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Report Highlights:

Zimbabwe's corn crop for marketing year 2023/24 is estimated at 1.5 million metric tons. This represents an increase of five percent from the previous marketing year's crop, mainly due to a normal rainfall season in the northern parts of the country. However, with an estimated annual corn requirement of 2.2 million metric tons, Zimbabwe will have to import approximately 450,000 metric tons of corn in marketing year 2023/24. This excludes the mandate to maintain a minimum strategic reserve of 500,000 metric tons of grain in physical stocks. Zimbabwe will mainly depend on South Africa for corn imports. South Africa produced its third largest corn crop on record and has more than 3.0 million metric tons of corn available for exports during marketing year 2023/24.

Executive Summary

The production of corn, Zimbabwe's principal food crop, is estimated at 1.5 million metric tons (MMT) in marketing year (MY) 2023/24 (May 2023 to April 2024). This represents an increase of five percent from the 1.45 MMT produced in MY 2022/23. The estimated 1.5 MMT of corn production in MY 2023/24 mirrors the average corn production of Zimbabwe over the past five years with an average yield of 0.84 metric tons (MT) per hectare (Ha). Farmers' ability in Zimbabwe to optimize corn production is hampered by on-going macro-economic challenges, relatively high input costs, especially fuel and fertilizer, infrastructure constrains, including a lack of electricity and deteriorating roads, and a prohibition on the commercial planting of genetically engineered (GE) seeds.

With an estimated annual corn requirement of 2.2 MMT, Zimbabwe will have to import approximately 450,000 MT of corn in MY2023/24 to meet local demand. This excludes the mandate to maintain a minimum strategic reserve of 500,000 MT of grain in physical stocks. Zimbabwe will mostly depend on its southern Africa neighbor, South Africa, for corn imports. South Africa produced its third largest corn crop on record in 2023 and has more than 3.0 MMT of corn available for export in MY 2023/24.

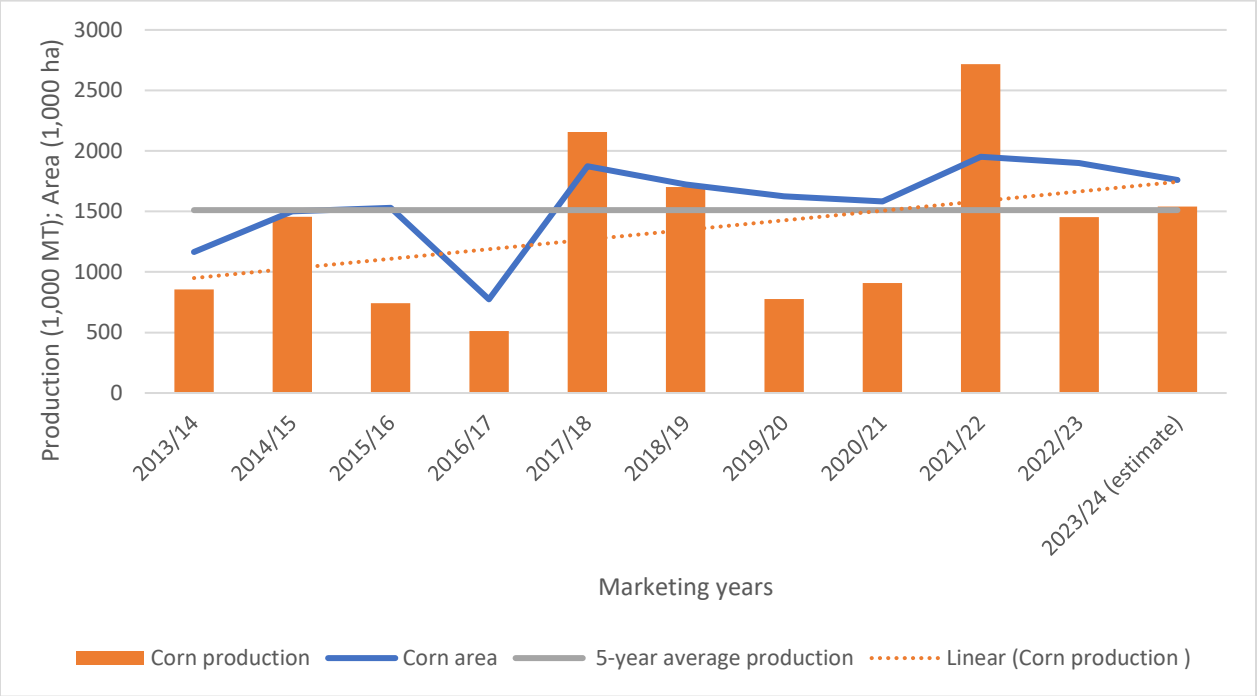
Corn

Production

Post estimates a five percent increase, to 1.5 MMT, in Zimbabwe's corn crop in MY 2023/24, mainly due to a normal rainfall season in the northern regions of the country. Though, the southern parts of Zimbabwe received below average rainfall during the season, almost 60 percent of Zimbabwe's corn crop is normally produced in the northern parts of the country. On the other hand, Post estimates that corn area dropped by five percent to 1.8 million hectares (MHa) in MY 2023/24, due to the lack of availability and cost of fertilizer, seed, fuel and pesticides, contributing to the decision by farmers to scale down on corn area. The estimated 1.5 MMT of corn production in MY 2023/24 mirrors the average corn production of Zimbabwe over the past five years (see Figure 1).

Figure 1

Zimbabwean Corn Production



Sources: The Zimbabwean Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement, USDA and Post estimates

Overall, Zimbabwe had a good start to MY 2023/24 with widespread rainfall in October and November 2022, and as a result the bulk of the corn crop was planted early. However, a dry spell in December negatively impacted crop production, especially in the southeastern and southwestern parts of the country. Weather conditions improved in early 2023 in the northern region, while prolonged dry spells continued to adversely affect crops in the southern and western areas of the country. In the north, normal rainfall was conducive for crop development.

Cyclone Freddy which formed in the Indian Ocean in late January 2023, brought heavy rains in parts of eastern Zimbabwe, causing damage to the crops and infrastructure. Good rainfall in February helped with moisture replenishment in the south, although it also caused waterlogging in some areas. However, cumulative rainfall amounts remained below average in the southern parts of the country. In northern Zimbabwe, favorable rainfall during the second half of the season benefitted crop development but also resulted in soil leaching, weed infestations, and low application of agrochemicals in waterlogged areas. However, the 2022/23 agricultural season concluded with an extended dry spell in March and April with possible negative effects on yields.

Farmers' ability to optimize corn production was also obstructed by ongoing macro-economic challenges, as well as relatively high input costs, especially for fuel and fertilizer. Zimbabwe is a net importer of fertilizer and disruptions in the supply chain generated shortages in the market leading to significant price hikes. Although the distribution of subsidized agricultural inputs through government input support schemes contributed to the positive trend in corn production over the past 10 years (see Figure 1), more than 65 percent of corn production in MY 2023/24 was self-financed.

One of the government input programs, the Presidential Input Scheme, supported about 350,000 Ha (about 20 percent of total area) planted by smallholder farmers in communal areas by distributing free inputs for corn production. Almost half of Zimbabwe's corn crop in produced by the communal sector on 60 percent of the corn area. The National Enhancement Agriculture Productivity Scheme (NEAPS), which subsidizes larger farming enterprises, supported about 205,000 Ha (about 11 percent of total area). Like a contract arrangement, each farmer that participates in the schemes receives a full production input package, including seed, fertilizers, chemicals, and fuel, to plant corn in a specified area. After harvesting, the farmers have an obligation to deliver a specified tonnage to the Grain Marketing Board (GMB) as repayment for the loan.

Fall Armyworm remained a major challenge during the season. The pest affected all the producing areas in Zimbabwe, and control was hampered by the high cost of chemicals as the cultivation of GE corn in Zimbabwe is still prohibited. The country still disallows the commercial release of GE seeds due to health and environmental safety concerns. Zimbabwe has taken a precautionary approach towards risk regulation of GE products and technologies, as reflected and reinforced by the adoption of the National Biotechnology Authority Act of 2006. Nevertheless, the country has agreed to allow researchers to conduct trials for GE cotton, which is regulated by the National Biotechnology Authority. Zimbabwe has legislative instruments in place to allow research up to the open quarantine or confined field trial level.

Table 1 indicates the area harvested, yield, and production of corn in Zimbabwe for the past three marketing years. The estimated average corn yield in MY 2023/24 of 0.84 MT/Ha mirrors the 5-year average yield and is 11 percent higher than the previous marketing year's yield of 0.76 MT/Ha (see Figure 2).

Table 1

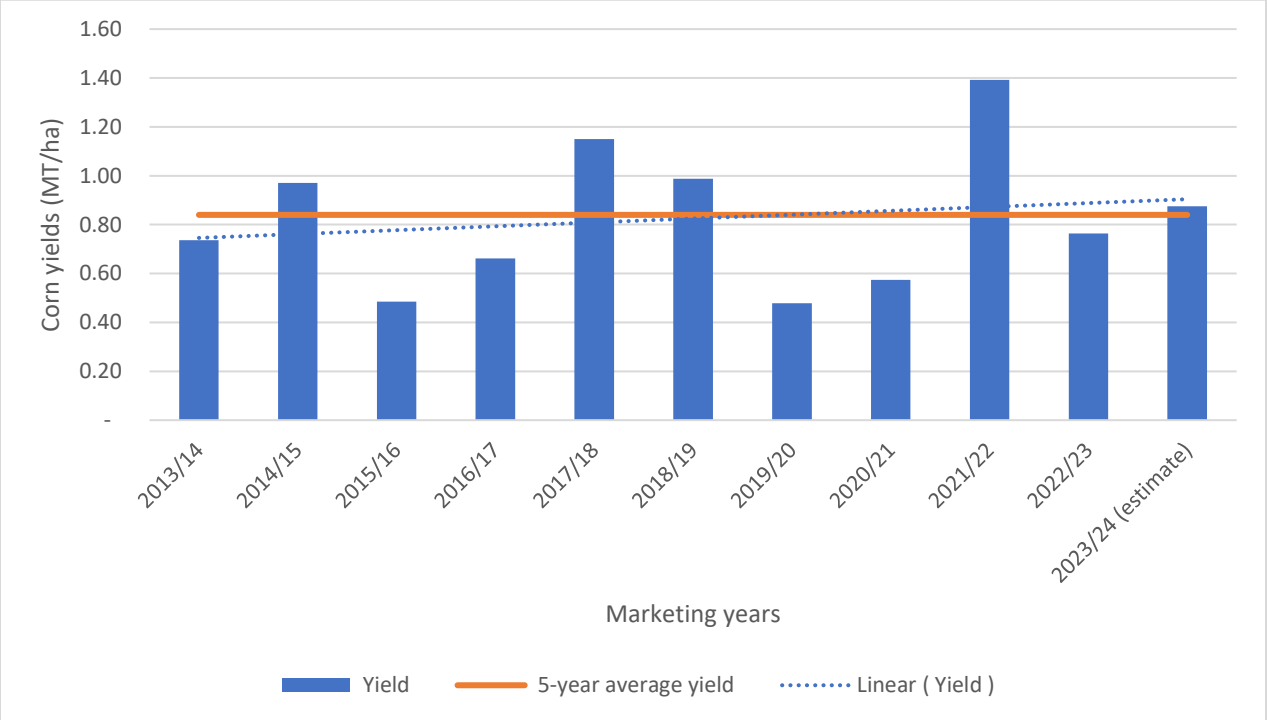
Area harvested, yield, and production of corn in Zimbabwe

Marketing Years	Area (1,000 Ha)	Yield (MT/Ha)	Production (1,000 MT)
2021/22	1,952	1.39	2,717
2022/23	1,901	0.76	1,453
2023/24 (estimate)	1,800	0.84	1,520

Sources: Zimbabwean Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement and Post estimates

Figure 2

The trend in Zimbabwe's corn yields



Sources: The Zimbabwean Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement, USDA and Post estimates

Consumption

Corn is the main staple food crop for most Zimbabweans. White corn is used for human consumption as the main source of carbohydrates, while the livestock industry utilizes yellow corn in the manufacturing of animal feed. The Department of Lands, Agriculture, Fisheries, Water and Rural Development estimates Zimbabwe's corn requirement for human consumption at around 1.8 MMT in MY 2023/24, keeping it at the same level as the previous marketing year. The struggling domestic economy, coupled with high inflation rates for most products, hinders any major growth in the demand for corn used for human consumption. On the other hand, corn for feed is expected to surge by 14 percent to 400,000 MT, driven mainly by growth in the poultry industry. According to the Department, broiler meat production surged by 34 percent in 2022 to 191,813 MT and is expected to continue its upward growth path. Chicken meat is ubiquitous and relatively affordable compared to other meats, serving as an important protein source in the diet of many Zimbabweans.

Trade

Post estimates that Zimbabwe will have to import at least 450,000 MT of corn in MY 2023/24 to meet local demand. If the mandate to maintain a minimum strategic reserve of 500,000 tons of grain in physical stocks is considered, Zimbabwe will have to import about 900,000 MT of corn in MY 2023/24. Zimbabwe will mostly depend on its neighbor, South Africa, for corn imports. South Africa produced its third largest corn crop on record in 2023 and has more than 3.0 MMT of corn available for export in MY 2023/24. While Zimbabwe allows GE corn imports from South Africa, the grain is cautiously quarantined before being milled into corn meal, the national staple.

In MY 2022/23, Zimbabwe imported an estimated 220,000 MT of corn mainly from South Africa and Zambia. In February 2022, the Zimbabwean government lifted the ban on corn imports that had been in place since May 2021. The government banned corn imports with immediate effect in May 2021, citing the near record harvest of MY 2021/22 as reason, but lifted it again in February 2022, due to the below average crop of MY 2022/23.

Marketing

Farmers are required by law to sell grain to the sole buyer, i.e., GMB. The Zimbabwean government frequently activates measures to curb rampant side-marketing of grain to unauthorized traders. In addition, pre-season and post-season prices are set by the state-owned enterprise, the Agricultural Marketing Authority.

For MY 2023/24, the GMB has requested $1.5 billion and Zim$1.0 billion from the treasury to ensure prompt payment to farmers for delivered grain, mostly corn. The GMB is paying farmers a total of $335/MT for corn, with 60 percent ($200) being paid in foreign currency and 40 percent (ZIM$135) in local currency.

Stocks

The GMB has the mandate to maintain a minimum strategic reserve of 500,000 MT of grain in physical stocks. More than 90 percent of the strategic grain reserve consists of corn. However, low production has made it difficult for the GMB to maintain the strategic grain reserves at the prescribed level. Post estimates that Zimbabwe will have to import about 900,000 MT of corn to maintain the minimum strategic reserve in MY 2023/24 after local demand of 2.2 MMT is met. Ending corn stock levels for MY 2022/23 were estimated at 235,000 MT, more than 50 percent lower than the mandated minimum strategic reserve of 500,000 MT. However, for MY 2021/22 corn ending stock levels exceeded the minimum strategic reserve levels for the first time in three years on the back of a bumper crop.

Zimbabwe currently has 12 grain silo sites with a total holding capacity of 751,000 MT of grain. In January 2023, the government of Zimbabwe announced the building of new silo structures, as well as plans to renovate and modernize older silos over the next three years to add additional storage space of 750,000 MT. The Zimbabwean government intends to raise the strategic grain reserve to 1.5 MMT in future. The GMB also stores bagged corn under canvases.

Table 2

Corn Production, Supply and Distribution

Corn	2021/2022		2022/2023		2023/2024	
Market Year Begins	May 2021		May 2022		May 2023	
Zimbabwe	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1952	1952	1901	1901	1800	1800
Beginning Stocks (1000 MT)	94	94	711	715	414	235
Production (1000 MT)	2717	2717	1453	1453	1500	1520
MY Imports (1000 MT)	50	58	400	220	350	900
TY Imports (1000 MT)	400	400	200	200	250	500
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	2861	2869	2564	2388	2264	2655
MY Exports (1000 MT)	0	4	0	3	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	350	350	350	350	200	400
FSI Consumption (1000 MT)	1800	1800	1800	1800	1800	1800
Total Consumption (1000 MT)	2150	2150	2150	2150	2000	2200
Ending Stocks (1000 MT)	711	715	414	235	264	455
Total Distribution (1000 MT)	2861	2869	2564	2388	2264	2655
Yield (MT/HA)	1.39	1.39	0.76	0.76	0.83	0.84

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Corn begins in October for all countries. TY 2023/2024 = October 2023 - September 2024

Attachments:

No Attachments