

Price Monitoring and Analysis Country Brief

Malawi

September-December 2010

Key Messages

- Food prices in Malawi have been generally stable in recent months after having decreased further from August prices. Rice prices have decreased much during the reporting period (September/December 2010).
- The country is not affected by civil insecurity however the mid season dry spell caused severe localized crop losses especially in southern regions, affecting food security in these areas.
- Although the number of food insecure people has dramatically declined, the country is still faced with a serious hunger problem.
- The Government has temporarily lifted the maize export ban and continues to support agriculture through the ongoing input subsidy programme.

Background

The total population is 15.2 million, 73% of these is living with less than 1\$ PPP per day and 28% is reported as undernourished. Although the rural population accounts for 80% of the total, the value added by agriculture to GDP is 35%. The prevalence of HIV is around 11%.

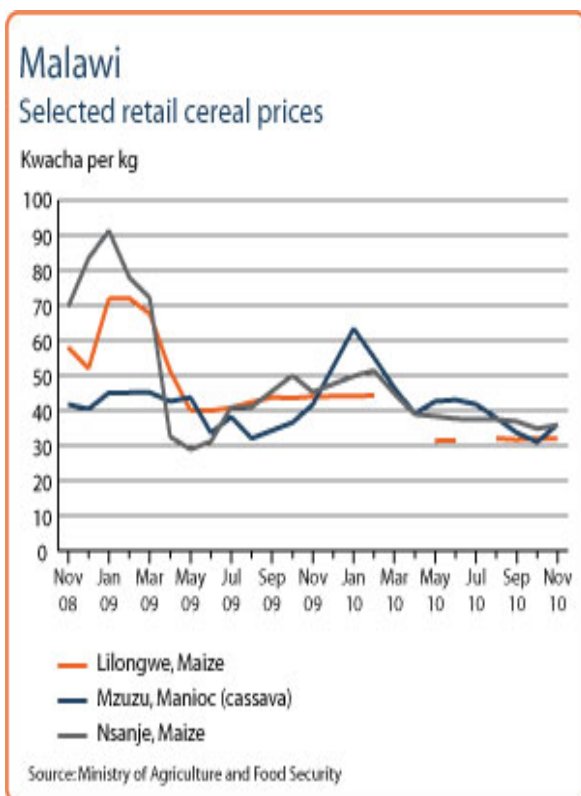
Economic Indicators	View Data
Total Population (millions) - 2009 (WB)	15.263
Population growth rate - 2009 (WB)	2%
GNI per capita, \$ PPP - 2009 (WB)	760
Population below 1\$ PPP per day - 2004 (MDGI)	73%
Rural population - 2009 (WB)	80%
Agriculture, value added (% of GDP) - 2009 (WB)	35%

Food Consumption	
Undernourished Population - 2005/2007 (FAO)	28%
Cereal share in total dietary energy consumption - 2007 (FAO)	59%
Meat share in total dietary energy consumption	n.a.

Health Indicators	
Pop. with sustainable access to improved sanitation - 2008 (WHO)	56%
Life expectancy at birth (years) both sexes - 2008 (WHO)	53
Pop. with access to improved drinking water sources - 2008 (WHO)	80%
Prevalence of HIV among adults aged >= 15 years - 2009 (WHO)	11.0%

Prices

In Lilongwe maize price remained almost stable in recent months and it was sold at around 32 MWK/kg in Nov. In the deficit producing area of Nsanje, prices of maize slightly decreased from 36.86 MWK/Kg in Sept to 35.83 in Nov. Rice prices in Lilongwe decreased by 18% between Sept (188 MWK/Kg) and Nov (160 MWK/Kg). In Mzuzu, manioc (cassava) price in Nov (36 MWK/Kg) was 7% higher than in Sept (33.67), but still below prices of Aug (37.84). In Nov maize prices were 12% lower in Lilongwe (207.66 USD/T) compared to international prices of maize US No2 Yellow (236.17 USD/T).



Source: GIEWS Country Briefs

Food Security Situation Assessment

According to the latest Malawi Vulnerability Assessment Committee (MVAC), the number of food insecure people has reduced from 1.1 million to 508,088 thanks to low maize prices. GIEWS estimates severe localized food insecurity due to severe crop losses recorded in southern districts due to insufficient rains. FEWSNET also reports southern districts as moderately food insecure where the Government, with the help of some humanitarian agencies, is distributing targeted free food to households in the worst affected districts of Chikhwawa and Nsanje. FAO hunger map reports high levels of undernourishment while IFPRI estimates serious hunger.

CURRENT EMERGENCY ASSESSMENT

Exceptional shortfall in aggregate food production supplies	Widespread lack of access	Severe localized food insecurity	FAO/GIEWS CPFS 2010
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National maize availability remains favorable in Malawi with private traders supplying deficit areas in southern Malawi with maize from surplus areas in the central districts and some markets in neighboring Mozambique. ...[more](#) FEWSNET

SCALE OF HUNGER (% of Undernourishment)

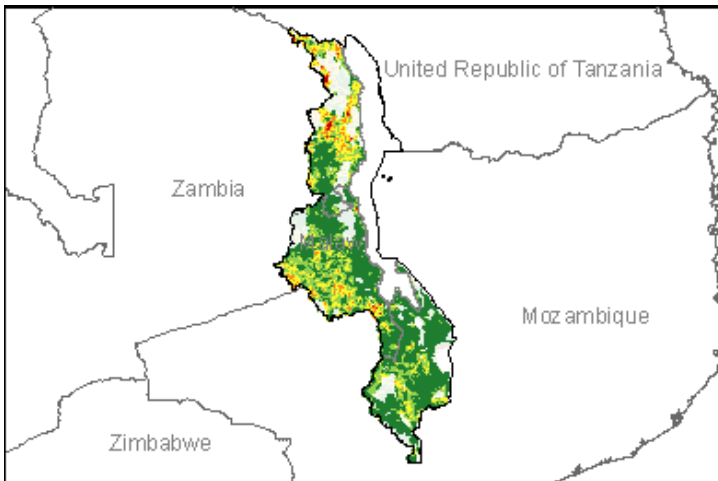
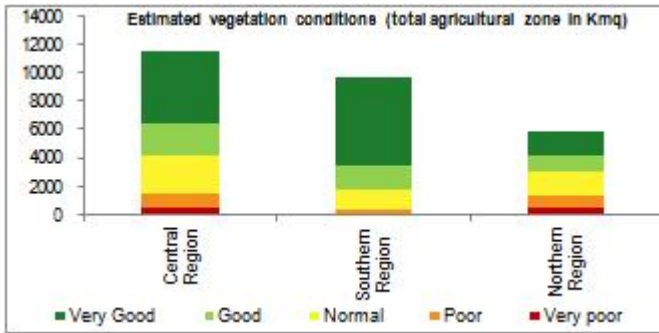
Very high (>= 35%)	High (25-34%)	Moderately high (15-24%)	Moderately low (5-14%)	Very low (< 5% under.)	FAO Hunger Map
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FAO Hunger Map classifies all countries of the world into five based on % of population undernourished.

Extremely alarming	Alarming	Serious	Moderate	Low	IFPRI/2010 GHI
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Vegetation Condition

At the middle of the rainy season, normal to very good conditions are observed for the major part of the country with punctually poor conditions for the Central and the Northern Region. The general indicator of vegetation condition provided below is the relative difference between the NDVI for December 2010 and the average of the last 10 years, calculated on the agricultural zones derived from the SADC (CSIR, South-Africa) dataset.



Source: JRC MARS – FoodSec

Crop phase in the reference period

Sowing	Maize (Rainy Season) - Rice - Sorghum - Potatoes
Growing	No crops are growing during the reference period
Harvesting	No crops are harvested during the reference period

Natural Disasters, Drought and Conflicts

Southern regions were particularly affected by the water deficits due to the mid-season dry spell, which resulted in a drop in crop production in localised areas, particularly in the low producing areas in the Shire Valley.

Refugees and IDPs	2007	2008	2009
Total in the country	9711	10716	10045
Total outside the country	8287	8316	176

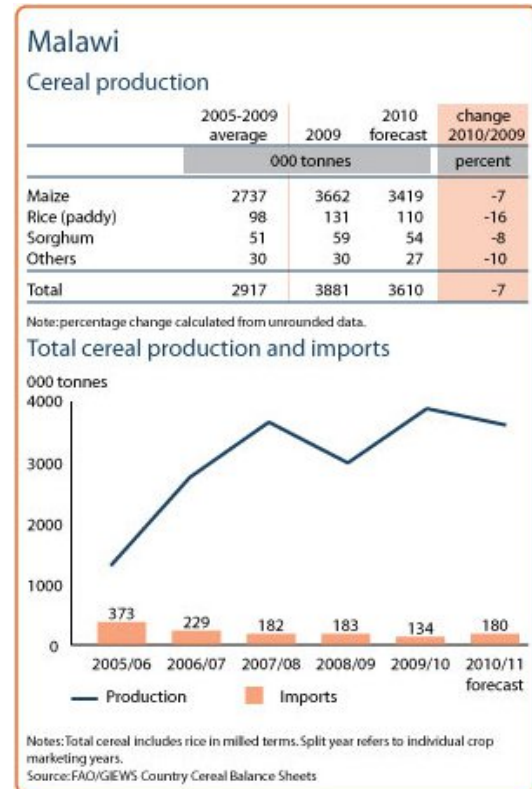
Source: UNHCR Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), Data extracted on 01/12/2010.

Disaster Type (last year)	Date	Location	Alert
Earthquake	2009-12-19	Northern Province	2/3
Earthquake	2009-12-08	Northern Province	2/3
Earthquake	2009-12-06	Northern Province	2/3

Source: Global Disaster Alert and Coordination System - 3 = 1000 or more people killed or 800000 or more people displaced. 2 = 100 or more people killed or 80000 or more displaced.

Food Balance Sheet

The latest estimates indicate a maize harvest of 3.4 mlnT, lower than the record output of last year, but still well above average. The 2010 cereal harvest reached 3.6 mlnT, 7% below the 2009 output (3.88 mlnT), but 24% above the five year average (2.9 mlnT). Import requirements for 2010/11 marketing year are at 180,000T compared to 130,000T of the previous year and 221,000T for the average. On the other hand about 300,000 tonnes of maize is expected to be exported.



Source: GIEWS Country Briefs

Government Policies

The Government is continuing the distribution of vouchers through the Farm Input Subsidy Programme (FISP) to support producers. Also relief operations of targeted food distributions are in place. Given the good production levels and the consequential build-up of stocks, the Government has temporarily lifted the maize export ban.

Consumer and market oriented measures	Build-up of stocks.
Producer oriented measures	Farm Input Subsidy Programme (FISP).
Trade policy measures	Exports allowed.
Safety net (increased or introduced)	Targeted food distributions.

Different sources

Current events to watch (Click to see the full report)

- [Habitat Malawi launches Women Build 2010](#)
- [MALAWI Food Security Outlook January through June 2011](#)
- [Southern Africa Floods Situation Update# 2](#)
- [Southern Africa Flood Update - as at 19 January 2011](#)
- [MALAWI: Better paediatric HIV services reduce infectio...](#)

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