



REPUBLIC OF NAMIBIA

MINISTRY OF AGRICULTURE, WATER AND LAND REFORM

# RAIN-FED AGRONOMIC SUBSIDY PROGRAMMES

## 2024/25 MODALITIES

### 1. Background

The Ministry of Agriculture, Water and Land Reform (MAWLR) is implementing the rain fed agronomic subsidy programmes such as the Dry Land Crop Production Programme (DCPP) complemented by the Cereal Value Chain Development Programme (CVCDP). The DCPP and CVCDP is implemented to benefit cereal communal farmers in the 10 crop growing regions of Kunene, Omusati, Oshikoto, Oshana, Ohangwena, Kavango West, Kavango East, Zambezi, Otjozondjupa and Omaheke. These programmes are aimed at increasing food production and productivity along cereal value chains thereby enhancing food security and creating resilience to climate change.

### 2. Programme implementation

#### 2.1 Provision of tillage services

- The Government shall provide ploughing services to the target group through Government owned tractors and use of private tractors.
- The Government shall enter into agreements with all the implementing Regional Councils (RCs) to process payments for the subsidized private tractor services, Draught Animal Power (DAP), weeding and seed subsidy.
- Furthermore, the RCs shall process payments for camping allowances and salaries of the contractual tractor driver and service providers rendering repairs and servicing of GRN tractors.
- Each participating farming household shall qualify to a maximum of 5ha at a subsidised rate for ploughing, disking, ripping, planting services as presented in table 1 below:

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**Table 1: Subsidy rates for land preparation per hectare**

Item	Subsidy
Ploughing (Inc. disking, ripping, planting) by GRN	N\$350 per Hectare (Charged to farmers)
Ploughing (Inc. disking, ripping, planting) by Private tractor	60% to a maximum of N\$500 per Ha (Subsidy)
Ploughing by Draught Animal Power	60% N\$350 per Ha (Subsidy)

- Where a private tractor owner is involved, the owner shall claim the Government subsidy directly from the respective Regional Councils after verifications of the service rendered. The beneficiary shall pay the other part of the costs as contribution, directly to the private tractor owner.
- The drivers of Government owned tractors shall be recruited on a part time basis following set criteria.
- The subsidy rate shall be determined from time to time depending on the available budget.

### 2.2 Provision of improved cereal seeds and cowpeas

Government provides improved seeds to farmers at a subsidized rates (maximum of 5 hectares per farming household).

#### **The current seeds subsidy is as follows:**

- Mahangu at N\$13.40 per 2kg to a maximum of N\$67.00 per 10kg per farming household.
- Maize subsidized at 50% per farming household maximum 50kg.
- Maize sold at N\$13.40 per 2kg to a maximum of N\$330.00 per 50kg per farming household to a maximum of 50kg.
- Cowpeas at N\$15.00 per 2kg to a maximum of N\$375.00 per 50kg per farming household.

### 2.3 Provision of Fertilizers

- In order to improve soil fertility and productivity of the land, Government will provide fertilizer subsidy to farmers.
- The Government will subsidize fertilizer at 60% to a maximum of N\$1000 per 50kg bag.
- Farmers will be subsidized to a maximum of 750kg for 5ha at the rate of 150kg/ha for basal fertilizers, and 250kg for 5ha at the rate of 50kg/ha for top dressing per farming household.
- Furthermore, the Government will sell the remaining subsidized fertilizers in stock at the Agricultural Development Centres as follows:



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The subsidized fertilizers prices are presented in table 2 below:

**Table 2: Subsidy rates for fertilizer**

<b>Fertilizer</b>	<b>Subsidized amount (N\$)/ 50kg</b>
Nitrogen Phosphorus Potassium (NPK)	N\$500.00
Monoammonium Phosphate (MAP)	N\$500.00
Limestone Ammonium Nitrate (LAN)	N\$300.00
Urea	N\$300.00
Ammonium Sulphate (AS)	N\$300.00

### 2.4 Provision of Weeding Services

- Weed control remain a challenge that contributes to low crop yields among communal farmers. Therefore, the Government is providing subsidized weeding services at a rate of N\$400.00 per hectare to a maximum of 5 ha per farming household.

### Procedure to benefit from tillage services (ploughing, ripping, planting, weeding) and input services (seeds and fertilizer)

- The Ministry Announces the commencement of the DCPD in the Regions using radio platform and awareness creation meetings
- Interested farmers are encouraged to register at the nearest Agricultural Development Centers (ADCs) to access the subsidy on inputs and tillage mechanized services.

### 2.5 Provision of subsidy on milling machines, threshers, storage facilities

- The Ministry is implementing the Cereal Value Chain Development Programme to complement the DCPD, and support cereal producers and processors along cereal value chain as well as minimising postharvest losses.
- Grain storage facilities subsidized at 65% to a maximum N\$2,500.00 maximum of 5-ton grain storage capacity per household.
- Hammer mills at 65% to a maximum of N\$15,000.00
- Threshers at 65% to a maximum of N\$15,000.00

### 2.6 Provision of subsidy on machinery and equipment for tillage mechanization

- The demand for tillage services is increasing. The Ministry has a total of 131 tractors were deployed during the 2023/24 cropping season. Furthermore, the Ministry distributed a total of 298 tractors procured through NAMSIP to assist farmers with tillage mechanized services. A total of 720 farmers own tractors with implements in the 10 crop growing region. However, this only translates to 9 tractors per constituency which is not sufficient to satisfy the high demand of tillage services under rain fed production. As a result, the Ministry has introduced a subsidy on the procurement of lighter 4-wheel tractors with matching implements. This initiative, which will allow more farmers to own tractors and implements, ensuring sustainability and timely access to tillage mechanised services by cereal producers in the 10 crop growing Regions. The Ministry will subsidize lighter 4-wheel tractors (minimum 35 Hp and maximum 50 Hp) with matching implements at 65% to a maximum of N\$250,000.

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### **Procedure to benefit from the subsidy on machinery (lighter 4-wheel tractors, 30-50hp) and crop production implements, hammer mills, threshers, and storage facilities**

- The Ministry will advertise nationally, inviting interested farmers to apply.
- Application forms will be made available at the Agricultural Development Centres in the 10 implementing Regions.
- Only quotations with proof of own contribution or loan approved facility will be considered.
- Only quotations from reputable tractor, implements and machinery dealers with manufacturing authorization or assembling certificates with minimum 10 years' experience will be considered.
- Only quotations with proof of spare parts availability from the dealers will be considered.
- Only quotations with manufacturing warranty letter will be considered.
- The tractor and implement dealer should have a valid fitness certificate.
- The quotation should be accompanied with a letter from the dealer authorizing right to the Regional Selection committee to inspect the warehouse, or assembling plant etc.
- The Regional selection committee reserve the right to inspect the warehouse, assembling plant etc.
- Regional selection committees chaired by the DAPEES Regional heads. The Regional Council staff members and relevant stakeholders shall form part of the selection committee.

### **3 Institutional Implementation framework**

The government recognizes that it cannot implement the programmes alone and therefore, considers the involvement of stakeholders as key success to the programme.

- The Directorate of Agricultural Production Extension and Engineering Services (DAPEES) will oversee the implementation of the programme in the regions, together with the implementing Regional Councils to ensure timely availing of inputs and services, awareness creation, monitoring, and facilitate training including demonstrations, farmer information and field days.
- The Directorate of Research and Development (DARD) will take a lead in all research related aspects of the programme including soil analysis and fertility management options, provide foundation seeds for multiplication, development and adaption of farm implements, machineries, and evidence based practices and technologies to improve yields.
- The implementing Regional Councils shall be responsible for the direct payment of service providers based on Memorandum of Understanding entered into with the MAWLR. The Regional Councils together with DAPPEES Regional Heads shall manage the dedicated bank account for the programme as well as the allocated budget by processing the payments of subsidized private tractor services, DAP, seeds subsidy, Weeding Services, grain storage facilities, hammer mill machines and threshers. In addition, Regional Councils together with the DAPEES regional heads shall recruit and process payments for camping allowances and salaries of contractual GRN tractor drivers as well as service providers for the repairs and servicing of GRN tractors. Furthermore, the Regional councils together with the DAPEES Shall Regional Heads shall provide financial reports and bank statements



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as proof of payments to service providers. In addition weeding groups targeting women and youth shall be mobilized and registered by DAPEES in collaboration with Regional councils to participate in the weeding programme.

- DAPEES' staff shall register beneficiaries as well as recruitment of tractor operators.
- Traditional Authorities shall support in creating awareness, mobilize the youth and women to participate in the weeding programme.
- The DAPEES and the Regional Councils shall use private tractor owners, seeds and fertilizer suppliers, as well as fuel suppliers for the implementation of DCP.
- The DAPEES shall register private tractor owners at the respective ADCs.

### 4 Rain-Fed Agronomic Subsidy Programme 2024/2025 budget

- A total amount of N\$44,200,000 is availed for the 2024/25 cereal production season as per table 3 below:

**Table 3: Rain-Fed Agronomic Subsidy Programme Budget 2024/25**

<b>Programme</b>	<b>Total Budget availed (N\$)</b>
DCPP	31,200,000.00
CVCDS	13,000,000.00
<b>Total available budget</b>	<b>44,200,000.00</b>

The 2024/25 Rain-Fed Subsidy Programme budget is allocated as per table 4 below:

**Table 4: 2024/25 Rain-fed agronomic Subsidy Programme Budget allocations**

<b>Required inputs and services</b>	<b>Amounts (N\$)</b>
Private Tractor, DAP, Weeding subsidy	5,800,000.00
Grain storage facilities subsidy	500,000.00
Subsidy to tractors and implements	17,000,000.00
Hammer mills, chipper hammer mills, threshers	2,000,000.00
Servicing and repair of tractors	8,400,000.00
Salaries of Contractual Tractor Drivers	2,209,104.00
Camping Allowance of Contractual Tractor Drivers	2,520,896.00
Procurement of diesel for tractors (N\$)	5,770,000.00
<b>Total Allocated Budget</b>	<b>44,200,000.00</b>

### 5 Rain-Fed Agronomic Subsidy Programme 2024/25 allocation per region

- A total of Thirty-Eight Million, Eight Hundred and Four Hundred and Thirty Namibian Dollars (N\$38,430,000) will be transferred to the implementing Regional Councils for the processing of payments to subsidy on the procurement of tractors and implements, grain storage facilities, hammer mills, threshers, the use of private tractors, DAP and weeding Services, payment for the servicing and repair of GRN tractors and implements, camping allowances and salaries of CTDs as presented in table 4 below.

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	Private Ploughing Service, DAP, Weeding	Grain storage facilities subsidy	Subsidy to tractors and implements	Hammer mills, chipper hammer mills, threshers	No. of tractors	Servicing and repair of tractors	Salaries of Contractual Tractor Drivers	Camping Allowance of Contractual Tractor Drivers	Procurement of diesel for tractors (N\$)	Total (N\$)
Zambezi	700,000.00	50,000.00	2,000,000.00	200,000.00	18	960,000.00	288,144.00	327,240.00	730,000.00	5,255,384.00
Kavango East	700,000.00	50,000.00	2,000,000.00	200,000.00	15	960,000.00	240,120.00	283,874.00	730,000.00	5,163,994.00
Kavango West	700,000.00	50,000.00	2,000,000.00	200,000.00	14	960,000.00	224,112.00	254,520.00	730,000.00	5,118,632.00
Ohangwena	700,000.00	50,000.00	2,000,000.00	200,000.00	18	960,000.00	288,144.00	327,240.00	730,000.00	5,255,384.00
Omusati	700,000.00	50,000.00	2,000,000.00	200,000.00	18	960,000.00	288,144.00	327,240.00	730,000.00	5,255,384.00
Oshana	700,000.00	50,000.00	2,000,000.00	200,000.00	18	960,000.00	288,144.00	327,240.00	730,000.00	5,255,384.00
Oshikoto	700,000.00	50,000.00	2,000,000.00	200,000.00	18	960,000.00	288,144.00	327,240.00	720,000.00	5,245,384.00
Otjozondjupa	500,000.00	50,000.00	1,000,000.00	200,000.00	7	560,000.00	112,056.00	127,260.00	250,000.00	2,799,316.00
Kunene	200,000.00	50,000.00	1,000,000.00	200,000.00	7	560,000.00	112,056.00	127,260.00	210,000.00	2,459,316.00
Omaheke	200,000.00	50,000.00	1,000,000.00	200,000.00	5	560,000.00	80,040.00	91,782.00	210,000.00	2,391,822.00
<b>Total</b>	<b>5,800,000.00</b>	<b>500,000.00</b>	<b>17,000,000.00</b>	<b>2,000,000.00</b>	<b>138.00</b>	<b>8,400,000.00</b>	<b>2,209,104.00</b>	<b>2,520,896.00</b>	<b>5,770,000.00</b>	<b>44,200,000.00</b>

## MODALITIES FOR THE RAIN FED AGRONOMIC SUBSIDY PROGRAMMES 2024/25

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