

ZIMBABWE Food Security Outlook Update

May 2011

Household food security improves with harvest

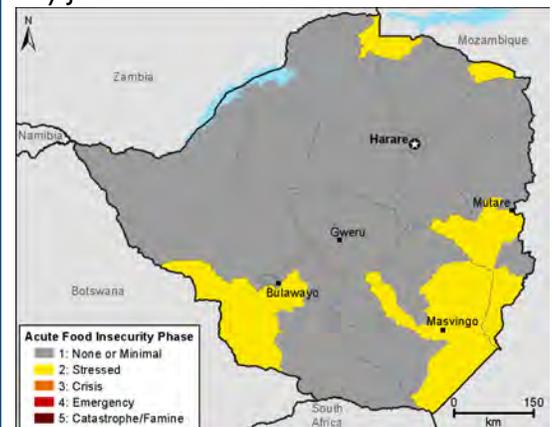
Key Messages

- Despite the dry spell experienced in February and March, the domestic 2010/11 season cereal production is comparable to that of last season. The Ministry of Agriculture, Mechanization, and Irrigation Development (MoAMID) estimates that the latest crop production for the staple cereals of maize, sorghum, and millet is around 1,600,000 metric tons (MT). The Zimbabwe National Statistics Agency (ZimStat) will provide independent estimates later in the season.
- Staple cereals are generally available throughout the country with the exception of some districts in Masvingo, Matabeleland South, Manicaland, Mashonaland Central, and Mashonaland East provinces which realized reduced harvests due to the dry spell and which are currently experiencing intermittent market cereal supply disruptions.
- The national macro-economic environment is relatively stable and is expected to remain so throughout the outlook period. The general cost of living continues to be stable as indicated by the ZimStat-monitored annual inflation levels that have remained relatively low and stable since August 2010. The annual inflation rate in March 2011 was 2.7 percent.
- The Zimbabwe Vulnerability Assessment Committee (ZimVAC), which normally provides estimates of the food insecure population, is planning for a rural livelihoods assessment in May and results are expected in early July. This assessment is expected to provide estimates for food insecure households, as well as their locations, in the 2011/12 consumption year. Observable trends in key food security developments point to a food security outlook similar to that for the previous consumption year.

National overview

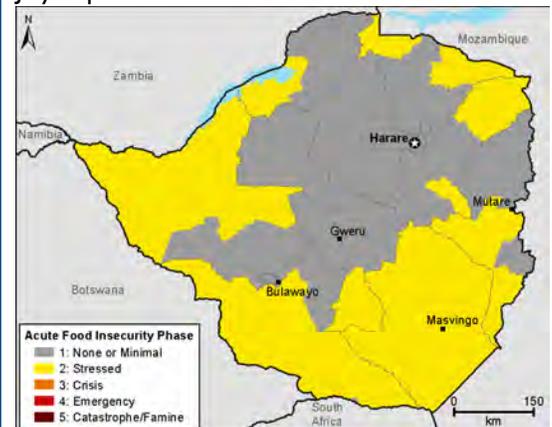
The MoAMID second round crop and livestock assessment report (April 2011) estimated staple cereal (maize, sorghum, and millet) production at 1,600,000 MT, which is six percent higher than the 2009/10 estimate and close to 28 percent above the five-year average. ZimStat will provide independent estimates later in the season. For the last three seasons these estimates have tended to be similar and comparable to those of MoAMID.

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

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

The improved cereal production which is currently being harvested is positively impacting the already stable cereal supply in the country. Generally the northern half of the country, which covers the typical grain surplus areas, realized good harvests to last households for up to 12 months on average. But some areas in districts such as Mudzi, Mutare, Buhera, Chipinge, Chiredzi, Bikita, Chivi, Zaka, Rushinga, Mbire, Matobo, Umzingwane, Bulilima, and Mangwe districts (Figure 1), which faced reduced harvests due to the February and March dry spell, are experiencing localized cereal supply shortfalls forcing cereal-deficit households to rely on distant markets. Given the reduced harvests, there continues to be a projection for the likely earlier than normal start to the lean season for poor households in most of these districts; instead of starting in September, the lean season is projected to start in July/August.

Generally the cost of living as measured by the consumer price index computed by the ZimStat has remained relatively low and stable but improvements in incomes and employment levels continue to be limited. This situation, coupled with reduced harvests in some rural areas, renders a significant proportion of the population in urban and rural areas to be food insecure. The concentration of the food insecure households is higher in areas that suffered most from reduced harvests as well as areas where cereal prices are increasing because of reduced supply (Figures 3, 4, and 5). The ZimVAC rural livelihoods assessment scheduled for the May through July period is expected to provide details on the food insecurity in rural Zimbabwe.

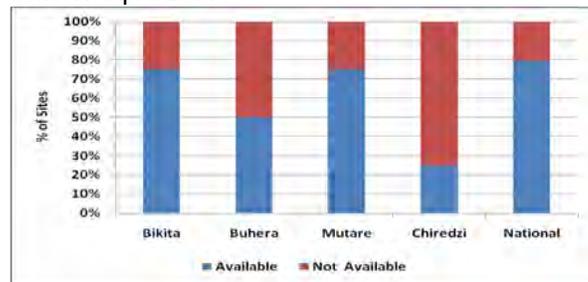
Updated food security outlook through September 2011

In the 2011/12 season the following districts were considered to have the most precarious food security outlook: Mudzi, Mutare, Buhera, Chipinge, Chiredzi, Bikita, Chivi, Zaka, Rushinga, Mbire, Matobo, Umzingwane, Bulilima, and Mangwe. These districts suffered the effects of the dry spell resulting in an erratic supply for cereal markets and above-average staple cereal prices in FEWS NET-monitored rural markets with prices continuing to increase. Households in these areas of concern are expected to fall into Stressed (IPC Phase 2) food insecurity conditions as their food requirements will not be adequately met from May through June (Figure 1) and more districts are expected to be in a similar situation starting in July through September (Figure 2). External support in the form of food or cash is required to curb further deterioration of food accessibility for very poor and poor households.

According to the Agriculture and Food Security Monitoring System (AFSMS), a general cereal availability improvement was observable nationally in April, though availability in some markets in the areas of concern remains low compared to markets in surplus areas covering Mashonaland East, Mashonaland West, and Midlands provinces. For example, in Buhera and Chiredzi, 50 percent and 75 percent of the monitored sites, respectively, reported that cereals were not generally available in April, and as a result, cereal-deficit households were relying on distant markets for their food (Figure 3).

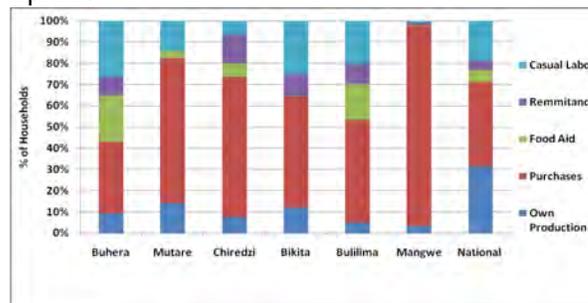
During the 2010/11 consumption year average national maize grain prices have shown a stable trend that is exhibiting an expected seasonal pattern. The April average maize grain price for all monitored sites was USD 0.34/kg, which is 10 percent higher than the same time last year. The highest prices in April have been reported in Chiredzi, Umzingwane, Buhera, Bikita, and Zaka districts. Grain prices in these districts have been consistently above the national average throughout the

Figure 3. General cereal availability in areas of concern April 2011



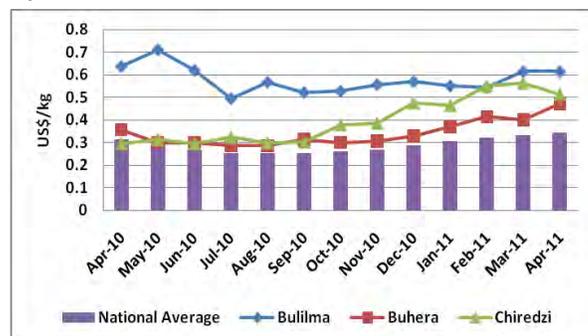
Source: AFSMS

Figure 4. Major sources of grain in areas of concern April 2011



Source: AFSMS

Figure 5. Average maize grain prices April 2010-April 2011



Source: AFSMS

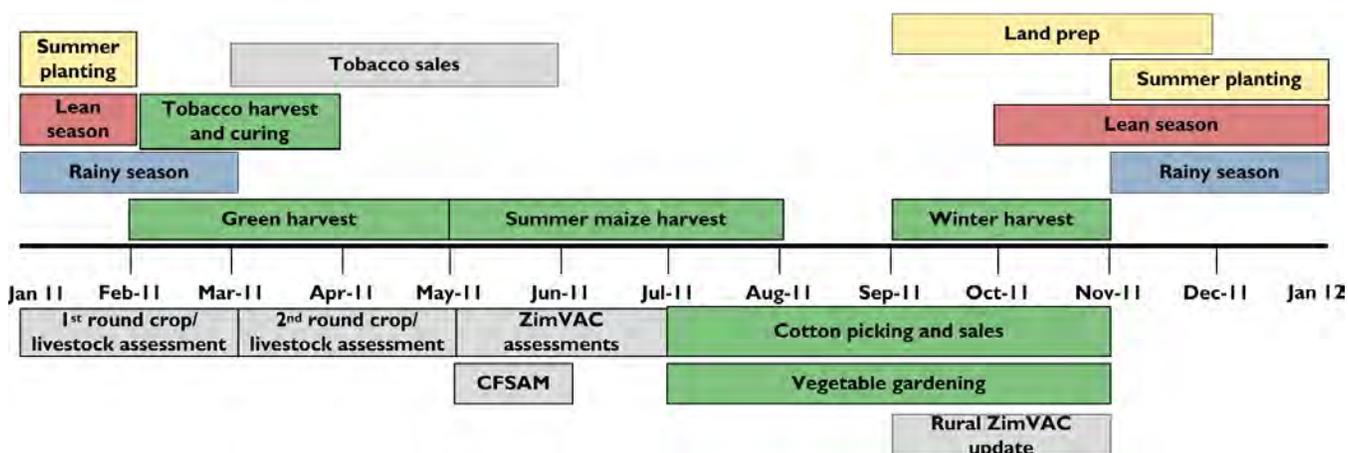
consumption year and the same trend is expected in the current consumption year given the low cereal harvests realized (Figure 5). As is usual, grain prices are expected to begin to decrease starting in May as the contribution of the 2010/11 harvest will improve cereal availability and thus impact prices. However, maize grain prices are expected to continue to increase much earlier than normal in the districts of concern, given the increases in the price of fuel which will further increase transport costs.

The national macro-economic environment is stable and is expected to maintain this trend throughout the outlook period. Inflation rates as measured by the ZimStat were relatively low and stable from August 2010 to March 2011 and the same trend is expected to prevail this consumption year with average household incomes expected to marginally improve. In March the annual inflation rate was 2.7 percent (Figure 6).

In the monitored sites, on-farm casual labor, gardening, small livestock sales, and informal mining were the predominant income-generating activities in April. Livestock sales earned the highest income of about USD 140.00 per month in Matabeleland South province. Cattle prices, which have been continually increasing since April 2010, began to stabilize in January. The average price for a cow in April 2011 across all sites was USD 337.00 and was 16 percent higher than the same time last year. The highest prices for cattle of over USD 600.00 have been reported in Bulilima and Mangwe districts. Current cattle-to-grain terms of trade are similar to those at the same time last year with a beast being exchanged for almost a ton of grain, which is a fair trade for both parties. In the areas of concern where households generally own large herd sizes, which includes Bulilima, Mangwe, and Matobo, terms of trade have been unfavorable since April 2010 (Figure 7). Households in the areas of concern are likely to get less grain which will not cover food deficits when they exchange their cattle for grain.

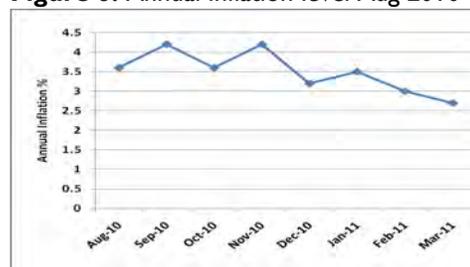
Currently livestock conditions are fair to good as both grazing and water supplies are still available. However, in some parts of the country, particularly those areas that were affected by the dry spell, the condition of grazing has already started to deteriorate and this is likely to be a problem as the dry season progresses. In these areas livestock is also expected to cover long distances to reach water points. Extension messages encouraging destocking, identification of relief grazing, rehabilitation of water sources, fodder conservation, and strategic utilization are being disseminated to the affected areas.

Seasonal calendar and critical events timeline



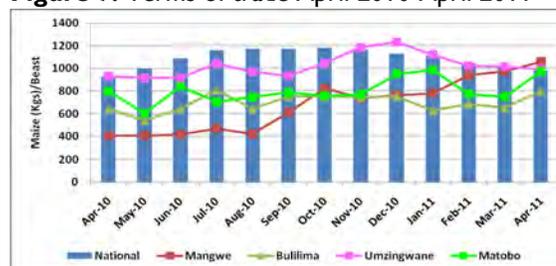
Source: FEWS NET

Figure 6. Annual inflation level Aug 2010-Mar 2011



Source: ZimStat

Figure 7. Terms of trade April 2010-April 2011



Source: AFSMS