FRA spends K350 billion on maize subsidy

By Times Reporter

THE Food Reserve Agency (FRA) has spent K350 billion on maize subsidy in the last three months to stabilise prices of mealie meal, Agriculture and Cooperatives Minister Brian Chituwo has said.

Dr Chituwo said the FRA bought maize from farmers at K45,000 but unscrupulous traders had hijacked the process.

He said this in an interview in Lusaka yesterday after attending a crop focus verification exercise.

The minister said the maize floor price would be announced in a fortnight.

"In the last three months, FRA has spent K350 billion on maize subsidy. The Government wanted to help the people but some traders are buying the maize cheaply and later selling at high prices," he said.

Dr Chituwo said in a liberalised economy, it was difficult for the Government to dictate the price of maize and mealie meal.

He observed that subsidy on consumption was not sustainable because the Government was spending colossal sums of money.

Dr Chituwo said farmers and the public who were pressurising the Government to announce the maize floor prize should understand that if the nation was to know how much food to export and import, they should appreciate the crop focus information.

Currently, the ministry in conjunction with Central Statistical Office (CSO) and Food Security Research project is analysing data sampled from 72 districts covering over 13,000 households to determine the national food security status.

He said millers should work together with the Government so that accurate data was documented on how much maize the nation was consuming per month.

Earlier, CSO director Efreda Chulu said the crop focus was vital in providing early warning on the status of food production in the country.

Ministry of Agriculture policy and planning director, Julius Shawa said the crop focus exercise was the best tool in capturing the food balance of the nation.

Mr Shawa promised that the team, which was analysing the collected data from farmers, would finish the work by the first week of May, then the minister would be in a better position to announce the maize floor price.