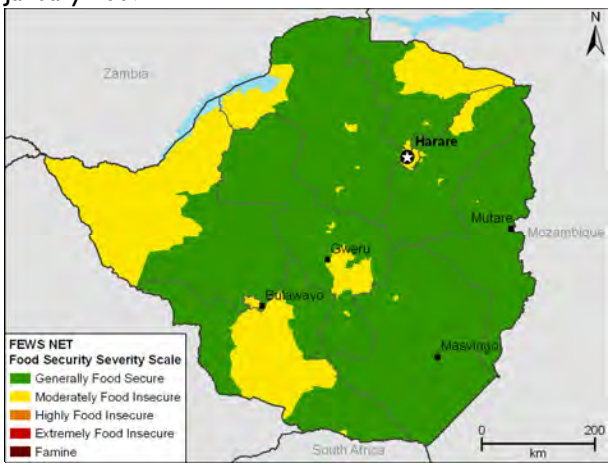
# ZIMBABWE Food Security Outlook January - June 2010

- As is normally the case, food security conditions in December and January deteriorated compared to previous months, as the peak hunger season advanced. A greater part of the country is estimated to be moderately food insecure and larger populations are dependent on food assistance (Figure 1).

- The number of food insecure people in both rural and urban areas was estimated at 1.74 million between October and December 2009, 66 percent of them in the rural areas. This is projected to rise to 2.17 million between January and March 2010, as cereal stocks among farming households bottom out, and household incomes remain low.

- The revised target rural food aid beneficiaries for WFP and C-Safe programs match the projected food insecure rural population by the ZimVac October 2009 rural livelihoods assessment. It is worrying, however, that WFP anticipates a pipeline break in cereals in February 2010 and Corn Soya Blend porridge in April 2010. The total shortfalls between January and June 2010 are estimated to total 20,500 MT.

**Figure 1.** Current estimated food security conditions, January 2009

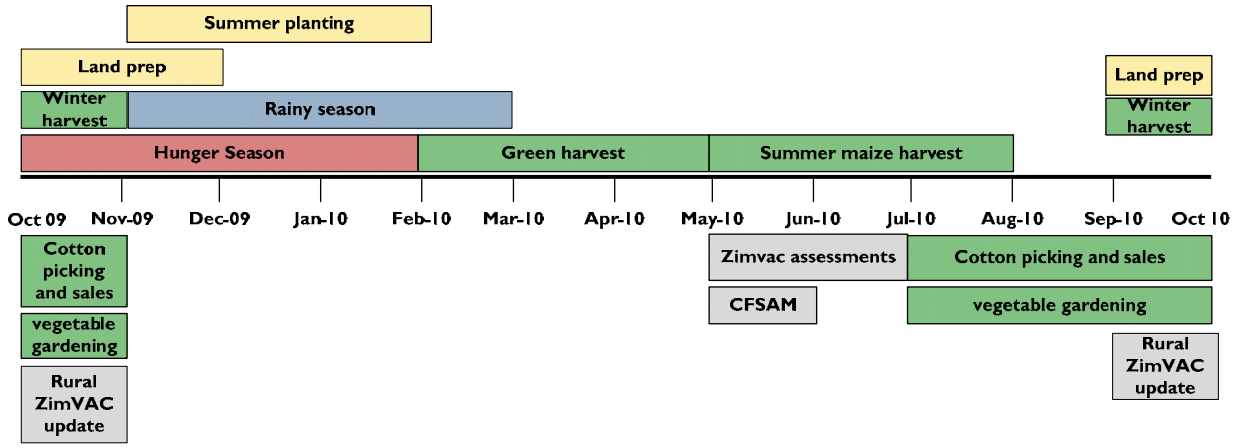



See www.fews.net/FoodInsecurityScale for more information on the FEWS NET food insecurity severity scale.

Source: *FEWS NET*

- While most of the country received normal to above-normal rainfall in the first half of the 2009/10 summer season, rainfall amounts reduced and become more erratic and scattered from mid-December to mid-January in most parts of the country. The southern half has suffered most from the prolonged dry spell, which is poised to turn into a mid-season drought there. Consequently, the cropping season's prospects, which were better than last season's because of better access to inputs, have been dampened significantly. Rainfall developments in the last dekad of January and the first dekad for February will be crucial for crops throughout the country.

## Seasonal calendar and critical events




Source: *FEWS NET*

FEWS NET Zimbabwe
Tel: +263 474 4894
zimbabwe@fews.net

FEWS NET Washington
1717 H St NW
Washington DC 20006
info@fews.net

*FEWS NET is a USAID-funded activity. The views expressed in this publication do not necessarily reflect the view of the United States Agency for International Development or the United States Government.*

## Current food security conditions

### National cereal availability

A national staple cereal deficit ranging from 109,950 MT to 298,950 MT was estimated as of December 31, 2009 for the 2009/10 consumption year (Table 1). Commercial imports remain significantly lower than those at the same time last year. If the prevailing liberalized staple grain market conditions continue to the end of the consumption year and economic recovery gains momentum, it is highly likely that the estimated national gap can be closed mainly by commercial imports. The 50,000MT average rate of cereal imports achieved by both food aid agencies and commercial players in the second half of 2009 is adequate to cover the estimated cereal deficit. Hence, the estimated cereal gap is not worrying.

**Table 1.** Cereal (maize, sorghum, and millet) balance sheet, April 2009/March 2010 (as of 31 Dec 2009)

| | DESCRIPTION | CFSAM | MOA |
|---|---|---|---|
| A | **Human requirements** | 1,540,000 | 1,850,000 |
| B | **Livestock and other uses** | 331,000 | 350,000 |
| C | **Total Annual Requirements (A+B)** | **1,871,000** | **2,200,000** |
| D | **Opening stocks** | 35,500 | 35,500 |
| E | **Production** | 1,370,000 | 1,510,000 |
| F | **Commercial imports (SAGIS)** | 199,341 | 199,341 |
| G | **Food aid imports** | 98,209 | 98,209 |
| H | **Informal imports (CFSAM estimate)** | 58,000 | 58,000 |
| I | **Total Available Cereals (D+E+F+G+H)** | **1,761,050** | **1,901,050** |
| J | **Deficit(C-I)** | **-109,950** | **-298.950** |

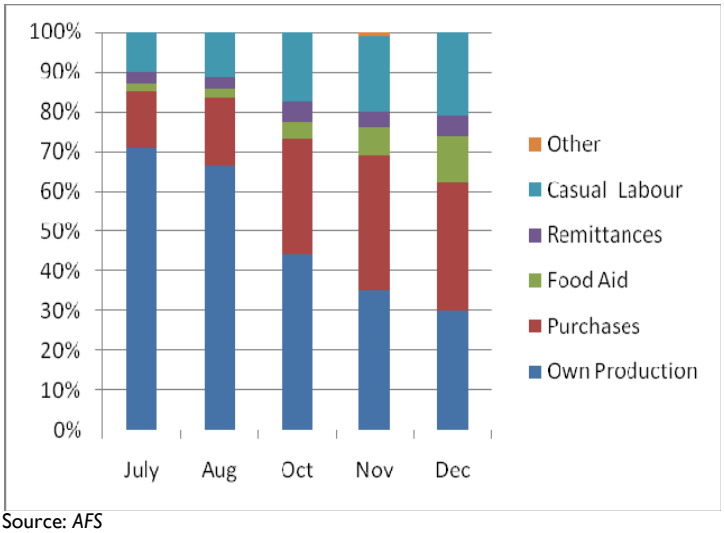
Source: *CFSAM, MoA & SAGIS*

### Rural food security update

The availability of staple cereals at the sub-national level improved significantly during December 2009, compared to the same period in 2008. About 60 percent of the rural markets monitored by the joint NEWU, FAO, and FEWS NET Food Security and Agriculture Monitoring system (AFSMS) report cereals to be readily available in December 2009 for people with the means to purchase them; only five percent of monitored markets had cereal available in December 2008. Most urban markets continue to stock staple cereals. This is a culmination of the positive government policies which relaxed food import duties. The dollarization of the economy also instilled confidence among private-sector food importers and standardized retail food prices to lower levels as retailers competed to get the largest share of the market. Cereal availability was also enhanced by improved agricultural yields in the 2008/2009 season.

Cereal from own production has been gradually depleting while purchases, casual labor, and food aid increasingly became important sources of staple cereals for rural households from July to December 2009 (Figure 4). The contribution of own production is going down while that of purchases is going up. That of food aid is also going up and not necessarily because of rising demand, but because of the scaling-up of food aid beneficiaries by WFP and CSAFE. Most rural households in cereal-deficit areas will most likely depend on the market for staple cereals between January and mid-February 2010. They will thus be at risk of any negative developments in the market.

**Figure 2.** Major sources of cereal for rural people from July to December 2009




Source: *AFS*

Data from the AFSMS show that average maize grain prices across all monitored sites from January 2009 were on a downward trend until the end of the first half of 2009. They increased slightly from July 2009 and became stable in October through December 2009. This stability will probably not be maintained as there is an anticipated increase in demand for cereal, as the hunger season deepens. A significant number of people in the rural areas will be at risk of food insecurity, as income opportunities are very limited in these areas. According to ZIMVAC Rural Household Assessment (October 2009), about 1.14 million rural people were estimated to be food insecure between October and December 2009. This is projected to increase to 1.57 million between January and March 2010. The World Food Program and C-SAFE have

already intervened with food aid in the most-affected areas; the total number of beneficiaries as of January 2010 is about 1.5 million. The situation is much better than the same period last year, when nearly six million people required food aid.

**Urban food security update**

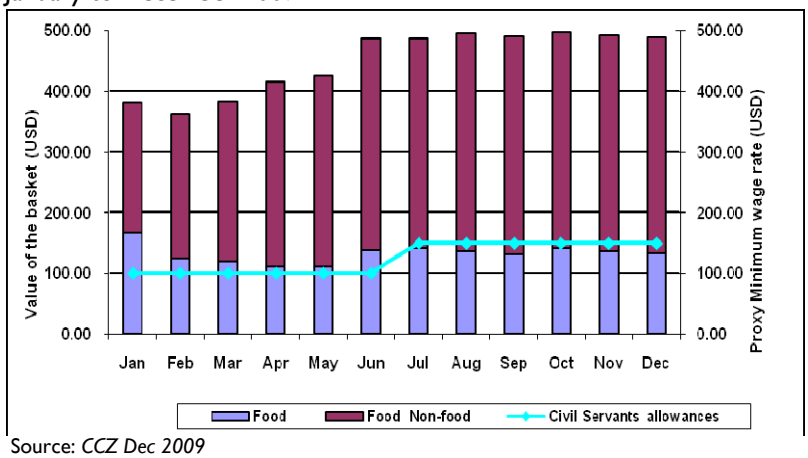
According to ZIMVAC urban assessment, about 64 percent of urban households are engaged in urban agriculture; of these, 54 percent grow maize. As expected, most poor urban households have exhausted cereal from own production (which normally lasts four to six months), and they currently depend on the market for staple cereals. Despite the continued availability of staple cereals and other basic foodstuffs on the market, between October and December 2009, about 600,000 poor people in urban areas found it difficult to purchase all the food they required due to relatively high levels of unemployment and underemployment.

An analysis of inflation data for 2009 by the Central Statistical Office (CSO) reveals that the average cost of living has gone down. The year-on year inflation rate for December 2009 stood at -7.7 percent (CSO, 2010). This implies that the price of goods and services in December 2009 was 7.7 percent cheaper than in December 2008. Thus, the average purchasing power of household incomes increased, translating into improved food security over the year. However, the story is different for poor urban households, where, in fact, the cost of living went up by about 28 percent from January to December 2009, according to the Consumer Council of Zimbabwe (CCZ). This can be attributed to the increase in the cost of non-food items, which continued to limit household purchasing power as incomes remained constantly lower throughout the year.

As illustrated by Figure 3, the proportion of the minimum wage rate as a percentage of the value of the total basket ranged from a minimum of 19 percent to a maximum of 30 percent throughout the year.

From January through June 2009, monthly incomes for the urban poor (pegged at US$100) remained below the total value of the food basket. At the beginning of the second half of the year (July 2009), civil servant monthly incomes were increased nominally to US$150, bringing them above the value of the food basket. The value of the non-food basket component has always been above the monthly incomes throughout the year, with the gap widening after the first quarter of 2009.

**Figure 3.** The CCZ low income urban household monthly budget compared to the minimum civil servant allowance (proxy for low income), January to December 2009




Source: *CCZ Dec 2009*

Overall, the value for the total basket was above the incomes of poor urban households. Most of these households have adapted to this situation, and as a coping strategy, normally, more household members would engage in some economic activity and contribute toward meeting the total value of the basket. At the current high levels of unemployment and underemployment, however, it is most likely that poor urban households would be unable to meet their basic food requirements as low incomes restrict their purchasing power. Consequently, about 600,000 urban people are estimated to be food insecure from January through March 2010.

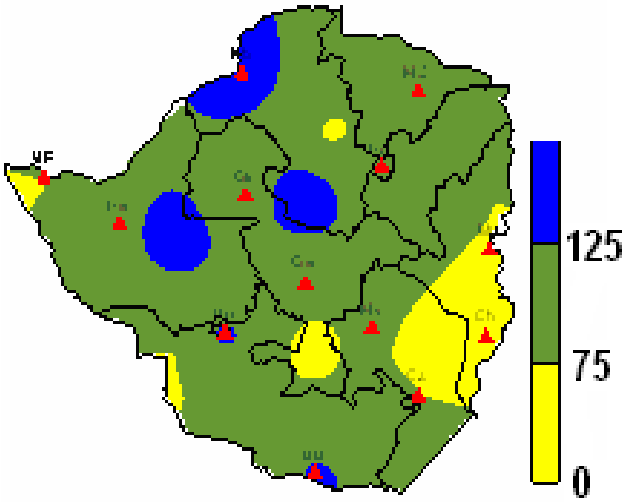
**Most likely food security scenario, January – June 2010**

**Rural areas**

The main source of food and incomes in rural Zimbabwe is rain-fed crop production and livestock rearing from natural grazing. Irrigated gardens also play an important role in providing food and cash income to most smallholder farming households throughout the country. Agricultural production is supplemented by some off-farm activities such as gold panning, petty trade, and remittances from within Zimbabwe and outside the country. The importance of agricultural production to the livelihoods of the majority of rural households in Zimbabwe cannot be over-emphasized, and

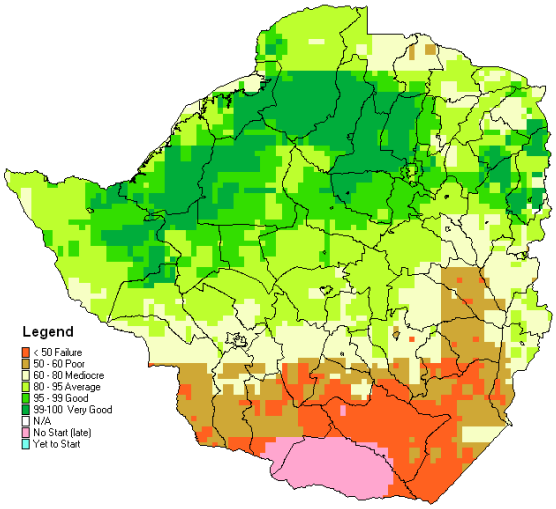
understanding changes in the potential contribution of the sector to rural households requires insight into the progress of the summer cropping season.

**Figure 4**: October-December 2009 rainfall as a percentage of normal




Source: *Department of Meteorological Services-Zimbabwe*

**Figure 5**: Estimated maize crop conditions as of January 20, 2010



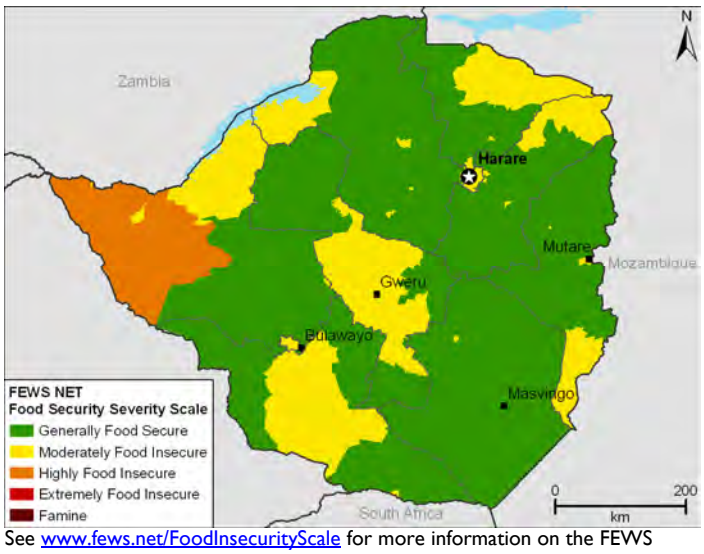

Source: *USGS*

Although preparations were better for the 2009/2010 agricultural season, they are currently being undermined by poor rainfall quality from mid-December 2009 to mid-January 2010. Seeds for major crops, fuel, and other agricultural inputs were generally available on the market at stable prices prior to and during the first half of the cropping season. However, fertilizers continue to be in critically short supply, although they are more available than last season. Following an early to normal start to the rainfall season throughout the country, the first half of the season progressed well and culminated with most of the country having received normal to above-normal rainfall.

Around mid-December 2009, rainfall distribution became erratic and a dry spell set in most parts of the country, affecting mostly the south and eastern districts. The forecast is a cause for concern, as below-normal rainfall is anticipated up to the end of the rainfall season in March 2010. This will have a profoundly negative impact on food crop production and rural incomes from agriculture starting in the second quarter of the year.

Given the relatively stable current food security situation, thanks to the near-normal harvest of the 2008/09 season and a stabilizing economy, a high likelihood of recovery is expected to continue to March 2010. However, the poor rainfall and subsequently lowered prospects for the 2009/10 cropping season is expected to result in a reduced green harvest from mid-February to April and the main harvest from April through June, particularly in the southern half and eastern parts of the country. The importance of livestock and remittances in this part of the country is expected to ameliorate the projected food insecurity levels to moderately food insecure between April and July 2010. Food aid programs are also likely to kick in earlier than usual in these areas, further reducing the food insecurity severity.

**Figure 6.** Most likely food security scenario, January-March 2010



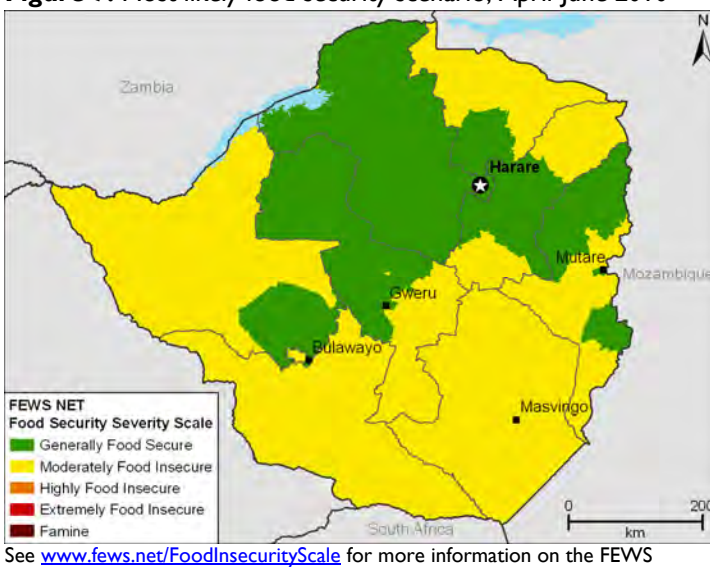

See www.fews.net/FoodInsecurityScale for more information on the FEWS NET food insecurity severity scale.

Source: *FEWS NET*

**Urban areas**

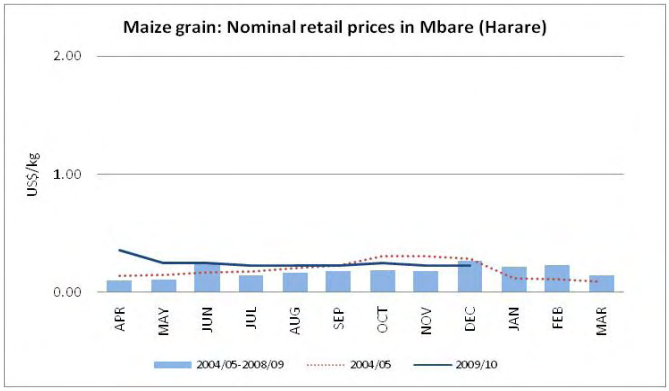
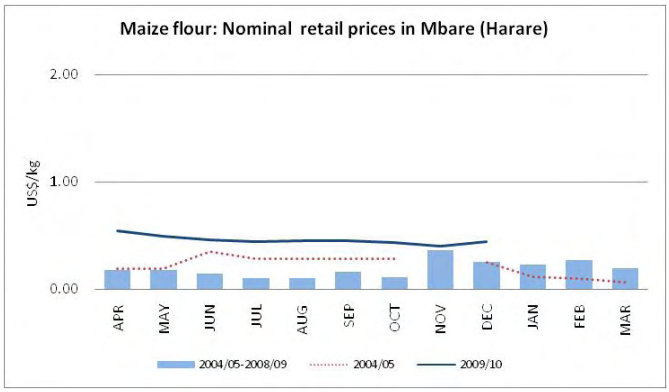
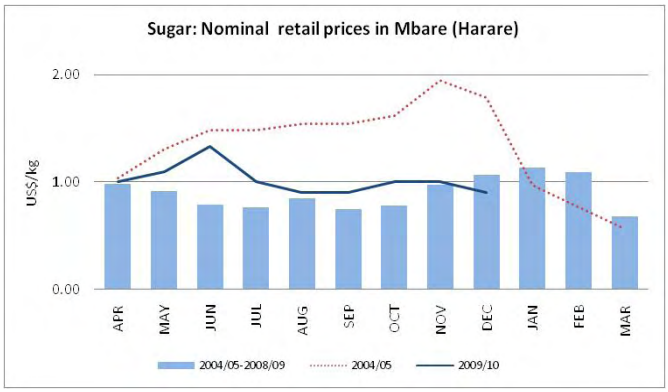
The green harvest in late February to March, and the dry harvest in April and May, will improve food access for about 70 percent of households in the high-density suburbs that grow maize in the central northern half of the country, but the contribution of own crops is insignificant in urban areas in the dryer southern parts. Households with members employed in the hospitality industry and other related business are expected to have improved incomes from the spillover effects of the 2010 FIFA World Cup Games to be held in South Africa. As a result of these factors, as well the continued stabilization and improvement of the economy, we expect to see improvements in general urban household incomes.

**Figure 7.** Most likely food security scenario, April-June 2010




See www.fews.net/FoodInsecurityScale for more information on the FEWS NET food insecurity severity scale.

Source: *FEWS NET*

Monthly prices are supplied by FEWS NET enumerators, local government agencies, market information systems, UN agencies, NGOs, and other network and private sector partners.

Maize grain, maize flour, cooking oil, and sugar represent the most important food commodities consumed by poor households. The Mbare market in Harare is where a very large percentage of the most vulnerable households procure their basic commodities.