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Zimbabwe Market Study: Matabeleland North Province Report

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Acknowledgments

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Executive Summary

This report presents the findings of a Market Study conducted in Matabeleland North Province using both qualitative and quantitative methods to inform the strategic direction of the USAID's Office of Food for Peace (FFP) in Zimbabwe. A wide range of actors were interviewed including government departments, NGOs, traders, retailers, wholesalers, transporters, financial service organizations, and beneficiaries of food assistance. The market study focused on greater understanding of how markets work in the context of Matabeleland North through a political economy that influences the evolution of markets, the structures (physical and nonphysical), dynamics and livelihoods context outcome. A central aspect of the analysis is to understand how and in what ways markets are organized in Matabeleland North Province. Through this study, we identify the risks and opportunities in order to inform programming and strategies in the market determinants, the constraints and impacts on the achievement of outcomes in human development influenced by the agriculture and food security sectors.

Market Context

Millet by far is the most consumed cereal in Matabeleland North. In the same vein, pulses such as groundnuts, cowpeas, sugar beans, and roundnuts are widely consumed in the province. Kapenta fish, other fish chunks, and mopani worms are the major source of protein, followed by chickens and goat. Matabeleland North is structurally food deficit. Bulawayo is an important reference market for bulking/aggregation and distribution for the province. Reference markets located in district administrative centers and along major roads are well integrated while markets in physically isolated rural areas are less integrated, especially during the rainy season. This situation causes households to walk 20 km (four hours on foot) to the nearby food distribution point at the ward center. The assessment shows that 5-10 ton trucks are mostly used to distribute maize in these areas instead of the 30-ton trucks. Notable constraints affecting traders include a volatile economic environment which is characterized by chronic inflation, limited access to finance, limited availability of commodities in the source markets, exchange rate spikes, and shortages of key utilities such as water, electricity and fuel.

The structure, conduct, and performance of markets varies across commodities. Maize, small grains (sorghum and millet), and pulses are supplied through local production across Matabeleland North but largely supplemented through inflows from surplus producing areas of Mashonaland Central, Mashonaland East, and Mashonaland West provinces of Zimbabwe as well as imports from Zambia, Malawi, and Latin America (Brazil and Mexico). The Grain Marketing Board (GMB) buys and sells maize and small grains at controlled prices. Pulses prices are determined by source market prices, that is, Matabeleland North Province and regional countries such as Zambia and Malawi, and local supply/demand dynamics. Refined edible oil is produced locally in Harare, Mutare, and Bulawayo and is distributed through a network of wholesalers, supermarket chains, retailers and small shops (tuckshops) as well as vendors. In some districts close to South Africa and Botswana, such as Tsholotsho, edible oil is imported informally from South Africa and Botswana at competitive prices. In July 2019, this informally imported oil costed 9 percent less than the price of domestically produced oil. Production of sorghum, millet, and maize is marginal. These could be considered as non-tradable commodities in Matabeleland North as nothing reaches the markets. The total harvest for households from maize, sorghum, and millet only lasts four months, ironically taking them through the winter season and hence nicknamed *masunda chando*.

Kapenta fish and mopani worms are largely traded in Matabeleland North and are often purchased by poor households. Matabeleland North produces goats and cattle for commercial purposes. However, because of the zoning policy, cattle and goats are only traded in respective provinces. Goats and chicken ownership is most prevalent among the poor whilst the ownership of cattle is prevalent among the rich. Household meat purchases are limited due to constrained demand and peaks during important events such as festive season. Because of price controls on grain, prices of maize, sorghum and millet exhibit low degree of intra-annual price variation.

Food Assistance Modalities

The province had several food assistance programs implemented by the department of Social Services, international donors, local NGOs, INGOs and UN agencies. These agencies use different approaches including social protection, resilience building, emergency recovery and long-term development initiatives to promote food security. The modalities used include in-kind, cash/food for assets, cash transfers, and vouchers. The table below shows the pros and cons of each modality in the province.

Table 1. Food Assistance Modalities

Modality	Pros	Cons
In-kind	Ration addressing nutritional needs of the community; used for intended purpose	Ration dilution; insufficient quantities; delivery of less preferred commodities; poor roads and related ravel costs; decanting; thefts; milling costs; no support for other needs; procurement related challenges including policy related and physical
Cash Transfers	Flexibility on how to use the money; protecting rights of privacy and dignity of beneficiaries	Cash challenges; high charges; GBV, use of the money on unintended things; lack of supporting infrastructure, *e.g.* financial service providers, network, electricity; inclusion of non-deserving households
Vouchers	Used for intended purpose; promotes behavior change	Selected traders inflating prices and bringing substandard items
Food/Cash for Assets	Community infrastructure development; promotion of resilience through assets and skills development; a sustainable approach to promoting food security; excludes/isolates non-deserving community members; promotes behavior change	Stigmatization of participating households

Infrastructure

The central core of infrastructure for development is the road network backed by railway systems that go all the way to Botswana, South Africa, and Zambia. Communication systems in the form of mobile phones coverage are almost 100 percent by all service networks in Zimbabwe. In addition, the province is able to enjoy cheaper and more reliable mobile services from Botswana. The province has good communication system with almost 90 percent phone coverage by all networks(NetOne, Econet, and Telecel). Cell phones are the primary form of communication, but challengesarise in the remote parts of some rural districts where cell network coverage is not efficient.

There are a number of financial service providers in the provincial town in Lupane and also at district centers. These include banks and agents for mobile money transfer.

The energy infrastructure exists through the national grid system owned and run by the Zimbabwe Electricity Supply Company (ZESA). This grid was set up in the 1950s and is now outdated. Inadequate power generation, outdated energy infrastructure, and financial constraints to importing have led to frequent power cuts in the country affecting the competitiveness and resilience of the economy. In 2014, Matabeleland North Province had the least proportion of households with access to electricity (4 percent).

Zimbabwe is a landlocked country and does not have any ports. The two most common ports used are the Port of Beira in Mozambique and the Port of Durban in South Africa. Donors use the ports of Durban and Beira to receive food assistance. Port choice is usually determined by cost and destination province that the assistance is earmarked for. Durban is the currently recommended port for Matabeleland North because the ocean freight to this port is generally less expensive than the ocean freight to Beira. There is occasional use of the port of Maputo, Mozambique because cargo received through Maputo can only be viably transported to Zimbabwe by rail. Storage facilities are available and adequate for both food and non-food items.

Policy changes and inconsistent implementation of such present serious challenges for programming. Humanitarian work in a highly dynamic context like Zimbabwe requires multi-disciplinary teams that conduct on-going risk analysis in changing context, liquidity monitoring, market monitoring, increasing beneficiary education and communication, using comprehensive accountability systems including consulting leaders, regular meetings with communities to verify receipt and resolve problems, using gender and accountability focal points, time and resources to educate beneficiaries, contingency plans with service providers if there are challenges, seasonal top up grants (Tango, 2018).

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List of Acronyms

AGRITEX	Agricultural Technical and Extension Services
CNFA	Cultivating New Frontiers in Agriculture
CSB	Corn Soya Blend
DFID	Department for International Development
DFSA	Development Food Security Assistance
ENSURE	Enhancing Nutrition, Stepping Up Resilience and Enterprise
EU	European Union
FAO	Food and Agriculture Organization
FFA	Food for Assets
FFP	Food for Peace
FGD	Focus Group Discussion
GBV	Gender-based Violence
GMB	Grain Marketing Board
GMO	Genetically Modified Organisms
GoZ	Government of Zimbabwe
HCT	Humanitarian Country Team
ICT	Information and Communications Technology
LSA	Lean Season Assistance
MT	Metric Ton
MLAWCRR	Ministry of Land, Agriculture, Water, Climate and Rural Resettlement
NGO	Non-governmental Organization
ORAP	Organization of Rural Associations for Progress
SAFIRE	Southern Alliance for Indigenous Resources
UN	United Nations
UNDP	United Nations Development Program
WFP	World Food Program
WHO	World Health Organization
WV	World Vision
ZESA	Zimbabwe Electricity Supply Authority
ZimVAC	Zimbabwe Vulnerability Assessment Committee
ZRBF	Zimbabwe Resilience Building Fund

1. Introduction

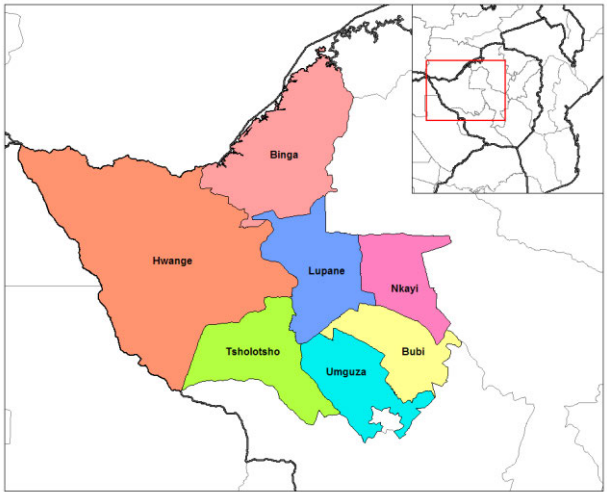
The purpose of this market analysis report is to provide findings of a market analysis conducted in Matabeleland North Province in July 2019 using secondary data as well as primary data collected using qualitative and quantitative methods from a wide range of actors, including government departments, NGOs, traders, retailers, wholesalers, transporters, financial service organizations, and male and female beneficiaries of food assistance in selected districts of Tsholotsho and Nkayi. (See Annex 1 for the study methodology.) The purpose of the study was to inform the strategic direction of the USAID's Office of Food for Peace (FFP) in Zimbabwe. The market study focused on greater understanding of how markets work in the context of Matabeleland North through a political economy that influences the evolution of markets, the structures (physical and nonphysical), dynamics and livelihoods context outcome. A central aspect of the analysis is to understand how and in what ways markets are organized in Matabeleland North Province. Through this study, we identify the risks and opportunities in order to inform programming and strategies in the market determinants, constraints, and impacts on the achievement of outcomes in human development influenced by the agriculture and food security sectors.

Context in Matabeleland North Province

Physical and Natural Resources of the Province

Matabeleland North Province is found in the northwestern part of Zimbabwe (see Figure 1) and includes Hwange and Victoria Falls as its major cities and places of tourist attraction. The Zambezi River defines the northern border of the province, and the western border is shared with Botswana. The province lies in agro-ecological region IV and V receiving on average of between 450–650 millimeters (mm) rainfall per annum) and a mean annual temperature of between 22–27.8 degrees Celsius. The low and erratic rainfall that is characteristic of Matabeleland North Province make it prone to drought and occasional floods. Sorghum and millet do well in this region as they require less rainfall. Many of the farmers in the district are subsistence except for some areas with irrigation, where they grow commercial vegetables for sale. Matabeleland North is endowed with minerals such as coal, gold, limestone, and methane gas. In addition, there is a large wildlife population in the country's largest national park, Hwange.

Figure 1. Districts of Matabeleland North



Matabeleland North Province in the east of Zimbabwe is a strategic gateway to Zambia, Botswana, and South Africa and has seven administrative districts: Binga, Bubi, Hwange, Lupane, Nkayi, Tsholotsho, and Umguza. The capital of the province is Lupane. The predominant ethnic group in the province is the Ndebele people, followed by the Numbya and the Kalanga. Matabeleland North Province spans an area of 75,025 square kilometers, making up 19.2 percent of the total land area in Zimbabwe. With a population of 749,017 (2012 census), it is the second least populous province after Matabeleland South.

The province has a fairly young population, with 44 percent of the people younger than 15 years of age and 5 percent older than 65 years of age. The province is located on the edge of the Kalahari basin—hence the arid climatic nature. Most of the province is in Natural Region IV and V. Matabeleland North province neighbors Bulawayo province, which is an important urban center in this part of the country.

Economic Activities and Livelihoods

Despite being a dry area, 83 percent of the people in the province are mostly rural and engaged as farmers. Most farmers rear livestock with cattle being dominant and small ruminants such as goats and sheep and donkeys. Most land in the province is not fertile and unsuitable for maize production, although farmers still attempt to grow the crop despite climate change and poor yields. Of the seven districts in the province, only Umguza and Bubi are engaged in crop production. Hwange and Tsholotsho are forest areas, with the former dominated by the national park. In Binga, fishing is common due to the proximity to the Zambezi River; Lupane has sandy soils that are unsuitable for farming; and Nkayi receives insufficient rainfall to sustain production.

The province has diverse livelihoods, with significant tourism around Hwange's Victoria Falls, which are a global attraction. This is an addition to the largest national park, Hwange. At the same time, the province houses one of the largest coal belts, generating energy for the domestic consumption and for exports to Namibia, in a mandated contract. The tourism sector is also a major generator of foreign currency and supports the province's contribution to the national Gross Domestic Product (GDP). A large number of people are employed in the sector, mainly in the service departments. Sculptures, theater, and dance are other livelihood sources within the tourism sector. According to focus group discussion (FGD) participants, the provincial livelihoods are dominated by some of the following activities:

- Formal jobs: The corporate, industrial, and civil sectors employ a small but significant part of the population in the province.
- Informal activities: A substantive number of people engage in activities such as carpentry, welding, beer brewing, vending, and other light home industries, causing these informal activities to dominate the livelihoods sector. Cross-border activity is also quite high given the proximity of the province to neighboring Botswana and South Africa. Flea markets, hairdressing, catering, touting, and fishing are among other small enterprises individuals venture into;
- Diaspora remittances: The proximity to neighboring countries has seen a lot of people migrating into South Africa or Botswana to seek better employment opportunities and send money and other in-kind gifts to family and relatives back home. Men migrate to South Africa and Botswana from most of the districts, but more especially from Tsholotsho.

Socio-cultural Context

Matabeleland North Province is dominated by the Ndebele people. A defining feature of this province is the absence of men from rural communities, which has forced the women into the position of having to fulfill many of the tasks historically associated with men. Despite the absence of men, they still have a final say on major decisions that affect the household. However, generally the household decision-making process has slowly shifted toward becoming consultative and consensual. Joint decision-making is now common in households, although women cannot make independent decisions on some issues such

as the sale of cattle when the husband is away. Both male and female FGD participants in the two selected districts indicated that women are involved in household budgeting and, in some cases, are responsible for keeping household money and purchasing of household groceries from markets. Women are usually given leeway to make income use decisions when the income source is "women's projects" or is very small. Decisions on relatively large incomes realized from the sale of livestock or crops such as maize or other productive assets are usually arrived at through a consultative process, but men have overall say on how the income will be used. In cases where there are disagreements on how to use the income, the man in the household has the final say.

Women have more leeway in making decisions regarding what are perceived as women's crops—namely, pulses such as beans, Bambara nuts, groundnuts, and cowpeas. Income realized from the sale of women's crops as well as Village Savings and Lending schemes is usually used to buy kitchen utensils such as pots and plates because of the general belief that the kitchen is a woman's space. However, the highly inflationary environment has forced women in Village Savings and Lending schemes to convert their savings into assets, thereby improving women's asset ownership status.

There are clear gender roles and responsibilities in Matabeleland North Province. Food preparation, for example, is a woman's responsibility. This gender role entitles them to make decisions on the type of food to be consumed in the household on a particular day as well as other decisions relating to "kitchen issues" that revolve around care and household nutrition. In some cases, however, the women must consult their husbands when they need resources to buy food for the household. Women, as managers of food security at household level, bear primary responsibility for maintaining household consumption. They play an important role in household budgeting—especially on budgeting for food because they know what the household needs.

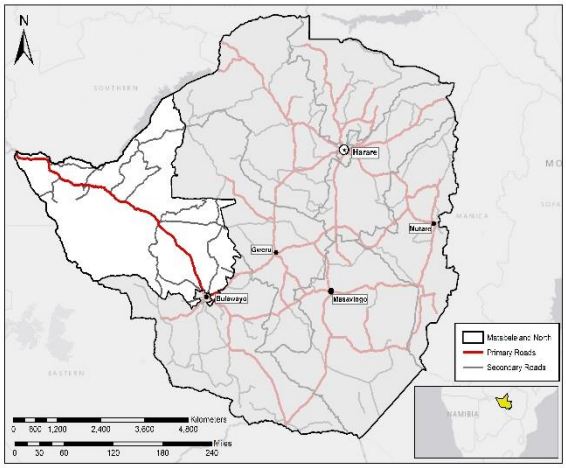
Infrastructure

More than 60 percent of the people in the province live in traditionally constructed houses of thatched grass and pole and dagga. Seventy-two percent do not use electricity and rely on firewood. Due to deforestation, families in the province are starting to engage in solar (green) energy, especially those with access to remittances. Seventy-one percent have access to safe drinking water across the province. However, there are significant challenges with open defecation, as 56 percent of the population in the province have no toilet facility. This issue is especially challenging in Binga where 76 percent of the population has no toilet facility.

Road network

The central core of infrastructure for development is the road network backed by railway systems that go all the way to Botswana, South Africa, and Zambia.

Figure 2. Matabeleland North Primary and Secondary Roads



Source: WFP, 2017.

The Trans-African Highway route which links SouthAfrica to the Zambian corridor (through Victoria Falls to Bulawayo), is used for distribution of commodities purchased in Zambia or in southwestern Zimbabwe (or in Harare, for the western regions). Travel can be arranged by rail through Victoria Falls.

In 2016, Matabeleland North Province had the following road statistics: 28 percent good tarmac roads, 9 percent good gravel roads, 20 percent dry weather roads, and 7 percent strip roads (ZimVAC, 2016). The road motor transport sector is open to the private sectors, and there are a variety of companies that are large and medium that move goods. The markets are more competitive in terms of the cost of importing goods from ports or from surplus-producing countries in the region.

Table 2. Matabeleland North Province Road Type and Network Length

Road Type	WMSS	WMGS	NM	GR	ER	Total
Network Length (km)	51.8	777.3	464.6	1,256.4	406.9	2,957

WMSS: Wide mat surfaced shoulders; WMGS: Wide mat gravel shoulders; NM: Narrow mart; GR: Gravel; ER: Earth.

Source: WFP, 2017.

As shown in Figures 3 and 4, fuel prices in Bulawayo, a major city neighboring Matabeleland North province remained at a similar level to Harare fuel prices between 2013 and May 2019. In June 2019, prices increased significantly in the country as Zimbabwe experienced a fuel shortage as well as a U.S. cash shortage. Fuel purchases are only possible in Zimbabwean Dollars (ZWL).

Figure 3. Comparison of Fuel Price from 2013-February 2019

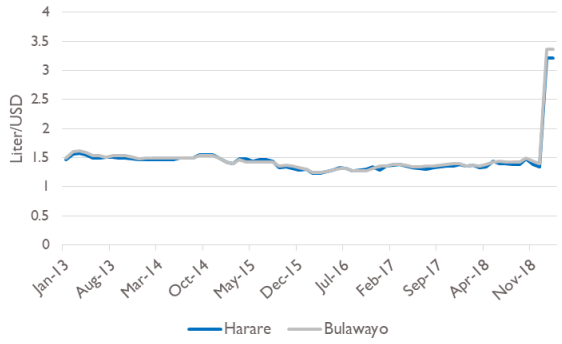
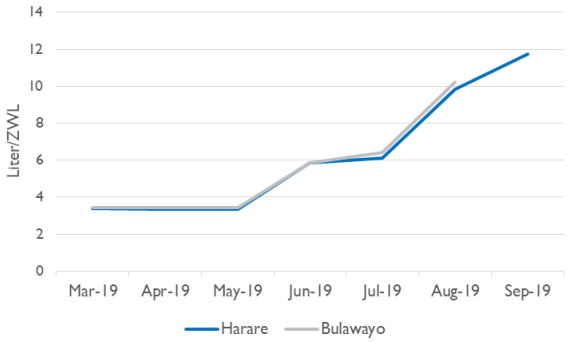


Figure 4. Comparison of Fuel Prices from March 2019- October 2019



Source: FEWS NET Price Data.

Rail and Air Infrastructure

The National Railway of Zimbabwe headquartered in Bulawayo is the main government rail transporter but has suffered due to lack of investment, use of antiquated fuel-powered engines, and old wagons. It also moves a significant amount of goods and fuel throughout the country. The rail and road network connects to Botswana, Zambia, South Africa, and Mozambique. The rail system, though underdeveloped

in the northeastern parts of the country, is important for movement of maize and other agricultural commodities. Only two domestic airlines—Air Zimbabwe and FastJet—have daily flights that link Harare to Bulawayo and Victoria Falls. The Zimbabwean side of the Victoria Falls and Hwange National Park are the main touristic attractions in the province. Travel and transport services are available to serve these locations. The Hwange National Park Airport, which connects the Hwange National Park in Matabeleland North, offers opportunities for private services to land in the province. Binga Airport at the north of the province also provide this type of services.

Information and Communications Technology (ICT) and Communication

Communication systems in the form of mobile phones coverage are almost 100 percent by all service networks in Zimbabwe. Cell phones are the primary form of communication, but challenges arise in the remote parts of Nkayi and Tsholotsho, where cell network coverage is weak. Mobile phones for voice, several forms of email, money transfer, and texts, together with apps for market information-sharing, are available but extremely expensive and uncompetitive. However, mobile phones have shown promising potential to effectively bring financial markets to the rural poor, allowing banks and other lenders in urban centers to provide services such as loans and saving accounts to a new population (Evans, 2018). Several agricultural entities, such as Eco-farmer, and apps such as EcoCash and One Wallet trade on the mobile phone platforms, linking to the Zip-IT platform with most of the traditional banking institutions. This has brought smallholder farmers into the banking sector.

With the rise of the cellphone, more households are connected to the Internet. An ICT survey in 2014 established that nationally, Matabeleland North Province had the highest proportion of households without a mobile phone (22 percent). Almost 8 percent (7.9) of households had access to the Internet (ZIMSTAT, 2014). While there has been significant rollout of communications infrastructure, with 2G exceeding 75 percent population coverage, high-speed broadband coverage is still patchy, and most rural and remote areas remain uncovered. Broadband coverage in rural and remote areas remains low. Coverage is mainly concentrated in affluent urban areas (GoZ, 2015).

The energy infrastructure exists through the national grid systems owned and run by the Zimbabwe Electricity Supply Company (ZESA). Inadequate power generation, outdated energy infrastructure, and financial constraints to importing have led to frequent power cuts in the country. In 2015, only 10 percent of rural households in Zimbabwe had access to electricity (GoZ, 2016). In 2014, Matabeleland North province had the lowest proportion of households with access to electricity in the country (4 percent).

Ports

Zimbabwe is a landlocked country and does not have any ports. The two most common ports used are the Port of Beira in Mozambique and the Port of Durban in South Africa. Donors use these ports to receive food assistance. Port choice is usually determined by cost and the destination province for the assistance. NGOs reported that Durban is the currently recommended port for receiving food aid because the ocean freight to this port is generally less expensive than the oceanfreight to Beira. There is occasional use of the Port of Maputo in Mozambique. However, cargo received through Maputo can only be viably transported to Zimbabwe by rail, limiting its usefulness.

Storage Facilities

Interviews with heads of NGOs in humanitarian assistance revealed that storage facilities are available and adequate for both food and non-food items used in the development and rebuilding of communities. These are found in the provincial city and at district level. Government has storage facilities managed by the Grain Marketing Board (GMB), with a total storage capacity of 4,902,700 MT across the country. GMB has 89 depots across the country, an indication of its high storage capacity. Out of these, 12 locations have silos, 82 locations have cement floors where tents can be pitched, and 24 locations have sheds or wooden structures to store grain. The shed and or wooden structures were noted as insecure because moisture can penetrate them.

Table 3. GMB Storage Facilities: Location and Carrying Capacity

Type	Number of Storage Structures	Carrying Capacity (in MT)
Silos	12	758,000
Hard Stands	82	3,974,000
Sheds/warehouses	24	170,700
Total	118	4,902,700

Major humanitarian organizations in Zimbabwe, including the United Nations (UN) and local and international NGOs, lease or hire out warehouses from commercial service providers. Ionela and National Foods are commercial storage providers in Bulawayo, with a combined capacity of about 12,000 MT. Storage lease is a standard practice in Zimbabwe for both humanitarian and commercial actors on the market.

The WFP does not operate any storage or warehouse containers in Matabeleland North. Storage facilities that are owned and operated by the WFP are located in Harare (10,000 MT) and Bulawayo (6,000 MT), and those serve Matabeleland North.

Use of mobile storage facilities is also common among the NGO, UN, and international organizations operating in the province. According to NGO managers, collaboration and space-sharing have become common with humanitarian actors, creating savings for these organizations. It is important to note that most agencies now prefer direct deliveries where the food is delivered and distributed on the same day, thereby eliminating the need for storage facilities.

Financial Services

In Matabeleland North, there are six commercial branches, one building society, one savings bank, and no development institutions that are regulated by the Reserve Bank of Zimbabwe. The commercial bank sectors offer customers a variety of services, including mobile money options, savings and checking accounts, and financing loans. Business and corporate partners also have relationships with the sector to increase profitability. Merchant banks are not found in the province of interest but are located in the capital, Harare. Mortgage borrowers, savers, and current account holders are "members" who vote on decisions that affect the society. Building societies do not need to pay dividends to shareholders, which

enables them to offer better rates of interest on savings and mortgages. Development institutions help fund additional infrastructure (road, rail, aviation) programs in Zimbabwe.

Table 4. Financial Service Providers in Matabeleland North Province

Commercial Banks	Building Societies	Savings Bank	Mobile Banking Platforms
• Agriculture Development Bank of Zimbabwe • First Capital Bank Limited • CBZ Bank Limited • FBC Bank Limited • Stanbic Bank Zimbabwe Limited • ZB Bank Limited	• CABS	• People's Own Savings Bank	• EcoCash • One wallet • Telecash

Most of the financial service providers operate from the nearby city of Bulawayo. However, Agribank, a loan-granting and a deposit-taking agriculture development financial institution, a primary vehicle through which government channels financial resources to the rural agriculture sector, is available in all districts of the province. CABS bank has also established a network of agents across all the districts, providing the financial services needed by the rural population. Some people are also using mobile banking services, such as One Wallet, Telecash, and EcoCash, with an option to link the bank account to the mobile phone wallet.

Apart from the formal financial service providers are informal schemes such as the Village Savings and Loans groups, mostly introduced by NGOs to promote financial inclusion and women's economic empowerment. These small groups of people, mostly women, save together and take small, low-interest loans from those savings. In Matabeleland North Province, the Organization of Rural Associations for Progress (ORAP), through the Amalima project, promoted this mode.

Agricultural Production in Matabeleland North Province

Livelihoods are based on inconsistent and erratic rain-fed cultivation of sorghum and millet, legumes such as cowpeas, round nuts (Bambara nuts), and mixed with animal husbandry. Table 5 indicates the 2019 crop production figures for the province.

Table 5. Matabeleland North Crop Production in Figures (2019) in Metric Tons

District	White Maize	Sorghum	Pearl Millet	Finger Millet
Binga	6,188	1,841	2,308	3
Bubi	9,281	702	700	0
Hwange	2,818	758	1,249	0
Lupane	6,602	702	2,615	0
Nkayi	3,939	567	407	1
Tsholotsho	3,215	941	4,138	0
Umguza	14,099	304	277	6
Total	46,142	5,815	11,694	10

Source: Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement (2019)

In all crop categories Matabeleland North yield per hectare is lower than Manicaland and Masvingo yields due to harsh climatic conditions in the province. Table 6 shows the average yield (metric ton per hectare) for the main cereals, at the province level.

Table 6. Matabeleland North Province Crop Production Yield Figures, 2019 (in Metric Tons/ha)

Crops	Maize	Sorghum	Pearl Millet	Finger Millet	Pulses
Yield	0.403	0.322	0.274	0.217	0

Source: Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement (2019)

Most farmers have given up farming because of the losses they incur every agricultural season. FGD participants noted a decrease in production. This was also confirmed by production statistics, which show that since 2017, there has been a decrease in average household grain production as indicated in Table 7 below.

Table 7. Average Household Cereal Production, Matabeleland North Province, 2017–2019

	Maize (kg)			Small Grains (kg)		
Season	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
Yield	240.5	164.8	91.0	88.1	49.5	39.5

Source: Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement (2019)

The food deficit in Matabeleland North Province is due to various factors, including:

- El Niño–induced droughts that have affected crops and caused death of livestock, especially cattle used as draught power
- Unaffordability of agricultural inputs for communal farmers
- Use of retained seed with reduced vigor

- Rising prices of basic goods
- Animal and crop diseases
- Effects of cyclones, which have affected production and yield levels, as well as access to and availability of food resulting in several households in need of food assistance. (ZimVAC, 2019)

Owing to the low production levels, FGD participants revealed that crop yields for all commodities do not last for a year—with six months, October to March, as the most difficult months for access to food. As a result of the food gap, Matabeleland North Province has a high prevalence rate of global acute malnutrition, severe acute malnutrition, stunting, and overweight in Zimbabwe (ZimVAC, 2019). The global acute malnutrition rate is at 0.20 percent, the severe acute malnutrition rate at 0.2 percent, stunting 26.1 percent, and overweight at 2.1percent (ZimVAC, 2019). Stakeholders revealed that most people in the province receive food assistance from the government and NGOs.

Poverty and Food Insecurity

The situation in the province has rendered some households poor. FGD participants indicated that that they measured poverty at community level using a number of indicators as follows:

- Lack of access to food to feed the household
    - Children from that household are seen in the forests early in the morning looking for wild fruits and going to other people's homes just in time for meals
    - They are known for asking for food from neighbors and then being unable to pay back
- There is no kraal or fowl run at poor people's homes because they have no livestock (both large and small stock, including chickens)
- Children do not attend school
- Torn clothes worn without shoes
- Dilapidated houses and insufficient accommodation; household members of different sexes sleep in one room and that one room serves multiple purposes
- Widows, orphans, elderly, disabled, and the chronically sick

The indicators mostly center on assets and access to basic needs, indicating less focus by community members on income-based poverty measures as well as demographic factors. Those identified as poor were also characterized by high levels of low self-esteem, high levels of domestic violence, large families, laziness, and poor decision-making, especially when they get money. Men prioritize beer while women prioritize soft drinks. Therefore, there is a need to focus on provision of basic needs, psychological needs, and asset-building.

Households engage in consumption-based and non-consumption–based coping strategies.

Consumption-based Coping Strategies: When there is not enough food in the household, women give first preference to their husbands and children, sacrificing themselves, without men's knowledge. When the household does not have enough nutritious food for all household members, the husband is given priority over children and the wife. This in turn affects access to nutritious foods by both the children and the mother. The other consumption-based coping strategies cited during primary data collection include:

- Reduction of the number of meals eaten per day
- Reduction of portion sizes
- Some household members, mostly women, eating less than others
- Increased consumption of wild fruits
- Consumption of less preferred foods
- Borrowing food
- Consumption of leafy vegetables without sadza (maize flour porridge)
- No variety, as the few resources available are devoted toward procuring staples

Decision-making on consumption-based coping strategies are dominated by women, due to their role of food preparation. Time, poverty, and shortage of water and fuel wood as a result of climate change also influence women's decisions on consumption-based coping strategies on what is prepared and how it is prepared. For example, beans take long to prepare so it is less preferred when facing water and fuel wood poverty. Beans are sometimes soaked overnight so that they do not take much time to cook.

Non-consumption–Based Coping Strategies: As households cope with food shortages, men and women prefer to take up tasks that are traditionally assigned to them. The following are the non-consumption–based coping strategies performed by both men and women in Matabeleland North Province:

- Women sell small livestock.
- Men sell large livestock. Cattle are also sold within communities. However, animal diseases such as foot and mouth have affected zonal movement of cattle, including cattle sales (see Annex 2).
- The size of land under cultivation is reduced.
- Household members engage in cross border trade.
- Labor migration occurs.
- People barter-trade for goods and/or services.

It was generally considered by FGD participants that men's coping strategies bring in more income (or resources) than women's.

Due to the province's proximity to South Africa and Botswana, livelihoods have been supported by cross-border labor migration of most of the active young adults, leaving older and less energetic people on the farms. Remittances are a crucial part of the provincial economy.

Vegetable production and sales is a livelihood earner in some parts of the province. Other important livelihood activities include craft-making targeted for the tourists, grass (thatching), and firewood sales. A small population embarks on petty trading—buying and selling goods from South Africa, Botswana, or Zambia. Both men and women seek seasonal agricultural and casual labor opportunities.

Food Consumption

Food consumption within the province is generally dominated by consumption of white maize, which constitutes the majority of household calories consumed. Maize is converted into mealie meal and then cooked to produce a meal called *sadza*. FGD participants revealed that small grains produced in the province are sold to the Grain Marketing Board because the people consume maize more than small grains.

Households use grinding mills, which are conveniently located at local business centers to produce mealie meal (i.e. maize meal). Milling has become expensive. In July 2019 milling was paid in cash or kind at the following costs: $1–$2 per 20-liter bucket of maize or a 5-liter tin of maize for a 20 kg bucket of maize. This pricing regime prevailed regardless of the fact that the Government of Zimbabwe (GoZ) had banned the use of U.S. dollars on June 24, 2019.

Contrary to observations made in Masvingo and Manicaland, in Matabeleland North, maize is consumed more than other grains, but FGD participants revealed that millet is highly preferred ahead of maize and sorghum. Households reported consuming beans, groundnuts, round nuts, and cowpeas, in addition to other pulses, substituting based on price and availability.

The assessment revealed that in Matabeleland North Province, *madora* (mopani worms) and Kapenta fish are the most commonly purchased animal protein source, leaving purchases of chicken, goat, and beef for special occasions. The assessment showed that in some rare cases "small animals" (such as rabbit and mice) and edible insects (such as termites) are likewise consumed to varying degrees across the visited districts.

Households reported preferring high-quality refined edible oil such as locally produced Olivine Oil, Red Seal, Zimgold, Royal Oil, and Pure Drop brands, as well as distributed D'Lite, which is imported informally from South Africa (see Annex 3).

Table 8. Commonly Consumed Foods in the Province, July 2019

Commodity Category	Notable Trends
Maize	White maize purchased and consumed. Millet and sorghum produced/consumed in Matabeleland North. Although in Manicaland and Masvingo, sorghum and millet is considered as inferior due to its labor-intensive requirements, in Matabeleland North, millet is highly preferred regardless of it being labor intensive.
Pulses	Groundnuts, round nuts, and cowpeas are consumed, but dry beans are highly preferred.
Animal Protein	Mopani worms and Kapenta fish purchased across the province. Household consumption and purchase of livestock meat and products limited/reserved for special occasions.
Edible Oil	Local edible oil (such as Olivine Oil, Red Seal, Zimgold, Royal Oil, and Pure Drop) available across the province.

Source: Authors based on fieldwork information.

Crop, Livestock, and Production Resource Ownership Patterns

In male-headed households, both men and women have access to resources of production, but men control certain resources, particularly those that are regarded as belonging to them. Men in general are regarded highly as heads of households and breadwinners. As heads of households, men own high-value assets such as land and cattle. Land shortage was not cited as a challenge in Matabeleland North Province; however, the ownership patterns were in favor of men. Men own farming implements, and women cannot lend these in the absence of the man. Small livestock, such as goats and chickens, as well as kitchenware belong to women, hence they have the flexibility to dispose them without consulting men. The skewed asset ownership patterns in favor of men are despite government policy on joint registration, through Statutory Instrument 53 and other constitutional provisions, particularly Section 3 of the 2013 Constitution, on nondiscrimination of women regarding ownership of assets and other aspects of life. Females are more disadvantaged than their male counterparts in terms of access to land, size of land, use of improved seed, and access to household tools and equipment; however, this does not affect the amount of investment that females commit to production. The skewed asset ownership patterns vary over the lifecycle of both men and women, with younger men and women more disadvantaged than older men and women.

The concept of family ownership of resources and assets is increasingly becoming a common replacement for assets and resources previously labeled as owned by men. For example, maize and cattle in some cases were regarded as belonging to the family, while chicken and pulses still remain women's. Classification of crops as belonging to males or females was for purposes of ensuring that someone accountable is for the crops.

2. Market Structure, Performance, and Conduct

Market Context Analysis

Matabeleland North is considered structurally deficit in maize, the country and the province's primary staple food. This is contributed to by the fact most districts in this area fall under region 4 and 5, which receives the lowest rains and also is characterized by high temperatures. Structural deficit status for most commodities within the province means that prices are heavily influenced by those in key source markets, both within the province and in neighboring areas of Botswana (through Plumtree border post) and South Africa, respectively and further influenced by factors affecting transportation costs. The local marketing system is vibrant, with many markets and trading centers, and is responsive to actual and perceived market signals (see Annex 3).

Supply Context

Given highly porous borders and strong market linkages, supplies and prices on markets are highly dependent on the broader national and regional context. Structural deficit status for most commodities within the province means that prices are heavily influenced by those in key source markets, within the area, in parts of Matabeleland North Province and in neighboring areas of South Africa, respectively and by transportation costs. There are a variety of markets for various commodities and the commodities varies in terms of how the form depending on the nature of the demand and the quality of the produce.

Table 9. Commodity Sources

Commodity	Source and production status
White Maize	Deficit. Main sources include Mashonaland West, Mashonaland Central, and Harare, as well as Macheke, Zambia, South Africa, and Latin America.
Pulses	Deficit. Production is limited. Major sources of pulses include Zambia and Malawi.
Edible Oil	Surplus. Zimbabwe has excess capacity in terms of edible oil production. However, the supply of soya bean is limited as the country imports soya bean and crude oil from South Africa. Imports from South Africa available at lower prices in Southern Zimbabwe.
Sorghum/millet	Minor production. Can be considered almost non-tradable, as very little arrives onto markets.
Fish	Surplus. Kariba dam is surplus-producing, supplying the whole country; Kapenta fish are most frequently purchased by poor households.
Livestock	Mixed. Assessed districts in Matabeleland North Province (*i.e.*, Tsholotsho and Nkayi) are surplus-producing in cattle/goats; other districts are deficit.

Source: Authors based on fieldwork information.

The number of traders on markets and quantities traded varies considerably between large reference markets and small rural markets. When analyzing the competition context on small rural markets in Matabeleland North, there was evidence that structural rigidities in various crops under consideration rendered the markets weak and as households failed to meet their own food needs.

Provincial Economy and Livelihoods

Most of the markets emerged in strategic places that are convenient to customers, easily accessible, close to producers, and economically vibrant. This implies that the markets are somehow busy. However, within the marketplace, traders still locate themselves differently for various reasons. Many of the vendors make an income of a maximum of approximately $300 per month. Such trade types of entrepreneurship are regarded as better than manual work in the fields, where incomes from crop produce sales are very low and unpredictable when marketed to government parastatals such as GMB.

In many of the areas, there is a growing stratum of shopkeepers, a livelihood that is essentially a strategy for minimal survival. This informal set of local entrepreneurs is hardly emancipatory for the majority of the rural poor as it does not absorb the mass of the poor, who still have to revert to agriculture as a source of livelihoods. Therefore, subsistence farming still remains central, yet it contributes to a division of labor within families, as some members partake in micro-entrepreneurship.

Traders set up their businesses differently. Some had to look for capital first while others started by selling the few crops and livestock they were producing. Some converted the remittances they had received from South Africa into capital while others had to borrow some money from other established business people. Casual labor was also a common source of business capital. There were no incidences of vendors who had borrowed some money from the bank, as banks require collateral security that apparently could not be provided by the vendors. Some joined the existing markets (where old women do vending), while others started at new sites altogether.

Food markets in Matabeleland North are dominated by major staple foods and that is reflective in most parts of Zimbabwe, regardless of region or province. These are mainly cereal grains of maize, imported rice, wheat for processors, and small grains (mostly sorghum and millet). However small grains are becoming more popular in the province, despite farmers lacking information and equipment on value addition and markets development.

Market Infrastructure

Major selling points: There is a wide network of market infrastructures centered around the urban centers and along the main highways in the province. These are also connected to rural and mining centers. The people's markets are mostly found along the road from Bulawayo to Victoria Falls. For transport to major selling points, people use the public bus system as well as donkeys and private vehicles (most of them with foreign license plates from South Africa or Botswana). In proximity, there are also retail service centers, including agricultural markets designated by local authorities. The growth in the demand for food has contributed to the mushrooming of open sales in the informal sector across most of the business centers in the province. For livestock, the marketing has slowly been regularized with the introduction of cattle auctions at local centers, but interference by central and local government through levying of livestock sale taxes has tended to make the livestock industry uncompetitive.

Retail supermarkets: There are several national retail chains, such as TM-Picknpay, Choppies, Greens, OK, and SPAR, which sell food items and influence the markets. Beside the large supermarkets are the many registered retail shops that sell food in the various markets in Matabeleland North Province. Processed maize is largely found in most retail shops, with prices having changed when the multi-currency was abandoned in July 2019. The several retail outlets in small towns (Lupane, Tsholotsho, Hwange) provide important food market services in the province.

Key Reference Markets and Marketing Basins

The districts within Matabeleland North Province are part of one broad marketing basin that is linked with Bulawayo and South Africa. The direction of trade (including seasonality) and strength of linkages between distant markets depend on the commodities traded. There are spatial market linkages with major cities (Harare and Bulawayo) and neighboring Musina (South Africa). A number of important reference markets operate across the province, including the well-established markets in Bulawayo. The markets are dominated by horticulture products and livestock.

Key reference markets serve multiple roles as assembly, wholesale, and retail markets. The most important reference markets are located within Tsholotsho and Nkayi districts and along major roads, and operate daily, with at least one main market day during the week when sales are most vibrant. There are likewise key cross-border trade points.

Barriers to Entry

Trading of grains in Zimbabwe is largely controlled, hence households are forced to purchase maize from the GMB. Although there are informal traders who sell maize, households mostly buy from the GMB because of its fair prices, compared to what informal traders charge. Price floors are set by the Government soon after harvest. Ironically, the Government set same price for both small grains and maize although small grains are of high value—plus the production costs are different. Due to their higher nutritional value, small grains fetch higher prices by margins as high as 50 percent over and above maize price in open markets, especially with beverage-producing firms. In June 2019, the Government of Zimbabwe issued Statutory Instrument 145 of 2019, which banned trading of maize, thereby paving the way for GMB to solely handle trade of maize. Uncertainty on markets created by this statutory instrument will have wider impact. In the past, the Government used to maintain a heavy police presence that made it easier to monitor maize and movement of other commodities—chief being livestock, due to challenges of Foot and Mouth Disease (FMD).

Many rural producers have avoided selling to the GMB, until the price was artificially set above the import premium of $390/ton, which has been eroded due to the re-introduction of a weak Zimbabwe Dollar (ZWD$). During years of government price intervention, the maize smallholder producers used to sell on open markets or to rural aggregators based on their cash flow needs for both crops and livestock (small ruminants and chickens). Markets for groceries—that is, processed foods and basic commodities used by households on a daily basis—are different, characterized as competitive. In most cases, distributors of foodstuffs (manufacturing firms) channel their products via established retails and wholesalers, who later sell to informal traders at "gazzeted" prices—that is, prices set by the government from time to time. Table 10 shows key characteristics of Matabeleland North commodity markets.

Table 10. Key Characteristics of Commodity Markets in Matabeleland North, July 2019

Commodity	Characteristics
Maize Grain and Maize Products	Many actors of varying sizes are present in the marketing system. Trading of maize is governed by GoZ, and GMB has sole monopoly in the trading of maize, save for household-to-household transactions. While men dominate trading companies and wholesale markets, women are more prevalent in retail markets. Local mealie meal brands such as Red Seal, Ngwerewere, Sunny, and Probrands are manufactured by few companies in Zimbabwe. Distributed through supermarkets and manufacturer retail outlets (mealie meal is generally available in Matabeleland North Province even in the rural areas).
Pulses	Groundnuts, roundnuts, cowpeas, and beans is produced at a small scale for household consumption. Local and regional supply and demand determine prices and direction of trade. Traders in Matabeleland North source from Bulawayo and neighboring countries, such as Malawi and Zambia.
Edible Oil	Local edible oils are largely available. Locally produced fortified edible oil is manufactured by a few industrialized oilseed processing firms with well-defined distribution systems within the province. Oilseed processing firms rely on both locally produced and imported oilseeds (including sunflower and soya) as well as imported crude vegetable oil, which is refined and fortified locally. Imports from South Africa through informal channels are less expensive and are also highly preferred. Vendors typically sell other products along with edible oil, so there is relatively less seasonal entry/exit onto markets.
Sorghum/millet	Small grains such as sorghum and millet are mainly produced in drought-prone areas in Matabeleland North Province (Tsholotsho, Nkayi, and Umguza districts). Households underscored that in as much as they appreciate the role of small grains in mitigating the effects of climate change, they lose large part of the crop to birds. As a result, millet and sorghum produced in these areas is mainly for household consumption. In cases where there is surplus, low volumes that reach markets are sold by women. In few cases, surplus sorghum/millet is channeled to GMB at same price as maize.
Livestock	Sales/purchase of livestock typically take place between buyers and sellers outside of formal market places. Large cattle herds are the main household asset in Matabeleland North Province in general. Poor households own small ruminants and chickens. Meat is sold in kilograms by butcheries operating on markets. Purchase and consumption by poor households is limited. Movement of livestock across district borders is influenced by zoonotic disease conditions (foot and mouth disease, for example). Livestock ownership among the poor is not a clear pathway to increased meat or livestock product consumption but has been linked to improved income. From a gender perspective, men dominate ownership and sale of cattle while women dominate ownership and sale of chickens and small ruminants such as goats.

Source: Authors based on fieldwork information and desk research.

Market Accessibility

Across the province, markets were regarded as fairly accessible. Most of the owners of vending stalls are men, and women rent these from men. Women dominate local markets as retailers (60 to 80 percent), while men are most of the wholesalers, which dominate external and high-value markets due to the amounts of capital required. Odd wholesale market opening hours restrict women from participating directly in wholesale activities because they present security challenges as well as interfere with their traditional roles of preparing the day for the household, such as preparing children for school. Most women featured in the horticulture food markets while men mostly sold grain. The reason was that grain is too heavy and women are not prepared to carry loads every day. On the other hand, men consider the selling of horticulture commodities such as tomatoes and vegetable as a women's form of livelihood. Large livestock markets are dominated by men, while women dominate small livestock markets as well as sale of livestock products such as eggs. Traditionally, men own cattle while women are responsible for small livestock.

Marketing of crops follows the classification of crops as men or women's crops because this determines the size of production and the amount of yields. Since women produce crops in small quantities, traveling long distances does not make it sustainable in terms of time, energy, and cost for transport. Men are mostly involved in the marketing of high-value crops (especially to the Grain Marketing Board) because of the amount of time spent away from home since people sometimes spend several days at the market.

A common feature of urban markets was a cooking fire where women were seen preparing food for sale. Common foods prepared in the markets are alternatives to sadza and bread, which have become expensive for the ordinary person. The high prices of these commodities have opened up opportunities for women to prepare and sell *mutakura* (maize boiled together with either groundnuts, cowpeas, and Bambara nuts) as a substitute for *sadza* and bread; sweet potatoes; roasted groundnuts; and *mahewu*, a non-alcoholic fermented beverage.

Market Conduct

Marketplaces should be places for information exchange, and this comes in a variety of forms: first, the price to which the farmer expects to sell at the market. This price intent is smoothened based on what other farmers are offering/and expecting. Mbare Musika, the main market in Zimbabwe (Harare), is the dominant source of market information and prices. The market informs market actors and consumers about quantities available. Currently, platforms such as Hurudza, Esoko, Ecofarmer, and Emkambo at Mbare Musika provide advice on the alternative seasonal crops to grow and maintain the serviced database on number of growers and what they produce, as well as the number who bring some livestock into the markets. Generally, a variety of market actors, such as producers, buyers, customers, traders, consumers, transporters, and financiers, do exist in different markets in Zimbabwe. Mass markets such as Mbare, Sakubva, and Mucheke enable farmers to meet informal financiers like traders who can easily finance certain crops without need for collateral. As financiers, traders can also advise farmers on what crops to grow and when and how to grow them. Farmers are able to maintain their customer base and also get new customers through these mass markets. Farmers also get educated about the preferred packaging materials and sizes, as well the best way of packaging specific commodities.

Vendors sell their products mostly to local people. This was the normal trend, as traders were able to supply what is most needed by the people. They were also more convenient to their clients: they could even sell to their neighbors. Many of the traders provide goods on credit to clients because they know each other. Trust and belonging to the community over a period of time qualifies one to borrow goods from the traders. The credit is repaid without a defined standard of time. Traders undertaking transactions at the community level were also willing to sell their products through barter-trade, as some local people did not have money. In July 2019, traders were selling 2 kgs of sugar in exchange for a 5-liter tin of round nuts, groundnuts, maize, or any other crop. This kind of trading was popular especially for clothing traders who could exchange cloths for traditional chickens, crops, or even casual labor. This form of market has made life easier for the poor, who may opt to offer labor in exchange for a particular commodity they might want.

Entry/exit into Markets

In all the markets studied, there are common challenges that were identified and require rectification. There is low stock turnover (low sales), due to poor circulation of money that comes in different forms. Majority of populations prefer maize grain to small grains, due to the extra labor involved in processing the small grains (Consumer taste and preferences), hence low stock turn-over of these small grains on the market. Financial problems on the side of buyers, resulting in low sales on some of the basic commodities in the shops. Poor road networks, resulting in maize grain and other basic products not being available in every corner of the districts, even though potential buyers may be found. As with other aspects of the market context in Matabeleland North, market entry and exit behavior varies by commodity. Traders dealing in maize (maize grain and pulses) exhibit a relatively low degree of entry and exit (seasonal and interannual) depending on actual and perceived market trends. Uncertainty on markets created by national maize marketing policies does influence entry, exit, and incentives to scale up operations in the production of maize, in particular, for example, the recent Statutory Instrument 145 of 2019 which banned trading of maize effectively criminalize the trading of maize.

Poor households buy livestock (small ruminants and chickens), maize, and, to a less extent, crops like beans from the market. Traders of processed goods (edible oil, peanut butter) are less transient in nature, typically selling other processed goods on a more permanent basis throughout the year. Maize and sorghum are purchased from the nearby GMB depots while products like edible oils are purchased from the grocery shops. The units of measurement vary depending on the market (see Table 11).

Table 11. Common Units of Measure Practiced in the Matabeleland North, July 2019

Commodity	Unit of Measurement
Maize Grain	50 kg bag if from GMB but 20-liter buckets are common in other markets
Pulses	Cups of varying sizes
Edible Oil	750 ml and 2 liters
Fish	5-liter tin and heaps of various sizes
Eggs	36-egg tray
Beef	Meat is sold in kilograms at butcheries

Source: Authors based on fieldwork information.

Price Setting and Price Discovery

The price setting and price discovery process depends on the level of coordination (localized or more general) for a given commodity. However, since 2018, a three-tier pricing system has been operating in the country, where people pay different prices for the commodity depending on the mode of payment the customer is using. Goods are thus priced differently in U.S. dollars, bond notes, or EcoCash. Commodities are priced cheaply in U.S. dollars terms because of its high value and demand on the market. Goods sold in U.S. dollars can receive discounts of up to 25 percent. Owing to cash shortages, prices are also better priced in cash to lure cash customers. The most expensive mode of payment is mobile money, due to the 2 percent Intermediated Money Transfer Tax on all electronic transactions worth $10 and above, which was introduced by the government in October 2018. On top of this 2 percent government tax, Econet also charges almost 3 percent per transaction for sending money. Traders generally charged between 40 and 60 percent transaction fees for all EcoCash transactions.

Edible oil and eggs produced by large firms have administered prices set by the manufacturer that are communicated to their network of distributors and vendors. However, some localized differences may account for the large variation in transportation costs between Harare and Mutare (where manufacturers are located) and more distant district markets.

Pricing of maize and maize products is influenced by GMB pricing regime, which seems to favor subsidies to consumers. However, the informal market operates in a mostly free market environment where prices respond to forces of demand and supply. The impact of the recent enactment of the Statutory Instrument 145 of 2019 (Grain Marketing Control of Sale of Maize Regulations, 2019), which makes the GMB the sole buyer of maize, is likely to have major effects on market structures and linkages in the country. The prevailing policy of pricing maize above market equilibrium is contributing to the high numbers of people with huge difficulties accessing food in the market. The indiscriminate output subsidies offered to maize producers are resulting in more benefits to a handful of surplus maize producers, while disadvantaging the majority of smallholder farmers who are food net buyers and market dependent, especially after their own production is exhausted. In addition, the current trade restrictions have meant that a poor Zimbabwean consumer since 2013 has been paying around 50 percent more than consumers in Malawi and Zambia.

For products such as mealie meal and rice, the assessment found that prices are largely determined by the cost in the source market, the cost of transportation, and traders' desired profit margins. The assessment confirmed that formal commodity trading associations (such as those seen in other parts of the world) do not play an important role in Matabeleland North Province, although market-level coordination occurs among traders to establish daily market prices as a function of the key considerations listed above. The assessment found that at the retail level, only butchers regularly offer to weigh goods sold by weight. For foods sold by volume (either by cup or heap), the actual volume of the unit of measure varies seasonally, thereby masking seasonal variations in prices and food access.

Livestock markets are composed of cattle markets and small livestock markets. Cattle markets have an organized calendar developed by the council, which permit movement of the market from one location in the district to another. However, livestock markets operate in three main dimensions: 1) auctions; 2) private sales; and 3) the kilograms method. Auctions are held in the designated points following the dates allotted by the council. This market is governed by the council, secured by the police and the Livestock Production Department. Private sales involve the farmer negotiating with the buyer privately at the homestead. The buyer looking for cattle comes and negotiates with the seller until they agree on

a particular price. The same method describes the selling of other small livestock such as chickens, rabbits, sheep, and goats. However, it is subject to manipulation of the seller since he might not have sufficient information on pricing. Lastly, the kilogram method requires the trader to travel with his cattle to the abattoirs/butcheries and first slaughter them, then have the meat weighed and be paid accordingly. This has its own drawbacks, as cattle are only weighed after other parts have been removed. More important is the fact that transporting cattle to the market may be expensive for the seller as these kinds of markets are situated in cities and towns elsewhere in the country. Table 12 presents average prices of selected commodities in Matabeleland North Province.

Table 12. Average Prices of Goods on the Market in Matabeleland North Province

Item	Quantity	Average Price in US Dollars
Sugar	2 kg	$2.30
Edible Oil	2 liters	$3.50
Salt	1 kg	$1.00
Rice	2 kg	$2.60
Mealie Meal	10 kgs	$2.50
Flour	2 kg	$3.00
Mopane Worms	20-liter bucket	$15.00

In the province, one commodity is priced differently, depending on whether someone is buying in RTGS (the interim currency), bond cash, EcoCash, or U.S. dollars. Furthermore, despite the pronouncement of a mono-currency system in July 2019 through Statutory Instrument 142, traders are still trading in U.S. dollars, and in most parts of the province the South African Rand is dominant.

Market Performance

Markets in Matabeleland North Province are thin, meaning that surpluses are generally limited, showcasing that variations in supply and demand can have important implications for price trends. The private sector is not highly responsive to market signals (whether real or perceived), resulting in no seasonal variations in the quantities traded on markets and in prices, although the extent of seasonal price variation depends on the commodity. Maize, pulses, and other crops exhibit very weak seasonal price trends (see Figure 5 and Figure 6).

Figure 5. Seasonal Variation of Maize Prices in Matabeleland North Province

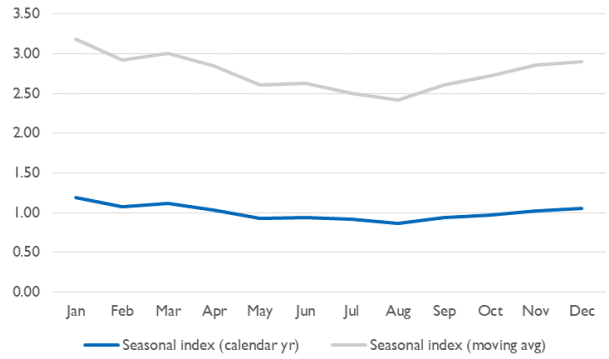
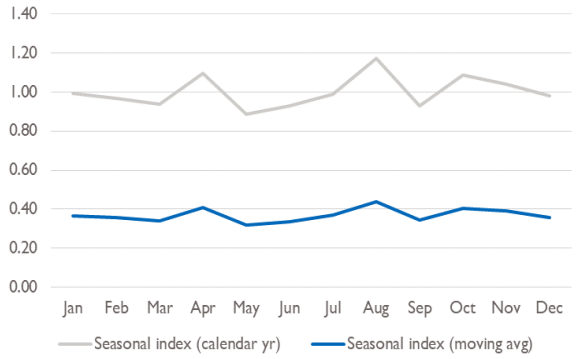


Figure 6. Seasonal Variation of Beans Prices in Matabeleland North Province



Liquidity challenges (access to cash), exchange rate variability, shortage of foreign currency, fuel challenges, and source market prices were cited among the dominant factors influencing constraints to increasing market capacity in response to increased demand. A number of factors affect households' food access in the province, including high cost of transport and distance to markets, which reached up to 15 km (three hours on foot) among households interviewed. In 2016, nationally, the longest distance to markets was recorded in Matabeleland North as 14.2 km (ZimVAC, 2016). Isolation in some areas during the rainy season creates additional physical market access issues. Exchange rate–induced price variability was observed as a major factor contributing to the erosion of households' purchasing power.

For the main reference markets visited during the assessment, the most commonly consumed foodstuffs are available year-round during non-crisis years but with no distinct seasonal trends in terms of the prices and quantities traded. Matabeleland North Province exhibited high appetite for both production and marketing of millet/sorghum (at the household level).

The assessment found that edible oil and meat/butchers are always available in rural markets, even during non-crisis years. However, the assessment found several examples of households reporting a lack of availability of maize, some varieties of pulses (beans or cowpeas, depending on the area), and fresh fish in smaller rural markets between the months of August and March, especially in drought-prone districts (Nkayi, Tsholotsho, and Umguza).

These households traveled to the GMB depots at Tsholotsho center during these months to meet their food needs. Time series data are not available for all commodities considered in this study; however, evidence does suggest that markets are less responsive/reactive to market signals (including shocks), whether they are actual or simply perceived. Markets show no commodity price co-movement for maize and pulses between major market towns within Matabeleland North and with other key reference markets in the province (Figure 7 and Figure 8). This result shows that the market prices of pulses and maize are not influenced by prices of the same commodities in other markets. There is no maize and pulse market integration in the province. The result is supported by weak correlation: for instance, correlations of 0.033 and 0.015 between Tsholotsho and Nkayi for maize and pulses market prices, respectively.

Figure 7. Seasonal Variation of Maize Prices in Matabeleland North Province (Co-movement)

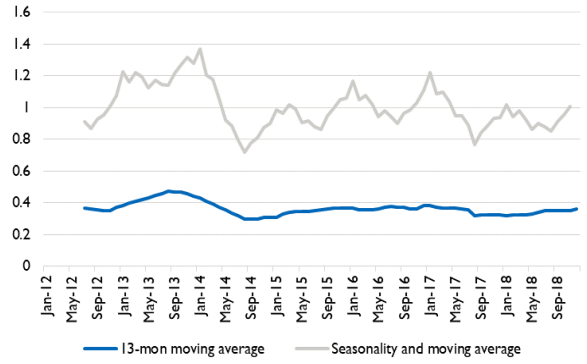
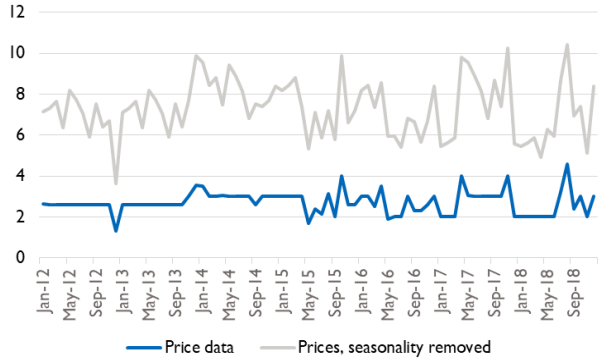


Figure 8. Seasonal Variation of Beans Prices in Matabeleland North (Co-movement)



Source: Authors' calculations.

The assessment shows that strength of integration (strong price signals and trade linkages) declines in more isolated/distant areas due to relatively high transportation and marketing costs, especially during the rainy season, when markets can cease to operate temporarily. The field assessment found the focus commodity markets to be integrated through trade through three main pathways: 1) long-distance trade, with maize, pulses, and fish traders from the main reference markets in Matabeleland North traveling very long distances to key source markets (including Harare and Bulawayo) to make purchases, rather than from intermediary wholesale/distributions markets, a relatively new phenomenon; 2) itinerant trade through relatively larger maize (GMB), pulses, and livestock traders based in a district major town or trading center who sell in multiple smaller, rural weekly markets in a given district, operating on different market days; and 3) coordinated distribution networks, which apply primarily for processed/manufactured goods sold through shops (*e.g.*, edible oil) but also for individual traders in larger markets working through a network of smaller traders.

Challenges and Constraints to Market Stability in Matabeleland North Province

Zimbabwe's food markets respond to particular policy inducements. On the back of serious food challenges, the country has had to survive the significant effects of drought and floods. In general, since 2000 Zimbabwe opened up the economy to imports, and it has—in some of the years, such as in 2016—tried to control what the country could import. However, the lack of production and related impacts on manufacturing has meant that the country has remained open to imports. The competitiveness of actors at the production base measured against product origin makes Zimbabwe one of the most expensive country to produce food. In fact, the dollarization of the economy and attempts to reverse it in 2019 has created serious inflationary and exchange rate problems. The low production in the economy has hit hard on the agriculture sector. Key challenges relate to policy trials, inconsistencies, and reversal, with national budgetary plans suffering from these reversals. The key economic actors are left maneuvering blindly through these rapid policy change and regulations that are unleashed without adequate time to understand and adjust production system.

3. Food Security and Food Assistance

"Food security exists when all people at all times have physical, social and economic access to food which is safe and consumed in sufficient quantity and quality to meet their dietary needs and food preferences and it is supported by an environment of adequate sanitation, health services and care, allowing for a healthy and active life." —Food and Nutrition Security Policy, 2012

Policy and Legal Framework Relevant to DFSA Programming

International legal framework: Zimbabwe has committed itself to various international and regional legal and policy frameworks relating to food and nutrition security. It is a signatory to the International Convention on Economic, Social and Cultural Rights, Article 11 of which states that every human being has a right to adequate food. The right to food is also enshrined in the Universal Declaration of Human Rights, Article 25, to which Zimbabwe is a signatory. Zimbabwe also committed itself to the 2016–2030 Sustainable Development Goals, and among the ten goals that it prioritized for implementation is Goal 2, "End hunger, achieve food security and improved nutrition and promote sustainable agriculture." Article 28 of the Convention on the Rights of Persons with Disabilities, Article 142 (c) of the African Charter on the Rights and Welfare of the Child, Article 24 of the Convention on the Rights of the Child, and Article 12 and 14 of the Convention on the Elimination of all Forms of Discrimination against Women also provide for the right to food for people living with disabilities, children, and women, respectively; Zimbabwe is a signatory to all. This has informed targeting of vulnerable women, children, the elderly and people living with disabilities for food assistance. Development Food Security Assistance (DFSA) programming is therefore relevant to the international legal framework in Zimbabwe.

National policy and legal framework: At the national level, the right to food is enshrined in the country's Constitution. Article 77 (b) states that "every person has a right to sufficient food and the State must take reasonable and other legislative measures within the limits of the resources available to it to achieve the progressive realization of this right." In 2013, the government of Zimbabwe developed a Food and Nutrition Security Policy whose goal is to promote and ensure adequate food and nutrition security for all people at all times—particularly among the vulnerable and in line with Zimbabwe's cultural norms and values and the concept of rebuilding and maintaining family dignity (GoZ, 2013). Zimbabwe's Vision 2030, which is aimed at the country's attainment of upper middle income status by 2030, also puts priority on supporting agriculture for food security (GoZ, 2018). The Transitional Stabilization Program (2018–2020), a document that outlines policies, strategies, and projects that guide Zimbabwe's social and economic development interventions up to December 2020. This program simultaneously targeted immediate quick wins and laid a robust base for economic growth for the period 2021–2030 and was underpinned by measures to stimulate agricultural production with a thrust on boosting farm productivity and farm yields for food security.

Food Assistance Policy Framework

Social protection: Food assistance in Zimbabwe is governed by the Food and Nutrition Security Policy and the Social Transfers Policy Framework, as well as the Policy Framework for Productive Community Works. The former states that cash is generally the preferred form of transfer; however, food may be more appropriate in food-deficit areas or where markets are not working. The other two policy frameworks identify two principal groups requiring social welfare assistance: households that are labor

constrained and those that are able to provide labor. The first group is assisted through the Harmonized Cash Transfers Program, which incorporates a range of interventions, including health and education grants. The second group is supported through Productive Community Works, which provides short-term relief through the payment of wages in exchange for work. The idea is for the productive community works to contribute to longer-term economic growth through improvements to basic infrastructure and the restoration of the local environment, while ultimately enhancing the livelihoods of the most vulnerable and marginalized groups through increased productivity and self-reliance (GoZ, 2013). This policy discourages free handouts of food or cash to affected households, preferring households with labor to receive support through participation in community works that create productive assets. Many development partners in Zimbabwe have already begun to support non-labor–constrained households through Food/Cash-for-Assets projects.

Humanitarian Institutional Framework

Humanitarian Country Team: The Humanitarian Country Team (HCT) is composed of all heads of UN humanitarian agencies and up to five NGOs, including one representative from an umbrella national NGO (NANGO). Donors join in the HCT meeting every other month, and Red Cross workers are standing observers in all HCT meetings. The HCT remains the highest-level coordination body for the humanitarian non-governmental community. It sets common objectives and priorities for humanitarian action in the country. The presence of donors and NGOs in HCT meetings has played a pivotal role in consolidating the views of the humanitarian community on issues related to the humanitarian reform process and consistently raising these concerns at HCT meetings in a bid to improve overall effectiveness and partnership in aid delivery.

There is further coordination of humanitarian responses in Zimbabwe through the Social Protection Working Group, the Zimbabwe Food Security Cluster, the Food Assistance Working Group, the Agriculture and Food Security Working Group, and the Harmonized Cash Assistance Working Group. The duty of these platforms is to collate and distribute information; identify mechanisms for collaboration and coordination in their various programmatic areas; and establish mechanisms for bridging the humanitarian development nexus. Some working groups, such as Zimbabwe Food Security Cluster, have provincial-level clusters that hold meetings and share updates (Zimbabwe Food Security Cluster, July 2019). Cluster meeting minutes are posted on the Food Security Cluster website for information and use by development partners. In the same vein, the Harmonized Cash Assistance Working Group and the Food Security Cluster produce market monitoring and food security monitoring reports (respectively) for stakeholder consumption.

Interviews with representatives of NGOs cited negotiations between the National Cash Working Group and the Reserve Bank of Zimbabwe as evidence of effective coordination. Negotiations surrounded Statutory Instrument 142, which provided for a mono currency system in the country. The request to get U.S. dollars from banks for use for cash transfer programs registered traction.

Zimbabwe Vulnerability Assessment Committee: Zimbabwe Vulnerability Assessment Committee (ZimVAC) is a consortium established in 2002 of Government, UN agencies, NGOs, and other international organizations; it is led and regulated by Government. The Food and Nutrition Council, a department in the Office of the President and Cabinet whose mandate is to promote a multi-sectoral response to food insecurity and nutrition problems to ensure that every Zimbabwean is free from hunger and malnutrition, chairs ZimVAC. The information generated is used for policy formulation

and programming by Government and its development partners. ZimVAC supports Government in convening and coordinating stakeholders on national food and nutrition security issues in Zimbabwe; charting a practical way forward for fulfilling legal and existing policy commitments in food and nutrition security; and advising Government on strategic directions in food and nutrition security. Through its watchdog role, ZimVAC supports and facilitates action to ensure commitments in food and nutrition are kept on track by different sectors through a number of core functions, such as undertaking food and nutrition assessments, analysis and research; and promoting multi-sectoral and innovative approaches for addressing food and nutrition insecurity. The group also supports and builds national capacity for food and nutrition security, including at subnational (*i.e.*, provincial, district, ward, and village) levels. Subnational food and nutrition security committees are as active as those at the national level in coordinating of food security activities including humanitarian and resilience initiatives at more local levels.

Due to the dynamic programming context, deeper context analysis beyond the current ZimVAC reports is needed. A critique of the ZimVAC surveys showed that they do not include all variables typically needed to measure resilience, such as the social capital index, data to compute bonding and bridging social capital separately, and data to compute transformative capacity (USAID, 2018).

Resilience Programming

Long-term development initiative Zimbabwe Resilience Building Fund provides major support for resilience programming, working to increase communities' capacity to protect development gains in the face of recurrent shocks and stresses, thus enabling them to contribute to the economic development of Zimbabwe. The ZRBF is supported by the Ministry of Lands, Agriculture, Water, Climate and Rural Resettlement (MLAWCRR), the European Union (EU), the Embassy of Sweden, the United Nations Development Program (UNDP), and the UK Department for International Development (DFID). The interventions are all aimed at helping communities to withstand shocks and stresses. The ZBRF also supports national surveys critical for resilience programming, such as livelihoods and vulnerability assessments, poverty surveys, and agriculture-related surveys. The ZBRF achieves its objective through multi-stakeholder implementation of three interlinked multi-sectorial outputs:

- **Application of evidence in policy-making for resilience:** The ZRBF set up an independent base of evidence for program targeting and policy-making (including monitoring and evaluation) and promoting capacity assessment. It has also built up central and local government partners to improve application of evidence.
- **Absorptive, adaptive, and transformative capacities of at-risk communities**: The ZRBF increased and improved these capacities by setting up a multi-donor fund that allows partners to come together around the resilience framework and principles to improve adaptive, absorptive, and—to a certain extent—transformative capacities of targeted communities.
- **Timely and cost-effective response to emergencies:** The response system was rolled out via existing safety net and other relevant programs, which ZRBF used to set up a risk financing mechanism that provides—from a resilience perspective—appropriate, predictable, coordinated and timely response to risk and shocks to benefitting communities.

The ZRBF program is being implemented across a number of provinces, including Matabeleland North, Masvingo, and Manicaland. Findings of an impact evaluation of the ZRBF program in 2018 revealed that communities in these provinces still exhibit low levels of resilience, expressed in terms of various

outcomes: high rates of poverty as measured by the multidimensional poverty index and poor rates of food security as measured by the food consumption score. The three types of capacities—absorptive, adaptive, and transformative—were noted to be low as well as evidenced by lack of savings and limited access to formal and informal support services; limited diversification of livelihoods and low production of climate-resilient crops; low access to key basic services such as veterinary and Agritex services; and low access to markets and infrastructure (Oxford Management Policy, 2018). This picture illustrates the need for continued support toward resilience-building in the three provinces.

USAID/FFP Development Food Security Activities

Since 2013, USAID has funded two FFP Development programs: Amalima (2013–2020) in Matabeleland North Province and the Enhancing Nutrition, Stepping Up Resilience and Enterprise (ENSURE) project (2013–2018) in Masvingo and Manicaland provinces. Both programs aim to address the underlying causes of food insecurity in Zimbabwe. Amalima is a $43 million project targeting 56,000 households and implemented by a consortia of six NGOs: Cultivating New Frontiers in Agriculture (CNFA), Organization of Rural Associations for Progress (ORAP), Dabane Water Workshops, Africare, Manoff Group, and International Medical Corps in Tsholotsho district of Matabeleland North and Bulilima, Gwanda, and Mangwe of Matabeleland South. It aims to improve access to and availability of food; strengthen community resilience to shocks; improve nutrition and health; and promote gender equality. ENSURE, on the other hand, is a $55 million project targeting 215,000 households and implemented by World Vision, Care International, SNV (a development organization out of the Netherlands), and Southern Alliance for Indigenous Resources (SAFIRE). It aims to improve nutrition, increase income, and promote community resilience, environmental sustainability, and gender equality. The two projects use in-kind food assistance to support pregnant and lactating mothers and children under five years of age (with a particular focus on those under two years), as well as vulnerable households. Food/cash for assets is also applied as a means of supporting resilience-based infrastructure and environmental projects, as well as agricultural production. The aim is to reduce the high levels of stunting in the targeted provinces. Significant achievements were registered in terms of behavior change on gender-related norms on food consumption, task sharing, appreciation of the nutritious value of small grains, exclusive breastfeeding, and infrastructure development through food for asset projects. However, all provinces in Zimbabwe, including Matabeleland North, still register high rates of stunting among children between 0 and 59 months old—above the World Health Organization (WHO) threshold of 20 percent (ZimVAC, 2019).

Experiences and Lessons for Program Design

The province had several food assistance programs implemented by the department of Social Services, international donors, local NGOs, INGOs, and UN agencies. These agencies use different approaches, including social protection, resilience-building, emergency recovery, and long-term development initiatives to promote food security. Different modalities are used, including in-kind, cash/food for assets, cash transfers, and vouchers. Several main factors influence what modalities are appropriate and feasible in Zimbabwe: the macroeconomic and political situation, the markets and availability of mobile networks, and donor preferences. A flexible, contextualized approach to modality use is key, in response to the evolving situation in Zimbabwe.

In-kind Food Assistance

For in-kind assistance, stakeholders reported that the ration was based on the Sphere Standard and Ministry of Health and Child Care recommendations of 2,100 calories per day. The rations varied from one agency to another. For the Amalima program, the ration comprised 50 kg bag of sorghum for FFAs (2.5 kg/day translates to the general casual labor package), 3 kgs of corn soya blend (CSB), and 1.6 kg of vegetable oil. The ration is targeted for pregnant and lactating women and children under two years. For other programs, particularly for lean season support, agencies were distributing 10 kg of cereal, 1 kg of pulses (including sugar beans and yellow peas), and 1.6 kg of vegetable oil per person per day in a household. The number of targeted members varied by program: some programs targeted all household members while others targeted a maximum of five. In all communities, the choice of commodities distributed was not the community's but the donor's, informed by the Government of Zimbabwe'spolicy. For example, where international procurement of the commodities was done, government policy on genetically modified organisms (GMOs) informed the choice to import sorghum against maize and the choice to import processed commodities such as vegetable oil and CSB. Distribution of sorghum was also in line with the government's thrust on promoting small grains.

Politicians in Zimbabwe frequently use food assistance as a political tool. In 2018, a pre-election NGO monitor received reports from across the country of people being excluded from food assistance because of their political affiliation (New Humanitarian, 2018). A review of food assistance programs found that USAID food distributions were not politicized in the El Niño response, as some GoZprograms were. Furthermore, there was no evidence of United States–sourced, in-kind food distorts in local markets, except in one community (WFP, 2018).

Beneficiary Preferences

Beneficiaries had both positive and negative experiences with the commodities distributed, which then informed their preferences. Millet was the most preferred commodity, followed by maize meal because of the costs of milling. Beneficiaries reported that owing to fuel shortages and its high costs, milling has become expensive to the extent that some demand payment in kind for milling—that is, 10 kg per every 50 kg of maize milled. Preference of maize meal was further informed by the fact that it reduces the temptation that comes with maize of selling it to cover other household needs. It is still an uncommon practice for informal traders to sell maize meal, due to its costs compared to maize. Maize and then sorghum were the third and fourth choices, respectively. Sorghum was less preferred because its processing is labor intensive, particularly for women. Furthermore, beneficiaries claimed that the quantity of sorghum reduces by almost half during processing. This is not observed with maize.

Relating to pulses, the beneficiaries have had a negative experience with pigeon beans. The distributed beans had an unpleasant taste and odor and took a long time to prepare. Beneficiaries prefer sugar beans—specifically Nua 45 and Gloria. The second preference was split yellow peas, followed by cowpeas and, finally, groundnuts. Regarding cooking oil, beneficiaries preferred the distributed vegetable oil because it lasts longer than the *"watery oil"* that is locally available and is also very expensive.

On livestock the beneficiaries preferred small livestock—with their first preference being goats. Goats can survive in harsh environments (important due to frequent droughts), multiply faster, and are easy to dispose because of their value and because permission may not need to be sought from the male in the event of an emergency. The second preference was chickens for the same reasons. Cattle were least

preferred for two reasons: disposing them can be difficult and their mortality rate is high due to climate change-related diseases.

Commodity Selection

Table 13 shows some of the key considerations in commodity selection.

Table 13. Key Considerations in Commodity Selection

Commodity	Key considerations
Maize	Households may sell it to meet other household needs; or might fail to mill it due to high milling costs; maize can also be easily be stolen for sale by other household members, especially males. Some agencies have requested couples to come together for the collection of rations due to reports that men might sell maize immediately after its collection.
Maize Meal	Not a common commodity on informal markets. Agencies have started partnering with local milling companies to distribute white maize meal.
Sorghum and Millet	Widely grown in the DFSA areas, hence readily available for sale to procure maize. Not widely consumed but produced for sale. More expensive on market than maize.
Pulses	Locally available all year round, but quantities not sufficient for DFSA activities. Prices are not competitive. Procuring from Malawi is cheaper by $250 per metric ton.
Edible Oil	Both local and regional brands common. Beneficiaries preferred the Amalima vegetable oil for its quality, which allowed it to last long. There are no tariff codes or fixed amounts so officers at the Agriculture Marketing Authority charge what they want. Regarding fortification, equipment being used by Ministry of Health and Child Care is outdated: it cannot detect certain vitamins, hence causing delays when importing.

Lessons Learned

Regarding quantities of cereals and pulses, beneficiaries felt that the quantities were sufficient; however, the absence of in-kind food assistance targeting other household members often meant that the whole family would share the ration meant for pregnant and lactating mothers and children under two. Pregnant mothers found it difficult for young children who didn't qualify for food assistance to watch them eat and would then share food with others in the household who were not supposed to benefit from the ration, resulting in ration dilution. As a result, the ration would not last for the intended duration and would not serve the intended purpose of reducing stunting. Beneficiaries also used the cooking oil meant for the CSB to prepare other meals and prepared CSB without cooking oil, owing to costs of oil. Interviewees also noted an increase in pregnancies from other women whose households wished to benefit from the program.

Beneficiaries also felt that packaging of cereal should be in small quantities to avoid the challenges, such as thefts, that came with decanting the commodities. A shift from distributing maize to distribution of maize meal was also noted as becoming common due to high milling costs.

Owing to the bad state of roads, especially during the rainy season, delivery vehicles could not access the usual food distribution points that are close to the beneficiaries. Therefore, it became expensive for beneficiaries to collect food assistance.

Modality-specific Considerations

Food distribution used to be done monthly, but after considering the size of the food packs against the logistics of food distribution, fuel challenges and high fuel costs, as well as the amount of time that beneficiaries spent to collect the packs, agencies ended up distributing food bimonthly instead.

Owing to the bad state of roads, five- to ten-ton trucks, which are easy to maneuver, were preferred. Transporters increased their fees because of the risk of driving on those roads. They also faced fuel challenges, so communication with transporters had to be done early to allow them to look for fuel. In worst cases, agencies ended up advancing transporters with fuel and deducting the amounts from their invoices.

Local and Regional Procurement

Between 2011–2012, most FFP food assistance funding was for Local and Regional Food Aid Procurement (LRP), through WFP. In 2017, regionally procured food comprised the bulk of WFP food distributions. Most was sourced from Zambia and a small portion came from Malawi (WFP, 2017). In the same year, investment in a local procurement platform enabled surplus production from FFA to support lean season assistance (LSA) food distributions. In 2018, WFP supported a variety of LRP initiatives and also procured food commodities locally. Locally produced small grains with LSA funding were procured through tenders (guaranteeing smallholders at least 20 percent of supplies). Purchases helped stimulate under-developed markets for sorghum (WFP, 2018). As part of WFP's support to the Scale Up Nutrition (SUN) effort, four additional fortified products (maize meal, wheat flower, sugar, and cooking oil) were introduced into the local market. This was with funding from Royal DSM, a multinational company active in the fields of health and nutrition. WFP updated its food supplier database, increasing the number of local traders. A total of 1,003 MT of white sorghum was procured from local suppliers for the LSA program. WFP engaged the Regional Bureau to include Zimbabwean traders in its invitations to tenders. This is the first step toward linking local grain suppliers to regional markets (WFP, 2018). Overall, WFP was able to procure 89 percent of planned 1,200 MT of food commodities locally in 2018, with 11 percent procured from international and regional markets (WFP, 2018).

Interviews with stakeholders revealed that both local and regional procurement of grains and pulses are common. The challenges with local procurement of maize and pulses are to do with the unavailability of commodities in the quantities needed, uncompetitive prices and pushing up prices as well government policy pronouncements on trading of some commodities, such as maize. Pulses like cowpeas are in short supply in Zimbabwe, and agencies hence resort to regional procurement. Procurement from Malawi costs $500, compared to $750 per metric ton in Zimbabwe. Regional procurement is preferred to local procurement due to price competitiveness and good delivery timelines, although there are challenges for particular value chains in certain regional markets. The major challenge with regional markets is that

for value chains such as beans and peas, the markets are disorganized because they are still growing. It is therefore difficult to procure the large quantities (between 500–1000 metric tons) that agencies usually need.

Pulses are mostly procured from Malawi; Zambia supplies super cereals and maize while South Africa mostly supplies super cereal. The Zambian market is still difficult to aggregate. The government of Zimbabwe has banned importation of GMOs, making importing maize from South Africa—though cheap—impossible.

It was reported by stakeholders in the humanitarian assistance sector that unprocessed commodities are easier to import than the processed ones. Different challenges are faced when procuring processed and unprocessed commodities. There are more standards-related challenges with processed commodities than with unprocessed commodities and more trade-related challenges with unprocessed than processed commodities. For example, regarding importation of cooking oil, it was reported that there are no tariff codes or fixed amounts so officers at the Agriculture Marketing Authority charge what they want; and pertaining to fortification, the equipment being used by the Ministry of Health and Child Care is outdated and cannot detect certain vitamins, which causes delays in getting import permits.

Cash Transfers

Cash transfers in Zimbabwe only started to grow significantly in 2009, following dollarization and changes in the political environment (Gourlay, 2012) but were not done at scale for food assistance (in place of in-kind) until 2015 (CARE, 2017). The amount distributed was determined by the Harmonized Cash Transfer Working Group as $9 per person per month, covering 80 percent of the food basket. In 2014, WFP piloted cash through mobile phones (electronic transfers). This was then continued by Save the Children in 2015–2016, combined with cash in areas that had insufficient liquidity, networks, or agents. For their large cash program in 2015–2017, Care/WV had to use a combination of two different mobile money providers (Econet and NetOne) to ensure coverage across their operational areas. Mobile money is culturally familiar and appropriate in Zimbabwe. In Matabeleland North Province, cash transfers were mostly done by the Government's Department of Social Services through the Harmonized Cash Transfer Program as well as agencies such as Care and WFP. Transactions were done as cash in U.S.dollars and as mobile money. In areas where networks do not exist, WFP used cash through a security company called Securico. Cash was the most feasible delivery option, due to low delivery costs, quick delivery times, high traceability, convenience, and choice for beneficiaries (Tango, 2018). Statutory Instrument 142 of 2019, which introduced a mono currency system in the country, presented confusion regarding cash transfers—particularly due to different interpretations of the policy by the Reserve Bank of Zimbabwe and the Ministry of Finance and Economic Development. Negotiations with the Reserve Bank of Zimbabwe resulted in NGOs being allowed to continue with cash transfers in U.S.dollars. The challenge with this, however, is the absence of *bureau de changes*, particularly in rural areas.This would force beneficiaries to change money on the black market, thereby facing the risk of losing the money to unscrupulous dealers. The recent launch of the EcoCash *bureau de change* where beneficiaries can check rates on the phone, sell their U.S. dollars in real time, and get their money in real time can be a solution to this challenge. However, this does not remove the barriers presented below that beneficiaries of mobile money transfers face.

The three-tier pricing system referred to earlier in this report is one challenge that came with cash transfers. Cash, though preferred, sometimes disadvantaged beneficiaries as traders would set up by the distribution points and sell commodities at exorbitant prices. Furthermore, illegal black market dealers

also cheated beneficiaries by offering them low exchange rates for the money. Cash transfers were also linked to GBV. Both male and female FGD respondents reported that although generally all household members act responsibly over food assistance received, when women collect the cash, they use it for its intended purpose, whereas some men use cash transfers for other things that may not benefit the household, such as beer. Due to GBV linked to cash transfers, agencies ended up requesting that couples come to receive the cash and educate them on the use of the money. The general observation was that when in-kind transfers are collected by men, they are most likely to be taken home and surrendered to the wife for household use; on the other hand, when cash is collected, it can result in GBV after interrogations from the wife on how the money had been used.

Due to cash shortages in the country, mobile money became convenient. However, mobile money attracted 2 percent government tax on top of an additional 30 to 50 percent charge that traders demanded for all such transactions. EcoCash prices were therefore higher as traders argued that they would need to cash out the money for restocking of commodities, and this process attracted some charges, which they were passing on to customers[1]. Furthermore, some beneficiaries faced network connection challenges linked to absence of boosters in their communities and lack of power to charge the phones due to erratic power supply. The elderly are ignorant on how to operate the phones and rely on children, who then can steal the money from them. Those who do not have phones have sometimes registered neighbors' numbers and then risk losing the money to the neighbor. Traders were refusing mobile money, preferring cash instead for all commodities, arguing that their own suppliers demand cash. Despite these challenges, mobile money had the advantage that it promotes dignity and the beneficiaries' right to privacy, though community monitoring of the behavior of beneficiaries becomes a challenge. Mobile money was the least preferred due to these factors. Inflation rates in Zimbabwe also compel beneficiaries to prefer in-kind assistance as prices of commodities in both local currency and U.S. dollars are inflated at local markets.

Vouchers

The Ministry of Agriculture, Mechanization and Irrigation Development produced National Guidelines for the 2011/2012 Smallholder Famer Agricultural Inputs Extensions and Support Program. These state that given the changing environment and improvements in macroeconomic and food security conditions, more market-based assistance methods to support smallholder farmers are appropriate. These guidelines favor the use of subsidized vouchers. Food vouchers were piloted in Zimbabwe in 2005/2006 (TANGO 2007). WFP has subsequently been providing electronic food vouchers since 2012, under its cash-based transfers. Aside from this, vouchers (both paper and electronic) in Zimbabwe have also been used extensively for agricultural inputs, introduced around 2010 following the improvements in macroeconomic and food security conditions and in line with a shift in government policy toward more market-based input assistance methods that could support smallholder farmers (FAO 2018). The use of vouchers in Matabeleland North Province was, however, uncommon. WFP was cited as one agency that had used electronic vouchers that the beneficiary then presented when receiving food or money. The electronic voucher clearly shows the name of the recipient and ward and only the cardholder can use this card. The challenge that beneficiaries cited was when the machine failed to read the electronic voucher and the beneficiary therefore had to miss their allocation. Vouchers were preferred where

1 The Government of Zimbabwe is further limiting the cash-out options in EcoCash operations.

programs intended to achieve specific health and behavior change outcomes because they force the beneficiary to use them for their intended purpose.

Food and Cash for Assets

Food/Cash for Assets was a common modality in the province, done during the summer when communities are less busy with agricultural activities. Communities were free to choose specific development projects with the guidance of relevant partners, including the District Drought Relief Committee. The Public Works Policy determined the daily rate as well as the number of working days. Projects included assets such as dams, irrigation schemes, dip tanks, and bridges, among others that are key for people's livelihoods. However, challenges of shortages and high costs of commodities such as cement led agencies to resort to regional procurement of some construction materials and pipes for irrigation schemes. Beneficiaries were happy with Food/Cash for Assets because of the noticeable developments in their communities and because it discourages the "non-deserving" members of the community.

An appreciation of gender mainstreaming and task-sharing was embraced in such programs. Childcare is organized at the project site to enable women with young children to participate. One beneficiary, usually an elderly woman, is identified to take care of the children and paid the same wage rate as other participants. Women at an advanced state of pregnancy are not permitted to participate; they are expected to quit their participation in the project and be replaced by another household member. Pregnant women were also assigned less strenuous tasks. Women and men were also encouraged to participate in tasks that were traditionally not meant for each of their sexes. These initiatives were complemented with capacity-building in such tasks. For example, women were encouraged to be active in construction work and were trained in construction. The practical gender mainstreaming initiatives led to a better appreciation of gender issues at community level, as opposed to the abstract and theoretical understanding of gender as just referring to women.

Targeting

Targeting for humanitarian assistance generally follows a three-stage approach. The first step is geographical targeting as informed by the findings of regular or emergency needs assessments, such as provincial and district poverty rankings; provincial and district human development indices; ZimVAC data and analysis; crop production and livestock assessments; nutritional status; and income levels. Geographical targeting is then followed by ward selection, done in collaboration with the District Drought Relief Committee. Selection of beneficiaries is done through public meetings under the local and traditional leadership structures.

4. Main Conclusions

Modalities: Matabeleland North Province is a food-deficit area with high levels of malnutrition. There are sufficient, accessible, and safe storagefacilities in the province for both food and non-food items. Although there is practically 100 percent network coverage, some districts are affected by weak connectivity, thereby limiting the possibility of mobile money use. The road network is good; however, feeder roads are in a bad state and represent serious challenges, particularly during the rainy season when costs of food deliveries become hefty for both the NGOs and beneficiaries. This calls for ways to explore greater complementarity between cash and in-kind assistance and to consider a mix of cash and food where appropriate.

Market Monitoring and Other Program Support: Policy changes and inconsistent implementation of such present serious challenges for programming. Humanitarian work in a highly dynamic context like Zimbabwe requires multidisciplinary teams that conduct ongoing risk analysis in changing context, liquidity monitoring, market monitoring, increasing beneficiary education, and communication. The work requires comprehensive accountability systems, including consulting leaders, regular meetings with communities to verify receipt and resolve problems, use of gender and accountability focal points, time and resources to educate beneficiaries, contingency plans with service providers if there are challenges, and seasonal top-up grants (Tango, 2018).

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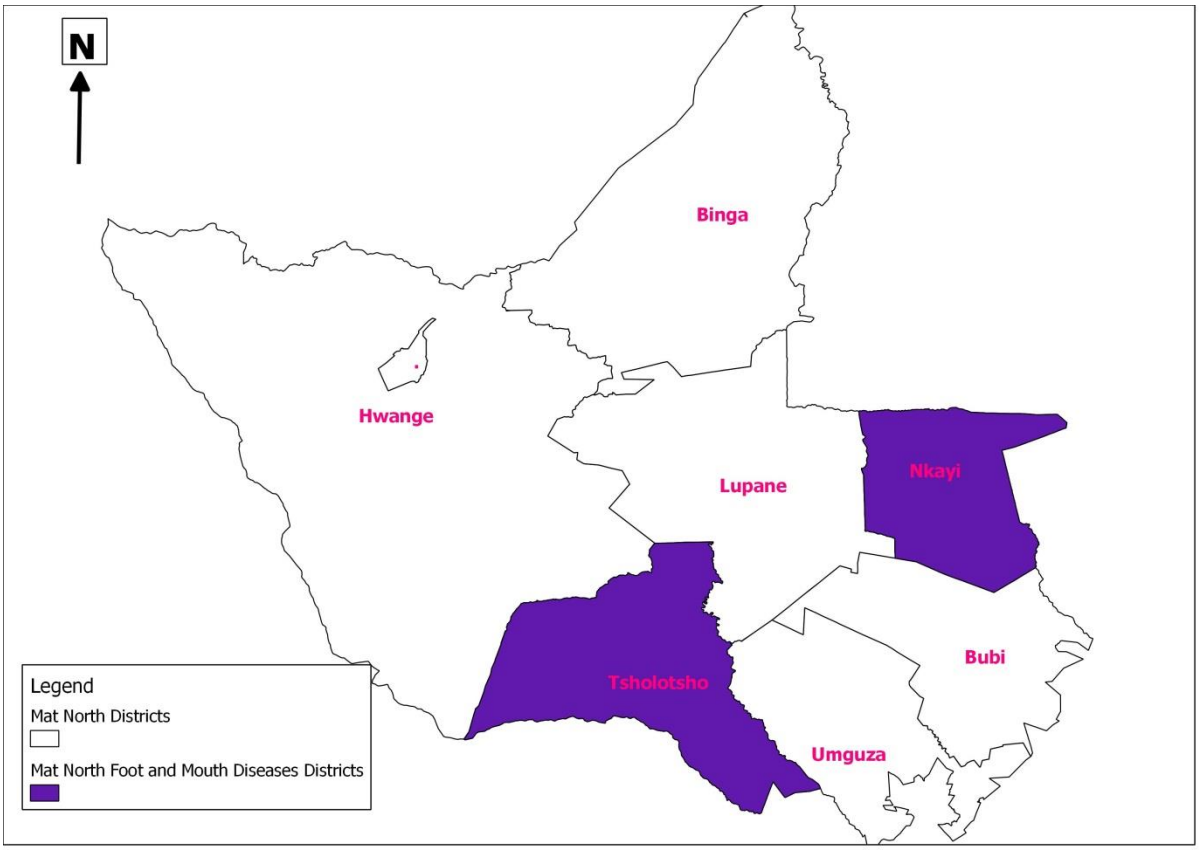
Annexes

Annex 1. Study Methodology

The study made use of desk reviews that involved a review of market assessments conducted in Zimbabwe in general and Matabeleland North Province in particular. In-depth interviews were conducted with a total of 41 key informants in the two districts of Tsholotsho and Nkayi: 11 market actors (transporters, wholesalers, retailers, importers, and market managers); 23 representatives of Government departments (Health, Agriculture, Social Services, Women Affairs, Youth, Environment); 4 representatives of financial service institutions, including banks and mobile money transfer agents; 3 representatives of NGOs working in the area of humanitarian assistance; and 9 FGDs: 4 with women only, 2 with men only, and 3 with both men and women. The study used key gender issues and gender analysis methods to disaggregate issues. Data collected at provincial level was complemented by data collected from national-level stakeholders, including representatives of the various relevant government departments such as Trade, Transport, and Agriculture. Other stakeholders interviewed include the Agriculture Marketing Authority, millers associations, GMB, NGOs, and market actors at Mbare Musika.

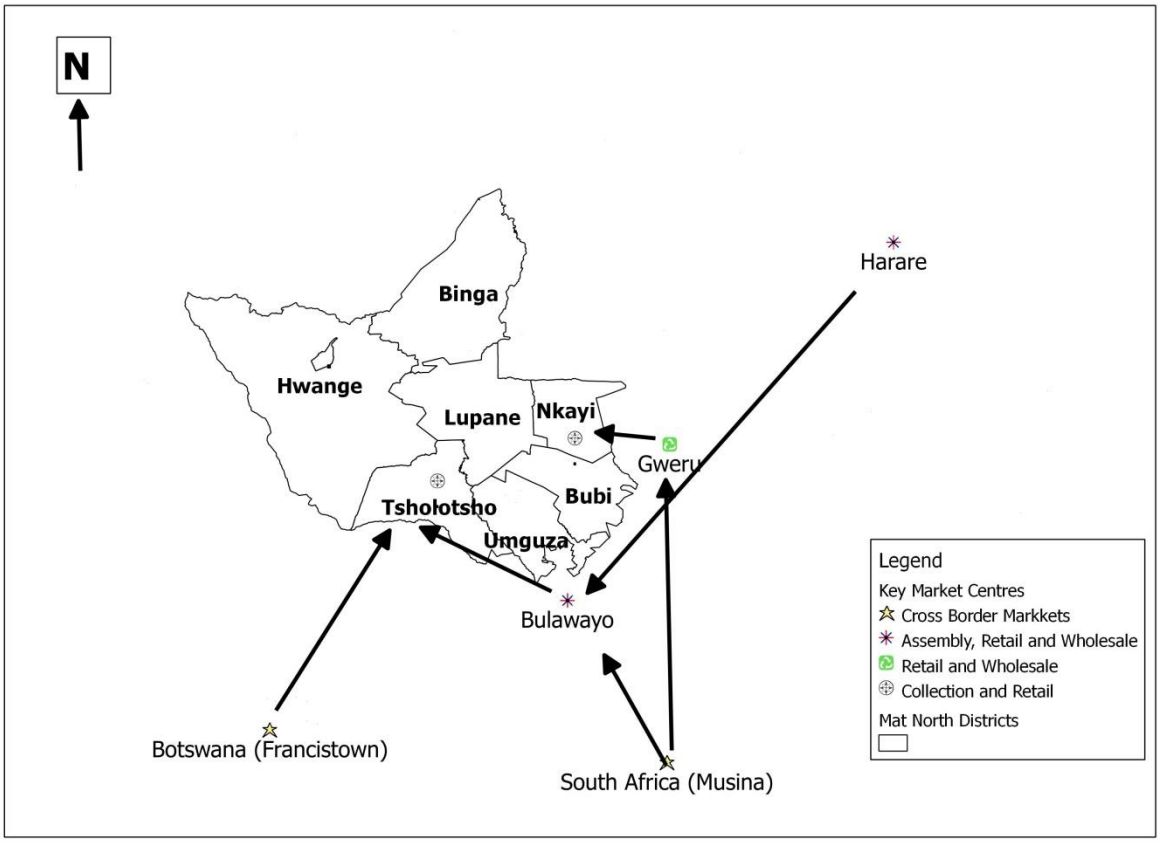
Annex 2. Matabeleland North Foot and Mouth Districts (2017–2018)

Figure 9. Matabeleland North Foot and Mouth Districts (2017–2018)



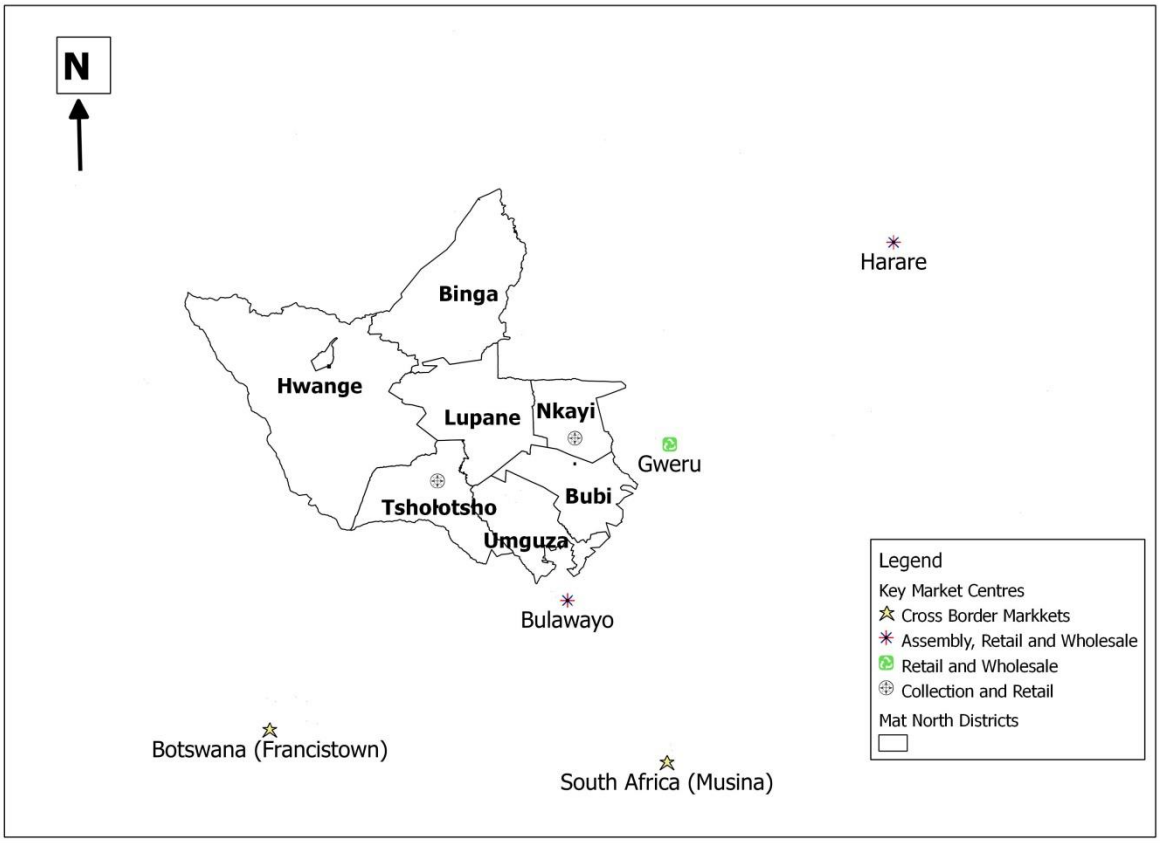
Annex 3. Grocery Flows, Matabeleland North Province, July 2019

Figure 10. Grocery Flows, Matabeleland North Province, July 2019



Annex 4. Matabeleland North Province Market Centers, July 2019

Figure 11. Matabeleland North Province Market Centers, July 2019



Cross-border market: A market that facilitates buying and selling of goods and services between neighboring countries.

Collection market: A rural market where relatively smaller-scale traders (or trader agents) purchase directly from producers.

Assembly market: A market where relatively smaller quantities of a commodity are accumulated or aggregated, usually from different farmers and small-scale traders.

Wholesale market: A market where traders generally sell to traders. The volumes traded in each transaction tend to be relatively larger (for example, multiple 50 kg bags and even metric tons).

Retail market: A market where commodities are sold directly to consumers. The volumes traded during each transaction tend to be relatively small (for example, per kg or locally used bowl or other unit of measure).

Annex 5. Seasonal Price Indices Calculation Methodology

Seasonality Index (calendar year)

Average price for calendar year is calculated by finding the sum of monthly price data and dividing the sum by 12. In this case, we calculated average ***price for calendar year for years 2012 to 2018*** by finding the sum of monthly price data for calendar year and dividing by 12. Ratio of monthly price to average was calculated by ***dividing each monthly price data by the average price for calendar year***. Seasonal index (calendar yr) is calculated as the ***average of ratio of monthly price to average of each month in years 2012 to 2018.*** For example, finding the average of the ratio of monthly price to average of January in 2012, 2013, 2014, 2015, 2016, 2017, and 2018 gives the January seasonal index (calendar year) value. This was done for each month.

Seasonality Index (moving average)

Average monthly price data is calculated after every 6-month period or semiannually, and this becomes the 13-month moving average. An example is when the average of price data in calendar year 2012 becomes the 13-month moving average value for July 2012. Ratio of price to moving average is calculated by dividing monthly price data by the 13-month moving average corresponding value. Seasonal index (moving average) is calculated as the ***average of ratio of price to moving average of each month in year 2012 to 2018.***

Prices, Seasonality Removed

This is calculated by dividing the price monthly data by seasonality index (moving average).

Seasonality and Moving Average

This is calculated as a product of 13-month moving average by seasonality index (moving average).