

The Productive Foundation:

Agricultural Transformation and Mineral Value Capture in Zimbabwe

PAPER 5 OF THE BLUEPRINT SERIES | AGRICULTURAL AND RESOURCE PRODUCTIVITY

ABSTRACT

Zimbabwe sits on two extraordinary productive foundations: some of the most fertile agricultural land in Africa, and the mineral endowments that the global energy transition urgently needs. It is currently failing to realise the full value of either. Smallholder maize yields average 800 kg per hectare against a proven potential of 1.4 tonnes; 80% of agriculture remains rain-fed despite vast untapped irrigation resources; and food production fell to 700,000 tonnes in 2024 against a national requirement of 2.2 million. On the mineral side, battery-grade lithium carbonate commands over \$7,000 per tonne against just \$570 for the raw concentrate Zimbabwe currently exports — a 12-times value premium that domestic beneficiation captures but infrastructure and governance constraints are currently preventing. This paper argues that Zimbabwe's agricultural and mineral productive potential must be developed as an integrated system rather than as separate sector programmes: the same rail corridors, energy infrastructure, and digital platforms serve both; the same governance reforms that secure land tenure also secure mining contracts; and the mineral revenues that beneficiation generates are the financing source for the agricultural transformation that food security requires. The paper maps a path from subsistence and raw extraction to a diversified productive economy — the breadbasket and mineral superpower that Zimbabwe's endowments make achievable, anchored in climate adaptation that treats Southern Africa's increasingly volatile weather not as an obstacle to manage but as a design parameter to build around.

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EXECUTIVE SUMMARY

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Zimbabwe's productive economy rests on two foundations that the country has been systematically failing to develop: land and minerals. The land is among the most fertile in Africa — the highveld plateau holds agricultural potential that once earned Zimbabwe the title of breadbasket of the region and could do so again. The minerals are among the most strategically important in the world — lithium, platinum, chrome, gold, and palladium, in quantities that place Zimbabwe at the centre of the global energy transition. The productive gap between what Zimbabwe has and what it is realising from it is not a resource problem. It is an institutional, infrastructure, and governance problem — and one that the preceding papers in this series have been building the architecture to solve.

The numbers make the gap vivid. Zimbabwe needed 2.2 million tonnes of maize in 2024 to achieve basic food security. It produced 700,000.¹ Smallholder farmers achieve average yields of 800 kg per hectare against a proven potential of 1.4 tonnes — the lowest in the region.² Only 109,000 hectares are under irrigation despite water resources that could support over 800,000 hectares; research demonstrates that irrigation investment alone produces 50-140% yield increases, and combined with fertiliser, 100-210%.³ On the mineral side, battery-grade lithium carbonate commands over \$7,000 per tonne on global markets against just \$570 for the raw concentrate Zimbabwe currently exports — a 12-times value premium that domestic processing captures.⁴ Zimbabwe's total mineral revenue reached \$3.4 billion in 2025, with lithium alone contributing \$571.6 million at the current processing stage. The January 2027 export ban on lithium concentrate is already driving \$900 million in new processing facility investment.⁵ The trajectory is clear. But the constraints are also clear.

This paper makes three arguments simultaneously, because the three are inseparable. First, that land tenure and agricultural productivity are an indivisible pair: tenure without productivity is paperwork; productivity without tenure is subsistence. Bankable title is the prerequisite for the credit access that funds the inputs, irrigation, and commercial development that transform subsistence farming into a productive economic system. Second, that mineral beneficiation — capturing the processing premium rather than exporting raw commodities — is both Zimbabwe's most immediate economic opportunity and its most pressing governance challenge: the risk that lithium replicates the capture patterns of Zimbabwe's diamond and gold sectors is documented and real. Third, that climate adaptation is not an optional environmental programme but a design parameter for both productive pillars simultaneously: the same Southern African drought cycles that deplete Kariba and threaten food production from rain-fed farming require the same structural response — diversified energy, solar-

powered irrigation, drought-tolerant varieties, and infrastructure built for the climate conditions of 2060, not 1990.

Zimbabwe's land and minerals are not the problem. The question is whether Zimbabwe builds the institutional architecture to translate endowments into prosperity before the window of the global energy transition closes.

SECTION 1

1. The Productive Gap: What Zimbabwe Is Leaving on the Table

Every economy has a gap between its actual and potential productive output. For most economies, closing that gap requires decades of capital accumulation, technological development, and human capital investment. Zimbabwe's productive gap is different in an important respect: much of it does not require new resources. It requires removing the constraints that prevent existing resources — fertile land, abundant water, world-class mineral deposits, an educated and experienced farming and mining workforce — from delivering their established potential. The gap is a governance and infrastructure problem masquerading as a development problem.

1.1 The Agricultural Deficit

Zimbabwe's agriculture is dominated by smallholder farmers — a nation of small-scale farms, as one analysis puts it, in which the majority of producers remain reliant on rain-fed systems, low-quality inputs, and limited market access.² The 2024 El Niño drought reduced maize production to 700,000 tonnes against a national food security requirement of 2.2 million tonnes.¹ The 2024-25 season recovered to an estimated 1.3-1.8 million tonnes following improved rainfall and government recovery initiatives, but still short of the national requirement.[¶] The structural constraint — 80% rain-dependence, inadequate irrigation, limited extension services, input costs that keep modernisation out of reach — means that every drought year produces a food security crisis, and every recovery year merely restores the structural vulnerability rather than resolving it.

The yield gap tells the story precisely. Zimbabwe's smallholder maize farmers achieve an average of 800 kg per hectare — the lowest in the region, where averages range from 1 to 2 tonnes per hectare.² The proven agro-ecological potential in Zimbabwe's highveld is 1.4 tonnes per hectare without additional inputs and significantly higher with access to improved seed, fertiliser, and water. The gap between actual and potential yield is not a soil quality problem. It is a systems problem: insufficient access to credit, inputs, extension services, and water; post-harvest losses from inadequate storage and cold chain; and market access constraints that make commercial production rational for fewer farmers than the agricultural resource base warrants.

Against this agricultural deficit sits an agricultural bright spot that is often underweighted in the policy conversation. Zimbabwe's tobacco sector has achieved a remarkable recovery: production rebounded from a low of 44 million kilograms in 2006 to 232 million kilograms in

2024, and surpassed 300 million kilograms in 2025, generating over \$1 billion in revenue in the 2025 selling season against a target of \$1.6 billion.[•] Tobacco accounts for 30% of all exports and over 50% of agricultural exports. Zimbabwe is the world's third-largest exporter of raw tobacco, accounting for 10% of global exports, behind only Brazil and India. This demonstrates that Zimbabwe's agricultural sector, when it has the inputs, the market access, and the financing mechanisms to function, can deliver at globally competitive scale. The challenge is extending this model — carefully and fairly — to the broader agricultural economy while addressing the governance failures within the contract farming system itself.

1.2 The Mineral Opportunity

Zimbabwe's mineral endowments are extraordinary in both scale and strategic timing. The country ranks fifth globally in lithium reserves and holds the largest known lithium deposits in Africa, with production capacity projected to grow from 13,000 tonnes of lithium carbonate equivalent per year in 2022 to approximately 192,000 tonnes by 2027.[•] It is among the world's most significant producers of platinum group metals, with matte sales reaching \$1.5 billion in 2025 — a 71% increase, representing 44% of total mineral revenue.^μ Chrome, gold, palladium, and rhodium round out a mineral endowment that places Zimbabwe at the intersection of every major energy transition supply chain: lithium for batteries, PGMs for fuel cells and autocatalysts, chrome for stainless steel in green infrastructure, gold for electronics.

The value capture opportunity is equally clear, and the gap equally large. Battery-grade lithium carbonate commands over \$7,000 per tonne against \$570 for raw concentrate. Zimbabwe has historically exported the \$570 version while Chinese firms — which dominate the sector following \$1.4 billion in investment since 2021 — process it in China into the \$7,000 version.[•] The government's December 2022 ban on raw lithium exports, scheduled for full enforcement in January 2027, is the correct policy response: it compels domestic processing by removing the export alternative. But the ban's impact depends entirely on whether the processing infrastructure is in place by the deadline, and that infrastructure depends on the power supply that Paper 3 is addressing. Battery-grade lithium carbonate requires 8-12 MWh of electricity per tonne — an industrial demand scale that cross-verifies directly with Paper 3's target of 4,000+ MW diversified generation capacity by 2040, confirming the engineering feasibility of running multiple large-scale processing facilities simultaneously once the generation programme reaches its Phase Two and Three targets. Zimbabwe's current grid cannot sustain industrial-scale chemical processing. The mineral and energy reform programmes are not separate blueprints. They are sequenced dependencies.

1.3 The Productive Gap at a Glance

Dimension	Current State	Potential	Key Enabling Action
Maize production	700,000 tonnes (2024 drought)	2.2 million tonnes needed	Irrigation expansion, drought-tolerant varieties, input supply reform
Smallholder yield	800 kg/ha actual	1.4 tonnes/ha proven potential	Extension services, fertiliser access, soil health investment
Irrigated area	109,000 ha current	800,000+ ha potential from existing water resources	Solar-powered irrigation, scheme rehabilitation, water rights clarity
Tobacco production	232 million kg (2024); 300M kg+ (2025)	425M+ kg; \$1.6B+ revenue	Title deeds enabling direct credit access; contract reform
Lithium revenue	\$571.6M (2025, 16.8% of mineral total)	\$2B+ with full beneficiation pipeline	January 2027 export ban implementation; power supply; processing facilities
PGM revenue	\$1.5B matte sales (2025, 44% of mineral total)	Further value-add through refining and manufacturing	Beneficiation zones; energy reliability; governance reform
Mineral governance	1961 Mines Act; no EITI membership; ZMRTI limited	Modern Mines Bill enacted; EITI accession; sovereign wealth fund operational	Legislative reform; ZACC oversight; transparency frameworks

1.4 The Shared Infrastructure Logic

The agricultural deficit and the mineral opportunity are not unrelated economic challenges. They share enabling infrastructure — and this shared infrastructure logic is the distinctive argument of Paper 5. The rail corridors that move ferrochrome to Beira and lithium to Durban are the same corridors that move maize and tobacco to regional markets. The energy grid that powers lithium processing plants is the same grid that powers irrigation pumps. The digital payment infrastructure that enables smallholder farmers to receive market payments is the same DPI Stack that tracks mineral royalty flows. The governance framework that secures mining contracts is the same framework that secures land tenure. Developing agriculture and minerals as separate sector programmes misses every one of these interdependencies. Developing them as an integrated productive system unlocks every one.

SECTION 2

2. Tenure and Productivity: The Inseparable Pair

The single most important structural constraint on Zimbabwe's agricultural productivity is also the most politically sensitive: land tenure. Not because the question of who owns the land is unresolved — the redistribution programme has happened and cannot and should not be reversed — but because the question of whether current landholders have the legally secure, bankable title that enables productive investment remains largely unanswered.

Paper 4 of this series addressed the governance architecture of property rights reform: the Land Tenure Act, the digital land registry, the Land Rights Tribunal, the anti-speculation safeguards. This paper addresses the economic consequence of getting that architecture right — and the cost of continued tenure insecurity that makes it urgent.

2.1 The Credit Access Chain

The logic connecting tenure to productivity runs through a simple chain: bankable title enables collateral; collateral enables credit; credit enables inputs; inputs enable yield; yield enables commercial production; commercial production enables investment and reinvestment. Break any link in this chain and the chain collapses. Zimbabwe's current tenure arrangements — offer letters, 99-year leases, and informal occupancy arrangements that financial institutions will not accept as loan security — break the chain at the first link.

The tobacco sector illustrates both the problem and the solution. With 106,555 small-scale growers producing Zimbabwe's most valuable export crop, and 89% of them dependent on contract farming arrangements because they cannot access credit directly, the sector's success is achieved at the cost of farmer autonomy and income. Contract farming companies provide inputs and financing — at markups of 60% or more above retail prices — and take repayment from harvests before farmers see profit. The Zimbabwe Tobacco Growers Association describes this as 'a cycle of oppression': farmers on their own land effectively working as labourers for the companies financing them. In December 2024, the government announced plans to issue title deeds to land reform beneficiaries, recognising that bankable tenure is the mechanism that breaks this cycle by enabling farmers to access credit directly rather than through exploitative contract arrangements.¶

The research confirms the productivity stakes. Irrigation investment produces 50-140% yield increases; combined with fertiliser, 100-210%. But irrigation investment at household level requires credit. Credit requires collateral. Collateral requires title. The cascade from tenure

reform to yield improvement is not theoretical — it is the agricultural finance chain that every successful smallholder development programme in Sub-Saharan Africa has been built on.

2.2 The Title Conversion Programme

The December 2024 government announcement of a title deed conversion programme represents the most significant agricultural policy development in Zimbabwe in a generation. Converting offer letters, permits, and 99-year leases into securitised tenure documents that financial institutions will accept as loan collateral is the single intervention with the greatest potential to unlock the credit access chain described above.

This blueprint supports the title conversion programme and proposes the institutional architecture to make it effective, fast, and equitable:

- **Speed and scale:** the conversion programme must operate at national scale within two to three years, not as a decade-long administrative process. The digital land registry proposed in Paper 4 is the enabling infrastructure: a nationally searchable registry that records each conversion in real time provides the transparent, tamper-evident record that financial institutions require and that prevents the conflicting claims that have historically impeded agricultural credit in Zimbabwe
- **Financial institution engagement:** the Central Bank, in conjunction with the Ministry of Lands, should engage commercial banks, microfinance institutions, and the AFC Holdings (the national agricultural finance bank) in advance of the conversion programme to agree the standard title document format that each institution will accept as collateral, and the credit products they will offer against it. Converting title without having credit products ready to deploy defeats the purpose
- **Smallholder protection:** the conversion programme must include explicit anti-speculation protections consistent with Paper 4's anti-speculation framework. Title that can be immediately sold removes landholders from the rural economy without guaranteeing they receive fair value. Minimum holding periods, community pre-emption rights, and anti-concentration monitoring are the safeguards that make title conversion a tool for smallholder empowerment rather than elite accumulation
- **Gender equity:** the majority of smallholder farmers in Zimbabwe are women, as WFP's analysis confirms.¹ Title conversion that allocates legal title exclusively to male household heads — as has occurred in comparable programmes elsewhere in Africa — excludes women from the credit access chain entirely. Joint titling requirements and women's rights protections must be explicit in the Land Tenure Act

Securitised Land Tenure Deeds: Judicial Enforcement Framework

Bankable title is only as credible as the enforcement mechanism behind it. The most common reason commercial banks in comparable African contexts refuse to lend against agricultural land title is not the title instrument itself but the foreclosure environment: the risk that if a borrower defaults, the bank's ability to realise its security is blocked, delayed, or frustrated by administrative intervention from a Ministry of Lands, a local land board, or an executive decree. A title deed that cannot be enforced in default is not collateral. It is a piece of paper.

This blueprint therefore establishes Securitised Land Tenure Deeds (SLTDs) as the legal form of converted agricultural titles, with a critical institutional design feature: the enforcement, foreclosure, transfer, and open-market liquidation of SLTDs falls under the exclusive jurisdiction of the Specialised Commercial and Investor Court established in Paper 4 — not the Ministry of Lands, not regional land boards, and not any executive administrative process. The executive branch is statutorily prohibited from exercising administrative vetoes, price controls, or allocation re-routing over SLTD default proceedings. This institutional separation is what makes the SLTD genuinely bankable: it removes the political risk that currently deters agricultural lending and replaces it with the predictable, judicially supervised process that financial institutions require.

Foreclosure Risk and Rural Indebtedness Protections

Bankable title creates credit access. It also creates foreclosure risk. These are inseparable, and a tenure reform programme that creates one without managing the other risks replacing the impoverishment of tenure insecurity with the impoverishment of debt-driven land loss. Southern Africa's climate trajectory — increasing frequency of severe drought events — means that mass agricultural defaults following a bad season are a real and recurring risk, not an edge case. Predatory lending — high-interest loans targeting newly titled smallholders who do not fully understand collateral risk — is a documented pattern in comparable tenure reform contexts across the continent. The credit access that tenure reform enables must be matched by the protective framework that keeps smallholder farmers in productive ownership through climate shocks and temporary income disruptions.

- Climate-shock moratorium: in seasons where the Zimbabwe Meteorological Service declares a drought emergency in a defined province or district, SLTD foreclosure proceedings on smallholder agricultural loans are automatically suspended for a statutory 12-month period, allowing recovery before debt enforcement proceeds. The moratorium applies to loans below a defined threshold — protecting smallholder farmers — while leaving commercial agricultural lending above the threshold subject to normal commercial enforcement
- Regulated maximum interest rates for agricultural credit: SLTD-secured agricultural loans subject to a maximum interest rate set by the RBZ agricultural credit panel, preventing the usurious rates that make productive investment commercially rational

for the lender but ruinous for the borrower in a bad season. Rates differentiated by loan purpose — lower caps for irrigation and productivity investment; market rates for working capital — to direct credit toward long-term productive uses

- Agricultural bankruptcy protections: a simplified agricultural debt restructuring procedure — faster and cheaper than commercial insolvency — enabling smallholder farmers facing default to restructure debt over an extended repayment period rather than face immediate foreclosure. The Land Rights Tribunal from Paper 4 has jurisdiction over smallholder agricultural debt restructuring; the Commercial and Investor Court handles commercial-scale cases
- Predatory lending prohibitions: lenders offering SLTD-secured loans required to meet minimum financial literacy disclosure standards — plain-language explanation of collateral risk, foreclosure procedure, and interest cost over the loan term — before signing. Loans structured to accelerate debt beyond the farmer's verified repayment capacity are void and unenforceable as SLTD security

Customary Tenure and Coexistence Frameworks

Zimbabwe's land system is not monolithic. Alongside the former commercial farming areas where SLTD conversion is most straightforward, Zimbabwe has extensive communal lands governed by customary tenure systems under traditional authority structures. These customary systems have their own internal legitimacy, social function, and dispute resolution mechanisms that have endured precisely because they are rooted in community recognition rather than state registration. A tenure reform programme that treats all land as equivalent — converting customary communal tenure into individual freehold title as if the two are the same kind of arrangement — risks dismantling functional community governance without building anything more effective in its place.

This blueprint therefore proposes a coexistence framework rather than a single-model conversion. Communal land under customary tenure remains under customary governance by default, with conversion to SLTD available on a voluntary basis for households that choose individual title for credit access purposes. The Land Rights Tribunal from Paper 4 has jurisdiction to adjudicate disputes between customary and formal tenure systems, applying a framework that respects both the community's customary authority and the individual's legal rights. Where communal lands are designated for irrigation scheme development or other productive infrastructure, community-level agreements — negotiated with and ratified by the community's own institutions — determine how individual and collective tenure is structured within the scheme. No top-down conversion of communal land to individual title is imposed without community consent expressed through traditional governance processes.

2.3 The Agricultural Finance Architecture

Tenure reform unlocks the demand for agricultural credit. The supply side requires equally deliberate construction. Zimbabwe's agricultural finance system is currently inadequate: commercial banks avoid agricultural lending because of tenure uncertainty and climate risk; microfinance institutions serve short-term consumption rather than long-term productive investment; and AFC Holdings, the national agricultural finance institution, has historically been under-capitalised and directed toward politically preferred programmes rather than commercially sound lending.

- AFC Holdings recapitalisation: a credible recapitalisation of AFC Holdings, with an explicit commercial mandate and governance arrangements that insulate lending decisions from political direction, transforms the institution from a vehicle for agricultural policy into a genuine agricultural development bank. DFI co-financing — from the African Development Bank's agricultural lending window — provides both capital and governance conditionality that supports the commercial reform
- Crop insurance and risk management: climate volatility makes agricultural lending commercially rational only if lenders can manage weather risk. Index-based crop insurance — which pays out automatically when rainfall indices fall below defined thresholds, without requiring individual loss assessment — provides affordable coverage for smallholder farmers and reduces the credit risk that currently deters bank lending. The government's role is to subsidise the actuarial premium for small-scale farmers during the establishment phase, as Brazil and India have done with their agricultural insurance programmes
- Warehouse receipt financing: a warehouse receipt system — in which farmers deposit grain in certified storage facilities and receive receipts that can be used as loan collateral — provides credit access even for farmers whose land tenure conversion is not yet complete. It also reduces post-harvest distress selling, where farmers sell immediately at harvest at depressed prices because they need cash. Warehouse receipt systems have transformed smallholder credit access in East Africa and are directly applicable to Zimbabwe's high-value grain and horticulture sectors

SECTION 3

3. Agricultural Transformation: From Subsistence to Commercial System

The agricultural transformation this blueprint proposes is a three-layer system, not a single intervention. At the base, Pfumvudza/Intwasa — the conservation agriculture programme targeting 1.8 million hectares of maize cultivation — provides the foundation of smallholder productivity improvement. Above that, contract farming reformed and regulated provides the market linkage and input financing that commercial crop production requires. And at the top, a revived commercial farming sector — anchored by the tenure security that makes long-term investment rational — provides the scale, technology, and export capacity that positions Zimbabwe in global agricultural markets. These three layers are not alternative models. They are complementary stages of the same productive system.

3.1 The Smallholder Pathway

Zimbabwe's agricultural workforce is overwhelmingly smallholder. Any agricultural transformation programme that does not start here is designing for a Zimbabwe that does not exist. The smallholder pathway has three stages:

- Stage One — Productivity floor: ensuring that every smallholder can reliably produce at or above the national average yield through access to certified seed, balanced fertiliser, basic water management, and extension services. Pfumvudza/Intwasa provides the conservation agriculture methodology; the gap is the input supply chain and extension coverage that makes adoption universal rather than patchy. The Agribank and AFC Holdings credit reform, combined with tenure conversion, provides the financial access; a revitalised national extension service provides the technical knowledge transfer
- Stage Two — Market integration: connecting smallholder production to formal markets through the digital market infrastructure described in Paper 3 (real-time price information, mobile payment rails, digital contract farming platforms), the cold chain and rural road access programme, and the warehouse receipt system described in Section 2.3. Market integration transforms subsistence production into commercial production: it gives farmers a reason to invest in productivity because they can capture the value of higher yields rather than selling at distressed prices to local middlemen
- Stage Three — Commercial scale: smallholder farmers who have built productive capacity, market relationships, and credit history through Stages One and Two have the foundation to transition to larger-scale commercial production — whether individually through progressive farm development, or collectively through farmer

cooperatives and outgrower schemes. The goal is not to preserve smallholder farming as a permanent mode but to provide the pathway through which smallholder farmers become commercial farmers over the course of a generation

DPI-Enabled Smart Agricultural Voucher System

The state's history of direct input procurement and distribution — through Command Agriculture and presidential seed input programmes — is one of the primary mechanisms through which fiscal deficits have been generated and monetary financing triggered, in direct violation of the framework established in Paper 2. Bureaucrats procure overpriced inputs from politically favoured suppliers at unbudgeted cost; the Central Bank monetises the resulting debt; farmers receive substandard inputs late; and the agricultural productivity outcome is worse than if the state had not intervened at all. This cycle must end — not by removing support for smallholder farmers but by radically changing the mechanism through which that support is delivered.

This blueprint mandates the complete transition from state-procured physical input distribution to a DPI-enabled Smart Agricultural Voucher system. All targeted smallholder support — seed subsidies, fertiliser support, irrigation equipment grants — is delivered as non-transferable, time-limited digital vouchers issued directly to verified farmers via their national digital identity wallets on the DPI Stack. Farmers redeem vouchers directly with any registered, certified private-sector agro-dealer of their choice. The state sets the voucher value and eligibility criteria; the private sector competes to supply inputs at competitive prices; and the administrative middleman — through whom patronage and overpricing flow — is removed from the system entirely. The DPI Stack provides real-time monitoring of redemption patterns, enabling detection of voucher fraud without requiring physical audit infrastructure.

Rural Labour Transition

A successful agricultural transformation programme — in which productivity rises, commercial farming scales, and mechanisation increases — will change the structure of agricultural employment as well as agricultural output. Fewer people will be required to farm the same land at higher productivity. This is the intended outcome — it is the mechanism through which Zimbabwe's predominantly rural population moves from subsistence to prosperity — but it requires honest acknowledgement of the transition it implies. Agricultural workers whose labour is displaced by mechanisation and consolidation need somewhere to go.

The absorptive pathways are specific. Agro-processing industries — tobacco processing, fruit packing and cold chain operations, grain milling, oilseed crushing, horticulture packaging — are the first-order employment destination: they are located in or near the agricultural zones, they require relatively transferable skills from farming contexts, and they represent the value-addition stage that transforms raw agricultural output into higher-value products. Rural towns

in agricultural zones become agro-processing hubs rather than declining communities as the farming economy professionalises. The mineral beneficiation zones of Paper 5 and Paper 3 provide a second pathway for workers in mining-adjacent communities. And the skills and vocational training programme of Paper 6 (Diaspora Re-engagement)'s diaspora and human capital framework provides the credential pathway that enables rural-to-urban transition at higher skill levels rather than as unskilled labour migrants.

3.2 Contract Farming Reform

Contract farming has driven Zimbabwe's tobacco recovery. With 89% of Zimbabwe's 106,555 tobacco smallgrowers under contract, and tobacco accounting for 30% of all exports, the contract farming model has demonstrably mobilised production at a scale that the formal credit market has not been able to serve. But the model as currently structured is extractive rather than developmental: farmers pay markups of 60%+ on inputs; contracts require full crop devotion that prevents diversification; and debt repayment structures mean that many farmers see no net income in weak seasons despite successful harvests. The description of contract farming as a 'cycle of oppression' comes not from critics of the model but from the farmers participating in it.

Reform of the contract farming system is not about dismantling it — it is about regulating it to reflect the power imbalance it currently exploits:

- **Transparent pricing:** contract farming companies required to disclose input prices at market rate comparators, with markups capped at a defined percentage above wholesale market price and published by the Zimbabwe Tobacco Industry and Marketing Board. Farmers who can see the markup can negotiate or choose between companies in a way the current opacity prevents
- **Crop diversification rights:** farmers retain the right to plant food and subsistence crops on a minimum percentage of their holding regardless of contract terms. Current contracts that require 'full devotion' to the contracted crop eliminate household food security on farms that are simultaneously producing for export
- **Debt restructuring protections:** contract terms that require repayment of input loans before farmers receive any harvest payment are prohibited where the season's harvest value is below a defined threshold. Subsistence protection payments allow farmers to retain minimum household income even in seasons where input costs exceed crop revenue at the contracted price
- **Exit rights:** farmers have the right to exit a contract on defined notice without losing access to the following season's inputs or market access. Lock-in arrangements that

effectively make exit impossible at any commercially realistic point in the season are prohibited

The deeper solution is the title conversion programme. When farmers hold bankable title, they can access credit directly from AFC Holdings, Agribank, or commercial banks at regulated rates, making the contract financing model optional rather than compulsory. Contract farming then competes as a financing and market linkage model rather than operating as a monopoly on production financing.

3.3 High-Value Crops and Horticulture

Tobacco is Zimbabwe's established high-value export crop — but it faces growing international regulatory pressure from anti-tobacco policies, and its long-run market outlook is structurally challenged by declining global smoking rates. A diversified agricultural export strategy requires investment in the high-value horticulture, fruit, and specialist crop sectors that are already demonstrating their potential.

- Blueberries and avocados: Zimbabwe's climate and soil conditions are well-suited to export horticulture. Blueberries fetch up to \$6 per kilogram on export markets; avocado orchards after establishment can generate \$15,000 per hectare annually; greenhouse vegetable production yields \$5,000-10,000 per hectare. These returns are multiples of staple grain production and require the same tenure security and credit access infrastructure that the broader agricultural programme is building
- Macadamia nuts: the Chipinge and Chimanimani regions have demonstrated strong macadamia productivity, with mature trees producing 3-5 tonnes per hectare and profits of \$10,000-20,000 per hectare annually. Macadamia is a multi-decade investment — trees produce for over 40 years once established — which requires exactly the long-horizon tenure security that title conversion enables
- Soybeans: Zimbabwe currently produces only 42,000 tonnes of soybeans against an annual domestic requirement of 240,000 tonnes, importing the remainder from Zambia and Malawi. A return on investment of up to 200% on soybeans makes this one of the most commercially attractive productivity gaps to close. Soybean production also improves soil nitrogen levels, benefiting subsequent maize crops in rotation systems
- Floriculture: Zimbabwe's altitude and climate produce high-quality cut flowers for European and Asian export markets. The sector was significant before the economic disruptions of the 2000s and has the conditions to revive — requiring cold chain infrastructure, air freight logistics, and phytosanitary certification systems that the agricultural logistics programme provides

Farmer Cooperative Bargaining and Collective Marketing

Individual contract protections address the terms of individual contracts. They do not address the power asymmetry that produces exploitative terms in the first place. A smallholder farmer negotiating alone with a large contracting company backed by legal expertise, long-term market relationships, and the financial capacity to absorb a poor season faces a structural disadvantage that no amount of individual contract regulation fully corrects. Collective bargaining through farmer cooperatives changes this dynamic fundamentally: a cooperative representing 500 farmers negotiating a season's tobacco contracts commands commercial leverage that no individual smallholder possesses.

- Cooperative legal framework: a modern Agricultural Cooperatives Act enabling farmers to form legally constituted cooperatives with defined governance standards, democratic member control, and the legal standing to enter collective contracts on behalf of their members. The current cooperative framework is fragmented and does not provide the institutional foundations for commercially effective farmer organisations
- Collective marketing rights: cooperatives have the legal right to negotiate collective supply agreements with contracting companies, processors, and export buyers on behalf of their members — including collective bargaining over input prices, crop prices, payment terms, and contract conditions. Contracting companies may not discriminate between individual farmers and cooperative members in access to input supply or marketing facilities
- Cooperative development support: the Ministry of Agriculture and AFC Holdings provide technical and financial assistance to newly forming farmer cooperatives — governance training, accounting systems, legal registration support, and initial operational financing — during the establishment period, funded through the Agrarian Transformation Fund
- Collective input procurement: cooperatives aggregate members' input requirements and procure collectively from certified agro-dealers at volume discount rates, removing the individual farmer's dependence on contract company input supply at inflated prices. DPI Smart Vouchers are redeemable by cooperative procurement officers on behalf of member farmers who designate collective redemption

Enforcement Capacity and Farmer Protection

A contract farming regulatory framework is only as strong as its enforcement. Zimbabwe's track record with agricultural regulation demonstrates the gap between well-designed rules and effective implementation: protections that exist on paper but are unenforceable in practice leave farmers in the same exploitative arrangements the regulations were designed to end. The Agricultural Contract Disputes Tribunal proposed in the Technical Annex requires specific institutional supports to function effectively:

- Physical accessibility: tribunal hearing centres in all major tobacco and horticulture growing districts, not only in Harare and Bulawayo. A farmer in Mashonaland East who cannot afford to travel to Harare to file a dispute will not file. Mobile hearing days — where tribunal panels travel to district centres on a scheduled basis — extend effective access to farmers who cannot access permanent facilities
- Free legal advice: a publicly funded agricultural legal advisory service — staffed by legal graduates on rotational placement and qualified agricultural law practitioners — providing farmers with free advice on contract terms, dispute filing, and their rights before and during proceedings. Farmers who do not know their rights cannot exercise them
- Anti-retaliation protections: farmers who file disputes against contracting companies are legally protected from retaliatory denial of the following season's inputs or market access. The burden of proof is reversed — a company that withdraws a contract from a farmer within 12 months of a dispute filing must demonstrate that the withdrawal was commercially motivated rather than retaliatory
- Inspection and compliance: the Zimbabwe Tobacco Industry and Marketing Board and equivalent commodity boards expanded to include a contract compliance inspection function, conducting random audits of contract terms and input pricing against the regulated standards, with fines for companies found in persistent violation and licence suspension for repeated non-compliance

SECTION 4

4. Climate-Smart Agriculture: Adapting the Entire Farming Model

Climate adaptation in Zimbabwe's agriculture is not a programme for the future. It is an immediate operational requirement. The 2024 El Niño drought reduced maize production by more than two-thirds from the preceding season's levels. The 2024-25 recovery benefited from improved rainfall, but as WFP notes, many households entered 2026 with limited capacity to fully recover from the previous shock.¹ Southern Africa's climate projections are unambiguous: increasing frequency and severity of both drought events and extreme rainfall episodes, with agricultural productivity losses compounding over time as temperatures rise and rainfall patterns shift.

A farming system designed for Zimbabwe's 1990s climate is already failing in Zimbabwe's 2020s climate. A farming system designed for Zimbabwe's 2026 climate will be inadequate for Zimbabwe's 2040 climate. Climate-smart agriculture is the design standard that applies across the entire agricultural transformation programme — not a separate environmental programme appended to it.

4.1 Irrigation: The Single Highest-Return Investment

Zimbabwe's most powerful climate adaptation tool is also its most straightforward productivity investment: irrigation. With only 109,000 hectares under irrigation against a potential of 800,000+ hectares from existing water resources, and with research demonstrating 50-140% yield increases from irrigation investment alone, expanding irrigated area is simultaneously climate adaptation, productivity improvement, and food security enhancement in a single intervention.³

The FAO's evidence from Zimbabwe's own schemes is striking: farmers who participated in rehabilitated irrigation schemes scored significantly higher on resilience indicators than non-irrigators, and farmers who previously harvested once a year are now producing two or even three cycles annually.⁸ Over 45 schemes have been rehabilitated across 2,000 hectares in five years, benefiting over 20,000 people. This is a working model, at proven scale, with documented outcomes. The question is what it takes to multiply it by a factor of 40 to reach the 800,000 hectare potential.

- Solar-powered irrigation: grid-connected irrigation is vulnerable to the same load-shedding that constrains the broader economy. Solar-powered pumping systems — with battery storage for overnight and cloudy-day operation — provide reliable

irrigation independent of grid availability, reduce operating costs, and extend the productive season. The technology is proven at Zimbabwe's scale: FAO's schemes explicitly utilise solar-powered pumps and drip systems, and the falling cost of solar hardware makes the economics increasingly attractive

- Water harvesting infrastructure: farm-level water harvesting — contour ridges, storage ponds, check dams — captures rainfall that currently runs off as flood water during the rainy season and provides supplemental irrigation during dry spells. Investment in water harvesting infrastructure is lower-cost than formal irrigation scheme rehabilitation and can be deployed at household level
- Scheme rehabilitation and governance: the 1,780 hectares of irrigation scheme rehabilitation underway through the Smallholder Agriculture Cluster Project demonstrates the model at working scale. The constraint is governance: irrigation schemes have historically deteriorated because water user associations lack the institutional capacity and legal standing to maintain infrastructure and manage water allocation. A national irrigation scheme governance framework — with legally constituted water user associations, ring-fenced maintenance budgets, and clear water rights allocation — is the prerequisite for sustainable scheme operation
- Regional water cooperation: Zimbabwe's water resources extend beyond its borders. The Zambezi, Limpopo, and Save rivers provide significant irrigation potential that requires transboundary cooperation with Zambia, Mozambique, and South Africa. The SADC water protocols provide the legal framework; Zimbabwe's diplomatic engagement in regional water governance should be an explicit agricultural development priority

Long-Term Water Sustainability

Irrigation expansion at scale requires a parallel investment in water resource sustainability. Zimbabwe's water resources are substantial but not unlimited, and the same climate trajectory that makes irrigation essential also reduces the rainfall and river flow that replenishes the aquifers and reservoirs that irrigation depends on. Expanding irrigated area without managing water extraction rates risks depleting the resource base that irrigation is designed to utilise sustainably.

- Aquifer monitoring network: a national groundwater monitoring network — measuring water table levels at regular intervals across all major agricultural aquifer zones — provides the data that sustainable extraction management requires. Where water table levels fall below defined thresholds, extraction licences are subject to mandatory reduction. The Zimbabwe National Water Authority (ZINWA) operates the monitoring network with results published publicly and accessible to farmers and communities
- Basin-level extraction limits: water abstraction for irrigation governed by basin-level sustainable yield assessments — calculated independently by ZINWA using

hydrological modelling — that set maximum total extraction rates for each major river basin and aquifer system. Individual irrigation licences are issued within the basin limit, ensuring that aggregate extraction does not exceed sustainable replenishment rates

- Efficient irrigation technology standards: new irrigation scheme approvals conditional on the adoption of efficient water application technologies — drip irrigation, micro-sprinkler systems, deficit irrigation scheduling — that apply water more precisely and reduce consumption per unit of crop output. Flood irrigation — which wastes large volumes through evaporation and runoff — phased out of new scheme approvals with transition support for existing flood-irrigated farmers to convert to more efficient systems
- Wetland and catchment protection: wetlands and upstream catchment vegetation are the natural infrastructure that regulates water flow and maintains aquifer recharge. Land use planning that protects designated catchment zones from agricultural encroachment and supports reforestation of degraded upstream areas is a water resource management investment with long-term irrigation sustainability benefits

4.2 Drought-Tolerant Varieties and Crop Diversification

Rain-fed farming will remain a significant component of Zimbabwe's agricultural system even after irrigation expansion. For the households and regions where full irrigation is not feasible within the planning horizon, drought-tolerant crop varieties are the primary climate adaptation tool. Research demonstrates that crop-switching to drought and heat-tolerant varieties increases yields by 3-12% across all crops in current conditions, with the benefit rising to yield preservation in extreme drought scenarios where conventional varieties fail completely.³

- Certified seed access: the adoption of drought-tolerant varieties depends on farmers having affordable access to certified seed. Zimbabwe's certified seed supply chain has historically been unreliable and expensive. A national seed system reform — with competitive licensing of multiple seed companies, quality certification, and strategic seed reserves for emergency distribution — ensures that drought-tolerant varieties reach smallholder farmers when they are most needed
- Crop diversification away from maize monoculture: Zimbabwe's food security dependence on a single rain-fed staple crop is the structural vulnerability that every drought exploits. Crop diversification — sorghum and millet as drought-tolerant staple alternatives; legumes as nitrogen-fixing rotation crops that improve soil fertility; cassava as a drought-resilient calorie source for food-insecure regions — reduces the risk concentration that makes each drought a national food crisis
- Agroforestry and soil health: agroforestry systems — integrating trees into farming landscapes — improve soil water retention, reduce erosion, provide shade that reduces crop heat stress, and contribute to carbon sequestration. Zimbabwe's

research base on agroforestry is strong; the gap is the extension service capacity to facilitate adoption at scale

4.3 Agricultural Risk Management

Climate-smart production systems reduce risk. They do not eliminate it. An agricultural transformation programme that does not include risk management infrastructure will be periodically set back to zero by the severe weather events that Southern Africa's climate trajectory is producing with increasing frequency. The risk management architecture has three components:

- Index-based crop insurance: index-based weather insurance, which pays out automatically when rainfall or temperature indices cross defined thresholds rather than requiring individual loss assessment, provides scalable, affordable coverage for smallholder farmers. The government subsidises the actuarial premium for smallholder farmers during the programme establishment phase — as Brazil, Kenya, and India have demonstrated, agricultural insurance penetration cannot reach smallholder scale at unsubsidised commercial premium rates — with the subsidy tapering as crop insurance becomes embedded in the agricultural finance system
- Strategic grain reserves: the Zimbabwe Grain Marketing Board's strategic reserve function — buying and holding grain in good harvest years to release in drought years — is the food security backstop that reduces the humanitarian cost of production shortfalls. The reserve requires adequate financing, transparent governance, and operational independence from political direction about when to buy and sell
- Climate information services: real-time weather forecasting, seasonal rainfall probability assessments, and soil moisture monitoring, delivered to smallholder farmers through mobile platforms, enable farm-level decision-making that adapts to climate signals rather than relying on historical averages. FAO's work in Zimbabwe has demonstrated that farmers with access to climate information services make significantly better planting and input investment decisions than those without

SECTION 5

5. Mineral Beneficiation: Capturing the Value Chain

Zimbabwe's decision to ban raw lithium exports is the most strategically significant resource policy decision the country has made since independence. By removing the option to export raw concentrate, it forces the choice between building domestic processing capacity or surrendering the sector. The Chinese investors who have committed \$1.4 billion to Zimbabwe's lithium value chain since 2021 have made their assessment: the processing premium is large enough, and Zimbabwe's lithium reserves are significant enough, that building processing in-country is commercially rational.⁷ The question is whether Zimbabwe's infrastructure and governance systems can keep up with the investment timeline.

5.1 The Value Chain Opportunity

Mineral	Current Export Form	Current Price	Target Processing Stage	Target Price	Value Capture Rationale
Lithium	Spodumene concentrate	\$570/tonne	Battery-grade lithium carbonate / lithium sulphate	\$7,000+/tonne	12x — the highest value multiplier of any Zimbabwean mineral
Platinum (PGM)	Ore / matte	\$960/oz equivalent (matte)	Refined metal / fuel cell components / autocatalysts	\$980–1,100/oz refined; premium for fuel cell grade	Refining premium + green technology positioning adds 15–20% above matte price
Chrome	Ore / ferrochrome	\$200–250/tonne ore	Ferrochrome / stainless steel inputs	\$1,100–1,400/tonne ferrochrome	5–6x — ferrochrome is already partially achieved; smelter capacity is the constraint
Gold	Raw gold / doré	\$2,400+/oz (2025 market)	Refined bullion / jewellery manufacturing / electronics	\$2,400–2,500/oz refined; further premium for manufactured goods	Refining premium modest but local value capture from artisanal sector significant
Lithium-ion batteries	Battery-grade chemicals	\$7,000/tonne LCE	Completed battery cells / battery packs	\$15,000–25,000/tonne equivalent	Long-horizon target; requires industrial manufacturing capability

5.2 Lithium: The January 2027 Deadline

Zimbabwe's lithium beneficiation programme is operating under a hard deadline that no amount of institutional planning can extend: the January 2027 export ban on lithium concentrate. From that date, lithium can only leave Zimbabwe in processed form — lithium sulphate or battery-grade lithium carbonate. The \$900 million in processing facility investment

already committed is building toward that deadline, with Sinomine's \$500 million lithium sulphate plant at Bikita and Huayou's 50,000 tonne per year facility at Arcadia both under construction.^μ

Consistent with the Blueprint's Phase One / Phase Two sequencing, the immediate deployment priority in Years 1–5 is food production stabilisation, SLTD deployment, and the infrastructure conditions for beneficiation; active industrial-scale chemical refining operations at full capacity are a Phase Two (Years 5–15) objective, with the 2027 deadline marking the start of that ramp-up rather than its completion. The deadline creates urgency but also risk. If the power infrastructure is not sufficiently reliable by January 2027, the processing plants cannot operate at capacity — and the export ban effectively forces a shutdown of lithium export revenue rather than its transformation. The Prospect Intelligence analysis is direct: Zimbabwe's ability to deliver on processing mandates will determine whether mineral wealth translates into sustained economic growth, and the power sector constraint is the binding constraint.⁹ This is the most important cross-paper dependency in the entire blueprint series: Paper 3's energy infrastructure programme is not merely an economic productivity initiative. It is the operational prerequisite for Paper 5's primary revenue opportunity.

Beyond the immediate deadline, the long-term trajectory points toward even higher-value processing stages. In July 2025, state-owned Verify Engineering successfully piloted a domestically manufactured lithium-ion battery — a step toward the ultimate destination of battery cell manufacturing within Zimbabwe.^μ Battery cells represent a further doubling of the value premium beyond lithium carbonate. Reaching this stage requires not just processing infrastructure but manufacturing capability, quality standards, and supply chain integration with global battery manufacturers — a Phase Three ambition that Phase One infrastructure investment is building toward.

The Regional Strategic Input Corridor: Soda Ash Security

Industrial-scale lithium carbonate processing has a supply chain vulnerability that the beneficiation programme must address directly: sodium carbonate (soda ash) is a critical chemical reagent in the conversion of spodumene concentrate to battery-grade lithium carbonate, required in large volumes and at consistent quality. Zimbabwe has no domestic soda ash production. Without a secure, cost-effective input supply, lithium processing plants face a structural cost disadvantage that could make the economics of domestic beneficiation uncompetitive against importing processed lithium from countries with integrated reagent supply chains.

This blueprint proposes pairing the domestic lithium processing mandate with a formal bilateral Regional Strategic Input Corridor with the Republic of Botswana. Botswana's Sua Pan is one of the world's largest soda ash deposits, located in eastern Botswana at a rail-accessible

distance from Zimbabwe's lithium processing zones. A long-term, tariff-free bilateral agreement — negotiated as a SADC regional integration initiative rather than a bilateral trade deal — secures soda ash supply at industrial pricing along the rehabilitated rail network established in Paper 3. The Francistown-Bulawayo rail corridor provides the logistics route; the Paper 4 Commercial and Investor Court framework provides the contract enforcement environment for a long-term supply agreement that both governments and their private sector partners can rely on.

The regional integration logic extends beyond soda ash. As Zimbabwe's beneficiation programme matures, additional chemical inputs — sulphuric acid for PGM processing, hydrochloric acid for certain lithium applications — will require secure regional supply chains. The Botswana soda ash agreement is the first bilateral input corridor in a network that progressively reduces Zimbabwe's exposure to global commodity supply chain volatility while creating reciprocal export market opportunities for regional partners.

5.3 Platinum Group Metals: The Green Technology Premium

Zimbabwe's PGM sector has achieved the most significant beneficiation progress of any mineral category, with matte sales representing a major processing advance over raw ore export. PGM matte sales reached \$1.5 billion in 2025, a 71% increase, driven by strong global demand for platinum, palladium, and rhodium in clean energy applications: hydrogen fuel cells (platinum), catalytic converters for emission reduction (platinum and palladium), and emerging green technology applications.^μ

The next processing stages — refined metal production within Zimbabwe rather than exporting matte for refining in South Africa or the UK — require the same infrastructure conditions as lithium beneficiation: reliable industrial-grade power, logistics to port, and governance that ensures royalty and tax revenues flow to the state rather than through opaque transfer pricing mechanisms. Zimbabwe's PGM sector is also the entry point for positioning in the green hydrogen economy: platinum is the primary catalyst in hydrogen electrolyzers and fuel cells, and Zimbabwe's PGM reserves make it a potential supplier to the emerging green hydrogen value chain that Europe's climate commitments are creating.

5.4 The Beneficiation Infrastructure Conditions

Beneficiation at industrial scale requires four enabling conditions that connect Paper 5 directly back to Papers 3 and 4:

- Industrial-grade power supply: lithium carbonate processing requires 8-12 MWh per tonne of LCE. PGM smelting and refining are equally power-intensive. The Hwange

beneficiation zone proposed in Paper 3 — with dedicated solar capacity, rail connectivity, and water supply — provides the spatial concentration of infrastructure that makes industrial processing viable. But the Hwange zone is a Phase Two investment; meeting the 2027 lithium deadline requires interim power supply solutions including generator backup, demand management contracts with ZESA, and priority grid access for designated processing facilities

- Rail logistics to port: every tonne of lithium carbonate, PGM matte, and ferrochrome that leaves Zimbabwe travels by truck or rail to Beira, Maputo, or Durban. At current rail capacity, trucks carry most of this freight at a cost premium of up to 80% above rail rates. Paper 3's NRZ rehabilitation programme is the logistics enabler for mineral beneficiation: the North-South corridor (Harare-Beitbridge-Durban) and the East Corridor (Harare-Mutare-Beira) carry the bulk of mineral export freight and are both priority rehabilitation projects
- Water supply: chemical processing of lithium carbonate and PGM refining are water-intensive. The Hwange and Midlands mineral processing zones require adequate, reliable water supply that does not compete with agricultural or household uses. Water rights allocation, infrastructure investment in abstraction and treatment, and closed-cycle water management systems in processing plants are technical requirements that the spatial planning framework must address
- Specialised skills and technology transfer: lithium carbonate chemical processing and PGM refining require chemical engineering, metallurgical, and quality control expertise that Zimbabwe's current skills base does not have at sufficient depth. The diaspora recruitment programme of Paper 6 (Diaspora Re-engagement) has immediate application here: Zimbabwean chemical engineers and metallurgists working in processing facilities in Australia, Canada, and South Africa are the talent pipeline for the domestic beneficiation programme. Technology transfer requirements in investment agreements with Chinese and other international processing partners — requiring local skills training, graduate placement, and knowledge documentation as conditions of operating licences — build the domestic capability over time

5.5 Building Domestic Industrial Capability

Beneficiation is not simply an infrastructure programme. It is an industrial capability accumulation programme. The difference matters enormously: infrastructure can be built by foreign contractors using foreign equipment and foreign expertise, leaving Zimbabwe with completed facilities but no domestic capability to operate, maintain, replicate, or improve them. Industrial capability accumulation requires that the knowledge, skills, supplier networks, and technical expertise embedded in beneficiation operations are progressively absorbed into the domestic economy rather than remaining encapsulated within foreign-owned operating units.

- Local content requirements in operating licences: mining and processing licences above a defined scale require operators to meet minimum local employment targets at each skill level, local procurement targets for goods and services above a defined

value threshold, and graduate trainee intake programmes placing Zimbabwean engineering and chemical science graduates in structured 2-3 year rotations through all technical functions of the operation. Requirements escalate progressively over the licence period — lower in the first five years when operations are establishing, higher as the operation matures and domestic skills availability increases

- Technology transfer obligations: joint venture agreements and processing licence terms require the transferor to document, translate into accessible form, and teach operating procedures to Zimbabwean counterpart teams — not merely to operate the plant with Zimbabwean workers present, but to ensure that Zimbabwean engineers and technicians have the knowledge to operate, troubleshoot, and modify processes independently. This distinction — between labour use and genuine knowledge transfer — is the difference between an operation that leaves when the licence expires and one that leaves a functioning industrial capability behind
- Domestic supplier development: a government-supported industrial supplier development programme identifying the goods and services currently imported for mining and processing operations that Zimbabwean manufacturers and service providers could supply, and providing targeted support — technical standards advice, quality certification assistance, initial procurement commitments — to domestic firms building the capability to supply them. The goal is progressively expanding the domestic industrial ecosystem around the beneficiation anchor industries
- Manufacturing ecosystem development: as lithium carbonate and PGM refining establish, the industrial logic moves toward downstream manufacturing. Battery component manufacturing, fuel cell catalyst production, and eventually battery cell assembly are the Phase Two and Three manufacturing targets. Building toward these requires long-horizon investment in technical and vocational education in chemical engineering, materials science, and precision manufacturing — disciplines that Zimbabwe's universities and technical colleges should be developing in anticipation of industrial demand, not in response to it

Performance-Based Incentives and Export Discipline

Industrial incentives — tax holidays, customs duty exemptions, land concessions — are the standard toolkit for attracting beneficiation investment. Their weakness is that they are often granted unconditionally on the basis of announced intentions rather than delivered outcomes. Investors claim incentives at the start of a project and face no consequence if local content, technology transfer, and employment commitments are not met. Zimbabwe's incentive framework must be structured differently: incentives are performance-contingent, not entry-conditional.

- Milestone-based incentive vesting: tax incentives vest in annual tranches against independently audited performance milestones — local employment targets met, domestic procurement percentages achieved, graduate trainee programme delivering

against agreed intake numbers. Incentives for the following year are withheld where performance against the previous year's milestones falls short, with a defined remediation period before licence review

- Export discipline mechanisms: the export ban on raw lithium concentrate is the primary export discipline instrument. Its enforcement requires customs verification systems capable of distinguishing concentrate from processed material, with penalties for misclassification that are sufficiently severe to deter the workarounds that have undermined export bans in other jurisdictions. Third-party cargo verification at point of export, with results published to EITI, closes the audit gap
- Clawback provisions: where an investor receives incentives over multiple years and is subsequently found to have systematically misrepresented performance — through inflated local content claims, transfer pricing manipulation, or under-declaration of production — a full clawback of incentives received, with interest, is enforceable through the Commercial and Investor Court without limitation period. The clawback provision is the deterrent that makes misrepresentation financially irrational

SECTION 6

6. Avoiding the Resource Curse: Governance of Mineral Revenues

Zimbabwe has been here before. The Marange diamond fields, discovered in 2006, represented a mineral windfall of potentially transformative scale. By most independent assessments, the majority of the revenue generated from Marange in its early years was captured by networks of political, military, and commercial actors rather than flowing through the national treasury to public services and development investment. Gold mining has similarly been associated with transfer pricing, under-declaration, and political capture. The academic literature is explicit: Zimbabwe's past experience with mineral exploitation is a case study in how resource wealth can be a curse rather than a foundation, when governance frameworks are absent.¹⁰

The risk that lithium replicates this pattern is not hypothetical. The sector is currently dominated by Chinese firms operating under investment agreements whose terms are not publicly disclosed. The 1961 Mines and Minerals Act — colonial-era legislation that the sector's growth has long since made obsolete — provides inadequate transparency and revenue disclosure requirements. Zimbabwe has expressed interest in joining the Extractive Industries Transparency Initiative but has not done so.¹¹ The ZACC framework from Paper 4 provides the anti-corruption architecture; this section provides the sector-specific governance instruments that operationalise it for extractive industries.

6.1 Modernising the Legal Framework

The Mines and Minerals Bill gazetted in 2025 but not yet enacted is the most urgent legislative priority in the productive sector.¹² Enacting it — with amendments that address the specific governance gaps the research identifies — is a Year One deliverable:

- Beneficial ownership disclosure for all mining licences: every entity holding a mining licence required to disclose its ultimate beneficial ownership in the public UBO registry from Paper 4. Shell company structures that obscure the identity of licence holders — the primary vehicle through which politically connected actors extract rents from the mining sector without public accountability — are prohibited as a licensing condition
- Production and revenue reporting standards: all mining companies operating above a defined production threshold required to file annual production, revenue, royalty payment, and tax payment reports in a standardised format, independently audited,

and publicly accessible. These reports form the data basis for the EITI reporting framework once Zimbabwe accedes

- Community benefit requirements: mining operations in areas with host communities required to negotiate and publish Community Development Agreements specifying employment targets, local procurement commitments, infrastructure contributions, and environmental rehabilitation obligations. The community benefit framework prevents the pattern observed in Marange and other mining areas where communities bear the environmental and social costs of extraction while revenues flow elsewhere
- Environmental bonding: mining companies required to post a performance bond at the commencement of operations, sized to fund the full environmental rehabilitation of the site at projected end-of-mine. This prevents the pattern — common across African mining sectors — where companies extract value, declare bankruptcy or exit, and leave environmental liabilities for the state

6.2 EITI Accession

Zimbabwe's non-membership of the Extractive Industries Transparency Initiative is an anomaly for a country whose development strategy is anchored on mineral revenue. The EITI standard requires governments to publish what companies pay in royalties, taxes, and other revenue streams; companies to disclose what they pay; and an independent reconciliation to identify discrepancies.¹³ Membership signals to international investors that Zimbabwe's mineral governance meets international transparency standards — directly reducing the country risk premium on mining investment. It also creates the public accountability infrastructure that enables citizens and civil society to verify that mineral revenues are reaching the national treasury.

The political economy argument against EITI — that disclosure of revenue flows would expose politically sensitive arrangements — is precisely the argument for it from a governance perspective. Zimbabwe's domestic initiative (ZMRTI) has produced limited results because it lacks the international standard, the independent reconciliation, and the disclosure obligation that EITI membership requires. Accession should be a Year One governance commitment, timed with the Mines and Minerals Bill enactment to demonstrate that the legal framework and the transparency standard are advancing together.

6.3 Sovereign Wealth Fund Design

The most important question in mineral revenue governance is not whether revenues are transparent. It is what happens to them once collected. Zimbabwe's history demonstrates that without a dedicated mechanism to steward mineral revenues for long-term development investment, they are absorbed by recurrent expenditure, debt service, and political distribution

rather than building the productive and human capital that converts a mineral windfall into enduring prosperity.

This blueprint proposes a Zimbabwe Productive Development Fund — a sovereign wealth mechanism that receives a defined percentage of mineral royalty revenues and invests them in agricultural development, human capital, and economic diversification rather than in financial market instruments. The specific design:

- Revenue allocation rule: 15% of all mineral royalty revenues above a defined baseline directed to the Fund as a constitutional commitment, requiring parliamentary supermajority to amend. The percentage is modest enough to be credible during the fiscal consolidation period while establishing the long-term precedent that mineral revenues fund development rather than recurrent spending
- Investment mandate: Fund capital deployed exclusively in agricultural infrastructure (irrigation, cold chain, rural roads), human capital (education, vocational training, health), and economic diversification investments that reduce Zimbabwe's dependence on mineral revenues over time. The Fund explicitly does not invest in financial market instruments, offshore assets, or recurrent government expenditure
- Governance and independence: Fund managed by a board appointed through the same merit-based, politically insulated process as the PSC and independent regulators from Paper 4. Investment decisions published quarterly. Annual independent audit with findings presented to parliament. Drawdown from the Fund for non-mandated purposes requires parliamentary supermajority and is publicly reported
- Intergenerational equity: the Fund includes an explicit intergenerational equity mandate — acknowledging that mineral resources are finite and that each generation of Zimbabweans that benefits from extraction is obligated to invest some portion of that benefit in the capabilities of subsequent generations. Botswana's Pula Fund is the African precedent: established in 1994, it has accumulated significant assets and provided the fiscal buffer that allowed Botswana to maintain development spending through commodity price downturns

Statutory Resource Royalty Allocation Formula

The 15% of incremental royalties to the Sovereign Wealth Fund proposed above is the Phase One foundation. As Zimbabwe's mineral revenues grow with production scale and processing premiums, the allocation framework requires a more comprehensive statutory formula that prevents the pattern — common across African resource economies — where royalty revenues are absorbed by recurrent expenditure, salary lines, and political distribution rather than long-term capital accumulation. This blueprint therefore establishes a three-stream statutory allocation rule for all gross mineral royalties above the Phase One baseline, activated in Phase Two as revenues scale:

- 40% Macro-Stabilisation Fund: directed to the Sovereign Wealth Fund for foreign currency reserve accumulation and long-term investment, directly supporting Paper 2's monetary stability framework. Adequate foreign exchange reserves are the buffer against commodity price downturns that allows Zimbabwe to maintain development spending through the volatility that resource-dependent economies inevitably face
- 35% Spatial Infrastructure Fund: deployed through the IDU established in Paper 3 to capitalise non-recourse PPP rail, renewable energy, and digital infrastructure projects. Ring-fencing infrastructure funding within the royalty allocation removes it from annual budget competition and provides the DFI co-financing anchor that attracts private capital into National Priority Projects
- 25% Agrarian Transformation Fund: dedicated exclusively to financing the solar irrigation expansion, water harvesting, rural cold chain, and extension service programmes outlined in this paper. The direct linkage between mineral royalties and agricultural development investment makes the virtuous cycle from extraction to food security explicit, transparent, and auditable

Managing Dutch Disease and Commodity Dependence

A mineral revenue boom carries a structural economic risk that responsible resource governance must name and manage: Dutch Disease. When large mineral export revenues flow into an economy, they tend to appreciate the exchange rate — making non-mineral exports less competitive, crowding out manufacturing and agricultural exports, and increasing import dependence. The Netherlands' experience with North Sea gas in the 1970s, and the more severe versions observed in several African resource economies, demonstrate that mineral wealth without diversification management can systematically hollow out the non-mineral productive economy that Zimbabwe is simultaneously trying to build.

- Exchange rate sterilisation: the Sovereign Wealth Fund absorbs a substantial share of mineral export revenues before they enter the domestic economy — this is its primary Dutch Disease management function as well as its investment function. By holding mineral revenues in foreign currency assets rather than converting them to ZiG, the Fund prevents the exchange rate appreciation that would erode agricultural and manufacturing export competitiveness
- Diversification investment mandate: the Agrarian Transformation Fund's investment in agricultural productivity is explicitly a diversification investment — building the non-mineral export base that reduces Zimbabwe's dependence on mineral commodity prices over time. The goal is that by the time major mineral deposits are depleted, Zimbabwe has a diversified productive economy that does not require them to sustain prosperity
- Monitoring and triggers: the RBZ publishes quarterly assessments of exchange rate Dutch Disease indicators — non-mineral export competitiveness, manufacturing

sector output trends, import substitution ratios — with automatic escalation to parliament if indicators deteriorate beyond defined thresholds. Early warning enables policy adjustment before the structural damage of Dutch Disease becomes entrenched

Commodity Price Collapse Resilience and Fiscal Stabilisation Rules

Dutch Disease addresses boom-time management. Equally important is bust-time resilience. Zimbabwe's fiscal history — and the experience of comparable resource-dependent economies from Zambia to Angola — demonstrates that governments which build recurrent expenditure commitments on peak commodity revenues face catastrophic fiscal compression when prices fall. Public sector salaries and social programmes committed at \$3,000 per tonne lithium carbonate become unaffordable at \$1,500 per tonne. The consequent mid-cycle fiscal adjustment — abrupt salary cuts, programme cancellation, arrears accumulation — is more economically and politically damaging than a more conservative expenditure path calibrated to a lower assumed price would have been.

- Fiscal stabilisation rule: all recurrent expenditure commitments funded from mineral revenues are calibrated against a three-year rolling average commodity price rather than current-year spot prices. In years when actual prices exceed the rolling average, the surplus flows to the Sovereign Wealth Fund rather than to expanded current spending. In years when prices fall below the average, the SWF provides a stabilisation drawdown that maintains spending without deficit financing. This counter-cyclical mechanism insulates public services from commodity price volatility
- Expenditure ceiling on mineral-linked spending: a statutory ceiling prohibiting mineral revenue from funding more than a defined percentage of recurrent expenditure in any year, ensuring that the non-mineral tax base — corporate tax, income tax, VAT from the formal economy — remains the primary financing source for recurrent government functions. This prevents the structural dependence on mineral revenues that makes fiscal collapse inevitable when prices fall
- Stress testing and scenario planning: the Ministry of Finance publishes annual fiscal scenario analyses showing budget performance under a defined range of commodity price assumptions, including a severe downside scenario representing a 50% price decline sustained over three years. Publication creates accountability for fiscal plans that would be unsustainable under realistic price scenarios, before those plans are committed

SECTION 7

7. The Integrated Productive System: Land, Minerals, and Shared Infrastructure

Zimbabwe's breadbasket revival and mineral superpower ambitions are not competing priorities. They are the same economy, running on the same infrastructure, governed by the same institutions.

The argument threading through this paper is that Zimbabwe's agricultural and mineral productive potential must be developed as an integrated system rather than as separate sector programmes. This section maps the integration explicitly.

7.1 The Spatial Logic: Corridors and Zones

Zimbabwe's productive economy has a spatial structure that infrastructure investment should reinforce rather than ignore. The highveld plateau is simultaneously the primary agricultural zone and the primary mineral processing zone: Harare and Bulawayo anchor the commercial and processing economy; the Midlands province holds chrome, nickel, and PGM deposits adjacent to agricultural land; Hwange combines coal, lithium, and chrome in a zone adjacent to NRZ rail connections. The spatial logic of infrastructure investment should concentrate enabling resources in the zones where productive multipliers are highest.

The agricultural logistics corridors and mineral beneficiation zones proposed in Papers 3 and 5 overlap precisely. The North-South rail corridor (Harare-Beitbridge-Durban) serves both the tobacco export supply chain and the ferrochrome and lithium export supply chain. The East Corridor (Harare-Mutare-Beira) serves both agricultural exports from Manicaland's high-yield zones and ferrochrome exports from the Midlands. The Hwange zone, proposed as the primary beneficiation zone in Paper 3, sits adjacent to agricultural land that produces cotton and grain crops. Investing in integrated agricultural-mineral zones — where rail, energy, and digital infrastructure serve both productive pillars simultaneously — produces a multiplier that sector-specific investment cannot.

7.2 Mineral Revenue as Agricultural Development Finance

The virtuous cycle this blueprint proposes is explicit: mineral revenues, when governed transparently and allocated through the Sovereign Wealth Fund, finance the agricultural infrastructure — irrigation, cold chain, rural roads, extension services — that transforms

smallholder subsistence farming into commercial agricultural production. Commercial agricultural production generates export revenues that reduce Zimbabwe's dependence on mineral commodity prices. Diversification from both agricultural and mineral production provides the broad productive base that a high-income economy requires.

This virtuous cycle is not automatic. It requires two conditions that this blueprint is building toward: transparent mineral governance that ensures revenues actually reach the national treasury rather than being captured at source, and institutional investment discipline that directs Fund resources toward productive investment rather than consumption. Both conditions depend on the governance architecture of Paper 4. The accountability engine is not a parallel programme to the productive economy. It is the mechanism that makes the productive economy's revenues available for development rather than capture.

7.3 Climate Resilience as Shared Design Standard

The climate threats to Zimbabwe's agricultural and mineral productive systems are the same threats: Southern Africa's increasing drought frequency reduces both rain-fed crop yields and Kariba hydroelectric output, with cascading consequences for mineral processing that depends on the same power system. The climate adaptation solutions are also the same: diversified energy generation (solar, gas, hydro — not mono-dependent on any single source), water infrastructure that conserves and stores rather than depletes, and resilient physical infrastructure designed for the climate conditions of 2060 rather than 1990.

Treating climate resilience as a shared design standard for both agricultural and mineral investment produces better outcomes than sector-specific climate programmes. A solar-powered irrigation scheme that reduces dependence on grid electricity is simultaneously a climate adaptation investment for agriculture and a demand reduction contribution that frees grid capacity for mineral processing. A water harvesting system that captures seasonal rainfall for irrigation also reduces flood peak flows that damage transport infrastructure. An agroforestry programme that maintains watershed vegetation cover reduces the river siltation that threatens dam capacity for both hydroelectric generation and irrigation storage. The integrations are not incidental — they are the design logic of a productive system built for a climate-constrained future.

7.4 Urban Industrialisation: The Manufacturing Horizon

A productive economy built on agriculture and primary mineral processing will, if the blueprint succeeds, encounter its next frontier: manufacturing. The agro-processing industries — tobacco processing, fruit packing, grain milling, oilseed crushing, horticultural packaging — that absorb displaced agricultural labour in rural towns are the first stage of manufacturing ecosystem development. They are followed by industries that use agricultural and mineral

outputs as inputs: fertiliser production using natural gas and processed mineral derivatives; equipment manufacturing servicing the agricultural and mining sectors; and battery component industries using Zimbabwe's own lithium and PGM outputs as raw materials.

The blueprint does not attempt to plan a manufacturing programme in detail — that is the work of a future paper in the series. But it establishes the two preconditions that manufacturing at scale requires. First, the infrastructure platform from Paper 3: reliable electricity, functioning logistics, and digital connectivity are the non-negotiable prerequisites for industrial activity. Second, the institutional quality from Paper 4: contract enforcement, regulatory predictability, and anti-corruption systems are what make Zimbabwe competitive against regional alternatives as a manufacturing destination. The blueprint is already building both. Manufacturing follows when the platform is credible.

7.5 Geopolitical Dimension: Critical Mineral Diplomacy

Zimbabwe's mineral endowments have a geopolitical dimension that the paper has acknowledged but not fully developed. The global energy transition has made lithium, PGMs, cobalt, and chrome into strategic resources — not merely commodities — for which Western nations, China, India, and Japan are actively competing to secure supply chain positions. Zimbabwe currently has the majority of its lithium sector in Chinese ownership, reflecting China's early and aggressive strategy to secure upstream mineral positions globally. This creates a concentration risk: over-dependence on a single investment partner limits bargaining leverage, reduces technology transfer diversity, and creates geopolitical vulnerability if that partnership is disrupted.

- Investment partner diversification: Zimbabwe should actively court European, American, Japanese, and Indian investment in its mineral processing sector as strategic counterweights to Chinese dominance. The EU's Critical Raw Materials Act and the US Inflation Reduction Act both provide financial incentives for Western companies to secure non-Chinese mineral supply chains — Zimbabwe's governance reforms and beneficiation programme make it a credible alternative destination for investment that these programmes are designed to attract
- SADC regional battery supply chain: Zimbabwe sits within a Southern African mineral ecosystem that includes cobalt from the DRC, manganese from South Africa, graphite from Mozambique, and now lithium and PGMs from Zimbabwe. A SADC-level industrial cooperation framework — coordinating processing investments, logistics infrastructure, and standards — could position Southern Africa as an integrated battery supply chain region rather than a collection of individual mineral exporters competing for the same downstream investors
- Critical mineral diplomacy: Zimbabwe's government should develop an explicit critical minerals diplomatic strategy — using its mineral endowments as leverage in bilateral

trade agreements, investment treaties, and multilateral climate finance negotiations. Countries that need Zimbabwe's lithium for their energy transition commitments are potential partners for concessional infrastructure financing, technology transfer arrangements, and favourable trade terms that extend well beyond the minerals transaction itself

SECTION 8

8. Phase One Milestones (Years 1–5)

Consistent with the sequencing logic of the Blueprint series, Paper 5 establishes measurable Phase One milestones against which progress in the productive sector can be independently assessed.

Reform Area	Timeline	Milestone	Key Dependency
Land Tenure	Years 1–2	Title deeds issued to 50%+ of land reform beneficiaries; digital land registry operational; AFC Holdings agricultural credit above \$500M annually to smallholders with collateral	Land Tenure Act enacted; digital registry from Paper 3 DPI Stack
Irrigation	Years 1–5	Irrigated area expanded from 109,000 ha to 300,000 ha; 100 irrigation schemes rehabilitated; solar-powered pumps deployed at scale	Energy reliability (Paper 3); rural road access to scheme sites
Smallholder Yield	Years 3–7	Average smallholder maize yield above 1.2 tonnes/ha nationally; food production above national requirement of 2.2M tonnes	Input supply chains; extension services; irrigation
Tobacco	Years 2–5	Title deeds reducing contract farming dependency below 60%; fair contract regulations enacted; production above 400M kg annually	Tenure reform enabling direct credit access
Lithium Beneficiation	Year 2027	January 2027 export ban fully enforced; battery-grade processing facilities operational at Bikita and Arcadia; \$900M+ investment pipeline delivering output	Power supply reliability (Paper 3 critical dependency)
Mineral Governance	Years 1–3	Mines and Minerals Bill enacted; EITI accession; public beneficial ownership register for all mining licences; sovereign wealth fund established	Political will; ZACC oversight framework from Paper 4
Sovereign Wealth Fund	Years 3–10	Fund operational with 15% of mineral royalty revenue deposited; investment mandate focused on agricultural and human capital development	Mineral revenue growth; governance credibility

Zimbabwe’s productive potential is not a question of resources. It is a question of whether the institutional architecture this blueprint is building can be deployed before the window of the global energy transition closes.

SECTION 9

9. What Follows: Connection to Paper 6 (Diaspora Re-engagement) and the Blueprint Series

Paper 5 has mapped the productive foundation: the agricultural and mineral systems that generate the export revenues, fiscal capacity, and economic diversification that a high-income Zimbabwe requires. But a productive economy is not built on infrastructure and governance alone. It requires the human capital, investment capital, and knowledge networks to operate it. That is the domain of Paper 6 (Diaspora Re-engagement): Diaspora Re-engagement.

The connections are direct and specific. The chemical engineers and metallurgists that Zimbabwe's lithium processing plants need are disproportionately represented in the Zimbabwean diaspora. The agricultural finance expertise that AFC Holdings requires to manage a \$500 million smallholder loan portfolio is available in the diaspora. The horticulture export market relationships that Zimbabwe's high-value agricultural sector needs to develop are held by Zimbabwean diaspora professionals in European food importing companies and supermarket chains. The investment capital that the sovereign wealth fund needs to attract as co-investors is accessible through diaspora professional networks.

The productive economy programme of Paper 5 and the diaspora re-engagement programme of Paper 6 (Diaspora Re-engagement) are therefore not parallel initiatives. They are demand and supply: Paper 5 creates the productive opportunities that make Zimbabwe an attractive destination for diaspora skills and capital; Paper 6 (Diaspora Re-engagement) creates the institutional mechanisms that channel those skills and capital back into the economy. The series is building toward a single coherent argument: Zimbabwe has the resources, the institutions, the infrastructure, and — if the diaspora returns — the human capital to achieve the transformation it has long been capable of.

TECHNICAL ANNEX

Technical Annex: Implementation Mechanics

This annex provides additional technical detail for specialist readers on key implementation mechanisms discussed in the main paper.

A. Land Title Conversion: Mechanics and Standards

The December 2024 government announcement of title conversion from offer letters, permits, and 99-year leases to securitised tenure documents requires a standardised legal instrument that financial institutions will accept as loan collateral. The minimum required elements of a bankable agricultural title document are:

1. Registered holder identity: full legal name and national identity number of registered holder(s), with joint registration as the default for household titling to protect spousal rights
2. GPS boundary demarcation: GPS-verified boundary coordinates of the titled plot, registered in the national digital land registry and publicly searchable. Survey-based demarcation for holdings above a defined size threshold; GPS-enabled mobile survey for smallholder plots where full survey is cost-prohibitive
3. Encumbrance register: any existing charges, liens, or prior claims on the title recorded and disclosed at registration, providing lenders with confidence that their security interest is senior and uncontested
4. Title guarantee: a government-backed title guarantee scheme — modelled on the Torrens title system used in Australia, New Zealand, and parts of East Africa — under which the state provides compensation to any party who suffers loss through an error in the title register. The guarantee creates the certainty that financial institutions require and cannot be replicated by unguaranteed title documents
5. Restriction on transfer: for titles converted through the government programme, a minimum five-year restriction on transfer to non-family members, protecting against speculative acquisition in the immediate post-conversion period before the anti-concentration monitoring system is operational

B. Agricultural Credit Product Framework

The financial products that the credit access chain requires span several time horizons and risk profiles:

- Seasonal input loans: 6-12 month loans for seed, fertiliser, and agrochemical purchases, secured against the harvest and/or land title. Target interest rate: not more than 5 percentage points above the RBZ policy rate. AFC Holdings and Agribank as primary providers; commercial banks for larger-scale farmers
- Medium-term irrigation investment loans: 5-7 year loans for solar-powered irrigation system installation, secured against land title. Grant element of 30% available for smallholder farmers below a defined land holding threshold, financed through climate finance instruments and DFI agricultural lending windows
- Long-term orchard and perennial crop loans: 10-15 year loans for macadamia, avocado, and other high-value perennial crop establishment, secured against land title with long grace periods reflecting the time to first commercial harvest. This product category does not currently exist in Zimbabwe's agricultural finance market; AFC Holdings and the Zimbabwe Development Bank should develop it in partnership with international development finance institutions
- Warehouse receipt finance: 3-6 month loans against grain deposited in certified warehouse receipt facilities, providing farmers with liquidity post-harvest without requiring immediate sale. The Grain Marketing Board and a network of licensed private warehouse operators constitute the system; the RBZ provides the legal framework for warehouse receipt pledging

C. Mineral Royalty Framework and Sovereign Wealth Fund Structure

Zimbabwe's current mineral royalty regime requires modernisation to maximise revenue capture while maintaining investment attractiveness:

- Royalty rate structure: a tiered royalty rate structure based on global commodity price levels — lower rates when prices are depressed, higher rates when prices are elevated — shares price upside between producers and the state without creating the fixed-rate obligations that deter investment when prices fall. Chile's copper royalty framework provides the design precedent
- Transfer pricing rules: mining companies selling to related parties (including the Chinese parent companies that dominate Zimbabwe's lithium sector) required to demonstrate that transfer prices reflect arm's length market prices, with the Zimbabwe Revenue Authority maintaining independent commodity price benchmarks for royalty and tax assessment purposes. Transfer pricing manipulation is the primary mechanism through which mineral revenues are understated
- Sovereign Wealth Fund trigger: the Fund receives royalty revenues above a defined annual baseline (set at current 2025 revenue levels), ensuring that normal mineral revenues continue to fund the recurrent budget while incremental gains from production growth and price appreciation flow to the Fund

- Fund governance: Board of seven members — two appointed by the Minister of Finance, two by the RBZ Governor, two by a parliamentary committee, one by civil society organisations active in extractive governance. CEO appointed through a publicly advertised competitive process. Investment committee makes allocation decisions; Board provides strategic oversight. Annual report to parliament required by law

D. Contract Farming Regulation Framework

The Fair Agricultural Contract Practices Act proposed in this blueprint covers:

6. Input pricing transparency: all contracted input prices disclosed to farmers in writing before contract signature, with a benchmark price reference published monthly by the relevant commodity board
7. Markup cap: contracted input prices may not exceed wholesale market price by more than a defined percentage (recommended: 15%), with certification by the relevant commodity board required for contracts above the threshold
8. Crop diversification right: minimum 20% of contracted farm's total cultivable area reserved for the farmer's own food and diversification crops, inalienable by contract
9. Debt protection: in seasons where the crop price at contracted sale falls below the total value of input advances provided, the farmer's debt is carried forward on a zero-interest basis rather than triggering asset seizure, land encumbrance, or denial of future contracts
10. Exit right: farmers may exit a contract on 30 days' written notice after the growing season's final harvest, without penalty, blacklisting, or denial of access to the following season's input supply or marketing facilities
11. Dispute resolution: all agricultural contract disputes adjudicated by a dedicated Agricultural Contract Disputes Tribunal, which must issue a determination within 30 days of referral and whose determinations are enforceable through the commercial court system

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Zimbabwe Blueprint Initiative

*Paper 5 of the Blueprint Series | Next: Paper 6 (Diaspora Re-engagement) — Diaspora Re-engagement
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