

ZAMBIA Food Security Outlook Update

February 2011

Food security conditions remain stable as the lean season peaks

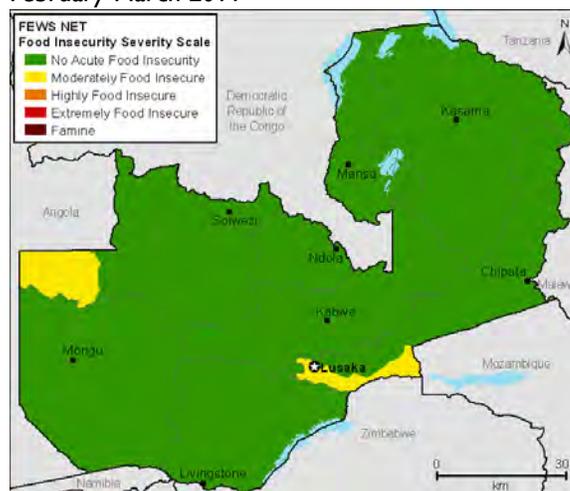
Key Messages

- Due to the continued availability of surplus grain on the local market, food security conditions are expected to remain stable across the country as the lean season progresses towards its peak in February.
- Prices of the staple grain maize have been increasing as expected for the lean season. However, these increases have been gradual, which is unusual for this time of the year and can be attributed to the large supply on the market.
- The 2010/11 rainfall season has progressed well, with normal rainfall received in most parts of the country. The extreme southern parts of the country were affected by dry spells in December and an increase in consistent rainfall in January helped crops recover from moisture stress. However the reoccurrence of another dry spell in February has increased the risk of crop failure in these areas.
- The opening of spillway gates at the Kariba Dam in January has caused localized flooding of the small islands in the Kafue district of Lusaka province. Flooding has also been reported on the west bank of the Zambezi River in Chavuma and Zambezi districts in the North-Western province, increasing chances of extended flooding in the flood plains of the Western province later in the season. So far the impact on the food security of affected populations has been minimal.

Updated food security outlook through June 2011

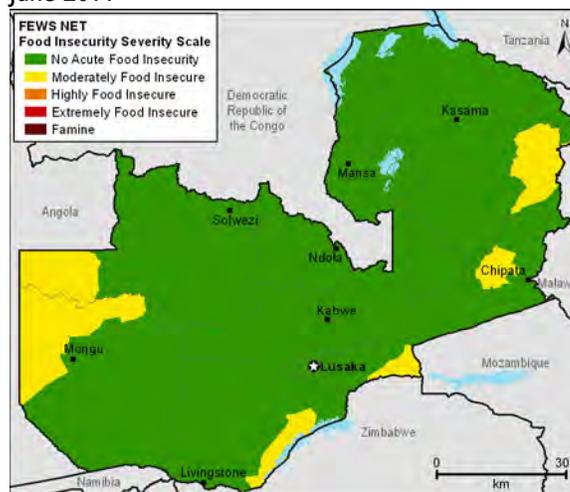
The food security situation across the country remains stable with progression towards the peak of the lean season in February. Due to above-average production in the 2009/10 agricultural season, a number of households still have food stocks, while local markets have remained well supplied with surplus maize during this lean season. Limited formal maize exports have contributed to large in-country stocks, with the Food Reserve Agency (FRA) reportedly having approximately 857,000 MT of maize in stock as of February 14th. Due to the large volumes of in-country stocks, maize and maize meal prices have remained lower than during the previous year's lean season, improving food access for food insecure households. An increased number of households are purchasing maize and maize meal from the adequately supplied markets. For districts such as Luangwa, where own stocks typically run out earlier than usual, traders are keeping the markets supplied with grain from Eastern

Figure 1. Most likely food security outcomes, February-March 2011



Source: FEWS NET/ZVAC

Figure 2. Most likely food security outcomes, April-June 2011



Source: FEWS NET/ZVAC

For more information on FEWS NET's Food Insecurity Severity Scale, please see: www.fews.net/FoodInsecurityScale

This report provides an update to the January 2011 FEWS NET Food Security Outlook report which estimated food security outcomes in Zambia from January through June 2011. The next Outlook report will be released in April and will cover the April through September 2011 period.

province districts, mainly Nyimba and Petauke. Grain prices in the area have therefore been increasing gradually with the progression of the lean season but remain below-average and remain at ZMK 25,119 per 18kg compared to ZMK 29,254 in January. With the enforcement of the annual fishing ban, fishing opportunities have declined, hence households dependent upon fishing for their livelihood and other food insecure households are increasingly turning to seasonal coping strategies to meet their consumption needs. Households are increasing their reliance on the exchange of labor (e.g. weeding) for food, the sale of crafts, and reducing non-essential or even essential spending (e.g. health and education) depending on the extent of food insecurity. Given the good progress of the rainfall season up until the month of February, labor opportunities in the area have been good. Because some households, mostly in the high producing areas, still have maize stocks on hand, they are selling to households within their districts and to small traders from neighboring districts. In addition, maize is being used as in-kind payment for labor as labor demand continues to be good to the advantage of poorer households. Some of the maize quality has deteriorated due to weevil attacks and damage from rains related to poor storage and this maize was selling at below-market prices. Storage at the household level continues to be a problem in many areas following surplus production.

The continued availability of large in-country maize stocks is supporting more stable and lower grain prices in most areas, benefitting consumers. In half of the districts monitored, maize prices remained largely stable in the period from December to January, while 40 percent of the districts recorded minimal increases. Maize prices remain close to the five-year average and lower than in the previous lean season when prices were aggravated by the global food crisis. The average price of maize in January 2011 was ZMK 21,739 per 18kg, having increased from ZMK 20,838 in December 2010, in comparison to ZMK 26,339 per 18kg in January 2010. Grain prices are expected to continue with this trend as the 2010/11 marketing season comes to an end, and prices should start decreasing after April due to the increased availability of seasonal foods as well as the green harvest. Maize meal prices also remained largely stable between December and January, at levels lower than in the previous year in most of the districts, passing on benefits to consumers, particularly in highly urbanized districts. With formal exports of maize remaining low, the informal trade of maize grain remains high. The volume of food commodities informally traded, though declining as is seasonal, remains high. In January, over 1,686 MT of maize was traded through informal channels, with maize exports to the Democratic Republic of Congo (DRC) accounting for 63 percent (1,056 MT) of the maize grain traded. Maize exports, which had been lower, have surpassed imports since December due to a significant reduction in maize imports from Mozambique (Chikalawa border). Over 264 MT of rice and 355 MT of beans were also traded in the same time period with exports making up 74 percent of the volumes of rice and beans traded. In January, the FRA advertised 100,000 MT of maize for sale on the local market to traders, millers, and rural consumers at ZMK 1,000,000 per MT, which is close to the prevailing average market price. Response to the FRA maize availability has been good with most sales having been to major millers in the Lusaka and Copperbelt areas. Formal exports however remain constrained and the FRA will enter into the new crop marketing season in May with large surplus stocks of maize. The FRA is reported to have formally exported 163,000 MT of maize to the neighboring countries of Zimbabwe (mostly), Mozambique, Namibia, and the DRC as of mid February. The FRA continues to face challenges in the storage of surplus grain purchased from farmers in the last agricultural season due to inadequate storage sheds.

Although the seasonal forecast indicated a high likelihood of above-normal rainfall for the southern half of the country during the first half of the season raising fears of extended flooding, Zambia has so far received mostly normal rainfall on a cumulative basis with above-normal rains confined to a few areas in Eastern province (Chipata, Mambwe, and southern Lundazi districts) and parts of western Zambia (Zambezi, Chavuma, Kaoma, and Lukulu districts). So far the season has progressed well and most crops are at the flowering to grain (fruit) formation stage. In a few areas, such as parts of the extreme south, extended dry spells discouraged timely planting for some farmers, yet crop conditions were generally fair to good in most areas as of early February. A joint crop monitoring trip at the end of January by the Ministry of Agriculture and Cooperatives (MACO) and FEWS NET to the selected southern districts of Sesheke, Kazungula, Kalomo, Sinazongwe, Monze, and Gwembe confirmed that the December dry spells had caused delayed planting in some areas by as much as two to three weeks and in the most affected areas, a few farmers were still planting in mid-January. In other areas, the dry spells had affected germination of the crops or caused moisture stress for young crops resulting in replanting. However, indications were that rainfall activity in these areas had increased significantly by January to support crop recovery from moisture stress. The condition of the early and timely planted crops (late November to early December planting) was good across the districts, with most of the cereals at the tasseling stage. The condition of the late planted crops was fair, with a few crops yellowing due to nutrient leaching from the above-average rains. The reoccurrence of extended dry spells during the month of February has however changed the crop conditions, with most maize crops in low-producing districts of the Gwembe Valley such as Siavonga district, having reached a permanent wilting point (irreversible damage). Without the

resumption of rains, the sorghum crop may equally become affected, maize and sorghum being the main field crops grown in these areas. This situation will translate into a reduced green harvest and below-normal main harvest. The impact on household food security will be felt after the main harvest starting May. Currently households are accessing staple foods from markets at average prices and some households still have grain from the previous season.

So far reports of flooding have been confined to the banks of the Zambezi River (Chavuma and Zambezi districts) which has resulted in the west bank being temporarily cut-off from the east bank as the pontoon boat (the primary means of transport between west and east banks in the two districts) is not operational due to the high water levels. The affected population is using traditional canoes to cross to the east bank (Zambezi and Chavuma East), which is their major source of grain. So far the food security situation has remained stable. However, if the flooding prolongs and the households on the west bank continue having problems accessing the east bank, the poorer households may become moderately food insecure as trade becomes more difficult. With the reduced trade, better-off households will have less income and staple foods to pay poorer households in exchange for their labor, therefore labor opportunities for poorer households will be reduced. Reduced physical access to the east bank will entail that although fish will be available (fishing season starts in March), the reduced market will result in lower incomes given that fishing is a major livelihood on the west bank as is livestock rearing. Flooding, if extensive, will also reduce livestock trading with the east, forcing households to travel longer distances into Angola to sell their animals. Additionally, reduced grain and cassava (a staple) will trigger significant increases in prices of these commodities, reducing staple food accessibility for poor households.

With the opening of the Kariba Dam spillway gates in extreme southern Zambia, there has been minimal impact on the population living downstream (flood prone areas), with the only major report of flooding coming from those living on the small islands in the Kafue district. However, for this population, whose major livelihood is fishing, the situation is an almost annual event and they normally move to higher ground during this period. Downstream flooding is more likely to reduce with the extended dry spell, reducing the impact on crops and related livelihoods. Flash floods have also been reported in the Sesheke/Kazungula border area arising from the breaking of the banks of the Ngwezi River. Due to the reoccurrence of floods in this area, the Government of Zambia relocated the local population in the vicinity to higher ground in 2008. A few households remained to continue fishing (their major livelihood) and it will be these households that will relocate to the road side this season as their dwellings get flooded, as was the situation for similar households in the previous season. It is unlikely that these households will receive any assistance as all efforts to provide them with permanent safe land and new livelihoods (farming) have been exhausted.

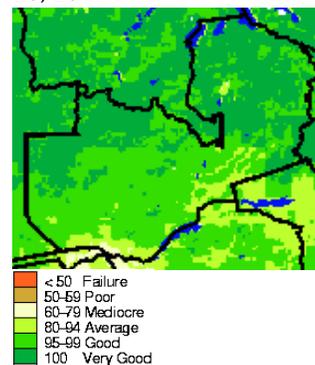
During the period of February through March, food security is expected to remain generally stable in most parts of the country as market-dependent households will be accessing staple foods from the market at prices comparable to, or lower than, the previous season, even as the peak price period is reached in February.

The seasonal update for January through March indicated a high likelihood of above-normal rainfall in central Zambia and the extreme eastern parts of the country. This has raised some fears that some flood-prone areas could experience water logging and floods, should excessive rains be received. However, so far the month of February has been characterized by extended dry spells in the southern half of the country reducing chances of extended flooding.

As the agricultural season progresses, the areas of concern remain the flood-prone areas in western Zambia (along the Zambezi River) as the water levels are very high and good rains have been received in the upper catchment area of the river. Additionally, due to high rainfall in central Zambia during the month of January, the high water levels in the Kafue River prompted the partial opening of the Itezhi Tezhi Dam gates, but downstream flooding has been limited so far, with reduced rainfall in February having helped the situation. The water levels in the Kafue River and Itezhi Tezhi Dam remain high and should heavy rains resume and continue for the duration of the remaining season, the risk of flooding in parts of Itezhi Tezhi and Namwala districts still remains. Flooding and water logging would affect the crops in parts of these districts through water logging and the resulting reduced yields with crops close to the Kafue River washing away. However, going by the current crop conditions in these areas and the possible reduced incidence of severe flooding, it is unlikely that a significant number of crops will be lost as the crops will be far less vulnerable given that they will be in an advanced stage of growth. In addition, there has been a significant reduction in rainfall over central and southern Zambia in the first part of February which could help delay or avert the incidence of floods. With the reduced rainfall activity over southern Zambia, it's unlikely that more gates of the Kariba Dam will be opened and therefore the impact of downstream flooding in flood-

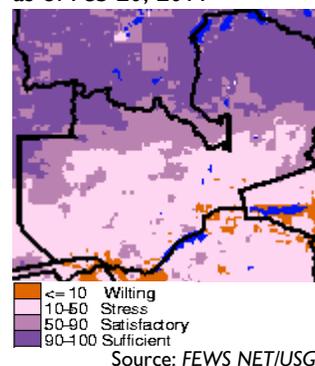
prone areas such as Siavonga and Kafue districts will be low. Going by the current crop conditions, crops are expected to remain in good condition to the end of the production season in April, provided that rains resume in areas experiencing extended dry spells (central and southern parts of the country). For the extreme southern parts of Zambia, which are also low-producing, resumption of rainfall will not help much of the crop which has already reached a permanent wilting point. However, loss of this crop will not immediately translate into a food deficit for the affected households. The impact will be felt after the main harvest in April as they will continue depending on the market for staple foods rather than their own stocks. Between May and June the affected population is likely to increase dependency on sorghum (assuming it will not wilt) and intensify income generating activities such as the sale of goats, sale of labor in neighboring districts, wild food sales, and fishing. Maize in the district FRA sheds is available and if the situation warrants it, the FRA is likely to start selling the commodity to increase the district supply and avert sharp increases of maize prices in affected districts.

Figure 4. WRSI as of Feb 20, 2011



The water requirement satisfaction index (WRSI) for Zambia indicates that there was sufficient moisture in the soil to sustain maize crop production in most parts of the country (Figure 4) as of second dekad of February. The soil water index (SWI) however shows that should rains not resume soon, the crops in the southern half of the country are likely to experience water stress in the last dekad of February as a result of the prolonged dry spell. At the time of the field visit in late January, weeding activities were continuing countrywide, particularly for the late planted crops, which was providing labor opportunities for food insecure households. Planting of crops such as groundnuts, sorghum, and millet was still going on in some areas which is rather late especially for the extreme south whose rainy season ends in March. Indications are that the acreage of land devoted to maize production by small- and medium-scale farmers has increased in this current season, driven by the attractive FRA maize purchase price of ZMK 65,000 per 50kg bag and good rainfall. Crop monitoring visits in Southern and Western provinces revealed that acreage devoted to other crops such as sorghum, groundnuts and cash-crops such as cotton could have decreased as a result. Lower cotton prices in the last marketing season have provided a disincentive for farmers to produce the crop. With the extended dry spell in February, there are already signs of crop water stress in parts of the country as the month of February ends, but recovery is possible with resumption of rains. However for some crops in the extreme south which have already reached permanent wilting point, the rains will come too late for any recovery.

Figure 5. Soil Water Index as of Feb 20, 2011



During the March to April period, it is likely that good to fair crop conditions will prevail and that an average to above average harvest will result, though it will be lower than last year given deficit rainfall during February in two thirds of the country. Between April and June, there will be increased food availability at both the household level and on the market. The major challenge will be marketing the maize and storage of grains following two consecutive surplus production seasons. By March, fishing activities will resume following the end of the annual fishing ban, increasing income for fishing households. The expected good production and large carryover stocks of maize will push maize prices down between April and June, ensuring improved access to staple foods for market-dependent urban households and poorer rural households. The food security situation will remain good and stable as the 2011/12 marketing season opens in May.

Seasonal calendar and critical events timeline



Source: FEWS NET