



ZAGP News

The Newsletter for the Zimbabwe Agricultural Growth Programme (ZAGP)

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EDITORIAL

The ZAGP team welcomes you to the 31st issue of ZAGP News, the newsletter for the European Union (EU) funded Zimbabwe Agricultural Growth Programme (ZAGP).

In this issue, the main focus is on Goat Improvement Centres (GICs) implemented under the Value Chain Alliance for Livestock Upgrading and Empowerment (VALUE). We cover the activities under the Beitbridge and Gwanda GICs. Goat producers in the two districts are reaping the rewards of utilising the services offered at the centres. Through the Goat Producer Business Association (GPBAs) they have formed, the face of goat production is changing the two districts and overall, in all the 12 districts where VALUE has established GICs.

The GPBAs are structured to coordinate and drive the commercial interest of goat farmers to access value-adding business support services and previously unaffordable technologies through collective action strategies.

Goat production in Zimbabwe is mainly practiced by smallholder farmers and the national goat herd is estimated at 3.3 to 3.4 million. The majority of the smallholder farmers rarely breed goats on a commercial basis, despite the demand and potential to export goat products. Challenges that hinder the growth of the sector include: lack of good animal husbandry practices, lack of

access to breeds that improve quality and quantity; unstructured marketing; low commercialisation; lack of integration; poor networking and weak institutional frameworks.

We share stories from the farmers and other key stakeholders, highlighting the successes so far in the operations of Beitbridge and Gwanda GICs.

Also in this issue, under the Policy Monitor, we unpack the cost of compliance policy research carried out to reveal the cost of compliance in the Pork Value Chain (PVC).

The study was conducted by the Value Chain Alliance for Livestock Upgrading and Empowerment (VALUE) project to collate data on the costs of compliance by the PVC actors resulting from various regulations and provide recommendations to policy makers in government where change was needed.

The various regulations in the PVC that had cost implications from input supply, production, marketing, slaughter, processing, wholesaling, and retailing of pork and its products.

Happy reading!

(Cover photo: Goat dipping in progress at the Gwanda Goat Improvement Centre in Matabeleland South province).

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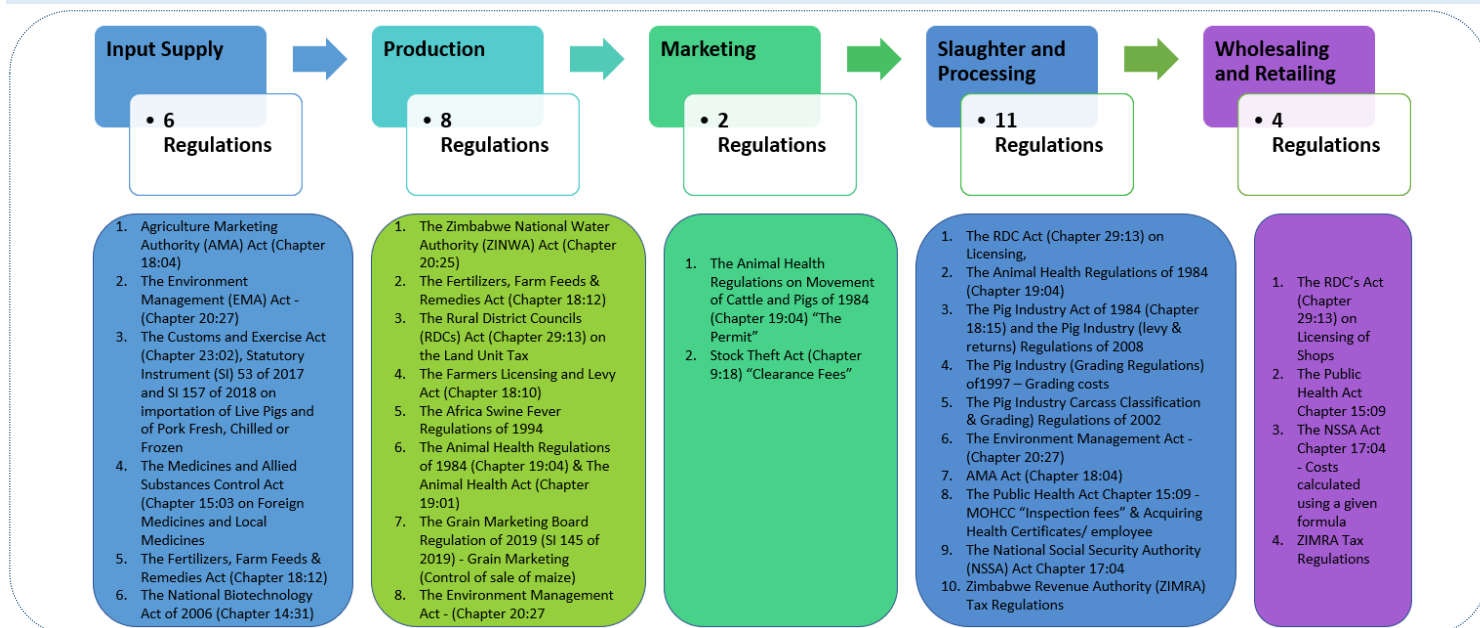
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ZAGP POLICY MONITOR

Pork Value-chain Cost of Compliance

There are various regulations in the pork value-chain that have cost implications from input supply, production, marketing, slaughter, processing, wholesaling, and retailing of pork and its products.

In order to comply with these regulations, the pork value-chain actors have to navigate through a multitude of institutions. The regulatory costs of compliance and navigation through various offices have a negative effect on the margins and productive time of the value-chain actors especially at production level due to other costs incurred in complying. These costs were administrative, overheads, construction costs, staff time and annoyances in some offices which could lead to corruption. This was forcing a significant proportion of small and medium producers to opt not to comply at all to remain viable. The graphic below presents a summary of the costs of compliance in the pork value chain:



At least 19 regulations in the PVC which have cost implications were identified. These are listed in the following tables:

Costs of Compliance at Input Supply Level

Regulation	The Costs	Value	Administrative Costs
1. Agricultural Marketing Authority (AMA) Act Chapter 18:04 regulated by AMA	<ol style="list-style-type: none"> 1. Application fee (Non-Refundable) 2. Registration fee as a buyer, processor and merchant 3. License or Permit fee 4. Renewal fee Registration 	<p>ZWL50.00 (US\$0.74)</p> <p>ZWL500.00 (US\$7.37)</p> <p>ZWL1000.00 (US\$14.70)</p> <p>ZWL100.00 (US\$1.47)</p>	<ul style="list-style-type: none"> ✓ Working time to comply ✓ Transport ✓ Hassles of going through several offices ✓ Penalties
2. Customs and Excise Act (CEA) Chapter 23:02 regulated by ZIMRA	<ol style="list-style-type: none"> 1. Importation of Live Pigs 2. Importation of Pork Fresh, Chilled or Frozen 	<p>0-10% Tax</p> <p>40% Tax</p>	<ul style="list-style-type: none"> ✓ Hassles of going through several offices ✓ Penalties
3. National Biotechnology Authority of Zimbabwe Act of 2006 [Chap. 14: 31] on Importation of Feed and Feed Additives regulated by NBAZ	<ol style="list-style-type: none"> 1. Registration fees 2. Biosafety Import Permit 3. GMO Testing 4. Other Costs - GMO Certification, Inspections 	<p>ZWL500 (US\$7.37)</p> <p>ZWL30 - ZWL80 (US\$0.44- 1.1.8)</p> <p>ZWL250 (US\$3.69)</p> <p>Around ZWL210 (US\$3.09)</p>	<ul style="list-style-type: none"> ✓ Numerous administrative processes ✓ Penalties ✓ Duty (5%)
4. The Fertilizers, Farm Feeds and Remedies Act - Chapter 18:12 imposed by MLAWRR	<ol style="list-style-type: none"> 1. Registration Fees of New Stock Feed 2. Annual Renewal Fees 	<p>ZWL500 (US\$7.37)</p> <p>ZWL100 (US\$1.47))</p>	<ul style="list-style-type: none"> ✓ AMA Fees ✓ Transport ✓ Work time to comply
5. Medicines and Allied Substances Control Act Chapter 15:03 regulated by MCAZ	<ol style="list-style-type: none"> 1. Registration fees on new foreign veterinary medicine 2. Registration fees on new local drugs veterinary medicine 	<p>ZWL1000 (US\$15) - ZWL2000 (US\$30)</p> <p>ZWL600 (US\$9) - ZWL2000 (US\$30)</p>	<ul style="list-style-type: none"> ✓ Hassles of completing a dossier of documents ✓ VAT ✓ Penalties
6. The Environment Management Act - (Chapter 20:27) imposed by EMA	<ol style="list-style-type: none"> 1. Annual Registration 2. Monitoring Fee 3. Discharge Levy 	<p>US\$32</p> <p>US\$80 - US\$555</p> <p>US\$80 - US\$9000</p>	<ul style="list-style-type: none"> ✓ Hassles of going through several offices ✓ Penalties

Reserve Bank of Zimbabwe (RBZ) Rate @ 31 December 2021 - US\$1.00 = ZWL108.66

ZAGP POLICY MONITOR Pork Value-chain Cost of Compliance

Costs of Compliance at Production Level



Regulation	The Costs	Value	Other Costs
1. The Zimbabwe National Water Authority Act Chapter 20:25 by ZINWA	1. Registration Fees 2. Water Levy	ZWL150 Charges per mega liters of water used	✓ Logistics ✓ Transport
2. The Fertilizers, Farm Feeds & Remedies Act (Chapter 18:12)	1. Registration Fees of New Stock Feed 2. Annual Renewal Fees	ZWL500 (US\$7.37) ZWL100 (US\$1.47)	✓ AMA Fees ✓ Transport ✓ Work time to comply
3. The RDCs Act (Chapter 29:13) on the Land Unit Tax imposed by Ministry of Local Government	Land Unit Tax - A1 Farmers - A2 farmers	ZWL 172 (US\$2.50 per ha) ZWL1114 (US\$17)	
4. The Farmers Licensing and Levy Act (Chapter 18:10)	Annual License Fees ZFU	ZWL60.00 (US\$0.88) - ZWL\$500.00 (US\$7.34) US\$100.00 – US\$1000.00	✓ Penalties
5. The Africa Swine Fever Regulations of 1994	ASF Certification Costs depending on no. of sow units	ZWL1000 (US\$15) - ZWL3500 (US\$50)	✓ Fencing ✓ Pig sty construction ✓ DLVS Inspections ✓ Administration costs
6. The Animal Health Regulations of 1984 (Chapter 19:04) & The Animal Health Act (Chapter 19:01)	DLVS Permit	ZWL10	✓ Transport Costs
7. The Grain Marketing Board Regulation of 2019 (SI 145 of 2019) - Grain Marketing (Control of sale of maize)	Transactional costs	Varies according to location	✓ Transport Costs ✓ Time spend in acquiring the grain
8. The Environment Management Act - (Chapter 20:27)	1. Annual Registration 2. Monitoring Fee 3. Discharge Levy	US\$32 US\$80 – US\$555 US\$80 – US\$9000	✓ Hassles of going through several offices ✓ Penalties

Costs of Compliance at Marketing Level

Regulation	The Costs	Value	Other Costs
1. The Animal Health (Movement of Cattle and Pigs) Regulation of 1984	1. Department of Veterinary Services (DVS) Permit 2. Allowances for DVS staff	ZW\$10 per load US\$5- US\$10	✓ Transport
2. The Stock Theft Act Chapter 9:18	1. "Clearance Allowances"	US\$5 – US\$10	✓ Transport

Costs of Compliance at Slaughter and Processing Levels



Regulation	The Costs	Value	Other Costs
1. The Urban and Rural Councils Act (Chapter 29:13) on Licensing	Trading License Grade A Abattoir Grade B Abattoir Grade C Abattoir	ZWL\$172,000.00 (US\$2500.00) ZWL\$103,312.00 (US\$1500.00) ZWL\$43,000.00 (US\$600.00)	✓ Working time to comply ✓ Transport ✓ Hassles of going through several offices ✓ Penalties
2. The Animal Health Regulations of 1984 (Chapter 19:04)			✓ Penalties
3. The Pig Industry Act of 1984 (Chapter 18:15) & The Pig Industry (levy & returns) Regulations of 2008	Pig levy	ZWL\$25/ pig slaughtered	✓ Record Keeping Costs ✓ Time spent in completing applications
4. The Pig Industry (Grading Regulations) of 1997	Grading Costs	ZWL\$7/ pig slaughtered	✓ Graders Transport Costs
5. The Pig Industry Carcass Classification Regulations of 2002	Porcine inspection Slaughter Fees	ZWL\$10 US\$5 – US\$7	✓ DLVS Transport Costs
6. The Environment Management Act Chapter 20:27 by EMA	1. Annual Registration 2. Monitoring Fee 3. Discharge Levy	US\$32 US\$80 – US\$555 US\$80 – US\$9000	✓ Hassles of going through several offices ✓ Penalties
7. AMA Act (Chapter 18:04) by AMA	1. Application fee (Non-Refundable) 2. Registration fee as a buyer, processor and merchant 3. License or Permit fee 4. Renewal fee Registration	ZWL\$50.00 (US\$0.74) ZWL\$500.00 (US\$7.37) ZWL\$1000.00 (US\$14.70) ZWL\$100.00 (US\$1.47)	✓ Working time to comply ✓ Transport ✓ Hassles of going through several offices ✓ Penalties
8. The Public Health Act Chapter 15:09 by MOHCC	Licensing Fees 1. Grade A Abattoir 2. Grade B Abattoir 3. Grade C Abattoir	ZWL\$3500.00 (US\$50.00) ZWL\$2500.00 (US\$35.00) ZWL\$1,000.00 (US\$15.00)	✓ Inspection fees ✓ Acquiring Health Certificates/ employee
9. The NSSA Act Chapter 17:04	Safety of Employees	Calculated based on given formulas	✓ Working time to comply ✓ Transport
10. Zimbabwe Revenue Authority Tax Regulations	Value Added Tax PAYE RTGS Tax Aids Levy	5-15% Calculated on given formulas 2% 5%	✓ Working time to comply ✓ Transport ✓ Hassles of going through several offices ✓ Penalties

ZAGP POLICY MONITOR Pork Value-chain Cost of Compliance

Costs of Compliance at Wholesaling and Retailing

Regulation	The Costs	Value	Other Costs
1. The Urban and Rural Council's Act (Chapter 29:13) on Licensing	Trading License		✓ Working time to comply
	Urban	ZWL\$8,600.00 (US\$126.00)	✓ Transport
	Rural	ZWL\$6500.00 (US\$100.00)	✓ Penalties
2. The Public Health Act Chapter 15:09 by MOHCC	Health Inspection fee	US\$10	✓ Inspection fees
	Health Certificates	US\$10	✓ Acquiring Health Certificates/ employee
3. The NSSA Act Chapter 17:04	Safety of Employees	Calculated based on given formulas	✓ Working time to comply
			✓ Transport
4. Zimbabwe Revenue Authority Tax Regulations	Value Added Tax	5-15%	✓ Working time to comply
	PAYE	Calculated on given formulas	✓ Transport
	RTGS Tax	2%	✓ Hassles of going through several offices
	Aids Levy	5%	✓ Penalties

Proposed Policy Reforms and Recommendations

The VALUE project is proposing several regulatory reviews for consideration by Ministry of Lands, Agriculture, Water, Fisheries and Rural Development (MLAWFRD) and other statutory government departments aforementioned. Government has to consider reducing time spent in complying with these regulations which allows PVC actors to focus on their businesses which promotes growth of the pork industry in Zimbabwe. The proposed policy reforms and recommendations include the following;

- Government through MLAWFRD to consider reviewing regulatory costs of compliance, processes imposed at each level and reduce regulatory time spent. The proposal from stakeholders was to have a one-stop shop.
- There is need for MLAWFRD to deliberate with pork value-chain stakeholders and harmonise regulations and levies imposed by DVS, AGRITEX, AMA, EMA and RDCs.
- Some of the regulatory charges, for example, the Pig Industry Levy of ZWL\$25.00, DVS permits/ inspection fees, and grading should be revisited.
- Government to ensure accountability in utilisation of levies, fees and charges for the benefit of the pork industry in order to enhance competitiveness. This applies to pig industry levy, the farmer licensing and levy act, the land unit tax imposed by local authorities, water charges by ZINWA and charges by AMA.
- MLAWFRD through DVS to consider issuing of consignment permits depending on producer output per given period of time.
- There is need for government, on the basis of the Public Health Act to encourage or facilitate the construction of good standard abattoirs throughout the country, and reduce some of the bureaucratic procedures.
- Government to look into costs of compliance to ensure that local producers who are not producing Genetically Modified Organisms (GMO) maize and soya are exposed to unfair competition against foreign GMO finished products.
- The process of obtaining import and export permits should be reviewed to ensure rationalisation and promoting efficiencies in the pork value-chain.
- Government to review the requirement by ZIMRA of obtaining a tax clearance before obtaining a trading license especially amongst small to medium-scale enterprises (SMEs) which is forcing the majority of these to operate informally.
- The biosafety regulation ASF certification of the Animal Health Act [chapter 19:01] should be enforced among all pork producers to ensure compliance with international regulations.
- Government to enact provisions of the 5th quarter for the profitability of farmers. In South Africa, for example, pork producers have the right to pay for the slaughter service fee or take the 5th quarter.

[Download the Full Technical Paper on the Cost of Compliance in the Pork Value Chain](#)



An aerial view of the Beitbridge Goat Improvement Centre

Goat Production Extends Benefits to more Farmers in Beitbridge and Gwanda Districts through Goat Improvement Centres

“**This is something new in Gwanda district. Farmers had never heard of goat dipping before, but now, more and more farmers are bringing their goats for dipping. The services that we are accessing at this centre have completely transformed goat production and management in this area.**

A project to commercialise goat production in Zimbabwe is delivering lasting practice change for hundreds of smallholder farmers and improved business profits.

In the sweltering mid-day heat, there is a hive of activity in Gwanda district's Ward 17, with scores of farmers busy at work, assisting goats into a plunge dip tank. While other farmers are pushing the goats into a dip tank, others are prodding the goats to prevent them from turning around once in the dip tank. The dipping is happening at the Gwanda Goat Improvement Centre (GIC) in Matabeleland South province.

“This is something new in Gwanda district. Farmers had never heard of goat dipping before, but now, more and more farmers are bringing their goats for dipping. The services that we are accessing at this centre have completely transformed goat production and management in this area”, said Ntuthuko Nyathi, one of the goat producers utilising the services at the Gwanda GIC.

At 35, Nyathi is one of the youth goat producers in the district and has risen to be the chairperson of the Gwanda Goat Producers Business Association. The Gwanda GIC was established in 2019 and serves four wards in the district.

This GIC serves four wards in the district and the services on offer have provided us with the critical stepping stone to venture into commercial goat production. We now have 685 members of the association who are utilising the services at the GIC”, he added.

The Gwanda GIC is one of the 12 centres established in 12 districts under the Value Chain Alliance for Livestock Upgrading and Empowerment (VALUE) project. Other centres are now operational in Nkayi, Lupane, Binga, Matobo, Gwanda, Beitbridge, Buhera, Chipinge, Mbire, Chikomba, Rushinga and Mudzi districts.



Goat dipping in progress at the Gwanda Goat Improvement Centre

The GICs are hubs for small and medium-scale goat producers constructed to offer various services such as breed improvement, dipping, veterinary drug sales, sale of fodder seed, and aggregation of bulk slaughter and breeding stock.

In neighbouring Beitbridge district, the Beitbridge GIC, also established in 2019, is offering similar services covering four wards. Socialist Ndlovu, chairperson of the Beitbridge GPBA noted that the association has 235 members so far and is implementing a similar model to the Gwanda GIC.

“We are now dipping our goats, accessing veterinary drugs, growing fodder crops, and selling our goats collectively and directly to consumers”.

“At first, farmers were hesitant to bring their goats for dipping as this was a totally new concept in the district. However, after realising the benefits of dipping, the numbers of goats accessing the dipping services has increased”, said Progress Mbedzi, the District Veterinary Officer.

The two GICs are targeting at least 1,600 goat producers in eight wards. At least 1,050 goats are dipped every two weeks at the Gwanda and Beitbridge GICs. Farmers pay varying fees for the dipping

services with the Gwanda GIC charging R1.00 (USD0.06) per goat and the Beitbridge GIC charging R0.50c (USD 0.03) per goat.

Fodder plots have also been established to supply fodder seed to the farmers who have adopted fodder production for supplementary feeding. Boer and Kalahari pure breed bucks were provided by the project as part of the breed improvement initiative.

“When it comes to breeding services, the general model is that farmers bring their does on heat to the GIC for mating and the owners would take away the pregnant does. However, in Gwanda and Beitbridge, there was low uptake as most farmers already have Boer and Kalahari breed crosses. They then changed the model to where the members of the association were requested to contribute a doe and R100 (USD4.64) each”, said Mwanyisa.

“We sell the female offspring as breeding stock after realising we earn more income through selling breeding stock rather than slaughter stock. The male offspring are distributed to the members as a strategy to improve the goat breeds in our area. So far we have aggregated and sold 100 does as breeding stock at around USD120 each. This is a major achievement for us, given that goats are sold for USD30.00 on average in Gwanda district.”, added Nyathi.

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From Subsistence to Commercial Goat Production: Youth Farmer Leads the Way



Nyathi with the two bucks he invested in to improve his goat breed.

For Ntuthuko Nyathi and other farmers in Beitbridge and Gwanda districts who reared goats mainly for subsistence, the GICs are bringing in a new dimension to commercial goat production specifically and agribusiness in general.

Nyathi says as he shows off the plot where he has set-up his goat production enterprise, “Previously, I did not regard goat rearing as a business and a source of income. This changed after I became a member of the Gwanda Goat Producers Business Association and following the trainings we received from the project. In 2020, I invested in a one-hectare plot where I constructed modern goat housing and other infrastructure. I started off with 50 does of the Matabele breed and invested in two Boer goat bucks.

At peak around mid-2021, my herd reached 300 goats and I sold 150 goats as breeding stock at USD 120 per goat”.

“At peak around mid-2021, my herd reached 300 goats and I sold 150 goats as breeding stock at USD 120.00 per goat.”

“Gone are the days when our goats were dying due to diseases or lack of feed and water during dry periods. After the training on fodder production and feed formulation, I am now producing my own feed. Before, I was entirely dependent on commercial feed for the bucks, on average buying 150kg of feed worth USD60.00 per month. Now, I buy just 50kg of feed per month and mainly use the feed I formulate myself”.

In 2020, Nyathi invested in a pick-up truck worth USD2,500 as part of the business. He has also established a one-hectare fodder plot to produce supplementary feed his goat herd. “My vision in the next five years is to sell at least 500 goats annually”.



(Left) The plot where Nyathi has established his goat production enterprise. (Right) Part of the does contributed by the Gwanda GPBA members.

Fitter and Turner Ventures into Commercial Goat Production



(Left) Moyo with part of his goat herd. (Right) He has grown a variety of fodder crops as supplementary feed for his goat herd.

When 52-year-old Patrick Moyo left fulltime employment at a gold mine in Beitbridge district where he was working as a fitter and turner, he established his own welding venture in the border town of Beitbridge. When the Beitbridge GIC was established, Moyo decided to try his luck on a goat rearing venture.

“After running a successful welding business, I have added another business venture to my portfolio – that of rearing goats. Previously, when it came to livestock production, my priority was on cattle and I never considered goats as a viable business venture. However, when this GIC was established, I became a member of the association and I benefitted from the trainings on goat production.

I started off with 65 goats and invested in two Boer goat bucks. I have since grown my herd to 187 improved breed goats.

“I sell the male offspring at 18 months for USD100 to USD120 per goat,” said Moyo.

“Currently, I have 34 male offspring which are Boer and Matabele crosses that are ready for the market. We serve the local and external markets including buyers from neighbouring South Africa”.

Moyo is also producing a variety of fodder crops which include Lablab, Velvet Beans, Banna Grass and Sun Hemp to feed his goat herd. “It was unheard of to grow fodder crops for goats, but now, farmers are taking this up. I have also invested in a grinding mill to process the feed. I plan to upgrade my water supply system to expand fodder production and ensure that I can sustain feeding my goats for the whole year”, concluded Moyo.



The infrastructure that Moyo has invested in as part of his goat production venture.