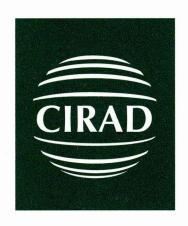
### - Amis -Programmes économie, politiques et marchés



## **Notes et documents Ecopol**

n° 69

# Identification of a Support Programme for Land Reform in Zimbabwe

Mission Harare, Zimbabwe from 3 to 11 november 1998

Michel Griffon

Février 1999

# Identification of a Support Programme for Land Reform In Zimbabwe

Mission of Identification financed by the Ministry of Foreign Affairs and l'Agence Française de Développement Harare, Zimbabwe from 3 to 11 november 1998

Michel Griffon, CIRAD - Amis / Ecopol

#### INDEX OF REPORT

#### Summary

- 1. Objectives of the Mission
- 2. Land Reform Problems
  - 2.1 Historical Roots of land structure
  - 2.2 Agricultural Reform of 1980
  - 2.3 Re-launch of 1990
  - 2.4 Current problems
- 3. Government policy: aims and limitations
  - 3.1 Principles and models of land reform
  - 3.2 A priori elements of evaluation
- 4. What is the position regarding French Aid?
- 5. Proposition of a programme
  - 5.1 Objective
  - 5.2 Operations to be carried out
  - 5.3 First assumptions on the means
  - 5.4 Outline of a schedule
  - 5.5 Partners

#### **RESUME**

The Government of Zimbabwe is undertaking the second phase of land reform that began in 1980. Following the conference between the Government and the donor agencies, the former are identifying projects to support land reform. The Ministry of Foreign Affairs and the Agence Française de Développement have identified a programme of geographical and thematically limited nature. The programme would be centred on rural development mainly in the District of Guruve, benefiting from the support of the current project financed by the French Global Environment Facility, and on feasibility projects already identified in Central Mashonaland. This involves giving support in the setting up of small farmers benefiting from land reform in the following cases: communal areas, forest margins (extension of cotton), areas on farms bought back by the State, irrigation areas with private sector intervention. The investment section and the feasibility study would be financed by AFD. The long-term agricultural section (new techniques of the □Doubly Green Revolution ☐ and fodder intensification) would be presented for financing to the French Fund for World Environment. Private French aid would also be sought. The MAE could finance the monitoring and evaluation system of a certain number of typical cases of setting up of farmers. The activities will include local innovative experiments, analyses and proposals concerning techniques of land planning, follow-up research on land, agricultural, ecological, environmental, social, economic and financial planning techniques. These analyses, as well as an economic and financial model measuring the impacts of the reforms, could be used in the studies of national institutions that are in charge of Land Reform. The monitoring and evaluation would be carried out in co-operation with different Zimbabwean University teams with which relations already exist within the framework of current projects.

#### **EXECUTIVE SUMMARY**

The Government of Zimbabwe is undertaking a second phase in the land reform, which commenced in 1980. This reform is a continuation of the first phase in the sense that it redistributes land after having bought it back from the previous owners at market prices. It also marks a rupture because the Government designates the farms to be bought back using specific criteria (large size, non utilisation, proximity to high density areas  $\Box$ ) and fixes the price (with recourse to an administrative court) whilst taking into account market prices. The land would be transferred in the form of a lease or would be re-sold directly to the beneficiaries. These beneficiaries would be appointed on the basis of specific criteria, in particular the farming capacity. The technical models proposed are more diversified than in the first phase.

The Government has approached the Donor Agencies and has requested their assistance in dealing with the expenses that will be incurred by land reform. In reality, the situation of the State budget (large domestic debt, high public expenditure, and little investment) does not allow it to finance the whole reform. The recent conference held between the Government and the Donors gave the former the opportunity to state their point of view. From this it may be concluded that there is general consensus for the State to undertake reform but it must first make use of State property for redistribution; the purchase price must be market-related; the large farms of government dignitaries must not be excluded from reform; the methods of operation must be diversified (recourse to the private sector, no monopoly by Government agencies), the technical models must also be diversified; follow-up/evaluation must be carried out and the entire matter must be placed in the hands of a single public agency.

Experience in land reform throughout the world has shown that there must first be a large transfer of capital. The sums paid to the owners may have different destinations: investment in remaining farms, investment in other sectors, exit of capital. It is also the opportunity to create agriculture of small farmers which is not only a self-sufficient type of agriculture but also plays a role in general economic development. In order that reform may be efficient on a macro-economic level, several conditions must be satisfied: I) all infrastructure and services must be available in order to set up the new small farmers, ii) the political climate must be favourable for reinvestment in the national economy, of capital obtained at the time of the land sale, iii) the export sectors must be competitive in order to guarantee long-term growth and to include in the farming sector the 200 000 new candidates for employment each year.

On the basis of these considerations, French co-operation could propose a support programme for the re-settling of small farmers in the areas bought back by the State. This programme would be of a limited geographical and thematic nature and would fit in with the general dynamics of reform under the following three aspects:

Participation in the financing of infrastructure in the re-settlement areas;

Definition of a tool to simulate economic and financial effects of the reform facilitating the

testing of different possible developments.

The programme would take place in the Central Mashonaland region, particularly in the district of Guruve where there is already experience and knowledge from french assistance French experience (Biodiversity Project) and project infrastructureto be used. The project would work in different kinds of situations:

Densely populated communal areas;

Existing settlement areas;

New settlement areas according to the plans proposed and with improved plans;

New forms of settlement in partnership with the private sector, in particular irrigation;

Settlement of new agricultural areas and agricultural fronteers in areas free of tsetse fly.

As it is a programme it is suggested that different instruments of financing should be sought:

- AFD for interest-bearing investment within the framework of rural development of the districts, as well as prior studies and monitoring-evaluation;
- FFEM (Fonds Français pour 1□Environnement Mondial)¹ for the financing of lasting agricultural and livestock procedures via the promotion of farming methods such as the □Doubly Green Revolution□;
- MAE for the supply of technical assistance with regard to food safety □ Regional Fonds d□ Aide et de Coopération- regarding credit for the Foreing Relations Ministry budget (technical assistance, support missions, participation of local teams).

This first programme hypothesis was presented to the Ministers of rural development, agriculture, finance, environment and water who approved the spirit and basic outlines. Several potential partners were approached (ARDA, DDF, University, NGOs, Commercial Farmers Union, Indigenous Farmers Union) and they showed their interest. UNDP which played a key role in the dialogue between the Government and Donor Agencies came up with the approach which has been proposed. The deputy representative of the World Bank proposed that the monitoring/evaluation procedure of the programme be consistent with that which the Bank is going to propose, and pointed out that it would have preferred the pooling of bi-lateral aid in a common project.

#### 1. Objectives of the Mission

The objective was aimed at measuring basic interest and identifying a co-operation programme that fits in with the perspective of Land Reform in Zimbabwe. In this context, programme is taken to mean a collection of projects and actions of a different nature (investment, studies, research, training) working towards the objectives

<sup>&</sup>lt;sup>1</sup> French Global Environment Facility

of land reform, and integrating if necessary the contributions of different instruments of
French Co-operation (loans, donations, technical assistance, support missions □). In effect,
any co-operation in such a complex sector   integrating political, legal, economic,
financial, agricultural, ecological, environmental, institutional and management aspects $\Box$
basically requires the mobilisation of a large spectrum of instruments.

An identification mission was organised jointly by the Ministry of Foreign Affairs and the Agence Française de Développement, in particular by the French Ambassador to France in Harare, the Director of the Regional Agency of the AFD in Johannesburg and the AFD-PROPARCO representative in Harare.

The mission was led by the following people:

#### for AFD:

- Henry de Cazotte, Director of Regional Agency
- Philippe Lecrinier, Geographical Manager
- François Jullien, ACA00 Department 
  Rural Development Diversity
- Olivier Girard-Reydet, Regional Representative

#### For Ministry of Foreign Affairs:

- Bernard Hoareau □ Cultural Attaché
- Michel Griffon ☐ Head of ECOPOL Programme ☐ Cirad
- Samuel Gahigi ☐ Cultural and Co-operation Services

#### 2. Land Reform Problems

#### 2.1 Historical Roots of the Land Structure (brief summary)

European colonization began at the end of the 19<sup>th</sup> century (creation of Rhodesia) supported by agriculture and mining. Colonization of the best land forced the indigenous population into areas with little potential and in areas close to the colonial farmers in order to be in proximity for labour. This geographical separation was codified by the creation of commercial agricultural zones and indigenous areas. The granting to the white colonials of a monopoly in sale of foodstuffs limited the expansion capacity of small African agriculture. The increase in the black population slowly increased the pressure on the ecosystems of the reserve areas. Under international pressure, possibilities for black inhabitants to have access to agricultural land ownership was first granted after the second world war. Due to a lack of capital there were few candidates. Nevertheless this permitted the emergence of African agricultural entrepreneurs.

In 1965, under pressure from the United Kingdom to recognise the civil rights of indigenous people, Rhodesia preferred to declare unilateral independence. The Government of Ian Smith, in spite of a timid attempt at land reform, made no changes to the existing structure for 15 years.

During this period, the increase in the African population made the redistribution of land even more necessary. The profound inequality  $\Box$  4 500 European farms occupied 50% of the land and about one million of African families lived on 40% of the land  $\Box$  led to the

guerrilla war which ended in independence in 1980.

#### 2.2 1980 Land Reform

The agreements of Lancaster House with the United Kingdom (leading to independence) laid down an interdict on all expropriation for a period of 10 years. The land reform was to be carried out according to the market principle (□willing seller □ willing buyer□). This formula convinced a large majority of white farmers to remain in Zimbabwe. Using former land of the Crown (now national) and abandoned farms, the Government began mass re-settlement. The objective was to re-settle about 160 000 families over 9 million hectares.

This redistribution was mainly organised to the benefit of  $\square$  communal areas  $\square$  (previously black reserves) but also agricultural workers, populations of villages grouped during the colonial period, refugees and existing small farms. It is probable that a number of veterans from the war period were compensated in this way.

The populations were settled (resettlements) on lots of land according to different schemes:

- individual lots of 5ha of arable land with access to common pastures. Dwellings were grouped into villages (about 25 families); the model was provided for application in 80% of the cases;
- cooperatives integrating all the farming and living functions; this scheme of collectivism was soon abandoned;
- for livestock areas, small individual lots for agriculture, pastoral areas for village cattle (permanent use) and common pastoral areas for commercial production (so-called  $\Box 3/3 \Box$  model).

The State remained owner of the land. The beneficiaries are obliged to respect the terms and conditions of land use (authorised production, number of animals per hectare  $\square$ .). Furthermore the Government has maintained an area of direct intervention in the form of State farms. Political opposition denounced in some cases the adquisition of farms by politicians.

The re-settled beneficiaries receive technical assistance form different para-statal organisations including the main ones :

- DERUDE (Department of Rural Development) and DDF (District Development Fund) for the setting up of infrastructure in the re-settlement areas :
- ARDA (Agricultural and Rural Development Authority) for State farms
- AGRITEX (Agricultural Technical and Extension Services) for technical assistance;
- AFC (Agricultural Finance Corporation) for credit.

Between 1979 and 1990, about 2,8 million hectares were acquired for about 57 000 beneficiaries, that is much less than the objectives set for 1986 (9 million hectares, 160 000 families).

The Government was unable to finance the entire programme. From 1983 onwards it has had to deal with macro-economic stabilisation and structural adjustment leading to a reduction in public expenditure, as well as recurrent droughts, which has drastically reduced economic growth and State resources.

The main conclusions drawn from this experience may be summarised as follows:

although the State has been engaged in supplying infrastructure and basic farming services (tracks, bore holes, labour), often the beneficiaries only benefited from them too late due to logistical reasons or problems with financing; the commencement of farms was badly affected.

As the beneficiaries had little agricultural experience they had limited farming capacity of the land;

- The financing of agricultural reform from the State budget can only be ensured to the extent of the proclaimed re-settlement objectives.

#### 2.3 Re-launch in 1990

The Lancaster House agreements ceased to apply in 1990. At this time the Government wanted to radicalise its approach to land reform. It set aside an amount of 8,3 million hectares of land for re-settlement. For this purpose the law of 1992 (Land Acquisition Act) made provision for:

- Expropriation of large farms;
- Financial compensation according to a □ fair price □;
- Payment in local currency;

Possible recourse to an administrative court but the former could only rule on the legitimacy of the requisition and the amount of compensation.

The international community, in particular the British Government condemned this development which was more radical and it reduced its public aid to land reform.

Nevertheless between 1990 and 1996, very little changed. Land acquisition was limited to about 250 000 hectares due to a lack of public financing. Thus, in total, after 16 years of land reform (end 1996), about 3 million hectares have been acquired (that is 1472 farms), about 550 000 hectares of former property of the crown remains available and 66 850 families have been re-settled in 247 re-settlement areas. This is far from the objectives pronounced in 1980 (9 million hectares, 166 000 families).

It is clear that the Government does not have the means to acquire the 6 million additional hectares required and to finance the means to make this land viable so that it can be made available to its beneficiaries.

It is within this context that the Government is appealing for international aid.

#### 2.4 Current Problems (end 1998)

#### Agricultural Reform is Economically Constrained (V. Caupin 1998)

Between 1980 and 1990 the State hired many civil servants thus greatly increasing public consumption (5% per year), taking into account constant growth and corresponding tax revenue. This wager was based on positive appreciation of the macro-economic situation and potential development: reasonable international debt, stable trade balance, diversified exportation (agriculture, ore), controlled inflation and stable currency.

Nevertheless, this economy is vulnerable. A part of its prosperity is linked to the policy in the past of industrial diversification and substitution of importation during the period of the international embargo. However today economic opening is threatening certain branches in spite of it being a land-locked country, which affords it natural protection. Besides growth depends a lot on agriculture, farming industry and farming supply, and all three sectors, as well as credit for agriculture, depend on the climate. The droughts of the past decade (1988, 92, 95) have greatly affected growth. Within this context, the announcement in 1997 of the expropriation of 1500 farms led to a drop in the currency. The Central Bank lost the monetary battle, the Government had to devaluate, increase the rediscount rate as well as taxes.

Within this context growth is somewhat threatened. It is ensured by exports, domestic demand (which remains high), but investment is reduced, implying a lack of confidence in the private sector, which mainly remains in the hands of the original foreign populations. The Government has given in to salary pressure and finances its deficit on the national capital market (public shares bought by insurance companies and pension funds). Internal public debt is increasing (47% GIP in 1996 and 49% of State revenue). The request for financing by the Government had led to the increase in interest rates, which in turn has increased the servicing of the debt.

The Government of Zimbabwe is therefore caught in a vicious circle that prevents it from financing the purchase of any new land or financing farming infrastructure in a significant manner.

#### Land reform runs the risk of being economically inefficient.

Any land reform, which provides for the re-purchase of land, is confronted with a series of considerable macro-economic problems:

It is not in the interest of the State to remain owner of landed property as by nature it is not very profitable: it must therefore re-sell as quickly as possible to beneficiaries, otherwise it must rent or transfer in the form of hire-purchase in order to limit the effect on the budget and on the financing capacity of the economy;

The capital obtained by the landowners through the sale of land may be taken outside of the country, invested in Zimbabwean agriculture (remaining farms) or in industry or local services. The sums available would in theory be quite considerable (about 150 Million US\$ for the purchase of 6 million hectares), and their investment in the local economy

would most probably be in agriculture. Furthermore, in order to do this, the white farmers must be fully ensured of land security. This investment in agriculture would lead to growth as it would create employment and improve the trade balance because most of the additional production would be absorbed by the regional market;

New small farmers need infrastructure so that they may rapidly become involved in the logistics of agricultural production, thereby helping them to overcome poverty and to produce for the market. Between the public investment period and the emergence of farmers who capable of paying tax, the period can be variable. If it is long, agricultural reform will continue to be an operation that shows deficit for the State.

In the case where the State were to envisage buying all the coveted land and to then only sell it slowly, and not to ensure the large land owners of absolute security for the future, and not to do everything to ensure that the new farmers become rapidly economically viable, then theeconomic and financial risk could be important for the Government.

This qualitative reasoning must be quantified.

#### Land reform is also an ethical and political problem

History has shown that successive Governments delated the application of the reform, either by limiting redistribution (during the period of Ian Smith), or due to lack of financing (from 1983 onwards). At the same time, the population of the communal areas (example. Reserves) have increased at a high rate (undoubtedly within the region of 2,5% to 3% per year) which adds to land pressure and increases political tension. It seems noone has ignored it totally but if political discourse has indicated a desire to act rapidly since 1980, in reality the re-settlement rate is neither at the level of necessary land resettlement nor at the level of demographic growth: in nearly 20 years less than 1% of the families of the communal areas have been re-settled whereas at the same time the population in these areas has doubled.

Faced with these stakes it would be logical for political debate to focus on the efficiency of the mechanism to be implemented, the efficiency of re-settlement, of investment, and thus of organisation. In reality the debate remains essentially focused on the aspect of  $\Box$  compensation  $\Box$  of the past and therefore limits the decision only to re-settlement. In this context (little re-settlement, political pressure) the State is especially under observation by all parties. Accusations of favoritism in the allocation of land with regard to political allies of the Government restricts the debate only to the political aspect. In response the ruling political party actively supports radical land re-settlement in order to satisfy its moral electoral mandate.

On this basis what are the means proposed by the Government and for which ones is he requesting aid from the international community?

#### 3. Government Policy: aims and limitations

During the conference between the Government and the Donor Agencies, the Government

presented an orientation document laying down the principles and methods of future reform which is now presented as  $\Box$ land reform  $\Box$ .

#### 3.1 Principles and models of land reform

The Government hopes to acquire 5 million hectares to settle 91 000 families over a period of 5 years. The first three years will constitute a launch phase (*inception*) which would be of an experimental nature.

The land concerned would correspond to the following criteria:

- Abandoned land;
- Under-utilised land;
- Principle of one man □ one farm;
- Absentee-owned land;
- Land adjacent to communal land.

The list of land concerned must be published in the official gazette. The owners may object to the admissibility based on the principles mentioned above. For example, the objections of owners with forecast investment plans may be taken into account. Legal objections shall be dealt with in the Administrative Court.

Acquisition may be made according to the following three methods:

- Land designation: the land will probably be acquired over 10 years and the price will be defined according to the conditions of the land act of 1992;
- Compulsory Acquisition: the land will be acquired within 12 months following the decision;
- Willing seller, Willing buyer: the transaction is carried out according to market regulations.

The beneficiaries will be: 

poor families from over-populated communal areas, agricultural workers, particular groups especially women, former soldiers, people with diplomas in Agricultural training, qualified farmers with the means of ensuring good use of the land.

As in the case of the land reform of 1980, the Government defines technical models (production systems). There are now five models:

- Lots of arable land of 3 to 6 ha and communal pastures (without grouping in villages):  $\square$ Model  $A_1\square$ ;
- Individual Lots of arable land and pastures ranging from 50 to 300 ha according to the regions :  $\square$ Model  $A_2\square$ ;
- The 3/3 model: a lot of 180 ha is distributed with 1/3 for agriculture, 1/3 for small-scale stock farming and surrounding livestock, and 1/3 for pastures of a commercial nature;

- Re-organisation of  $\square$  decongested  $\square$  communal land by applying model  $A_2$ ,
- Irrigated models: 1 to 10 ha of land that can be irrigated with or without pasture areas.

The tenure must be free hold property under the name of the Head of the family or the spouses. The agreement of the spouses is necessary before every sale. Before obtaining the property, the beneficiaries will have a leasehold of 99 years. At the end of 10 years they can become owners if they so desire. The pastures form part of communal land.

The beneficiaries pay the fees for the cost of the allotment. At the time of purchase, the sums paid during the leasehold are deducted from the amount of the transaction.

The implementation of installation operations can be carried out by Government agencies as well as NGOs, local communities and farming organisations.

#### 3.2 A priori Elements of Evaluation

The philosophy given is based on four factors:

- Security of land tenure;
- Existence of security networks for citizens of communal land;
- Promotion of investment and accumulation of capital;
- Promotion of lasting management of land resources.

This philosophy marks a decisive development of the Government towards the promotion of a category of small private owners in the re-settlement areas as well as in the  $\Box$ decongested  $\Box$  communal areas.

The fact that the Government presented its Land Reform vision to the international Donor Agencies created room for debate. However it is difficult to know what are the margins of flexibility and adaptation of the present model. The different visits gave the impression that adaptation is possible but respecting the philosophy of the political decisions and in all the cases, and that discussion in this regard is possible. For example:

- The possibility to first and foremost use State farms for re-settlement;
- Application of reform to all large land owners even those of African origin and close to the Government;
- Possibility to create average sized properties for the entitled parties  $\Box$  or others  $\Box$  with purchasing capacity;
- Possibility for the Commercial Farmer Union (Large European Land Owners) to be operators themselves;
- Possibility of associating large properties and the newly set-up properties according to flexible formulas facilitating the hiring of material and marketing.

Following the visit to Minister Msika (Cabinet Committee or Resettlement and Rural Development) it can be taken that the Government is wide open to adaptation of the

technical models and the methods of implementation of re-settlement. However flexibility regarding tenure was not discussed. It is an important point that must nevertheless be discussed, as the financial consequences for the State are really important.

The development of the overall model and its philosophy will undoubtedly develop according to the attitude of the Donor Agencies. The World Bank has proposed to go much further in the diversification of the implementation agencies: first and foremost participation of the private sector, and even churches. Besides the Government is currently recording the contributions of bilateral donor agencies and their preferences regarding methods of intervention. This should result in a great diversity of forms.

Where the adaptation and flexibility of the mechanism seems to be of interest to many, the economic and financial evaluation of the entire process of land reform does not seem to concern decidors. This however is of capital importance. The Government document does present a brief cost analysis, but not yet an economic and financial analysis. It is possible that the World Bank will do this at the time of the granting of its loan.

The economic and financial situation of the reform will depend a lot on the rapidity with which farming infrastructure is delivered, the availability of short-term financing (agricultural campaigns), medium-term financing and long-term financing (purchase of land, infrastructure). It will also depend on the rapidity of the response of the new farmers to the market and the functioning of this market (marketing, exportation).

In short, the success of land reform will depend on varying aspects from a policy point of view, regarding the efficiency of implementation, the economic efficiency of the new farmers, with the entire framework having a great effect on the financial and economic situation of the country.

On the political level, the Government will have to carefully manage the process in order to secure national capital and investment of the commercial agriculture sector. A good move would be to make sure that large commercial agricultural concerns are not the losing parties, but in fact are also winners. The Government will also have to be credible with regard to applicants for land because of the political pressure. Allocation must therefore be carried out with transparency. It must also, in order to maintain a peaceful political climate, find solutions to the latent dissatisfaction in the suburbs where a large part of the population is unemployed. This unemployment is partly linked to the land situation. The spontaneous burst of peri-urban agriculture gives the impression that the setting up of worker gardens could have an important economic and social impact.

With regard to implementation, the Government cannot ignore that the different agencies (ARDA, DDF, AGRITEX) are not financially and materially capable of dealing with the re-setlement of so many people in such a short time. It may also be said without exaggerating that the methods of these agencies are too bureaucratic and sometimes not enough efficient. Some imagination is required. The diversity of the operators should facilitate experimentation and the formulation of efficient settlement techniques. These settlement techniques should take the knowledge of previous farmers into consideration, ensure the participation of the new farmers in the planning of the area (placement of the dwelling, placement of bore holes, layout of plots, irrigation schemes, areas for forestation, first ploughing, agricultural, economic and financial advice, common

institutions and regulations applicable to a single area  $\square$ .).

With regard to economic efficiency of farming, success depends on the availability of start-up products (seeds, fertiliser), the availability of credit to buy animals, the facility to market the products and the prices used. Here again, the capacity of the marketing boards, AGRITEX and AFC to deal with this, must be assessed and solutions must be pragmatically found, by addressing the private sector from case to case.

The re-settlements which will be the most successful will certainly be those which combine good organisation of the new farmers and agreements with large neighbouring farmers when possible or more generally with the private sector.

#### 4. What could be the Position with regard to French Aid?

With regard to the policy of co-operation, French like European Union aid is interested in Sub-Saharan Africa as a whole. The region in general is experiencing land reform problem0s similar to those of Zimbabwe (Zambia, Namibia, South Africa). That which can be done to facilitate transition to African family agriculture in Zimbabwe is therefore potentially useful for other countries.

This agriculture may be in a situation to accept new techniques in particular those of mulching and no tillage:minimum tillage  $\square$  more geneally speaking:Doubly Green Revolution  $\square$  in the areas of production of cotton and maize. These techniques are especially promoted by French agencies.

Lastly, by participating in land reform of this extent, French aid could assist considerably in the reduction of poverty and food security in the region.

Besides the different French agencies and operators could present a large range of possibilities of intervention: financing of infrastructure, financing of operation to improve global environment, technical assistance and research as well as training, and possible private assistance. The amalgamation of these skills could guarantee an efficient project.

Nevertheless the amount which may be allocated is limited and can mainly be made in the form of loans. This means that interventions must be targetted for investments of rapid and high return. The relatively experimental context of the re-settlement methods and the difficulties faced by public agencies mean that the project financing must be coupled with a support mechanism guaranteeing efficient implementation and the adoption of efficient high rapid return schemes and farming systems.

This can therefore only be done in a region where the assets are concentrated in order to limit transaction costs and in order to have satisfactory visibility. The mission helped to verify the interest of the Ministers concerned with regard to setting up a project in Central Mashonaland, in particular in the areas where there the □Biodiversity Management Project □ is already operating and financed by FFEM (use of existing infrastructure and knowledge acquired), and adding a monitoring-evaluation mechanism. This monitoring-evaluation would allow for the adjustment or modification of re-settlement models which are envisaged and consequently to advise the Government. The ministers contacted were

receptive in this regard.

By sending such a rapid mission, French Co-operation gave proof of its interest in the procedure to the Government. The deputy resident representative of the World Bank noted the efficiency in the rapidity of the response and the pragmatic side of the first programme assumption. He nevertheless was sorry that this possible financing was not going to be put in a pool of funds  $\square$  managed by the World Bank  $\square$  in order to simplify procedures. Such a solution would result in a  $\square$ two-way game  $\square$  between the Government and all the donors behind the World Bank. This formula would limit the diversity of experiences.

#### 5. Proposal of a Programme

A first proposal must be made which  $\Box$  if accepted  $\Box$  would become the subject of a feasibility study and complementary work agreements.

#### 5.1 Objective

This is a Rural Development programme of different types of settlements of beneficiaries of land reform in Central Mashonaland (in particular, the District of Guruve). This programme would include two main components:

#### Investment;

Support in the definition of land, technical and organisational models by means of a monitoring and evaluation mechanism

#### The types of areas where investment in the programme could be made

The reconnaissance carried out by the mission facilitated the identification of several typical cases for the setting up of new farmers :

- Former settlement areas: in these areas, the new land policy should permit access to property. The infrastructure is □ according to available information □ still rudimentary and agricultural equipment is insufficient. It is probable that in many cases the fertility of the soil has not been maintained and that production would depend very much on the climate unless there were small reserves of water;
- New settlement areas (that is on totally private property or on a combination of private property and communal property) in non irrigable areas: in these cases, planning will have to be undertaken with the participation of the beneficiaries, collective institutions set up, infrastructure implemented, improved production techniques proposed, and the running of agricultural services ensured.
- <u>Agricultural fronteers and new areas</u> in the Zambezi valley where the eradication of the Tse Tse fly would permit the colonisation of land and the expansion of cotton growing in conditions where it is difficult to maintain soil fertility. In these areas proposals must be made for special forms of tenure,

apropriate agricultural techniques and it must be ensured that market mechanisms function.

- Areas for building dams and creating small irrigated areas with the participation of the private sector: in these areas, the forms of association between the large private farmers and the beneficiaries of land reform procedures must be drawn up, rules of collaboration established, planning carried out, techniques finalised and the proper running of the market ensured;
- <u>Lastly, the communal areas</u> from which the beneficiaries of land reform would originate: these areas have their regulations and methods of governance. They require infrastructure, planning and the use of apropriate agricultural techniques.

The pre-feasibility study must define these types of situations.

#### 5.2 Operations to be carried out

#### Sequence type of operations to be carried out

Depending on the case, the sequence of operations to be carried out will be quite long. In the more complete cases, it would include:

- Analysis of the characteristics of populations benefiting from resettlement;
- Drawing up of layout plans with the different parties concerned: the recipients, the private sector concerned, technical agencies and technical operators  $\Box$ ;

Implementation of infrastructure;

- Definition of farming systems that would be adapted following an experimental field phase with the farmers (see below);
- Constant monitoring and evaluation of the implementation and the ecological, economic and social effects;
- Reflection on the lessons to be drawn from experience, especially with regard to the viability of the process of reform.

#### **Investment and Infrastructure**

The new settlement areas require varied infrastructure:

- Access roads and farm roads :
- Farming infrastructure: dams, irrigated areas, planning of the countryside, fences, electricity;
- Social infrastructure: boreholes for potable water, communal housing.

The new farming systems: introduction of green manure cover crop plots and improved pastures.

Most of the farms produce maize for foodstuffs and for sale, tobacco for sale and breed cattle. For family requirements, groundnuts, sunflowers, and various vegetables are

grown. The existence of a long dry season and especially irregular rainfall over time  $\square$  in spite of an average rainfall of 700 to 1000 mm  $\square$  creates uncertainty and risk for farming. Any water saving technique is therefore of prime importance in the search for less risky and higher production. Besides the quality of the soil is generally mediocre, especially on communal land. The maintenance of fertility is difficult for small farmers. A few visits to the area have shown that the spreading of animal manure is practised in most cases; the use of fertiliser is well known but is less utilised due to costs and difficulty of access to credit.

In this context, the introduction of mulches and green manure cover crops must be tested. Experiences in similar agro-ecological areas (Madagascar Tuléar) could be utilised. Vegetal coverage and minimum tillage techniques could be proposed on maize based farming systems for the entire area and for cotton in the Zambezi Valley.

The pasture areas present great biological diversity due the age of the savannahs of the region. Some grasses (*urochlea mozambicensis or Siba Grass and Digitaria milaryiana or Creeping blue Grass)* are endemic. The introduction of Stylosenthes by direct oversowing could increase farming capacity and increase animal production. Formulas tested in the North of Ivory Coast should be tested in the area.

A mechanism of agronomic monitoring of plots in association with the farmers should be implemented.

#### Socio-economic Evaluation and Monitoring

A mechanism of monitoring and evaluation by means of investigations should facilitate the recording of the development of the areas implicated in the programme and question several aspects in particular :

- Satisfaction of beneficiaries;
- Problems encountered during re-settlement from a legal, institutional and organisational point of view;
- Viability of new systems from an ecological and environmental point of view;
- Economic and Financing viability of new systems for new farmers, and for the operators.

#### **Economic and Financial Analysis of the Reform**

Field experience should give exact information on the main economic and financial parameters of land reform, in particular the costs and benefits for all the recipient parties. All the information could then be used in the design of possible contrasted development scenarios, for example: rapid or slow re-distribution of land, nominal or fairly high land prices, variable financing capacity from the State (importance of aid for transactions, aid for infrastructure), nominal or fairly high credit rates, rapid and efficient or slow and low efficient implementation, reinvestment of capital obtained from the land sales either in agriculture or other sectors or investment abroad, etc. The effects on production, demand, prices, Government accounts (State budget, trade balance, balance of payments), employment and financial markets would be evaluated from a simplified model of the agricultural and foodstuffs economy.

By this means the Government could analyse the viability of all the different alternatives of reform and their application to the economic and financial plan.

#### 5.2 First Assumptions on the means

The Agence Française de Développement - if it goes ahead □ will analyse for its part the pre-feasibility study and possibly the feasibility of an investment section.

The management of a support mechanism (monitoring and evaluation as well as stimulation of farmers) requires the presence of a full time technical assistant. This possibility must be analysed within the framework of the investment section of the project. As Zimbabwe is in charge of the co-ordination of the political aspect of food security in the SADC region, other kinds of technical assistance could also be optained for the food security aspects of the program.

The development of farming systems using cover crop- minimum tillage techniques and pastures improvement, both contribute to food security, to the fight against soil erosion and above all to carbon sequestration in the soils. As a result of this, the FFEM (French Global Environment Facility) could be requested for financing the greenhouse reduction aspect of the program.

The monitoring-evaluation of the agronomic, pastoral, ecological, economic and social aspects require, on a technical level, the specific presence of an expert. It could be done by a young professionnal (volontary assistant) trained in corresponding specific techniques. He (she) could be assisted by:

Support missions on the protocol (agronomy, pastoralism, economics)

- Works of students of the University of Zimbabwe and French universities;
- Analyses by universities and research workers in Zimbabwe;

Lastly, the macro-economic and financial synthesis may be carried out by:

- Specialist missions of French researchers;
- Specific works of the Zimbabwean universities.

#### 5.3 Planning of a schedule

If accepted by the different agencies concerned and by the Ministry of Foreign Affairs, the programme the Programme could be drawn up in detail in the first months of 1999 so that the different requests for financing may be made (AFD, FFEM, FAC) in 1999 and so that commencement may be envisaged for Autumn 1999.

The preparation of the project (analyses missions), the definition of monitoring and evaluation agreements and the first studies could begin in 1999, as well as the macro-economic analyses. In this regard, the sending of one young professionnal, of three support missions, logistical means of support and expenses for remuneration of Zimbabwean universities and researchers may be proposed for financing of the MAE from 1999.

Since the Young Professionnal Programmme will take end, it could be envisaged to create a position for a similar expert from the United Nations, UNDP, and to use corresponding fiduciary funds. This formula would be particularly welcome in 2000 and would reinforce the link with UNDP who is playing an important dialog role in Zimbabwe between the Government and the Donor Agencies.

#### 5.4 Partners

The programme should work on three levels:

- National level with the co-ordination entity (which could be created soon), in particular with TSU (*Technical Support Unit*) which should be the focal point for analysis, monitoring and evaluation;
- The level of implementation organisations which are either Local Governments or public agencies (ARDA, DDF  $\square$ ) and possibly the private sector;
- The level of sub-contractors: private sector, NGOs, works companies, university (CASS), consultants.

This aspect must be the subject of more detailed analyses within the framework of prefeasibility and feasibility studies.