

FRIDAY BRIEF

WEEK 47, 2016

This Week's Highlights.....

- **BOZ MAINTAINS POLICY RATE AT 15.5% & PROJECTS 2016 GROWTH AT 3%**
- **ZNFU HOLD TALKS WITH BANK OF ZAMBIA OVER THE REVISION OF ITEM VALUE LIMITS ON CHEQUES AND ELECTRONIC FUND TRANSFERS**
- **FARMERS OWED BY THE FRA TO BE PAID IN THE NEXT TWO WEEKS**
- **STAKEHOLDERS CALL FOR INCREASED APPSA TECHNOLOGY DISSEMINATION ACROSS THE COUNTRY**

..... SEE DETAILED UPDATES BELOW.....

BOZ MAINTAINS POLICY RATE AT 15.5% AND PROJECTS 2016 GROWTH AT 3%

The Monetary Policy Committee (MPC) of the Bank of Zambia has maintained the policy rate at 15.5%. The committee further eased commercial bank's access to the central bank liquidity by removing some quantitative restrictions. This move has been supported by the downward trend in the annual rate of inflation and is forecast to decelerate further and end the year on a single-digit note. Meanwhile expectations are for a stable kwacha in the last quarter of 2016 with support from the recent significant increase in the international copper prices which would hopefully be sustained.

According to the Bank of Zambia, economic activity has remained subdued since the last review in May 2016 arising from continued electricity shortages, cost and availability of credit as well as increased labour costs. Growth in 2016 has therefore been projected at 3 percent, a slight increase from the 2.9% recorded in 2015.

ZNFU HOLD TALKS WITH BANK OF ZAMBIA OVER THE REVISION OF ITEM VALUE LIMITS ON CHEQUES AND ELECTRONIC FUND TRANSFERS

ZNFU this morning held a meeting with Bank of Zambia (BOZ) Senior Management to discuss the practical difficulties associated with the impending implementation of the revised Item Value Limits on Cheques and

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Electronic Funds Transfers (EFTs) by the central bank. ZNFU team led by Mkushi DFA Chairman explained at length how the revised item value limits on cheques and EFTs would hurt thousands of farm workers in rural areas who have no bank accounts and have no access to ATM banking machines.

The meeting was informed that internet connectivity is poor in most farming areas making it difficult for farmers and farm workers to conduct electronic transactions. It was noted that most of the seasonal farm workers only earn income during harvesting months and that it is uneconomic for workers to bank such little money only to incur high bank charges.

ZNFU team appealed to BOZ to allow the desired electronic banking system to naturally evolve based on free market mechanism. This was the case with other countries in the region that have rolled out their electronic banking infrastructure such as Kenya and South Africa.

In response, Bank of Zambia assured ZNFU that BOZ actions were not in any way intended to make farmers/farm workers' lives difficult. To this effect, BOZ welcomed all the submissions made by the ZNFU team and that the Bank will hold internal discussions aimed at accommodating the issues raised by the Union. After undertaking internal consultations, BOZ will write back to ZNFU as soon as possible.

FARMERS OWED BY THE FRA TO BE PAID IN THE NEXT TWO WEEKS

The Minister of Agriculture, Hon. Dora Siliya assured the ZNFU that farmers owed by the FRA will be paid before the end of the month. She revealed this when the ZNFU President and some Board members paid a courtesy call on the Minister. At the same meeting, the Board highlighted issues critical to revamping the agriculture sector such as the effects of unregulated imports of agro related products, the downside effects that would follow from the introduction of a 10 percent export tax on maize exports in the 2017 national budget, the numerous costs imposed on farming making farming uncompetitive, water related challenges to name but a few. In response, the Minister pledged to be a Minister of Farmers because primary agriculture is the basis for other downstream activities such as value addition, trading and many more. As a way forward, she undertook to facilitate immediate consultations with key Ministries that are impacting on agriculture in one way or another and undertake fact finding field trips.

STAKEHOLDERS CALL FOR INCREASED APPSA TECHNOLOGY DISSEMINATION ACROSS THE COUNTRY

Stakeholders have called for increased Agricultural Productivity Programme for Southern Africa (APPSA) project technology dissemination to farmers and stakeholders across the country. This came to light during the discussion on technology dissemination on the side-lines of the Zambia Agriculture Research Institute APPSA World Bank Implementation Support Mission in Lusaka which showed that relatively few farmers across the country were aware of APPSA technologies. Zambia National Farmers' Union was part of the discussants on the technology dissemination and other organisations who participated in the meeting include Harvest Help Zambia, Zamseed, ZASTA, World Bank, NAIS and Scientists.

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The purpose of the mission was to review the project implementation status and assess whether activities are proceeding in a satisfactory manner. Meanwhile, APPSA project seeks to improve technology generation and dissemination within and among participating countries in Southern Africa by building capacity within national Research and Development systems.

UPCOMING EVENTS

DAIRY ASSOCIATION OF ZAMBIA EGM

There will be a DAZ Extra-Ordinary General Meeting on Wednesday, 7th December, 2016 at Government Complex. All those who attended the Annual General Meeting (AGM) in October, 2016 should participate. For further details contact DAZ Secretariat: **0211 258030** or email: dairyassociation@gmail.com

TRADE MISSION OF POLISH COMPANIES TO VISIT ZAMBIA

Polish Chamber of Commerce, in cooperation with the Trade and Investment Promotion Section of the Embassy of the Republic of Poland in Johannesburg (South Africa) is organizing a trade mission to the Republic of Zambia for representatives of Polish companies interested in business cooperation and investment opportunities in the Zambian market from the 20th to the 25th of November 2016. The business forum meetings will afford corporates and Agribusiness Chamber Members discover opportunities in Poland for different products and services.

To this effect, you are cordially invited to participate in these important business forum meetings which will take place at Intercontinental Hotel in Lusaka on Monday 21st November 2016 from 14:00hrs to 17:00hrs and ZDA Board Room on Tuesday 22nd November 2016 from 08:30hrs to 18:30hrs. For any further information, kindly contact us by return email.

ALERTS!!!!!!!!!!!!

CONTACT THE ZNFU FOR ALL YOUR LOBBY ISSUES

For All Lobby Issues Affecting Members, please contact Mr. Humphrey Katotoka from the ZNFU Research and Economics Unit. Email: humphrey.katotoka@znfu.org.zm

ZFEA AND ITS PARTNERS APPROVES 14.8% INCREASE IN MINIMUM WAGES

The ZFEA members are advised to wait for the hard copies of the New Wage structure which is currently still with the Ministry of Labour for authentication. Members will be informed accordingly once the document will be ready for collection from ZNFU head office.

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FARMLAND FOR SALE

130 Hectares virgin land for sale along Nakonde – Mbala Road near Mbala Farmers’ Training Centre, 1 kilometre from the Nakonde Road turn-off. About 10 hectares of the land is in a dambo area. Asking Price K2,000 per hectare. For enquiries, contact Mr. G.T Chikopela on 0977869916; EMAIL: sichiko6@gmail.com

NEWS FROM THE REGIONS

EASTERN B REGION

PETAUKE DISTRICT RECORDS FIRST RAINS

Petauke district this week on Wednesday recorded the first rains of the 2016/17 rainy season. The district received a heavy downpour which made some farmers to start panicking as they have not yet received farming inputs from the Farmer Input Support Program (FISP). The farmers who visited the ZNFU regional office in Petauke complained that their crop yields have been poor in the past two seasons mostly due to delayed inputs coupled with poor rainfall distribution. The farmers have since appealed to the Government to expedite input distribution under the FISP program. Meanwhile the metrological department in Petauke district has advised farmers not to panic because the district is likely to receive normal to slightly above normal rainfall this rainy season.

NYIMBA DFA CONDUCTS IC LEADERSHIP TRAININGS

Nyimba District Farmers’ Association (DFA) has expressed satisfaction with the outcome of the leadership trainings for Information Centre (IC) leaders and members after receiving positive feedback from the trained DFA ICs. The trainings which have been taking place in the past two weeks are meant to make leaders understand their roles and contribute positively to the running of the DFA business. So far over 12 ICs have been trained.

SINDA DISTRICT RECEIVES FISP INPUTS

The District Agriculture Coordinator (DACO) for Sinda, Henry Mukulumoya, has confirmed to the ZNFU regional office in Eastern Province that Sinda district has already received 100% allocation of D-Compound fertilizer (3,935.2 tonnes) and 50% allocation of Urea which (1,967.6 tonnes) from the Farmer Input Support Programme (FISP) and is now just waiting for seeds from the seed companies contracted by the FISP for them to start the distribution exercise. The farmers have since appealed to the Government to quickly engage the seed companies and make them deliver the seed since the rains have started.

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SOUTHERN A REGION

PSDRP CONDUCTS END OF PROGRAMME EVALUATION IN SOUTHERN PROVINCE

The Private Sector Development Reform Programme (PSDRP II) undertook an end of programme evaluation with selected key stakeholders in Southern Province. The purpose of the evaluation was to assess the PSDRP II programme in terms of impact, relevance, effectiveness, efficiency and sustainability. During the focus group discussion held during the assessment meeting, participants put emphasis on the need for the evaluation committee to deal with the major weak areas cited in the PSDRP implementation; adding that the evaluation information provided by the team was of paramount importance as it would assist to shape the direction of Government's private sector development agenda among other things.

SOUTHERN B REGION

AFRICAN MANAGEMENT SERVICES COMPANY TO TRAIN NEW SUGARCANE GROWERS

The African Management Services Company (AMSCO) will next week 23rd November, 2016 train sugarcane farmers in financial literacy. The farmers earmarked to be trained are from Manyonyo area in Mazabuka district. The training is aimed at helping the farmers, who are new in the sugarcane growing business, to start managing their finances properly and understand reinvestment aspects involved in sugarcane growing. The farmers to be trained will soon receive their first dividends after harvesting and selling their crop to Zambia Sugar PLC.

THE MINISTRY OF GENDER HANDS OVER TWO WALKING TRACTORS TO FARMERS IN MONZE

The Ministry of Gender through the District Commissioner's office in Monze this week on Tuesday 15th November, 2016 handed over two walking tractors to farmers in Chieftainess Choongo's chiefdom in Monze district. The two wheeled tractors were handed over to a male farmer and a female farmer in two different farming communities in the same chiefdom. The handing over of tractors to farmers is part of an ongoing program by the Ministry of Gender meant to empower farming communities by helping them to mechanize their agriculture.

Among the guests who graced the handover ceremony are the District Commissioner for Monze district, Hamanyanga Cyprian and the District Agriculture Coordinator, Justin Ngosa. A representative of Chief Choongo also attended. The District Commissioner urged the beneficiaries to use the walking tractors prudently and increase productivity. He further told the farmers to ensure that they adhere to routine maintenance and servicing of the equipment.

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NAMWALA FARMERS TO ACCESS DAIRY CATTLE LOANS FROM NATSAVE

NATSAVE bank this week approved loan applications for dairy cows made by 3 farmers from Namwala district. The farmers applied for loans to purchase 6 dairy animals worth a total of K88,500 under the Bunjimi Asset Plus loan scheme which is jointly implemented by the ZNFU and NATSAVE.

Meanwhile, the NATSAVE bank Credit Officer, Mr. Mulila, this week visited and assessed three other farmers in Namwala district who applied to get loans for value addition equipment and irrigation systems.

Mr. Mulila encouraged farmers who got Bunjimi loans to repay the loans as per the agreed schedule. He further informed farmers that NATSAVE bank will soon open a branch in Choma district where farmers will be opening bank accounts instead of travelling to Livingstone.

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