SADC Food Security Network
MINISTERIAL BRIEF

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10 July 2003

CAN REGIONAL MARKETS, IMPROVED MAIZE AVAILABILITY ADDRESS ACUTE FOOD INSECURITY IN 2003-04?

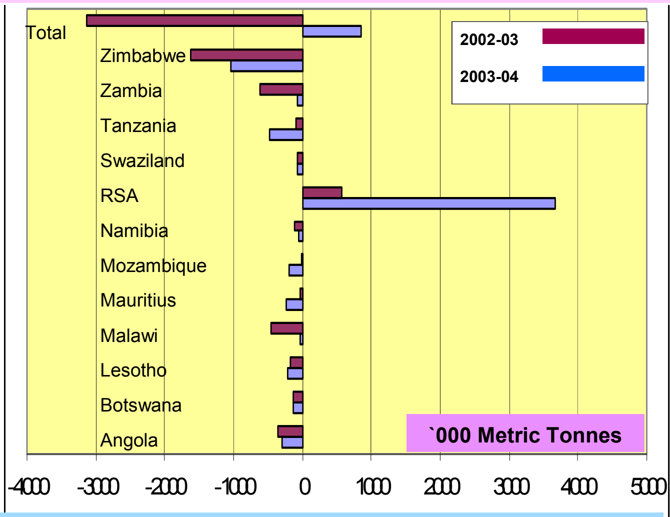
The latest cereal balance sheet figures confirm that maize availability at the national level looks more favorable than last year for most countries in the region (although there are serious localized problems in Mozambique, Swaziland and also Tanzania, and Zimbabwe continues to have serious problems - see next page). There will continue to be import needs in several countries and a number of important questions arise from this:

- Can the required maize be sourced from within the region?
- What will or should be the balance between commercial imports and food aid in meeting the gap?
- Is food aid - either imported or domestically sourced **-** the most appropriate emergency intervention option?

- **Can the required maize be sourced from within the region?**

The estimated South African maize surplus of 3.76 million MT would easily cover the needs of the region (see graph below). Thus, in terms of pure quantity, this implies that there would be no need to source outside the region. This is in stark contrast to last year when there was a regional maize deficit of over 3 million MT. Whether countries will choose to import from RSA will depend, however, on the costs of doing so. Of interest in this regard is the exchange rate movements of the US dollar against the Rand. The recent depreciation of the dollar against the rand means that the cost of importing South African maize will have increased relative to the cost of importing cereal denominated in US$ from outside the region. In addition, some of the South African surplus will be exported outside of the region.

2003-04 Country Maize Availability: Deficit / Surplus (including stock replenishment)



Sources: WFP/FAO Crop and Food Supply Assessment Mission (CFSAM) reports, June 2003; SADC REWU, May 2003

Intra-regional movements of cereals (excluding RSA): Substantial informal cross-border movements of cereals, particularly maize are inevitable and were a major source of food last year in Malawi and Zambia in particular. Much of the large surpluses in the northern and central parts of Mozambique are likely to end up in Malawi and Zimbabwe, despite a Zambian government ban on the import or export of maize, significant informal flows are possible . For food aid, the World Food Programme has said that it will try and source from within the region.

Intra-country movements: The existence of considerable surpluses in parts of Malawi, Zambia and Mozambique opens up the possibility of deficit populations being assisted by intra-country grain movements either through market forces and/or interventions. In Zambia, there seems to be general agreement that there will be pockets of acute food insecurity this year, as there are in most years. Similarly, despite the good harvest in Malawi, WFP estimates that 400,000 people in nine districts are expected to face unusually acute food insecurity this year due to crop failure. Market forces will play a role here, and this should be encouraged by ensuring good and timely market information to grain traders and transporters. In Mozambique, despite the transport difficulties the WFP/ FAO Crop and Food Supply Assessment Mission (CFSAM) estimates that some 35,000 MT of maize could be procured from the surplus areas in the North to the deficit South.

- **What will or should be the balance between commercial imports and food aid in meeting the gap?**

The CFSAM missions in Lesotho, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe have calculated total maize import requirements split between commercial imports and food aid. Calculations have also been made of food aid requirements that will or could be purchased locally (see table).

Maize Import Requirements, Maize Food Aid and Estimated Number of Food Insecure People

Country	Total Maize Import Requirement	Commercial Maize Imports	Maize Food Aid		
			Imports	Domestic sources	People In need
Lesotho	223,000	191,000	32,000	Nil	270,000
Malawi	35,000	30,000	5,000	31,000	400,000
Moz.	195,000	86,000	109,000	35,000	949,000
Swazi.	76,000	52,000	24,000	Nil	217,000
Zambia	0	0	Nil	No figures	No figures
Zim.	980,000	370,000	610,000	Nil	5,423,000
Totals	1,609,000	729,000	780,000	66,000	7,258,000

Source: WFP/FAO CFSAM reports (**All figures rounded up to the nearest 1,000)**

- **Is food aid - either imported or domestically sourced - the most appropriate emergency intervention option?**

The population figures in the table are numbers of people who are estimated to have inadequate access to food over the 2003-04 period. Access to food can be assured in different ways. One is by providing food directly, perhaps in return for work or as pure food aid; another is lowering the price of food by intervening in the market; a third way is to increase purchasing power by supplementing incomes: "cash-aid" or "cash for work". These interventions can theoretically be used separately or in combination. The question thus arises: given the current and likely future food security and market situation in different Southern African countries, what is the most appropriate intervention? The answer to this question depends on a number of further issues which require investigation. Chief among these is an analysis of the market situation in the food deficit areas in question: is food available on the market at a price that would be considered normal (or below normal) for this time of year. If the answer to this question is yes, then food aid (at least for the able bodied) is not appropriate, and cash based systems such as voucher schemes should be considered. If food is not available on the market and / or prices are unseasonably high then this swings the pendulum back to food aid. Experience in other parts of Africa further suggests that intervening agencies should consider implementing flexible programmes that can switch from food to cash or vice versa as market conditions change. **The need for a rigorous market analysis is thus essential in deciding upon the mix between food and cash relief. It should, however, be noted that some form of carefully targeted food aid may be necessary regardless of market conditions for destitute populations and certain types of HIV/AIDS affected households.**

The *SADC Food Security Network Ministerial Brief* is a joint product of the FANR, the Regional Early Warning Unit, the Regional Remote Sensing Unit, the Vulnerability Assessment Committee, the Database Project and FANR's key partners including USAID's FEWS NET, SC (UK), FAO and the FSRP/Zambia.

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REGIONAL CONSULTATION ON HUMANITARIAN ASSISTANCE

A joint SADC-UN Regional Consultation on Humanitarian Assistance was held in Johannesburg on June 11th - 12th. The regional consultation brought together stakeholders involved with the humanitarian assistance needs and response in southern Africa, especially regarding the six countries covered by the current UN Regional Appeal (Lesotho, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe). It provided a forum to discuss regional and country level emergency needs as well as to support longer-term development objectives. The meeting was co-chaired by Ms. Judith Lewis, Regional Coordinator of the Secretary General's Special Envoy for Humanitarian Needs in Southern Africa, and Dr. Prega Ramsamy, Executive Secretary of SADC.

Some of the major findings of the meeting were:

- ***Food Access:*** Although food availability has improved significantly this year, access to food remains a major concern, especially for communities and families who have not yet recovered from the strains of last year, or who fully exhausted their assets or engaged in negative coping strategies for their survival. There is clearly a need to continue to strengthen the vulnerability assessment process to help all stakeholders understand magnitude and nature of vulnerability in the region.
- ***Targeting:*** Some emergency food assistance will be necessary this year, but should be increasingly targeted to the most vulnerable. Wherever possible, local/regional production should be used for food aid rather than importing, in order to avoid distortion in local markets and to encourage local production. Furthering recovery for next year will require immediate actions to ensure necessary seeds and other agricultural inputs for households that do not have the means to purchase them.
- ***HIV/AIDS:*** The negative impacts of HIV/AIDS have led to "compounded vulnerability" in affected households, communities and societies. More work needs to be done to quantify the impact of HIV/AIDS on households and on institutional capacity and to better understand the dynamics between HIV/AIDS, food security and governance. HIV/AIDS needs to be mainstreamed into emergency assistance, and longer-term approaches need to develop community safety net and treatment strategies for People Living With HIV/AIDS (PLWHA).
- ***Agricultural Sector:*** Structural problems in the agricultural sector need to be addressed now e.g. market reforms, improving extension services, promoting trade within and across the region and reviewing policies. Private sector partnerships will be essential in addressing the long-term problems of food insecurity in the region.
- ***Nutrition:*** Across the region, whilst Global Acute Malnutrition (GAM) rates remained relatively low over the last year, there is a tendency towards deterioration in underweight in children under 5 years old form the mid-1990s onwards. Although GAM levels are within an acceptable range, the levels of severe malnutrition are of great concern.
- ***Short and Long-term Actions:*** Immediate actions need to be taken in order to ensure longer-term results, and should be undertaken in conjunction with ongoing emergency assistance. Government, UN, SADC, NGOs and donors need to "run the marathon together" - to undertake sustained interventions that provide immediate support for vulnerable people, as well as make longer –term investments in the future of the countries of the region (e.g. education, health etc.)

See: The Southern African Humanitarian Information Network http://www.sahims.net for more details.

SADC SEED SECURITY OUTLOOK

In a soon to be issued report, the SADC Seed Security Network estimates seed availability for the 2003/04 growing season. Of particular concern is Zimbabwe, which is expected to experience a deficit of 40,000 MT of maize seed (expected demand is 60,000 MT). Soybean seed should be adequate, and a surplus of 1,000 MT of cotton seed is expected, however a deficit of about 3,000 MT of open pollinated sorghum seed is expected. A further deficit of 120 metric tones of groundnut seed and 1,100 MT of millet seed is also foreseen. The critical seed shortages are attributed to a combination of climatic factors, diseases and the land reform programme. On the latter, the role of the formerly strong commercial sector in certified seed production has not been sustained. The Seed Security Network notes that:

"Resettled farmers are yet to acquire experience in seed production. Some of them lack essential resources for seed production. A further draw back experienced this season concerns the security of seed crops. Most of the crops are in deficit due to thefts of seed from fields which has been reported by seed growers and seed companies."

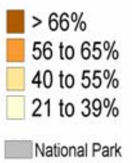
Due to the magnitude of the deficit, it is envisaged that seed will have to be imported from sources within the region.

Elsewhere in the region, current information indicates a mixed pattern. Prospects for seed availability for the growing season 2003/04 is largely favorable for South Africa, Mozambique, Malawi, Seychelles and Mauritius which have adequate seed. Detailed information from South Africa is difficult to obtain however the general indication is that the country will have enough seed for both local and export demands. Botswana and Zambia will experience a slight reduction in seed and require to source seed from within the region. At the time of writing, there was no information on seed prospects for Angola, Namibia, Lesotho and Swaziland.

Seed availability at country level is hampered by the difficulties in moving seeds between countries in the region. Current seed regulations in the SADC region are not friendly to regional seed trade and continue to act as barriers. The SADC Seed Security Network is working to harmonize seed regulations so as to foster intra-regional seed trade.

ACUTE FOOD INSECURITY IN ZIMBABWE 2003-04

Zimbabwe: % of rural population experiencing a cereal gap, by district, over time, July 2003- January 2004



Source: ZimVAC

The recently completed ZimVAC Emergency Food Security and Vulnerability Assessment has estimated the numbers and locations of food secure persons over the 2003/04 consumption year.

The series of maps opposite show the spatial distribution of the food insecure rural population through time. Note that the situation will start to worsen notably by October 2003 in most southern, southeastern, southwestern and northern parts of the country. The numbers in need continue to rise towards the end of the marketing year, and from January 2004 the southwestern and northwestern parts of the country will be the worst affected.

Rural Zimbabwe's food security problems and outlook for the coming season are a product of both availability and access issues. In the traditional staple cereal deficit districts to the southern, western and the extreme northern areas of the country, maize and millet prices remain significantly higher - between 320 and 400 percent - than those prevailing in the greater parts of northern district that got some harvest in the 2002/03 season.

Availability of maize grain, millets, milk, cooking oil, flour and bread has improved, but access remains the major factor limiting improved household food security in most urban centres. Inflation for May 2003 was estimated at 300.1 percent and economic analysts have revised their end of year inflation estimate to between 700 and 1,000 percent. It continues to erode the purchasing power of consumers and access to food.