION STAGE</th>
<th>EFFECTIVENESS</th>
<th>CONSTRAINTS</th>
<th>SUCCESSES</th>
<th>LESSONS LEARNT &amp; CHANGES NEEDED TO MAKE REGIONAL POLICIES MORE EFFECTIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Phytosanitary</td>
<td>1. Construction and equipment of the Post Entry Plant Quarantine facility at Malkerns Research Station.</td>
<td>1. Approval of requests for new posts by MoA. 2. Monitoring of imports &amp; exports of plant &amp; plant products. 3. Maintenance of markets in Far East and EU.</td>
<td>1. Limited personnel. 2. Inadequate allocation of resources.</td>
<td>1. Implementation of a TCP project to review the Plant Control Act, established Post Entry Quarantine, trained inspectors, established pest database through FAO assistance. 2. Surveillance of fruit fly. 3. Contribution in regional forums such as the SADC Plant Protection Committee.</td>
<td>1. Improve national capacity in this area in all SADC member states. 2. Need to improve visibility of this area within government and privet sector. 3. Government has to improve capacity and budget allocation in this area if international standards are to be met.</td>
</tr>
</tbody>
</table>
SYNTHESIS OF NATIONAL KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6 PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

Table 7 outlines what Swaziland stakeholders considered priority areas for convergence, harmonisation and common policy for the RAP.

7 SUGGESTED OBJECTIVES FOR THE RAP

According to the Swaziland stakeholders, the main objectives of the RAP should be to:

   a. (Credit) - improve access to credit for agricultural development through the formation of a Regional Agricultural Development Bank by Member States;
   b. (Inputs provision) - standardize quality control of inputs and ensure availability of certified quality inputs;
   c. (Mechanization) – ensure access to tractors timely and affordably;
   d. (Forestry) - reduce the spread and impact of alien invasive plant species (IAPS) and to harmonize regional policy on forestry;
   e. (Fisheries) - harmonize national water sharing policies;
   f. (Diseases) - control and reduce the impact of diseases on plants and crops;
   g. (Trade) - harmonize technical rules and regulations regionally;
   h. (Rangelands) - harmonize national land use policies to ensure arable land is used for agricultural production; and develop a regional approach to eradication of alien invasive species.

8 SUGGESTED GUIDING PRINCIPLES FOR THE RAP

In the view of Swaziland stakeholders, the following are suggested guiding principles for the RAP:

   a. (Credit) – create a conducive credit environment for the farmers;
   b. (Inputs Provision) – ensure quality of inputs whilst promoting indigenous cultivars / seed stock;
   c. (Mechanization) – improved affordability, reliability and timeliness of operations through mechanization;
   d. (Agricultural Production) – promote evidence based, coordinated, integrated, multi-sectoral and harmonized agricultural production;
   e. (Trade) – promotion of free trade across the region and improved sharing of technology and skill;
   f. (Forestry) – enhanced collaboration on the fight against IAPS and information sharing;
   g. (Fisheries) – enhanced regulation and enforcement of water usage and management systems through the strengthening of existing policies for water usage;
   h. (Diseases) - conduct studies regularly and strengthen the surveillance and monitoring of new introductions;
   i. (Rangelands) - all activities should have economic gains and social improvement to member states with clearly developed monitoring systems.

9 FUNDING MECHANISMS FOR THE RAP

This matter was not addressed in the country report.
### Table 7: Priority Areas for Convergence, Harmonisation and Common Policy

<table>
<thead>
<tr>
<th>Industry</th>
<th>Area of interest / Issues</th>
<th>Policy &amp; Strategy</th>
<th>Potential challenges and opportunities</th>
</tr>
</thead>
</table>
| Water & irrigation| Equitable distribution of water                                                          | 1. Draft National Water policy                                                   | 1. Poor implementation of existing policies  
2. Lack of legislation to enforce policy                                                             |
| Land and soil     | The rapid conversion of prime agricultural land for residential and commercial purposes | Draft land policy                                                                | Harmonizing policies that deal with land issues, i.e. national physical planning policy, land policy, housing policy, resettlement policy, tenure systems on land |
| Rangelands        | Commercial cash crops encroachment into rangelands                                        | Draft land policy                                                                | 1. Land degradation on rangelands;  
2. Mushrooming human settlements in grazing land;  
3. Eradication and control of alien invasive species                                               |
| Forestry          | 1. Control of invasive alien plant species  
2. Control of forest fires;  
3. Biodiversity / trans-boundary issues;  
4. Application of adoptive research to forestry management;  
5. Control of pests and diseases;  
2. Draft Forest Bill of 2010  
3. Draft National Strategy to control IAPS | 1. There is plenty of knowledge within neighbouring countries which can be tapped;  
2. Information sharing among member states  
3. Failure by member states to implement policies                                                  |
| Fisheries         | 1. Shortage of finger-lings due to absence of hatchery  
2. Strengthening collaboration between implementing agencies of pests and pollutant organisms | Draft Fisheries Policy and Draft Fisheries Bill | Water pollution is a threat to the industry                                                          |
| Diseases          | 1. No research has been done locally on pest and diseases;  
2. Capacity building in forestry to have the following specialists: Forestry Entomologists and Pathologists  
3. Strengthen collaboration and harmonise implementation of environmental laws and regulations;  
4. Conduct studies regularly to strengthen the surveillance and monitoring of new introductions | 1. Incapacitated and unaccredited laboratories;  
2. With harmonised SPS measures, the country could have a world class standard for laboratories |
| Credit            | 1. Existing DFIs are under capitalized  
2. Strategy to provide access to funding                                                    | Poverty Reduction Strategy Action Programme (PRSAP)                               | 1. Macro and micro-finance Development Finance Institutions exist;  
2. Credit insurance;  
3. Flexibility of repayment terms offered by Commercial Banks  
4. Local financial institutions versus other non financial institutions  
5. SNL not usable as collateral due to absence of Title Deeds;  
6. Limitation of guarantee schemes by government to farmers.                                   |
Table 7 (Cont): Priority Areas for Convergence, Harmonisation and Common Policy

<table>
<thead>
<tr>
<th>Industry</th>
<th>Area of interest / Issues</th>
<th>Policy &amp; Strategy</th>
<th>Potential challenges and opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.</td>
<td>1. Certification of seeds (Quality control)</td>
<td>1. Local production of inputs may be expensive; 2. Small population hence economies of scale are a barrier; 3. Bulk purchasing of inputs an alternative</td>
</tr>
<tr>
<td>Inputs Provision</td>
<td>No policy on price regulation</td>
<td>1.</td>
<td></td>
</tr>
<tr>
<td>Mechanization (Tractor hire scheme)</td>
<td>1. Maximum availability of tractors to farmers at low cost; 2. Ensuring maximum utility of land for food production</td>
<td>1. CASP; 2. Food Security Policy</td>
<td>1. Economic capacity government may not have adequate funds; 2. Economics of scale – Swaziland is a small country with small production</td>
</tr>
</tbody>
</table>
THE UNITED REPUBLIC OF TANZANIA

MAP OF THE UNITED REPUBLIC OF TANZANIA
THE UNITED REPUBLIC OF TANZANIA

SUMMARY OF COUNTRY REPORT ON
AGRICULTURAL AND RELATED POLICY REVIEW – 2009

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45 Original Country Report was authored by DR. JOSEPH P HELLA and submitted to SADC in September 2009.
NATIONAL ASSESSMENT

1 GENERAL INFORMATION
1.1 Geography and Demographics

Tanzania is in Eastern Africa and is constituted by Mainland Tanzania and Zanzibar with a total area of 945,087 km$^2$ of which surface land in Tanzania Mainland is 883,749 km$^2$ and 2,460 km$^2$ in Zanzibar. The country is comprised of 59,050 km$^2$ of inland water bodies. It shares borders with Kenya and Uganda in the North; Rwanda, Burundi and Democratic Republic of Congo in the West; Zambia and Malawi in the South West and Mozambique in the South. About 80% of the population in Tanzania live in rural areas where their livelihoods depend on agriculture.

Tanzania has 44 million hectares of land suitable for crop production out of which 10.8 million hectares (25% of total) are under cultivation. In addition, the country has 60 million hectares of grazing land. Agriculture is an important economic sector in terms of food production, employment generation, production of raw material for industries, generation of foreign exchange earnings and raising rural income levels to alleviate poverty.

1.2 Farming Systems and the Importance of Agriculture

The country has a dual agricultural economy, a smallholder sub-sector and a commercial sub-sector (large-scale farming). Agriculture is dominated by subsistence farmers (estimated to be about 4.9 million holdings) with low capital investment that operates under rain-fed condition and farm sizes of between 0.2 to 2.0 hectares.

Emerging farmers are nonetheless appearing in the agricultural sector, and produce high value horticulture/floriculture, often for export; while large scale enterprises produce beverage and/or industrial crops such as tea, coffee and sisal. Finally, urban and peri-urban agriculture has also emerged, either as a household food security measure or to cultivate produce for the immediate local market.

The commercial large scale comprises of about 1206 holdings and produces some of the export crops such as coffee, tea, sisal, and sugar. The government has created an enabling environment to increase private sector investment in the agricultural sector. In 2005, the number of private investors in the sector increased to 169 from 145 in 2004, equivalent to an increase of 16.6 percent.

Tanzania is divided into seven major agro-ecological zones; (i) Zone 1 - Coastal; (ii) Zone II & III - Eastern Plateaux and Mountain Blocks; (iii) Zone IV – Central Plateaux; (iv) Zone V - Southern Highlands, Ulipa Plateau and Western Highlands; (v) Zone VI – Northern Rift and Volcanic Highlands and (vi) Zone VII - Rukwa-Arusha Rift and Inland Sediments. Seven distinct farming systems are practiced by the Tanzanian smallholder farmers in the different agro-ecological zones. They include coffee-banana system (Zone V), Maize-legumes system (zone 1V and V), Pastoral system (Zone II and III), Agro-pastoral system (Zone III and IV), Livestock-sorghum-millet system (Zone IV and V), Wetlands (Zone VI) and Cassava-cashew-coconut system (Zone I). The maize-legume system has the highest number of farming households (36%) of total followed by the cassava-cashew-coconut system (21%) and coffee-banana (17%)

1.3 Key Agricultural Commodities and Farming Practices

Cereals are the main agricultural crops grown, followed by roots and tubers, pulses and oil seeds, vegetable and cash crops. Maize is the most important (accounting for over 20 percent of the total agricultural GDP) followed by rice/paddy, beans, cassava, sorghum and wheat. The cash crops comprise of annual and perennial crops. Annual crops include cotton, tobacco and pyrethrum. Permanent crops include Cashew nuts, Bananas, coffee, tea, coconuts, Sugar cane, Sisal, Palm Oil, Mango and Oranges.
Livestock keeping is the second major agricultural activity in Tanzania. Out of the 4,901,837 smallholder households in the country, 1,745,776 rear livestock. The major livestock types are Cattle, Goats, Sheep, Pigs and Chickens. Cattle are the most important type of livestock for smallholders in Tanzania. About 72 percent of livestock keeping households or 26 percent of total smallholder households keep cattle.

1.4 Key Economic and Financial Statistics

The current (2007) GDP per capita is U$442. Tanzania's GDP in 2007 was $21 billion (Economic Survey - URT 2007). Agriculture typically contributes around 25.8% of GDP (of which 4.7% is direct contribution from livestock) and comprises up to 40% of Tanzania’s export earnings (Government of Tanzania, 2007). Out of the sector’s contribution to GDP, about 40 percent originates from beef production, 30 percent from Milk production and another 30 percent from poultry and small stock production. Accordingly, the sector continues to drive economic growth - in spite of the recent emergence of the new high-growth sectors of mining and tourism, and furthermore the sector continues to have the highest impact on the levels of overall economic growth. About 80% of the poor live in rural areas where agriculture accounts for 75% of rural household incomes.

Table 1: Economic and Socio Economic Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country size km²</td>
<td>945,087</td>
</tr>
<tr>
<td>Population (million)</td>
<td>39.4</td>
</tr>
<tr>
<td>GDP (TAS million in 2001 prices)</td>
<td>13,801,921</td>
</tr>
<tr>
<td>GDP per capita (U$)</td>
<td>442</td>
</tr>
<tr>
<td>Agricultural GDP (Trillion TZS)</td>
<td>3.4</td>
</tr>
<tr>
<td>Agriculture GDP (%)</td>
<td>28.2% (2007); 26.5% (2006)</td>
</tr>
<tr>
<td>Rural Population (%)</td>
<td>73</td>
</tr>
<tr>
<td>Number of farm families (million)</td>
<td>4,901,837</td>
</tr>
<tr>
<td>% of the population living in Rural Areas</td>
<td>75</td>
</tr>
<tr>
<td>Ag Budget 2008 (billion TZS)</td>
<td>4704.1</td>
</tr>
<tr>
<td>Ag Budget 2008 in % of Total Budget</td>
<td>4.1</td>
</tr>
<tr>
<td>Ag budget in % of the GDP</td>
<td>-</td>
</tr>
<tr>
<td>Land under crop production (million ha)</td>
<td>9.5</td>
</tr>
<tr>
<td>Trade Balance</td>
<td>-1,855.7</td>
</tr>
<tr>
<td>Foreign public debt – (US Dollar million)</td>
<td>6,263</td>
</tr>
<tr>
<td>Budget 2008 in % of the GDP</td>
<td></td>
</tr>
<tr>
<td>Budget deficit 2007</td>
<td></td>
</tr>
<tr>
<td>Exchange rate end 2006 (TZS)</td>
<td>1,261.64</td>
</tr>
<tr>
<td>Exchange rate end 2007 (TZS)</td>
<td>1,132.09</td>
</tr>
<tr>
<td>Exchange rate end 2008 (TZS)</td>
<td>1,280.30</td>
</tr>
</tbody>
</table>

2 PUBLIC SECTOR IN AGRICULTURE

2.1 Principle Government Agencies Involved In Agriculture

At the top of main public agencies implementing agricultural development in Tanzania are Agricultural Sector Lead Ministries comprising Ministry of Agriculture, Food Security and Cooperatives (MAFSC), Ministry of Livestock Development and Fisheries (MLDF), Ministry of Industry, Trade and Marketing (MITM), Ministry of Water and Irrigation (MWI) and Prime Ministers Office – Regional Administration and Local Government Authority (PMO-RALGA). There are also other Ministries whose work contributes to agriculture through crosscutting issues.

These Ministries are responsible for all aspects of the technical implementation of the national level components including:

- Formulation and review of policies in the agricultural sector;
- Providing and supervising the implementation of regulatory services for crop and livestock development, marketing and farmers’ organisations;
- Contribution to the development and promotion of improved agricultural practices;
- Monitoring the performance of both public and private sector agricultural sector support services in order to improve their quality and ensure competitive markets;
• Promotion of the private sector’s role in primary production, processing, marketing and provision of agricultural services; and
• Promotion of farmers’ organisations for empowering farmers, developing their advocacy and lobbying capacity, and participation in service delivery and resource mobilization.

There are many other Ministries whose work contributes to agriculture. These are shown in Table 2.

Table 2: Other Ministry Contributing to Agriculture Development

<table>
<thead>
<tr>
<th>Item</th>
<th>Ministry</th>
<th>Their Mandate in Agriculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Prime Ministers Office</td>
<td>Is responsible for the coordination of Government business.</td>
</tr>
<tr>
<td>2</td>
<td>Vice President’s office (VPO)</td>
<td>Coordinates the Poverty Reduction Strategy (PRS) Implementation and oversees the Government’s response to poverty alleviation and environmental management issues: the VPO is also responsible for oversight of NGO activities.</td>
</tr>
<tr>
<td>3</td>
<td>President’s Office Public Service Management</td>
<td>Will hasten transformation of public service to a more performing and dynamic meritocracy; and also hasten the public sector reform programme to create a conducive environment for human resource to implement ASDP</td>
</tr>
<tr>
<td>4</td>
<td>Ministry of Infrastructure</td>
<td>Provides backstopping to LGAs for building and maintaining district and feeder roads. Also directly responsible for construction and maintenance of regional and trunk roads, weight and measurements.</td>
</tr>
<tr>
<td>5</td>
<td>Ministry of Communication, Science and Technology</td>
<td>Oversees improvement to national and local communication systems and technological innovations. This is required to attract agricultural investment in the rural areas</td>
</tr>
<tr>
<td>6</td>
<td>Ministry of Land, Housing and Human Settlement Scheme</td>
<td>Responsibilities relating to access to &amp; use of land. Facilitates improved land accessibility for agricultural investment. MLHS must ensure that rural people and local officials understand the implications and opportunities of the 1999 Land and Village Land Acts.</td>
</tr>
<tr>
<td>7</td>
<td>Ministry of Community Development, Gender and Children</td>
<td>Covers aspects of community empowerment and gender mainstreaming, two cross – cutting issues which are critical for implementing ASDP.</td>
</tr>
<tr>
<td>80</td>
<td>Ministry of Health and Social welfare</td>
<td>Must help keep farmers and others working in the sector healthy and productive. Special emphasis is needed to sensitize communities to HIV/AIDS, malaria and waterborne diseases, and problems such as alcoholism and drug abuse which have a significant impact on agricultural production.</td>
</tr>
<tr>
<td>9</td>
<td>Ministry of Finance and Economic Affairs</td>
<td>Allocates and monitors public funding for the agricultural sector. Through fiscal policy, MOF will rationalise, harmonise and monitor taxes in the sector, which is essential to provide incentives for increased production and processing.</td>
</tr>
<tr>
<td>10</td>
<td>Ministry of Natural resources and Tourism</td>
<td>Supports sustainable management of forest resources, through participatory Forest Management (PFM), involving mainly farming communities. Forestry production must provide fuel for agriculture. MNRT is also responsible for catchment’s management, beekeeping, biodiversity and germless conservation, wildlife management and fisheries.</td>
</tr>
<tr>
<td>11</td>
<td>Ministry of Industry, trade and marketing</td>
<td>Supports the industrial processing of agricultural produce. Also facilitates development of small and medium Enterprises (SMEs), and trade in agricultural inputs and outputs. Establishes appropriate business regulations and stimulates international trade in agricultural produce. MIT will play a key role in ASDP in improving the regulatory framework for marketing and processing agricultural products.</td>
</tr>
<tr>
<td>12</td>
<td>Ministry of Home Affairs</td>
<td>Supports the enforcement of agricultural sector legislation, including the protection of agricultural resources and investments; and the increasingly involved in conflict resolution work, especially in relation to access to land and natural resources.</td>
</tr>
<tr>
<td>13</td>
<td>Ministry of Justice and Constitutional Affairs</td>
<td>Dispenses justice as the need arises, both to protect life and property, and as an arbitrator in disputes and conflict.</td>
</tr>
<tr>
<td>14</td>
<td>Ministry of Labour, Employment and Youth Development</td>
<td>Empowers youth to undertake rural jobs, agribusiness and become farming entrepreneurs, hence contribute to ASDP implementation and reduce rural – urban migration</td>
</tr>
<tr>
<td>15</td>
<td>Ministry of Water and Irrigation</td>
<td>Responsible for water development. A fundamental resource for both plants and animal production; and essential to agriculture, farmers and everyone else in the sector.</td>
</tr>
<tr>
<td>16</td>
<td>Ministry of Educational and Vocational Training</td>
<td>Responsible for providing high level training (BSc, MSc and PhD) in agriculture, environment and related field at Universities and higher learning institution in the country</td>
</tr>
</tbody>
</table>

The Department of Research and Training (DRT) of the parent Ministry the Directorate of Research, Extension and Training (DRET) of the Ministry of Livestock Development, are the main Institutions undertaking public Sector Research for the small holder farming and livestock keeping communities in Tanzania. The DRT is the largest entity in the National Agricultural Research System (NARS). Its mandate is to plan and execute public sector agricultural research and Training and disseminate new technologies to the farming community through the extension services.
2.2 Parastatals and Statutory Bodies

2.2.1 Local Government Authorities (LGAs)

Local government agencies play a key role in the implementation of the Agricultural development. Essentially they guide and implement the development initiatives needed to support improved production. In particular the following main functions are to:

- Formulate and implement District Agricultural Development Plans (DADP)
- Prepare quarterly and annual progress reports
- Supervise the implementation of legislation relevant to the sector
- Supervise and coordinate the delivery of support services
- Mobilise the resources (financial, human and facilities/equipments) for local development programmes
- Administration of villages for the purpose of stimulating sustainable development;
- Land administration, land use planning and management for effective and sustainable land utilization
- Develop and maintain rural infrastructure.

The Regional Secretariats have been streamlined under the Local Government Reform Programme to play four main roles, (i) create a conducive environment for LGAs to operate efficiently; (ii) assist LGAs in capacity building; (iii) provide technical support to LGAs; and (iv) monitor performance of LGAs. In addition, the Regional secretariats facilitate technical coordination between the sector ministries and the LGS.

2.2.2 Public Academic and Research Institutions

There are several academic institutions that play direct and indirect important research and training roles in the agricultural sectors. Universities such as Sokoine University of Agriculture, University of Dar es Salaam, Institute of Rural Development Planning and agriculture research and training institutes (MATIs ARIs) livestock research and training institutes (LITIs and LRAs) and (MATIs and LITIs), The Tropical Pesticides Research Institute (TPRI), Tanzania Forestry Research Institute (TAFORI) etc and Fisheries Research Institutes (TAFIRI), their mandate fall under three main categories:

- Conduct long and short term training to meet professional needs in the sector including tailor made training programmes for various clients;
- Conduct research as guided by the National Agricultural Master plan and implement outreach programmes as one way of disseminating research results; and
- Provide advisory services to the Government and Private sector through consultancy and other means.

Major challenging facing agriculture education to date is dwindling number of students taking science subjects and declining number of students who wants to develop their career in agricultural sciences to professional levels mainly due to poor remunerations from sector both from public and private sectors.

2.2.3 Parastatals

Most agricultural parastatals have been divested under the privatization programme. Some remain to be privatised. However there are number of public agencies (parastatals) and institutions which play a critical role in supporting the agricultural sector, often at regulatory nature. Tanzania Official Seed Certification Institute (TOSCI), Tropical Pesticides Research Institute (TPRI), Agriculture Seed Agency (ASA), Tanzania Food and Nutrition Centre (TFNC) are examples of some parastatals. There are more of them.

2.2.4 Commodity bodies

There are currently eight crop boards (e.g., Tanzania Tobacco Board (TTB), Cashewnut Board Tanzania (CBT) etc.) established by the Act of Parliament for cashew, coffee, cotton, pyrethrum, sisal, sugar, tea, cotton, and tobacco. Commodity boards are parastatal controlled by the parent ministries rather than the
stakeholders. However, the wish of the stakeholders including ASDP is to restructure them to be self-
regulatory bodies. The functions of the boards include:

- Formulation and implementation of development strategies, set rules and enforce them in their
  respective industries;
- Institute a regulatory regime geared towards promotion of quality products;
- Finance research and extension for their respective industries; and
- Disseminate relevant information to stakeholders in the industry.

2.3 Public Agriculture Infrastructure

2.3.1 Silo/Storage Capacity

Based on January 2009 data, the National Food Reserve Agency (NFRA) has 30 units of ware houses
with the capacity of 241,000 MT. By then 128,861 MT (i.e. 54%) where in the warehouses. Four are
leased out to WFP, 2 to YARA and one to Mohamed Enterprises and two units with capacity of 4500 MT
each are idle.

2.3.2 Seed Production Centres

The potential seed requirement for improved seeds is over 120,000 MT annually for cereals, legumes and
oilseeds. Currently crop breeding is done by public research stations and to some extent the private
research centres especially for vegetable seeds.

2.3.3 Irrigation schemes

The country has 29.4 million hectares of land suitable for irrigation. Out of this, 2.3 million hectares have a
high development potential, 4.8 million hectares medium and 22.3 million hectares low irrigation
development potential. Currently, the total developed irrigation area has reached 289,000 hectares (2%)
from 264,000 hectares in 2006, an annual increase of 9.5% in development of irrigation land. The
challenging target is to reach 1 million Hectares by year 2010.

There are some 1,428 irrigation schemes of which 1,328 are smallholder, 85 are private and 15 are
managed by the government. Tanzania’s current irrigation typology (Government of Tanzania 2007) is
based on the nature of infrastructure rather than irrigator; i.e.

1. **Gravity-fed Irrigation Schemes**: which are schemes where farmers have diverted water from a
   surface water source (whether perennial, intermittent or ephemeral stream water source); a small,
   medium or large dam or any other source of surface water and conveyed to the irrigated area by
   gravity via a system of canals or closed conduits.

2. **Pumped Irrigation Schemes**: which are schemes where water is pumped from a source which
   may include a river stream, a well, a borehole, a water reservoir and conveyed to the irrigated area
   under pressure where the irrigation technology could be surface, drip or sprinkler system.

3. **Rain Water Harvesting Schemes**: which are schemes where farmers construct water retaining
   bunds, harvest rain water and store the water at the foot of the crop, which is mainly paddy.
   Despite their simple technology, such schemes are significant producers of rice in Tanzania.

4. **Micro Irrigation Schemes**: which are schemes where farmers draw water from a source by hand
   and use it mainly for the irrigation of vegetable crops. They include cases where water is harvested
   from roof tops and stored in tanks and where farmers pond the water diverted from a stream and
   convey it to their fields through a piped network where it is applied to the crops through drip
   emitters or low pressure sprinklers (sometimes called localized irrigation or small irrigation basins).

The Tanzanian Government is now giving higher priority to irrigation as a reliable strategy for food and
cash crop production and has completed the drafting of its first irrigation policy document in 2009.
2.3.4 Vocational Training Centres

There are a wide range of institutes that provide training in various areas of agriculture as shown Table 3.

Table 3: Vocational Training Centres in Tanzania

<table>
<thead>
<tr>
<th>Institute</th>
<th>Area of Focus</th>
<th>Capacity</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>MATI Ilongo</td>
<td>Food and Nutrition</td>
<td>216</td>
<td>Morogoro</td>
</tr>
<tr>
<td>LITI Madaba</td>
<td>Animal Production</td>
<td>84</td>
<td>Songea</td>
</tr>
<tr>
<td>MATI Mlingano</td>
<td>Agro-mechanisation</td>
<td>100</td>
<td>Tanga</td>
</tr>
<tr>
<td>LITI Morogoro</td>
<td>Range Management &amp; tsetse fly mgt</td>
<td>120</td>
<td>Morogoro</td>
</tr>
<tr>
<td>LITI Mpwapwa</td>
<td>Animal production</td>
<td>282</td>
<td>Dodoma</td>
</tr>
<tr>
<td>MATI Mtwaru</td>
<td>Crop production</td>
<td>148</td>
<td>Mtwaru</td>
</tr>
<tr>
<td>MATI Iqurusi</td>
<td>Irrigation / Land use</td>
<td>80</td>
<td>Mbeya</td>
</tr>
<tr>
<td>MATI Tengeru</td>
<td>Animal health / Horticulture</td>
<td>430</td>
<td>Arusha</td>
</tr>
<tr>
<td>MATI Ukiriguru</td>
<td>Crop production</td>
<td>260</td>
<td>Mwanza</td>
</tr>
<tr>
<td>MATI Uyole</td>
<td>Crop / Animal production</td>
<td>500</td>
<td>Mbeya</td>
</tr>
<tr>
<td>LITI Buhuri</td>
<td>Animal production</td>
<td>30</td>
<td>Tanga</td>
</tr>
<tr>
<td>KATC Moshi</td>
<td>Crop production</td>
<td>40</td>
<td>Moshi</td>
</tr>
</tbody>
</table>

3 PRIVATE SECTOR IN AGRICULTURE

3.1 Crop, Livestock, Fishing Forestry and Game Farming Activities

3.1.1 Crop Production

The country has a dual agricultural economy, the smallholder sub-sector and the commercial sub-sector (large-scale farming). Agriculture is dominated by subsistence farmers (estimated to be about 4.9 million holdings) with low capital investment that operates under rain-fed condition and farm sizes of between 0.2 to 2.0 hectares. The commercial large scale sub sector is very small (1206 holdings) and produces some of the export crops in the country (coffee, tea, sisal, sugar, etc). However, the government has been putting in place enabling environment for increased private investment in the agricultural sector. In 2005, the number of private investors in the sector increased to 169 from 145 in 2004.

Table 4: Number of Farmers and Area Cultivated

<table>
<thead>
<tr>
<th></th>
<th>Private Owned</th>
<th>Large scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmer households</td>
<td>4,678,000</td>
<td>1,206</td>
</tr>
<tr>
<td>Area allocated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultivated (cropped) area ha (%)</td>
<td>90</td>
<td>10</td>
</tr>
<tr>
<td>Average farm size (ha)</td>
<td>0.9 – 2.0</td>
<td>Above 5</td>
</tr>
<tr>
<td>Percent with more than 5 ha</td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

Having a diversity of climatic and geographical zones, Tanzania’s farmers grow a wide range of varieties of annual and perennial crops. Almost all the food (95 – 97 percent) consumed in the country is grown locally. In addition smallholders produce a variety of fruits and vegetables such as mangoes, oranges, water melon, tomatoes, potatoes, and egg plants. Perennial crops like coffee, tea, spices and tea are also grown by smallholders for export.

The main food crops grown in the country are maize, sorghum, millet, paddy, wheat, sweet potato, cassava, pulses and bananas. Maize is the dominant crop with a planted area of over 2.8 million hectare. Sorghum, with its drought resistant characteristics is the second main food crop with a planted area of 0.6 to 0.9 million hectares and dominates in dry regions. Rice is predominantly grown in Morogoro, Tabora, Mwanza and Mbeya regions while cassava is important in Mtwara, Coast and Lindi.
Cash crops grown are sugarcane, coffee, tea, tobacco, sisal, cotton, cashew and pyrethrum. In 2005, there was an increase in production of pyrethrum, tobacco and cotton, while production of cashew nuts decreased in recent years. It grew by 18% from 727,461 tons in 2007/07 to 858,377 tons in 2007/08.

Flower production increased from 6898 tons in 2007 to 8277 tons in 2008 an increase of 20%. Fruit production has increased from 1.62 million tons in 2007 to 1.94 tons in 2008 which increase of 19.8%. However 40-60% of produced vegetable and fruits is wasted because of lack of processing and storage facilities.

### Table 5: Main Crops Production and Area under Cultivation

<table>
<thead>
<tr>
<th>Crop</th>
<th>Year 2000</th>
<th>Year 2005</th>
<th>Year 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acreage</td>
<td>Prod’n</td>
<td>Yield</td>
</tr>
<tr>
<td>Maize</td>
<td>1,870,384</td>
<td>2,009,318</td>
<td>1.07</td>
</tr>
<tr>
<td>Wheat</td>
<td>71,683</td>
<td>32,790</td>
<td>0.46</td>
</tr>
<tr>
<td>Rice</td>
<td>516,944</td>
<td>782,086</td>
<td>1.51</td>
</tr>
<tr>
<td>Cassava</td>
<td>809,959</td>
<td>5,342,106</td>
<td>6.60</td>
</tr>
<tr>
<td>Sorghum</td>
<td>763,173</td>
<td>667,023</td>
<td>0.91</td>
</tr>
<tr>
<td>Millet</td>
<td>251,927</td>
<td>150,185</td>
<td>0.60</td>
</tr>
<tr>
<td>Pulses &amp; tuber &amp; roots</td>
<td>416,427</td>
<td>2,393,149</td>
<td>5.75</td>
</tr>
<tr>
<td>Banana</td>
<td>303,526</td>
<td>2,107,634</td>
<td>6.94</td>
</tr>
<tr>
<td>Coffee</td>
<td>57,988</td>
<td>33,891</td>
<td>54,838</td>
</tr>
<tr>
<td>Tea</td>
<td>28,000</td>
<td>344,210</td>
<td>130,565</td>
</tr>
<tr>
<td>Cashew nut</td>
<td>122,283</td>
<td>71,000</td>
<td>90,714</td>
</tr>
</tbody>
</table>

### 3.1.2 Livestock Production

Livestock production is an important sector in Tanzania. About 37% of (1,745,776 out of 4,901,837) households are involved in livestock production. About 60 million hectares of rangelands is used for livestock grazing. It is estimated that the country has about 18.5 million cattle, 13.1 million goats, 3.5 million sheep, 0.8 million pigs and about 33 million local chickens.

Tanzania has two main ruminant production systems namely, traditional systems where most of the produce is consumed, and commercial systems where most of the produce is sold. The traditional system produces 93 percent of the milk and 99 percent of the meat requirements of the country. The commercial system involves large scale livestock farms with livestock numbers usually above 1,000. Most of these farms are owned by private companies, individual farmers and, the government such as the National Ranching Company (NARCO). There are a total of fifteen ranches covering a total of 634,597 hectares under the National Ranching Company (NARCO). However, although this system is mainly for production of beef and milk for sale, it contributes a small percentage in terms of numbers and national income compared to the traditional system.

The total meat production was 388,294 tons in 2005/06. Beef accounted for 53% of total meat production followed by mutton (20%), Chicken (19%), and pork (9.8%). Annual milk production during the period 2005/06 was 1.4 billion litres of 60% coming from traditional sector.

### 3.1.3 Forestry

Tanzania possesses about 33.5 million hectares of natural forests. The forestry sector contributed about 4% of the national GDP and 10% of the country’s registered exports in 2005. The wood industry accounts for about half of the sector’s recorded contribution to GDP. The other half is contributed by non-wood products and services. However, the real contribution is also probably under estimated due to unrecorded consumption of wood fuels, bee products, soil and water catchment and environmental values and other
forest products such as poles and labour in the collection of wood-fuels and other forest related products consumed by households.

3.1.4 Fisheries

It is estimated that the country’s freshwater bodies cover about 58,000 km². Lake Victoria, Tanganyika, and Nyasa constitute the large area of freshwater with substantial amount of fish production. Fish production from freshwater in 2007 was estimated at 284,348 metric tonnes as opposed to marine waters, which were 43,459 metric tonnes in 2007.

In 2007, earning from fish and fish products exports (both marine and freshwater) were T.Sh. 7.589 million as compared to T.Sh. 6.236 million in 2006. This increase was equivalent to 21.7% (SMT 2008). Much of the earnings came from freshwater fish production in particular Nile Perch which earned T.Sh. 6,660 million. The contribution of fishery (both freshwater and marine) to Tanzania GDP was 1.6 percent in 2007, the same as it was in 2005 and 2006.

Most coastal people are involved in fishing activities. The inshore marine fishery is extremely important to coastal communities. There are 60,000 fishermen operating the whole coast of Tanzania including the islands. Prawn fisheries represent the most important industrial fishery in the country and have been operating since 1980’s. Deep-sea fishing which is currently at a small-scale is currently been developed with support from the recently amended Deep Sea Fishing Authority Act of 1998.

3.2 Farmer Organisations

There are a number of cooperatives and farmers’ associations in Tanzania. These cooperatives are also being modernised to make them more responsive to the needs of their members. These associations include, Savings and Credit Cooperative Societies; Sisal Association of Tanzania; Tanzania Farmers Association; Tobacco Council of Tanzania; Association of Tanzania Tobacco Traders; Tanzania Seed Traders Association; Tanzania Association of Cooperatives; Association of Tanzania Employers; Fish Processing Association; Small Millers Association; Tanzania Horticulture Association; Rungwe Tea Growers Association; Usambara Tea Growers Association; Mufindi Tea Growers Association; Sugarcane Outgrowers Association; Tanzania Coffee Association; and Association of Kilimanjaro Specialty Coffee growers; and Livestock Keepers Association.

3.3 Other Private Organisations Providing Support to Farmers

It is estimated that there are over 100 NGOs operating through Religious Organizations and private voluntary organizations. Quite a few of them are engaged in providing extension to the farmers. In most cases they train farmers to identify major problems /constraints and means to overcome them, especially in the areas of low productivity and markets. They usually operate through farmer groups. They are also engaged in training in a wide range of agriculture related subjects.

A number of other private sector organizations have been established for the main commodities in the agriculture sector. Examples include the Tanzania Coffee Association, Tanzania Horticulture Association, Agricultural Economics Society of Tanzania, Tanzania Veterinary Association, Tanzania Forestry Association among others. Their main functions include:

- Providing services such as inputs, credit and procurements;
- Promoting production of the commodities;
- Promoting marketing of the commodities;
- Lobbying and advocacy on behalf of their members;
- Collecting and disseminating agricultural information;
- Conducting membership education; and
- Providing training on technical and organisational issues.
3.4 Professional Organisations Involved in Agriculture

The Tanzania Chamber of Commerce, Industry and Agriculture (TCC/A), The Confederation of Tanzanian Industries (CTI) and the Tanzania Private Sector Foundation (TPSF) and the Tanzania National Business Council (TNBC) are wide-ranging associations that play an important role in providing independent support to private sector development and establishment of dialogue between farmers and the policy makers.

3.5 Trade in the Food Sector

In Tanzania, there are a wide range of agro-industries that are involved in a number of agroprocessing activities. They cover agro-industry areas including agriculture, animal production, fisheries/aquaculture, forestry, production, collection, processing and marketing. Agro-industrial companies with a workforce of more than 1 000 people are few. Most companies are small-scale with less than 100 workers.

The value of traditional exports increased from USD 267.1 million in 2006 to USD 290.1 million in 2007, equivalent to an increase of 8.6 percent. The increase in exports was due to price increases in coffee, cotton, tobacco and sisal in the World Market. Coffee exports earnings increased by 33.8%, followed by tobacco (25.1%), cotton (22.9%), tea (9.9%), cashew nuts (4.5%), cloves (1.5%), and sisal (2.3%). The export value of horticultural products in 2007 increased from USD 15.4 million in 2006 to USD 19.1 million (24.2% increase) due to price increases.

In 2007, the export value of fish and fish products continued to decrease from USD 138.6 million in 2006 to USD 137.7 million. The decrease in fish exports was mainly contributed by a decrease in demand for fish and fish products outside of the country. Fish exports contributed 8.0 percent of all non-traditional exports in 2007 compared to 9.5 percent in 2006.

In 2007, the value of goods imported (f.o.b) increased from USD 3,864.0 million in 2006 to USD 4,826.9 million (24.9% increase) due mainly to an increase in the importation of consumer goods.
4 NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1 General Overarching Framework Documents

4.1.1 Tanzania Development Vision 2025 (TDV 2025)

The Tanzania Vision 2025 aims at achieving a high quality livelihood for its people, attain good governance through the rule of law and develop a strong and competitive economy. Specific targets for a high quality livelihood characterized by sustainable and shared growth (equity), and freedom from abject poverty in a democratic environment include: food self-sufficiency and security among other key key targets.

4.1.2 National Strategy for Growth and Reduction of Poverty.

The National Strategy for Growth and Reduction of Poverty – NSGRP (MKUKUTA) is the national organising framework focusing on economic growth and poverty reduction, the rate of growth is expected to reach 10% by 2010. Agriculture and irrigation development are both firmly anchored in this strategy paper and the TDV, 2005.

4.1.3 Agricultural Sector Development Strategy (ASDS)

The main objectives are to achieve a sustained agricultural growth rate of 5 percent per annum, through the transformation from subsistence to commercial agriculture. In order to achieve these objectives, the ASDS focuses on four major interventions areas:

- Creating conducive policy environment that will attract investments in the agricultural sector, producing for targeted markets and diversification of products, adding value through domestic processing and reducing post–harvest loses;
- Building private/public sector partnership to enable greater private sector involvement in the provision of support services, input and output marketing, and investment in the agricultural sector infrastructure;
- Focusing on agro–industries/contract growers partnership to provide strategic vertical linkages which will ensure access of inputs credit and output markets for small holders, as well as to ensure steady supply of raw materials to agro–industries; and
- Focusing responsibility for implementing the ASDS at sub–national (decentralized) level through District Agricultural Development Programme (DADP) in order to empower the local communities and ensure sustainability.

4.1.4 National Livestock Policy of 2006

Given the importance of the livestock sector to the economy, a new livestock policy was developed in 2006 to increase the productivity and competitiveness of the sector both of the local and international markets. Its specific objectives are to:-

- Contribute towards national food security through increased production, processing and marketing of livestock products to meet national nutritional requirements;
- Improve standards of living of people engaged in the livestock industry through increased income generation from livestock;
- Increase the quantity and quality of livestock and livestock products as raw materials for local industry and export;
- Promote integrated and sustainable use and management of natural resources related to livestock production in order to achieve environmental sustainability;
- Strengthen technical support services, develop and disseminate new technologies;
• Develop human resources including livestock farmers;
• Promote production of safe and quality foods of animal origin in order to safeguard consumers;
• Promote the use of draught animal power and biogas utilization; and
• Mainstream cross-cutting and cross-sectoral issues such as gender, HIV/AIDS, land and environment.

4.2 Agricultural Policies and Strategies

4.2.1 Land Infrastructure

4.2.1.1 Land Ownership and Titling

The current policy and strategies on land are aimed to (i) promote an equitable distribution of and access to land by all citizens; (ii) provide every Tanzanian citizen access and own land (noting that women have limited access to land); (iii) ensure existing rights to land, particularly those who own land without legal documents, are given legal status; (iv) ensure fair and equal distribution of land; and (v) improve and clarify land management issues including dispute resolution and conservation. The government is also adopting a strategy for range development by formal recognition of associations and organizations of livestock keepers and actions are taken to ensure that livestock keepers obtain formal legal recognition of traditional grazing rights as envisaged in the Land Act (1999). In 2007 a total of 7,778 land titles were issued compared to 5,618 in 2006.

4.2.1.2 The Grazing Land and Animal Feed Resources Act

The Grazing Land and Animal Feed Resources Act is a new law that would envisage protection of pasturelands, encourages improved cattle breeding and safeguards against production of harmful, poor quality animal feeds is being drafted.

4.2.2 Livestock Policies and Strategies

4.2.2.1 Livestock Early Warning Systems

The policy and strategies in relation to livestock early warning systems aim to (i) address the problem of low pasture availability and overgrazing arising from occasional droughts; (ii) predict natural disasters such as drought and consequently the nutritive value of forages and quantity of pastures in the grazing lands; and (iii) generate information on anticipated droughts and other environmental hazards in the grazing lands so as to help the policy makers and pastoralists to make appropriate decisions. The rehabilitation of stock routes and restriction of livestock movements is considered priority.

4.2.2.2 Livestock Hides and Skins

Regulations under Hides and Skins Trade Act No. 18 of 2008 and the Animal Welfare Act No. 19 of 2008 are in the process of being formulated.

4.2.2.3 Livestock Identification

The policy and strategy in this area aims to (i) put in place a livestock identification, registration and traceability system for increased productivity and trade; (ii) support technical services for livestock identification, registration and traceability; and (iii) promote and create awareness on identification, registration and traceability for livestock and livestock products.

4.2.2.4 Animal Feeds

The aim of strategies on animal feeds aim at (i) promoting production of quality animal feedstuffs for increased production and productivity of livestock; and (ii) promoting efficient conservation and utilization of crop residues and other supplementary feeds for increased production and productivity of livestock.
4.2.3 Rural Roads and Other Rural Infrastructure

Tanzania has a road network of approximately 85,000 kms of which about 5% is paved. 35,000 km of the network are classified as National Roads and has since 2000 been managed by the Tanzania National Roads Agency (TANROADS), a semi-autonomous body under the Ministry of Infrastructure Development. The remaining approximately 50,000 km are district, feeder and community roads and are managed by various districts under the Prime Minister’s Office Regional Administration and Local Government (PMO-RALG). The road network carries over 80% of passenger and over 75% freight traffic in the country.

The tarmac roads are those connecting business city of Dar es Salaam and other regions (Morogoro, Dodoma, Iringa, Mbeya and Ruvuma) located in the southern highlands and central part of the country and neighbouring countries of Zambia and Malawi. Others connect Dar es Salaam with other regions (Tanga, Kilimanjaro, Arusha, and Manyara) and neighbouring countries of Kenya and Uganda. Tanzania is currently in the middle of a ten year Integrated Roads Programme, which is designed to upgrade 70% of the country 10,300 km of main roads and build some 3,000 km of new roads.

4.2.4 Natural Resources Policies and Strategies

4.2.4.1 National Environmental Policy (1997)

The objectives as outlined in the National Environmental Policy of 1997 are to (i) ensure sustainability, security and equitable use of resource; (ii) prevent and control degradation of land, water, vegetation, and air; (iii) conserve and enhance natural and man-made heritage, including the biological diversity; (iv) improve the condition and productivity of degraded areas; (v) raise public awareness and understanding of the essential linkages between environment and development; and (vi) promote individual and community participation in the environmental action.

4.2.4.1 Water and Irrigation

The draft irrigation policy of 2009 aims to (i) accelerate investment in the irrigation sector by both public and private sector players; (ii) ensure that Irrigation Development Funds are established with a legal status; (iii) promote efficient water use in irrigation systems; (iv) abide by the Integrated Water Resources Management approach in irrigation development; (v) ensure reliable water for irrigation so as to facilitate optimisation, intensification and diversification of irrigated crop production to supplement rainfed crop production effectively; (vi) strengthen institutional capacity at all levels for the planning, implementation and management of irrigation development; (vii) empower beneficiaries for effective participation at all levels in irrigation planning, implementation, operation and management; (viii) strengthen technical support services, develop and disseminate new practices, innovations and technologies; and (ix) mainstream cross cutting and cross sectoral issues such as gender, HIV/AIDS, environment, health, land and water in irrigation development.

Currently, there are a wide range of irrigation projects and development being implemented in Tanzania that cover. In addition, urgent actions has been planned on Land Degradation and Water Catchments to control and regulate irrigation activities and supervise the implementation of rules and procedures related to access to water and maintenance of irrigation infrastructure to make sure that excess water ultimately returns to the main stream. Following these initiatives, 42 irrigation schemes with a total of 9557 ha were rehabilitated in 2006/07, while 38 irrigation schemes with a total of 15,300 ha were rehabilitated in 2007/08. To facilitate the process of management of the irrigation schemes, farmers have been encouraged to form Irrigator’s Associations which will assist to control irrigation activities. Forty one irrigation Associations have been registered countrywide.

4.2.5 Fisheries

Tanzania has a coastline that stretches for about 800 km along the Western Indian Ocean from the Mozambique border in the South to the Kenya border in the North. Most coastal people are involved in fishing activities. The inshore marine fishery is extremely important to coastal communities. The number of fishermen is increasing whereas currently it is estimated that there are over 60,000 fishermen operating the whole coast of Tanzania including the islands. The importance and impact of fishing extends much beyond these fulltime fishers and include all those involved in boat construction and repair,
and marketing and sale of fish products. Categories of fisheries dominant in the country fall under the following two main groups:

a) **Artisanal Fisheries**: In Tanzania, a marine fishery is still mainly artisanal. Marine fisheries contribute about 15% of the total fish production in the country, with the rest coming from freshwater fisheries. Most of the artisanal fishermen are poor and thus despite profit opportunities, they have not been able to adjust to the increased demand. Most of fisher folk use simple gears and vessels with limited operational range.

b) **Industrial Fisheries**: Prawn fisheries represent the most important industrial fishery in the country and have been operating since 1980’s. Deep-sea fishing which is currently at a small-scale is currently been developed with support from the recently amended Deep Sea Fishing Authority Act of 1998. Offshore fisheries are potential resources with high value migratory fish species such as tuna, sailfish, marlin and swordfish.

There are several sectoral policies and legislations that have relevance to the management of marine and coastal environment (Table 6). These policies and legislations cover sectors such as: environment, fisheries, forestry, land, marine transport, tourism, energy, minerals and, industries and trade. A wide range of approaches has been adopted within the legal and regulatory framework aiming at protection of the coastal and marine environment which includes:

- Setting of environmental quality standards;
- Protection of the key habitats such as coral reefs and mangroves;
- Environmental Impact Assessment;
- Monitoring, Surveillance and Inspection;
- Pollutant discharge fee; and
- Penalties.

**Table 6: Key Policies, Legislation and Plans Relevant to Marine and Coastal Environment**

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Policies/Legislation/Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Resources</td>
<td>• National Fisheries Sector Policy and Strategy Statement (1997)</td>
</tr>
<tr>
<td></td>
<td>• National Forest Policy (1997)</td>
</tr>
<tr>
<td></td>
<td>• Forest Act (2002)</td>
</tr>
<tr>
<td></td>
<td>• Fisheries Act (2003)</td>
</tr>
<tr>
<td></td>
<td>• The Territorial Sea and EEZ Act (1994)</td>
</tr>
<tr>
<td></td>
<td>• Deep Sea Fishing Authority Act (1998)</td>
</tr>
<tr>
<td></td>
<td>• Marine Parks and Reserve Act (1994)</td>
</tr>
<tr>
<td></td>
<td>• National Forest Action Plan 1990/91 – 2007/08</td>
</tr>
<tr>
<td></td>
<td>• Mangrove Management Plan (1991)</td>
</tr>
<tr>
<td>Land use</td>
<td>• National Land Policy (1995)</td>
</tr>
<tr>
<td></td>
<td>• Town and Country Planning Ordinance (1956) Cap. 378</td>
</tr>
<tr>
<td></td>
<td>• The Town &amp; Country (Public Beaches Planning Area) Order (1991)</td>
</tr>
<tr>
<td></td>
<td>• Land Act (1998)</td>
</tr>
<tr>
<td>Shipping</td>
<td>• Merchant Shipping Act (2003)</td>
</tr>
<tr>
<td>Tourism</td>
<td>• National Tourism Policy (1999)</td>
</tr>
<tr>
<td>Cross-cutting</td>
<td>• National Environmental Policy (1997)</td>
</tr>
<tr>
<td></td>
<td>• National Water Policy (2002)</td>
</tr>
<tr>
<td></td>
<td>• Water Utilisation (Control &amp; Regulation) Amendment No. 19 (1980)</td>
</tr>
<tr>
<td></td>
<td>• Regional Administration Act (1997)</td>
</tr>
<tr>
<td></td>
<td>• Local Government (District and Urban Authorities) Acts (1982)</td>
</tr>
<tr>
<td></td>
<td>• Public Health (Sewerage and Drainage) Ordinance Cap. 336</td>
</tr>
<tr>
<td></td>
<td>• National Water Policy (2002)</td>
</tr>
<tr>
<td></td>
<td>• Mining (Environmental Management Protection) Regulation (1999)</td>
</tr>
</tbody>
</table>
4.2.6 Forestry

The policy and strategies on forestry aim to (i) ensure sustainable supply of forest products and services by maintaining sufficient forest area under effective management; (ii) increase employment and foreign exchange earnings through sustainable forest-based industrial development and trade; (iii) ensure ecosystem stability through conservation of forest biodiversity water catchments and soil fertility; and (iv) enhance national capacity to manage and develop the forest sector in collaboration with other stakeholders.

4.3 Support Services to Farmers

4.3.1 Agricultural Education

Education especially primary education has a direct link with agricultural development in the country. Poorly educated farmers are less likely to demand agricultural services and access technical and financial support. In the 1970s and 1980s education curriculum had agriculture components both in theory and practice from primary to secondary schools. Major changes which emerged in the 1990s in particular with the establishment of private primary schools, very few primary and secondary schools have agriculture specific curriculum. Few secondary schools still offer agricultural and related combinations at ordinary and advanced levels. Despite the demise of agriculture education and lower level, Tanzania is still offering full support at professional levels as outlined in table below

Table 7: Institution Offering Agriculture and Related Curriculum at Advanced and Professional Level

<table>
<thead>
<tr>
<th>Institutional level</th>
<th>Name of institute</th>
<th>Service offered</th>
<th>Government support</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Agriculture Training Institute (MATI)</td>
<td>Igurusi, Ilongo, Mlingano, Tumbi, Ukiriguru, Uyole, KATC Moshi, NSI Kidatu, Tengeru,</td>
<td>Provide training at Certificate and Diploma level majoring in crop production, extension, horticulture, Mechanisation, land use planning</td>
<td>100% Tuition fee paid by the government, 80% direct cost to students (food, accommodation, etc.) is paid by the government</td>
<td>Prepared for village Agriculture Extension officers</td>
</tr>
<tr>
<td>Livestock Training Institutes (LITI)</td>
<td>Morogoro, Mpwapwa, Uyole, Naliendele, CVL Temeke, Tengeru, Buhuri,</td>
<td>Animal production, animal health, Tsetse fly, dairy,</td>
<td>100% Tuition fee paid by the government, 80% direct cost to students (food, accommodation, etc.) is paid by the government</td>
<td>Prepared for village Livestock Extension officers' post</td>
</tr>
<tr>
<td>Higher Learning Institutions</td>
<td>Sokoine University of Agriculture</td>
<td>Specialised training on Agriculture, forestry, Veterinary sciences and related</td>
<td>Government provide interest free loan to finance Bachelor level degree, and</td>
<td></td>
</tr>
<tr>
<td>Agricultural Sector Lead Ministry</td>
<td>MAFSC, MITM, MLDF, PMO-RALGA</td>
<td>Facilitating function at Ministerial level</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Government Authorities</td>
<td>District Agricultural and Livestock Development Officers (DALDO)</td>
<td>Agriculture production, livestock production</td>
<td>Provide advisory services free of charge, Facilitate access of inputs to farmers in rural areas</td>
<td>Target is to have one agricultural extension officer at each village</td>
</tr>
</tbody>
</table>

Major challenges facing agriculture education to date are the dwindling number of students taking science subjects and declining number of students who wants to develop their career in agricultural sciences to professional levels mainly due to poor remunerations from sector both from public and private sectors.
4.3.2 Cooperatives and Farming Organisations

The Cooperative Reform and Modernisation Programme (2005 – 2015) aims to (i) create economically strong cooperative societies, capable of facing competitive challenges, to provide better services and offering a source of capital for cooperatives; (ii) practice good governance and accountability in cooperative societies; and (iii) establish a network of cooperatives with efficient and cost effective structures, able to respond easily to the needs of their members.

4.3.3 Agricultural Extension

Ninety to ninety five percent of the extension services in Tanzania are provided under the District Councils through the District Agriculture and Livestock Development Office headed by the District Agriculture and Livestock Development Officer (DALDO). The government is now encouraging the private sector to provide and finance extension services. The policy and strategies on agricultural extension aim to (i) receive and disseminate appropriate technologies generated from research which will promote increased productivity; (ii) organize linkage between research, training and extension; facilitate linkage between private service providers and farmers, such as NGOs, CBOs, stockists, private investors, financial institutions like banks and SACCOS and different donors; (iv) provide farmers with market information and produce prices prevailing in the market; and (v) facilitate farmers to understand their capacity/knowledge.

4.3.4 Agricultural Research

Research centers under the Ministry of Agriculture, Food Security and Cooperatives conduct research on cereals, peas, fruit, vegetable, spices, roots and oil producing seed for drought, pest and disease resistance, as well as high yielding. The conducted research also focuses on sustainable use of natural resource and environmental management through improved husbandry practices. In 2005, 34 types of new seeds were developed and released including 9 new varieties for maize; 2 for millet; 3 for sunflower; 2 for wheat; 5 for cassava; and 6 for sweet potatoes varieties (URT, 2005).

4.3.5 Patenting Technologies

Under the Plant Breeders’ Rights Act, 2002, a Plant Breeders’ Registry was established. Its main functions include (i) granting plant breeders’ rights; (ii) establishing a documentation centre for the purposes of dissemination off information on plant breeders rights; (iii) maintaining a register and provide information on plant breeders’ rights issued in Tanzania; and (iv) facilitating the transfer and licensing of plant breeders’ rights.

4.3.6 Micro-Credit

Commercial banks have been sceptical in issuing loan to small holder farmers due to lack of tangible collateral and other associated risks. Thorough the Agricultural Council of Tanzania and Tanzania Chambers of Commerce, Industry and Agriculture, efforts are being made to establish an agriculture bank in a near future. Thanks to recently established guarantee schemes where private businessmen are pairing with financial institutions to give credit in kind to smallholders in the country. On the other hand smallholder farmers are still ignorant on the procedures of loan application, value of acquiring loan and loan utilization including repayment.

4.3.7 Inputs Provision

The policy and strategies on inputs provision particularly seeds aim to (i) ensure a continuous supply of improved seed varieties through research and plant breeding programmes by government, parastatal, universities and the private sector and will support establishment of gene banks; and encourage and facilitate establishment of formal and informal seed production, conditioning and marketing.
The Tanzania Official Seed Certification Agency (TOSCA) is responsible for quality control from the foundation seed farm stage up to the sale of certified seed to the farmers. A key innovation in the Seed Act allows seed to be produced at village level as Quality Declared Seed (QDS), under well-defined rules and regulations applied by TOSCA. This process of village level seed production is operationalized as Community Based Seed Production (CBSP). The Government target is to increase the percentage of improved seed use by farmers to 25% per year 2015 and this is equivalent to the supply of 30,000 MT of various seed types (maize - 9,080 MT, sorghum and millets - 1,680 MT, paddy - 6,930 MT, beans - 9,420 MT, wheat - 2,590 MT and oilseeds 300 MT).

The use of improved varieties in the country is increasing appreciably. In terms of planted area cereals have the largest planted area with improved seeds (693,817 ha, 54%), followed by cash crops (26%), Pulses (9%) fruit and vegetables (4%), oilseeds (4%) and roots and tubers (3%). However, in terms of improved seed use per crop, the percent of improved seed use in cash crops and fruit is much greater than in other crop types. Only 11 percent of cereal crops use improved seed.

4.4 Support to Investments

Several investment incentives and package exists for the agricultural sector (e.g., zero rated duty on capital goods, reduced import tariffs, deferment of VAT payment on project capital goods, Imports duty drawback on raw materials for inputs for exports etc.). During the 2008/2009 budget, the Government of Tanzania abolished several taxes including the annual motor vehicles licence on tractors and VAT on locally made sacks from sisal. In addition, the Government increased the threshold of income tax for salaried workers to TShs 100,000.

4.4.1 Specific Commodity Chains

An Agricultural Input Trust Fund was established for the purpose of providing support in form of credits for purchase of some inputs including purchase of livestock drugs, purchase, repair and maintenance of tractors. The following schemes exist:

1. Warehouse receipt systems for cotton;
2. Warehouse receipt systems for Cashewnuts;
3. Input voucher system for cotton, coffee and cashewnuts;
4. Fertilizer transport support for maize production;
5. Livestock ranching; and

4.5 Emergency and Disaster Preparedness

4.5.1 Food Security and Early Warning

In Tanzania Early warning is embedded within the Disaster Management Structure which was put in place by the Disaster Relief Coordination Act No. 9 of 1990. According to this Act, the structure comprises of Tanzania Disaster Relief Committee (TANDREC) and Disaster Relief Coordination Unit (now Disaster Management Department) at the National level. TANDREC has two sub-committees namely: Disaster Operation and Preparedness Sub-Committee (DOPC) and Food Emergency Sub-Committee (FEC). From the National level, the structure goes down to the region, district, ward and village where there is disaster committee at each level.

Disaster management issues are under the Prime Minister’s Office. The Disaster Management Department (DMD) was established in 1990 by the Disaster Relief Coordination Act No. 9 of 1990. The Regulations to govern the Department’s operations were laid down in 1991. The functions of the DMD include: Coordination and Operations; and Planning and Research. The DMD primary function is coordination of disaster management activities in the country. It seeks to ensure that in times of disaster, appropriate response systems, procedures and resources are in place to assist those afflicted and enable them to help themselves. The Department is also charged with the responsibility to coordinate disaster preparedness efforts and activities in order to minimize the adverse effects of hazards through effective precautionary measures and to ensure timely appropriate and efficient organization and delivery of emergency.
The National Disaster Management Policy was adopted in 2004. The Policy objectives include the following:

a) Develop higher level of preparedness, response and mitigation capacity for all types of disasters;

b) Promote public knowledge and awareness of disaster and enhance the involvement of the community in disaster management;

c) Establish and maintain an effective institutional arrangement for the coordination and collaboration;

d) Promote research, information generation and dissemination;

e) Mainstream disaster management issues into development plans and other sectoral policies and programmes at all levels;

4.5.2 Food Reserves

Ministry of Agriculture and Food Security and Cooperatives (MAFC) maintains 15 silos under the Food Security Department that are spread over the regions. The Silo operating under National Food Reserve Agency (NFRA) (formerly known as Strategic Grain Reserve) were established in 1977 and enforced by Food Security Act No. 10 of 1991. They were formed with the objective of maintaining reserves of major crops of up to 150,000 tons, which was considered adequate to meet needs for three months (to allow the imports to take place) in the even of an emergency. In an increasingly liberalised market, the reserve was also seen as an important control instrument to cap prices as may be required.

The silos have the capacity to store up to 241,000 tons of which 35,000 tons have been leased. The NFRA is currently utilizing about 24% of its storage space, since they lack the capacity to compete in the local major food crops market; they only managed to produce 50,448 tons during the 2001/02 season. Due to budgetary constraints, it has not been possible to effect price stabilization through a buffer stock.

4.5.3 HIV/AIDS Related Agricultural Policies

The spread of HIV/AIDS is one of the major threats of economic development in Tanzania. Relative to what the country could have achieved, HIV/AIDS alone reduced the per capita growth rate of GDP by 0.7 percent per year. Malaria lowered the rate by another 1.5 percent per year. (The malaria morbidity figure for Tanzania is likely to be the highest in Sub-Saharan Africa.) The good news is that the HIV prevalence rate seems to have stabilized in 1994-99. This suggests that prevention activities and information have begun taking effect. The bad news is that the budgetary cost of treatment and basic care is very high. Current estimates show a cost of nearly US$ 8.90 per capita per year, or US$ 290 million per year total. Given the low domestic saving rate (3.4 percent in 1996), Tanzania cannot finance the cost of HIV/AIDS on its own, without external assistance. Another important implication for Tanzania is that the HIV/AIDS activities have to be multi-sectoral.

Tanzania is making every effort with strong support from the international community, voluntary organizations, and private sectors to intensify the fight against HIV/AIDS epidemic. Initially, HIV/AIDS was perceived purely as a health problem and its campaign involved the health sector only through the National Aids Control Programme (NACP). The national response concentrated on developing strategies to prevent, control and mitigate the impact of HIV/AIDS epidemic through health education and community participation. It has however, been recognized that HIV/AIDS is more than a health problem. It is indeed a sustainable development concern (NACP, 2000). Impacts of HIV/AIDS are abroad, touching different socio economic spheres, thus, a compelling reason for a Multi Sectoral approach.

4.6 Trade and Related Issues

4.6.1 Tariffs and Non-Tariff Barriers

Tanzania has consistently used tariffs primarily for revenue generation and partly for protection. The twin objectives of revenue generation and protection have guided the national position in negotiations for the establishment of RTAs (SADC, EAC, COMESA) as well as MTN. An appropriate evaluation of tariff policy is based on the reduction of tariff to minimum levels. Globalization and the striving for competitiveness
necessitated the use of tariffs as a trade policy instrument. Tanzania has opted to adopt varying tariff base ranging from 5 to 25% (averaging 16%).

4.6.2 Sanitary and Phyto-Sanitary Measures

The SPS measures are supposed to protect plants and animals from pests and diseases as well as humans from high risks associated with additives, contaminations, toxins or disease causing organisms in food and beverages. In Tanzania SPS issues fall under the Directorate of Crop development of the MAFSC. The Plant Protection Act (PPA) of 1997 seeks to: “prevent the introduction and spread of harmful organisms, to ensure sustainable plant and environmental protection, to control the importation and use of plant protection substances, to regulate export and imports of plants and plant products and ensure the fulfillment of international commitments, and to entrust all plant protection regulatory functions to the government”. SPS activities are implemented by the MAFSC, MLDF (zoo sanitary and fish), Ministry of Natural Resources (honey), TBS (TBT and Codex), and TPRI and TDFA.

The full implementation of SPS in Tanzania is being hampered by a number problem. Key among include; low competitiveness; inadequate institutional capacity; awareness; food aid; and private standards.

4.6.3 Price Setting Mechanisms

Changes in agricultural pricing policy in Tanzania since independence can be subdivided into three phases, namely post independence (1961-1966), socialism (1967-1984) and reform to market economy periods (1985-to date). Pricing policy targeted agricultural inputs, food crops (especially staples) and export crops. While inputs and food crops were directly targeted by pricing policy, intervention in export crops was achieved through marketing institutions.

The post independence error was characterized by market economy where input and product market demand and supply determined prices. However, farmer's cooperatives were influential in export crop prices. Government provided support to farmers' cooperatives without intervening directly in their decisions. During the socialism phase, the pricing policy was characterized by regulated markets in line with African socialist policies, Ujamaa, also popularly known as Arusha Declaration. Under socialism most private enterprises including financial institutions were nationalized and put under the management of state companies. State companies had a monopoly in all sectors despite continued operation of private enterprises. Government fixed prices of staples, export crops and essential goods; took control of farmers' co-operatives; imposed restrictions on trade; monopolized the commodity market using state owned companies and subsidizing the agricultural inputs and food commodities.

Purchasing food crops from surplus areas, processing and then distributing to demand areas were mainly undertaken by the state owned National Milling Corporation (NMC). Agricultural co-operatives operated in the rural areas as agents for NMC. In addition to the NMC and co-operatives, the private sector also operated, mainly as a parallel market. Even though NMC was supposed to cater for the whole country, its activities were concentrated in the urban areas. Besides NMC, there was a state owned company, National Distributors Limited (NDL), created specifically for staple food distribution in cities like Dar es Salaam. NDL is a reflection of government priority to urban population.

One of the pricing policy instruments adopted by the government was the system of pan-territorial prices introduced in 1974/75, whereupon the state company NMC purchased grains including maize at fixed prices across the country regardless of transport and marketing costs. The objective was to increase food output by promoting production in remote areas and to reduce regional income disparity among farmers (Mlay, 1988). Such policy resulted in increased maize production in the Southern Highlands and the marketable surplus provided for the market in major urban centres such as Dar es Salaam, Mwanza and Tanga (MOA 1997). However, the policy was not sustainable as NMC incurred large financial losses and had to depend on the government subsidies (Ashimogo, 1994). Further, the policy resulted in nominal increases of producer prices but later real producer prices fell as the private buyers withdrew from the market due to lack of incentive (Geir, 1995).

De-regulation of the economy started gradually in 1984. However, serious reforms were instituted in 1986. Agricultural sector reforms included the withdrawal of the Government from fixing producer and consumer prices, reduction of export taxes and removal of agricultural subsidies, particularly in farm
inputs and crop marketing. Other reforms included lifting of government monopoly in marketing of staples and export crops, privatization of state-owned companies, and promotion of the private sector.

The new agricultural pricing policy seeks to promote food and cash crops production for the domestic and export markets where it is expected that food production for the market will increase farmers’ cash income while ensuring adequate supply in the urban sector. The new policy places clear restrictions on Government interventions in markets. Except in cases such as restocking of the emergency grain reserve, the Government is not supposed to intervene in the food markets; rather its role has been limited to facilitate and promote the participation of the private sector (MOA 1997).

After liberalization of the market, traders in the private sector have concentrated their efforts on supplying the more profitable urban markets. Also, there are concern that some rural markets may be segmented or weakly integrated making the market-oriented food policy less effective.

4.6.4 Food Safety and Nutrition

The Tanzania Food, Drugs and Cosmetics Act (2003) was inaugurated in 2003 with the objective of providing for the efficient and comprehensive regulations of food. The Tanzania Food and Drugs Authority (TDFA) is the primary institution responsible for food control management. It has one laboratory which is grossly inadequate to meet the country’s needs despite the fact that sometimes facilities of the Chief Chemistry, Tanzania Bureau of Standards (TBS) are used. The problem of internationally accreditation of this laboratory is another issue needing special attention.

5 EXISTING REGIONAL POLICIES

The report was incomplete in this respect.

6 SYNTHESIS OF NATIONAL KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

The report was incomplete in this respect.
THE REPUBLIC OF ZAMBIA

MAP OF THE REPUBLIC OF ZAMBIA
THE REPUBLIC OF ZAMBIA

SUMMARY COUNTRY REPORT ON
AGRICULTURAL AND RELATED POLICY REVIEW – 2009

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46 Original Country Report was authored by DR. BENSON H. CHISHALA and submitted to SADC in April 2009
1. GENERAL INFORMATION

1.1. Geography and Demographics of Zambia

Zambia has a savannah type of climate which is strongly seasonal. The altitude ranges between 900 and 1600 m above sea level. The low lying areas around the Luangwa and lower Zambezi rivers have hot tropical climate, with mean daily temperatures of more than 25°C.

Zambia’s population was 11.7 million as per the 2000 national census of population. Poverty in Zambia is very high at about 70%. This level can be reduced substantially if agriculture was to perform better than it is doing currently.

1.2. Farming Systems and the Importance of Agriculture

There are four main classes of farmers in Zambia, namely, the resource-poor traditional subsistence farmers who cultivate on small pieces of land; the small scale / emergent who are semi-commercial in their operations; the medium scale commercial; and the large scale commercial farmers. The farming systems are different according to the agro-ecological regions and the other livelihood activities available.

The Government or Parastatals are no longer involved in farming. There are some NGOs involved in promoting young farmers.

1.3. Key Agricultural Commodities and Farming Practices

The main livestock species breed in Zambia (in accordance with the head size) are bovines, goats and sheep with an estimated total herd of just under 4 million in 2005. The poultry industry was about 44 million birds in 2005. The main crops grown (by quantity produced in 2006) are maize, cassava, cotton, wheat, groundnuts, soybeans, millet, mixed beans and sorghum. Tobacco also experienced significant increases in production in 2006.

1.4. Key Economic and Financial Statistics

Agriculture is very important in the economy of Zambia. Currently, the agriculture sector is prioritised as the ‘engine’ for Zambia’s economic growth and national development. More than 60% of the population are engaged in agriculture and thus depend upon it for their livelihood. The contribution of agriculture to GDP is more than 20% (table 2). If agriculture was to perform better than it has done in the past it would not only provide food security to the nation but it would earn the country the much needed foreign exchange.

The total land area of Zambia is estimated to be 752,614 square kilometres. Twelve percent of this land is suitable for cultivation. Only about 16% of the suitable land is under cultivation. The country is divided into three (3) major agro-ecological regions, namely regions i, ii and iii, based on rainfall patterns, (Region i: less than 800 mm average annual rainfall; region ii: 800 to 1000 mm of annual rainfall; and region iii: more than 1000 mm up to 1500 mm). Agriculture is predominantly rain-fed and therefore rainfall affects the performance of the sector year after year. The irrigation potential has recently been put at between 430,000 ha to 672,000 ha. Thirty percent of this land is currently irrigated. Zambia has more than 45% of the SADC total water resources. This shows the great potential for Zambia to develop irrigation.

The agricultural sector performance has been hampered by lack of good infrastructure, inadequate credit facilities, inadequate extension services, poor agricultural marketing systems and droughts in some years. The HIV/AIDS pandemic is also impacting negatively on the sector.
Table 1: Key Economic and Financial Statistics

<table>
<thead>
<tr>
<th>Subject</th>
<th>Figure</th>
<th>Date and source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country size (km²)</td>
<td>752,614</td>
<td></td>
</tr>
<tr>
<td>Population (million)</td>
<td>11.7</td>
<td>2007 CSO</td>
</tr>
<tr>
<td>GDP (US$ million)</td>
<td>9,096</td>
<td>2007 BOZ</td>
</tr>
<tr>
<td>GDP per capita</td>
<td>680</td>
<td>2007 BOZ</td>
</tr>
<tr>
<td>Agricultural GDP (us$ million)</td>
<td>2,142</td>
<td>CSO</td>
</tr>
<tr>
<td>Ag trade balance (us$)</td>
<td>153,721,099</td>
<td>2007 MCTI</td>
</tr>
<tr>
<td>Rural population</td>
<td>7,488,000</td>
<td>2000 CSO agric. Report</td>
</tr>
<tr>
<td>Number of farmers</td>
<td>850,700</td>
<td>2004 WB</td>
</tr>
<tr>
<td>% of the population living in rural areas</td>
<td>64</td>
<td>2000 CSO agric. Report</td>
</tr>
<tr>
<td>Ag budget 2008 (us$ million)</td>
<td>157.2</td>
<td>Budget speech</td>
</tr>
<tr>
<td>Ag budget 2008 in % of total budget</td>
<td>5.8</td>
<td>In USD 1st January</td>
</tr>
<tr>
<td>Ag budget in % of the GDP</td>
<td>1.759</td>
<td></td>
</tr>
<tr>
<td>Trade balance (us$ million)</td>
<td>613.24</td>
<td>2007 MCTI</td>
</tr>
<tr>
<td>Foreign public debt (us$ million)</td>
<td>1,201</td>
<td>2008 BOZ</td>
</tr>
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<td>Budget 2008 in % of the GDP</td>
<td>25</td>
<td>2008 BOZ</td>
</tr>
<tr>
<td>Budget deficit 2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchange rate end 2006 (BOZ mid rate)</td>
<td>4.128</td>
<td>Against USD</td>
</tr>
<tr>
<td>Exchange rate end 2007 (BOZ mid rate)</td>
<td>3.837</td>
<td></td>
</tr>
<tr>
<td>Exchange rate end 2008 (BOZ mid rate)</td>
<td>4.883</td>
<td></td>
</tr>
</tbody>
</table>

2. PUBLIC SECTOR IN AGRICULTURE

2.1. Principle Government Agencies Involved in Agriculture

Ministries in charge of issues related to Zambia’s agriculture and their mandates include:

- **Land**: Ministry of Lands, in charge of land allocation.
- **Irrigation**: The Ministry of Agriculture and Cooperatives is responsible for the development of irrigation, under the Technical Services Branch (TSB), especially for small scale farmers.
- **Fisheries**: Ministry of Agriculture and Co-operatives (MACO), in charge of fisheries research, extension and management.
- **Forestry**: Ministry of Tourism, Environment and Natural Resources, responsible for research and management of forests and the protection of the environment in general.
- **Other natural resources** – i.e. Soil but not land ownership, water: Ministry of Tourism, Environment and Natural Resources.
- **Inputs**: Ministry of Agriculture and Co-operatives, mainly responsible for policies regulating supply and to a lesser extent involved in actual supply through a parastatal and programmes.
- **Agro-industries**: Ministry of commerce, trade and industry, in charge of company registration and regulation.
- **Agricultural production**: Ministry of agriculture and co-operatives, responsible for research, technology information dissemination, advisory service in general and statistical data collection.
- **External Agriculture and Food Trade**: Ministry of commerce, trade and industry, responsible for regulation of trade and maco responsible for import and export permits, and sanitary and phytosanitary (sps) inspection.
- **Domestic agricultural trade**: Ministry of commerce, trade and industry and the Ministry of agriculture and co-operatives which is involved in agriculture marketing policy issues and provision of market information.
- **Agricultural Education:** Ministry of agriculture and co-operatives which is in charge of almost all public agricultural colleges, while the Ministry of education is responsible for public universities teaching agriculture at degree level and is responsible for registration and regulation of the private universities.

- **Agricultural Research:** Ministry of agriculture and co-operatives, is in charge of agricultural research.

### 2.2. Parastatals and Statutory Bodies Involved in Agriculture

National companies/institutions with an important role in the agricultural sector include:

- **Food Reserve Agency (FRA):** Manages the strategic food reserves for the country and provide market access for small scale farmers in rural/remote areas.

- **Nitrogen Chemicals of Zambia (NCZ):** Produces fertilisers (although currently production levels are too low to meet the national demand).

- **The Water Development Board:** A statutory body (appointed under Cap 312 of the Laws of Zambia) is associated with the Ministry of Energy and Water Development and it gets its technical support from the department of water affairs.

### 2.3. Public Agriculture Infrastructure

#### 2.3.1. Research Stations

The policy of the government is to increase agricultural production through research on different crops and livestock and development of new and better technologies. The main herbage and animal laboratories are at the main crops and animal research stations at Mt. Makulu and Barmoral Research Stations respectively. Agricultural research stations with field trial centres were built in all the 9 provinces of Zambia.

#### 2.3.2. Agricultural Production and Frigorific Infrastructure

In pursuance of market liberalisation and privatisation in the 1990s, the Zambia government sold off The Cold Storage Board of Zambia and Keembe Meat Processing Company (with abattoir and cold storage facilities in most of the big towns for use in the marketing of livestock products), the Dairy Produce Board (a dairy processing company), the Zambia Horticulture Company (ZAMHORT) (a processing plant for horticultural products), and the Zambia Agricultural Development Limited (ZADL) (which operated government farms).

#### 2.3.3. Grain Marketing

During the period the government was heavily involved in grain marketing, it invested in silos and other forms of storage facilities owned by a parastatal, National Agricultural Marketing Board (NAMBOARD). There are six silos with a capacity of 112,500 metric tonnes which are non-functional but being rehabilitated. The total national storage capacity is 2 million metric tonnes. This includes sheds and slabs. All these storage facilities are now under the Food Reserve Agency.

#### 2.3.4. Markets

Different organizations are involved in the development of markets (Central Government, District Councils and Development Agencies). There are about 110 general markets which are managed by different District Councils and other organizations and committees.

#### 2.3.5. Dams and Weirs

There are about 495 dams and weirs scattered all over the country. About 400 of these are in the Southern Province which receives the lowest rainfall and traditionally has been the province with the most agricultural activities.
2.3.6. Training Centres

There are more than 40 Farmer Training Centres (FTCS) (built in the 1960s and 1970s) which are meant to be used for the training of farmers in new technologies. There are also Farm Training Institutes (FTIS) which are used for the re-training of extension officers and other agricultural staff. The government also built The Cooperative College, Zambia Centre for Horticultural Training, Zambia Institute of Animal Health, two Colleges of Agriculture and at The University Of Zambia, the School Of Agricultural Sciences and the School of Veterinary Medicine provide for agronomy and veterinary medicine respectively.

3. PRIVATE SECTOR IN AGRICULTURE

3.1. Crops, Livestock, Fishing, Forestry and Game Farming Activities

3.1.1. Crop Farming

The main crop in Zambia is maize which is promoted by different Government policies such as fertilizer subsidies. Maize is also grown for national food security. Sorghum, millet, rice and cassava are important crops which are grown more in a few regions. These crops are grown more for household food security. Mixed beans is an important livelihood crop grown in mainly the northern regions of the country. Groundnuts are also an important crop. Wheat, although grown only by commercial farmers, is important for national food security. The main cash crops are cotton, tobacco, coffee and sunflower.

3.1.2. Livestock and Game Farming

Poultry is the most important in the livestock sub-sector both for household and national food security. Cattle are not only important for trading, food security and dairy products but also for draught power which is an important element in crop production systems. Goats are also very important for food security and trade. Swine is popular with small producers but even large scale farmers do keep swine.

Ranching is relatively new in Zambia but is taking root quite fast. There are just more than 100 ranches. Most of these are commercial ranches while about 30 are ornamental. There are also about 12 crocodile farms.

3.1.3. Fish Capture

The contribution of fisheries to Zambia’s GDP is around 3%. Most production is from capture fisheries at 70,000 metric tonnes, far below the estimated national demand for fish of 100,000 metric tonnes per annum. The size of fish is reducing due to increased number of fishermen (estimated at 25,000) and lack of funding to improve capture fisheries management.

3.1.4. Forestry and Forest Products

A big part of Zambia’s landmass is covered by forests deriving from which resources and products such as timber, fuel wood (charcoal and firewood) and different building materials are extracted for domestic and export use. The current main concern is the overexploitation of these forests and therefore the sustainability of Zambian forests.

3.2. Farmers’ Organisations

3.2.1. Cooperatives

There are different types of farmer groups or associations operational in Zambia. There are hundreds of cooperatives which form District Cooperative Unions. The District Cooperative Unions make up the nine Cooperative Unions and these in turn make up the Zambia Cooperative Federation. Cooperatives are formed around different activities (banking, small processing and marketing, fisheries etc.).

3.2.2. Farmers’ Unions

There are also farmer associations in most Districts which are affiliated to the Zambia National Farmers Union (ZNFU). The ZNFU is the biggest farmer’s union. It represents the largest number of farmers. Its
main function is to lobby on behalf of farmers on different policy issues. Other functions are to disseminate technical and market information. It also organises training. It has a total of about 18 people at the secretariat. There is also another important farmers union. This is the National Association of Peasant and Small-Scale Farmers of Zambia (NAPSSZ) which represents the interests of peasant farmers at national level.

Also affiliated to the ZNFU are the Tobacco Association of Zambia (TAZ), Zambia Farm Employers Association (ZFEA), Zambia Coffee Growers Association (ZCGA), Environmental Conservation Association Zambia (ECAZ), Wildlife Producers Association of Zambia (WLPAZ), Young Farmers Clubs of Zambia (YFCZ), Zambian Women in Agriculture (ZWIA), Zambia Export Growers Association of Zambia (ZEGA), Poultry Association of Zambia, Organic Producers and Processors Association of Zambia (OPPAZ), Kapenta Fishermen Association (KFA), National Aquaculture Association Zambia (NAAZ) and Cotton Association of Zambia (CAZ). Also under the ZNFU fall different commodity committees such as those for pigs, dairy, wheat and barley, grains, fruit and vegetables, oilseeds, and Beef.

3.3. Other Private Organisations Providing Support to Farmers

There are many organizations in form of international NGOs, local NGOs and private companies which support farmers in one way or the other.

3.4. Agro-Industries

Similarly, there are many companies involved in the processing of cereals, cereal products, meat and meat products. The largest number of companies was in the bakery and biscuits industry followed by meat processing industry. In terms of 2007 sales turnover, the sugar industry was biggest, followed by the beer industry at about 75% of the sugar industry turnover and third the grain milling industry.

3.5. Trade in the Food Sector

The following products had a positive net trade balance, maize and maize floor, wheat, fruits and vegetables, coffee, tobacco, refined and raw sugar and cotton seed. The following products had a negative net trade balance, rice, edible oilseeds, potatoes, soybean cake and other stockfeeds, live animals, meat and fish and dairy products.

3.6. Professional Organisations

Apart from Zambia National Farmers Union (ZNFU), there are others which cater for more general interests of the Agri-Food Industry companies. One of these is the Agri-Business Forum (ABF) which takes care of the interests of companies and farmer producers associations directly or indirectly linked to contract farming. Others are Zambia Association of Manufacturers (ZAM), Zambia Business Forum (ZBF), Zambia Association of Chambers of Commerce and Industry (ZACCI) and Zambia Chamber of Small and Medium Business Associations (ZCSMBA).
4. NATIONAL AGRICULTURAL AND RELATED POLICIES

4.1. General Overarching Framework Documents

4.1.1. General Overview

There are a number of policies and strategies that have been formulated since 2000. Some of these are sector specific and others are of general national planning but include specific agricultural policies. According to the national review report, almost all the policies formulated by the Zambian government are good and well articulated but most Zambian stakeholders think the problem is with the inconsistencies in their implementation. Examples are the subsidies provision, poor marketing strategies, poor irrigation and general infrastructure, and low financial support to key sub-sectors such as research, extension, fisheries etc.

In recent years, the Zambian government established the citizens economic empowerment commission to help Zambians invest in different economic activities including farming. Funding for irrigation can now be accessed under the Irrigation Development Fund (IDF). The government also increased subsidies on fertilizer to the small scale farmers and increased funding to the Food Reserve Agency (FRA). Concerned about low amounts of maize in the country, the government banned the export of maize in 2009. Most rural roads have been upgraded with assistance from China.

It is evident from the different 2009 allocations of funds to different programmes that the government is still involved in direct buying of maize through the FRA which is the agency responsible for strategic food reserve. The allocation to the fertilizer support programme was the highest and this indicates the importance the government attaches to fertilizer subsidies. The other allocation worth noting was that to irrigation which is in line with recent government pronouncements that they are prioritizing irrigation development.


The Poverty Reduction Strategy Paper (PRSP) was prepared to focus on the need to reduce poverty by implementing programmes deemed to reduce poverty and increase food security.

4.1.3. The Agricultural Commercialisation Programme (ACP)

The Agricultural Commercialization Programme (ACP) was formulated (although it was not fully implemented) to go with the PRSP and targeting agricultural growth.

4.1.4. The Fifth National Development Plan (FNDP)

The Fifth National Development Plan (FNDP) states clearly the areas of investment such as irrigation development and support, and agriculture infrastructure and land development.

4.1.5. Zambia's Vision 2030

The FNDP is the first plan in the realisation of this vision. This sets the general framework of all developmental planning in the different sectors of the economy including agriculture. The vision 2030 and the FNDP were prepared with a good understanding of the National Agricultural Policy (NAP).

4.1.6. National Agricultural Policy (NAP)

The NAP was prepared to give policy guidelines for the period 2004-2015. It emphasises liberalization, commercialization and provision of effective services. The specific objectives are

- To ensure national and household food security;
4.2. Agricultural Policies and Strategies

4.2.1. Land Infrastructure

4.2.1.1. Land Ownership and Land Titling

Land in Zambia is vested in the President for and on behalf of the people of Zambia and it is administered by the Commissioner of Lands. Under the current Act (Lands Act of 1995) there are qualifications to own land. All Zambians can own land and non-Zambians of “certain categories” such as investors, resident permit holders are also allowed to hold land in Zambia.

Under the current system of tenure, customary land is estimated to be 94 percent and State Land is estimated at 6 percent. Under the two categories there is Reserve Land which is allocated to nature, forest and wildlife sanctuaries.

A land policy document is under preparation. The draft policy covers land administration, land management and information, the legal and institutional reform proposals and actions required to achieve desired ends.

4.2.2. Rural Roads and Other Infrastructure

The development of rural roads is the responsibility of the Road Development Agency (RDA). However, RDA has delegated some authority to the Ministry Local Government and Housing, through District Councils for the development and maintenance of feeder roads within their geographical boundaries. Other rural infrastructure such as markets, water supply (in some districts) are the direct responsibilities of District Councils.

4.2.3. Natural Resources Policies and Strategies

4.2.3.1. Water and Irrigation

The Zambian state owns water. One can only use water on terms of the Water Act Cap 198 Of The Laws Of Zambia (1948). Underground water is currently unregulated. The other water sector law is the Water Supply And Sanitation Act No. 28 Of 1997. The water sector laws are under review.

The Ministry of Energy and Water Development is responsible for managing water resources through the department of Water Affairs and the Ministry of Agriculture and Cooperatives is responsible for the development of irrigation under the Technical Services Branch (TSB), especially for small scale farmers.

4.2.3.2. Forestry

Out of the total land area, 9.9 percent has been gazetted as forest reserves. The Government through the Ministry of Tourism, Environment and Natural Resources formulates policy and coordinates its implementation through the Department of Forestry. At different levels, local government and traditional leaders are involved in the administration of forests. There are currently three main policy documents in relation to forestry in Zambia, namely:

- The Zambia Forest Policy of 1998;
- The Forest Act of 1999; and

4.2.3.3. Inland Fisheries

The Ministry of Agriculture and Co-operatives through the Department of Fisheries is responsible for inland fisheries. The department oversees the implementation of the national fisheries programmes in capture
fisheries and aquaculture development in order to achieve a sustainable fisheries industry and economic benefits. The department is also responsible for the enforcement and regulation of The Fisheries Act, Cap 200 of the Laws of Zambia. The department is in the process of preparing a standalone fisheries policy. Zambia does not have marine fisheries.

4.2.3.4. Other Natural Resources

Other natural resource management activities include soil erosion and conservation farming. The Technical Services Branch in the Ministry of Agriculture and Cooperatives is responsible for research and advice on land management and therefore deals with land management technologies, irrigation development and land use surveys.

4.3. Support Services to Farmers

4.3.1. Collection of Information and Dissemination

Collection and dissemination of information is an activity in which a number of departments from different line Ministries participate. The Department of Agriculture, being in charge of the extension systems does more information dissemination. The National Agricultural Information Services (NAIS) is the section/unit mandated to disseminate information in different forms. The collection of information about agricultural activities is however not complete because a lot of activities of the NGOS are never recoded.

4.3.2. Agricultural Education

The policy covering agricultural training is mostly covered under the Ministry of Agriculture and Co-operatives. Most of the agricultural related training at certificate and diploma levels is provided by institutions under the ministry. Different degree programmes are offered at the University of Zambia, Mulungushi University and Copperbelt University. The Universities fall under the Ministry of Education.

4.3.3. Cooperative and Farming Organisations

The Ministry of Agriculture and Co-operatives is responsible for co-operatives. The Department of Co-operatives Development deals with issues of co-operatives registration and training, and other issues of importance regarding the cooperative movement. Other farmer organisations exist under the Zambia National Farmers Union (ZNFU) and other small-scale farmer organisations.

4.3.4. Extension Services

Extension work is the main function of the Department of Agriculture. Cassava is being promoted in areas of perpetual food deficits. The Government has made an effort to employ more livestock extension officers in the areas where the farmers keep more cattle. They have also tried to carry out restocking exercises in areas where a lot of cattle has died due to diseases, although the exercise has not been very successful due to existing diseases which have not been completely controlled.

4.3.5. Agricultural Research

Agricultural-related research in such areas as fisheries, animal production and veterinary services is carried out by different departments in Ministry of Agriculture and Co-operatives. The main department dealing with research in agriculture is the Zambia Agriculture Research institute (ZARI) and its main objective is to generate and adapt crop and soil technologies in order to increase agricultural productivity and diversify production.

ZARI also contributes in the enforcement of The Plant Pests And Diseases Act 233, Fertilizer And Feeds Act 351, Cotton Act 227, Tobacco Act 237 and The Noxious Weeds Act 231. Other institutions (Agricultural Trusts) under MACO also carry out research within their mandate. Forestry research is conducted by Forestry Department in the Ministry of Tourism, Environment and Natural Resources.
4.3.6. Micro-Financing

There are more than 20 micro-finance institutions in Zambia. With the exception of Micro Bankers Trust (MBT), a parastatal institution, they are all private institutions. Some of these institutions are associated with peri-urban micro-credit which may have nothing to do with agricultural activities.

MBT receives annual grants from government although it is moving toward the establishment of a limited company to allow for Bank of Zambia supervision. MBT operates in 8 out of the 9 provinces in Zambia. It provides business loans (trading and manufacture) and agricultural loans (irrigation, mechanization and livestock). At the moment there is no specific government policy on micro finance. MBT operates under the Ministry of Community Development and Social Services which has the aim of reducing poverty. Currently, there is no financial institution providing credit specifically for agriculture.

4.3.7. Intellectual and Patenting Rights

The patenting law is enforced by the Patents and Companies Registration (PACRO) which is the executive agency of the Ministry of Commerce, Trade and Industry.

4.3.8. Agricultural Inputs Provision and Investment in Agriculture

4.3.8.1. Seed and Fertilisers – Crops

Most farmers especially commercial farmers are not normally assisted by the Government. The Ministry of Community Development and Social Services provides subsidized inputs to a small number of vulnerable but viable small scale farmers through Programme Against Malnutrition (PAM) which provides seed inputs in the form of food security pack. The government also provides fertilizer at subsidized prices to small scale farmers under the Fertilizer Support Programme (FSP) through the Ministry of Agriculture and Co-operatives. This may be in contradiction to the Government policy of crop diversification as it would appear the government is promoting one crop.

4.3.8.2. Veterinary, Feeds Inputs – Livestock

The government is not involved in the production of inputs to the livestock industry. All the farmers acquire inputs on their own.

4.4. Support to Agricultural Investment

4.4.1. Agro-Industries and Large Commercial Farmers

The Government established the Citizens Economic Empowerment Commission under the CEE Act No. 9 of 2006 which aims to promote economic empowerment of targeted citizens. The government also provides a number of incentives to prospective investors in agriculture through the Zambia Development Agency (ZDA). The only other forms of investment are by NGOs and companies such as ZATAC Limited which is private.

4.4.2. Commodity Value Chain Support

The government does not provide investment support for any commodity chain industries.

4.5. Emergency Disaster Preparedness

4.5.1. Food Security and Early Warning

Ensuring food security is one of the main functions of the Ministry of Agriculture and Co-operatives. The Ministry has an agricultural statistics and early warning section which falls under the Policy and Planning Department.
4.5.2. **Food Reserves**

In 1995 by an Act of Parliament the Zambian Government established the Food Reserve Agency (FRA) to maintain and administer national strategic food reserves. The FRA falls under the Ministry of Agriculture and Co-operatives.

4.5.2.1. **Safety Nets in Rural Areas**

One of the main rural public safety nets is that provided by PAM in the form of food security packs. The Ministry of Community Development and Social Services also runs a public welfare scheme. Farm workers are among vulnerable people because they lack a good retirement package.

4.5.2.2. **HIV/AIDS Related to Agricultural Policies**

Aware of the threat to agriculture brought about by the HIV/AIDS pandemic, the Ministry of Agriculture and Co-operatives has developed an HIV/AIDS workplace policy and has included an HIV/AIDS specific objective in the 2006-2010 Strategic Plan. Several strategies have been formulated to help tackle issues of HIV/AIDS in agricultural institutions.

4.5.2.3. **Other Emergencies**

There is the Disaster Management and Mitigation Unit (DMMU) under the Vice President’s Office. This unit is responsible for mobilising resources to help people who are found in disaster situations.

4.6. **Trade and Related Issues**

4.6.1. **Tariffs**

Tariffs depend upon the level of processing and the regional discussions since Zambia is now member of the SADC Free Trade Area launched in August, 2008.

4.6.2. **Agricultural Trade**

Agricultural trade is at different levels. For maize grain and a few other grains the Grain Traders Association of Zambia and Millers are more involved in the trade. FRA operating under the amended FRA Act of 2005 has also got the responsibility for crop marketing. FRA buys more grain from the outlying areas of the country. For most of the other agricultural produce the market is totally free.

4.6.3. **Direct Trading**

The Government is not involved in direct trading.

4.6.4. **Price Setting Mechanisms**

While the government sets the prices at which FRA buys different commodities (especially maize) the pricing for all commodities is only controlled by the market.

4.6.5. **Quality Promotion**

Quality is promoted through markets paying higher prices for better quality products. The Zambia Bureau of Standards Act is also important in maintaining good quality.

4.7. **Consumer Protection**

4.7.1. **Food Safety and Nutrition**

Two departments under the Ministry of Agriculture and Co-operatives are empowered by law to take care of the Phytosanitary and Zoosanitary issues and these are ZARI and Department of Veterinary and Livestock Development respectively. The Department of Veterinary and Livestock Development is also responsible for
the prevention and control of major diseases of national economic importance. Some of the laws which are of importance to zoosanitary are the Stock Diseases Act, the Tsetse Control Act, the Dairy Act, the Piggery Act, the Public Health Act and the Veterinary Surgeons Act.

District councils are empowered by the law to inspect food stuffs and food vending places and eating places. Councils have environmental health inspectors. There is also the Food and Drug Control Laboratory which carries out laboratory tests on suspect food stuffs.

5. EXISTING REGIONAL POLICIES

Zambia has participated to varying degrees, in the formulation of and therefore is implementing at various levels of engagement, the protocols on Fisheries, Forestry, Wildlife Conservation and Law Enforcement, Shared Waters, Trade and other such policies including the seed harmonisation policy.

Stakeholders’ recommendations on what to include in the RAP included fertilizer policy, land policy and its administration, investment policies, irrigation, seed marketing, cooperation in research, Biotechnology research, Bio fuels, energy issues, livestock (trans-boundary diseases), plant diseases, fisheries policy (fish bans etc.), SPS issues, trade (also related to subsidies), Regional Food Reserves, breeders rights and patents, and water rights.
SYNTHESIS OF KEY AGRICULTURAL POLICY ISSUES AND PRIORITIES

6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

The idea of a regional agricultural policy is more than welcome to Zambia and it is actually long overdue. The region stands to benefit in many ways. For instance the region will become a production unit taking advantage of the strengths of different countries. Trade within the region is expected to be increased and trade with other regions should also increase with the result being increased income to the region. Different resources will be pooled together. These resources may be in form of natural, human or institutional.

The benefits to Zambia depend on how well the country positions itself in terms of national policies leading to increased agricultural productivity and increased trade in favour of Zambia. While Zambia is land locked and far from the sea, it is endowed with incomparable natural resources for most of the SADC region. In case of high agricultural productivity, Zambia’s position is of great advantage to access intra regional markets.

6.1. Priority Areas for RAP

The main areas of priority for Zambia are summarised as follows:

1. Agricultural trade and distribution;
2. Infrastructure development;
3. Irrigation;
4. Agricultural research and biotechnology;
5. Land management;
6. Provision of extension services;
7. Increased agriculture productivity with emphasis on crop diversification; and
8. Human resource development (training).

6.2. Concerns Expressed by Stakeholders on RAP

The following concerns were raised by stakeholders in Zambia on the RAP:

- Difficulty to manage countries at different levels of development (including political instability in some member states).
- Low capacities of institutions
- May disadvantage weak economies
- Sovereignty of nations
- Cheating (e.g. Domiciling as SADC produce when from outside the region)
- Lack of political appreciation of the rap
- Do we have the structures and people in place to guide and monitor
- Lack of commitment by member states
- Lack of consensus on issues such as GMOs
- Biofuels competing with food
- May lead to commodity dumping
- Low institutional memory
- Difficulty to protect farmers’ interests
7. SUGGESTED OBJECTIVES FOR THE RAP

Most of the stakeholders consulted were of the view that the main objectives of the regional agricultural policy should be the following:

a. Overcome food insecurity by making the agriculture sector competitive and increase farmer’s earnings (promote food security);

b. Make it easier to trade in agricultural produce;

c. Mobilize resources on a larger scale for research, training and for value adding processing industries;

d. Increase agricultural productivity;

e. Address the comparative advantage and competitive issues of Member States;

f. Help states to adopt policies that will develop agriculture; and

g. Create a bigger market.

8. SUGGESTED GUIDING PRINCIPLES FOR THE RAP

Of the 15 guiding principles outlined by Zambia’s stakeholder, the following were considered (by Zambia) to be of great importance:

- There must be an effective monitoring body;
- RAP must be technocrats driven (evidence based)
- RAP must be attractive to Member States;
- Concentrate on areas of agreement;
- Member States must be honest/ have openness/trust/respect for each other;
- Have respect of diversity and understand policy challenges of different states; and
- Recognize gender.

There will be need to have a monitoring body for the region to know which direction they are going. There must be something good about the policy that will attract Member States to participate and stay with its implementation.

9. FUNDING MECHANISMS FOR THE RAP

The stakeholders did not suggest any elaborate funding mechanism but based on the principle that the RAP must be SADC Member States’ owned, they strongly suggested that Member States must fund the RAP implementation. The cooperating partners can help but must not be the main funding agencies. The RAP should not have a big structure and therefore the Member States should be able to find funds to implement it.
THE REPUBLIC OF ZIMBABWE

MAP OF THE REPUBLIC OF ZIMBABWE
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47 Original Country Report was authored by **MR. SIMON PAZVAKAVAMBWA** and submitted to SADC in March 2009
1. GENERAL INFORMATION

1.1. Geography and Demographics

Zimbabwe is bordered by South Africa in the South, Botswana in the West, Zambia to the North and Mozambique to the East. Two prominent rivers also mark Zimbabwe’s borders, the Zambezi River to the North and the Limpopo River to the south. A third major river system, the Save drains to the east through Mozambique. All three major systems drain into the Indian Ocean. Zimbabwe’s population was estimated at approximately 12 million people (2007 population projection CSO).

1.2. Farming Systems and the Importance of Agriculture

Farming systems in Zimbabwe consist of three major undertakings, namely crop farming, livestock and cash crop farming. Crop farming is practised by the majority of the population while livestock farming is concentrated in the drier regions of the country. Cash crop farming is restricted to tobacco, cotton, horticulture and sugar.

Agriculture is a dominant and significant sector in the Zimbabwe economy. It contributes 19% of GDP and up to 60% of total domestic employment. Agriculture is a major supplier of raw materials to the local industry for downstream beneficiation. The climatic experienced in Zimbabwe favours agricultural production of a wide range of crops and livestock including fisheries and forestry though on a smaller scale.

1.3. Key Agricultural Commodities and Farming Practices

Crop farming is practised by the majority of the population while livestock farming is limited to the dry regions of the country. Livestock farming had declined significantly during the land reform era. It is however beginning to pick up with increasing numbers of cattle now reared in A2 and large scale farms. Cash crop farming is restricted to tobacco, cotton, horticulture and sugar. Activity in this area had declined but is beginning to pick up as some stability begins to permeate through the commercial farms. Government does not do much direct farming although the Agricultural and Rural Development Authority (ARDA) carries out farming on its estates on behalf of government.

1.4. Key Economic and Financial Statistics

Zimbabwe’s total exports fell by about 27% between 2000 and 2007. Most of this decline in total export proceeds can be ascribed to the decline in agricultural exports. While agricultural exports fell by 53% in this period, non-agricultural exports dropped by only 6%. The main contributors to agricultural export reduction were tobacco (60%), horticulture (56%) and other exports (74%). Thus improvement in foreign currency generation by the Zimbabwe economy hinges on recovery of agricultural exports.

The following table provides a summary of key economic and financial statistics for Zimbabwe.
Table 1: Key Economic and Financial Statistics

<table>
<thead>
<tr>
<th>Subject</th>
<th>Figure</th>
<th>Year and source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country size km²</td>
<td>390 757</td>
<td>n/a</td>
</tr>
<tr>
<td>Population</td>
<td>11.95m.</td>
<td>2007 projection (CSO)</td>
</tr>
<tr>
<td>Rural Population</td>
<td>6.9 million</td>
<td>CSO 2004</td>
</tr>
<tr>
<td>Number of farmers</td>
<td>2 million</td>
<td>AGRITEX estimate 2007</td>
</tr>
<tr>
<td>% of the population living in Rural Areas</td>
<td>73%</td>
<td>CSO 2004</td>
</tr>
<tr>
<td>Land under crop production</td>
<td>2.8 million hectares</td>
<td>AGRITEX estimate 2007</td>
</tr>
<tr>
<td>GDP</td>
<td>14 457 475</td>
<td>2004 (CSO)</td>
</tr>
<tr>
<td>GDP per capita (2005)</td>
<td>USD 750 million (18%)</td>
<td>CSO 2004</td>
</tr>
<tr>
<td>Agricultural GDP</td>
<td>USD 750 million (18%)</td>
<td>CSO 2004</td>
</tr>
<tr>
<td>Ag Trade Balance</td>
<td>Z$ 366 858 058</td>
<td>2008 estimates of expenditure</td>
</tr>
<tr>
<td>Ag Budget 2008 in % of Total Budget</td>
<td>(31%* (4.64%+)</td>
<td>In USD 1st January</td>
</tr>
<tr>
<td>Ag budget in % of the GDP</td>
<td>14%</td>
<td>CSO 2004</td>
</tr>
<tr>
<td>Trade Balance</td>
<td>(9 099 657)</td>
<td>2004 (CSO)</td>
</tr>
<tr>
<td>Foreign public debt</td>
<td>4.69 bn. USD</td>
<td>RBZ 2008</td>
</tr>
<tr>
<td>Budget 2008 in % of the GDP</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Budget deficit 2007</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Exchange rate end 2006 (2003)</td>
<td>826.4462</td>
<td>Against USD</td>
</tr>
<tr>
<td>Exchange rate end 2008 (2005)</td>
<td>77964.5953</td>
<td></td>
</tr>
</tbody>
</table>

2. PUBLIC SECTOR IN AGRICULTURE

2.1. Principle Government Agencies Involved in Agriculture

Ministries in charge of issues related to Zimbabwe’s agriculture and their current (2009) mandates include:

- Land: Ministry of Lands, Land reform and Resettlement
- Water for irrigation: Ministry of water Resources and Infrastructural development
- Fisheries: Ministry of Environment and Tourism (Department of National Parks)
- Forestry: Ministry of Environment and Tourism
- Agro-Industries: Ministry of Industry and International Trade
- Agricultural Production: Ministry of Agriculture
- External Ag and food Trade: Ministry of Agriculture, Ministry of Industry and International Trade
- Domestic Agricultural Trade: Ministry of Agriculture, Ministry of Industry and International Trade
- Agriculture Education: Ministry of Agriculture, Ministry of Higher and Tertiary Education
- Agricultural Research: Ministry of Agriculture
- Other: Ministry of Agricultural Engineering, Irrigation and Mechanization

National companies / institutions with an important role in the agricultural sector include:

1) The Cold Storage Company, for beef processing and marketing
2) The Grain Marketing Board, for grain handling, marketing and milling
3) The Cotton Company of Zimbabwe, for cotton production and export
4) Pig Industry Board, for pig production and processing of pork products
5) Dairibord Zimbabwe Limited, for dairy and related milk products processing
6) National Foods, for milling and processing agriculture products for human and stock feeds
7) Blue Ribbon Foods, for milling and stock feed manufacturing
8) Agrifoods, for stock feed manufacturing
9) Agricultural and Rural Development Authority, for production of a wide range of crops
10) Agricultural Development Bank – AGRIBANK, for granting credit to farmers

Those that play an important role in input and/or output trading and agro-processing include:

1) Seed-Co – seed production, processing, storage, and marketing
2) Pannar – seed production, processing, storage, and marketing
3) Pioneer Seeds, seed production, processing, storage, and marketing
4) Zimbabwe Fertilizer Company, for manufacture of various types of fertilizers
5) Windmill Fertilizers
6) Zimbabwe Phosphate Industries – fertilizer manufacturing
7) Omnia, fertilizer manufacturing
8) Sable Chemicals for fertilizer and chemical manufacturing
9) Chemplex Corporation, manufacture of fertilizer and chemicals
10) Agpy, seed production, processing, storage, and marketing
11) Chemco Holdings, for service provision to the agriculture industry including combine harvesting
12) Zimbabwe Tobacco Association, for the administration and management of the tobacco industry
13) Burley Auction Floors for tobacco sales, marketing, and storage prior to export
14) Tobacco Sales Limited for tobacco sales, marketing, and storage prior to export
15) Zimbabwe Tobacco Auction Company (Boka Sales Floor) tobacco marketing and storage
16) Irvinest Day Old Chicks, for production processing and marketing of poultry products
17) Colcom, for marketing and processing of pork products
18) Bata Shoe Company for hides and skins processing and shoe manufacturing
19) Eagle Tanning for tanning hides and skins
20) Olivine Industries for processing agriculture products into manufactured goods, e.g., edible oils.
21) United Refineries for the refinement of agriculture products as well as their marketing

Zimbabwe has a diversified agriculture products processing and marketing facility. In addition to those specified above, there are numerous small companies and individuals who undertake processing of agriculture products at the village and community level.

2.2. Public Agriculture Infrastructure

2.2.1. Silo / Storage Capacity

Zimbabwe has silo storage capacity owned by the Grain Marketing Board of up to 10 million tons of grain. Most of the silos were built after independence as government sought to bring storage capacity closer to the people. In addition to GMB silos, there are private silos with a capacity of 3 million metric tons. Presently the silo capacity is grossly underutilized.

2.2.2. Cold / Frigorific Infrastructure

The Cold Storage Company (CSC) has the largest refrigeration facility in Zimbabwe. The other smaller facilities for cold storage at private abattoirs and horticulture farms. The CSC has mothballed some of their operations due to non-viability and loss of the EU market due to disease outbreak. It is hoped that when Foot and Mouth Disease comes under control, throughput from CSC will increase as well as exports to the European Markets.

2.2.3. Market Places

Most market places are situated in urban centres. The infrastructural condition of the marketplaces is variable some are well paved but the majority are not. Most markets operate periodically particularly in the
rural areas. The livestock industry runs periodic markets for beef cattle in rural areas. Small holder farmers have the opportunity to dispose of their excess stock at these markets. The formal markets compliment informal markets which operate throughout the year and are not structured. In the informal markets, private sales of agricultural produce including cattle take place.

2.2.4. Abattoir / Slaughter Facilities

Apart from the CSC abattoirs, there are also small licensed private abattoirs. There are also some slaughter poles especially in the rural areas for the slaughter of beef cattle for sale in rural communities. There are private chicken slaughter facilities belonging to large corporates and there is one small stock abattoir in Harare. In total Zimbabwe has some 137 abattoirs and slaughter poles throughout the country. Due to the current economic difficulties, most of these abattoirs are not functioning.

2.2.5. Seed Production Centres

There are three large seed houses in Zimbabwe i.e. Seed-Co, Pannar and Pioneer Seed Company. There are other smaller seed houses such as ARDA seed, Agpy and Advance seeds. All seed houses operate under regulation of the Seed Services Section of the Ministry of Agriculture. All seed houses are also regulated through the Seed Act. Seed Houses produce their own seeds with foundation material derived from either the government or their own efforts. There is a comprehensive SPS and quality control arrangement.

2.2.6. Animal Husbandry Centres

Most animal husbandry research is undertaken at the government research stations. The research stations also carry out breeding activities (see Table 2). The number of pedigree breeders has however reduced significantly since 1997 largely due to the land reform program. Attempts are underway to increase the number of pedigree breeds and pedigree breeders.

Table 2: Pedigree Cattle in Zimbabwe: Current Status

<table>
<thead>
<tr>
<th>Breed Group</th>
<th>1997</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Breeders</td>
<td>Animal</td>
</tr>
<tr>
<td>British</td>
<td>42</td>
<td>3265</td>
</tr>
<tr>
<td>Continental</td>
<td>80</td>
<td>3778</td>
</tr>
<tr>
<td>Sanga</td>
<td>26</td>
<td>5256</td>
</tr>
<tr>
<td>Brahman</td>
<td>81</td>
<td>6410</td>
</tr>
<tr>
<td>African zebu</td>
<td>4</td>
<td>350</td>
</tr>
<tr>
<td>Composites</td>
<td>44</td>
<td>3421</td>
</tr>
<tr>
<td>Total</td>
<td>233</td>
<td>22480</td>
</tr>
</tbody>
</table>

2.2.7. Irrigation Schemes

There are three types of irrigation schemes in Zimbabwe. Firstly there are small holder irrigation schemes in communal and resettlement areas. Most of these are under government control and they have been set up as “food security” schemes. These vary in size from as little as 5 hectares to as large as 450 hectares. Plot size also varies from a minimum of 0.1 hectares to 4 hectares per individual farmer.
Secondly there are those schemes operated by A2 farmers and Large Scale Commercial farmers. These schemes are largely commercial and vary in size from 10 hectares to 500 hectares. Irrigation in the A2 and Large Scale Commercial farms is intended for high value crops including Horticulture.

Thirdly there are the large corporate estate irrigation schemes operated by ARDA, Hippo Valley and Triangle. The largest crop under these schemes is sugar cane. ARDA also grows wheat on their large estates.

3. PRIVATE SECTOR IN AGRICULTURE

3.1. Crops, Livestock, Fishing, Forestry and Game Farming Activities

3.1.1. Farmers

Zimbabwe does not have what one can call public farms except perhaps those held by ARDA and Research Stations under the Ministry of Agriculture. The majority of farms are therefore private though the term private is used loosely since land belongs to the state. The situation in the farm holding structure is very fluid and current available data can only be presented in global terms. No detailed surveys have been carried out to allow further breakdown of farms and their cropping status.

Under the land categorization arrangement, Communal areas have farm sizes ranging from as little as 0.5 hectares to as large as 10 hectares in places depending on the Natural region where such land is situated. Land holdings in communal areas are not owned by the farmers but are held in trust. There are approximately 800 000 communal farmers in Zimbabwe.

Resettlement farms are divided into two categories. There are those farms from the early resettlement effort and the recently introduced A1s. These farms range in size from 5 hectares arable with communal grazing to 30 hectares arable under the self-contained arrangement. Some 235 697 farmers have been allocated land under this category. The total area under the old resettlement and the new A1 farms is 14 130 663 hectares.

The third category is the Commercial land in three sub-sections:
- Small scale commercial farms (1.4 million hectares);
- Large scale commercial farms (now 3 million hectares); and
- A2 farms (2.3 million hectares).

The average farm size ranges from 50 hectares to 6 000 hectares in large ranches. Small scale commercial farms have been in existence prior to independence while large scale commercial farms constitute what is left of the former large scale farms after the land reform exercise. A2 farms are a creation of the land reform process.

In both the communal and resettlement areas (including A1 farmers) the level of mechanization is low. Most farmers use draft power although through the government mechanization program, use of tractors is also increasing. In small scale commercial, large scale commercial and most A2 farmers use mechanical power. The number of tractors is still lower than the peak prior to the resettlement program. There were approximately 40 000 tractors in use in the commercial sector prior to the resettlement program compared to an estimated 18 000 currently in use. This deficit is hampering tillage operations.

3.1.2. Crop Farming

The main food crops grown in Zimbabwe during the normal rainy season include food crops such as maize (the largest staple crop), wheat (a winter crop grown only under irrigation), soya beans, groundnuts, Mhunga (pearl millet), Rapoko (Finger millet), Sorghum and edible beans. The main cash or industrial crops grown in Zimbabwe include tobacco, cotton, sugar, horticultural products (particularly ornamental flowers), vegetables, paprika and barley. Tree crops grown include tea, coffee, macadamia nuts and a wide range of fruits.
Maize production is so popular among the rural people such that it is even grown in unsuitable areas where other crops like sorghum could do better. For drought relief and food aid, maize is usually the crop of choice. This predominance needs to be reversed so that areas like Matabeleland can grow other crops more suitable to their climatic conditions.

3.1.3. Livestock

The main types of livestock reared for food purposes in Zimbabwe include cattle, sheep, goats, pigs, and poultry. Other forms of livestock reared include donkeys and horses. The estimated livestock herd according to the 2006 Livestock Census is shown in the tables below.

**Table 3:** Zimbabwe Livestock Status: 2006

<table>
<thead>
<tr>
<th>Sector</th>
<th>Cattle</th>
<th>Sheep</th>
<th>Goat</th>
<th>Pig</th>
<th>Donkey</th>
<th>Horse</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>311,556</td>
<td>20,745</td>
<td>100,790</td>
<td>7,636</td>
<td>20,573</td>
<td>202</td>
</tr>
<tr>
<td>A2</td>
<td>651,436</td>
<td>79,282</td>
<td>377,524</td>
<td>44,240</td>
<td>107,846</td>
<td>934</td>
</tr>
<tr>
<td>Resettlement</td>
<td>500,494</td>
<td>16,652</td>
<td>148,476</td>
<td>7,133</td>
<td>21,490</td>
<td>59</td>
</tr>
<tr>
<td>Small Scale</td>
<td>210,918</td>
<td>13,637</td>
<td>103,414</td>
<td>10,830</td>
<td>6,738</td>
<td>14</td>
</tr>
<tr>
<td>Grant Total</td>
<td>4,966,318</td>
<td>332,721</td>
<td>3,137,969</td>
<td>218,108</td>
<td>397,553</td>
<td>1,236</td>
</tr>
</tbody>
</table>

Source: Department of Veterinary Services 2007

**Table 4:** Zimbabwe Cattle Numbers by Sector: 2006

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>BULLS</th>
<th>STEERS/ OXEN</th>
<th>HEIFERS</th>
<th>COWS</th>
<th>CALVES</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>21,013</td>
<td>78,301</td>
<td>58,129</td>
<td>103,709</td>
<td>50,405</td>
<td>311,556</td>
</tr>
<tr>
<td>A2</td>
<td>37,922</td>
<td>162,624</td>
<td>141,265</td>
<td>205,858</td>
<td>103,767</td>
<td>651,436</td>
</tr>
<tr>
<td>Communal</td>
<td>244,858</td>
<td>978,351</td>
<td>644,400</td>
<td>1,022,174</td>
<td>422,131</td>
<td>3,311,913</td>
</tr>
<tr>
<td>Resettlement</td>
<td>33,978</td>
<td>142,800</td>
<td>101,538</td>
<td>148,476</td>
<td>73,703</td>
<td>500,495</td>
</tr>
<tr>
<td>Small Scale</td>
<td>14,642</td>
<td>62,176</td>
<td>40,429</td>
<td>64,010</td>
<td>29,663</td>
<td>210,918</td>
</tr>
<tr>
<td>Grant Total</td>
<td>352,412</td>
<td>1,424,252</td>
<td>985,760</td>
<td>1,606,503</td>
<td>679,668</td>
<td>4,986,318</td>
</tr>
</tbody>
</table>

Source: Department of Veterinary Services 2007

**Table 5:** Dairy Producers and Milking Herd: 2006

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial producers</td>
<td>323</td>
<td>283</td>
<td>281</td>
<td>275</td>
<td>279</td>
<td>282</td>
</tr>
<tr>
<td>Total Milking herd</td>
<td>55,150</td>
<td>50,650</td>
<td>45,000</td>
<td>43,159</td>
<td>44,000</td>
<td>38,000</td>
</tr>
<tr>
<td>Total Milk Production</td>
<td>174,000,000</td>
<td>151,000,000</td>
<td>113,000,000</td>
<td>96,000,000</td>
<td>102,000,000</td>
<td>98,000,000</td>
</tr>
</tbody>
</table>

Source: Department of Veterinary Services 2007

**Table 6:** Pigs

<table>
<thead>
<tr>
<th>Year</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sow units</td>
<td>7,000</td>
<td>7,500</td>
<td>9,800</td>
<td>14,000</td>
<td>15,500</td>
</tr>
<tr>
<td>Pigs</td>
<td>312,918</td>
<td>183,241</td>
<td>184,742</td>
<td>167,775</td>
<td>218,108</td>
</tr>
</tbody>
</table>

Source: Department of Veterinary Services 2007
3.2. Farmers’ Organisations

Three farmer organizations or farmer unions have continued to operate, namely, the Zimbabwe Farmers Union (ZFU) for small holder farmers in communal and resettlement areas, the Zimbabwe Commercial Farmers Union (formerly the Indigenous Commercial Farmers Union) for the emerging black commercial farmers in A2 and large scale commercial farms, and the Commercial Farmers Union (CFU) for the former white commercial farmers.

3.3. Other Private Organisations Providing Support to Farmers

NGOs provide significant assistance to Agriculture in various forms. Of the more than 200 NGOs operating in Zimbabwe, more than half of them work in agriculture or agriculture related activities. Due to the current food insecurity in the country, most NGOs are working in the food aid / food relief area. Some NGOs have worked alongside the extension service to provide input and advice in agriculture. Other NGOs have organized small groups of farmers to produce and market specific crops such as paprika for commercial gain.

3.4. Agro-Industries

In the Agro-Industry area, the number of large companies is now limited. Since the land reform program, companies have been down-sizing in response to a reduced raw material support from agriculture. The emergence of a strong informal sector also cut the margins of the big companies. People previously employed in large companies have set up smaller production centres and offer stiff competition to the large companies. Processing units are becoming smaller with fewer employees.

Generally Agro-industry processing is slowly being absorbed in the medium to small enterprises. Large companies with large capacities are failing to take advantage of their capital base due to severely reduced demand. They can no longer rely on economies of scale and are being forced to scale down.

3.4.1. Baking Industry

Major constraints in the baking industry area comprise:

1) Limited raw material supplies as Zimbabwe does not produce sufficient wheat for its own consumption and a worsening production base due to deteriorating irrigation infrastructure, power shortages and input shortages.
2) A shrinking market as consumers are forced to consider alternatives;
3) Shortage of fuel as most bakeries use diesel for heating the ovens. This is attributed to unavailability of foreign exchange for fuel purchases other competitive uses for diesel such as transport and agriculture.
4) A declining economy with reduced surpluses making bakery products marginal.
5) Reduction in milling capacity as milling companies have downsized their operations due to reduced raw material supply, competition from hammer mills and inflationary pressures on the economy.

3.4.2. Edible Oils Industry

In the edible oils industry, operations are at less than 20% of capacity. The large oil expressing facilities have succumbed to stiff competition from small informal sector expressors and imports.

3.4.3. Meat and Meat Products

Since the licensing of private abattoirs, the dominant players have faced significant competition. The Cold Storage Company has scaled down from seven large abattoirs to only three currently operating at less than 30% capacity. Smaller processing companies (27 private abattoirs, more than 1 000 slaughter
poles) have now taken over beef processing but employing very few people. The risks of uninspected meat and poultry products coming onto the market are real as a result of the above.

3.4.4. Milk and Dairy Products

Milk and Dairy products are processed by one dominant company Dairibord Zimbabwe Limited. Fluctuations in milk deliveries have forced the company to streamline their operations and currently their largest unit, the Harare Dairy employs approximately 500 employees. The amount of milk deliveries from farmers has been fluctuating due to difficulties in obtaining dairy feeds to maintain dairy herds and declining viability in the industry.

3.4.5. Sugar

Sugar processing is carried out by two major companies in the Lowveld. Sugar production over the years has been fairly constant making it difficult for new entrants to venture into the industry. Hippo Valley and Triangle in conjunction with the Zimbabwe Sugar Refineries process virtually all the sugar that is produced in Zimbabwe.

3.4.6. Water Juice and Soda

Various small companies process mineral water for sale. Delta Corporation is the dominant company in soda and soft drinks processing with a significant number of employees (approximately 800) although viability in the industry has been declining due to reduced disposable incomes and hyperinflation.

3.4.7. Tea and Coffee

Zimbabwe tea is grown and processed in the Eastern Highlands. Both tea and coffee production has been affected by the land reform program. A number of plantations have been taken out of production. Some of the companies still involved in processing tea and coffee are Southdowns, Tanganda, Katiyo (ARDA) and Capital Tea and Coffee.

3.4.8. Tobacco

Most of Zimbabwe’s tobacco is exported in the unprocessed form. There is limited processing (30%) annually of the crop through companies such as British American Tobacco (BAT) and Savanna. Due to the global anti-tobacco lobby, demand has shrunk, but in Zimbabwe, the main reason for the decline in tobacco consumption (smoking) is the hyperinflation and economic downturn. Production of leaf tobacco has also been declining.

3.4.9. Cotton and Textiles

Most of Zimbabwe’s cotton is exported in a semi processed form as ginned cotton. There is ginnery capacity which is seven times the production capacity but the industry is not expanding. The once dominant player in textiles, David Whitehead Textiles has downsized due to operational difficulties and reduced profitability.

3.4.10. Beer, Wine and Spirits

National Breweries, a Delta subsidiary is the dominant company in beer brewing. There is only one roasting plant in Kwekwe also owned by Delta. African Distillers in Harare processes various wines and spirits. There are a few private wineries in the country such as Mukuyu Winery near Marondera
3.5. **Trade in the Food Sector**

Most of the traders in the food sector derive their trading commodities from local produce. More recently due to declining production there has been an increase in trade in imported goods and products. Government has gone further to relax import regulations to allow individuals to import basic commodities in order to alleviate the food shortage currently gripping the country. Import quantities are small due to foreign currency constraints. The current situation favours the small operator who deals in specific goods for a specific niche market.

3.6. **Professional Organisations**

The Confederation of Zimbabwe Industries (CZI) and the Zimbabwe Chambers of Commerce (ZCC) are the major professional organizations in trade and industry matters. There is no Agro-Industry Association in Zimbabwe. Both CZI and ZCC carry out advocacy work on behalf of their members and provide business advice to their members in their areas of operation. The Agricultural Chemicals Industry Association (ACIA) is currently trying to transform itself into a regulatory authority for the chemical industry. Due to the increasing involvement of the small and medium scale enterprises, membership of professional associations has been declining.

The Cotton Council has proposed legislation to be set up as the regulator in the cotton industry while the Meat and Livestock Council provides advocacy and advice to meat and livestock producers.

Most of the professional organizations were established prior to independence. New farmers do not as yet appreciate their services and have tended to avoid them.
4. NATIONAL AGRICULTURAL AND RELATED POLICIES

In the last three years, the Zimbabwe Government has not done much in terms of implementing sound policies and strategies towards food security. Whilst it has implemented the Input Supply Program, the Agricultural Mechanization Program and the Irrigation Development in Resettlement and Communal Areas Program, the success of these programs has been variable and significant challenges have been met. Under the Input Supply Program, inputs have been accessed by people without land. Most of the fuel intended for agricultural was diverted to parallel activities while in irrigation some contracts to supply irrigation systems were awarded to companies without capacity to execute them. The Mechanization Program was too politically inclined such that some farmers without farming experience were allocated tractors and equipment. The glaring absence of monitoring and evaluation is at the centre of the poor performance of the government initiated programs.

4.1. General Overarching Framework Documents

4.1.1. General Overview

Zimbabwe has not yet developed a comprehensive national agricultural policy and attempts are under way. However, a series of sub-sectoral working documents have been used by the Ministry of Agriculture and related institutions as support documents to implement regulations that are passed from time to time. The working documents were never formally published although a few were presented to Cabinet and approved for implementation.

Zimbabwe therefore used legislation (Acts of Parliament) in force to run Agricultural Ministries since independence. The statutes become the guiding instruments for implementation. As portfolios changed, so also did the relevant Acts of Parliament change hands. As a result efforts to develop comprehensive sectoral policies received varying priority depending on the responsible Minister.

Following Independence in 1980, Zimbabwe focussed on the economy as a whole and little was done to develop sector policies. Economic sectors were constantly changing as the country sought to streamline its sector structures. The early strategy under which the country operated was the “Growth with Equity”. This was underpinned by programs such as:

1) **Zimbabwe Conference for Reconstruction and Development:** an international appeal for assistance to reconstruct the economy after the war of liberation. The international community made pledges some of which never materialised to date.

2) **The Economic Structural Adjustment Program (ESAP):** a program of economic structural changes largely supported by the World Bank. Agricultural policies were not developed as the thrust was on how the entire economy could be adjusted and put in line with prevailing trends.

3) **Zimbabwe Program for Economic and Social Transformation:** this program began to look at sector transformations and documentation on sector policies and strategies were encouraged.

4) **The Zimbabwe Agricultural Policy Framework (ZAPF), 1995 – 2020:** This was the first comprehensive attempt by the Ministry of Agriculture to put together an agricultural policy. The document marked the beginning of a series of attempts to define an agricultural policy for the country, but it lacked a regional perspective.

5) **The National Agricultural Strategy Framework 2005-2035:** a document that was produced in the Ministry of Agriculture but unlike the ZAPF document, this never went into the public domain.

7) Agricultural Policy for Zimbabwe: More recently the Food and Agriculture Organization (FAO) of the United Nations in conjunction with the Ministry of Agriculture commissioned a study to draw up Zimbabwe’s agricultural policy. This work is currently in progress.

The main shortcomings of the latest efforts include the fact that there was limited stakeholder consultation and the documents were not placed in the public domain and therefore their implementation could not take place. Furthermore, government appeared to be pre-occupied with the Land Reform and Resettlement Program and until this program had reached some point of completion, any agricultural policy would have been deemed incomplete. Though not a significant factor, the frequent portfolio changes of components that constitute agriculture into different ministries prevented a comprehensive policy development effort.

4.1.2. The Zimbabwe National Agricultural Policy
4.1.2.1. General Architecture of the Policy

The current policy development takes into account all aspects of agriculture regardless of which Ministry maybe in charge. This approach has been adopted in order to maximize the synergies to be gained. “Policy” in the current policy formulation exercise in Zimbabwe is defined as a broad statement of intent which can then be achieved through a combination of enactment of legal statutes where they do not exist, rules and regulations to support the legal framework and finally strategies, programs and projects to realize the full benefit of the policy. The policy document therefore states policies in a very broad sense and then gives examples of required legislative measures where there are gaps, and strategies that can be applied in the course of implementing the policies.

4.1.2.2. Zimbabwe’s Vision for the Agricultural Sector

The vision for Zimbabwe’s agricultural sector is “to promote development of an efficient, competitive and sustainable agricultural sector, which assures food security and increased income”. It recognizes the need to strengthen and expand the emerging opportunities brought about by the Land Reform Program, and deals with the challenges facing the agricultural sector. This vision strives to contribute to the overall goal of poverty reduction and fulfilment of the Millennium Development Goals (MDGs).

4.1.2.3. Policy Objectives

In line with the above vision, the specific objectives of the agricultural sector policy that is being formulated are to:

- Assure national and household food security;
- Ensure that the existing agricultural resource base is maintained and improved upon;
- Generate income and employment to maximum feasible levels;
- Contribute to sustainable industrial development through the provision of home grown agricultural raw materials; and
- Expand significantly the sector’s contribution to the national balance of payments.

4.1.2.4. Policy Thrust / Guiding Principles

The thrust of the proposed agriculture policy has four major elements that will guide its design

1) **Proactive and future focused:** The policy should be able to guide future processes rather than be backward looking and reactive.

2) **Practical, feasible and attainable:** The policy should be practical with achievable goals and targets. The targets set in the past have tended to be too idealistic and unattainable. It is important that the policy thrust be incremental.
3) **Productivity and growth oriented:** The policy thrust should be one where productivity is the key attribute. The government has already embraced a “massive production of all crops” approach. The policy should embrace this dictum by ensuring that production targets set are practical and realistic. Policy should have a growth strategy clearly projected and matched to availability of potential resources.

4) **Simple to read and understand:** The policy itself should be simple and easy to understand in order to support its implementation.

### 4.1.2.5. Macro Policy Elements for Agriculture

The major macro policy elements for agriculture that will be embraced in the new policy include the following:

1) **Increase production for both household and national food security:** There is need to increase production and productivity of main cereal crops to levels where the country becomes self sufficient and can export the surplus.

2) **Increase funding for agriculture and agriculture related infrastructure:** If production and productivity are to increase in both the short to medium term, funding for agriculture must increase.

3) **Improve the quality of agricultural produce:** In order to be competitive particularly in the export market, there is need to improve the quality of our agricultural produce.

4) **Improve technology used in the production process:** Most agricultural production systems in Zimbabwe still use out-dated technology which inhibits increased production and productivity and compromises quality standards. Focus should be on the use of improved technology (not necessarily new technology) in the production process at both the primary and secondary level where agricultural produce maybe beneficiated.

5) **Preserve soil and natural resources:** The Land Reform Program is now tailing off and the challenge that Zimbabwe faces is the preservation of flora and fauna through appropriate conservation agriculture measures.

6) **Land administration and management:** The Zimbabwe liberation struggle was fought mainly over the land issue. Following land reform, there is need to consolidate these gains through proper land administration and management.

### 4.1.3. Major Challenges in the Current Environment

The major challenges in the current environment include the fact that Zimbabwe is not producing adequate food for its population for various reasons that include the drought, lack of adequate inputs, inadequate tillage capacity, shortage of foreign currency for the importation of critical inputs such as fertilizer and chemicals, low capacity utilization of existing local manufacturing facilities and inexperience among some of the newly resettled farmers. There is need to increase the level of investment in agriculture through a deliberately targeted empowerment program. In the intervening period, critical supporting institutions such as research, extension finance and technical skills have suffered a brain drain with highly experienced people leaving the country for neighbouring countries. Return of skilled manpower is being addressed through the Skills Retention Program supported by the Reserve Bank of Zimbabwe.

### 4.2. Agricultural Policies and Strategies

#### 4.2.1. Land Infrastructure

##### 4.2.1.1. Land Ownership and Land Titling

The principal acts regulating Land are to be found in the Land Acquisition Act and the Surveyor General’s Act. However implementation is shared between the Ministry of Lands, Land Reform and Resettlement, (for acquisition land administration, leases, titling of non-urban land, registration and permits; that ministry is currently responsible for the Department of the Surveyor General); The Ministry of Local Government Rural and Urban development (for the administration of Urban land), The Ministry of Environment and
Tourism, (for administration of national parks and the environment); the Ministry of Agriculture, (for administration of conservation and land productivity).

There still exists a market for land in the urban areas where one can still buy and sell property attached to land, or undeveloped land. In the rural areas, there is no formal market for land. Although a few farmers still hold title to their farms, they are required to offer the land to government first under the “Government’s first refusal option” should they want to sell the land. Technically speaking it is not easy to acquire land in rural areas through some willing buyer, willing seller arrangement. The land reform program has designated virtually all rural land as state land. Although the statutes are not yet in place, the current policy is that land in rural areas belongs to the nation, (with subtle exceptions of land still held under private individual title, which can never be disposed of without government consent which is not readily given).

For the resettlement areas, Government has since developed a 99 year lease but the collateral status and value of the lease is still being debated. A 25 year lease for Conservancies has also been drawn up and awaits approval for implementation.

There are proposals for a Land Tax which have not received popular approval yet. Some Rural District Councils have already started collecting levies on land in the form of Council rates however levels of payment are still low.

There is also communal land where tribal authority is supposed to be the administration and responsible authority in the form of traditional leaders. The traditional leaders are however embroiled in a battle for control with the Councillors who are elected political functionaries and frequently interfere in traditional leaders functions. In terms of the law, land in communal areas cannot be bought or sold since it is state land for all practical purposes.

A small portion of Small Scale Commercial Farming areas comprises farmers some of whom have freehold individual title on the land while others are yet to obtain title.

### 4.2.2. Rural Roads and Other Rural Infrastructure

Rural Roads and other infrastructure falls under the District Development Fund (DDF). The DDF has been variously administered from The Ministry of Local Government and National Housing, The Ministry of Local Government Rural and Urban Development, the Ministry of Rural Resources and Water Development, The Ministry of Rural Resources and Infrastructural Development before being placed under the Office of the President and Cabinet.

Local Authorities are also responsible for Rural Roads in their areas of jurisdiction however they lack capacity and finance to provide an effective service.

### 4.2.3. Natural Resources Policies and Strategies

#### 4.2.3.1. Water and Irrigation

Water Resources are governed by the Water Act. This Act also contains regulations for combined water (irrigation) schemes. The Water Act provides for the development, management and utilization of Zimbabwe’s water resources. In 2000, Zimbabwe developed and published a comprehensive Water Resources Management Strategy (WRMS). Under the strategy the requirements for recognition and implementation of the SADC Protocol on Shared Water Course Systems are elaborated.

#### 4.2.3.2. Forestry

Forestry as an activity falls under the Ministry of Environment and Tourism. The Forestry Commission is responsible for development and advisory services for forestry although woodlots and plantations grown
for tobacco curing fall under the Ministry of Agriculture. The Forestry Commission is the custodian of indigenous forests. Harvesting of indigenous timber is regulated and controlled under the Forestry Act.

4.2.3.3. In Land Fisheries

Inland fisheries comprise resources in Lake Kariba, Lake Manyame, Lake Chivero and Lake Mutirikwi as well as many other small to medium dams. Inland fisheries are managed through the Department of National Parks and Wildlife Management. Cropping and harvesting are regulated while the very small inland water bodies that practise fish farming fall under the Department of Agriculture and Extension (AGRITEX). The total tonnage from inland fisheries is still small and Zimbabwe has to import fish in order to satisfy local demand. Significant imports come from Namibia, Mozambique and Malawi. The exception is the small kapenta fish which is harvested in large quantities in Lake Kariba. Kapenta is also exported.

There are no marine fisheries in Zimbabwe.

4.2.3.4. Other Natural Resource Policies and Strategies

Soil erosion is a serious threat to Zimbabwe’s agriculture. The national extension service AGRITEX is responsible for providing advice on soil erosion prevention as well as pegging of contours and other facilities to combat soil erosion. Soil erosion research is undertaken by the Soil and Water Conservation branch at the Institute of Agricultural Engineering.

Conservation farming is still in its infancy, being practised by a few farmers. This is because agriculture in Zimbabwe is highly mechanized and the level of mechanization is increasing due to the introduction of the Agricultural Mechanization Program. Due to greater incidence of drought, conservation farming is becoming an important feature of agriculture in the country.

4.3. Support Services to Farmers

4.3.1. Collection of Information and Dissemination

The department of AGRITEX is the major player in providing information to farmers. However, due to resource constraints, the department has welcomed assistance from NGOs and Civil Society Groups working in agriculture. There is also solid support from commodity companies and associations such as seed companies and other input supply companies who also supply information in the process of promoting their products.

4.3.2. Agricultural Education

Agricultural education is largely a state function through agricultural colleges and universities. There are three levels of training in agricultural education, certificate, diploma and degree level. Certificate level trainees work as front runner extension agents while diploma level graduates provide technical services and degree level graduates provide professional services. In addition to the above levels of training, specialised farmer training programs are conducted on demand. This type of training is largely hands on and is usually delivered in the most appropriate language that suits the participants.

4.3.3. Cooperative and Farming Organisations

The cooperative unions in Zimbabwe’s agriculture have collapsed due to the lack of support from government. As mentioned earlier, there are three farmer organizations or farmer unions serving farmers in Zimbabwe, namely, the Zimbabwe Farmers Union (ZFU), the Zimbabwe Commercial Farmers Union (ZCFU) and the Commercial Farmers Union (CFU).
4.3.4. Promotion of Young Farmers

Zimbabwe at one time had very vibrant Young Farmers Clubs. These have died a natural death due to lack of funding. Youth centres under the Ministry of Youth provide training to young people but due to lack of employment opportunities after training, the program is losing significance. Government has continued to run Youth Centres as a means to instil discipline among the young as well as give them basic skills in a number of areas that include agriculture (bee keeping, chicken rearing, livestock production, small fisheries, selected cropping, horticulture, small dairies and carpentry).

4.3.5. Extension Services

Agricultural Extension is provided by AGRITEX with complimentary support from various other organizations such as private companies, some NGOs and Civil Society Groups working in agriculture. Due to poor funding from government, extension effectiveness is declining.

4.3.6. Agricultural Research

The leading research organization is the Department of Agricultural Research and Development under the Ministry of Agriculture. The department has a number of research stations situated in different agro-ecological regions of the country. The following is the distribution of research stations in Zimbabwe:

1) Chiredzi Research Station in agro-ecological region 5 in the South East Lowveld;
2) Sabi Experiment Station in Natural Region 4 along the Save River;
3) Matopos Research Station in region 5 near Bulawayo;
4) Cotton Research Station in natural region 3 near Kadoma;
5) Tobacco Research Station in Natural Region 2 in Harare;
6) Grasslands Research Station in Natural Region 2 in Marondera;
7) Henderson Research Station in Natural Region 2 near Harare;
8) Panmure Research Station in Natural Region 2 near Shamva;
9) Sugar Research Station, a private research station for the sugar industry in the Chiredzi area of the Lowveld; and
10) Art Farm, a private research station for the seed industry in Natural region 2 near Harare.

Most agricultural research in the country is carried out through the above research stations.

4.3.7. Micro-Financing

Micro credit is no longer active due to the current hyperinflation situation. In the past, micro credit was available through savings and credit clubs, cooperative unions, village banks and farmer unions particularly for small farmers. Micro-credit has collapsed along with general agricultural lending due to the government input supply program which availed inputs to small farmers free of charge. Despite the apparent failure of the government input scheme, no alternative strategies have been implemented which could have the capacity to revive micro credit. In the 2009 budget, Government will no longer supply inputs for agriculture. It is hoped that this move will help resuscitate micro credit unions and other sources of funding for farmers.

4.3.8. Intellectual and Patenting Rights

Since 2000 no significant patents have been processed in Zimbabwe. The agriculture machinery industry continues to churn out implements based on old patents or no patents at all. This is an area that needs to be improved upon.
4.3.9. Agricultural Inputs Provision and Investment in Agriculture

4.3.9.1. Seeds and Fertilisers – Crops

Since 2000, provision of inputs such as seed and fertilizer for crops has been undertaken by government under various programs. This has created an unprecedented level of dependence by small farmers on government. Worse still government ring-fenced all available inputs leaving nothing to flow to the retail market. The net effect of this situation has been a major decline in farmer initiative which needs to be restored. Government policy however remains that of increasing production and productivity in agriculture in order to guarantee food security at household and national levels.

4.3.9.2. Veterinary, Feeds Inputs – Livestock

Input provision for veterinary and feed has remained an individual farmer’s responsibility. No government programs have specifically provided veterinary medicines or animal feed to the farmers. Due to the declining production levels of grains and other feed bases, the cost of feed has continued to grow beyond levels that farmers could afford. Government policy has shifted from guaranteeing feed supplies to allowing market forces to play their role. In the past the maize grading system at the Grain Marketing Board guaranteed supply of Grade D maize to the stock feed industry. Now all grain is being channelled to human consumption.

The 2009 Zimbabwe budget has de-regulated grain prices and now allows dealers to buy directly from the farmers. The GMB is now a buyer of last resort. This development has always been desired by the farmers but it is yet to be established how the de-regulation will work in an environment where middlemen have been known to rip off the farmers.

4.4. Support to Agricultural Investment

4.4.1. Agro-Industries and Large Commercial Famers

Since 2000, there has been very limited support to investment in agro-industries and large scale commercial farms. The main cause of decline in investment was the land reform program which resulted in banks and financial institutions declining to support investment proposals from large scale commercial farmers due to lack of collateral security. As a result there was a major decline in the commercial cattle and dairy herd. Despite these setbacks, government policy emphasizes the development of agro-industries through joint ventures in order to increase downstream beneficiation opportunities for agricultural products.

4.4.2. Other Inputs / Investment Mechanisms

While the A2 farmers were supposed to have resources to operate their farms without state assistance this objective never materialised. The levels of investment in A2 farms has remained very low due to uncertainty and instability surrounding the issue of 99 year leases which have not yet been issued and whose collateral status remains unclear. The only significant investment has been in Farm Mechanization where some farmers have received tractors and implements as well as an assortment of other equipment including generators, irrigation equipment, planters, fertilizer spreaders and ox-drawn implements for small farmers. This program has now targeted institutions that can support farm operations such as DDF. The program has been implemented with a strong political bias resulting in a lot of undeserving individuals accessing tractors to the detriment of more deserving persons.

4.4.3. Commodity Value Chains

There has been no specific commodity value chain support other than the tobacco support schemes by various foreign companies and the soya bean support program by a local company for oil extraction and by-product processing.
4.4.4. Disease Prevention

Efforts to prevent crop and animal diseases have been hampered by shortages of foreign currency. Zimbabwe placed herself on a self ban following the outbreak of the foot and mouth disease and no beef exports could be sent to Europe under the Lome Convention. The country has not been exporting any significant quantities of grain although imports were subjected to phytosanitary clearances. The seed harmonization program under the SADC umbrella could not take off in Zimbabwe due to problems with harmonizing phyto-sanitary arrangements. It is hoped that this effort will continue under the SADC regional agricultural policy initiative.

4.5. Emergency Disaster Preparedness

4.5.1. Food Security And Early Warning

Prior to the centralization of SADC activities in Botswana, Zimbabwe was responsible for food security within SADC. To that extent, there was a regional early warning unit which was based in Harare. This regional early warning unit also served as the national early warning unit. With the transfer of the regional early warning unit to Gaborone, early warning activities were assumed by the Ministry of Agriculture. There is no dedicated national early warning unit.

Disaster preparedness activities have been limited, often determined by the amount of foreign currency available to purchase maize or wheat grain. Although the Ministry of Agriculture has been making forecasts on food security, these have often fallen on deaf ears. Government as often reacted late when the situation has worsened thereby limiting government’s capacity to combat food insecurity. Development partners, NGOs and Civil Society groups who have been keen to assist have often received dispensations late. Zimbabwe is currently food insecure for various reasons that include the drought, late planning, inadequate input supply and extreme farmer dependence on government.

4.5.2. Food Reserves

There are no significant food reserves at the national level although there could be isolated cases of food reserves in small quantities at the household level in some communal and resettlement areas. Attempts to set up food reserves in the form of a Strategic Grain Reserve (SGR) failed when it was decided to convert the grain reserve into cash. When the cash was now required it had been put to other use. The absence of significant food reserves at national level has propelled Zimbabwe into severe food shortages.

4.5.3. Safety Nets in Rural Areas

Rural areas have suffered food insecurity due to input unavailability and sometimes drought. In a normal year and with a reasonable level of input supplies, rural areas have produced enough for their own consumption and even transfer food to the urban areas. Government has not created safety nets for the rural people and even when it comes to food distribution the quantities have been small and not sufficient to cover the entire rural population. The only tangible safety net in some rural areas has been expressed through the activities of Development partners, NGOs and Civil Society Groups where government has allowed them to operate. There has however been concern on the part of government over some politically inclined activities of some Development Partners, NGOs and Civil Society Groups which has led to temporary suspension of their activities by government.

Rural areas have benefited from the government program on crop storage and primary processing. The program which was supported by the German government through GTZ established small rural granaries and provided advice on how post harvest losses can be minimised. Zimbabwe experiences post harvest losses of up to 35%. The construction of small granaries and reduction of post harvest losses can provide safety nets to the rural population thereby reducing their dependence on food hand outs even in god years.
4.5.4. **HIV/AIDS Related to Agricultural Policies**

Zimbabwe has a high incidence of HIV/AIDS. The rate of HIV infections has however been going down and currently stands at 18%. In agriculture, HIV is prevalent among farm workers especially those displaced by the land reform program. The Ministry of Agriculture has carried out a survey of HIV in the sector and recommendations to reduce infections have been made.

4.5.5. **Other Emergencies**

The Zimbabwe Government has often acted swiftly to combat outbreak of diseases such as Foot and Mouth in cattle or Newcastle in chickens.

4.6. **Trade and Related Issues**

4.6.1. **Tariffs**

Zimbabwe exports have been beset by near punitive tariffs and imports are also heavily taxed. The situation has been relaxed recently to allow individuals to bring in selected including basic commodities which are in short supply in the country. The import tariff was intended to protect the local industry, however with their processing and manufacturing capacity having declined significantly, that protection has been temporarily removed.

4.6.2. **Levies**

The Farmers' License and Levy Act provides for a levy to recognised Farmers Unions to enable them to run their affairs. The quantum of levy to be collected depends on their registered membership and is payable at the time of grain marketing through the GMB. The Act is still in place but its enforceability is difficult. Now that the GMB has been made a buyer of last resort, the farmers licence and levy act should be revised to still enable farmer unions to collect the levy.

4.6.3. **Agricultural Trade**

Zimbabwe has applied strict Sanitary and Phyto-sanitary standards to imports and exports in compliance with world standards. The Plant Protection and Research Institute (PPRI) and Seed Services are the leading authorities in SPS enforcement. Zimbabwe has since established the Biotechnology Authority under the Ministry of Science and Technology to authorise and monitor the imports or exports of commodities in compliance with set SPS requirements.

4.6.4. **Direct Trading**

With the exception of maize and wheat which are traded through the Grain Marketing Board due to government controls, all other agricultural crops are directly traded either through auctions as is the case with tobacco or on the open market. Horticulture products are directly traded locally in both formal and informal markets. Livestock products are traded on the open market without government control.

4.6.5. **Price Setting Mechanisms**

Prices for controlled crops are set by government. Maize and wheat are controlled at both the grain level and the manufactures product level. Where price setting has been determined by market forces, prices of commodities have been set through demand and supply conditions. In the 2009 budget unveiled on 29 January 2009, the government removed all price controls.
4.6.6. Quality Promotion

Agricultural raw materials have been subjected to quality control at the point of marketing for export. The Grain Marketing Board (GMB) previously adopted a grading system for grain deliveries and paid according to grade, a practice recently removed by government resulting in the same price for all grades. Products such as beef are graded and different prices apply to different grades. Some products in the dairy industry for example have been awarded ISO accreditation. If Zimbabwe is to reclaim her position in the international export market, stringent quality promotion procedures will have to be enforced. This will hopefully improve the quality of locally traded products.

4.7. Consumer Protection

4.7.1. Food Safety and Nutrition

Consumer protection is the responsibility of the Consumer Council of Zimbabwe (CCZ) which, however is poorly funded and is unable to monitor product quality in order to protect consumers. Most food industry manufacturers have Quality Control laboratories for testing product quality. These laboratories are complimented by the Government Analyst laboratory which is the state organ for quality control.

Nutrition is a state of health associated with the consumption of different foods with different food or calorific values. In Zimbabwe, nutrition has been associated more with children under the age of five than with adults. Nutrition has mainly become important in drought years when feeding schemes for children under five years have been introduced.

5. EXISTING REGIONAL POLICIES

Zimbabwe has participated in the shaping of SADC policies except the Treaty on Marine Fisheries and as a result, most stakeholders are aware of the policies adopted at the SADC level.
6. PRIORITY AREAS FOR CONVERGENCE, HARMONISATION AND COMMON POLICY

Most of SADC currently suffers from periodic food shortages. The region is diversified enough to be able to deal with food shortages that occur without recourse to expensive overseas imports. As a result, the region continues to be exploited by other countries that end up dumping inferior products. The RAP should therefore focus on food production as a priority.

In most SADC countries, the infrastructure to support small holder farmers is poorly developed. This has hampered their access to markets for disposal of produce and acquisition of inputs. Although main trunk roads maybe well developed in some countries, the secondary and tertiary networks are poorly developed, yet these are the ones that serve the small holder farmers.

Success in agriculture at the SADC level will depend on the success of the small holder farmers. The farmers need to be properly organized for production and marketing. Strong farmer unions can ensure success. Development of viable apolitical farmer unions is essential if the objectives of RAP are to bear sustainability. Farmer unions in Member States should be adequately funded either through levies or through member contributions. Farmer unions should not be politically compromised as this tends to alienate a large portion of their membership.

Presently there is limited intra-SADC trade as most Member States look to outside SADC for both exports and imports. If RAP is to be successful, Member States should be more inward looking for their trade requirements than is presently the case. There is also a feeling that food products from within SADC are of inferior quality. Yet these are the products consumed in the producing countries. The inferiority complex needs to be overcome by getting countries to support each other in local and regional trade.

6.1. Priority Areas for RAP

For Zimbabwe, the key areas of priority (in the view of the consultant) are:

1) **Animal Disease control and surveillance:** It is essential to harmonize disease monitoring control and management with other SADC states.

2) **Seed and crop production:** The region is diversified enough to be able to deal with food shortages that occur without recourse to expensive overseas imports.

3) **SPS Standards:** There is need for harmonization of Sanitary and Phyto-sanitary procedures for mutual benefit;

4) **Regional trade in agriculture commodities:** The level of trade in agriculture commodities among SADC Member States could be greatly improved.

5) **Regional Market development:** Market development within SADC is still restricted. Most Member States still look to Europe for their market while opportunities exist for the development of a vibrant regional market.
6) **Conservation agriculture:** Other SADC member states have production models that have been tried and tested over time for example Conservation Agriculture. Zimbabwe can immensely benefit from experiences in the region.

7) **Infrastructure to support smallholder farmers:** Access to markets is essential requiring therefore that particular attention be given to the development and provision of secondary and tertiary road and communication networks:

8) **Strengthen the capacity of Farmers’ Unions:** Success in agriculture at the SADC level will depend on the success of the smallholder farmers. The farmers need to be properly organized for production and marketing.

### 7. SUGGESTED OBJECTIVES FOR THE RAP

While it is noted that individual SADC member states have been or are developing agriculture policies for use in their respective countries, it is essential to link these policies through a concerted effort to give the region some identity. The RAP should be an instrument that allows for future development in the Agricultural sectors of different countries without placing impediments due to requirements at the regional level. In other words, RAP should not restrict future agricultural development in member countries through punitive tariffs or other trade restrictions or protectionist laws.

The RAP should foster regional unity of purpose and action among Member States so that they mutually support each other in an inward looking posture rather than the present situation where each country looks to outside the region for trade and development.

The objectives of RAP should therefore aim:

- To arrive at a SADC wide consensus on how best to promote agriculture development among Member States in a harmonious manner for a win-win situation
- To harmonize policy procedures for mutual Member States benefit so that Member States start to mutually support each other rather than individually focus on markets abroad.
- To promote agricultural development through mutual dependence
- To establish beneficial markets for the sale of produce in the region in a gainful manner
- To strengthen the SADC charter through mutual cooperation in the agriculture sector.
- To identify opportunities that could benefit Member States in the field of agriculture
- To facilitate the move towards a common agricultural tariff.

### 8. SUGGESTED GUIDING PRINCIPLES FOR THE RAP

The effort to harmonise agriculture policies for SADC should add value to Member States’ individual policies and not replace or supplant them. The guiding principles for the RAP should therefore comprise the following:

- Mutual respect of national norms cultures and objectives
- Equitable promotion of positive policy development initiatives in member states that lead to prosperity.
- A spirit of mutual support for regional success
- Promotion of regional trade on fair and competitive pricing structures for commodities produced in member states.
- Promotion of joint agricultural development initiatives for mutual benefit.

### 9. FUNDING MECHANISMS FOR THE RAP

The SADC region has relied on donor funding for the good part of its establishment. It is evident that donors now want to influence many aspects including policies. SADC may end up adopting inappropriate policies simply because the member states have no capacity to fund their own initiatives. While donor
assistance is appreciated, it cannot sustain SADC programs. There is need to come up with a regional funding source to sustain SADC in most aspects. The RAP should consider a tariff to fund proposed harmonization projects. The tariff could be commodity based or a percentage of the Agriculture GDP of the individual Member States. While donors can support funding efforts initially, the funding mechanism proposal should enable SADC to stand on its own in the long run.
COUNTRY SUMMARY AGRICULTURAL POLICY REVIEW REPORT

ANNEXES
## Annex 1: List of SADC National Consultants on SADC Regional Agricultural Policy

<table>
<thead>
<tr>
<th>Item</th>
<th>SADC Country</th>
<th>Name of Candidate</th>
<th>Basic Profession</th>
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## Annex 2: List of SADC RAP Focal Persons

As at 9 February 2010

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