MALAWI Food Security Outlook April through September 2011

Beginning in April 2011, FEWS NET is transitioning to the Integrated Food Security Phase Classification's (IPC) Household-based Acute Food Insecurity Reference Table, which is scheduled for release with IPC version 2.0 in July 2011. For more information see: www.fews.net/FoodInsecurityScale.

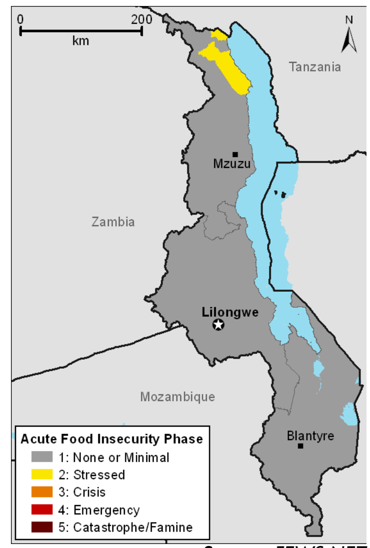
Key Messages

- Maize crops have started being harvested throughout the country and another maize production surplus is expected for the current main harvest. National maize stocks remain favorable with over 200,000 metric tons (MT) of carry-over stocks from the 2010 harvest in the Agricultural Development and Marketing Corporation (ADMARC) and Strategic Grain Reserves (SGR) stocks.

- Pockets of food insecurity will persist in northern Malawi due to heavy rains and late-season flooding which occurred in March and April causing localized food shortages in Karonga district.

- Southern Malawi, which is consistently an area of concern, has experienced dry spells for three consecutive years and will experience increasing food insecurity throughout the outlook period related to the prolonged dry spells which occurred in February and March.

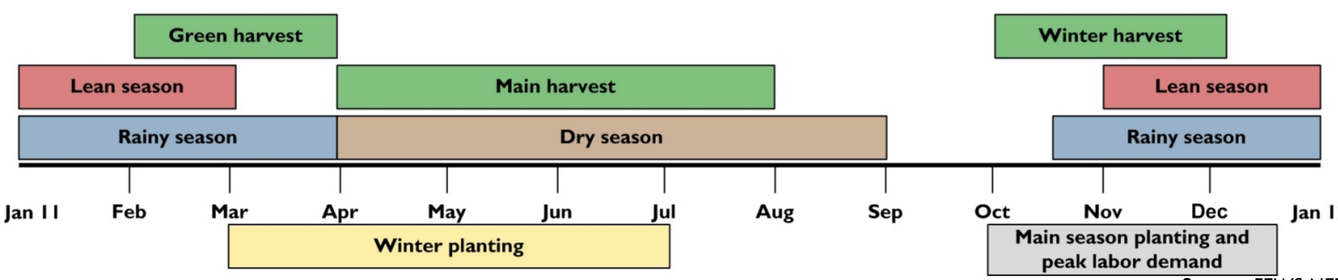
Figure 1. Current estimated food security outcomes, April 2011



Source: *FEWS NET*

For more information on the IPC Acute Food Insecurity Reference Table, please see: www.fews.net/FoodInsecurityScale

Seasonal calendar and critical events timeline



Source: *FEWS NET*

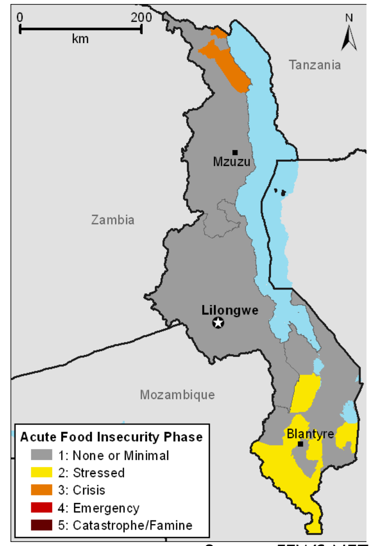
Most likely food security scenario, April through September 2011

National overview of current and projected food security

Nationally, the food security situation will remain favorable for most of the population during the outlook period. National food availability in Malawi has remained stable through the lean season thanks to carryover stocks from the 2010 season. The national cereal availability remains stable with adequate national stocks pegged at more than 200,000 MT in the ADMARC and the SGR stocks. This year farmers in southern Malawi have started harvesting their crops in April as is normal and the central and northern areas of the country are likely to start harvesting in May as is normal. There are some households (about 200,000 people) in southern Malawi who were not able to access food assistance after the Malawi

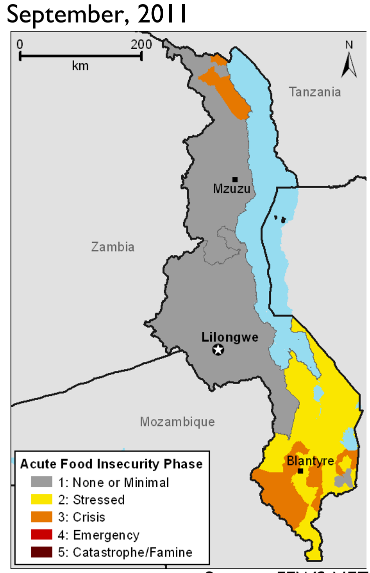
Vulnerability Assessment Committee (MVAC) identified them as having missing food entitlements last October and these households have been coping by consuming early harvests of green maize starting in March, effectively starting their maize harvesting before the crops reached full-term dryness. Maize has continued to be available throughout the lean season at prices below MWK 40/kg largely through private traders.

Figure 2. Most likely food security outcomes, April to June, 2011



Source: *FEWS NET*

Figure 3. Most likely food security outcomes, July-September, 2011



Source: *FEWS NET*

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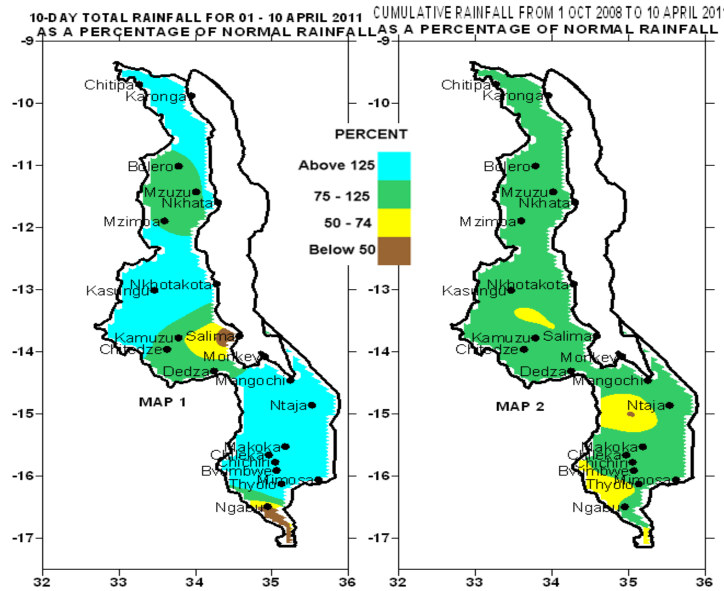
The rainfall pattern for the 2010/11 season has been generally good in the central and northern regions. The Department of Climate Change and Meteorological Services (DoCCMS) reports that the southern region of the country was affected by dry spells for the third consecutive year. In 2011 the national crop production estimates are forecasting another bumper harvest resulting in a surplus of more than one million MT. Generally the maize production levels in the southern and northern regions of the country are expected to remain unchanged when compared to their three-year averages at about 1.1 million MT and 0.54 million MT respectively. The production levels for central Malawi will be nine percent higher than the three year average from about 1.9 million MT to about 2.2 million MT. It should be noted that in terms of the population distribution among the three regions of the country, the southern region of the country has a much higher population and this traditionally results in a regional maize production deficit of 10 percent. This regional deficit is expected to remain the same at the regional level but it will be much higher in some localized areas of the southern region, especially in Phalombe, Chikhwawa, and Nsanje districts based on the impacts of this year's rainfall pattern on agricultural production as discussed below.

The 10 percent production deficit is expected to be covered by large and small-scale private maize traders most of whom are members of the Grain Traders and Processors Association (GTPA) and ADMARC. This is how deficits have been covered in previous seasons, therefore, maize is expected to be available throughout the 2011/12 consumption year (from harvest time in April to the end of the lean season in March 2012). Prices of maize in local markets will remain stable and below MWK 40/kg. The government pegged the minimum farm gate price for maize for the 2011 marketing year at MWK 25/kg (about USD 0.16/kg). Currently, there are no mechanisms for enforcing the minimum farm gate prices in Malawi and as a result, farmers accept any price as dictated by buyers. There are reports that farmers have already started selling this year's maize before it dries completely and are being paid as low as MWK 10/kg (about USD 0.07/kg of maize grain). This is mainly because there are limited options for raising household incomes and farmers would like to raise money for meeting pressing household needs like children's school fees and medical bills, among other needs. It is also likely that the private traders will maintain these low farm gate prices for as long as possible, effectively ignoring the government-set minimum prices. Since a larger maize production surplus is expected this year when compared to last year, it is likely that if maize prices increase, they will not increase by more than 10 percent compared to 2010/11 prices. Private traders will likely maintain competitive tendencies that would in turn benefit all consumers by keeping the maize prices low, though these low prices will be detrimental to household incomes for the rural maize producers who depend on maize as their main source of household income.

Farmers in almost all districts except one part of Phalombe district in the southern region of the country will be able to meet their food needs for six months and beyond and will only start relying on markets beginning in October, as is the case in normal years. Areas in the eastern part of Phalombe that experienced severe dry spells and experienced very low production may start relying on the market for food as early as July. This localized problem is exacerbated by the fact that the area will be experiencing a third consecutive production failure since 2009. The exact size of food insecure populations will be known in June when the MVAC releases the results of the national food security assessments.

Malawians are net consumers meaning that they rely on the markets during part of the year, especially during the lean season, which normally runs from October to March for most rural consumers. Comparatively, there is a larger population of consumers in southern Malawi as compared to the maize which is produced in that region. The 2008 population census showed that southern Malawi had about 45 percent of the country's population while the average three-year maize production percentage shows that the southern region has been contributing about 31 percent of the maize produced in the country over the same period. The opposite applies in the center of the country where the 2008 population census found that 42 percent of the population is located in the center while the three-year average percentage of maize produced in the region stands at 54 percent. As a result of these disparities in regional population and production, maize has the tendency to flow from the central region to the south.

Figure 4. Rainfall



Source: *DoCCMS*

Rainfall data for the current year from the DoCCMS shows that the total rainfall to date is about 75 percent of the normal rainfall for Malawi, however the rains were better distributed this year resulting in a better crop production for most crops. The DoCCMS rainfall data shows heavy rains in parts of several areas of the country which have resulted in flooding in Karonga district in the northern region (Figure 4). The rapid assessment report shows that the whole district has been affected by floods, but about 30,000 people have been identified by the authorities as most in need of humanitarian assistance. The 2008 population census found that the population for Karonga was about 272,000 people. Humanitarian food assistance has already started with the distribution of food to all 30,000 people in need. Each of the affected households has been provided with a one month's food ration to cover immediate food needs. Further humanitarian assistance will be determined by the MVAC assessment results which are expected in June. The other sectors like water, sanitation, and shelter are also being addressed through some initial responses and those responses will be scaling-up their operations over the outlook period.

Key assumptions that have informed the most likely food security scenario for the April through September outlook period are:

- Most of the households will have enough maize available during the outlook period.
- Private traders will continue buying maize at lower than minimum farm-gate prices for most of the months in the outlook period to the advantage of consumers.
- Maize will be available in markets in the south at prices no higher than MWK 40/kg.
- Flooding may continue to take place until the end of April in flood-prone areas but the effects will not impact more than 55,000 people.
- Crop harvesting will start in May and June as it normally does in the central and northern regions.
- Humanitarian food assistance will not continue in flood-affected Karonga district.

Southern Malawi (Chikhwawa, Nsanje, Blantyre, Chiradzulu, Zomba, Balaka, Mwanza, Neno, Machinga, Mangochi, Thyolo, Mulanje, and Phalombe districts)

The DoCCMS has reported that as of the end March, the total rainfall was less than normal but was generally well distributed in the central and northern regions of the country. The distribution of rainfall was poor in southern Malawi, especially during the critical months of January and February when most crops require ample moisture to develop. In the southern region, there was a prolonged dry spell affecting all the 13 districts in the south causing severe damage to 25 percent of the maize crop in Phalombe district and about 15 percent of the maize crops in both Chikhwawa and Nsanje districts. Generally, there will be more maize production in the south in 2011 when compared to the 2010 harvest given that the dry spells were more moderate this year. It is expected that the 2011/12 harvest will be enough to cover household food needs from April through June in all districts in the southern region of the country. There are also reports that cotton, one of the key cash crops for the southern region, is fetching much better prices compared to the minimum farm gate prices recommended by the government. This means that the middle-income and better-off households are likely going to have additional household income to offer cash-based *ganyu* (casual labor) employment opportunities to very poor and poor households from July through September given that most very poor and poor households will deplete their own produced food by July. From July through September most households will deplete their own food stocks and will have to rely on *ganyu* from middle-income and better-off households. Due to dwindling own food stocks or complete scarcity of food at the household level, households will face Stressed (IPC Phase 2) food insecurity conditions whereby the households will reduce their number of meals from three to two and in some cases to just one meal a day.

The MVAC will conduct a livelihoods-based food security field assessment and analysis and the results are expected in June. Current indications project that the number of people faced with food insecurity in southern Malawi will be much less than the 500,000 people that were food insecure in the currently ending consumption season.

Northern Malawi (flood-affected Karonga district)

Karonga district located in the northern part of the country has been generally food secure over the past few years. Currently the district is generally food secure for the majority of the population in the district, however, at the beginning of April heavy rains resulted in extensive flooding destroying crop fields, homes, and property including food stocks. A national rapid assessment team drawn from a wide range of United Nations (UN) agencies, Government of Malawi (GoM) departments, and non-governmental organizations (NGOs) concluded that out of more than the 272,000 people in Karonga district, about 31,000 people (5,599 households representing about 11 percent of the district population) had lost food and/or homes and needed emergency assistance including humanitarian food assistance. Markets are functioning well and prices are still stable compared to pre-flood prices. All markets were accessible after the flood waters had receded. In mid-April the government distributed a food ration which was enough for one month to all of the people affected by the floods. The extent of the flood damage to people's livelihoods will determine the speed of recovery but this can only be determined once the MVAC conducts its detailed livelihoods-based food security assessment in May with the associated report expected in June. It is likely that some of the crops for the flood-affected households with gardens in the highlands have survived the floods but the MoAFS officers will verify the extent later once all areas become accessible. Initial findings from the multi-agency rapid assessment referenced above show that about 40 percent of maize and as much as 70 percent of cassava fields have been completely lost. This will result in a significant reduction in the availability of food at the household level and the resulting food insecurity will likely impact the affected communities for the whole year. The flood-affected households were depending on food aid distributions from the government at the time of the assessment. Households will try to irrigate some crops using some of the standing waters or residual moisture from the floods but this will be at a limited scale given that Karonga is one of the hottest districts in the country and the availability of moisture will be limited. Any additional food security support by UN agencies, the GoM, and/or NGOs remains unclear. For the households that have lost their livelihoods, these households will resort to reducing their number of meals and looking for casual employment in the gardens of people from neighboring villages that are less affected. There will also be migration within the district, mainly from the worst-affected areas to less-affected areas as well as from rural areas to urban areas. Migration to areas outside of Karonga is not likely given that about 90 percent of households will still be able to access food from own sources. It is also likely that the affected households will resort to increased harvesting of natural resources like firewood and charcoal to sell for cash to purchase food.

Based on the food security forecast above, the majority of people in Karonga district will face no acute food insecurity (IPC Phase 1), however there will be specific Extension Planning Areas (EPAs) that will be have an elevated food insecurity classification once the MVAC assessment is completed.

Table 1. Less likely events over the next six months that could change the above scenarios

Area	Event	Impact on food security outcomes
All focus areas	High food prices	Many very poor and poor households would be unable to access food through markets.
All focus areas	Private traders exporting more maize using informal cross border trading due to better markets in neighboring countries.	There will not be much concern for the current consumption season as the ADMARC and SGR already have adequate maize stocks.

Northern Malawi (Karonga district)	Government approving a drawdown of maize for humanitarian assistance for affected Karonga district households.	All the 30,000 people affected by floods would have adequate food entitlements during the outlook months.