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***FOOD SECURITY RESEARCH PROJECT***

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**LOCAL AND REGIONAL FOOD AID  
PROCUREMENT IN ZAMBIA**

by

**Steven Haggblade and David Tschirley**

**(A Study for USAID's Office of Food for Peace)**

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## ACKNOWLEDGMENTS

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## ACRONYMS

AFC	Agricultural Consultative Forum
AMIC	Agricultural Market Information Centre
CRS	Catholic Relief Services
CSAFE	Consortium for Southern Africa Food Emergency
CSB	Corn Soya Blends
FFP	Food For Peace
FAO	Food and Agriculture Organization
FAOSTAT	FAO Statistical Database
FRA	Food Reserve Agency
GMO	Genetically Modified Organism
HACP	Hazard Analysis and Critical Control Procedures
HEPS	High Energy Protein Supplements
LRP	Local and Regional Procurement
MACO	Ministry of Agriculture and Cooperatives
MSU	Michigan State University
MSB	Maize-soya Blend
NEWU	National Emergency Warning Unit
NGO	Non Governmental Organization
OECD	Organization for Economic Co-operation and Development
RSA	Republic of South Africa
SAFEX	South African Futures EXchange
USAID	United States Agency for International Development
WFP	World Food Programme
WRS	Warehouse Receipts Scheme
WTO	World Trade Organization
ZNFU	Zambia National Farmers' Union

## **EXECUTIVE SUMMARY**

By law, US food aid relies on commodity procurement in the US. A powerful political coalition of US farm groups, shippers and relief agencies vigorously supports these in-kind food aid donation.

As an alternative, local procurement of food aid, in Africa, has attracted growing interest because of its potential to reduce landed costs and speed delivery times. For this reason, many food aid donors, other than the US, have switched to local and regional procurement of food aid commodities.

This paper reviews experience with local and regional food aid procurement in Zambia. The study focuses primarily on experience of the World Food Programme (WFP), the agency with the most extensive experience conducting local and regional procurement in Africa.

WFP's experience suggests that local or regional procurement of food aid offers significant savings, in both commodity costs and delivery times. On average, maize procured in Africa costs 30% to 50% less than white maize imported from the US and arrives 1 to 2 months faster than commodity imports from the US.

## 1. OBJECTIVES

### 1.1. Background

Since its inception in 1954, the U.S. Food for Peace (FFP) program has mandated donation of U.S. grown commodities, rather than sending cash or buying food overseas. A powerful political coalition of U.S. farm groups, shippers and relief agencies vigorously supports these in-kind food aid donations.

Yet recently, local procurement of food aid in Africa has attracted growing interest, for two principal reasons. First, local procurement may, in many instances, prove cheaper than shipping domestically grown commodities from the United States. Ugandan grain traders, for example, estimate that in 2003 United States Agency for International Development (USAID) spent \$447 per ton delivering U.S.-grown maize to Uganda during a surplus year when they could have procured comparable maize locally for less than half that amount, at \$180 per ton. As former USAID Administrator, Andrew Natsions has said, “If you can get more food aid for the money, why not do it?” USAID staff estimate that if one-fourth of current Food for Peace were procured locally, the cost savings would enable the purchase of additional food commodities sufficient to save an extra 50,000 lives per year (Wall Street Journal October 26, 2005).

Secondly, in-kind food aid has become a political sticking point under the current Doha Round of World Trade Organization (WTO) negotiations. European and developing countries complain that U.S. food aid shipments constitute dumping of subsidized surplus commodities (Clay and Riley 2005). African farmer and traders note that food aid imports displace commercial trade and dampen prices and therefore farmer production incentives. Local procurement of food aid would do the opposite, stimulating African farm production.

### 1.2. Objectives

This paper aims to assess experience with local and regional procurement in Zambia. It contributes to a broader overall effort that includes two comparative field studies<sup>1</sup>, a review of existing studies on local and regional procurement (LRP) in Africa, and an Africa-wide analysis of World Food Programme (WFP) procurement actions since 2001. Because the WFP has the longest and largest experience with local procurement in Africa, this study focuses primarily on their procurement experience. Smaller scale efforts by a range of Non Governmental Organizations (NGO’s) involved in food aid programs provide additional evidence as well as a point of comparison.

By reviewing local procurement experience over the past five years, this paper aims to achieve the following objectives:

- critically assess LRP practices to date, identifying positive and negative effects on food aid operations and on local production and marketing systems;
- develop operational guidelines for future use by FFP in deciding whether, under what conditions, and how to engage in LRP; and
- provide FFP with an analytical basis for its dialogue with Congress on whether USAID should be allowed to engage in LRP.

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<sup>1</sup> The other field study took place in Kenya.

### **1.3. Methods**

This review has sought quantitative as well as qualitative input from a variety of donors, traders and other private sector actors. Where possible, the paper quantifies prices and quantities in relation to prevailing market conditions domestically and with reference to the cost of regional imports.

Through a series of field interviews, the study has aimed to gain insights into local procurement procedures and how they work in practice. Qualitative input from private sectors suppliers, as well as donor procurement staff, aim to elicit their observations as to the strengths and weaknesses of alternative forms of local procurement as well as suggestions for USAID, should they elect to engage in local procurement.

A complete list of persons visited as well as supplementary data are included in annex to this main report.

## 2. ZAMBIA'S MAIZE MARKETING SYSTEM

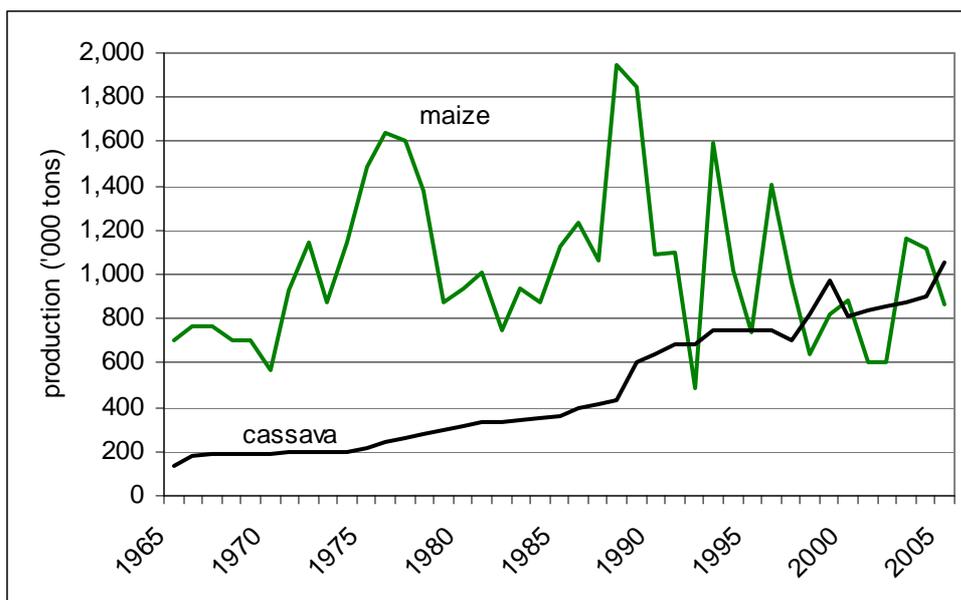
Maize production in Zambia has trended downwards since liberalization and the withdrawal of maize subsidies in the early 1990's (Figure 1). Around this declining trend, production varies substantially from year to year. Although production figures are subject to some degree of uncertainty, estimates typically range from as low as 600,000 tons in drought years to nearly 1,200,000 tons in good seasons (Table 1). During the 2005/6 season, official estimates put maize production at roughly 850,000 tons. Large commercial producers account for 250,000 tons while small-scale farmers produce the remaining 600,000 tons (Figure 2).

Consumption data are even more sketchy than production figures, with national maize requirements estimated to range between 900,000 and 1,200,000 tons. The higher figure comes from food balance sheet computations by the National Emergency Warning Unit (NEWU) in the Ministry of Agriculture and Cooperatives. Their computations assume that 70% of minimum calorie requirements must come from maize and other staple foods. The lower figure, produced by the Zambia National Farmers' Union (ZNFU), leads to lower estimated import requirements.

During low-rainfall years, smallholder production fluctuates substantially while commercial farm production remains roughly constant. This leads to wide swings in subsistence production (Figure 2, Channel 1) as well as in smallholder marketing's (Figure 2, Channel 2), which range between 20% and 30% of smallholder production but remain highly concentrated among the top 10% of smallholder maize growers.

Commercial imports and food aid increase in deficit years, partially offsetting the production shortfalls. Total consumption probably ranges between about 1 million tons in low-rainfall years and 1.2 million tons in good seasons. Exports plus consumer substitution for other foods moderate these roughly 20% swings in annual maize consumption.

**Figure 1. Trends in Production of Food Staples in Zambia**



Source: FAOSTAT.

**Table 1. Zambian Production and Trade in Food Staples, 2001 to 2005**

	2001	2002	2003	2004	2005	average
<b>Staple food production</b>						
maize	601,606	602,000	1,161,000	1,113,916	866,187	868,942
cassava	835,686	856,124	876,562	897,000	1,056,000	904,274
wheat	80,000	75,000	135,000	135,000	136,800	112,360
sweet potatoes	80,000	75,000	135,000	135,000	135,000	112,000
millet	37,615	38,000	35,000	35,000	35,000	36,123
sorghum	16,800	16,000	20,000	19,000	19,000	18,160
Irish potatoes	11,000	11,000	11,000	11,000	11,000	11,000
rice	7,686	7,920	7,920	7,920	7,920	7,873
total cereal equivalents*	1,021,713	1,021,557	1,665,689	1,623,736	1,425,507	1,351,640
<b>Imports</b>						
maize	10,334	269,101	160,954	6,223	50,000	99,322
cassava	0	0	0	0	0	0
wheat	81,609	73,978	47,611	40,020	40,000	56,644
sweet potatoes	4	6	13	4	0	5
millet	9	0	0	0	0	2
sorghum	54	3,172	27	4,040	0	1,459
Irish potatoes	4,829	5,634	406	2,518	0	2,677
rice	13,629	20,710	17,407	14,192	0	13,188
total cereal equivalents*	107,085	368,653	226,125	65,232	0	153,419
<b>Exports</b>						
maize	11,726	4,885	629	103,245	10,000	26,097
cassava	0	0	0	0	0	0
wheat	0	0	0	26	0	5
sweet potatoes	0	0	0	0	0	0
millet	0	0	0	0	0	0
sorghum	5	280	447	50	0	156
Irish potatoes	4	239	239	6	0	98
rice	126	181	181	148	0	127
total cereal equivalents*	11,858	5,417	1,328	103,470	0	24,415

\* Roots and tubers dry weight taken at 30% of fresh weight.

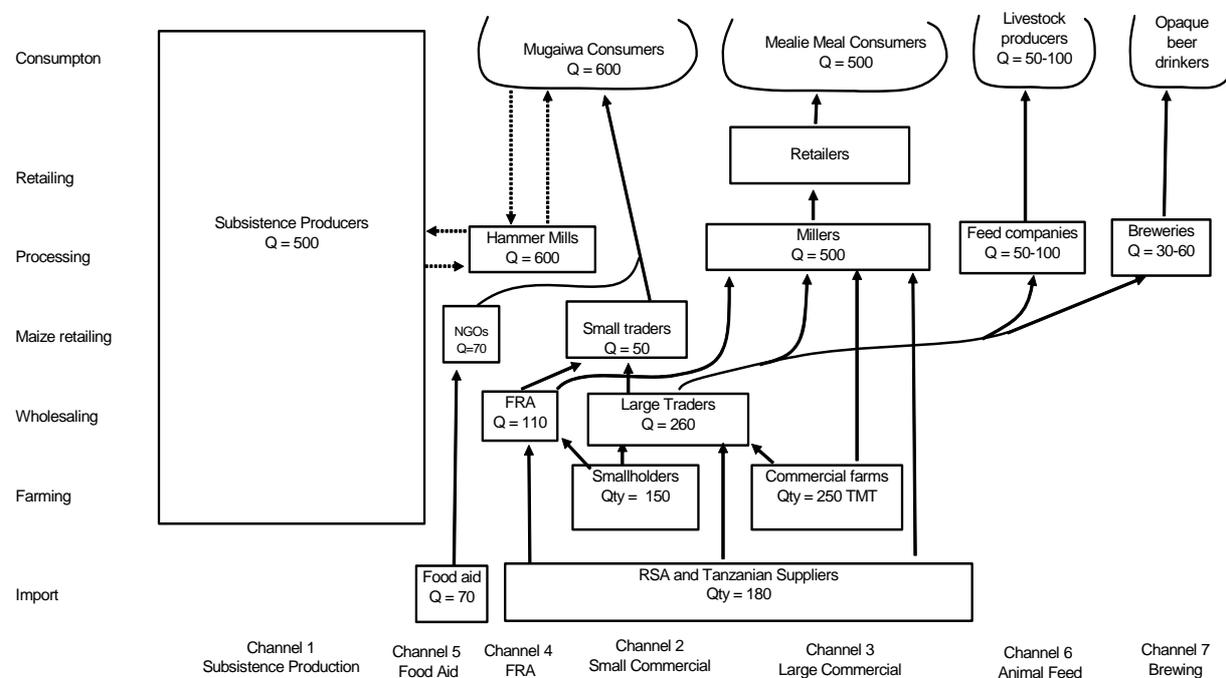
Source: FAOSTAT and Zambia crop forecast survey.

Interventions by Zambia's Food Reserve Agency (FRA) have grown in importance over the past four seasons (Table 2). Local purchases of maize amounted to nearly 70,000 tons in 2005 while imports exceeded 40,000 tons. They likewise exceeded their planned 2,000 tons of cassava and suspended purchases after roughly 2,700 tons.

With 110,000 tons of maize traded during the past season (from local purchases and imports), FRA may have surpassed National Milling as the largest single maize purchaser in the market. FRA's overall impact on the domestic maize market, however, remains uncertain. Given that government controls maize imports through a system of permits, it is not clear that FRA's actions have increased national food supplies. Even in low-production years such as 2005/6, the FRA imported 44,000 tons while probably squeezing out an equivalent volume of private sector imports through their claims on import permits. Because FRA imported late in the year, when import parity prices ranged between \$250 and \$350 per ton, and then sold stock to millers at \$210, millers had incentives to import as little as possible on their own. Instead, they preferred to buy from FRA at a price \$40 to \$140 per ton below the import parity price (Mwanaumo et al. 2005).

Food aid donors, like private traders and the FRA, likewise import food, primarily in deficit years. Since the 2002 drought, many food aid distribution programs have remained active, even in good harvest years, as part of a series of post-drought recovery and vulnerable group feeding programs. In 2005, food aid agencies imported roughly 70,000 tons of maize.

**Figure 2. Alternative Maize Marketing Channels in Zambia, 2005/6**



**Table 2. WFP and FRA Purchases as a Share of Market Total**

	2001	2002	2003	2004	2005
Production	601,606	602,000	1,161,000	1,113,916	866,187
Marketed volume	320,321	355,600	523,300	509,175	390,000
Imports					
commercial	10,334	269,101	160,954	6,223	50,000
food aid	57,412	73,575	44,999	20,000	70,000
Total marketed volume (including commercial imports)	330,655	624,701	684,254	515,398	440,000
Food Reserve Agency purchases					
tons	0	319	5,911	13,996	69,839
as % production	0%	0%	1%	1%	8%
as % marketed domestic production	0%	0%	1%	3%	18%
WFP Purchases					
tons	21,399	3,545	55,788	80,328	49,609
as % production	4%	1%	5%	7%	6%
as % marketed domestic production	7%	1%	11%	16%	13%

Source: WFP, FRA, FSRP.

### 3. LOCAL AND REGIONAL FOOD AID PROCUREMENT

#### 3.1. World Food Programme

##### 3.1.1. Commodities

Recognizing Zambia's potential as a surplus maize producer in good rainfall years, the World Food Programme has begun procuring significant quantities of maize, particularly during good harvest years. During the past five years, Zambia has been the number five food aid supplier to WFP in the Africa region (Tables 3, 4 and 5). Maize and maize meal account for roughly 80% of the value of local procurement, while high protein foods such as the maize-soya blend (MSB) of high-energy protein supplements (HEPS) and pulses account for the remainder (Table 6).

**Table 3. Top Ten African Suppliers to World Food Programme Procurement, 2001-2005**

Purchase Country	Purchase values over all commodities ('000 USD)					total
	2001	2002	2003	2004	2005	
South Africa	11,700	51,123	51,500	17,723	56,863	188,910
Ethiopia	12,754	14,179	16,740	24,356	42,126	110,155
Uganda	7,921	9,007	25,580	26,518	39,331	108,357
Tanzania	7,524	9,902	12,555	9,460	22,129	61,570
Zambia	4,216	3,809	11,499	17,736	13,584	50,844
Sudan	5,103	2,895	5,873	20,765	7,434	42,069
Kenya	4,000	10,243	7,077	12,660	4,248	38,228
Malawi	3,589	2,155	4,468	5,579	9,826	25,618
Lesotho	353	1,879	1,140	8,154	3,498	15,025
Mozambique	2334.73	3162.78	3151.71	3847.79	2248.84	14745.85

Source: WFP

**Table 4. Sources of Zambia Food Aid Sourced by WFP from within Africa, 2001-2005**

Purchase Country	Recipient Country	Value ('000 USD)	Purchase Country Share
Zambia	Zambia	32,835	0.53
South Africa	Zambia	19,956	0.32
Tanzania	Zambia	8,120	0.13
Malawi	Zambia	1,156	0.02
Ethiopia	Zambia	292	0.00
total		62,359	1.00

Source: WFP

**Table 5. WFP Food Aid Commodities Procured in Zambia, 2001-2005**

Purchase Country	Product	Purchase values ('000 USD)						Product Share
		2001	2002	2003	2004	2005	2001-05	
Zambia	MAIZE	2264	0	9104	14026	9360	34754	0.68
Zambia	MAIZE MEAL	1010	871	175	1973	1356	5385	0.11
Zambia	HIGH ENERGY SUPPLEMENTS	863	1218	289	644	2018	5032	0.1
Zambia	CORN-SOYA BLD (CSB)	0	165	1932	1032	599	3728	0.07
Zambia	LIKUNI PHALA	75	1556	0	0	0	1631	0.03
Zambia	BEANS	0	0	0	0	111	111	0
Zambia	SUGAR	4	0	0	61	45	110	0
Zambia	PEAS	0	0	0	0	96	96	0

Source: WFP

**Table 6. How much Cheaper is Local and Regional Procurement?**

USA import price vs	2001	2002	2003	2004	2005
<b>Lusaka into-mill price</b>					
annual average	1.82	1.05	1.32	1.56	1.40
Jan-Mar	2.27	0.77	0.83	1.25	1.46
Apr-June	1.51	1.25	1.28	1.62	1.44
July-Sept	1.78	1.13	1.74	1.84	1.47
Oct-Dec	1.24	1.05	1.43	1.55	1.23
<b>South Africa import price</b>					
annual average	1.18	0.94	1.15	0.98	1.20
Jan-Mar	1.23	0.93	1.13	0.90	1.26
Apr-June	1.24	0.90	1.26	1.00	1.29
July-Sept	1.16	0.99	1.17	1.01	1.22
Oct-Dec	1.09	0.93	1.05	1.00	1.04

### 3.1.2. Procurement Procedures

World Food Programme procures most of its commodities by tender, although in select, special cases they engage in direct negotiation. Logistics staff have developed standard product specifications, in consultation with WFP headquarters in Rome and with local traders. Traders note that WFP has instituted the same maize standards as those utilized under Zambia's new warehouse receipts scheme (WRS) and that this common standard serves to help promote commercial trade credit through collateralized stocks. Traders who work with the warehouse receipts system indicate that WFP's adoption of these same standards has contributed positively to expanding the reach of that system more widely.

WFP procurement specifications typically differ from standard trade contracts in several ways. First of all, WFP establishes its procurement price through tender and only rarely reverts to direct negotiation as the trade most commonly does. Bids are sealed and opened in private, by a WFP procurement committee. They do not publicize the identity of the winning bidder. Nor does WFP reveal the contract price on the grounds that this would facilitate collusion. Nonetheless, most traders indicate they can easily discover who the winning bidder is within a couple of days. The price paid, however, generally remains subject to

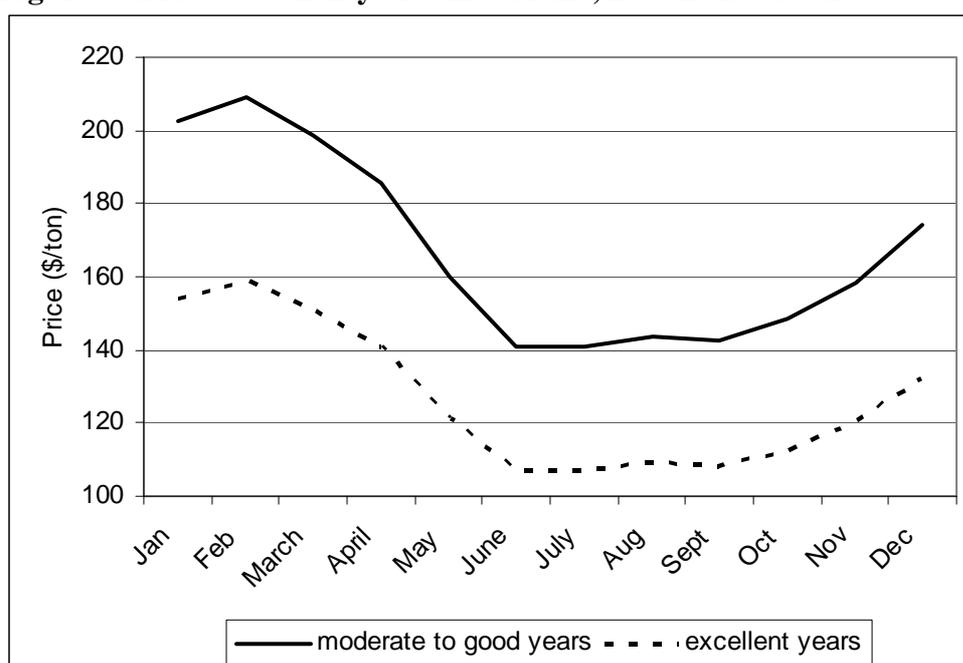
some uncertainty. Traders find this mildly inconvenient but believe they can peg the range closely enough based on their knowledge of current market conditions. Secondly, WFP requires that suppliers repackage goods in WFP- designated, specially printed bags. Third, their procedures mandate pre-shipment inspection of stocks by certified inspectors. The private trade, in contrast, works largely on trust. Fourth, WFP requires that a 5% bid bond be posted for each transaction as a guarantee against delivery, while the private trade requires none. WFP likewise requires minimum contracts of 300 tons as well as stock inspection prior contract award. In all, these requirements impose additional costs on suppliers. Traders estimate these extra handling, packaging and financial costs amount to between \$12-\$15 per ton.

### 3.1.3. Tracking Market Prices

Local WFP procurement officers track both import parity prices and domestic wholesale prices for maize. In monitoring local prices, they rely on the weekly into-mill price series reported by CHC Commodities as part of their agreement to help support the newly established Zambia Agricultural Commodity Agency which, in turn, has been established to support development of Zambia’s warehouse receipts system. Traders report that the CHC series offers the best means of tracking actual transaction prices for large-scale transactions, though the data usually are published with a one to two week lag. WFP relies on this price series as an indicator of the fairness of the bid prices.

The Agricultural Market Information Centre (AMIC) at the Ministry of Agriculture and Cooperatives (MACO) likewise reports weekly wholesale prices. Their series, collected weekly from Soweto market wholesalers, track the CHC series but typically lie below those reported by CHC. Because the Soweto sales are primarily small lots of less certain quality than the mill gate trade, Soweto prices are generally about 15% lower than those reported by CHC. Many traders are not aware of the AMIC price series. Those that are indicate that it does not track the mill gate prices as well as CHC. The AMIC series, likewise, is made public with a slightly longer lag.

**Figure 3. Price Seasonality of White Maize, Lusaka 1994 to 2005**



Source: AMIC. Harvest years defined as in Table 8.

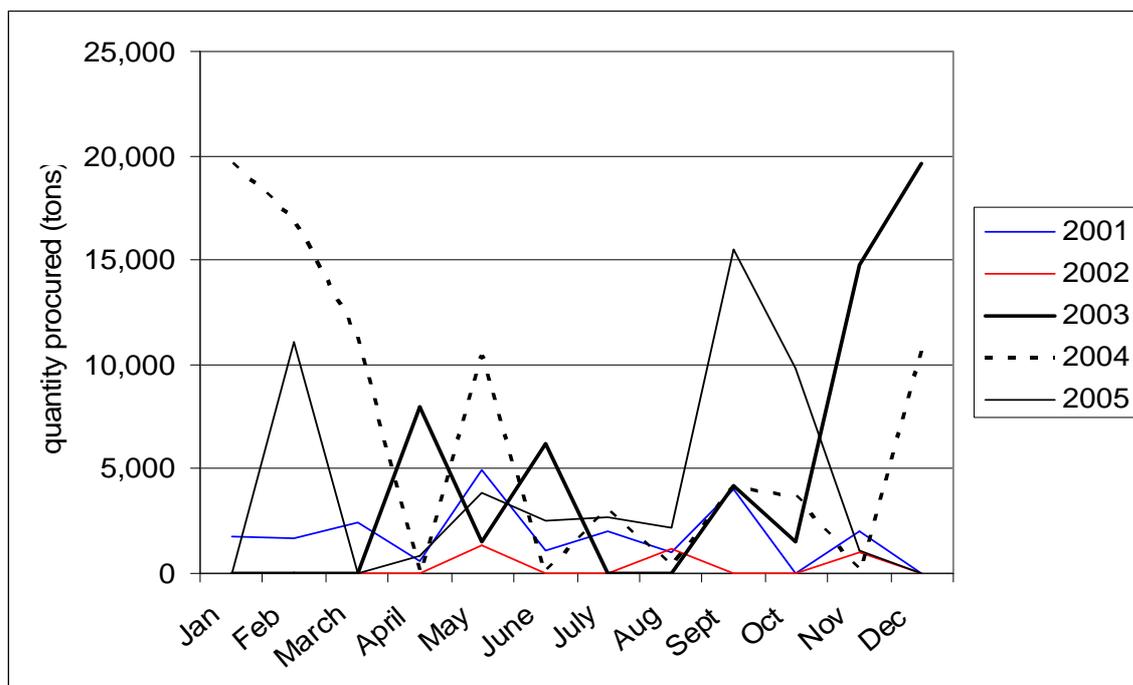
Since the CHC series has only been available since July 2005, the AMIC price series offers the only means available of tracking wholesale price seasonality over long periods of time. These data, reported in Figure 3, indicate considerable seasonal swings in domestic prices. From peak to trough, Lusaka wholesale prices increase by over 50% from the post-harvest lows in June and July to the lean season peaks in December, January, and February.

### 3.1.4. In what Years Does it Make Sense to Procure Locally or Regionally?

In years of bumper harvest, such as 2006, when local prices are low, Zambia becomes attractive as a low-cost supplier of maize for local and regional food aid needs (Table 8). Even in moderate and low production years, Zambia may be a competitive supplier, particularly if other countries in the region are hard hit. In January and February of 2004, for example, Lusaka suppliers won a series of regional tenders to supply maize, including 10,000 tons delivered to Lusaka and 7,000 delivered to Harare (Figure 4).

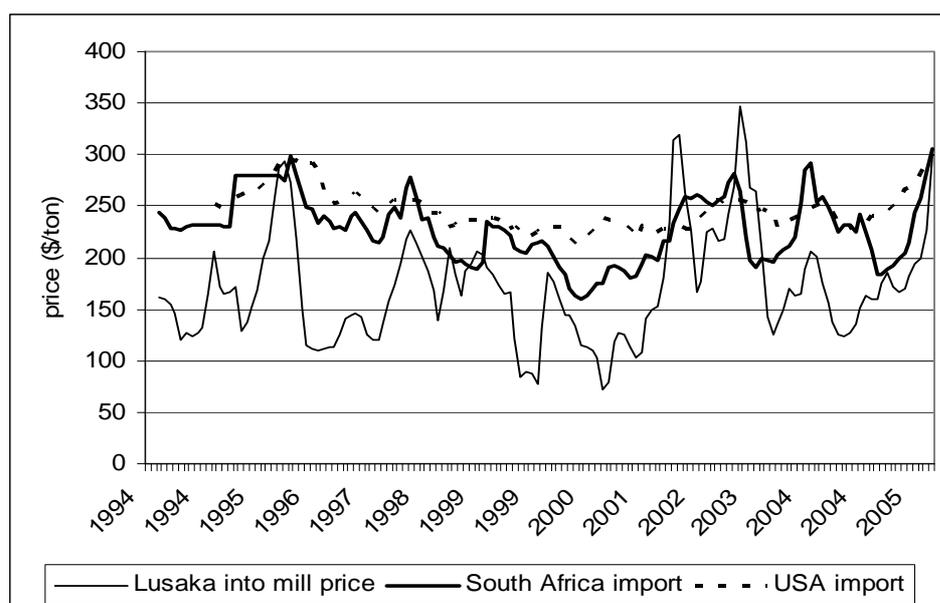
Most years, in fact, local or regional procurement will generate significant cost savings over import from overseas. In four of the last five years, when the Zambian maize harvest was in its normal range, local procurement would have enabled cost savings of between 30% and 80% compared to importing from the U.S.A. (Table 7). During the 2002/3 marketing season, however, at the end of Zambia's second successive bad harvest, when domestic prices averaged \$244 per ton and reached a peak of \$350 per ton in January of 2003, import from overseas proved cheaper during the January to March lean season (Figure 5). Delivery times, however, are longer when procuring from overseas. Where local and regional procurement requires six to twelve weeks, overseas procurement may require lead times of as long as four to five months.

**Figure 4. Seasonality of WFP Purchases in Zambia**



Source: WFP.

**Figure 5. Import Parity Prices**



Source: AMIC and SAFEX.

**Table 7. Historical Maize Production and Price Movements in Zambia**

Year	Harvest	Production tons	Price*	
			\$/ton	% change
1994	good	1,020,749	\$150	
1995	moderate	737,835	\$208	
1996	excellent	1,409,485	\$127	
1997	moderate	960,188	\$173	
1998	bad	638,134	\$183	
1999	moderate	822,056	\$135	
2000	moderate	881,555	\$116	
2001	bad	601,606	\$192	
2002	bad	602,000	\$244	
2003	good	1,161,000	\$169	
2004	good	1,113,916	\$150	
2005	moderate	866,187	\$236	
Averages, 1994 to 2005				
	excellent	1,409,485	\$127	-27%
	good	1,098,555	\$156	-10%
	moderate	853,564	\$174	0%
	bad	613,913	\$206	19%
baseline	good to moderate	945,436	\$167	

\* Lusaka into-mill price for the marketing year, May - April.

Source: MACO, FAOSTAT, AMIC.

**Table 8. Local Procurement of HEPS from January 2005 through June 2006**

Month	Procurement Price (\$/ton)			Quantities Procured	
	WFP	NGO	NGO/WFP	WFP	NGO
2005-Jan					
2005-Feb					
2005-Mar	379			1,485	
2005-Apr					
2005-May					
2005-June					
2005-July					
2005-Aug	375				
2005-Sept	363			1,000	
2005-Oct	377	517	1.37	788	42
2005-Nov	385	478 *	1.24	613	1,100
2005-Dec		478			
2006-Jan		478			
2006-Feb		478			
2006-Mar	424	478	1.13	857	
2006-Apr	434	478	1.10	520	
2006-May	374	478	1.28	584	
2006-June	349	368	1.05	506	70

\* Note that this represents a 6-month purchase covering deliveries from November 2005 through May 2006.

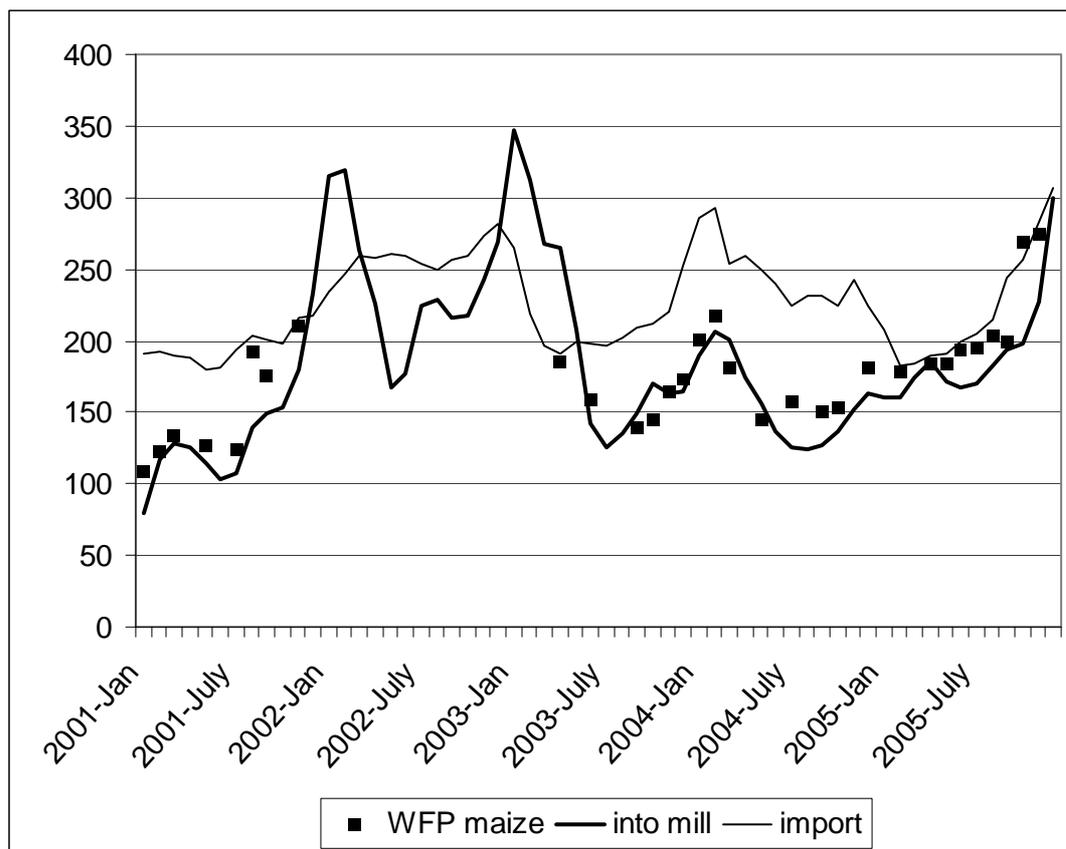
When domestic prices bump up near import parity, WFP opens their tenders to regional procurement. This sometimes requires shifts in procurement sources, as domestic prices rise up to import levels. In August and September of 2001, for example, as domestic prices spiked up towards import parity, WFP closed down local procurement in favor of imports from other countries in the region supplemented by international imports (Figure 6).

### 3.1.5. When during the Year to Procure

Ideally, procurement would take place when prices are low in June, July, and August. However, given the time required to conduct vulnerability assessments, determine desired food aid imports and launch appeals, funds for cash purchase are often unavailable until late in the calendar year when prices have risen considerably. WFP procurement officers are well aware of the benefits of procuring early when prices are low. But since cash funds are rarely available early in the marketing season, they are often forced to procure later in the season, nearer to distribution time, when cash pledges become available from the various donors. Late delivery of cash explains the substantial quantities procured during the lean season of 2003/4 (Figure 4). Note also that this was a good harvest year in Zambia, and the bulk of this maize was regionally procured for shipment to Zimbabwe.

To avoid paying higher prices in 2005, the local WFP office borrowed funds from the newly created Advance Financing Facility which enabled them to purchase in September and October when prices had not yet reached their seasonal peak (Figure 6). In general, early commitment of funds, or some regular borrowing system against forthcoming pledges, would result in considerable cost savings under local procurement. Average seasonal price movements suggest that procurement in August and September, as opposed to December and January, would result in savings of roughly 25% net of carrying costs. Thus, at any financial carrying cost under 25% for four months (August/September to December/January), early local procurement would save costs.

**Figure 6. World Food Programme Procurement Prices for Maize in Zambia**



Source: WFP and AMIC.

### 3.1.6. Prices Paid

In general, WFP procedures result in purchase prices that closely track the domestic market price (Figure 6). On average, WFP prices lie at market levels, sometimes even slightly below. Given that WFP bid requirements impose additional costs of \$10-\$15 per ton on suppliers, these data suggest that the WFP tendering system has proven highly effective in containing costs and in predicting forthcoming market price roughly four weeks early, between the interval when bids are submitted and contracts are delivered.

Comparison of WFP and market prices reveal two instances of above market procurement price, one in August of 2001 and the other in October 2005. Both occurred in production shortfall clears when domestic prices were moving rapidly upwards towards import parity. In late 2001, WFP stopped local procurement as the price hit import parity and reverted to regional procurement. In October 2005, the spike in the Lusaka maize price occurred at a time when maize imports had stalled due to the introduction of new phytosanitary inspection requirements and traders were uncertain how quickly the impasse would be resolved. Discussions with winning and losing bidders suggests that traders genuinely did not know exactly where market prices would land during this period of uncertainty. As in 2001, WFP pulled out of the local market as prices moved up towards import parity. After procuring nearly 10,000 tons in October 2005, purchases fell to 1,000 tons in November and stopped altogether as prices continued to climb up towards import parity in December.

### *3.1.7. Participation in the WFP Tenders*

WFP tender procedures require a minimum of three bids. In Zambia, WFP maize tenders routinely attract many more than the minimum. In a typical tender during 2005, WFP logistics staff indicate that they receive between 10 and 15 bid submissions from among their two dozen short-listed suppliers. Indeed, the traders interviewed indicated that they have lost more WFP tenders than they have won.

The distribution of winning awards suggests broad competition in the maize and maize meal procurement, though less so with HEPS. During 2005, WFP issued 26 separate tenders for maize and meal, and they awarded contracts to 12 different suppliers. Thus, no single supplier dominated the proceedings. The sizes ranged considerably, with two suppliers landing around 15,000 tons of WFP contracts, and the smallest supplying 800 tons. Most of the remaining suppliers furnished in the range of 2,000 to 4,000 tons.

The HEPS market appears more restricted. Out of four tenders, two winners emerged. One earned a single contract worth \$190,000, the other three orders were worth a total of \$2.3 million. Given initial investment costs of \$500,000 to \$1 million, the entry costs into the HEPS and corn-soya blend (CSB) business are significantly steeper than in the maize trade. Likewise, the commercial HEPS market is much smaller and hence the number of suppliers is more restricted.

### *3.1.8. Impact on Maize Markets*

In years of large-scale local procurement, such as 2004 when WFP procured over 80,000 tons locally, their purchases accounted for about 7% of domestic maize production and roughly 16% of marketed sales (including imports). In 2002, when production was much lower, WFP procured only 3,500 tons locally amounting to roughly 1% of both national production and of marketed volumes (which in that year included large-scale imports). In the moderate drought year of 2005, WFP procured about 50,000 tons of maize products, amounting to 6% of national production and 11% of total marketed sales (Table 2).

What impact do these procurement volumes have on market price? In deficit years such as 2002 and 2005, the local market pegs prices to import parity. This would be true whether WFP procured domestically or not. For this reason, it seems doubtful that WFP procurement influences domestic prices. Indeed, about 30% of their 2005 local purchases came from FRA stocks, supplied both to WFP and to millers at \$210 per ton, considerably below the prevailing market price.

In surplus years, such as 2006, local purchase for regional export or for local distribution programs will boost market price. Private sector exports and FRA purchases to build up long-term reserves will provide exactly the same upward lift to market prices. These purchases and regional exports can play an important role in maintaining farmer production incentives during surplus years. Without export outlets, domestic prices fall and reduce farmer incentives to plant in the coming season. This lays Zambia open to boom and bust cycles if lower plantings coincide with poor weather in the coming season, leading to soaring prices and reversion to imports. Regional trade offers an important outlet for moderating these price swings and encouraging sustained production by Zambian farmers. Our rough projections for the 2006/7 marketing year suggest that 100,000 tons of purchase – by WFP,

FRA or private sector exporters – would raise wholesale maize prices by \$10 to \$15 per ton, to an average of about \$120 per ton in the post-harvest period and an annual average price of slightly over \$140 per ton (Haggblade 2005).

None of the private traders interviewed for this study complained about WFP interventions in Zambian maize markets. On the contrary, some traders suggested that the appearance of a large player like WFP provided welcome competition to the market price leadership of National Milling. Most indicated that WFP played a useful role in expanding domestic markets and in offering an alternative market outlet.

WFP's regional procurement program currently plays a significant role in expanding regional maize markets and demonstrating Zambia's prospects for agricultural growth as a regional maize supplier. Given government reluctance to release maize surpluses, even in a good harvest year, and given government's general mistrust of private traders' motives, WFP's regional procurement currently plays an important honest broker's role in helping to encourage the expansion of regional maize trade.

### *3.1.9. Impact on HEPS Markets*

Here, WFP and the other donors seem to play a crucial role in market development. Because the commercial market is small, few food processors have been prepared to invest the \$500 thousand to \$1 million required for milling equipment, extruders, conveyers and Hazard Analysis and Critical Control Procedures (HAACP) in the absence of a secure donor market. In Zambia, most traders believe that the HEPS market is secure. Given the high prevalence of HIV/AIDS, many government, donor, and church groups have begun purchasing HEPS for distribution to affected families. Even if WFP were to pull out of this market, the two local suppliers express confidence that the HIV/AIDS feeding programs would continue.

In the case of HEPS, international import is rarely a viable alternative to local procurement. In Zambia, genetically modified organism-free (GMO) certification is difficult to obtain from U.S. suppliers of CSBs. This effectively confines distribution in Zambia to locally or regionally procured HEPS from certified non-GMO maize. Moreover, previous studies have documented that costs savings of local procurement compared to in-kind food aid are largest for processed foods HEPS (Clay and Riley 2005).

In the purely commercial cereal market, inspection of local supermarket shelves reveals half a dozen different suppliers commercial breakfast cereals made of blended maize, soya, and sugar. Local HEPS suppliers expressed interest in commercial product development of competing products, although they worry that product development and marketing costs could be substantial. So, for the moment, they continue to rely mainly on the food aid market.

## **3.2. Local Procurement by NGOs**

Because of current U.S. government requirements that food aid commodities be procured from U.S. production, many non-governmental organizations (NGOs) have limited experience with local or regional food aid procurement. While they have developed elaborate distribution networks for in-kind food aid they receive, procurement experience remains limited to small orders using primarily their own resources or non-U.S. Government funds. As a result, quantities of maize products procured locally by NGOs remain small. While

WFP procured over 50,000 tons of maize and maize products in 2005, the three major U.S.-sponsored NGOs – World Vision, Catholic Relief Services (CRS), and CARE – together purchased less than 1,000 tons.

The one exception to this pattern is the HEPS market, where NGOs do procure locally. Local procurement makes sense for HEPS because of difficulty in ensuring non-GMO compliance from U.S. sources and because the product's six-month shelf life coupled with long delivery times from the U.S. pose a higher risk of spoilage than with cereals. In 2005, the same three NGOs procured over 1,000 tons of HEPS, while WFP procured about five times that amount.

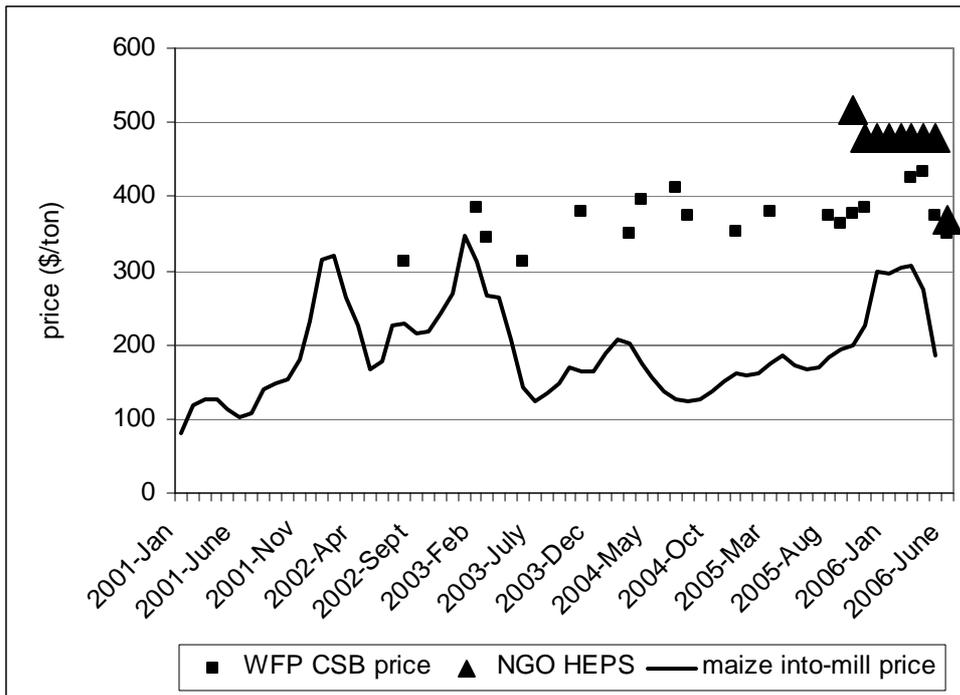
Given their greater emphasis on distribution, NGOs who do procure locally typically assign their intermittent procurement responsibilities either to logistics or office procurement staff. For most, this represents a part-time job, spliced onto other mainstream activities. Some NGOs have begun consolidating these functions. Under the USAID Consortium for Southern Africa Food Emergency (CSAFE) program, for example, World Vision handles commodity logistics (primarily internal distribution) for the other consortium members, CARE and CRS, who in turn take leadership in other facets of program management.

Though the volumes procured locally are small, most NGOs follow broadly similar procurement policies. For all the smallest procurements, procedures require a tender with a minimum of three bids. After a local review, headquarters must review the recommended bids to ensure that pricing is not excessive. With HEPS, the NGOs, like WFP, require testing of all contracts to ensure product compliance with tender specifications. As with WFP, time required ranges from 4 to 6 weeks for local purchases.

Because of limited experience with local procurement by NGOs, price comparisons remain few in number. Nonetheless, the limited available evidence from 2005 and 2006 suggests that NGOs paid higher prices than WFP (Figure 7 on the following page). Depending on the time of year, the NGOs paid prices ranging from 5% to 35% higher than WFP. These higher prices result, at least in part, because of the generally lower quantities procured by NGOs, the intermittent timing of their purchases, and the absence of regional procurement offices such as those used by WFP as a bargaining tool for keeping local prices low.

Subjective assessments from the private sector typically rate WFP procurement as more business-like than that undertaken by the NGOs. The private businesses and traders interviewed generally expressed concerns about the efficacy of NGO procurement operations, while at the same time acknowledging what they considered to be the more commercially professional performance of the WFP procurement system.

**Figure 7. Procurement Prices for High Energy Protein Supplements (HEPS)**



Source: Table 8.

## 4. CONCLUSIONS

### 4.1. Potential Gains

WFP's experience suggests that local procurement can yield several potentially significant gains to USAID when compared with the alternative of shipping commodities from the U.S.A. On average, maize procured locally or regionally costs 30% to 50% less than white maize imported from the U.S.A., depending on the year (Table 7 on p. 10).

And delivery times, roughly six weeks for local procurement and eight to twelve weeks for regional purchase, are far shorter than the 4 to 5 month delivery times required for product delivery from the U.S. Thus, local and regional procurement offers significant gains through cost reduction and improved timeliness.

In addition, local and regional purchases play a potentially significant role in maintaining farmer production incentives during surplus years, by increasing market demand. Regional procurement helps to expand regional maize markets and serves to demonstrate Zambia's prospects as a regional maize supplier. Given government reluctance to release maize surpluses, even in a good harvest year, and given government's general mistrust of private traders' motives, donor regional procurement programs can play an important honest broker's role in helping to encourage the expansion of regional maize trade.

*Given these considerable cost savings coupled with the potential stimulus to local production and regional trade, we recommend that USAID consider moving gradually to a food aid delivery system that relies on local and regional procurement.*

### 4.2. Potential Costs

From a management point of view, local and regional procurement would require significant investment in new administrative capacity and procurement procedures. It would require the recruitment of full-time staff specialized in commodity procurement as well as investment in market monitoring capacity at the local, regional, and international level.

To be cost-effective, local procurement requires a capacity to procure regionally, in order to keep competition strong and prevent collusion by local traders. Both WFP staff and traders have emphasized how the threat of regional procurement has helped to keep actual local procurement prices low. Therefore, a local procurement program in Zambia would require parallel establishment of a regional procurement operation in Johannesburg.

### 4.3. Management Options

#### 4.3.1. Who Should Handle Procurement?

To achieve these gains, USAID could follow one of three possible local procurement models.

Option 1. The WFP model. USAID could establish a local logistics unit to procure by tender, in essentially the same way as WFP currently does. Alternatively, they could simply contract with the existing WFP logistics unit to provide this service.

Option 2. NGO procurement. The larger NGO's such as CARE International, Save the Children, and World Vision all have some small scale experience with local procurement; USAID could simply scale up procurement volumes through these existing logistics groups.

Option 3. Vouchers. A minimalist option would be to distribute cash or vouchers to vulnerable households and let them procure maize or other acceptable commodities through normal private sector supply channels. This would involve local procurement by private sector traders from farmers and subsequent delivery through the existing private sector distribution system (Figure 2 on p. 5).

*In initial phases of local procurement, we recommend that that USAID contract with WFP to handle local food aid procurement through the existing WFP procurement system. They have the longest experience and the deepest staffing, with procurement staff operating both in Johannesburg and in Lusaka. They have invested over many years in developing the procedures, information systems and business relationships necessary for working successfully in a difficult market environment. Available evidence suggests that they purchase at lower cost than the NGO offices. If USAID preferred to keep procurement activities in-house, it might be possible to depute USAID staff to WFP for several years to learn their local and regional procurement procedures. At a later stage, the decision could be made on whether or not to retain consolidated or separate procurement operations.*

*Over the medium run, we would encourage USAID to investigate Option 3, that of delivering purchasing power (vouchers or cash) to vulnerable households and then letting the private sector handle food delivery through their normal channels. Oxfam's recent experiences with cash transfers offer some valuable lessons and merit detailed review. These cash or voucher delivery programs will undoubtedly work better in some regions and for certain categories of vulnerable groups than for others. Therefore, efforts in this direction would need to be based on a careful review of available experience and evidence.*

#### 4.3.2. When to Procure

Timing of procurement clearly matters. One major lesson emerging from this review is that, where funding is available early in the season, food aid agencies could ensure significant commodity cost savings. To the extent that USAID can predict needs well in advance, they can procure commodities in June, July and August when local and regional prices are lowest. Through forward contracting on the South African Futures Exchange (SAFEX) or purchase of warehouse receipts locally, savings would normally be on the order of \$40 per ton, increasing savings over U.S. import even more.

#### 4.4. The Bottom Line

In sum, we believe that local or regional procurement of food aid offers significant savings, both in reducing commodity costs and speeding delivery times. We recommend that USAID consider LRP, initially through the existing WFP procurement system while at the same reviewing more carefully the feasibility of voucher or cash transfer programs to beneficiaries.

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Mwanaumo, Anthony, T.S Jayne, Ballard Zulu, Julius Shawa, Green Mbozi, Steven Haggblade, and Misheck Nyembe. 2005. *Zambia's 2005 Maize Import and Marketing Experiences: Lessons and Implications*, Policy Synthesis No. 11. Lusaka, Zambia: Michigan State University. [www.aec.msu.edu/agecon/fs2/zambia/index.htm](http://www.aec.msu.edu/agecon/fs2/zambia/index.htm)

Haggblade, Steven. 2006. *Maize Price Projections for the 2006/7 Marketing Season*. Food Security Research Project Policy Brief No. 13. Lusaka, Zambia: Michigan State University. <http://www.aec.msu.edu/agecon/fs2/zambia/index.htm>

Wall Street Journal. 2005. October 26.

## **ANNEX A. LIST OF PERSONS INTERVIEWED**

### Private Sector Suppliers

Mohamed Salim Dawoodjee, High Protein Foods  
Chris Hawke, CHC Commodities and Zambia Agricultural Marketing Corporation  
George Liacopoulos, Zdenakie Ltd  
Al Noor Manji, Quality Commodities  
Ross McLeod, Amagrain Ltd  
John Samaras, Olympic Milling  
A.Q. Zafar, Quality Commodities

### Local NGOs

Teddy Kabunda and Douglas Mwasi, CARE International  
David Banda, Sushantra Biswas and John Service, CRS  
Manuel Januario and Danny Chiwele, World Vision

### USAID

Carl Henn  
Jan Nijhoff  
Dann Griffiths

### World Food Programme

Simon Dradri  
Mary Ellen McGroarty  
David Stevenson

## **ANNEX B. SUPPLEMENTARY TABLES**

**Annex Table B.1. WFP Procurement Operations in Sub-Saharan Africa, 2001-2005**

Purchase Country	Purchase values over all commodities ('000 USD)					
	2001	2002	2003	2004	2005	total
South Africa	11,700	51,123	51,500	17,723	56,863	188,910
Ethiopia	12,754	14,179	16,740	24,356	42,126	110,155
Uganda	7,921	9,007	25,580	26,518	39,331	108,357
Tanzania	7,524	9,902	12,555	9,460	22,129	61,570
Zambia	4,216	3,809	11,499	17,736	13,584	50,844
Sudan	5,103	2,895	5,873	20,765	7,434	42,069
Kenya	4,000	10,243	7,077	12,660	4,248	38,228
Malawi	3,589	2,155	4,468	5,579	9,826	25,618
Lesotho	353	1,879	1,140	8,154	3,498	15,025
Mozambique	2,335	3,163	3,152	3,848	2,249	14,746
Niger	4,019	2,545	1,102	3,702	216	11,584
Burkina Faso	973	1,577	2,699	4,441	1,772	11,463
Mali	1,129	1,685	532	2,988	3,234	9,568
Cameroon	1,503	1,831	2,040	3,410	558	9,341
Senegal	476	1,111	1,203	2,895	2,556	8,241
Cote-d'Ivoire	0	994	1,631	3,237	1,116	6,978
Zimbabwe	6	59	2,511	2,836	1,482	6,895
Rwanda	215	585	1,089	918	2,766	5,573
Nigeria	0	0	0	882	4,427	5,309
Congo-D.R.(Kin)	176	92	816	257	2,916	4,257
Angola	1,677	853	598	89	106	3,322
Chad	955	493	963	869		3,279
Namibia	265	29	168	1,034	410	1,907
Benin	150	38	653	0	362	1,203
Swaziland	0	0	0	555	583	1,138
Ghana	30	107	68	303	519	1,027
Congo (Braz)	0	0	0	670		670
Burundi	0	0	0	413		413
Botswana	0	386	0	0		386
Central African Republic	0	1	19	202	98	319
Egypt	264	0	0	0		264
Gambia	70	0	0	52		121
Eritrea	80	0	0	0		80
Mauritania	5	2	2	0		9
Somalia	0	0	0	4		4

Source: WFP.

**Table B.2. Commodities Procured by WFP in Southern Africa, 2001-2005**

Purchase Country	Product	Purchase values ('000 USD)						Product Share
		2001	2002	2003	2004	2005	2001-05	
South Africa	MAIZE	5,747	41,268	38,860	9,840	44,143	139,858	0.74
South Africa	CORN-SOYA BLD (CSB)	2,345	4,888	9,851	3,503	8,249	28,836	0.15
South Africa	MAIZE MEAL	2,208	2,159	2,568	4,116	4,455	15,506	0.08
South Africa	LIKUNI PHALA	780	1,733	0	0	0	2,513	0.01
South Africa	BEANS	381	520	0	0	0	901	0
South Africa	VEGETABLE OIL	80	270	149	240	6	745	0
South Africa	SUGAR	28	117	70	24	9	248	0
South Africa	IODISED SALT	131	56	2	0	0	189	0
South Africa	NUTS	0	98	0	0	0	98	0
South Africa	YELLOW SPLIT PEAS	0	12	0	0	0	12	0
Tanzania	MAIZE	5,606	7,818	9,396	7,741	17,073	47,634	0.77
Tanzania	BEANS	1,789	1,352	2,467	1,333	2,278	9,219	0.15
Tanzania	MAIZE MEAL	0	438	472	255	2,558	3,723	0.06
Tanzania	IODISED SALT	129	184	140	132	80	665	0.01
Tanzania	SORGHUM / MILLET	0	68	80	0	0	148	0
Tanzania	PEAS	0	0	0	0	139	139	0
Tanzania	SUGAR	0	41	0	0	0	41	0
Zambia	MAIZE	2,264	0	9,104	14,026	9,360	34,754	0.68
Zambia	MAIZE MEAL	1,010	871	175	1,973	1,356	5,385	0.11
Zambia	HIGH ENERGY SUPPLEMENTS	863	1,218	289	644	2,018	5,032	0.1
Zambia	CORN-SOYA BLD (CSB)	0	165	1,932	1,032	599	3,728	0.07
Zambia	LIKUNI PHALA	75	1,556	0	0	0	1,631	0.03
Zambia	BEANS	0	0	0	0	111	111	0
Zambia	SUGAR	4	0	0	61	45	110	0
Zambia	PEAS	0	0	0	0	96	96	0
Malawi	CORN-SOYA BLD (CSB)	0	0	1,970	2,931	3,290	8,191	0.32
Malawi	MAIZE	1,837	495	1,833	208	3,287	7,660	0.3
Malawi	PEAS	0	765	290	1,218	2,377	4,650	0.18
Malawi	LIKUNI PHALA	552	591	0	0	630	1,773	0.07
Malawi	MAIZE MEAL	646	0	262	559	214	1,681	0.07
Malawi	BEANS	509	304	0	657	0	1,470	0.06
Malawi	SUGAR	45	0	112	7	28	192	0.01
Mozambique	MAIZE	2,158	2,396	2,482	3,812	1,553	12,401	0.84
Mozambique	SUGAR	0	193	223	26	159	601	0.04
Mozambique	MAIZE MEAL	0	536	0	0	0	536	0.04
Mozambique	PEAS	0	0	391	0	122	513	0.03
Mozambique	VEGETABLE OIL	0	0	0	0	404	404	0.03
Mozambique	BEANS	177	38	0	0	0	215	0.01
Mozambique	RICE	0	0	54	0	0	54	0
Mozambique	IODISED SALT	0	0	1	10	11	22	0

Source: WFP

**Table B.3. Destination of Food AID Procured by WFP in RSA, total over 2001-2005**

Purchase Country	Recipient Country	Value ('000 USD)	Recipient Country Share
South Africa	Zimbabwe	84,547	0.45
South Africa	Zambia	19,956	0.11
South Africa	Mozambique	16,646	0.09
South Africa	Angola	12,644	0.07
South Africa	Tanzania	10,210	0.05
South Africa	Malawi	9,141	0.05
South Africa	Sudan	5,572	0.03
South Africa	Congo-D.R.(Kin)	5,343	0.03
South Africa	Lesotho	4,794	0.03
South Africa	Namibia	2,918	0.02
South Africa	Swaziland	2,894	0.02
South Africa	Kenya	2,346	0.01
South Africa	Ethiopia	1,780	0.01
South Africa	Eritrea	1,563	0.01
South Africa	Somalia	1,554	0.01
South Africa	Mali	1,465	0.01
South Africa	Chad	1,353	0.01
South Africa	Swaziland - OP	683	0.00
South Africa	Cameroon	510	0.00
South Africa	Cote-d'Ivoire	485	0.00
South Africa	São Tomé & Prin	393	0.00
South Africa	Benin	382	0.00
South Africa	Ghana	371	0.00
South Africa	Guinea-Bissau	280	0.00
South Africa	Sierra Leone	272	0.00
South Africa	Central African Republic	259	0.00
South Africa	Burundi	224	0.00
South Africa	Burkina Faso	158	0.00
South Africa	Cape Verde	135	0.00
South Africa	Guinea	29	0.00
South Africa	Congo (Braz)	4	0.00

Source: WFP

**Table B.4. Destination of Africa-Procured WFP Food Aid from non-RSA Suppliers, 2001-2005**

Purchase Country	Recipient Country	Value ('000 USD)	Recipient Country Share
Ethiopia	Ethiopia	101,434	0.92
Ethiopia	Sudan	1,893	0.02
Ethiopia	Tanzania	1,819	0.02
Ethiopia	Zimbabwe	1,591	0.01
Ethiopia	Burundi	693	0.01
Ethiopia	Kenya	626	0.01
Ethiopia	Rwanda	529	0.00
Ethiopia	Angola	391	0.00
Ethiopia	Zambia	292	0.00
Ethiopia	Congo-D.R.(Kin)	278	0.00
Ethiopia	Sierra Leone	160	0.00
Ethiopia	Mozambique	119	0.00
Ethiopia	Chad	115	0.00
Ethiopia	Namibia	81	0.00
Ethiopia	Senegal	53	0.00
Ethiopia	Malawi	42	0.00
Ethiopia	Swaziland	40	0.00
Uganda	Uganda	70,862	0.65
Uganda	Burundi	16,024	0.15
Uganda	Congo-D.R.(Kin)	11,423	0.11
Uganda	Rwanda	8,056	0.07
Uganda	Tanzania	1,353	0.01
Uganda	Somalia	604	0.01
Uganda	Kenya	34	0.00
Tanzania	Tanzania	34,078	0.55
Tanzania	Burundi	8,714	0.14
Tanzania	Zambia	8,120	0.13
Tanzania	Rwanda	3,134	0.05
Tanzania	Malawi	3,075	0.05
Tanzania	Congo-D.R.(Kin)	2,603	0.04
Tanzania	Uganda	1,716	0.03
Tanzania	Mozambique	129	0.00
Zambia	Zambia	32,835	0.65
Zambia	Zimbabwe	11,367	0.22
Zambia	Malawi	3,306	0.07
Zambia	Tanzania	1,533	0.03
Zambia	Congo-D.R.(Kin)	1,405	0.03
Zambia	Angola	373	0.01
Zambia	Namibia	26	0.00
Sudan	Sudan	42,069	1.00
Kenya	Kenya	29,139	0.76
Kenya	Somalia	2,542	0.07
Kenya	Sudan	2,467	0.06
Kenya	Burundi	1,312	0.03
Kenya	Uganda	666	0.02
Kenya	Congo-D.R.(Kin)	615	0.02
Kenya	Zimbabwe	520	0.01
Kenya	Malawi	459	0.01
Kenya	Rwanda	336	0.01
Kenya	Mozambique	172	0.00
Malawi	Malawi	18,958	0.74
Malawi	Zimbabwe	1,861	0.07
Malawi	Burundi	1,721	0.07
Malawi	Zambia	1,156	0.05
Malawi	Mozambique	1,073	0.04
Malawi	Rwanda	364	0.01
Malawi	Swaziland	279	0.01
Malawi	Congo-D.R.(Kin)	205	0.01
Lesotho	Lesotho	15,025	1.00
Mozambique	Mozambique	11,926	0.81
Mozambique	Malawi	2,820	0.19

Source: WFP

**Table B.5. World Food Programme Monthly Purchases in Zambia, 2001-2005**

year	month	maize			maize meal			total maize plus maize meal		
		quantity	value	price	quantity	value	price	quantity	value	price
2001	1	1,744	190,096	109	0	0	0	1,744	190,096	109
2001	2	725	88,813	123	915	120,438	132	1,640	209,251	128
2001	3	2,081	278,854	134	316	65,096	206	2,397	343,950	143
2001	4	0	0	0	565	98,988	175	565	98,988	175
2001	5	3,165	400,917	127	1,774	277,373	156	4,939	678,290	137
2001	6	0	0	0	1,090	129,745	119	1,090	129,745	119
2001	7	2,000	248,000	124	0	0	0	2,000	248,000	124
2001	8	980	188,160	192	0	0	0	980	188,160	192
2001	9	2,528	443,417	175	1,488	317,922	214	4,016	761,339	190
2001	10	0	0	0	0	0	0	0	0	0
2001	11	2,028	425,880	210	0	0	0	2,028	425,880	210
2001	12	0	0	0	0	0	0	0	0	0
2002	1	0	0	0	0	0	0	0	0	0
2002	2	0	0	0	0	0	0	0	0	0
2002	3	0	0	0	0	0	0	0	0	0
2002	4	0	0	0	0	0	0	0	0	0
2002	5	0	0	0	1,345	306,300	228	1,345	306,300	228
2002	6	0	0	0	0	0	0	0	0	0
2002	7	0	0	0	0	0	0	0	0	0
2002	8	0	0	0	1,200	302,400	252	1,200	302,400	252
2002	9	0	0	0	0	0	0	0	0	0
2002	10	0	0	0	0	0	0	0	0	0
2002	11	0	0	0	1,000	262,000	262	1,000	262,000	262
2002	12	0	0	0	0	0	0	0	0	0
2003	1	0	0	0	0	0	0	0	0	0
2003	2	0	0	0	0	0	0	0	0	0
2003	3	0	0	0	0	0	0	0	0	0
2003	4	7,963	1,476,185	185	0	0	0	7,963	1,476,185	185
2003	5	0	0	0	1,510	175,160	116	1,510	175,160	116
2003	6	6,181	984,881	159	0	0	0	6,181	984,881	159
2003	7	0	0	0	0	0	0	0	0	0
2003	8	0	0	0	0	0	0	0	0	0
2003	9	4,182	585,480	140	0	0	0	4,182	585,480	140
2003	10	1,500	217,200	145	0	0	0	1,500	217,200	145
2003	11	14,784	2,438,926	165	0	0	0	14,784	2,438,926	165
2003	12	19,668	3,400,983	173	0	0	0	19,668	3,400,983	173
2004	1	14,593	2,935,918	201	5,000	1,193,725	239	19,593	4,129,643	211
2004	2	16,918	3,677,413	217	0	0	0	16,918	3,677,413	217
2004	3	11,334	2,057,625	182	0	0	0	11,334	2,057,625	182
2004	4	0	0	0	0	0	0	0	0	0
2004	5	8,307	1,894,956	228	2,134	520,841	244	10,441	2,415,797	231
2004	6	0	0	0	0	0	0	0	0	0
2004	7	2,160	341,280	158	900	145,800	162	3,060	487,080	159
2004	8	283	50,940	180	83	30,005	362	366	80,945	221
2004	9	3,687	553,249	150	414	62,100	150	4,101	615,349	150
2004	10	3,678	562,676	153	0	0	0	3,678	562,676	153
2004	11	0	0	0	96	20,928	218	96	20,928	218
2004	12	10,741	1,951,700	182	0	0	0	10,741	1,951,700	182
2005	1	0	0	0	0	0	0	0	0	0
2005	2	7,219	1,289,958	179	3,850	975,825	253	11,069	2,265,783	205
2005	3	0	0	0	0	0	0	0	0	0
2005	4	870	228,258	262	0	0	0	870	228,258	262
2005	5	3,770	695,058	184	130	25,805	199	3,900	720,863	185
2005	6	2,484	480,759	194	0	0	0	2,484	480,759	194
2005	7	2,713	527,679	195	0	0	0	2,713	527,679	195
2005	8	2,140	435,731	204	0	0	0	2,140	435,731	204
2005	9	14,378	2,875,600	200	1,140	245,100	215	15,518	3,120,700	201
2005	10	9,850	2,647,590	269	0	0	0	9,850	2,647,590	269
2005	11	653	179,202	274	413	109,239	265	1,066	288,440	271
2005	12	0	0	0	0	0	0	0	0	0