

Reference Date: 15-May-2014

FOOD SECURITY SNAPSHOT

- Record maize crop forecast in 2014
- Improved supply outlook in the 2014/15 marketing year (May/April) with a possible exportable surplus close to 1 million tonnes
- Maize prices are about one-third above last year but remain relatively stable
- Overall, food security conditions expected to improve with new food supplies from the ongoing 2014 harvest

Record maize crop expected in 2014

Harvesting of the 2014 maize crop is well underway and is expected to be concluded in June. A record maize output of approximately 3.35 million tonnes, about 30 percent higher than last year's above average harvest, is forecast by the Ministry of Agriculture and Livestock, due to both improved yields and an expansion in area planted. Seasonal rains generally started in November/December 2013, with some delays in southeastern parts that prompted some farmers to plant early maturing maize varieties. However, good rains followed in the successive months with sufficient moisture levels throughout the growing season (December-April). Some moisture deficits in southwestern parts, following a short, dry period in January, led to some crop wilting with possible lower yields.

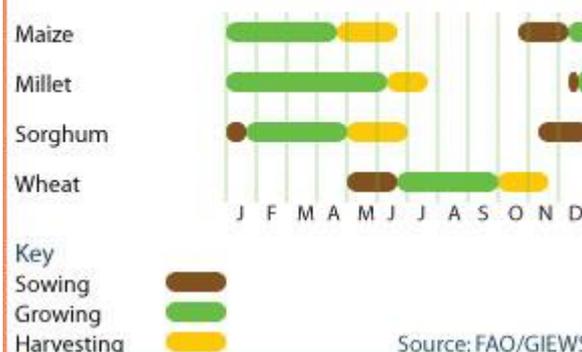
The continued support from the Government to improve the use of inputs through the Farmer Input Support Programme (FISP), which targeted 900 000 beneficiaries, further contributed to the favourable output.

For other crops, mixed outputs were estimated for sorghum (-23 percent) and millet (+27 percent) relative to last year, while a small increase is estimated for rice. The winter wheat crop, to be harvested this October, is provisionally projected to decline sharply to just over 200 000 tonnes, given an estimated contraction in plantings. For cash crops, tobacco production is expected to increase by nearly 20 percent, while a decrease in cotton production is foreseen.

Sufficient maize supplies in 2014/15 to cover domestic requirements and enhance exports

The expected record maize output this year has improved the supply outlook for the 2014/15 marketing year (May/April). With consumption requirements estimated at about 1.4 million tonnes, the production forecast is well above the national needs. Deducting the total national requirements, including that of the strategic grains reserves of about 500 000 tonnes, there is a potential exportable surplus of about 1 million tonnes. Consequently the Government reversed the maize export ban in May 2014. It is likely that most exports will be traded with neighbouring countries, particularly Zimbabwe; however, the overall favourable production forecasts in the subregion will limit import demand compared to the previous marketing year when national supplies were generally tighter. Despite the larger rice harvest, the national requirements will still need to be satisfied with a small quantity of imports, estimated between 15 000 and 20 000 tonnes. In regards to

Crop calendar Zambia

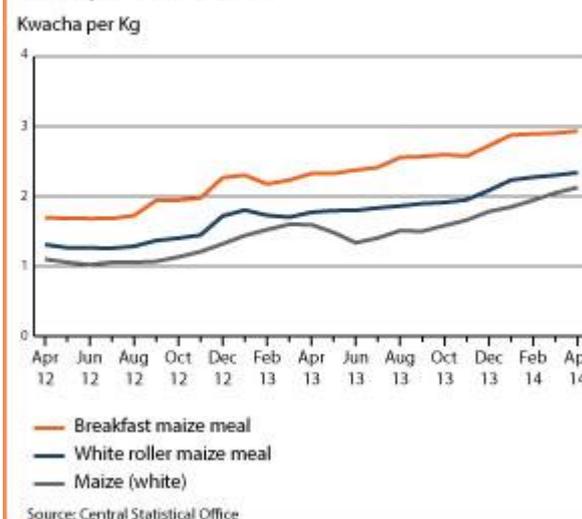


Zambia Cereal production

	2009-2013 average	2013	2014 estimate	change 2014/2013
	000 tonnes		percent	
Maize	2 631	2 568	3 351	30
Wheat	226	274	202	-26
Rice (paddy)	47	45	49	9
Others	59	41	45	10
Total	2 963	2 928	3 647	25

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Zambia Retail prices of maize



wheat, if the projection for the 2014 crop of 202 000 tonnes is realized, both a draw-down in stocks and a small volume of imports (to maintain adequate stock levels) would be required to meet the annual domestic demand, estimated at about 250 000 tonnes.

Maize meal prices remain above last year's levels

Price of maize meal increased marginally since January 2014, while larger price gains were observed for maize grain as supplies tightened before the start of the main harvest in May. In April, prices of maize meal were about one-third above their year-earlier levels. Tighter national supplies, on account of the reduced 2013 harvest and strong regional demand, in addition to the removal of government subsidies for maize and fuel, contributed to elevated levels. Improved domestic production this year is expected to exert downward pressure on prices in the coming weeks. However, the recent upward revision to fuel prices, prompted by the continuing depreciation of the national currency (Kwacha), may limit the declines, particularly for more remote markets.

Food security conditions expected to improve

The current high maize prices are negatively impacting on households' access, particularly for vulnerable groups. However, the projected increase in national maize supplies is expected to lower prices improving urban and market-dependent households' access, in particular. Details on household food security situation together with any assistance needs would be made available once the National Vulnerability Assessment is carried out in the next few months.