

Diversification Options for the Coffee Sector in Zimbabwe

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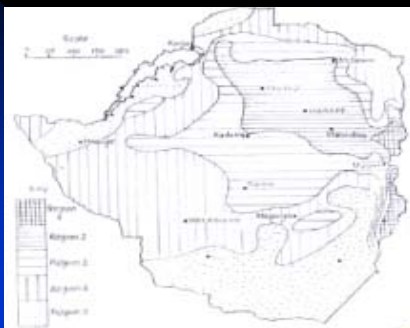
Overview of the Zimbabwe Coffee Sector

- Grown in Manicaland and Mashonaland (See Map)
- Agro-ecological conditions
- Dualistic in nature
- Going through structural change
- Production
- Fifth on export earning rankings
- High quality

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Agro-ecological Regions of Zimbabwe



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Main Diversification Successes

LARGE SCALE	SMALL SCALE
Primary processing	Primary processing
Dairy	Crossborder Trade
Transport & Earthmoving	Small scale mining
Tea	Tea
Horticulture	Horticulture
Tourism	Livelihoods
Financial markets	

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Who/What Initiated the Process

- Private/Individual Initiative
- Government Policy
- NGO programmes
- Natural Disasters and crop diseases
- High Cost of production

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Influential Elements

- Conducive macro-economic environment
- Viability of enterprises, prices & costs
- Synergies between enterprises
- Availability of credit/input support
- Gestation period of enterprise
- Knowledge and skills
- Supportive infrastructure

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Weak Areas

- Secondary processing of coffee
- Primary and secondary processing of horticulture
- Very few participants in each of the success stories
- Oligopsonistic markets

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What Has to Be Done to Enhance Success

- Studies on the viability and optimal combinations of the available options
- Appraisal of capital non agricultural options
- Market research for beneficiation of coffee
- Infrastructural Development e.g irrigation

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What Has to Be Done to Enhance Success

- Policies that facilitate trade
- Establish more outgrower schemes
- Provision of land plus proper farmer selection
- Lobby for policies that foster entrepreneurship
- Mobilisation of affordable finances for diversification
- Research on appropriate diversification technologies

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