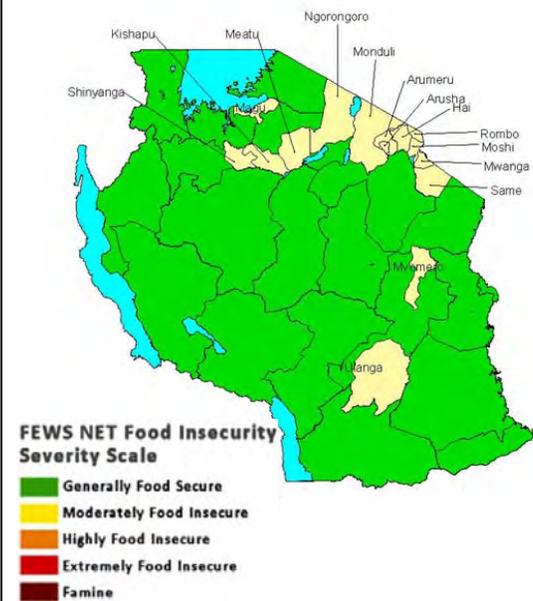


Tanzania: Food Security Outlook

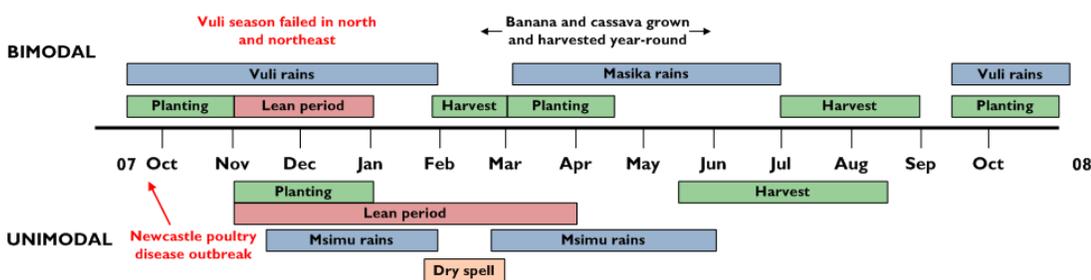
April - September 2008

- The food security situation has improved for most households in rural areas following good *msimu* rains in unimodal areas and ongoing *masika* rains in bimodal areas. These rains have benefited many livelihood groups, increased casual labor opportunities in rural areas, and improved the availability of non-cereal commodities and green maize supplies in both urban and rural markets. However, these benefits will not translate into substantial declines in food prices due high transportation costs resulting from elevated fuel prices.
- Failure of the 2008 *vuli* (October-January) crop in areas of the north and northeast, increasing fuel and transportation costs, and the outflow of cereals to neighboring countries, at a time when stocks from the previous harvest are running low, has caused food supplies to decline and prices to rise. In order to stabilize cereal availability and prices, the Government of Tanzania imposed a cereal export ban early in 2008, released 20,000 MT of cereals from the SGR for commercial sales and 4,288 MT for selling at subsidized prices, and allowed for 300,000 MT of duty free cereal imports.
- In the most likely scenario, the favorable rain forecast will hold, fuel prices will stabilize, and the food security of rural households, in both unimodal and bimodal areas will continue to improve following improved production of both cash and food crops.
- In the worst case scenario, the *masika* rains will end early in northern, north eastern and coastal areas. Insufficient rain will prevent crops from reaching maturity and increase food insecurity in the northern and northeastern areas that experienced *vuli* failure. The worst case scenario would also be characterized by large numbers of *Quelea-quelea* birds and rodents (which damage crops), and an outbreak of Newcastle disease, both of which occurred last year and would decrease crop production prospects and reduce food supplies.

Figure 1. Current food security conditions



Seasonal Timeline



Current Food Security Situation

In the north and northeast, failure of the 2008 *vuli* (October-January) crop, floods, increasing fuel and transportation costs, and the outflow of cereals to neighboring countries at a time when stocks from the previous harvest are running low have caused food supplies to decline and prices to rise. This has led to localized food insecurity in 17 districts (Arusha(R), Ngorongoro, Monduli, Longido, Meru, Same, Mwanza, Rombo, Hai, Moshi(R), Siha, Ulanga, Morogoro, Magu, Meatu, Kishapu, Shinyanga(R)) affecting 184,769 people. In response, the Government of Tanzania (GoT) is expected to release 20,000MT from the strategic grain reserve to private traders for commercial sale and 4,288 MT for sale at subsidized prices. In order to further stabilize cereal availability and prices, the GoT has implemented a cereal export ban (January 2008), and allowed traders to import 300,000 MT of duty free maize between January and April 2008.

Despite these localized issues, the rural food security situation is generally improving due to the increased availability of non-cereal commodities (bananas, cassava, potatoes, and pulses) and green maize following good rains in unimodal areas. In bimodal areas, normal *masika* rains continue, providing adequate moisture for plant growth. Crop production in these areas is at various stages. Maize is currently between the late vegetative and tasseling phases, and weeding and planting activities are taking place for potatoes and short maturing pulses. This has facilitated an increase in casual agricultural labor opportunities for rural households, improving income and access to food and non-food items. Increased availability of non cereals and green maize has also improved the food security of households who rely on market purchases by pushing food prices down. The continuing rains have also improved production prospects for cash crops (coffee, cashews, cotton, sunflower, sesame, tea, tobacco, cocoa and pyrethrum) in both unimodal and bimodal areas. A good cash crop harvest will improve the income of farmers across the country and allow them to sell a smaller proportion of their food crop.

Adequate rains have improved pasture, browse and water availability for livestock as well, enhancing animal body conditions and productivity. Calving rates and milk production have increased, raising the incomes of pastoralist, agro-pastoral and other households whose livelihoods are dependent on livestock (e.g., traders, milk vendors, and meat processors). An additional benefit of improved pasture and water availability is that pastoralist households can keep their livestock close by, allowing household members to benefit from increased milk consumption and income from milk sales.

Finally, improved pasture in rangelands and increased water levels in lakes, rivers and ponds due to the rains have improved prospects for inland fishing activities and increased the availability of wildlife and honey. Increased fish catches will improve income and access to high quality protein for households around Lake Victoria, the Tanganyika, Nyasa, Mtera and Nyumba ya Mungu Dams, along the Kagera, Ruvuma, Pangani, Ruvu, Rufiji and Ruaha rivers and in numerous ponds across the country. However, inflated prices will continue to limit access to fish by non-fishing poor households. The increase in wildlife populations will improve food security for hunter-gatherers in the Manyara region and good prospects for honey production are likely to increase labor opportunities and incomes for households involved in the honey industry in Tabora, Manyara, Singida, Dodoma and Coast regions.

Urban markets are expected to continue receiving supplies from the ongoing harvest in surplus producing areas. However, increased supplies in urban markets will not translate into substantial price decreases due to high transportation costs resulting from elevated fuel prices. In addition, rising prices have not been accompanied by wage increases or new employment opportunities and thus, the purchasing power of poor urban households has declined. This situation exists in all urban areas, but is particularly serious in areas of Dar es Salaam, Arusha, Mwanza, and Tanga where high unemployment

Figure 2: Most likely food security scenario (April- June)

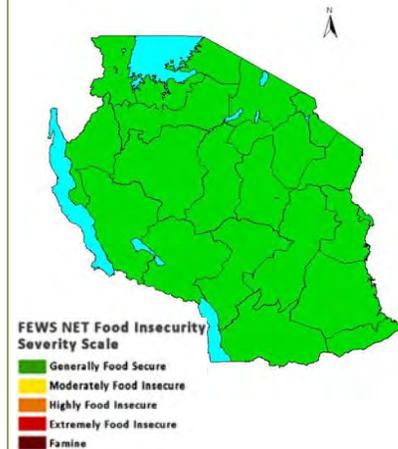
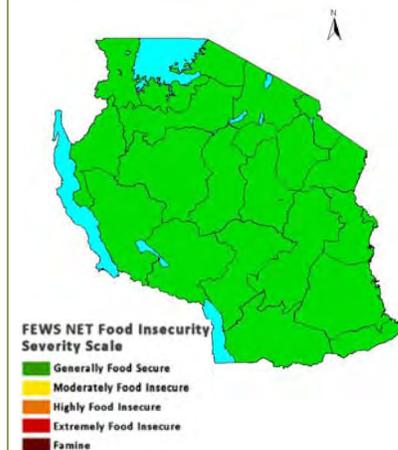


Figure 3: Most likely food security scenario (July-Sept)



and a scarcity of land for urban agriculture exist. High food prices will benefit farmer incomes in the short term, but could also lead to reduced food stocks later in the year if farmers decide to sell more than usual.

The recent Rural Vulnerability Assessment (RVA) identified a number of factors likely to influence and/or affect food security in vulnerable areas in the near future. These include: functioning of markets for livestock, food and cash crop prices, the timing of the *masika* rains and the overall performance of the season. Others issues include the magnitude of cross border food trade, availability of opportunities for casual labor and the control of rodents and *quelea quelea* birds. These factors should be monitored closely to allow early detection of food security condition deterioration.

Most-likely food security scenario (April-September)

In the most likely scenario, rains will end on time (May), facilitating the drying of produce. Adequate agricultural labor opportunities will be available for rural poor households, enabling them to earn income and access food. It is also anticipated that topdressing fertilizers for *masika* crops, cashew fungicide and horticultural pesticides will be available from private traders and through government subsidy by early April. Food (cereal, non cereal, livestock products) supplies will improve and stabilize in rural areas through September as the harvest progresses. Following improved pasture, browse, and water availability, livestock conditions will strengthen, manifested by increased calving rates, favorable terms of trade for pastoralists, increased milk availability and reduced malnutrition. Food prices are expected to decrease in rural areas and ease pressure on market dependent households. In urban markets there will be increased supplies from ongoing harvests but these will not translate into substantial price decreases due to high transportation costs resulting from elevated fuel prices.

March to May constitutes an important rainfall season over the equatorial parts of the Greater Horn of Africa (GHA) sub-region. According to Tanzania Meteorological Agency (TMA), these rains are expected to be normal to above normal over the eastern and southern parts of the Lake Victoria, while normal to below normal

rainfall is expected over the western parts of the Lake. In western areas, (Kigoma and Western parts of Tabora), the rains are expected to be mainly normal to below normal and the eastern parts of Tabora are expected to receive normal to above normal rainfall. The rains are expected to last through the end of April 2008 in all unimodal areas. In the central (Singida and Dodoma), southern, and southwestern areas (Rukwa, Mbeya, Iringa, South Morogoro and Ruvuma) the rains are expected to be mostly normal, with some areas receiving above normal precipitation. Rains in the southern coastal areas (Mtwara and Lindi regions) are expected to be normal to below normal rainfall. All rains are expected to finish towards the end of May in bimodal areas and the highland areas of unimodal areas. The expected normal rainfall in the unimodal areas will provide sufficient soil moisture to support pastures and crops, most of which are in vegetative to tasseling stages, and in good condition.

Worst-case food security scenario (April-September)

Due to a high level of dependence on rain-fed agriculture, rainfall performance in both the unimodal and bimodal areas is the primary determinant of food security for most livelihood zones. If rains in the unimodal and bimodal areas last beyond June, harvesting, drying and transportation of crops will be hampered and post harvest losses will increase. On the other hand, early cessation (before June) of the *masika* rains in northern, northeastern and coastal areas will limit crops from reaching maturity, decreasing production, reducing agriculture labor opportunities and limiting food access.

Table I: Scenario indicators and triggers

Most likely food security scenario

- Normal *Msimu* rains continue through end of season in unimodal areas.
- Normal *Masika* rains fall in bimodal areas until the end of the season.
- Fuel prices stabilize, but remain high.
- Pasture conditions remain stable

Worst case food security scenario

- Early cessation of rains or prolonged dry spells
- Uncontrolled *Quelea quelea* and rodent outbreaks
- Poultry are not vaccinated against Newcastle disease
- Excessive grain outflows through cross border trade
- Decline in cash crop prices due to decline world market price

In the most probable worst case scenario, the *masika* rains will end early in northern, north eastern and coastal areas. Insufficient rain will prevent crops from reaching maturity and increase food insecurity in the northern and northeastern areas that experienced *vuli* failure. This would be further compounded by *Quelea-quelea* birds in the Rift valley (a pest bird which travels in large flocks and can seriously damage crops), rodent infestations across the country, and outbreaks of Newcastle disease, all of which occurred last year. Outbreaks of Newcastle disease typically occur in September, lead to high levels of animal mortality (up to 90 percent) and contribute to lower poultry prices when news of outbreaks leads to massive animal sales. Therefore, if vaccination campaigns are not carried out in a timely manner, reductions in both pastoral food supplies and incomes will result.

Also in the worst case scenario, a decline world prices for traditional cash crops (tea, coffee, cotton, pyrethrum, cashew) will significantly reduce earnings for farmers in both in unimodal and bimodal areas, forcing them to sell a larger portion of their food crop harvest and eroding their purchasing power, thus limiting their ability to invest in inputs for next season.

The impact of early ending rains would be most severe in bimodal areas of the northeast. *Quelea-quelea* in the rift valley and rodents would most seriously affect paddy and sorghum production the Dodoma, Iringa, Mbeya and Manyara, and Singida regions, reducing incomes and food stocks.

Finally, high transportation costs, the current crop marketing structure and cross border trade outflows will keep food prices high in urban markets so that low income households access to food will continue to be limited. Excessive exports of food grains to neighboring countries (Kenya, Uganda, DRC, Burundi, Zambia, and others), in response to demand and price disparities with Tanzania will have the largest effect. Informal trade with Kenyan traders is particularly likely in the aftermath of post-election violence and a poor harvest.

Figure 4. Worst case food security scenario (April-June)

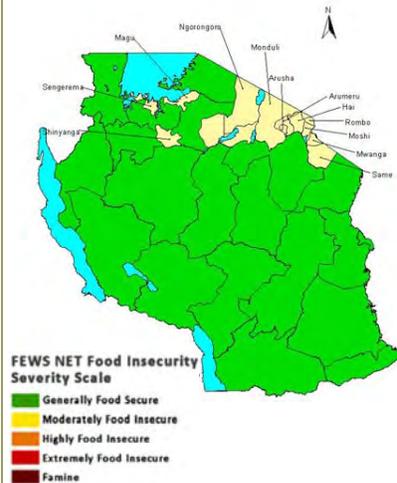


Figure 5. Worst case food security scenario (July-September)

