



AMATHEON AGRI

Amatheon Agri: Mumbwa's new hope for recovery

Date: 01/10/2012

Publication: Zambia Daily Mail

Type: Daily Newspaper

Amatheon Agri Holding N.V.
Friedrichstrasse 95
10117 Berlin
GERMANY

Tel: +49 (0) 30 5300 090 05
Fax: +49 (0) 30 5300 090 20
Email: info@amatheon-agri.com
Web: www.amatheon-agri.com

The author has reserved the copyright for any material presented in this document. It is not permitted to duplicate or use any images, texts of this document without the author's prior consent.



AMATHEON AGRICULTURE

By NEBERT MULENGA
IN THE little-developed Central Province town of Mumbwa, the establishment of a new large-scale agribusiness is giving renewed hope for a brighter future to thousands of poor residents.

Amatheon Agri, a multi-million dollar farming venture that will be growing both rainfed and irrigated crops on the outskirts of Mumbwa town, is currently setting up equipment, clearing the land and drilling boreholes for irrigation on the site.

Once fully operational, the company of German origin could employ thousands of people, enlist hundreds of local farmers on its out-grower scheme and contribute significantly to the district's wealth through taxes and rates.

Justine Kanguya, 20, works at a local smallholder mine in Mumbwa, packing excavated copper ores into bags. He earns K350,000 every month as a salary for working every day from 07:00 hours to 17:00 during day shifts or 18:00 hours to 06:00 hours when on night shifts.

Mr Kanguya now reckons the opening up of Amatheon Agri in the Big Concession farming area, some 50km west of Mumbwa central business district, could change his fortunes and help raise the standards of living in the surrounding communities.

"I would like to work on the new farm. I know the salaries will be better. Some of my friends are already working there and they are not complaining. They [Amatheon] will give us better jobs," says Kanguya, who only went as far as the eighth grade in school.

"We do too much work for very little payments for these miners here. They are exploiting us. It is better to work on the farm. You also learn [how] to do your own farming."

Amatheon Agri has so far employed about 50 Zambians who are helping in the ongoing setting up of operations, organising the community and performing various chores on the site.

According to George Allison, a consultant with Amatheon Agri, it may not be long before the farming venture becomes a leading employer in town and begins to contribute to the well-being of the area.

"We envisage to do livestock production, irrigated and rainfed farming all year round and plant commercial forestry; all

these need a lot of people at different times. More people are likely to be employed over the next two or three years," Mr Allison explains.

"We want to do 500 hectares this year in terms of cultivation; we want to grow soybean, perhaps also maize this coming season. Then we can follow it up with irrigated wheat and barley in the dry season."

So far, capital machinery such as tractors for bush clearing, cultivation and planting has been set up at the site, while construction of staff houses and office blocks is also on the cards. A programme has also been launched to empower a number of farmers within Amatheon's 20,000 hectares land area.

"Right now, we have commissioned a survey of farmers in the immediate vicinity, who might be interested in being our out-growers for this season. We would like to stock enough inputs; fertilisers, seeds and herbicides for sale at reasonable prices here for farmers in the area to have a more convenient source of raw materials," he says.

"We see this [venture] as

The economy of Mumbwa district has evolved around farming with mining activities also being predominant in recent years.

something that could have a mixture of enterprises and ownership, with farmers having readily-available inputs and us helping them in accessing a market for their produce."

Over the years, farmers in the Big Concession farming area have been cycling to Mumbwa town to access farming inputs and seek specialised agricultural extension services.

The economy of Mumbwa district has evolved around farming with mining activities also being predominant in recent years. Among the chief contributors to the district's earnings, have been Konkola Copper Mine's Nampundwe Mine and Consolidated Farming Limited's Kafue Sugar.

But with the government's recent demarcation of the district into two, to create Shibuyunji district, Mumbwa's income levels are likely to dwindle and authorities fear service delivery could be compromised. Both Nampundwe Mine and Kafue Sugar, as well as the soon to be established Trade Kings mine,

will now all fall in Shibuyunji district, which has since been re-aligned to Lusaka Province.

It leaves Mumbwa district with literally no industry to depend on. This in large part explains why the establishment of Amatheon Agri is being greeted with so much enthusiasm not only among the locals but also authorities in the forlorn district.

Aaron Kamalondo, the council secretary for Mumbwa District Council says although the gap left by the big financial contributors in Shibuyunji district would be felt by the over 150,000 inhabitants of Mumbwa, the coming of Amatheon could help "in a small way" to cushion the impact.

"The council will benefit because this company will employ people from whom we shall be collecting personal levy, which will be money coming into the coffers. They shall put up infrastructure which means we shall be charging rates and that is money into the council coffers," says Mr Kamalondo.

As for Mumbwa district commissioner Sunday Shamabanse, the setting up of business in Mumbwa by Amatheon Agri will go a long way in contributing to the opening up of the town.

The Amatheon farm is located on the sidelines of the gravel Mumbwa-Kasempa road, which President

Michael Sata's government has earmarked for tarring as part of the efforts to open up the countryside.

"We need development, we are in a hurry for development," comments Mr Shamabanse. "We are sure that Amatheon's irrigation programme will fill up the gap for food security and will also speed up works on the Mumbwa-Kasempa road."

Indeed, the foreign investment of Amatheon's magnitude could just be the trigger that the countryside of Mumbwa district has been waiting for to open up 'to the rest of the world'.

Already, electricity, which was unheard of in the Big Concession area, is now about to be connected, with engineers from the national power utility company, Zesco, currently in their final stages of mounting poles and pylons.

The challenge now is for other investors to consider setting up shop not only in the town's agricultural sector but also in its promising tourism industry.