

# WAREHOUSE RECEIPT SYSTEM INVESTMENT PLAN FOR ZIMBABWE



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**About LFSP:** The Zimbabwe Livelihoods and Food Security Programme (LFSP), Agriculture Productivity and Nutrition Component (APN) is managed by the Food and Agriculture Organisation of the United Nations (FAO), with the aim of contribute to poverty reduction through increased incomes for a target 250,000 smallholder farming households. The programme is being implemented in four provinces covering 12 districts as follows: Mutasa, Mutare, and Makoni in Manicaland; Guruve, Bindura, Mazowe and Mt Darwin in Mashonaland Central; Kwekwe, Gokwe North, Gokwe South and Shurugwi in Midlands and Zvimba in Mashonaland West provinces. FAO is in partnership with three NGO consortia led by Practical Action, Welthungerhilfe and World Vision International, two Strategic Technical partners i.e. IAPRI for policy influence, HarvestPlus for biofortification, three Commercial Banks, 1 Wholesale Facility - the Zimbabwe Microfinance Fund (ZMF), 5 Microfinance Institutions (MFIs) and the USAID managed DCA Facility. To date the LFSP is funded for two phases to the tune of £72.4m.

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## EXECUTIVE SUMMARY

In the period September 2020-March 2021, Zimbabwe piloted the regulated warehouse receipts system as a precursor to the establishment of a commodity exchange. The Indaba Agricultural Policy Research Institute (IAPRI) has been supporting the implementation of this pilot project. The project was implemented in partnership with Financial Securities Exchange Limited (hereafter FINSEC Limited) and the Ministry of Lands, Agriculture, Fisheries, Water and Rural Resettlement (MLAFWRR) National Agricultural Policy Framework (NAPF) Pillar 6 Technical Working Group. Technical support was provided by IAPRI under the Livelihoods and Foods Security Programme (LFSP), a Foreign, Commonwealth & Development Office (FCDO) funded and Food and Agriculture Organisation of the United Nations (FAO) managed programme. Other actors included but were not restricted to the World Bank, storage operators, and commercial banks. Building on the successes achieved during the pilot, the MLAFWRR is now working on the modalities for rolling out the WRS throughout the country. As such, IAPRI has developed this investment plan to support and guide the nationwide roll-out by the government, development partners and private sector players.

The pilot facilitated the passing of Statutory Instrument No. 224 of 2020 which operationalized the Warehouse Receipts Act (Chapter 18:25) of 2007. To date, a trading platform has been established and all systems necessary for end-to-end trade have been fully tested and are operational. About four warehouses have been certified with more expected to be certified under the WRS. Commercial banks are on board, and a firm to operate the commodity exchange has been established. There were some awareness campaigns that have been conducted but most of these were at a higher level and were limited in geographical coverage and scope. These successes demonstrated that collaboration, the clear establishment of roles and responsibilities, and communication between private and public actors is crucial for such undertakings. However, the pilot recorded no trade aside from the dry runs to test the system. This was because the timing of activities was at variance with the marketing season, and there were delays in registration of warehouse operators. Given this, this paper presents details about the requirements to accelerate and sustain the operationalization of the WRS in Zimbabwe. Cost estimates for the various interventions are also provided.

The estimated costs of interventions that would translate into an operational WRS amount to 36,123,450 United States dollars. Unsurprisingly, the largest component of the investments is targeted at improving and establishing the necessary WRS support infrastructure (95.5%). Awareness creation activities take up 4.3% of the total required investments, while policy advocacy and legislative reviews each account for 0.1% of the total required investments. A summary of the required interventions is provided in Table 1.

**Table 1: Summary of Cost of interventions to improve the functioning of the WRS**

Activity	Cost (US\$)
Capacitation of the office of the registrar to effectively carry out its functions	4,539,828
Awareness campaigns to generate stakeholder interest	1,555,480
Continued Support to the Trading Platform	83,412

## Warehouse Receipt System investment plan for Zimbabwe

Capacitation of the Grain Marketing Board: <ul style="list-style-type: none"><li>• Storage facilities</li><li>• Staff</li><li>• ICT infrastructure to improve warehouse management</li></ul>	26,353,800
Investments in community-level aggregation facilities	3,000,000
Grain standards review, harmonization and awareness	211,800
Capacitation of farmer groups	101,500
Establishment of a grain information service	222,350
Advocacy to create market conditions that facilitate WRS operations	27,000
Legislative review	28,280
<b>Total Cost</b>	<b>36,123,450</b>

Source: Authors

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## ACRONYMS

CFU	Commercial Farmer's Union
DFID	United Kingdom's Department for International Development
FAO	Food and Agriculture Organisation of the United Nations
FCDO	United Kingdom's Foreign, Commonwealth and Development Office
FINSEC	Financial and Securities Exchange Limited
FINSEC	Financial Securities Exchange (Private) Limited
GMB	Grain Marketing Board
IAPRI	Indaba Agricultural Policy Research Institute
LFSP	Zimbabwe Livelihoods and Food Security Programme
MLAFWRR	Ministry of Lands, Agriculture, Fisheries, Water and Rural Resettlement
SI	Statutory Instrument
WRS	Warehouse Receipt System
ZFU	Zimbabwe Farmer's Union



## 1. INTRODUCTION

The implementation of the regulated warehouse receipts system (WRS) could facilitate increased incomes among farmers in Zimbabwe. This happens through improved access to finance, reduce post-harvest loss, address agricultural price risk and manage counterparty risks (Wehling and Garthwaite 2015; Coulter and Onumah 2002). Other benefits include development of transparent agricultural commodity price discovery systems, improved product quality and curtailed cheating on weights and measures (ibid).

The above benefits necessitated a pilot of the regulated WRS in Zimbabwe between September 2020 and March 2021. The goal of the pilot was to provide a proof of concept for the government and private sector players and help fast-track the operationalisation of the regulated WRS for the benefit of farmers. This is in addition to the fact that the WRS is a precursor to the development of a commodity exchange. Under the Food and Agricultural Organization’s Livelihoods and Food Security Project, a study documenting the progress in operationalizing the WRS, lessons learnt, challenges and key gaps was commissioned.

The study identified four main themes of challenges and key gaps in the WRS operationalization. These included (i) Limited Awareness (ii) Limitations in the Warehouse Receipts System Infrastructure (iii) Unfavourable Grain Marketing Policies and (iv) Legislative Gaps. The first 3 are the most pressing and require urgent action. In this paper, details about the gaps, proposed actions, key actors, and the costs of the interventions are provided.

## 2. ISSUES, INTERVENTIONS AND ASSOCIATED COSTS

In this section, the gaps and observed challenges to fully operationalize and sustain the WRS in Zimbabwe are discussed. Detailed actions required to address these gaps are also presented along with their associated costs. The proposed interventions are grouped into four broad themes and will cost approximately US\$ 36,123,450. The largest cost component deals with ensuring a supportive infrastructure for the WRS to flourish and represents almost 95.5% of the total budget. This is followed by awareness campaigns 4.3%. Addressing some of the immediate legislative gaps identified in the gap analysis and advocating for market friendly policies each account for 0.1 of the total investments Table 2. The remainder of the section presents a detailed breakdown of the cost of each of the components that make up the four broad categories discussed here.

**Table 2: Cost of Interventions by Theme**

Theme	Investment	Share (%)
Inadequate WRS Infrastructure	34,512,690	95.5
Limited Awareness	1,555,480	4.3

<b>Inadequate WRS legislation</b>	28,280	0.1
<b>Unfavourable Grain Marketing Policies</b>	27,000	0.1
<b>TOTAL INVESTMENT</b>	<b>36,123,450</b>	

Source: Authors

### 2.1. Awareness Creation: Issues, Needs and Costing

The gap analysis revealed that awareness activities so far have not covered many actors in the warehouse receipts system ecosystem. While some financial institutions have been reached, more could be done to include other financial institutions including the non-bank financial institutions. The gap analysis revealed that most commercial banks do not have dedicated agribusiness units, implying their understanding of the WRS is very limited. As such, capacity building and awareness creation among these will be crucial. There is also a need to reach more farmers, given that campaigns so far have targeted a very small number of farmers owing to Covid-19 restrictions imposed by the government. Commodity associations, and the World Food Programme must also be reached. To get publicity among industry actors and influence their participation, it is necessary to launch the WRS trading platform. Presently only the early adopters have engaged with the WRS.

Further, while the office of the registrar has a pamphlet used to train people, there is a need to develop a WRS handbook that can be used to train different actors in the WRS ecosystem. Awareness campaigns must use both print and electronic media, as well as roadshows, and other meetings and/or workshops.

Awareness campaigns must deliberately also target medium and large-scale farmers to participate in the regulated WRS early despite having existing marketing arrangements. This is key given their scale economies and because meaningful volumes for the WRS will only be generated once this is the case. Smallholders are expected to lag despite being the main target for initiatives. To sell the idea of commodity aggregation, commodity associations must be targeted and for WRS promotional campaigns. Also noticeable is the lack of engagement with input providers that serve a similar role to financial institutions by providing inputs against deposited produce under the WRS. Nevertheless, some storage operators currently engaged also trade in inputs (e.g., Export Trading Group and TSL Limited through Agricura Pvt Limited), but deliberate inclusion of input traders will be also crucial. We expect that the launch of the WRS and commodity exchange will generate the much-needed awareness and interest among industry actors.

Capacity to raise awareness is limited for commodity associations and the farmer union. These first lack the knowledge on the WRS, and secondly, they require motorbikes and operational expenditure to facilitate farmer trainings.

Table 3: Awareness Creation Across the Whole Warehouse Receipts System Ecosystem

S/N	Issue/challenge	What are the needs or actions to deal with the issue?	How should these actions/needs be accomplished?	Who should deal with these actions/meet these needs?	What would it cost to deal with these needs/actions (US\$)?
1	Inadequate awareness and limited understanding of the WRS among most stakeholders.	Escalate sensitization and awareness campaigns across all user groups and using various media outlets.	<ul style="list-style-type: none"> <li>-Design and print brochures on the WRS for distribution.</li> <li>-Produce and air documentaries on Television and Radio</li> <li>-Training of trainers on the WRS concepts</li> <li>- Conduct awareness meetings at various levels.</li> <li>-Develop a warehouse receipt system handbook for use in trainings for all actors</li> </ul>	<p>Public sector: Office of the Registrar, MLAFWRR.</p> <p>Private Sector: FINSEC Limited, Bankers Association, Donor Community, Millers Association, Trader's Association, CFU, ZFU.</p>	1,555,480
2	Inadequate capacity to raise awareness by the farmer associations.	Enhance capacity of the farmer associations to raise awareness and promote the WRS.	<ul style="list-style-type: none"> <li>-Procurement of motor bikes.</li> <li>-Support for operational expenditure</li> </ul>	Private Sector: World Bank, FAO, Donor Community, ZFU, Farmer Associations.	Included in 1 above
	<b>Total Cost</b>				<b>1,555,480</b>

Source: Authors

## 2.2. Warehouse Receipts System Infrastructure: Issues, Needs and Costing

The WRS initiatives during the pilot phase did not identify the capacity needs of the registrar's office with a view to ensuring they are well capacitated to perform their duty. It is thus unsurprising that the gap analysis also revealed capacity constraints that contributed to delays in the registration and inspection of warehouses under the WRS at the office of the registrar. There are no dedicated motor vehicles for purposes of warehouse licensing and monitoring at the national or provincial levels. As such, the registrar's office has had to compete with other pressing needs such as the high priority locust control to carry out WRS operations. Moreover, most of the staff have different backgrounds and must be trained in the operations of the WRS, the key legislation and their role as a regulator. There are no computers to facilitate WRS information storage and viewing both at the national and district offices and these must be integrated with the WRS system at FINSEC Limited.

To enhance effectiveness in operations, future efforts in the WRS must target in-house capacity building of warehouse licensing persons. Capital expenditure in information technology infrastructure, motor vehicles and office equipment at the headquarters, provincial and district offices in line with the decentralisation agenda is also critical.

**Table 4: Inadequate WRS Infrastructure: Issues, Needs and Costing**

S/N	Issue/challenge	What are the needs or actions to deal with the issue?	How should these actions/needs be accomplished?	Who should deal with these actions/meet these needs?	What would it costs to deal with these needs/actions (US\$)?
1	Inadequacies at the office of the Registrar of Warehouses.	<ul style="list-style-type: none"> <li>-Capital and operational support to for the office of the registrar to enhance effectiveness of warehouse inspections, regulation of WRS, and quarterly monitoring.</li> <li>-In-service training to enhance competence of staff under the office of the registrar in understanding the WRS legislative framework, their roles under the WRS</li> </ul>	<ul style="list-style-type: none"> <li>-Procurement of national and sub-national and provision of internet services.</li> <li>-Procurement of provincial motor vehicles and a national motor vehicle.</li> <li>-System installation and integration to all other WRS systems</li> <li>-Trainings to capacitate staff at the office of the registrar.</li> </ul>	<p>Public sector: MLAFWRR</p> <p>Private sector: World Bank, FAO, Donor Community, FINSEC Limited</p>	4,539,828
2	Inadequate capacity and weak governance of farmer groups	<ul style="list-style-type: none"> <li>-Enhance capacity of farmer groups to keep records, hold meetings, understand, and stick to the constitution, understand the WRS, and conduct business.</li> </ul>	<ul style="list-style-type: none"> <li>-Training of farmer associations and farmer groups in business skills and organizational management</li> </ul>	<p>Private-World Bank, World Food Programme, FAO, ZFU.</p> <p>Public sector: MLAFWRR</p>	101,500

## Warehouse Receipt System investment plan for Zimbabwe

S/N	Issue/challenge	What are the needs or actions to deal with the issue?	How should these actions/needs be accomplished?	Who should deal with these actions/meet these needs?	What would it costs to deal with these needs/actions (US\$)?
3	Lack of comprehensive and timely grain market information	-Establishment of a Grain Information Service	-Registration of a firm to operate the GIS -Support establishment of the GIS with CAPEX and Operational expenditure -Stakeholder consultations -Meetings and launch	Private sector: Grain and Milling Industry Associations and members, FINSEC Limited, FAO, World Bank, Donor Community, IAPRI. Public sector: MLAFWRR, AMA	222,350
4	Unharmonized Quality Standards	-Support AMA to review existing grain standards, align these to international standards and be the reference standards under the WRS -Trainings and awareness creation -Enforcement of the standardised grain standards	-Review and revise grades and standards -Technical Assistance to identify need for laboratories in the production centres -Grades and Standards promotion for value-chain actors using various media	Public Sector: AMA, MLAFWRR, GMB  Private sector: Grain Traders Associations, Millers Association, Commodity associations, ZFU, CFU, Warehouse Operators, SATIHUB, World Bank, FAO, WFP, Donor Community	211,800
5	Inadequate Storage Infrastructure in Some Areas and inadequate	-Warehouse infrastructure audit	-Capital expenditure on construction of silos,	Public sector: GMB, MLAFWRR	29,351,400

## Warehouse Receipt System investment plan for Zimbabwe

S/N	Issue/challenge	What are the needs or actions to deal with the issue?	How should these actions/needs be accomplished?	Who should deal with these actions/meet these needs?	What would it costs to deal with these needs/actions (US\$)?
	aggregation centres in rural communities	-Additional silos and warehouses in underserved areas. -Community-level aggregation centres that feed into silos.	warehouses, and aggregation centres.	Private sector: Storage operators, World Bank, WFP, FAO, Donor community.	
6	Manual systems of warehouse management at GMB that leave room for manipulation and reduce efficiencies in the WRS ecosystem.	-Support the modernization of certified GMB silos and warehouses. -Capacity strengthening of GMB warehouse operators	-Finance licensing fees for GMB to participate under warehouse receipt system thereby accessing a modern warehouse management system.. -Procure a tablet and a scanner for each participating depot. -Install and finance internet expenditure for each certified depot.	Private Sector: TSL Limited, World Bank, FAO  Public Sector: GMB, MLAFWRR	Included in cost in 5
7	Lack of spot market rules limiting trade and self-sustainability of the WRS component of FINSEC Limited -Gazetting of spot market rules and	-Operational expenditure to host and operate the trading platform.	- Continued financial support to FINSEC limited for hosting and operating the trading platform.	FINSEC Limited, World Bank, FAO, MLAFWRR, IAPRI	83,412

Warehouse Receipt System investment plan for Zimbabwe

S/N	Issue/challenge	What are the needs or actions to deal with the issue?	How should these actions/needs be accomplished?	Who should deal with these actions/meet these needs?	What would it costs to deal with these needs/actions (US\$)?
	launch of commodity exchange to facilitate trade of warehouse receipts on the platform and boost private sector investments and participation.				
	<b>Total Cost</b>				<b>34,512,690</b>

Source: Authors



### 2.3. Market Information

The status report identified that presently, there is a gap in generating timely market information to enable actors make decisions about commodity trading. Presently, market information is provided by AMA weekly commodity prices bulletin, but this is not enough for WRS and commodity exchange purposes<sup>1</sup>. The information systems must also be availed to the rural communities who will use the information for decision-making on a daily basis. Intervention in the pilot phase of the WRS are yet to address this issue. Thus, there is a need for a stakeholder owned grain information service that will provide timely market information for use by the government and market players in decision making. Similar services are offered in other countries operating the WRS and commodity exchange. For example, the South African Grain Market information Service in South Africa, and the newly established Zambia Grain Market Information Service. This service is also important for the government as it facilitates improvements in understanding stocks positions within the sector and helps minimize ad-hoc trade and market policies that may adversely affect WRS operations. This information service provision can be modelled around the best practices of the South African Grain Information Service. The rules which govern this agency will also need to be developed. Interventions must target establishing a stakeholder-owned private entity to generate reliable and timely grain market information.

### 2.4. Capacity of Farmer Groups

One of the target groups for WRS is the smallholder farming community. These have a low marketable surplus, and their commercialization levels are low on average. For them to participate effectively in the WRS, they need to be organized into producer groups or cooperatives. The gap analysis revealed that there are capacity constraints at the local level among producer groups or cooperatives. Issues around governance of farmer groups, awareness levels, or business skills, their understanding of grades and standards are yet to be tackled. The next phase of WRS investments must therefore endeavour to identify needs and capacitate producer groups and cooperatives on these broad topics.

### 2.5. Capacity of Warehouse Operators

In the WRS development efforts so far, the trainings for warehouse operators to date only ran for two days and was deemed inadequate to capacitate warehouse operators by stakeholders. The trainings were also mainly theoretical, meaning that operators are yet to get hands on experience on what is required of them. While this is an important first step, there is a need to further enhance the capacity of both GMB and private warehouse operators to better participate in the WRS.

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<sup>1</sup> See <https://ama.co.zw/agro-input-monitors/#1615886569553-5d537030-8906>

### 2.6. Status of Storage Infrastructure

One of the key impediments to the success of the WRS is the lack of quality storage infrastructure to pass the minimum requirements by the registrar. The gap analysis revealed delays in certification of some GMB storage facilities as they were not up to standard for WRS purposes. A skewed distribution of storage facilities was also noted, with the result being that some high potential production areas may be disadvantaged. Given the low production levels of some other commodities and their nature, the use of silos may not be appropriate and this calls for investments in alternative facilities such as sheds. Identified areas for storage investments included Mangura, Manicaland, Kwekwe, Midlands and Masvingo for silos, and Bindura for a warehouse. Rehabilitations by GMB are underway, but more needs to be done. Sheds at Masvingo and Rusape sheds may need rehabilitations to allow commodity aggregation at local level before transferred and delivered to main GMB depots that have been certified for use under the WRS.

The status report also identified the need for community aggregation centers that would then feed into the silos and larger facilities. These need not be state of the art, instead low cost facilities of relatively smaller capacity can be constructed to facilitate commodity aggregation and reduce transport costs to the farmer.

On a related note, the gap analysis identified the need to modernize the GMB's warehouse management system. TSL limited already has the infrastructure for this, and GMB can only pay an annual license fee and make capital investments such as a scanner for each shed and a computer or tablet. Internet access would also be critical. In the same vain, other players not operating such a system can be added to the TSL Limited System.

### 2.7. Grades and Standards

The gap analysis revealed that industry standards for commodities used by the GMB come from AMA. However, with GMB, farmers are paid the same price for different grades of maize. A lot of work is needed to sensitize farmers that commodities of different quality face different prices. Other actors have their own standards which they use in interactions with farmers. This means that there will be a need to reveal and adopt the same set of standards for the WRS purposes. This standard must then be communicated to various actors. These must also be compared to regional standards, despite indications that local standards are superior to what is obtaining in Southern Africa.

## 3. Unfavourable Grain Marketing Policies

One of the threats to the sustainability of the WRS is an unfavourable market environment that stifles private sector participation or diminishes their trust. This is because the marketing environment for the main grains that could generate meaningful volumes under the WRS (i.e., for maize, soya beans and

wheat) is unpredictable since these are controlled products and marketing of these grains is regulated by the government through the Grain Marketing Board. As has been shown, policies around these grains is usually ad-hoc and may affect private sector planning and their trade under the WRS.

Examples of such policies include (i) The announcement of minimum producer prices as required by Statutory Instrument No. 122 of 2014 Agricultural Marketing Authority (Minimum Grain Producer Prices), (ii) Regulation and a monopoly buying and selling of maize according to Statutory Instrument No. 145 of 2019. Under the two Statutory Instruments, price discovery is inhibited as there is one price, and procurement of grain by other entities than the GMB is restricted. For the listed commodities, this limits the extent to which other actors can participate under the WRS. The WRS status review highlighted statutory instruments currently in place for these grain crops for example limit private sector participation and willingness to engaging with the WRS since they are not sure what this means for the whole system. While the goal of such an undertaking is clear and appreciated for instance the need to support maize producers through high prices while at the same time subsidizing consumers, however there are policy options that can be pursued to limit the adverse effects on the WRS. For this reason, there is a need for advocacy aimed at getting buy-in to convince the government that participating in the WRS could reduce fiscal exposure by passing the cost of maintaining the Strategic Grain Reserve (SGR) to other parties and help to crowd in private sector investment in grain sector. Also important for the advocacy efforts is get the spot market rules to be gazetted and retain the trust of market actors. A functional spot market will provide a platform for trading warehouse receipts. Trading of warehouse receipts is allowed in the Warehouse Receipt Act [Chapter 18:25] and procedures on trading such receipts were also outlined in the Warehouse Receipt (General) Regulations, 2020 [Statutory Instrument 224 of 2020].

**Table 5: Unfavourable Grain Marketing Policies**

S/N	Issue/challenge	What are the needs or actions to deal with the issue?	How should these actions/needs be accomplished?	Who should deal with these actions/meet these needs?	What would it cost to deal with these needs/actions (US\$)?
1	<p>-Unsupportive grain market statutory instrument that restrict maize sales to the GMB</p> <p>- Delays in gazetting the spot market rules to facilitate trade on the commodity exchange platform</p> <p>-Lack of clarity on the potential impact of the WRS on the SGR"</p>	<p>-Advocacy and outreach to secure buy-in from policy makers.</p>	<p>-Engage technical expert to facilitate securing buy-in from the government through the provision of policy options on how SGR purchases can be conducted under the WRS to the benefit of government.</p> <p>-Hold consultative meetings to facilitate the government’s utilization of the WRS for SGR purposes and to fast-track the gazetting of the spot market rules.</p>	<p>Private Sector: IAPRI, FAO</p> <p>Public sector: GMB, MLAFWRR</p>	27,000

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	<b>Total</b>				<b>27,000</b>
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### 4. Legislative Gaps

One of the major areas of concern has been the rate to be charged by the storage operators to the farmer. The current legislation is silent on what percentage constitutes an acceptable storage charge. As result, most stakeholders including farmers are concerned about being overcharged for storage fees by warehouse operators. While discussions are underway on this, stakeholders were of the view that this must be in the legislation and included in the awareness campaigns to be conducted for farmers. Concurrently, there is a need for warehouse operators to publish the storage fees for the depositors to make informed decisions and properly choose where to deposit their commodities. This will significantly help to eliminate information asymmetry regarding the storage fees.

Given that the marketing environment for most key grain crops (i.e. maize, soybean and wheat) which are also listed among the commodities to be traded through WRS is unpredictable due to different Statutory Instruments as discussed above (see section 3), there is a need for the inclusion of other non-controlled products in the schedule of products to be traded under WRS. Different stakeholders were of the view that, inclusion of horticultural products such as<sup>2</sup> onions, ginger and garlic in the WRS would be ideal and this will significantly help to sustain the operations of the WRS ecosystem. This will also calls for investment in preservation methods such as cold storage facilities to prolong the shelf life of these commodities. Amendment of WRS Act and Regulations particularly to take into account the specifications of required standards of such cold storage facilities to be registered under WRS and shelf life of those commodities is also critical. Such amendments and modalities for inclusion of horticultural commodities under WRS can be modelled around the best practices and operations of Warehouse Development and Regulatory Authority in India<sup>3</sup>.

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<sup>2</sup> Which can preserved for a long time

<sup>3</sup> <https://wdra.gov.in/web/wdra/commodities>

Table 6: Legislative Review

S/N	Issue/challenge	What are the needs or actions to deal with the issue?	How should these actions/needs be accomplished?	Who should deal with these actions/meet these needs?	What would it cost to deal with these needs/actions (US\$)?
1	<p>-Lack of clarity on acceptable storage charges in the WRS making farmers uneasy.</p> <p>Concerns over SIs on key grain crops such as maize, wheat and soybean that limit private sector participation.</p> <p>-Dual WRS system, with both paper and electronic WRS accepted</p>	<p>-Review legislation to make clear the maximum costs of storage to the farmer. Review the WRS Regulations to allow inclusion of horticultural products</p> <p>-A move towards an electronic only warehouse receipt.</p>	<p>-Engage technical expert to review WRS legislation.</p>	<p>Private Sector: IAPRI, FAO, FINSEC Limited, Warehouse Operators</p> <p>Public sector: GMB, MLAFWRR, Ministry of Justice, Legal and Parliamentary Affairs</p>	28,280
	<b>Total</b>				<b>28,280</b>





**ANNEX 1: DETAILED INVESTMENT PLAN**



Investment Plan  
Costing.xlsx

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