

*The food security situation in the south is expected to improve as harvests begin*

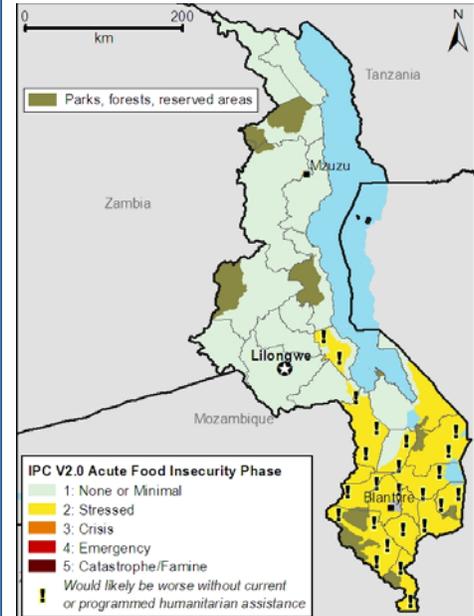
**KEY MESSAGES**

- In February, national retail maize prices continue to rise. Average prices were 216 percent above the five-year average and 211 percent higher than last year’s price levels. Since harvests have already begun in some parts of the country, prices are expected to decrease but are likely to remain above last year and current year levels.
- Spot price checks in markets in southern Malawi showed that by mid - March some informal maize imports from Mozambique has started flowing into Malawi, and this coupled with the start of harvests has started relaxing retail maize prices in Chikhwawa and Nsanje districts.
- In the south there is an increased availability of maize, beans, sorghum, millet and green leafy vegetables from own production in the month of March. Consumption of these foods is filling food gaps in southern Malawi, including Chikhwawa district. During March, FEWS NET expects mainly Stressed (IPC Phase 2) food insecurity outcomes for poor households in the south that are currently receiving humanitarian assistance, including Chikhwawa district.
- The food security situation will continue to improve as food and cash crops continue to be harvested. Sale of cash crops is expected to allow most rural households to meet their livelihood protection and food needs, and Minimal (IPC Phase 1) food security outcomes are expected across the country between April and June (Figure 2).

**CURRENT SITUATION**

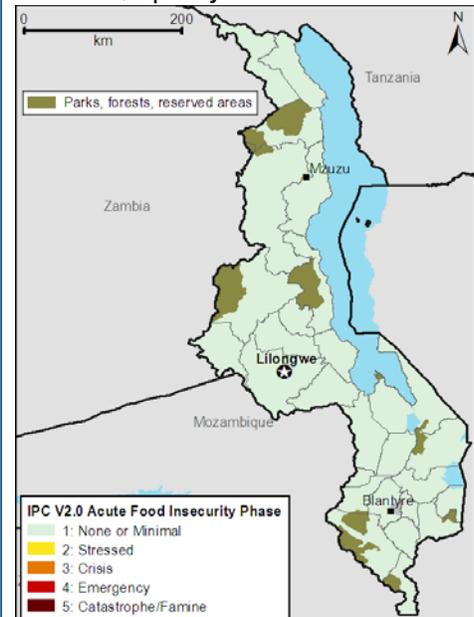
- Rainfall has started tapering off in southern Malawi. The food security situation is improving as most poor households are starting to access maize from their own production. During a recent FEWS NET assessment, good looking maize crops were observed and there are prospects of a better crop in southern Malawi in the 2012/13 season if rainfall continues until the end of the season in April.
- In March, maize grain was still available in local markets across the country but was selling at very high prices. According to the Agriculture Market Information System (AMIS), the national average retail price for February was 211 percent higher than the average in February 2012. During the last two weeks of February, maize prices rose to as high as MWK180-200/kg in several markets in southern Malawi, including Nsanje, Chikhwawa, Lunzu, Thyolo, Luchenza, Phalombe, Neno and Mwanza.

**Figure 1.** Current food security outcomes, March 2013.



Source: FEWS NET

**Figure 2.** Projected food security outcomes, April - June 2013.



Source: FEWS NET

This map represents acute food insecurity outcomes relevant for emergency decision-making, and does not necessarily reflect chronic food insecurity.

- During the most recent FEWS NET field monitoring assessment in February, local traders mentioned that since mid-February it has been difficult for them to find maize in traditional source markets, and that larger traders with links to export companies were the only ones who could source maize more easily. These larger traders are reselling their maize to the smaller local traders at very high prices.
- FEWS NET also observed that Agriculture Marketing and Development Corporation (ADMARC) had stepped up deliveries and sales of maize in most of its main outlets in the southern and central regions and that maize was still selling at a subsidized rate of MWK60/kg. Due to the very high retail maize prices in local markets, consumers were queuing up for the subsidized maize grain at ADMARC depots for many hours to several days. The new harvest is expected to stem the rising food insecurity that households are experiencing due to extremely high maize prices.
- Humanitarian assistance is continuing in 16 districts, most of which are located in southern Malawi. Widespread sharing continued in all the districts where the humanitarian assistance was taking place. In the February 2013 Food Security Outlook Update, FEWS NET reported that Crisis (IPC Phase 3) outcomes were expected in Chikhwawa district due to high levels of mandatory sharing of rations and extremely limited migratory labor. During a recent FEWS NET and MoAFS joint assessment it was established that while up to half of humanitarian food rations are being shared in Chikhwawa and Nsanje districts, any remaining food gaps are expected to be covered by harvests of maize, sorghum, millet, beans, and pumpkin in March in southern Malawi. However, since crop sales have not yet started and casual labor opportunities are not adequately available yet, it is unlikely that poor households depending on humanitarian assistance will be able to meet their livelihoods protection needs during this month. Therefore, FEWS NET estimates that poor households in all the 16 districts receiving humanitarian assistance, including Chikhwawa district, will be Stressed (IPC Phase 2) in March.

## UPDATED ASSUMPTIONS

The current situation has slightly changed the assumptions used to develop FEWS NET's most likely scenario for the period of March to June 2013. A full discussion of the scenario is available in the [Malawi January 2013 Food Security Outlook](#).

- The local currency has depreciated much more than what was originally projected in January 2013. Instead of the exchange rate being at MKW320 per 1US\$ at the beginning of March 2013, the actual exchange rate was at around MKW380/US\$. Continued depreciation of the local currency could result in further eroding any benefits that incomes from cash crop sales would bring to households.
- Despite the delayed start of the rainfall season in districts in southern Malawi, consumption of dried maize, sorghum, millet, beans, and green leafy vegetables started in Chikhwawa district in March, and based on market observations and information from agriculture officers, spot maize prices have also started to decrease. Although casual labor opportunities are still limited, increased household access to own harvests in Chikhwawa is expected to bridge any consumption gaps that households in this area might experience in March due to mandatory sharing of humanitarian assistance.

## PROJECTED OUTLOOK THROUGH JUNE 2013

- FEWS NET estimates that poor households receiving humanitarian assistance in all 16 districts, including Chikhwawa district, will be Stressed (IPC Phase 2) in March. Some harvests have already begun in the south and from April to June the food security situation is expected to continue to improve. Sale of cash crops from May is expected to generate enough household income so that livelihood protection needs are met. With food needs being met through consumption of own produced crops and livelihoods protection needs being met through the sale of cash crops, Minimal (IPC Phase 1) acute food insecurity is expected in the south and throughout the rest of the country from April to June.