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## FOR IMMEDIATE RELEASE

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## ENGAGE ZNS TO PROMOTE LOCAL AGRICULTURE PRODUCTION, JOBS AND FOOD SECURITY

The Centre for Trade Policy and Development (CTPD) calls on government to take a multifaceted approach towards reducing the cost of food prices and ensure sustainable food security in Zambia. CTPD notes with concern the rising cost of food prices7 to levels that are not affordable to many ordinary Zambians. In addition to the rising cost of living, the country continues to face economic challenges that have impacted negatively on job creation and poverty alleviation.

Given the ongoing flooding in most parts of the country, it is possible to project a potential food insecurity situation for the 2022-2023 agricultural season. According to a number of media reports, over 247 hectares of maize fields belonging to small scale farmers have already been affected by the ongoing floods in some affected areas such as Mumbwa in Central Province. This is putting household and national food security at stake if proactive measures such as a step up on irrigation farming are not considered. Compounding these concerns are market constraints, such as the vulnerability of the kwacha, high public debt, and inflation rate largely influenced by Covid 19. Collectively these constraining factors are putting the economy in a position for more tightened monetary and fiscal policy settings which could have a dampening effect on agriculture business, trade, and other economic activities. In view of these multiple headwinds, it is highly likely that the prices of staple food and other commodities may continue rising up.

In light of the above outlined challenges, CTPD is of the considered view that government's priority in 2022 should be stimulating local production, this should include finding solutions to the perpetual challenges local producers continue to face such lack of access to affordable finance. Some initial steps could be taken to avoid absolute dependence on Farmer Input Support Programme (FISP) as a national support programme for Strategic Food Reserves (SFR). The government must take advantage of the Zambia National Service (ZNS), readily available agricultural equipment, infrastructure, labour force, and irrigated land to bolster and reinforce agriculture food production for National Strategic Food Reserves. CTPD highly recommends government to consider this proposal as this is key towards enhancing sustainable food security especially that currently most agricultural land belonging to small scale farmers depends on rain-fed agriculture and is subject to erratic rainfall, floods and recurrent droughts which often leaves the countries agriculture food supply tremendously vulnerable to the whims of weather.

In addition, CTPD is of the view that several national initiatives are being underutilised and not taken advantage of to aid the country in eliminating the burden of hunger. One such

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enterprise is the Solar Powered Milling Plants Project- part of the Presidential Milling Initiative set up in 2015. The initiative has considerable expectations among which include helping to reduce the cost of mealie meal and create about 3,000 jobs in Zambia. Apart from mealie meal price reduction and job creation, the plant also has potential to supply electricity to at least 25 surrounding houses per solar plant - thereby helping to support small scale irrigations for crop fields, welding, poultry, and other business enterprise.

While considerable number of resources estimated around US\$170 million has been invested to instal about 1,558 mills countrywide, it is very unfortunate that the solar milling plants across the country seem not to be working to their full production capacity. There is very little to no considerable economic impact that the residents get in terms of job creation and contribution of the milling plants to mealie-meal price reduction. Most of the plants appear to be "white elephants," and even those that are currently operational may become obsolete in the near future if the status quo is maintained. The most sighted challenges underpinning low performance has mainly pointed to solar mill machine-related problems, with the biggest challenge being lack of batteries to back up or store milling plants power during cloudy days. A study by Texila International journal of management shows that on average, most solar milling plants across the country operates for six (6) hours only per day between 10:00-15:00 hours producing only 8 by 50kg bags of mealie meal per day. This on average falls short against the expected production of 40 by 50kg bags per day. Clearly, this shows that the solar milling plants are underperforming and underutilized country wide.

It is therefore CTPDs considered view that Government through Ministry of Commerce Trade and Industry (MCTI) and the Zambia Cooperatives Federation (ZCF) should demonstrate willingness to resuscitate the solar milling plants project country wide and demonstrate to the Zambian people why it was important to invest in this project. This is also in the interest of transparency and accountability especially that part of the project's estimated cost of around US \$150 million was financed through a loan from the China Development Bank (CDB). CTPD believes that where there has been an investment, there should be a return on investment in the form of profits or a positive impact on the investment. Otherwise, the government introduced a very good program which needs to be supported by all, especially the beneficiaries (Cooperatives and surrounding communities).

Issued by Emmanuel Muma (Mr) Researcher – Trade and Development

Editor's Note

The Centre for Trade Policy and Development (CTPD) is a not- for –profit, membership based trade policy and development think tank. The organization was established in 1999 and existed as the civil society trade network (CSTNZ), until 2009 when it was rebranded as the Centre for Trade Policy and Development (CTPD).

The mandate of CTPD is to influence pro-poor trade and investment reforms at national, regional and multilateral levels as well as facilitate the participation of various stakeholders

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including member organizations in ensuring that trade is used as a tool for poverty eradication.

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