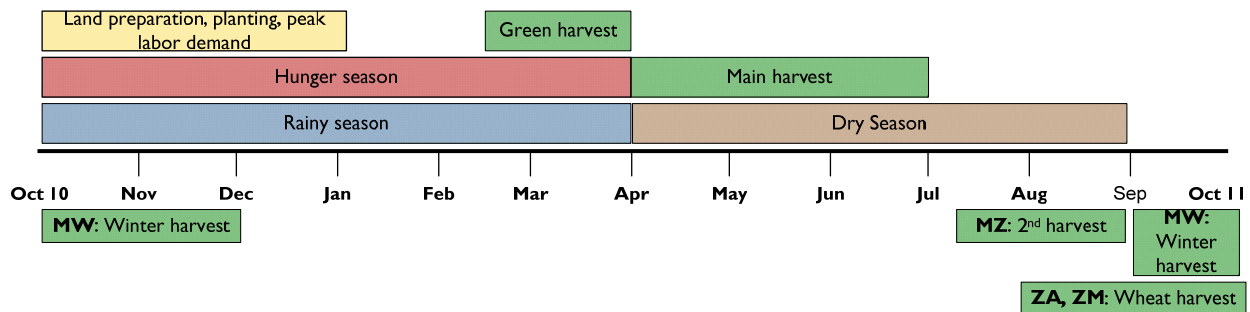


SOUTHERN AFRICA Food Security Update

March 2010

- Most parts of the region remain generally food secure even as the hunger season reaches its peak. The green harvest and targeted food distribution programs are helping to ameliorate food insecurity conditions in areas facing critical food shortages due to poor harvests during the last agricultural production season. For most parts, conditions over the outlook period to June 2010 are expected to remain satisfactory on the back of the current projections for generally favourable harvest prospects.
- The dry spell extending from December 2009 to mid- January 2010, ended in the last dekad of January when significant rains were received across the region bringing the much needed moisture relief to the wilting crops. However, the impact of these rains on crop production is varied - ranging from no effect in areas where permanent wilting had occurred to positive impact on the late and replanted crops still at vegetative stages. Rapid assessments in affected areas indicate negative food security impacts on a large number of households.
- Preliminary crop production forecasts in South Africa point to yet another bumper harvest, potentially even better than that of last year. Prospects in the other main maize-producing countries (Malawi, Zambia, Tanzania, and Mozambique) at this stage remain mediocre due to erratic rainfall performance where both dry spells and excessive rains have been a key feature. Significant tracts of land under summer crops have been adversely affected either through moisture stress or through water logging and soil nutrient leaching, leading to yield reduction and, in some cases, complete crop failure.

Seasonal calendar and critical events timeline



Source: FEWS NET

Food security overview

Current food security conditions remain favorable across the region despite pockets of food insecurity in areas affected by adverse agro-climatic conditions last agricultural production season and by dry spells this season. These include the northern and northeastern pastoral areas of Tanzania; the southern areas of Malawi (Lower Shire livelihood zone); southern and western Zambia; Mozambique's semi-arid zones in Tete, Manica, Sofala, Inhambane, Gaza, and Maputo Provinces, and coastal Nampula; and most of Zimbabwe. However, in some of these areas, the availability of early foods such as pumpkins, squashes, green maize, and sweet potatoes is helping to ameliorate the situation. In addition, ongoing food assistance programs have helped stave off hunger for much food insecure households.

Field reports confirm availability of food on all monitored markets though at prices higher than the five-year average. However, with the hunger season at its peak, market purchases have become the major source of food as many households have depleted on-farm stocks. Rising market demand has meant increasing food prices, a trend expected to last until the harvest in April/May. High agricultural input costs last season, increasing transport costs, and high fuel prices have all contributed to higher food price levels in a year when domestic availability has generally been adequate.

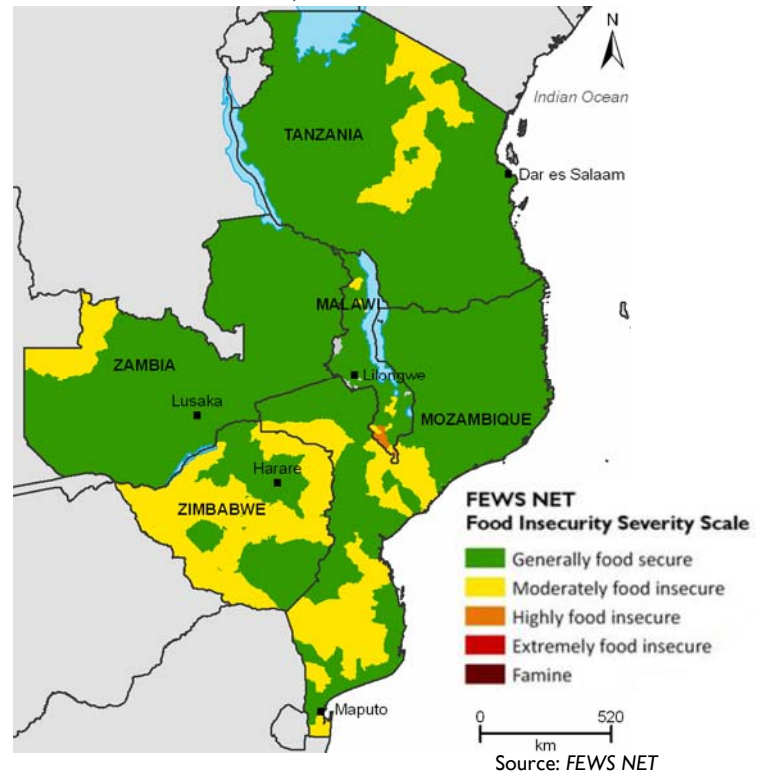
On the other hand, declining international and domestic grain prices have tempered the effects of the above-average staple food prices. This is demonstrated in declining food inflation rates throughout the region. Lower global food commodity prices are likely to enhance the continued slowdown in food price inflation, thus securing food access well into the next harvest (see section on markets and trade).

This hunger season, governments have stepped up their response to meet needs of affected households with assistance from partners such as the World Food Program (WFP), Food and Agriculture Organization (FAO), and other nongovernmental organizations (NGOs). In Malawi, the government, in partnership with WFP and NGOs, is currently distributing free food aid in affected districts. To date, this program has only covered 147,492 food-insecure people and leaves out 127,676 food insecure people. Meanwhile, in Zambia, the Disaster Management and Mitigation Unit (DMMU) has made 100MT of maize available to address needs arising from the effects of this year's dry spell in Luangwa Province, which has reduced availability of the green harvest, which normally acts as a buffer until the main harvest. In addition, the Food Reserve Agency (FRA) has put 100MT of maize on the market in Luangwa.

In Tanzania, government food distributions have allowed vulnerable households to work on their crop fields instead of working for cash or food, which will lead to improved food security prospects next season. In Zimbabwe, food aid distributions to vulnerable households reached a peak between January and February; the recent ZimVac estimated the number of food-insecure people to be 2.17 million, 72 percent of them in rural areas. Most districts are projected to have between 10 – 20 percent food insecure rural households between January and March, with the highest concentration of 30 – 40 percent in chronically food insecure areas. The major food aid pipelines (WFP and C-SAFE) appear adequate to meet assessed requirements at least until August 2010. In fact, in January 2010, the combined WFP and C-SAFE caseload of 3.5 million beneficiaries exceeded the ZimVac estimate of 2.17 million.

In Mozambique, preliminary findings from the recent SETSAN/GAV rapid assessment, which was prompted by the December/January drought conditions in the central and southern parts of the country, indicate that 460,000 people will need food assistance from April 2010 to March 2011. This is an increase of 64 percent from the October 2009 assessment that indicated 281,000 people needed assistance. Immediate urgent assistance is required for the households who are now facing two consecutive years of food insecurity and whose status has deteriorated as the hunger season peaks. WFP's food aid pipeline continues to be severely under-resourced, with shortfalls above 80 percent of requirements between March and August 2010; total commodity requirements for emergency distribution operations during this period amount to 25,276 MT, although the pipeline is currently only 5,137MT. If sufficient resources are not mobilized in time, conditions for affected households will worsen as the year progresses and they are likely to employ more negative coping strategies.

Figure 1. Current food security conditions in FEWS NET countries in Southern Africa, March 2010



Nonetheless, field reports suggest that various government institutions and partners are now activating and updating their contingency plans to mitigate the negative impacts of the extended dry spell.

Food-insecure households in other parts of the region identified as requiring assistance over the 2009/10 consumption period are also receiving assistance from their governments and partners, especially WFP and its operating NGO partners. Although WFP faces funding constraints and pipeline breaks for most of its operations, its assistance has benefited mostly chronically vulnerable households. Such operations are underway in Lesotho, Namibia, and Swaziland; for chronically vulnerable groups, this assistance includes direct food distribution.

Seasonal progress

The extended dry spell from December 2009 to mid-January 2010, ended in the last dekad of January when significant rains fell across the region, bringing much-needed relief to moisture-stressed crops, especially in parts of southern Malawi, central and southern Mozambique, and central and southern Zimbabwe. However, the impact of these rains on crop production is varied, ranging from no effect in areas where permanent wilting had occurred (including parts of southern Zimbabwe and some early-planted areas in central Mozambique, as well as some of the southernmost parts of Malawi) to a positive impact on the late and replanted crops still at vegetative stages. In southern Mozambique and elsewhere, data shows that crops replanted as late as January have sometimes led to good harvests. Therefore, there is still hope for reasonable production if the rains extend into March 2010; however, given current climate predictions, that scenario is not likely. In areas where less drought damage was recorded (parts of southern and central Zimbabwe and central Mozambique), the rains led to recovery of the moisture-stressed crops and a modest harvest can still be achieved if the rains continue into March 2010. Pasture, dams, and rivers benefited the most from these rains.

Figure 2: Total Rainfall for 21- 31 January, 2010

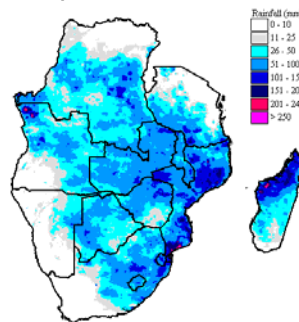


Figure 3: Total Rainfall for 21- 28 February, 2010

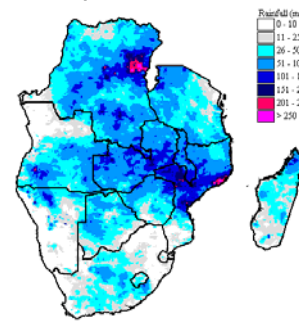
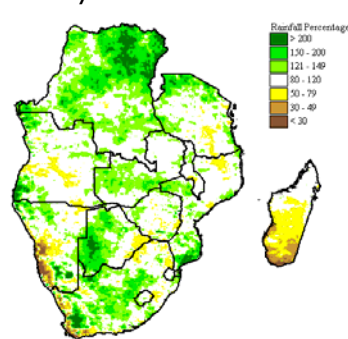
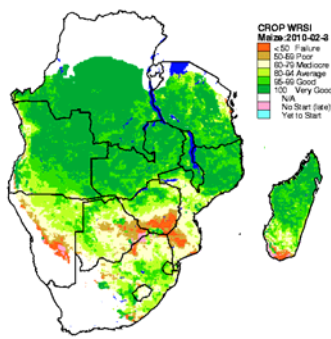


Figure 4: Percentage of average rainfall for 1 October 2009 to 28 February 2010



Source: USGS/FEWSNET

Figure 5: Water requirement satisfaction index as of 28 February 2010



Source: USGS/FEWSNET

Figures 2 and 3 show total rainfall in dekad three of January and February, respectively. Many of the areas that reported extended dry spells in December and January continued to receive significant rains up to the third dekad of February, bringing a near normalizing effect on the percentage of normal rainfall received since the start of the season to date (Figure 4). Nonetheless, the WRSI image (Figure 5) shows that crops in areas in southern Zimbabwe and southern Mozambique (red and brown colors) could have suffered complete crop failure due to the moisture stress during the dry spell.

Current production prospects/ outlook

In areas where rainfall performance has generally been conducive to good crop development, crops are in good condition with the early planted crop now at maturity. Replantings in areas affected by mid-season drought are in good condition and at various stages of growth, ranging from vegetative to tasselling/ grain filling. If current rains persist up to the end of the

season, good yields are possible, though harvests will be reduced because not all fields were replanted. Conversely, flooding has been reported in some fields, especially in low-lying and river basin areas of Zambia, South Africa, and Mozambique. There are reports of crops being washed away, and those experiencing nutrient deficiency due to water logging. This will further reduce potential yields. Fortunately, inundated areas are not widespread, and the impacts are not likely to be significant, especially in South Africa, where the bulk of the crop is now at maturity.

Preliminary crop forecasts in South Africa point to a bumper harvest, which could be significantly higher than last year's if the good rains extend to March 2010. This is due to increased maize plantings compared to last year, while yields so far are, on average, slightly better or at the same level as last year. Harvest prospects are mixed in the other main maize-producing countries with surplus areas (where good crop-growing conditions prevailed) and pockets of deficits (in areas with adverse conditions). For example, prospects are good in the northern provinces of Zambia while in the south and west, especially Southern province, the situation is not favorable. Similarly, in Zimbabwe, the bulk of the maize crop is at reproductive stage and crop conditions range from fair to good in the northern parts of the country. However, harvest prospects are very poor (with some reports of complete crop failure) in the southern parts that were affected by the dry spell in mid-December 2009. Northern Mozambique, (a high-producing area) has not been adversely impacted compared to the drier zones in the south and central parts of the country. Replanted crops are expected to do well if the rains continue up to the end of the season in March and April. In Tanzania, below-normal rains in parts of both unimodal and bimodal areas put a damper on total harvest prospects. Nonetheless, the first season *vuli* harvests are expected to be significantly better this year, which will contribute to generally better overall production.

Livestock conditions are generally good across the region. Drinking water is available, while grazing and pasture remain good in almost all areas, including those hit by prolonged dry spells. No major disease outbreaks have been reported except for Zimbabwe, where livestock disease outbreaks such as Quarter Evil, Anthrax, tick-borne diseases (red water and heart water), and lumpy skin were reported in parts of Matabeleland North, Mashonaland East, and Mashonaland West. Vaccinations are being conducted to control the outbreak.

Markets and trade

The good harvests across the region last season ensured that most local markets remain adequately stocked with staple foods (mainly maize) to meet consumption requirements. At the regional level, the 2009/10 marketing year maize supply/demand balance projects a surplus of 2.68 million MT. This means that the region had enough maize to cater for the needs of deficit countries, and still leave a surplus (before trade). Most of this surplus comes from South Africa, which contributes approximately 50 percent of the region's total production. Other countries that reflect national level surpluses (with small tradable surpluses) include Malawi, Mozambique, Zambia, and Angola.

Robust formal maize trade has been recorded between South Africa and its deficit neighbors, while for Malawi, Zambia, and Mozambique, recorded trade has mostly been limited to informal trade destined for local markets in deficit areas. Information from the South Africa Grain Information Service (SAGIS) shows that by the end of February, South Africa's maize exports stood at 1.40 million MT. This year, the single major export destination has been Kenya, which faces critical food shortages. By the end of February, a total of 886,400 MT had been shipped to Kenya, compared to the combined shipment of 663,523 MT to SADC countries.

Informal cross-border food trade continues to help mitigate food insecurity by improving access and availability. In particular, maize flows continue to be important in the southern districts of Malawi, where significant amounts are informally sourced from Mozambique. Although this season, trade volumes are below average, the production shortfalls experienced in parts of the Lower Shire Valley livelihood zone provide a strong incentive for traders on both sides of the border.

Although planned maize import programs (commercial and food aid) of deficit countries were adequate to cover projected shortfalls, import delivery rates have remained low. This is particularly concerning for countries with significant food deficits and areas where food insecurity is rising this hunger season, exacerbated by the limited (or lack of) green harvests as a result of the extended mid-season dry spell. Table 2 shows import and export plans/expectations, and the progress made to

meet import requirements. This indicates that with only one month left in the marketing year, on average, only 67 percent of planned maize imports (commercial and humanitarian) have been delivered. Although this data is not complete, and reflects deliveries with several weeks' time lag, it does indicate that countries seem to face challenges in meeting import requirements – both commercial and food aid.

Table 1. MAIZE imports and exports progress¹ – Selected SADC countries
Balance sheets updated 2 March 2010 – ('000 MT)

	Ang ³	Bot	Les	Mal	Moz	Nam	RSA	Swa	Tan	Zam	Zim
Deficit/Surplus	258	-161	-178	995	123	-92	2,750	-41	-742	203	-396
Planned/ anticipated Imports ²	-	160	148	68	232	107	0	40	9	27	466
Planned/ anticipated exports ²	-	0	0	100	233	0	2,010	0	130	100	0
Uncovered Gap/Surplus	-	-1	-32	995	110	15	386	-1	-866	128	71
Imports Received	-	122	133	68	166	73	27	15	9	27	231
Exports shipped	-	0	0	7	59	0	1,407	0	42	36	0
Imports Progress (in %)	-	76	90	100	72	68	0	38	100	100	50
Exports Progress (in %)	-	0	0	7	25	0	70	0	32	36	0

1. Imports include commercial and external food aid based on available data

2. Anticipated and received imports and exports include formal and informal cross border trade

3. Trade data from Angola not available

Source: National Early Warning Units and SADC FANR

Of particular concern are food gaps in Zimbabwe, where deliveries represent only 50 percent of planned imports. However, both formal and informal imports are likely to be much greater than this figure, due to policy changes earlier in the year that opened up trade in food commodities. Nonetheless, in mid-February, the GOZ indicated that an additional 500,000 MT of maize was needed to cover existing needs in this and the ensuing marketing year; availability is forecast to be quite low due to the Dec 2009/ Jan2010 dry spell in the southern and some central parts of the country.

In Tanzania, which has the largest maize shortfall, no formal imports are anticipated as the gap is expected to be covered through cross-substitution with other non-cereal food commodities. In fact, 130,000 MT are anticipated to be exported informally to neighboring East African countries, despite the export ban.

Nominal retail prices on regional local markets

With the hunger season peaking, many households have depleted much of last season's harvest, and are resorting to markets to access food. The increased market demand is putting pressure on local market prices, especially in high consumption areas (towns) and deficit-producing areas that rely on supplies from further afield. Nonetheless, most markets (rural and urban) are reported to be still adequately stocked with staple foods. Although prices are largely following normal seasonal trends, in all monitored markets (see annex), nominal staple food prices are well above the five-year average and reference year prices. The year 2006/07 is used as reference year, as it represents a consumption year in which food availability in the region was generally adequate at both national and sub-national levels. With above-average harvests in 2009/10, food prices have come down considerably from the high levels seen last season, although they remain well above the five-year average.

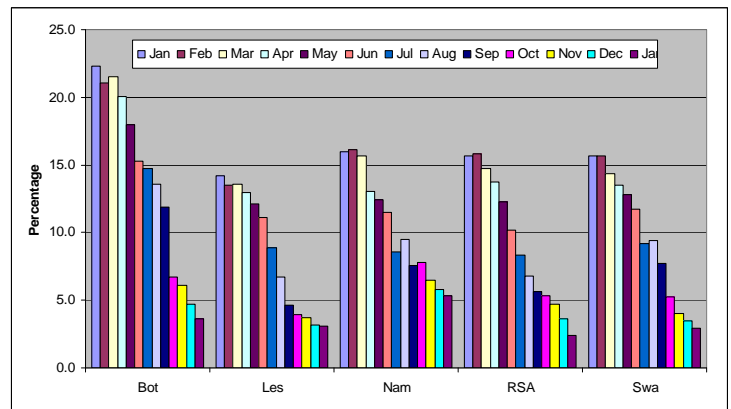
The decline in international food commodity prices has also contributed to the stability of local food prices. This is expected to continue through the 2010/11 marketing season on the back of the improved outlook for global grain supplies. The projected bumper maize harvest in South Africa (estimated at 12.876 million MT, or 7 percent above that of last year) has already depressed white maize prices in South Africa to levels last seen in the 2005/06 marketing year. The average spot price for white maize on SAFEX fell from R1400/MT in January to a low of R1154/MT in February. Prices are not expected to recover much in the face of the abundant local and global maize supplies projected for the 2010/11 marketing year.

The current lower levels on SAFEX (and international grain prices) will continue to temper the effects of the higher-than-average staple food prices. This trend is confirmed by the significant decline in food inflation rates throughout the region.

Both headline and food inflation rates have been dropping consistently in southern African countries since global commodity prices began falling at the beginning of 2009. In South Africa as well as in the structurally grain-deficit neighboring countries of Botswana, Lesotho, Namibia, and Swaziland, food inflation rates have dropped significantly since January 2009 (Figure 6). Global food commodity prices are expected to remain at lower levels at least through this year in response to the improved outlook of global food commodity supplies. This, together with the upcoming harvest, is likely to enhance the continued slowdown in food price increases over the next few months, at least until the next hunger season.

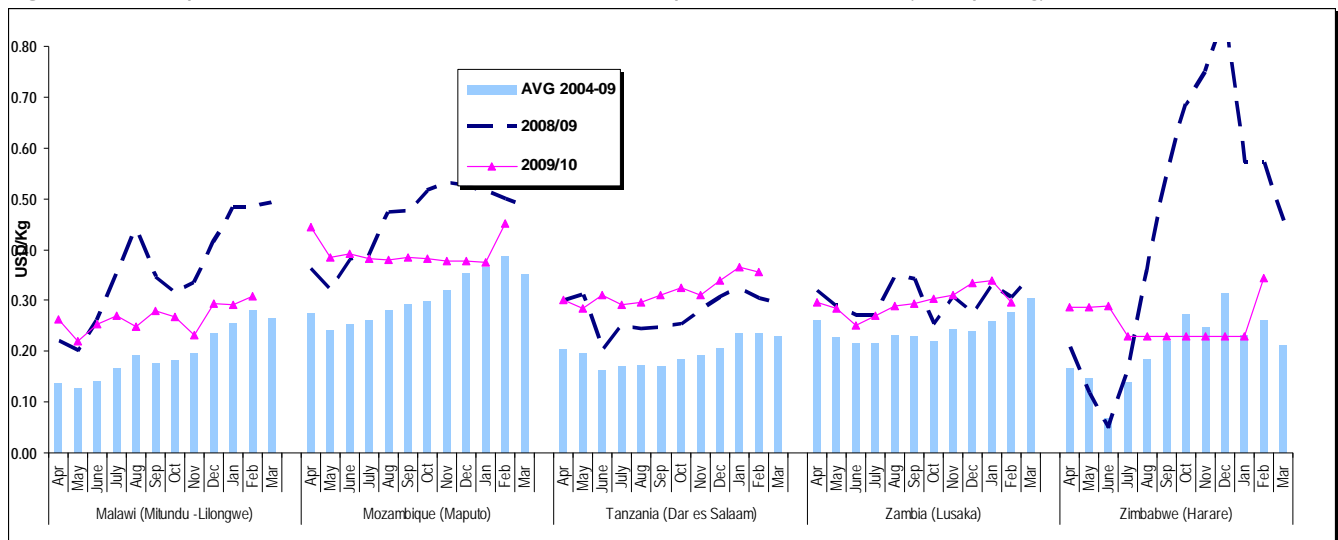
Figure 7 – which gives nominal prices in USD equivalents – shows that in February, maize prices in Malawi (Lilongwe), Mozambique (Maputo), and Zimbabwe (Harare) though still below last year’s levels, rose sharply – breaking the generally stable trend maintained since harvest. In Tanzania (Dar es Salaam), prices dropped for the first time since November, but still remain well above last year’s levels, while in Zambia (Lusaka) the marked drop in February has brought prices to below last year’s levels. Of the monitored countries, Tanzania is the only country where 2009 prices have been consistently above last year’s levels. This is because food supplies have been considerably tighter than last year’s and demand is higher not only from within, but also from neighboring Kenya, which faces a major food deficit. The higher food prices are also partly explained by the increased transport costs occasioned by increases in fuel prices. As the hunger season ends, and the next harvest approaches, prices of staple foods are expected to start trending downward and bottom out around June/July.

Figure 6. Food inflation rates: January 2009 – January 2010, Selected SADC countries



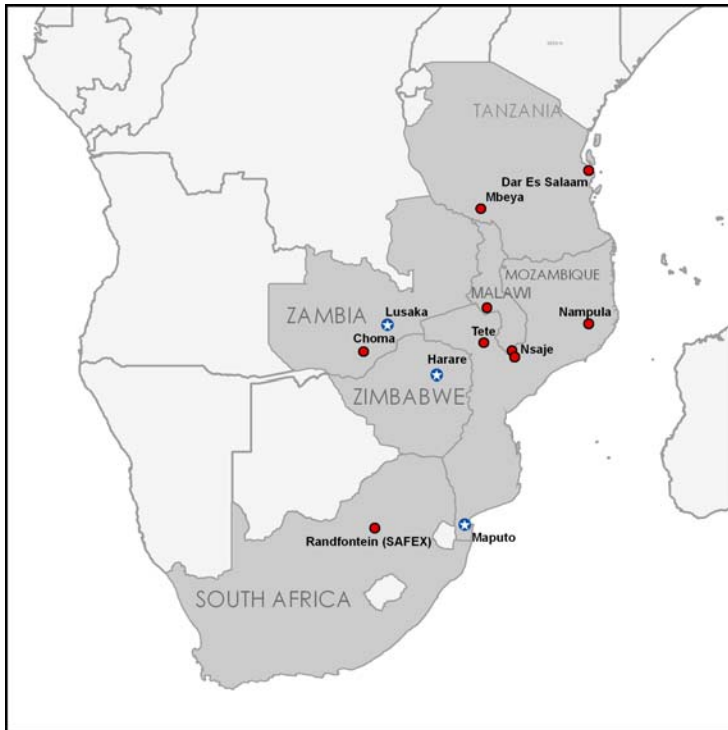
Data Source: Botswana, Lesotho, Namibia, RSA and Swaziland National Statistical Offices

Figure 7. Retail prices of white maize on selected markets, April 2004 – Feb 2010 (USD per kg)



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

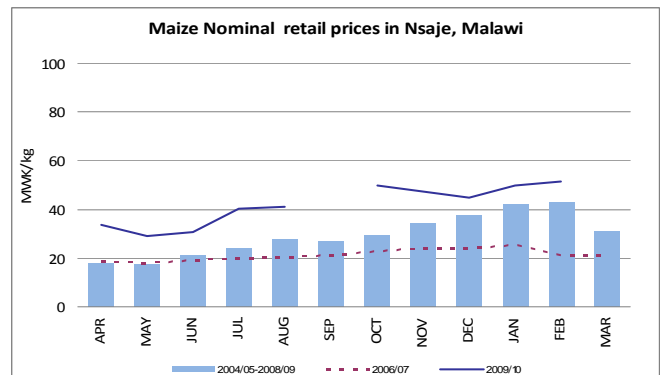
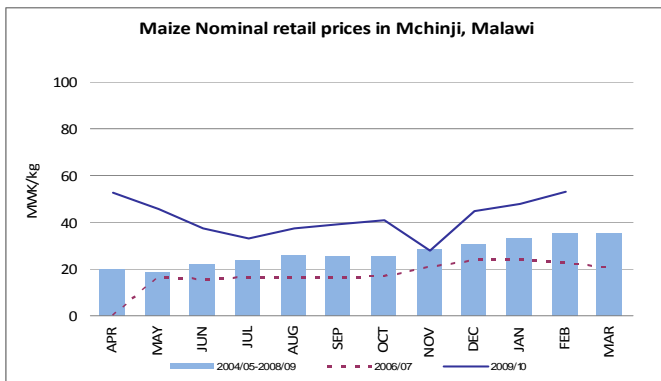
The Southern Africa Food Security Brief draws from the FEWS NET monthly food security reports, with additional contributions from network partners including FEWS NET/USGS, the SADC Regional Remote Sensing Unit, SADC Regional Early Warning Program – Gaborone and the SADC Regional Vulnerability Assessment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

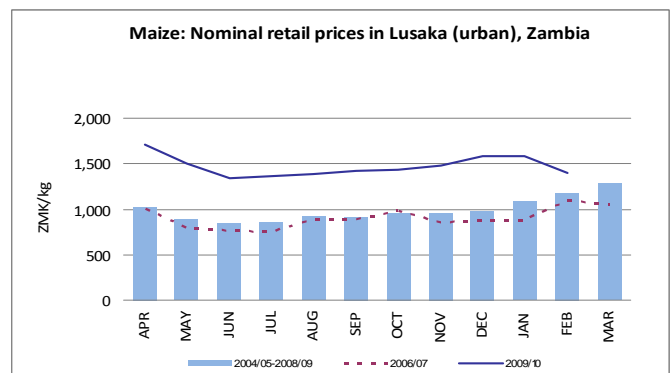
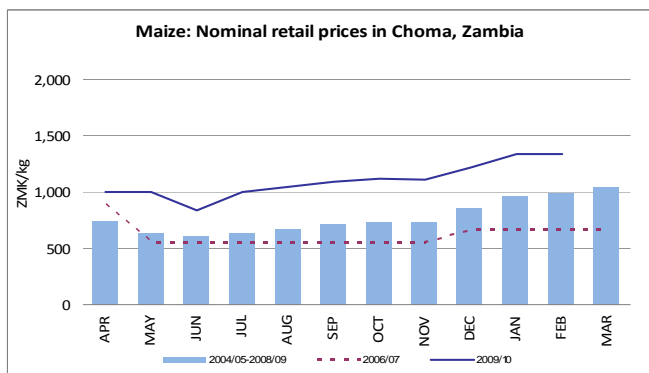
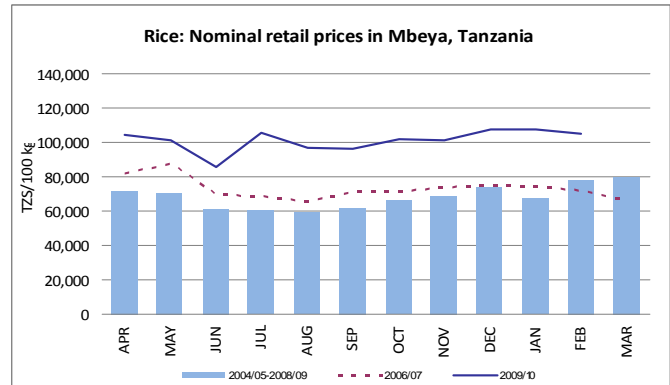
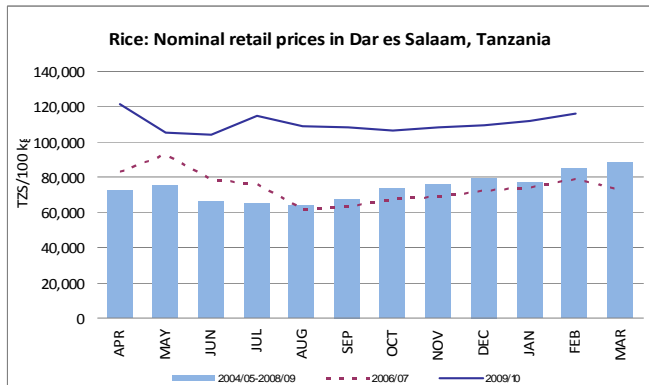
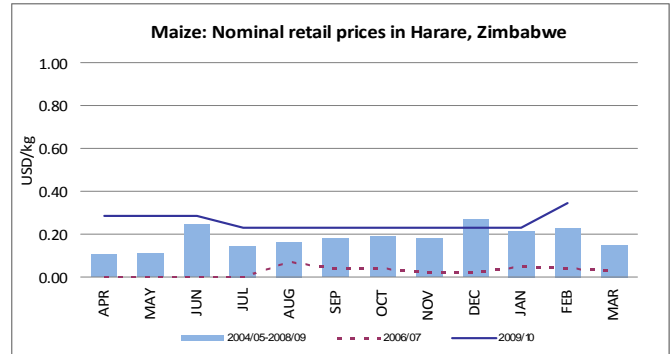
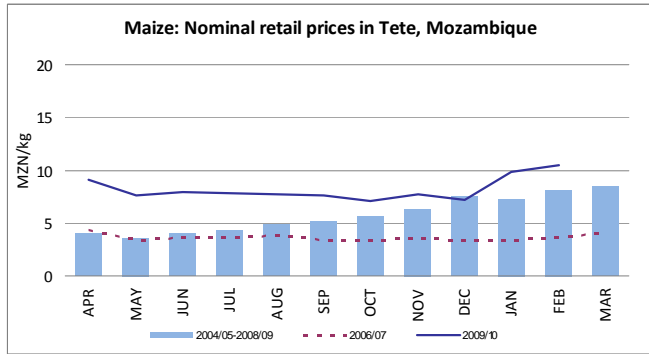
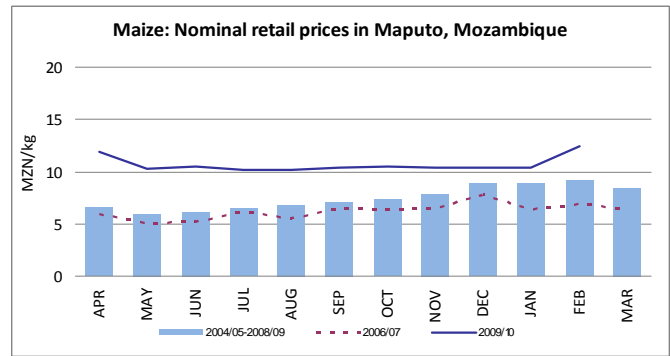
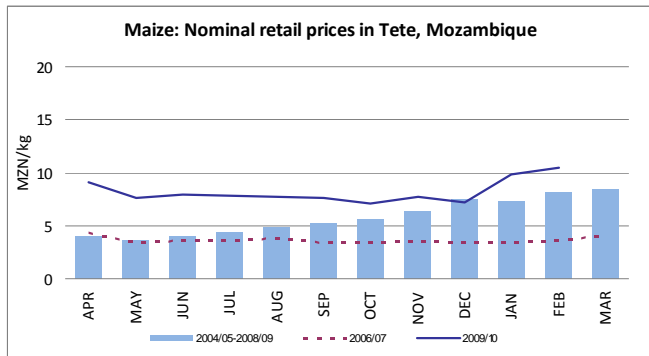


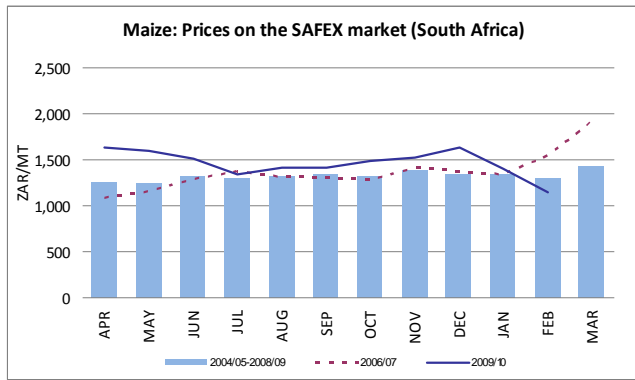
Monthly prices are supplied by FEWS NET enumerators, local government agencies, market information systems, UN agencies, NGOs, and other network and private sector partners.

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.

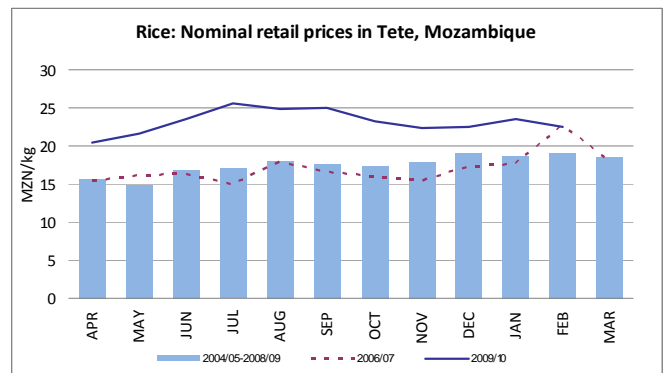
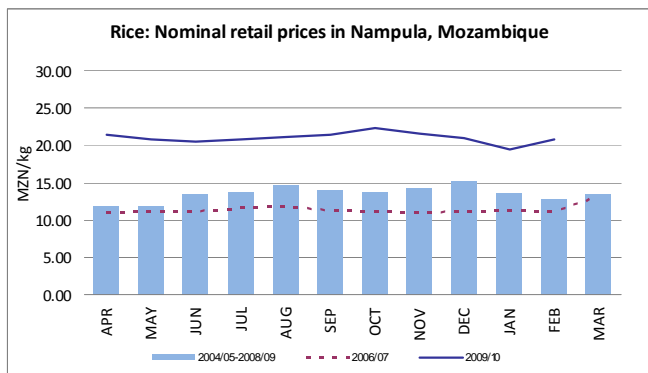
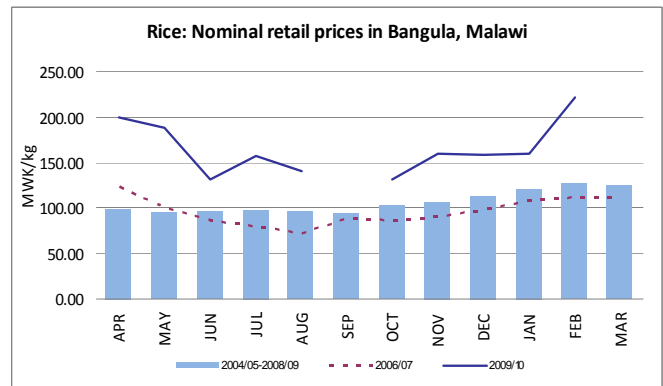
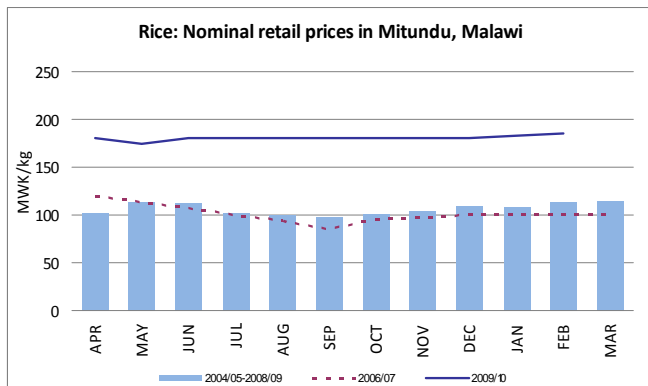
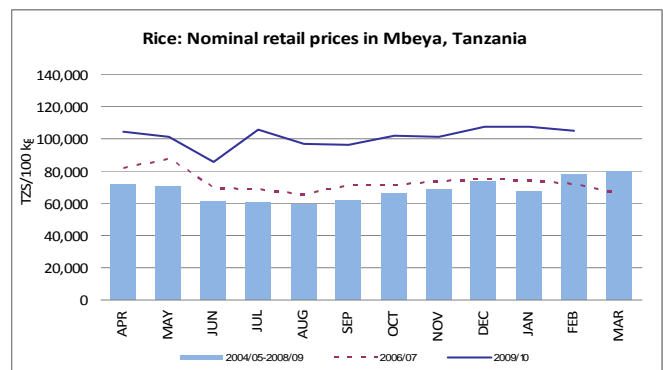
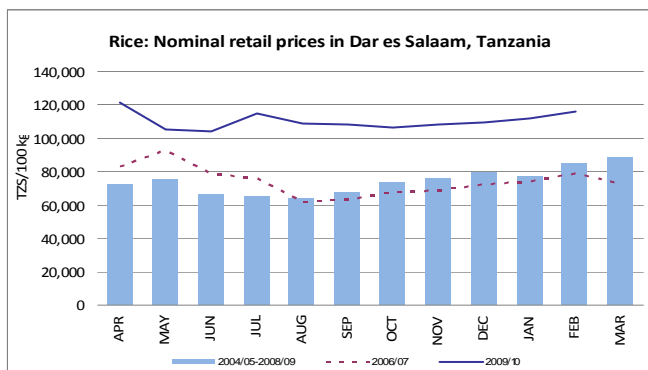
MAIZE: The markets below represent the major markets — both production and consumption— within each country in the region in addition to the SAFEX spot market prices in South Africa.

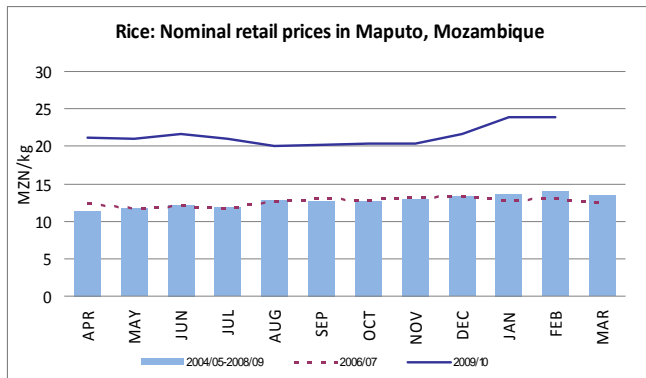






RICE: The markets below represent the major markets — both production and consumption— within each country in the region.





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.

