

EU promotes recovery of sugar sector in Zimbabwe

Today, the European Commission has agreed to provide additional funding for the sugar sector reform programme in Zimbabwe. A grant of € 6.5 million will be disbursed in the framework of the Annual Action Programme 2009 on Accompanying Measures for Sugar Protocol Countries.

"This contribution is needed by the people of Zimbabwe who are in the grip of a food crisis and a very difficult socio-economic and political situation. The programme contributes to enhancing the competitiveness of the sugar sector in Zimbabwe and will not only benefit cane plantations but also subsistence farmers' communities, thereby providing support to the more vulnerable part of the industry", said Xavier Marchal, Head of the European Commission Delegation to Zimbabwe.

In 2006, the Government of Zimbabwe approved a National Sugar Adaptation Strategy (NSAS) on how to adjust to the new EU sugar market regime and future challenges. The priorities identified in the strategy are to stop the decline of the sugarcane production, to bring the industry to its former level of production (more than 600,000 tonnes of sugar per year) by renewing existing cane production areas, as well as to expand the sugar industry to produce up to 1 million tonnes of sugar per year.

In line with the NSAS, the European Commission outlined a programme under the Accompanying Measures for Sugar Protocol Countries for the period 2006-2013. Out of the initial allocation of € 22 million for the period 2007-2010, an amount of € 2.7 million has already been committed to support the reform. The new allocation of € 6.5 million will further contribute to its objectives.

Out-growers are the main beneficiaries of the Commission support under the Annual Action Programme 2009. Whereas large estates, belonging to the sugar mills, still have the capacity to cope with the changed market situation, the out-growers are more at risk. Their cane input to the mills has declined. Potential cane growing land is lying idle and many see their livelihoods seriously threatened. To reverse this trend, is a central objective of the implementation phase of the programme.

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