

Farmers hail cotton auction system

By [Elita Chikwati](#)

30 Apr 2018

Farmers in Zimbabwe have commended the government for improving cotton prices through introducing the auction system.



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Vice President Constantino Chiwenga recently indicated that the crop would soon be marketed through the auction system to ensure competitive prices.

Zimbabwe Commercial Farmers Union (ZCFU) president, Wonder Chabikwa, last week said the government's planned move was likely to bring competition that will positively impact on prices.



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"The idea could have been influenced by the need by government to bring competition in the buying of cotton. We need the highest possible prices to enhance viability and eventually increased production. We are still to get the full details from government. This idea was once introduced in the mid-90s and we hope this time it will come to fruition," said Chabikwa.

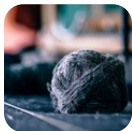
Zimbabwe Farmers Union (ZFU) Vice President Berean Mukwende said there was a need to ensure that farmers were duly paid for their produce.

"The auction system will likely see a number of merchants taking part in the purchasing of cotton, leading to the firming of prices," he said.

"The development will generate interest among farmers and boost production of the commodity. We are happy with the recent announcement. This will see prices go up to viable levels," continued Mukwende.

Farmers also called on the government to improve the payment system for cotton farmers during the forthcoming marketing season to reduce incidences of side-marketing. The bulk of the cotton produced this season was grown under the Presidential Input Support Scheme.

Last season, farmers in the remote areas, especially in the eastern border-lying areas, ended up selling their cotton to buyers in Mozambique who had ready cash.



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Agricultural economist, Midway Bhunu said there was a need to investigate reasons behind side-marketing of the crop last year to come up with lasting solutions.

"The common problem with contract farming is moral hazard between the agent and the principal. At times, contractors do not own up their contractual obligations, while farmers, on the other hand, do not understand the implications of a contract. Both sides should have dialogue and engagement so they come to an understanding," he said.

Cotton production had been on a downfall over the past years due to unviable market prices. The government had to intervene to fund cotton production to revive the cotton sector.

This season, 400 000 cotton farmers benefited from the Presidential Inputs Support Scheme.

Read the [original article](#) on [The Herald](#).

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