

Grain Marketing Expansion Programme (GMEP) July, 2011 Report

Grantee: ZAMBIA AGRICULTURAL COMMODITIES EXCHANGE LIMITED (ZAMACE)

Report for the month of: July, 2011

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Activities	Activity Status
ZAMACE proposed restructuring	ZAMACE Board on 28 th July 2011 through a resolution unanimously adopted the organisation restructuring policies to pave way to a more participatory and efficient ZAMACE Structure.
ZAMACE Aggregation of non- maize commodities	Aggregation of non- maize commodities continued into July. In the Sothern province of Zambia, 15Mt of cowpeas had been targeted for aggregation for the World Food Programme -WFP purchases while Central province continued the campaign for small holder soya beans. See ANNEX 1
Community oversight visit -Central Province	A routine community oversight visit was conducted in Mkushi and Kabwe with the aim of appraising the current position among last year's warehouse operators and cooperative societies ZAMACE had engaged. The main objective of the visit was among other things to derive the full impact of current Governments mass involvement in the Grain marketing on the Initial works ZAMACE had laid out on the WRS. <i>Detail report to be prepared by Charles Musonda.</i>
ZAMACE Collaboration with partners	ZAMACE continued collaboration work with cooperating partners as in the previous month. More NGOs and Cooperatives societies have continued embracing Exchanges' outreach works in the TAs.

	More maize shellers and weighing scales were given out on loans to deserving communities
Scheduled GMEP programmes	<p><u>Community Radio Programmes</u> Production of the Community radio programme is still in progress. This aimed at capturing as many project successes in project Target Areas (TAs) as possible by interviewing both individuals and communal beneficiaries.</p> <p><u>Translation of Communication manuals into Local languages.</u></p> <p>The activity is also in progress and will be concluded by end month of August 2011.</p> <p><u>Publication of Communication Manuals in Local Languages</u></p> <p>Follow up activity after conclusion of translation</p>

Challenges and matters arise in period under review.

1. The fear of Non payments

This was a major challenge as farmers were apprehensive on non- payment for their aggregated crop. This was also compounded by the duration it took to aggregate crop of a commercial value. Based on Previous experiences farmers lost crop to dubious businessmen and never received payments thus creating aggregation challenges. Most smallholder farmer held back crop as they wanted Cash on delivery to eliminate that risk thus adopted a wait and see stance. However, as information filter through the ranks and a buildup of confidence by smallholder farmers in the ZAMACE system, this years' work still remains a priming tool for smallholder farmers on the future ZAMACE Activities.

2. Absence of Certified Warehouse operators

Due to prevail environment in the maize marketing industry this year and the enactment of the Agricultural credits act of 2010, most warehouse operators opted not to certify warehouses mainly due to;

1. Lack of an authorized licensing agency or body rendering it illegal to certify under unlicensed authority.

2. Lack of business opportunities emanating from govt's distortions in the maize marketing

3. Commercial Availability of non -maize commodities

The national high demand of soya beans posed many challenges on aggregation as many smallholder farmers preferred to sell at farm gate as opposed to incurring extra marketing cost despite the premium price obtaining by selling through the Exchanges. Many Commercial traders in the commodity opted to engage farmers directly to safeguard their positions.

4. Massive Govt's public purchases of maize.

This position has caused limitation of players in the commercial maize marketing as the government is the only organ offering an attractive commodity price despite its adversarial policy to the industry.

Cowpeas aggregation work in the Southern province which commence in July 2011.

1a. shows smallholder farmer cleaning the the commodity through winnowing



1a

1b. Farmers bagging in WFP labeled bags and weighing to standard weight of 52 kgs



1b

1c. Bags being aggregated in a collection centre



1c