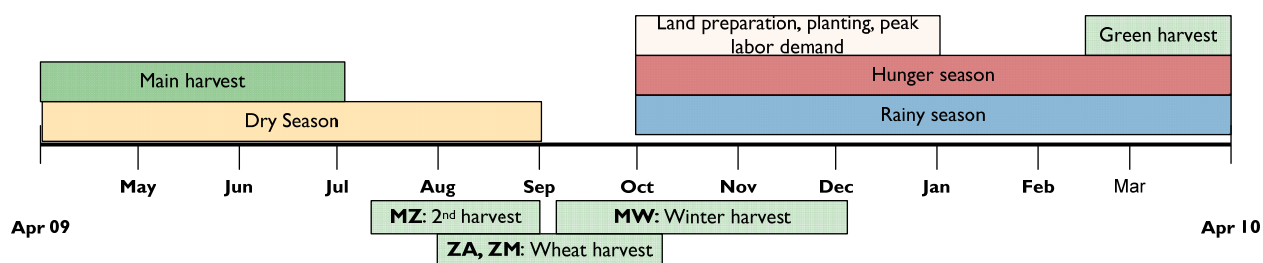


SOUTHERN AFRICA Food Security Update

September 2009

- The regional most likely food security scenario for July-December 2009 remains valid, with projected stable food security conditions in most areas and isolated pockets of food insecurity in some areas affected by weather-related shocks resulting in reduced crop production, income levels, agricultural labor opportunities, and food supplies on local markets. A number of households previously identified as moderately food insecure are now slipping into highly food insecure status as the limited stocks they had from own production have run out. General food distribution programs have not yet commenced in most areas with identified vulnerable populations, as logistics are still being put in place by governments and the humanitarian community.
- According to the climate outlook statement issued by the Southern Africa Climate Outlook Forum (SARCOF) at the end of August, much of the southern half of the region has higher chances of receiving normal to below-normal rainfall between October 2009 and March 2010, while the southeastern parts of the region have greater chances of normal-to-above normal rainfall in the first half of the season and increased chances of normal to below-normal rainfall in the second half of the season. In addition, the northeastern quadrant of the region is forecast to have enhanced chances of normal to above-normal rainfall throughout the rainfall season, with some areas, particularly in the Zambezi basin and western Madagascar, having even greater chances of above-normal rainfall throughout the season.
- Most markets in the region are adequately stocked with staple foods, including those in deficit areas, as available foods find their way from surplus areas to deficit areas through formal and informal trading, resulting in stabilization of nominal prices of staple foods. However, price variations exist across markets, with some markets registering unexpectedly high nominal price increases of staple foods, which is a little unusual for this time of year.

Seasonal calendar and critical events timeline



Source: FEWS NET

Food security summary

Food security conditions remain favorable over most the region following the good harvests this year as a result of good crop growing conditions and increased use of agricultural inputs such as hybrid seed and fertilizer over the 2008/09 season.

The July 2009 national VAC reports have confirmed that the majority of households will have adequate food over this consumption period due to average to above-average harvests. Most households across the region have access to food from own production and some still have adequate stocks to last them until the next harvest. Consequently, market food prices have remained stable, and in some markets, they are declining in response to the stable food supplies and favorable food security conditions. The prevailing food security conditions are expected to remain favorable in most of these areas until the next hunger period starts around October/November.

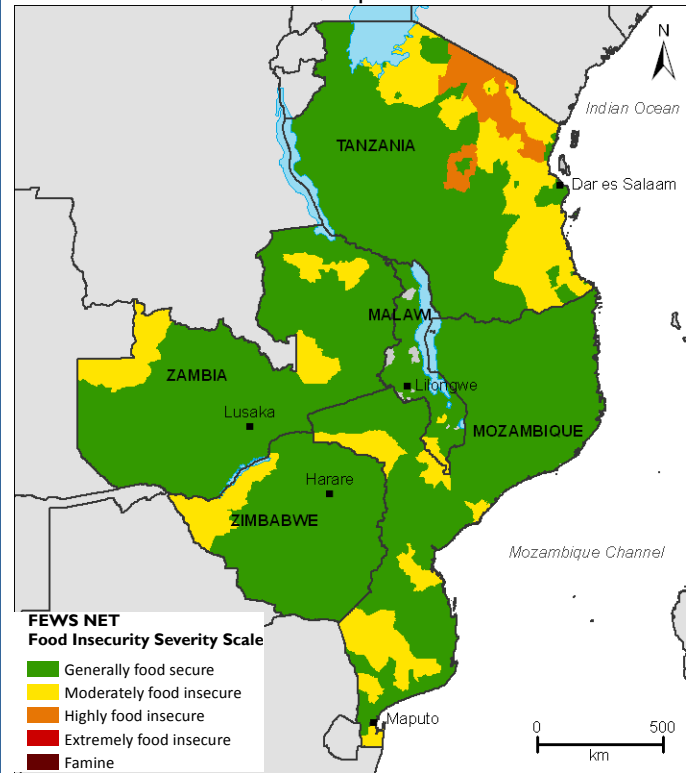
However, there are concerns about food insecurity in areas that were adversely affected by weather-related disasters such as floods and droughts resulting in crop losses, damage to infrastructure, and disruption of livelihoods. The majority of the middle income and poor households in these areas have become dependent on the market much earlier than normal, leading to unusual food price hikes at this time of the year. Maize grain prices have generally remained at higher levels across the region for this time of year, even in countries that recorded good national harvests, such as Malawi and Zambia. This may be because farmers paid high prices for inputs last season, and are not ready to sell at below production costs. Nonetheless these high maize grain

prices across the region are not expected to surpass last year's levels, even though they are currently higher than the five-year average. In the affected areas of Malawi, along the Lower and Middle Shire livelihood zone (Chikwawa, Nsanje, and Balaka districts) and southwestern areas in Zambia, maize grain prices have begun to rise much earlier than normal. However the situation is expected to normalize soon, as recent information on informal cross-border trade indicates large informal inflows of cheaper maize into Zambia and Malawi sourced from Mozambique and Tanzania. The informal maize inflows are being driven by price differentials at the borders.

In Zimbabwe, where a large number of food insecure people (1.4 million at the peak hunger period) have been identified through ZIMVAC, food security conditions are currently stable, with more food available on the market as a result of the recent harvests and imports by government, humanitarian agencies, and the private sector. Most households still have access to food from own production, although available stocks are steadily running down and a number of households are expected to be dependent on the markets and food aid distributions by early October 2009. This period coincides with the onset of the hunger season, when the majority of rural households usually turn to the market and increasingly to humanitarian food handouts. Zimbabwe's capacity to import is still a challenge, due to persistent national financial constraints and the fact that households that are vulnerable due to recurrent production losses may not have the means to access market supplies and may require assistance. By the end of August, available information put total cereal imports at 282,000 MT, reducing the initial cereal gap of 535,000 MT to about 253,000 MT. The bulk of these imports (172,000 MT) is food aid, and includes cereals in the pipeline yet to be delivered. The major food aid agencies (WFP and C-SAFE) are making preparations for the start of the Vulnerable Group Feeding programme in October 2009. Targeted rural beneficiaries are 1.8 million (1.2 million by WFP, and 600,000 by C-SAFE). Currently, WFP has been assisting the most vulnerable households through the ongoing country-specific Protracted Recovery and Rehabilitation Operations (PRROs). However, pipeline breaks are expected to occur soon, unless additional donor support is secured quickly.

In Tanzania, current national food security conditions remain favorable due to recent *msimu* harvests in unimodal areas and *masika* harvests in some bimodal areas. However, food security concerns remain for localized areas that were adversely affected by the failure of the *vuli* and *masika* rains, resulting in poor crop production. Most of the households in these areas

Figure 2. Current food security conditions in FEWS NET countries in Southern Africa, September 2009



Source: FEWS NET

are already dependent on local markets, a situation likely to lead to an increase in local market prices. High food prices will further burden the already stressed poor households that are struggling to access food on the market due to limited purchasing power.

In Madagascar, rice supplies on local markets are abundant due to the good harvests, and prices are low, falling to a level well below that of last year during the same period. The BLNS countries (Botswana, Lesotho, Namibia, and Swaziland), which are net cereal importers, are expected to import cereals from South Africa to augment domestic supplies. Delivery of planned commercial imports is already ongoing as scheduled and this will help improve food supplies on the market, thereby contributing to stable food security conditions in those countries. At the sub-national level, there are still pockets of food insecurity that require intervention. In a number of countries, WFP and other humanitarian agencies continue to assist chronically vulnerable households through regular developmental and other targeted country programs.

The regional most-likely food security scenario for July- December 2009 (July 2009 FEWS NET Food Security Outlook) is still valid, with projected stable food security conditions in most areas across the region and isolated pockets of food insecurity in some areas adversely affected by weather-related shocks, resulting in reduced crop production, reduced income levels, reduced agricultural labor opportunities, and low food supplies on local markets. A number of households previously identified as moderately food insecure are already slipping into highly food insecure status as the little stocks they had from own production have run down. Vulnerable Group Feeding programmes have not commenced in most areas with identified vulnerable populations, as logistics are still being put in place by governments and the humanitarian community.

Table 1 shows WFP individual country PRRO cereals and all commodity pipelines for October 2009 to March 2010. This shows that all countries face some shortages in the next six months. The situation is of most concern in Zimbabwe, where food aid needs are the greatest, as it shows huge shortfalls in all commodities for the next six months amounting to 77,235 MT. However, available information from USAID/FFP, which includes both C-SAFE and WFP pipeline data, suggests that the combined pipelines will have adequate commodities through the end of February 2010, leaving a smaller shortfall of 18,661 MT for March 2010. Measures are being taken to have these pipelines fully resourced. WFP Zimbabwe is actively seeking additional donor support by stressing the need to avert a crisis during the upcoming hunger period (December – March). New contributions would be used to purchase pulses and cereals to cover the more immediate shortfalls.

Expected shortfalls for Mozambique over the next six months (October - March 10) are approximately 26,000 MT. These are food aid requirements to cover the needs of food insecure people (in the arid and semi-arid parts of the provinces of Tete, Gaza, and Sofala) estimated by the Technical Secretariat for Food Security and Nutrition (SETSAN) at 247,000. Currently, WFP Mozambique has confirmed resources to assist only the 175,000 food insecure persons from October until December 2009. However, the agency is facing severe pipeline breaks for the nutrition and HIV/AIDS programmes, and has already informed partners of the risk of pipeline breaks for the programs, but funds have not yet been secured.

Table 1. Cereal pipeline requirements for Oct 09 – Mar 10 for WFP Southern Africa PRROs (MT)

	Cereals		All commodities	
	Requirements	Shortfall	Requirements	Shortfall
Lesotho	4,140	-2,142	7,116	-2,560
Madagascar	4,350	-4,350	5,058	-5,058
Malawi	852	-793	9,673	-1,684
Mozambique	24,720	-22,426	40,608	-26,601
Swaziland	5,010	-3,546	7,722	-6,178
Zambia	2,982	-2,982	2,982	-2,982
Zimbabwe	94,263	-66,869	104,782	-77,235
TOTAL	136,317	-103,108	177,941	-122,298

Source: World Food Program (OMJ)

In Malawi, the government has approved a free food distribution program involving 6,678 MT of maize to the 147,492 people assessed as food insecure by the Malawi Vulnerability Assessment Committee (MVAC) in the districts of Balaka, Chikwawa, and Nsanje. This intervention, which is led by the Department of Disaster Management Affairs, will continue until harvest time in March 2010.

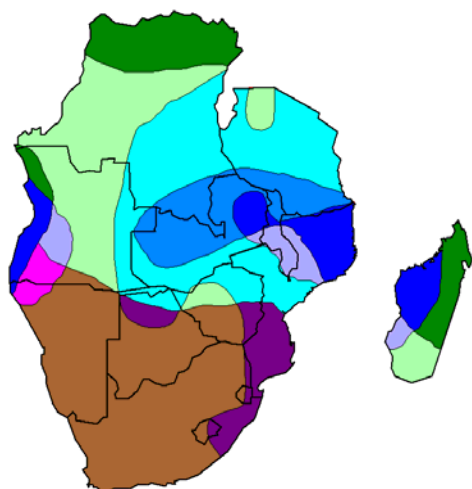
The Southern Africa Climate Outlook for the 2009/10 Rainfall Season

The Southern Africa Climate Outlook Forum (SARCOF) held in August 2009 in Harare, Zimbabwe, produced a consensus rainfall forecast for the 2009/2010 season over the SADC region, covering the period October 2009 to March 2010. Much of

the southern half of the region was predicted to have higher chances of normal to below-normal rainfall between October 2009 and March 2010. Meanwhile, the southeastern parts of the region were predicted to have greater chances of normal-to-above normal rainfall in the first half of the season and increased chances of normal to below-normal rainfall in the second half of the season. In addition, the northeastern quadrant of the region is forecast to have greater chances of normal to above-normal rainfall throughout the rainfall season, with some areas, particularly in the Zambezi basin and western Madagascar, having even greater chances of above-normal rainfall throughout the season. Flooding has occurred repeatedly in the last few years in some of the areas which have been forecast to receive above-normal to normal rainfall during this season.

The scenario presented by this forecast, particularly in the southern half of the region, is fairly typical of El Niño events, with El Niño being usually, but not exclusively, associated with poor, below-normal rainfall in the southern parts of the region. Current forecasts by global climate models indicate that the El Niño episode is most likely to continue into 2010, and could well be a moderate-strength El Niño. Studies have indicated that some historical El Niño events have coincided with above-normal rains in October in some of the southern parts of the region, followed by below-normal rains, usually a prolonged dry spell in the second half of the season.

Figure 2. Composite SARCOF Rainfall Forecast, October 2009 to March 2010



The two forecasts (October – December and January – March) presented by the SARCOF climate experts have been adapted by SADC/RSSU and USGS/FEWS NET into one map (Figure 2). The legend below provides the likelihood of each of the areas experiencing below-normal, normal, and/or above-normal rainfall throughout the six-month rainfall season. This has implications for agriculture in general, and summer cropping in particular, for the 2009/10 season. Relevant messages need to be crafted and disseminated within the farming sector and other sectors (e.g., health and energy) that depend on rainfall performance. In terms of maize production, this composite forecast paints a bleak picture for the areas in brown (normal to below-normal rainfall), which includes most of the maize-producing areas in South Africa. Below-normal rains would have very negative impacts on total maize availability in the region, as South Africa produces, on average, close to 50 percent of regional supplies.

Color	Composite SARCOF Forecast
	1. Likelihood of above-normal throughout the rainfall season
	2. Likelihood of normal to above normal in first half, increasing to likelihood of above-normal to normal in second half of season
	3. Likelihood of above-normal in first half, decreasing to likelihood of normal to above-normal in second half of rainfall season
	4. Enhanced likelihood of normal to above-normal throughout the rainfall season
	5. Likelihood of above-normal in first half, changing to likelihood of normal-to-below-normal in second half of rainfall season
	6. Likelihood of normal to above-normal in first half, decreasing to likelihood of normal-to-below-normal in second half
	7. Likelihood of normal to below-normal in first half of season, changing to likelihood of above-normal to normal
	8. Likelihood of normal to below-normal in first half of season, increasing to likelihood of normal to above-normal
	9. Enhanced likelihood of normal to below-normal throughout the rainfall season

In the southern half of the region, the enhanced likelihood of normal to below-normal rains in the first half of the season implies the possibility of erratic early rains that may lead to a poor start of the rainfall season. However, several previous El Niño events have been typified by good October rains, followed by dryness in some of these areas, which may be another opportunity to satisfy a below-normal rainfall outcome. Similarly below-normal probabilities in the second half indicate enhanced chances of dryness during the second half of the season, possibly associated with prolonged dry spells. Farmers are advised to employ water conservation strategies, plant short-maturing varieties and drought-tolerant crops, and practice staggered planting where possible. Staggered planting will be more beneficial in areas with a longer growing season. Otherwise, in many of the marginal areas, early planting appears more beneficial.

The SARCOF noted significant spatial uncertainty associated with the boundaries between different climate forecast zones, and these zones should be interpreted as transition boundaries that can stretch for over 200km. It was further noted that enhanced above-normal rainfall probability does not necessarily imply flooding, in the same way that enhanced below-normal rainfall probabilities do not necessarily imply drought. Users of the forecast were advised to contact their respective National Meteorological and/or Hydrological Services for interpretation of this outlook, additional guidance, and updates.

Preparations for the 2009/10 agricultural season

In response to the imminent start of season, countries in the region are at various stages developing their strategic plans, which include, among others, agriculture input support programs. In Zambia, the government has decided to continue with its fertilizer support program targeting small-scale farmers. Its target is to distribute 100,000 MT of fertilizer (top and basal) to 500,000 small-scale farmers. This translates into an increase in both beneficiary farmers (150 percent) and volume of fertilizer (25 percent). However, the increase in beneficiary numbers may lead to significant reductions in quantities to be received by each farmer compared to the past five years.

Meanwhile, in Malawi, the government has announced that this year, the Agriculture Input Subsidy Program will only cover food crops and not cash crops. As a result, the quantity of subsidized fertilizer has dropped from 170,000 MT to 160,000 MT, while the quantity of subsidized maize seed has been increased from 150,000MT to 160,000MT. At the same time, the Ministry of Agriculture and Food Security plans to increase extension messages for good agricultural management of maize production as well as plans to distribute early-maturing maize varieties in the central and southern parts of the country.

In Mozambique, preparations for the upcoming 2009/10 cropping season are reported to be well underway. The majority of households will meet their seed needs by saving traditional seeds or through market purchases. To date, plans for seed and input fairs have not yet been finalized and it is still unclear whether they will proceed as planned. In Tanzania, the government has allocated Tsh.666.9 billion to the agricultural sector in the 2009/10 budget, reflecting an increase of 30 percent compared to Tsh.513 billion in the last budget. The increase in budget allocation is meant to improve infrastructure for irrigation and rural roads access, distribution of subsidized fertilizers mainly targeting the major production regions; and availability of quality seeds and other agricultural inputs. All these incentives are aimed toward increased production and improved market access.

In Zimbabwe, two programs to assist farmers to access inputs have been launched. One is implemented by FAO, assisted by partner nongovernmental organizations. This program plans to give free maize seeds and fertilizers for one hectare per household to 600,000 smallholder farming households. The other is a government-private sector inputs credit scheme aimed at providing maize seeds and fertilizers to farmers on credit. Eligible farmers are required to secure the loan through putting up acceptable collateral. This program again aims to benefit 600,000 farming households. On the whole, preparations in Zimbabwe (inputs positioning, access, and availability) for the start of the 2009/10 season seem to be progressing much better compared to experiences in recent years.

Markets and trade

Supply/demand analysis for maize (by far the most important staple food for the region) shows an exportable surplus sufficient to cover import requirements of deficit countries within the region. SADC regional maize production estimates indicate a production of 25.78 million MT, 9 percent higher than the 2007/08 harvest of 23.71 million MT. South Africa (with the largest total share of maize production in the region), on 23 September 2009 announced another upward revision of its maize production estimates from 12.20 million MT to 12.26 million MT, thus increasing available stocks for commercial exports. By the middle of September, close to 700,000 MT had been exported out of the available exportable maize surplus of 2.34 million MT.

Another positive development is the lifting of maize export bans by Zambia and Malawi in late August 2009, creating an enabling environment for cereal trading with other deficit countries within the region. Zambia has already made an initial export commitment of 100,000 tons of maize destined for neighboring countries. The latest information from the Zambia maize monitoring committee estimates total maize exports as of mid-August at 20,000 MT (including close to 4,000 MT exported to Zimbabwe). Malawi has also entered into maize export agreements with Kenya and Zimbabwe - the amount is

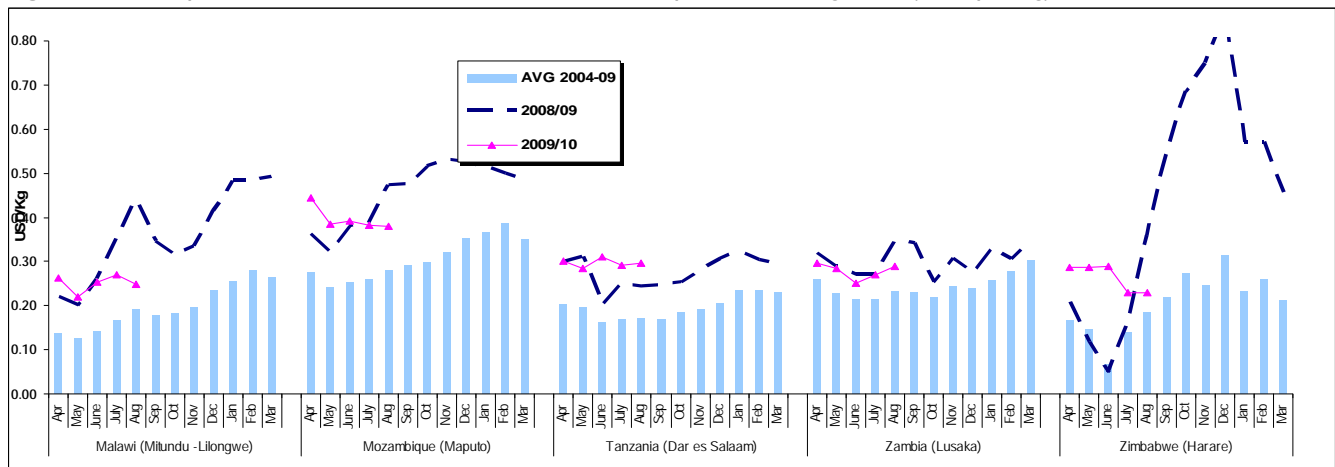
yet to be disclosed. Tanzania has yet to lift the maize export ban imposed in May last year. However, recent informal cross-border trade data indicate huge informal maize outflows from Tanzania to Malawi, DRC, and Zambia due to price differentials. Informal trade among other neighboring states — including South Africa, Zimbabwe, Zambia, DRC, Malawi, and Zambia — is continuing normally.

Nominal retail prices on regional local markets

Most markets in the region are adequately stocked with staple foods, including those in deficit areas as available foods find their way from surplus to deficit areas through formal and informal trading, resulting in stabilization of nominal prices of staple foods. However, price variations exist across markets, with some markets registering unexpectedly high nominal price increases of staple foods, which is a bit unusual for this time of the year (see price annex). In Tanzania, most markets are recording higher nominal prices of staple foods than the five-year average, with some markets recording notable price increases that are greater than those of the same time last year. The high nominal maize prices at the Arusha market are attributable to the low production levels due to the failed *masika* rains and the current high transportation costs. Meanwhile, in Zambia and Malawi, maize prices have dropped substantially from the abnormally high price levels recorded last year but have remained above the 5-year average.

In Mozambique, retail maize prices in all monitored markets remain stable and below those of last year, although here too, they remain above the five-year average. According to recent reports from the Agriculture Market Information System (SIMA), maize flows are following their normal seasonal trend, flowing from areas of better availability in the central markets to the deficit-prone southern markets. The SIMA reports also indicate that nominal maize prices are beginning to increase seasonably and are expected to reach the peak in the December - February peak hunger period. In Zimbabwe, nominal prices of maize grain have remained relatively stable at a price range of USD0.21/kg to USD0.29/kg. However, recent reports from the Consumer Council of Zimbabwe (CCZ) indicate an increase in the cost of the food basket from USD138.05 in June 2009 to USD142.30 in July 2009 - a three percent increase. This is attributable to fuel price increases that occurred in June.

Figure 3. Retail prices of white maize on selected markets, April 2004 – Aug 2009 (USD per kg)

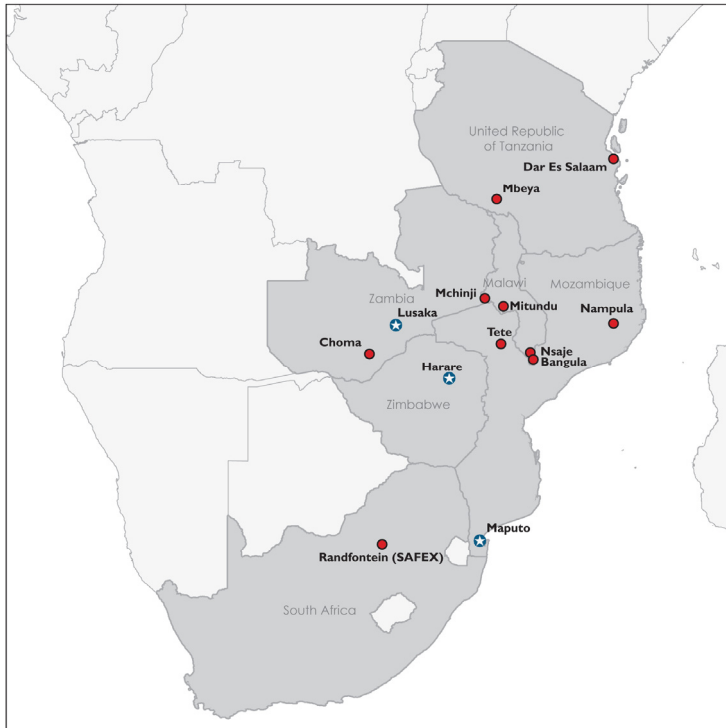


Source: FEWS NET Malawi, Mozambique, Tanzania, Zambia, and Zimbabwe

White and yellow maize grain prices on the South African Futures exchange recorded an average increase of five and four percent (respectively) between July and August 2009. White maize, for example, increased from a July average of ZAR 13339/MT to the August average of ZAR1412/MT. This compares with stable (zero increases) international prices over the same period (Argentina – Upriver (USD164/MT, and US Yellow No3 – Gulf (USD158/MT). South African prices, however, remain very low when compared to their levels at the start of the season in May 2009. This is generally in line with recent drops in global maize prices as well as the large domestic surplus the country has produced. Prices might, however, continue to rise in response to the current weather forecasts, which indicate a likelihood of normal to below-normal rainfall in much of the country, influenced in part by the current El Niño event. A poor 2009/10 rainfall season will mean a reduction in area planted under maize, especially in South Africa, resulting in reduced harvests for the 2010/11

consumption period. Farmers, speculating on rainfall outcomes, may hold on to crops not yet delivered for sale, until much later in the year, resulting in significant price increases.

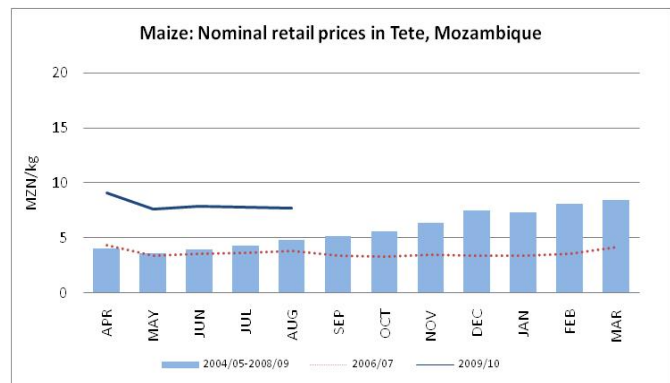
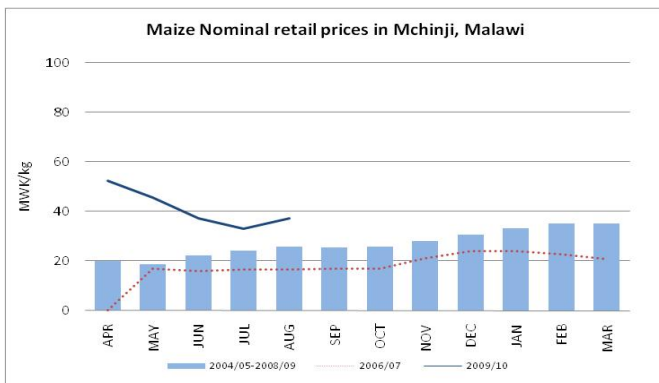
The Southern Africa Food Security Brief draws from the FEWS NET monthly food security reports, with additional contributions from network partners including FEWS NET/USGS, the SADC Regional Remote Sensing Unit, SADC Regional Early Warning Program – Gaborone and the SADC Regional Vulnerability Assessment Committee comprised of SADC FANR, FAO, WFP, FEWS NET, SC (UK), and OCHA. Additional information is drawn from the national early warning units and meteorology services in SADC member states.

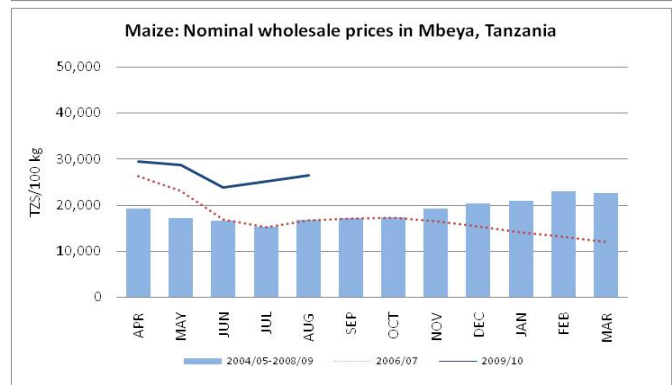
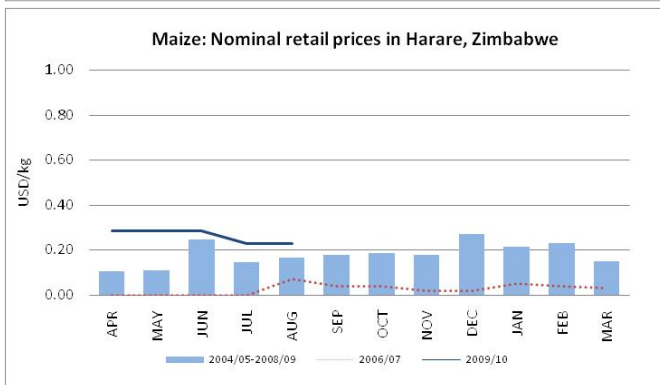
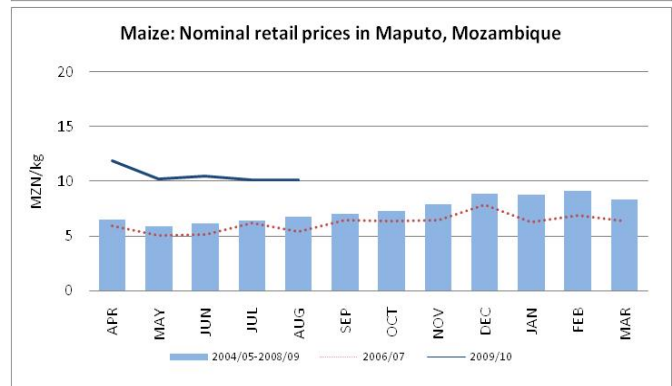
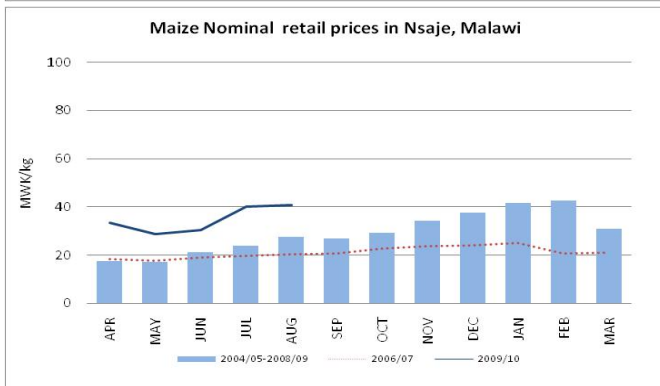
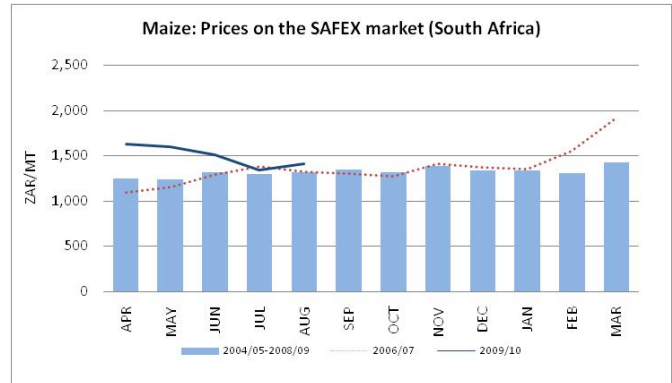
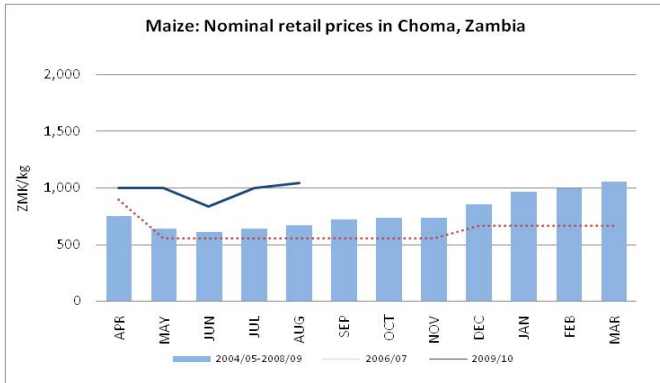
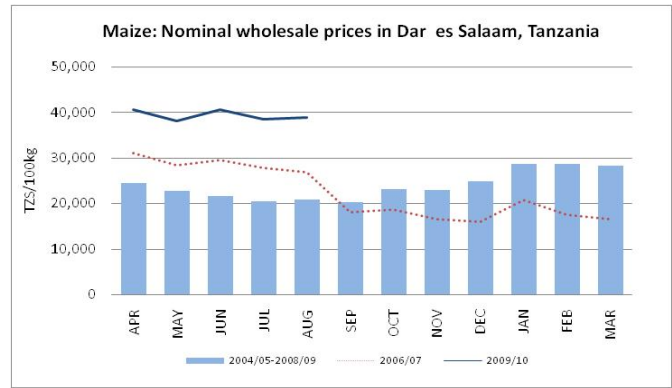
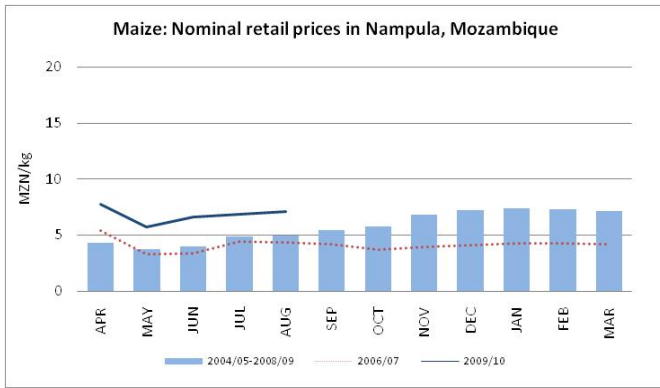


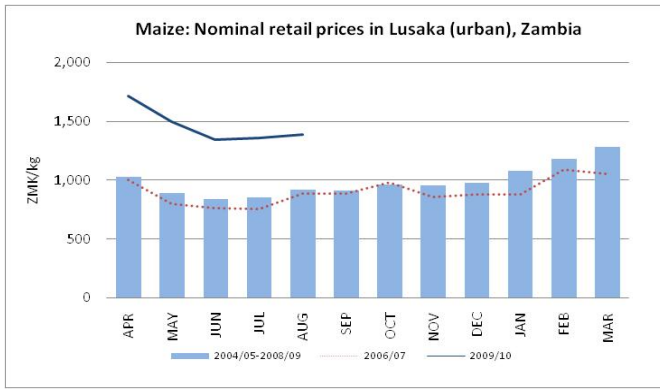
Monthly prices are supplied by FEWS NET enumerators, local government agencies, market information systems, UN agencies, NGOs, and other network and private sector partners.

Most households in Southern Africa depend on maize as their main source of food and energy, given the high volumes and ease with which it is produced. Alternative food crops that are consumed as substitutes include rice, wheat, sorghum, millet, and tubers such as cassava and potatoes. Consumption of these substitutes occurs mainly when maize is not available or among those households in areas where such substitutes are more easily available (for example, cassava in northern Mozambique). The majority of rural households do grow the other cereals — especially sorghum and millet, which are more drought resilient — in relatively small quantities as a buffer in bad production years for maize. Furthermore, wealthier households (especially in urban areas) with access to a variety of costlier cereals (such as rice and wheat) do consume them to diversify their diets. While wheat is widely consumed in the form of bread, it is produced in relatively small quantities in the region. South Africa is the only country that produces substantial amounts, but still in quantities insufficient to meet domestic requirements. South Africa is also the region’s major producer of maize and acts as a major supplier and exporter. In years of relative maize surplus, sizable amounts of both formal and informal cross border trade occurs between neighboring countries.

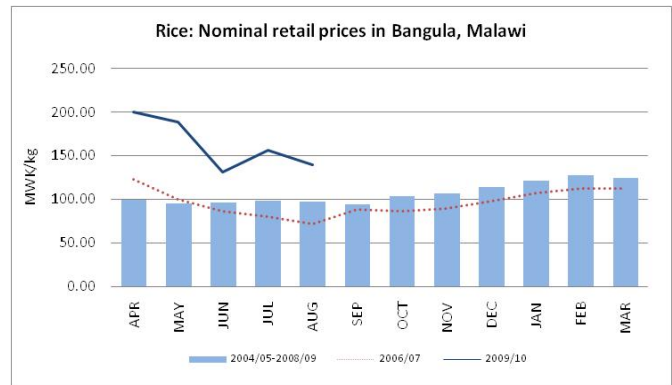
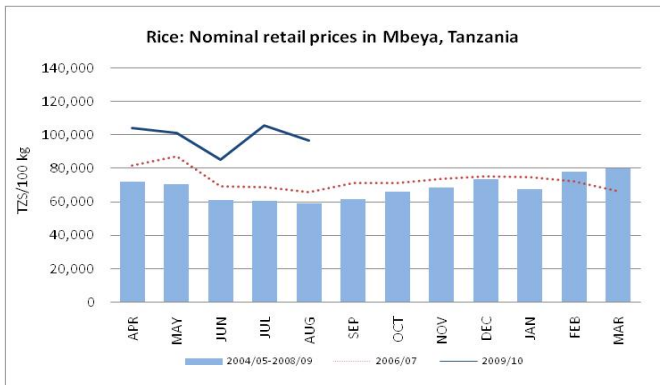
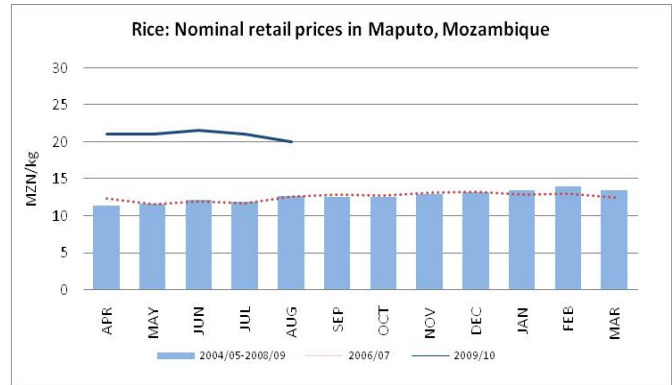
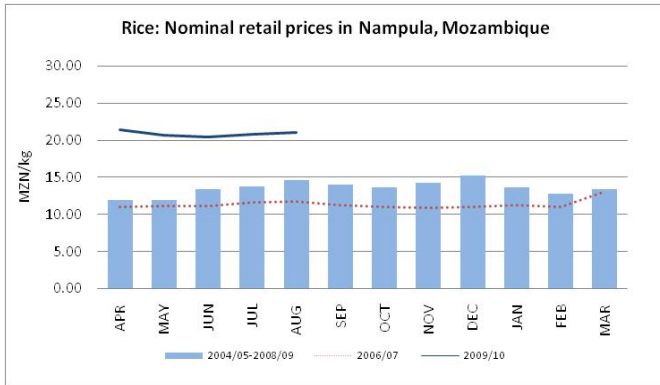
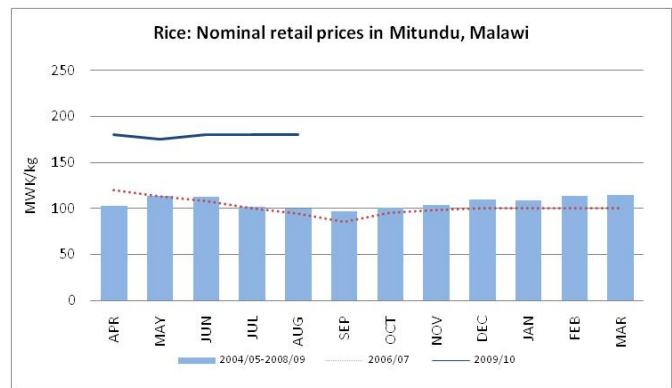
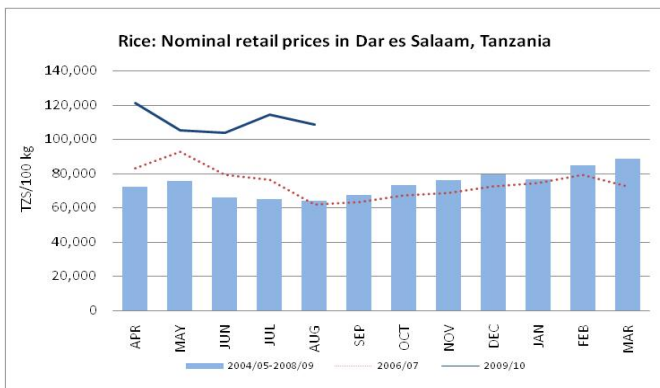
MAIZE: The markets below represent the major markets — both production and consumption— within each country in the region in addition to the SAFEX spot market prices in South Africa.

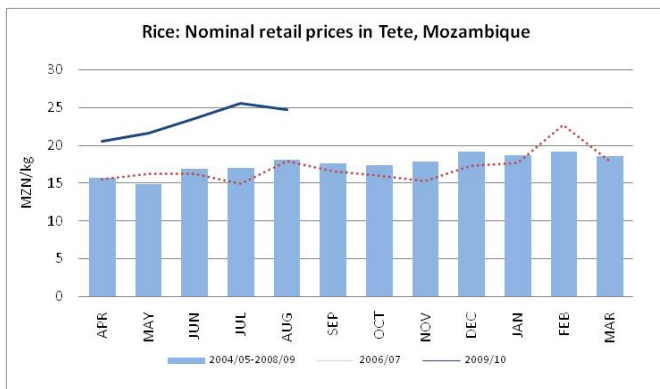






RICE: The markets below represent the major markets — both production and consumption— within each country in the region.





WHEAT GRAIN: Wheat prices in South Africa indicate trends in domestic, regional, and international wheat prices. Wheat grain prices on SAFEX are indicative of prices that countries face as they import these commodities. These prices are comparable with those faced by neighboring countries including Lesotho, Namibia, Botswana and Swaziland.

