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Report Highlights:

Zimbabwe's production of its staple crop, corn, is expected to drop by almost 60 percent in marketing year 2024/25 due to extreme drought conditions associated with the El Niño weather phenomenon. More than half of Zimbabwe's planted corn area was destroyed by the drought, and the consequent reduction in grain production forced the Zimbabwean President to declare a "State of Disaster." Post estimates that Zimbabwe will have to import approximately 1.0 million metric tons of corn in marketing year 2024/25 to meet local demand. With other corn-producing countries in the region, including South Africa, Zambia, and Malawi, also impacted by the drought, Zimbabwe will have to source some of its corn imports on the global market. While Zimbabwe allows GE corn imports, shipments must be quarantined before being milled into corn meal, the national staple.

Executive Summary

Post estimates that Zimbabwe will have to import approximately 1.0 million metric tons (MMT) of corn in marketing year (MY) 2024/25 to meet food security demands. This calculation is based on an almost 60 percent drop in year-over-year corn production, to 635,000 metric tons (MT), and a domestic demand of approximately 1.9 MMT of corn. Extreme drought conditions associated with the El Niño weather phenomenon resulted in total failure of more than half of the country's planted corn area. Corn is the main staple food and the single most important crop in Zimbabwe. Corn production in Zimbabwe is dominated by smallholder farmers who have limited access to irrigation technologies. As a result, more than 90 percent of corn production is entirely dependent on rainfall.

In the past, Zimbabwe depended on neighboring countries like South Africa and Zambia for corn imports. In MY 2023/24, Zimbabwe imported almost 640,000 MT of corn from South Africa. However, with South Africa's corn crop also impacted by the drought, dropping by almost 20 percent, and Zambia set to import at least 1.0 MMT of corn to meet domestic demand, supply in the southern Africa region will be tight in MY 2024/25. Hence, Zimbabwe will have to source some corn on the global market. The Zimbabwean government announced that it plans to obtain corn, with the support of private millers, from Brazil, Russia, Argentina, and the United States. While Zimbabwe allows genetically engineered (GE) corn imports, shipments must be quarantined before being milled into corn meal, the national staple.

Corn

Production

Zimbabwe's corn crop is expected to drop by 58 percent to 635,000 MT in MY 2024/25 (May 2024 to April 2025) due to extreme drought conditions resulting from the El Niño weather phenomenon. The planting season started with a delayed onset of rainfall resulting in a 12 percent drop in corn area planted. Rainfall continued to be below average, especially in the western region of the country, with prolonged dry spells. An extreme dry February that overlapped with crucial vegetative and flowering stages for corn resulted in total crop failure in many regions of Zimbabwe including the northern provinces, which are typically high-yielding agricultural areas. More than 900,000 hectares (ha) of corn out of an estimated 1.8 million hectares (MHa) of planted area have been destroyed by the drought. The consequent reduction in grain production and the severe impact on food security forced the Zimbabwean government to declare a "State of Disaster" in April 2024. The Zimbabwean President added that the country needs about $2 billion in aid to provide life-saving assistance to affected communities.

Table 1 indicates the area harvested, yield, and production of corn in Zimbabwe for the past three marketing years. The MY2024/25 estimated average corn yield is 0.73 MT/Ha, 12 percent lower than the previous marketing year's yield of 0.83 MT/Ha.

Table 1

Area harvested, yield, and production of corn in Zimbabwe

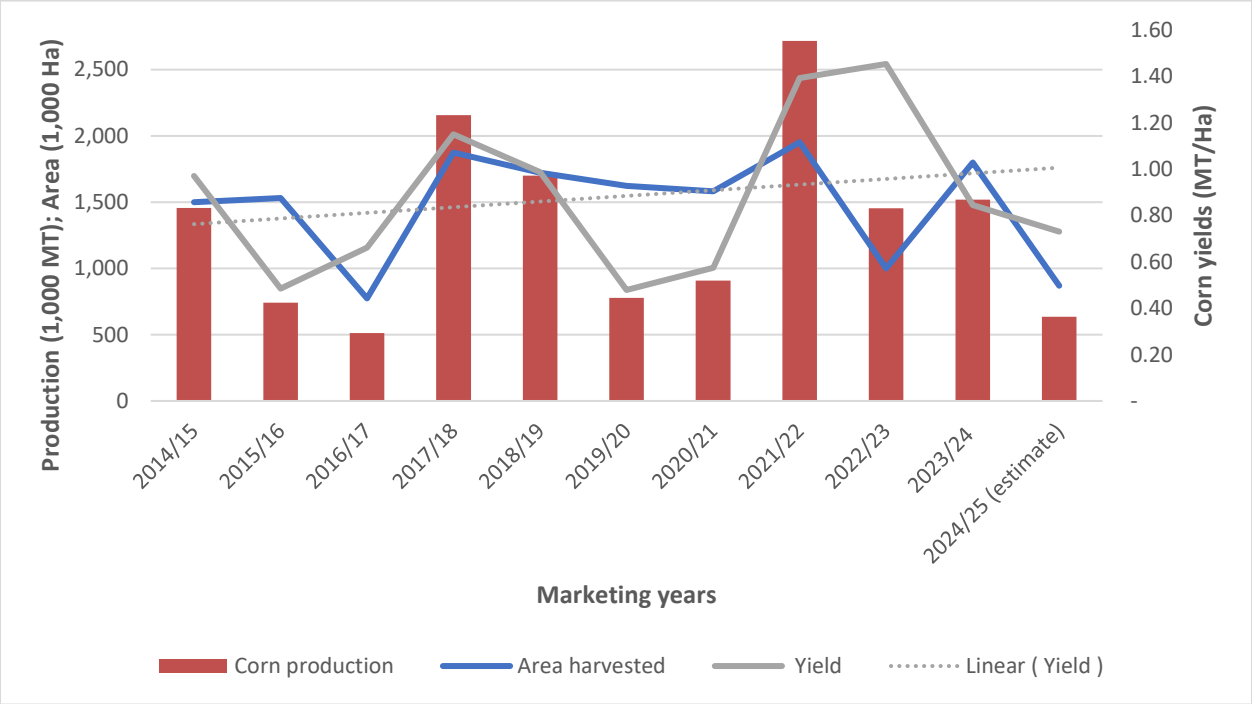
Marketing Years	Area planted (1,000 Ha)	Area harvested (1,000 Ha)	Yield (MT/Ha)	Production (1,000 MT)
2022/23	1,901	1,000	1.45	1,453
2023/24	1,966	1,800	0.83	1,500
2024/25 (estimate)	1,778	870	0.73	635

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

Corn production in Zimbabwe is dominated by communal farmers representing 60 percent of the corn area but with limited access to irrigation technologies. As a result, more than 90 percent of corn production is entirely dependent on rainfall. Farmers' ability to optimize corn production is 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 regular disruptions in the supply chain generate shortages in the market leading to relatively high prices. On average fertilizer cost contributes between 30 percent and 40 percent to the total production cost of corn in Zimbabwe. As a result, corn yields in Zimbabwe have been far below optimal levels. However, the distribution of subsidized agricultural inputs through government input support schemes have eased some of the costs resulting in a positive trend in average yields over the past 10 years (see Figure 1). The main program, the Presidential Inputs Scheme, provided seed, fertilizer, and pesticide to about 3 million smallholder farmers in the 2023/24 production season.

Figure 1

Zimbabwe's Corn Production and Yield Trends



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

A nationwide outbreak of Fall Armyworm remained a major challenge last season. The pest affected all the producing areas in Zimbabwe due to the drier weather, and control was hampered by the high cost of pesticides. The cultivation of GE corn in Zimbabwe is prohibited. The country does not allow the commercial release of GE seeds, purportedly due to health and environmental safety concerns. Zimbabwe has taken a precautionary approach towards the 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.

Consumption

White corn is the most important crop in Zimbabwe, as it is the national staple food and the population's main source of carbohydrates in the form of a porridge, called "sadza." The livestock industry utilizes mainly yellow corn in the manufacturing of animal feed. Post estimates that human consumption of corn will drop by 6 percent to 1.5 MMT in MY 2024/25 on availability and rising prices of corn due to the drought. The struggling domestic economy, coupled with relatively high inflation rates for most agricultural products due to the drought hinders the growth in the demand for corn used for human consumption.

On the other hand, the demand for feed corn is expected to grow to 350,000 MT in MY 2024/25. Supplementary feeding will be required to maintain the national cattle herd at a fair condition as grazing will be limited until the start of the next rainy season (October 2024). Growth in broiler production is also expected to continue. According to Zimbabwe's Department of Agriculture, broiler meat production grew by 9 percent in 2023 to 210,000 MT. Chicken meat is ubiquitous and relatively affordable compared to other meats and serves as an important protein source in the diet of many Zimbabweans. In fact, chicken meat contributes more than 60 percent of meat requirements in Zimbabwe. Thus, Zimbabwe's total domestic demand for corn in MY 2024/25 is estimated at 1.9 MMT a marginal drop from MY 2023/24.

Trade

Though climate change continues to hamper Zimbabwe's agricultural prospects, the production of grain crops has been under pressure since the early 2000's after the former president introduced aggressive land reform policies, which disrupted productivity and led to a sharp decline in agricultural output. After previously enjoying the status of a surplus producer of corn, Zimbabwe has become a net food importer over the past 20 years. The same holds true for MY 2024/25, with Post expecting Zimbabwe to import at least 1.0 MMT of corn to meet local demand. If the mandate to maintain a minimum strategic reserve of 500,000 MT of grain in physical stocks is considered, Zimbabwe will have to import about 1.5 MMT of corn in MY 2024/25.

Zimbabwe mostly depends on its neighbors, South Africa and Zambia, for corn imports. In MY 2023/24, Zimbabwe imported almost 640,000 MT of corn from South Africa. However, with South Africa's corn crop also impacted by the drought, dropping by almost 20 percent, and Zambia set to import also around 1.0 MMT of corn to maintain food security, supply in the southern Africa region will be tight in MY 2024/25. Hence, Zimbabwe will have to source corn from other countries as well. The Zimbabwean government announced that it plans to obtain corn, with the support of private millers, from countries like Brazil, Russia, Argentina, and the United States. While Zimbabwe allows GE corn imports, shipments must be 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 had 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., the Grain Marketing Board (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. Currently, the GMB is paying farmers $390/MT for corn, a year-on-year surge of more than 15 percent.

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 over time. Ending corn stock levels for MY 2022/23 were estimated at 365,000 MT, almost 30 percent lower than the mandated minimum strategic reserve of 500,000 MT. Post estimates that Zimbabwe will have to import about 1.5 MMT of corn, mainly white corn, to meet the local demand and maintain the minimum strategic reserve in MY 2024/25. This is highly unlikely due the limited availability and affordability of white corn in the market. Hence, post expects carry-over stocks to drop be almost 60 percent to 150,000 MT in MY 2024/25.

The GMB has 89 depots across the country, of which 12 are silo structures. The wide depot network has a total storage capacity of 4.5 MMT. 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 GMB also stores bagged corn under canvases.

Table 2

Corn Production, Supply and Distribution

Corn	2022/2023		2023/2024		2024/2025	
Market Year Begins	May 2022		May 2023		May 2024	
Zimbabwe	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1000	1000	1000	1800	900	870
Beginning Stocks (1000 MT)	105	105	128	128	278	365
Production (1000 MT)	1453	1453	1500	1500	550	635
MY Imports (1000 MT)	220	220	550	637	250	1000
TY Imports (1000 MT)	300	300	450	1000	450	500
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	1778	1778	2178	2265	1078	2000
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	250	250	300	300	100	350
FSI Consumption (1000 MT)	1400	1400	1600	1600	900	1500
Total Consumption (1000 MT)	1650	1650	1900	1900	1000	1850
Ending Stocks (1000 MT)	128	128	278	365	78	150
Total Distribution (1000 MT)	1778	1778	2178	2265	1078	2000
Yield (MT/HA)	1.453	1.453	1.5	0.8333	0.6111	0.7299

(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 2024/2025 = October 2024 - September 2025

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

Attachments:

No Attachments