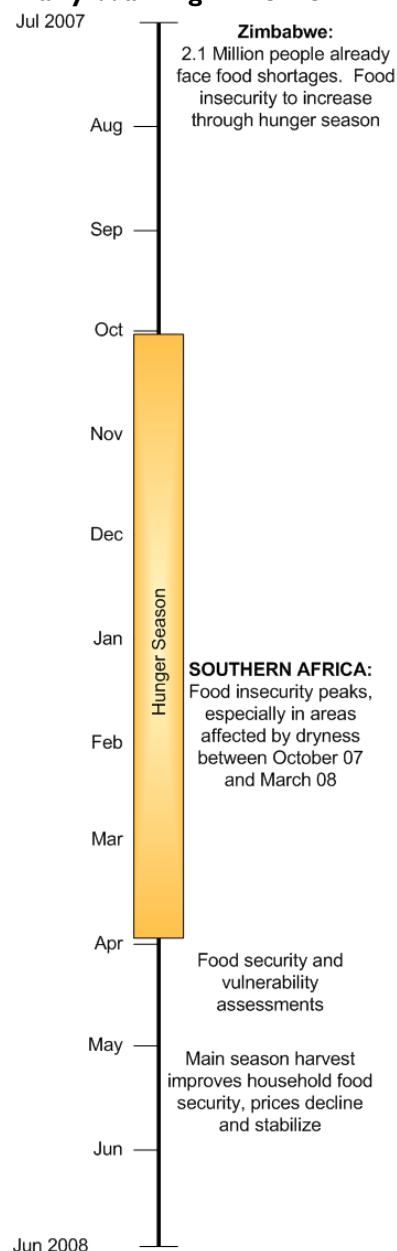


SOUTHERN AFRICA Food Security Update

November 2007

- Current reports indicate a general tightening of food supplies throughout the region as the hunger season sets in. However, food security conditions continue to be mixed; with the situation remaining generally stable in surplus producing countries; while conditions will deteriorate further in deficit countries as the hunger period intensifies between now and February.
- FAO/WFP and VAC assessments indicated that from July 2007 until March 2008, 401,200 people in Lesotho were expected to face food shortages, 407,000 in Swaziland, and up to 4.1 million in Zimbabwe. Most of the households identified in these assessments have already exhausted their meager food reserves and some are now employing negative coping strategies. In Mozambique, the GAV estimated that 520,000 people, mostly in the south, are would require food assistance from July through March 2008. Food security conditions in areas identified as food insecure have remained moderate mainly due to a combination of a good second season crop and on-going humanitarian interventions.
- In Malawi, Tanzania, Zambia, and northern Mozambique, the food security situation remains satisfactory, due to above average harvests and sizable carryover stocks from the previous season. Consequently, staple food prices have remained stable, and although rising seasonably, are lower when compared to the past five-year average, facilitating adequate food access for market dependant households.
- Available data suggests that Malawi, Zambia and Tanzania have already exported significant quantities in intra-regional trade with neighboring deficit countries including South Africa. However, overall availability cannot meet the full needs of the region's grain deficit countries; in addition, the limited intra-regional market and transport infrastructure, and the costs involved means that deficit countries will still need to import substantial quantities from overseas.
- The rainfall season is currently being established in southern Africa, and significant rainfall was received mainly in the northern and the southern parts of the sub-region, with the central parts receiving little to no rainfall. Many farmers have taken advantage of the early rains and have started field activities, mainly land preparation. It is critical that adequate inputs be availed to all farmers and especially in vulnerable households so that they can take advantage of the normal rainfall that has been forecast for most parts of the region this season.

Early Warning Timeline



Food security summary

October marks the beginning of the hunger season in most southern African countries when household food stocks are increasingly drawn down and levels of purchases are constrained by increasing food prices as market supplies become tighter and income earning opportunities are scarce. These conditions are now more pronounced in those parts of the region where food production was severely reduced due to poor rainfall performance. This includes parts of Zimbabwe, Lesotho, Swaziland and southern Mozambique where vulnerable populations have faced critical shortages since July 2007. FAO/WFP and VAC assessments indicated that from July 2007 until March 2008, there are 401,200 people in Lesotho expected to face food shortages, 407,000 in Swaziland, and up to 4.1 million in Zimbabwe. Most of the households identified in these assessments have already exhausted their meager food reserves and some are now employing negative coping strategies. In May, the Mozambique GAV estimated that 520,000 people, mostly in the south, would require food assistance from July through March 2008. A recent rapid assessment carried out by FEWS NET suggests that food security conditions throughout the country remain stable, and in areas identified as food insecure, levels have remained moderate mainly due to a combination of a good second season crop, availability of income earning opportunities (albeit limited) and on-going humanitarian interventions.

Although the situation for the most vulnerable groups is being mitigated through emergency food aid, access problems persist for many of them, especially in Zimbabwe and southern Mozambique due to logistical problems in the distribution and hitherto inadequate resourcing of food aid pipelines for both government and humanitarian programs. As prices continue to escalate, levels of food insecurity continue to increase as more market dependant households find it difficult to access adequate quantities of food from the markets. In Zimbabwe for example, although government reduced the prices of basic commodities in July, by October, prices had once more risen to unprecedented levels, with maize prices in Harare rising 166 percent from US\$0.57/kg in July; to US\$1.52 /kg (at the official exchange rate of US\$1=Zim\$30,000). Food prices in Lesotho and Swaziland, both of which are facing some of the worst shortages this year, continue to be impacted by the high grain prices in South Africa. Food inflation in Lesotho rose from 15 percent in August to 15.4 percent in September; against an overall inflation rate of 8.7 percent and 8.6 percent in August and September, respectively. In Swaziland, food inflation rose from 18.9 percent in August to 19.7 percent in September, against an overall inflation rate of 8.6 percent and 9.8 percent in August and September, respectively.

Although the current food security situation remains stable in most parts of those countries where crop production was good due to favorable rainfall during the 2006/07 crop growing season, food stocks are increasingly being drawn down as the hunger season sets in. This includes Malawi, Tanzania, Zambia, northern Mozambique and parts of Angola, all of which had above average harvests and sizable cereal carryover stocks from the previous year. Adequate food availability has contributed to relatively stable food prices which, although rising seasonably, remain on average, lower when compared to the past 5-year average. This has facilitated access to adequate amounts of staple food for most market-dependant households. In addition, good rains in the 2006/07 season and the early rains that have been received in some parts have been beneficial to pasture and water availability, thus improving livestock condition and prices.

Nonetheless, localized cases of food insecurity (chronic and transitory) exist in these countries. Food security and vulnerability assessments revealed that in the areas that were adversely impacted by excessive rainfall, there are pockets where vulnerable groups required food assistance, some from as early as July. As the hunger season has set in, food needs have increased with more people requiring assistance as levels of food insecurity rise. In Tanzania, results from a rapid vulnerability assessment in mid-August are expected to establish the size of the country's food insecure population, while in Zambia, the VAC assessed that 441,000 people will require food aid during the hunger season. In Malawi, although the VAC did not find a significant number of cases of transitory food insecurity, they assessed at the time (May) that some 519,000 people were at risk of becoming food insecure, and required close monitoring.

Table 1 shows that the combined WFP and C-SAFE (the Consortium for the Southern Africa Food Security Emergency) regional cereal pipeline availability of 309,000 MT for the period October 2007 – April 2008 falls short of the requirement of 388,000 MT. Pipeline breaks are indicated in most countries, beginning in November for Zambia, January for Mozambique and Namibia, February for Zimbabwe, and April for Lesotho and Swaziland. Malawi has adequate availability until the end of its PRRO program at the end of December. It is expected that further pledges against requirements will be made by donors in response to the appeals issued by the UN, WFP, national governments and other humanitarian agencies. As shown in table 1, food aid distributions have thus far fallen far short of what was planned in all seven countries mainly due to under resourcing of intervention programs. However, as emergency distributions are scaled up in response to growing needs over the hunger period, it is expected that distributions will increase from now through March 2008.

Table 1. Food aid (cereal) distributions for April – October 2007 and pipeline requirements October 2007 – April 2008. WFP Southern Africa PRRO (MT)

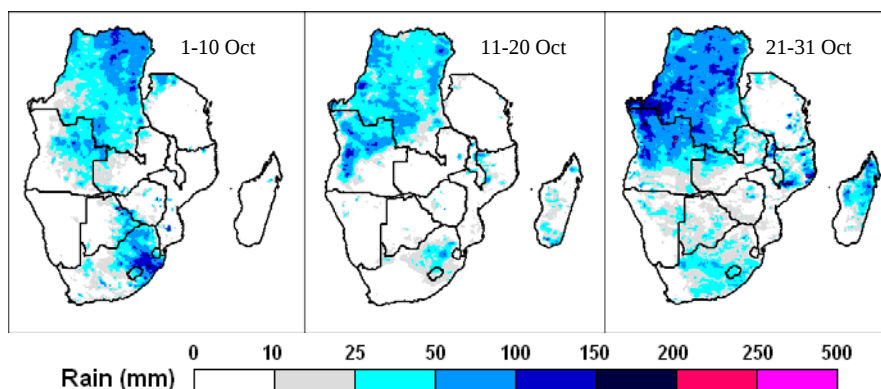
	Apr - Oct 2007		Oct 2007 - Apr 2008		
	Planned	Distributed	Requirements	In Pipeline	Shortfall
Lesotho	8,538	5,958	23,952	21,538	-2,414
Malawi	15,364	11,654	4,788	16,764	11,976
Mozambique	22,314	2,864	35,524	18,155	-17,369
Namibia	6,057	5,114	4,699	2,456	-2,243
Swaziland	9,141	4,588	13,411	13,261	-150
Zambia	25,639	6,819	31,280	12,239	-19,041
Zimbabwe	100,279	29,003	274,138	224,244	-49,894
TOTAL	187,332	65,999	387,792	308,657	-79,135

Source: World Food Programme (ODJ) and USAID/FFP Pretoria. Pipeline data includes C-SAFE programs for Lesotho and Zimbabwe: Oct 07- Mar 2008

Seasonal Progress

The rainfall season is currently being established in the southern Africa sub-region, and significant rainfall was received mainly in the northern and the southern parts of the sub-region, with the central parts receiving little to no rainfall (Figure 1). Some highlights of the month of October included unseasonably high rains that fell across large parts of South Africa and Lesotho, as well as the eastern parts of Botswana. These rains started in mid September and

Figure 1. Rainfall Estimates for October



Source: NOAA/FEWS NET

over the two months of September and October, many of these areas received more than twice the amount of rainfall that they normally receive during the same period. This resulted in great improvement in general vegetation and pasture, and satellite imagery shows that vegetation is currently performing much better than average in several areas in eastern Botswana, the extreme south of Mozambique, northern South Africa, and south western Zimbabwe (green colors, Figure 2a, following page). In contrast, the short-season *vuli* rains that are supposed to start around September in the bimodal areas of northern Tanzania have been performing very poorly. This season *vuli* rains have so far failed to materialize in some areas, and have been erratic in others. This has led to delayed planting in many of the bimodal areas, and in areas where planting did occur, the crops are suffering from moisture stress.

Most areas in the region traditionally have a start of season between October and December. Figure 2b shows the average start of rains based on an analysis of rainfall estimates between 2001 and 2007. As such, most areas have experienced the start of planting rains in November. Due to the recent rains that fell during September and October, there have already

been reports of some farmers planting in Botswana, Lesotho, southern Mozambique, South Africa, and Swaziland. In some of these, and most of the other countries in the region, land preparation was the main activity. Inputs (seeds and fertilizers) are generally readily available in most countries, but critical shortages exist in others (such as fertilizers in Zimbabwe and seeds in southern and central Mozambique). Governments and humanitarian agencies are implementing programs to make inputs

accessible both as emergency assistance, as well as commercially. FAO for example has provided vulnerable households with inputs through Input Trade Fairs in Mozambique in the central region of Mozambique, Lesotho and Swaziland. Seed shortages are still an issue in southern Mozambique. In Zimbabwe, availability of seed is variable; but maize seed shortages were confirmed in October with government undertaking to support seed houses to import about 15,000 MT to make up for the shortfall. In addition, the government of Zimbabwe has embarked on an ambitious program to support agriculture in general during the 2007/08 agricultural season which includes provision of farming machinery, implements, credit facilities and inputs such as fertilizers, maize seeds, chemicals and fuel to commercial and subsistence farmers. However, given current shortages in basic inputs, ensuring the success of this program will be a challenge. The government input subsidy programs in Malawi and Zambia, which have contributed significantly to production recovery in the last two seasons, are also reported on track. Reports from Zambia however indicate that the program will be scaled back this season due to funding limitations.

Figure 2a. Vegetation Index compared to Average conditions for 21-31 October 2007

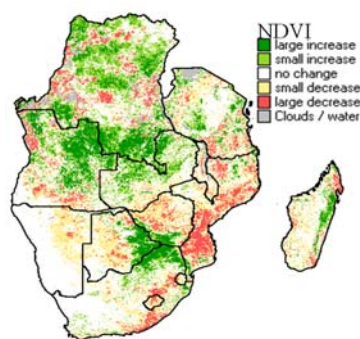
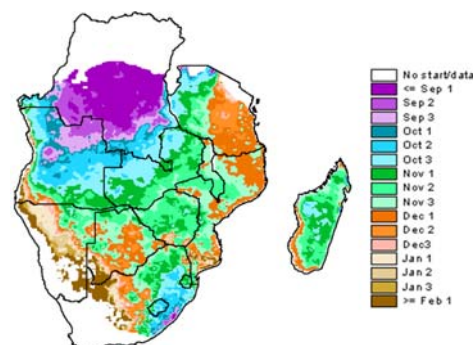


Figure 2b. Average start of rains for the 2001 – 2007 seasons



Source: NOAA/FEWS NET

Markets, trade and food access

This year, because of the shortage and high price of maize in South Africa, deficit countries are importing from the three surplus producing countries of Malawi, Tanzania and Zambia. Malawi is supplying some 400,000 MT to Zimbabwe over a 10 month period (May 2007 – Feb 2008) and, by the end of October, some 275,000 MT had been shipped to Zimbabwe – although internal distribution remains a challenge. There are no indications as yet of the amounts that have been shipped to Swaziland which had also indicated it would import some 40,000 MT from Malawi. Zambia is also exporting to Democratic Republic of Congo, Zimbabwe and South Africa.

Table 2. Maize imports by SADC member states, April to October 2007 (MT)

Source	Ang	Bot	DRC	Les	Moz	Mal	Mad	Nam	RSA	Sw	Tan	Zam	Zim	TOTAL
SA White Maize	0	58,873	0	36,647	21,050	0	0	14,192	0	10,325	0	0	5,053	146,140
SA Yellow Maize	0	1,212	0	4,544	0	0	0	9,903	0	21,910	0	0	217	37,786
Informal Cross Border*	-	-	19,167	-	145	41,085	-	-	0	-	324	6,305	445	67,471
Formal Other	10	416	2,391	-	-	-	-	2,983	20,071	-	-	-	269,508	295,379
Total	10	60,501	21,558	41,191	21,195	41,085	0	27,078	20,071	32,235	324	6,305	275,223	546,776

Source: South African Grain Information Service (SAGIS) – October 26, 2007 and Southern Africa Informal Cross Border Monitoring System - Sep 2007 * Informal trade volumes only includes trade observed volumes “captured” by the border monitors

After a second consecutive poor harvest, maize availability in South Africa this year is at one of its lowest levels and is not sufficient to cover domestic and pipeline requirements. To meet its domestic requirements plus export commitments to neighboring Botswana, Lesotho, Namibia and Swaziland, South Africa is importing substantial quantities of grain (especially yellow maize). At the end of October, the South African Grain Information Service (SAGIS) indicated that South Africa has imported 699,443 MT of yellow maize from Argentina and 20,071 MT of white maize from Zambia (15,738 MT Zambia Food Reserve Agency), Tanzania (1,174 MT) and Malawi (805 MT).

Although the maize surpluses realized in parts of the region this year present an opportunity for greater intra-regional trade, the underdeveloped transport and marketing infrastructure poses constraints to increased formal trade. The cross border trade monitoring system indicates that informal trade is continuing normally. For example, as shown in table 2, Malawi has already informally imported some 41,000 MT of maize from northern Mozambique while Zambia has exported some 13,000 MT, mostly to the DRC. Nonetheless, this type of trade accounts for a relatively small proportion of total imports, especially in Zimbabwe, Lesotho and Swaziland where large cereal deficits exist.

Table 3 shows import and export plans and the progress that has been made to date to meet cereal import requirements. Available data suggests that seven months into the marketing year, only 44 percent of planned maize imports (commercial and food aid) have been met. Although it is possible that actual imports exceed what is currently recorded, deliveries will need to be accelerated from now until the end of the hunger season as many more households will rely on the markets to access food.

Table 3. SADC cereal imports and exports progress
Balance sheets updated end October 2007 – ('000 MT)

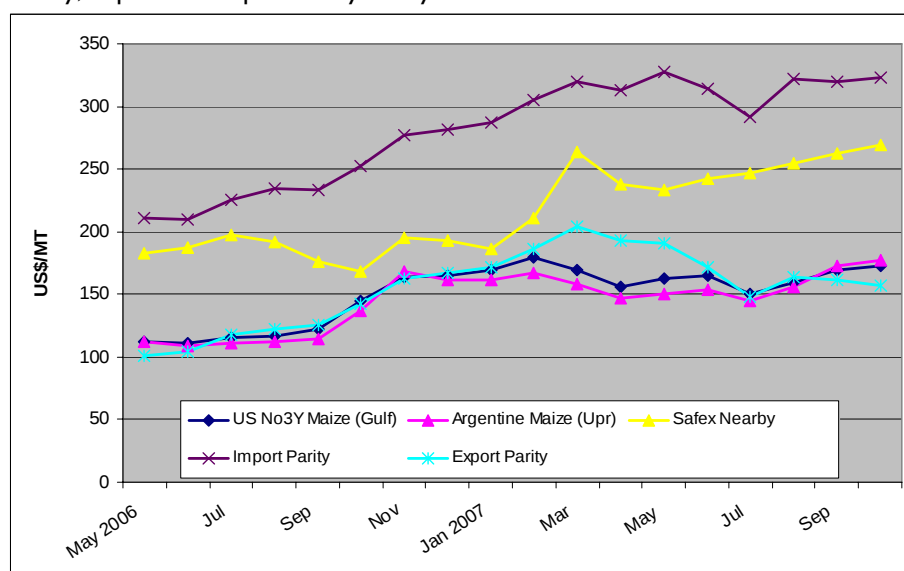
	Maize	Wheat	Rice	Sorghum /Millet	TOTAL Cereals
Deficit/Surplus	-1,370	-2,721	-840	-112	-5043
Planned Imports	2,899	2,440	539	86	5,963
Planned exports	1,390	123	12	32	1,557
Uncovered Gap/Surplus	139	-404	-313	-58	-637
Imports Received	1,280	485	107	15	1,887
Exports shipped	531	0	12	0	544
Imports Progress (in %)	44	20	20	17	32
Exports Progress (in %)	38	0	100	0	35

Excludes DRC and Madagascar. Source: SADC FANR and National Early Warning Units

Maize Prices

Daily prices of maize on the South African Futures Exchange (SAFEX) continue to be volatile as they respond to trends in international grain prices and the strength of the local currency. The general trend however has been upwards, with maize prices (both yellow and white) rising steadily since the marketing year began in May. Nearby white maize prices rose 12 percent from an average of US\$236/MT in May to US\$269/MT in October, while those for yellow maize rose more sharply, by 15 percent from US\$240/MT to US\$281/MT in October. Yellow maize prices have exceeded white maize prices since the 2007/08 marketing year began this May, and nearby prices on SAFEX have been closer to import parity as

Figure 3. FOB USA and Argentine maize prices compared to white maize SAFEX nearby, import and export Parity – May 2006 – Oct 2007



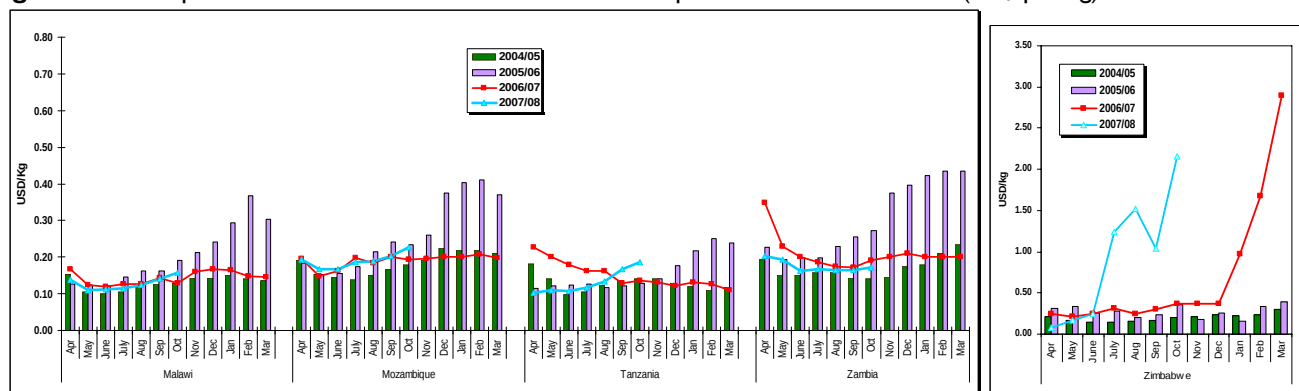
Data source: SAFEX and SAGIS

prices follow closely the trend in international grain prices (figure 3). The difference between international maize prices and local (SAFEX) has been widening steadily partly in response to reports of tighter domestic supplies and the weakening US dollar against the local currency.

In Malawi, Zambia Tanzania and northern Mozambique, maize availability remains adequate and quite significant for this time of year. This has kept both wholesale and retail prices stable and at lower levels when compared to the past 5-year average. Seasonal increases are normal for this time of the year as households begin to run down their own farm stocks and increasingly turn to the markets to access food. However, prices have increased more rapidly this year and, with the exception of Zambia, October prices are now above their levels at the same time last year (figure 4). In October, average retail prices in the monitored markets of Malawi (Chitipa, Mchinji and Nsaje) rose 11 percent over September prices; in Zambia (Lusaka and Choma), they rose 4 percent; while in Tanzania (Dar-es-Salaam and Mbeya), prices went up 12 percent.

In the areas of southern Mozambique affected by food shortages however, prices, though higher than the 5-year average, have been unseasonably stable and even declining from higher levels in recorded in September. For example, in October, prices in Chokwe fell from US\$6.40/kg to US\$6.36/kg in October. Similarly, in Massinga, the average price fell from US\$6.82/kg to US\$6.75/kg in October. The only increase among the monitored markets of the south was recorded in Maputo where the price rose 5 percent over the September level. This trend is partly due to the increasing consumption of rice in the South (and the competitive price at which rice is now sold), as well as on-going food aid distributions. In the north and centre however, price trends have followed the normal pattern, rising steadily as supplies become tighter. Overall, the national average price (Maputo, Beira and Nampula markets) shows a 12 percent increase over the September average price level (figure 4).

Figure 4. Retail prices of white maize at selected markets – April 2004 – October 2007 (US\$ per kg)



Based on average prices on key markets in each country. Source: FEWS NET Malawi, Mozambique, Tanzania, Zambia, and Zimbabwe

In Zimbabwe, maize prices are at an all time high, driven by the critical scarcities and the internal distribution problems of available supplies by the Grain Marketing Board. The highest open market prices have been recorded in southern and western districts of the country, where production deficits were most severe. Prices are much higher in urban areas compared to rural areas. In October, maize prices in US dollar equivalents in the three monitored markets (Harare, Bulawayo, and Mutare) rose on average by 109 percent, (from US\$1.03/kg in September to US\$2.16/kg - using the official revised exchange rate of Z\$30,000 to US\$1). Prices in Bulawayo are however more than double those obtaining in Harare and Mutare – indicating the severity of the shortages in the south of the country. October prices in Bulawayo were recorded at Zim\$114,286/kg compared to Zim\$45,714/kg in Harare and Zim\$34,286 in Mutare. Food prices are likely to further escalate as available supplies and planned imports (domestic production and imports) are insufficient to meet domestic demand.

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.