

CHAPTER TWO

THE ECONOMIC AND AGRICULTURAL POLICY ENVIRONMENT

2.1 Introduction

Sustainable development can only be achieved under a co-ordinated and focused policy environment. Thus, the success of any project is largely influenced by national and sectoral policies. The consistency of a project with policy is very important in terms of drawing support from Government, Donors and the civic society. Furthermore, policy has an influence on the legal environment and as such a project which is not consistent with policy may face legal problems on implementation.

This Chapter gives an overview of the national policy, the Zimbabwe Programme for Economic and Social Transformation (ZIMPREST), and the sectoral policy, the Zimbabwe Agricultural Policy Framework (ZAPF). It then attempts to evaluate consistency between Government policy and the project concept.

2.2 The Zimbabwe Programme for Economic and Social Transformation (ZIMPREST)

The ZIMPREST is the framework for national policy for Zimbabwe. The document identifies poverty and unemployment as the main problems which have to be addressed in order to achieve sustainable growth. It highlights Poverty as the last and greatest enemy of the people and a threat to far too many Zimbabweans. This is qualified by the fact that over 63,3 per cent of the total population is below the poverty line and in rural areas 72 per cent of the rural population

is below the poverty line. In addition Zimbabwe's demographic structure is such that growth in labour force which is estimated at 4,2 per cent is projected to be considerably higher than growth in population of about 3,1 per cent. This implies that in absolute terms there is a net addition of over 183 800 to the labour market each year over the period 1996-2000. This exacerbates the food insecurity and poverty problems.

In confrontation with these challenges the fundamental objective of the macro policy is to:

"achieve a sustained high rate of economic growth and speedy development in order to raise the incomes and standards of living of all our people, and expand productive employment of rural peasants and urban workers, especially the former."
(ZIMPREST,1997)

The underlying strategic framework for achieving this objective involves mobilising investment and savings which should be used efficiently to generate economic growth and employment, cultivate entrepreneurship, enhance economic empowerment, and sustainably alleviate poverty. Within this framework each of the sectors has specific strategies which are expected to fit in the overall policy matrix.

Under the purview of agricultural development the national policy puts emphasis on the development of the smallholder farming sector. It underscores the need to transform this sector from subsistence to commercial production. This is to be achieved through technological innovation, land and agrarian reform, strengthening of institutions, promotion of agro-processing, improvement of market access and the adoption of an integrated agricultural sector

investment.

2.3 Zimbabwe Agricultural Policy Framework (ZAPF)

The ZAPF provides a development vision for the agricultural sector for the next 25 years. The focus of the document is on the modalities for generating more comprehensive and orderly agricultural growth. It is designed to be indicative of what needs to be done at the national and household level in order to get agriculture back on the path of sustained growth and development.

In the document, four pillars (goals) or fundamentals are highlighted as key to the building of the future structure of agriculture. These include the following :

1. The transformation of smallholder agriculture into a fully commercial farming system;
2. An average increase in total agricultural output each year that is significantly larger than the increase in population;
3. The full development of physical and social infrastructure in all rural areas throughout the country; and,
4. The development of fully sustainable farming systems throughout the country which reverses current environmental degradation and soil erosion.

2.3.1 The Agricultural Sector Investment Programme

The agricultural sector investment Programme (ASIP) will provide mechanisms for collaborative financing of agricultural activities by the Government of Zimbabwe (GOZ), donors and various stakeholders. The aim of the ASIP is to support the goals outlined in the Zimbabwe Agricultural Policy Framework and the Programme for Economic and Social Transformation (ZIMPREST) and provide an investment map. Within this framework short to medium term objectives for agriculture include:

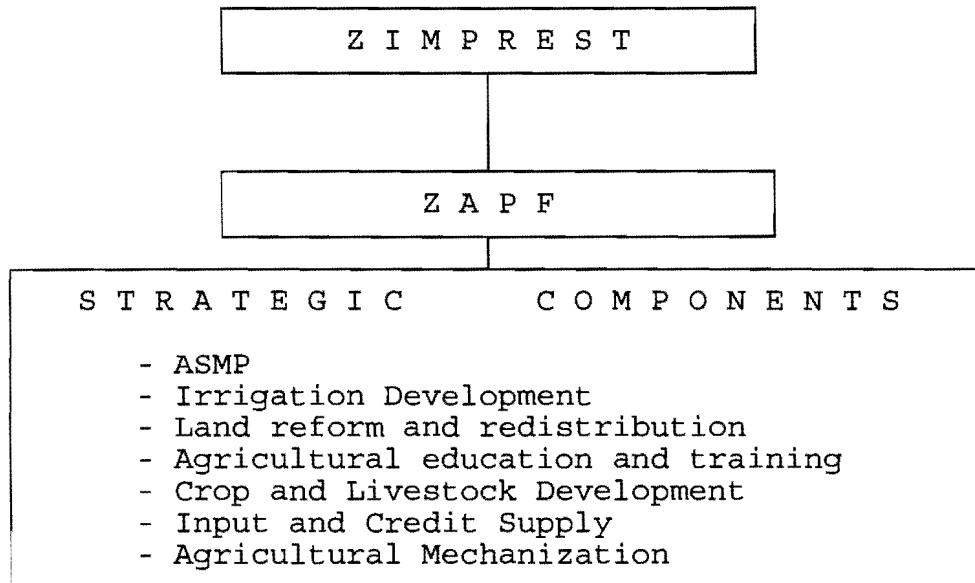
1. Accelerating agricultural and agro-industrial growth, thereby creating additional rural income earnings and employment opportunities, especially within the medium-to-high potential areas;
2. Reduce rural poverty and improve household food security and the sustainability of agricultural production systems and natural resource management within semi-arid areas;
3. Double grain yields for smallholder farmers;
4. Diversify production in order to move smallholder farmers into high value crops such as horticulture;
5. Improve women's participation at all levels of agriculture;
6. Reform public sector agricultural institutions to improve efficiency, cost effectiveness and ensure demand driven responses;

7. Increase area of smallholder irrigation from 10 000Ha to 50 000Ha and improve the overall water use efficiency; and,
8. Facilitate the land resettlement programme and settle households on the basis of reformed tenure system.

Achieving these objectives requires improved and sustainable delivery of technical support services to smallholder and commercial farming/agri-business sectors, and building the institutional and legal foundations for sustainable natural resource management in the country. Thus, the broad strategic components of the ASIP include the following;

- The agricultural services and management project (ASMP);
- Irrigation Development;
- Agricultural Education and Farmer Training;
- Crop and Livestock Development;
- Land reform and redistribution;
- Input and credit supply; and,
- Agricultural mechanization.

These strategies will be operationalised within the following policy and conceptual framework;



Within the crop and livestock development subhead the major thrust is to sustain crop and livestock production. It will be recalled that in section 1.3 a gloomy picture of national and international food situation was painted. The rationale of this project is to reverse this situation particularly at a national level. Within the policy strategies food security is set to be enhanced through diversification and increase in productivity. The production of cassava is conceived within the context of diversification. It is specifically meant to hedge against drought risk. It contributes to agricultural and national development through risk reduction from crop diversification, enhanced food security, increased employment and higher farm incomes.

2.4 Analysis of the Fit Between the Project Concept and Policy

The general policy thrust in agriculture as enunciated in ZIMPREST and ZAPF is to address poverty and unemployment. The fundamental goal being one of meeting the basic needs. In this context the specific strategies include diversifying production in order to minimise risk and enhance food security, and to commercialise the smallholder sector.

In chapter one and previous sections of this chapter the causality between poverty and food insecurity was highlighted. In this context the ZIMPREST and ZAPF underscore the need to alleviate poverty which implies the need to address the food insecurity problem. Secondly, the macro and sectoral policies are coherent, and both have a primary objective of transforming the smallholder sector into a commercial sector and to reduce unemployment. They also have similar strategies for addressing these problems.

Within the national and sectoral framework the proposed project fits under the diversification policy. It seeks to redress the poverty and food insecurity problem. Cassava being suited to marginal areas where the majority of the smallholder farmers and poor live, would be the ideal crop for the target beneficiaries. Its low input requirements also augers in well with resource limitations experienced in these areas. The extent of food insecurity in Zimbabwe has been well covered and the potential impact of this project in addressing this problem cannot be over-emphasised. In addition, by complementing maize production the proposed project does not compromise the objective of doubling grain yields.