

## MALAWI Food Security Outlook Update

May 2011

### Food security continues to improve due to ongoing harvests

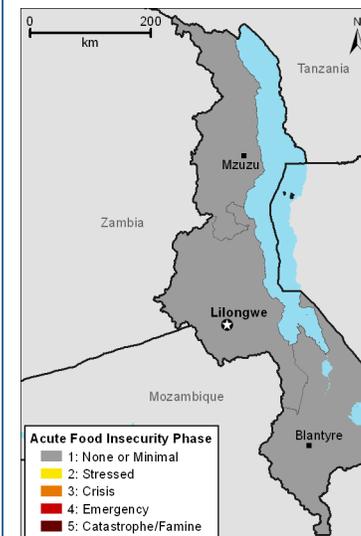
#### Key Messages

- Stable household food security is projected for almost all of the districts in Malawi as a result of most of the country's crops reaching maturity and being harvested. Those households that are unable to harvest due to dry spells will access agricultural labor opportunities from other households not affected by the dry spells. Labor-selling households will earn adequate incomes to purchase food that is readily available in the markets at reasonable prices.
- The food security situation in the northern region district of Karonga has improved. Most of the farmers whose cassava fields were inundated with flood waters have lost most of their cassava. The floods have boosted the residual moisture thereby supporting the planting of the second maize crop in the northern most part of Karonga which was flooded. The Malawi Vulnerability Assessment Committee (MVAC) assessment team that visited the area reports that there is no need to continue humanitarian food assistance in the flood-affected areas.
- Harvests and sales of most crops are well underway. Tobacco prices have been poor but legumes are fetching good prices in the markets. Maize sales are reported to have started at a very low price but the Grain Traders and Processors Association (GTPA) has promised to help with monitoring prices of private traders.
- The MVAC is conducting a livelihoods-based food security assessment in areas that have been identified by the Ministry of Agriculture and Food Security (MoAFS) as having experienced some production shortfalls due to prolonged dry spells. Most of these areas are in the southern part of the country. However, some parts that were affected by late seasonal floods in the north will also be included in the assessments. Results from the assessments will be released in June and will guide decision makers on the current food security situation and will provide recommendations on the best responses to address any identified food insecurity.

#### Updated food security outlook through September 2011

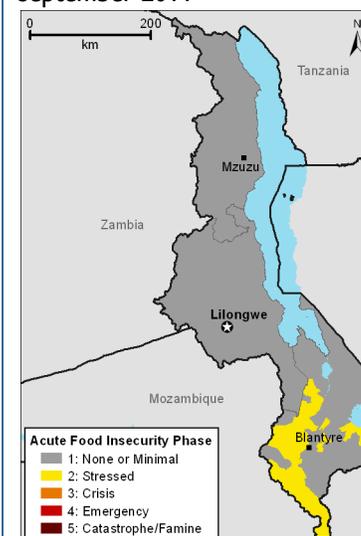
The national food security situation has improved due to the onset of harvests in April in almost all of the districts in the country. There is increased household food availability due to harvests of most staple grains like maize and millet, legumes like soybeans and common beans, and roots and tuber crops like cassava and sweet potatoes. The harvesting of these crops means that most households are able to rely on own food stocks at least through September, after which the lean season normally begins. Initial field observations by FEWS NET across the country show that most of the households in central and northern Malawi will harvest adequate food to last them

**Figure 1. Most likely food security outcomes, May-June 2011**



Source: FEWS NET

**Figure 2. Most likely food security outcomes, July-September 2011**



Source: FEWS NET

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

*This report provides an update to the April 2011 FEWS NET Food Security Outlook which estimated food security outcomes in Malawi through September 2011.*

until the start of the lean season when typical methods of supplementing seasonal household food shortfalls will be used including the sale of animals like chickens and goats at seasonal prices. Some households will seek opportunities to work for others and will be paid in food or with cash. There are no indications that food would be scarce in the markets and prices look as though they will behave normally. However, in the southern part of the country, about half of the districts will have some households (the total number is estimated to be below 20 percent of each of the affected district's population) that will experience food production deficits. Under normal circumstances, households in these areas should be able to cover all of their food needs using typical coping mechanisms like the sale of small livestock such as chickens and goats and doing agricultural and non-agricultural migratory labor (*ganyu*). Agricultural *ganyu* is widely available in May and June while harvesting is ongoing. *Ganyu* availability will remain a crucial income-earning opportunity in the months after June as household incomes will depend on it. *Ganyu* opportunities are expected to be available from August to December, however, there is the likelihood that there will be many poor people experiencing household-level food deficits who will be seeking limited *ganyu* opportunities and this may result in decreasing incomes from those activities. FEWS NET and other partners like the MVAC will monitor *ganyu* prices through the consumption year.

As the consumption season progresses, the southern districts of Nsanje, Chikhwawa, Phalombe, Zomba, and Balaka will have less than 10 percent of their population (mostly poor households) beginning to experience some borderline food insecurity levels. In these areas, poor households will begin to run out of own stocks and will be coping by engaging in *ganyu* at levels which are higher than normal as well as engaging in the sale of animals including breeding stock. Some poor household members in the Lower Shire livelihood zone will survive on harvesting water lilies (*nyika*) from the crocodile infested Shire River and some households will withdraw their children from school to help with seeking *ganyu* and harvesting *nyika*. For these areas, there will be Stressed (IPC Phase 2) food insecurity conditions experienced from July through September (Figure 2).

Sales of most crops from the current harvest have started, although sale prices are varied with some crops like maize and tobacco already fetching very low prices. Maize has been reported as selling at as low as MWK 15/kg (USD 0.10/kg) as compared to MWK 25/kg (USD 1.67/kg) set by the MoAFS as the farm gate price for maize in the 2011 marketing season. However some crops like soybeans, common beans, and cotton have been reported as fetching very good prices when compared to the farm gate price set by the MoAFS. For example, the recent MVAC assessment teams found that some cotton farmers were selling their cotton at as high as MWK 170/kg compared to the MoAFS minimum farm gate price of about MWK 70/kg. A similar trend has also been observed in soybean prices. The abnormally high prices are a sign of unmet demand for these commodities in the markets, especially the the export market. Good incomes will likely help households invest in some productive household assets, such as farming equipment and livestock, and will allow households to diversify food consumption.

The MVAC is currently conducting the 2011 national food security assessment in May. The results of the assessment will help key decision makers in Malawi to respond to the food security situation that will be projected after the assessment results are analyzed. The assessment is taking place in the areas in the south that were affected by prolonged dry spells resulting in reduced maize production as well as flood-affected areas in the north. The results of this assessment are expected towards the end of June and initial indications project a much better food security situation when compared to the last consumption season, which is consistent with the second round crop estimates from the MoAFS which projected a national maize surplus of about 1.3 million metric tons (MT) for the 2010/11 production season.

The food security situation in the northern district of Karonga has improved. Many of the farmers whose cassava fields were inundated with flood waters (about 5,599 households or about 30,000 people) lost their cassava. However, for most of the households in the district the floods have boosted the residual moisture thereby supporting the planting of a second maize crop in the northern most part of Karonga. It is likely that the MVAC assessment team that visited the area will not identify significant food insecurity needs which would require the continuation of humanitarian food assistance in the flood affected areas.

In April, the MoAFS Agricultural Market Information Monitoring System (AMIS) found that the national average retail price for maize had fallen by 15.3 percent from MWK 33.03/kg to MWK 28.65/kg. Newly harvested maize is now flooding the local markets in addition to stocks from last season. Official national grain storage stocks for commercial and humanitarian purposes largely remain untapped due to lower prices in local markets. Local traders have maintained adequate supplies of maize in local markets across the country. An over-supply of maize due to current harvests are coming at a time when

previous season stocks are also in abundance and together they have started a downward push on maize prices which has resulted in price decreases of over 10 percent in April when compared to March prices. As well and as is seasonal, there is also less demand on maize markets as more households generally consume food from their own production in the first and second quarters of the year. Out of the 534,000 MT of maize surplus, less than 100,000 MT of exports were captured for the entire last year. With the projected maize surplus of 1.3 million MT for the current harvests, prices should remain low and may even be lower than the consumption season which just ended.

At the sub-national level, price decreases have also been recorded. In northern Malawi, markets experienced an average of a 16.64 percent decrease in maize retail prices. A 6.35 percent increase in rice retail prices and a 7.49 percent decrease in cassava retail prices were also recorded. In central Malawi, markets experienced an average of 4.27 percent decrease in maize prices with a 2.46 percent increase in rice prices and a 7.96 percent increase in cassava prices. In southern Malawi, markets experienced an average of a 20.41 percent decrease in maize retail prices, a 2.76 percent increase in rice retail prices, and a 21.52 increase in cassava retail prices. Maize retail price decreases are expected up to June and July. Slight upward prices may start being experienced between August and September but these would still be lower than the MWK 40/kg that ADMARC is using for selling maize in all of its markets.

The April second round crop estimates for the 2010/11 season from the MoAFS have shown a decrease of about two percent in total production when compared to the first round estimates of 3,942,409 MT maize equivalents. This figure still presents Malawi with a 12.5 percent increase over the 2009/10 production.

### Seasonal calendar and critical events timeline

