

Price Monitoring and Analysis Country Brief

Madagascar

June-August 2010

Key Messages

- Rice prices were generally stable but have tended to raise recently.
- Madagascar is continuing to experience an ongoing political crisis, and agriculture is threatened by swarms of locust which are spreading throughout the country.
- Agencies report a situation of high levels of food insecurity particularly in the long term.
- The government is supporting agricultural production by distributing inputs and providing services.

Background

In 2008 the population in Madagascar was 19.11 million with a growth rate of 2% per annum. Estimates indicate that, in 2005, 67% of the population was living with less than 1\$ per day, while 37% was undernourished

Economic Indicators	View Data
Total Population (millions) - 2008 (WB)	19.111
Population growth rate - 2008 (WB)	2%
GNI per capita, \$ PPP - 2008 (WB)	1050
Population below 1\$ PPP per day - 2005 (MDGI)	67%
Rural population - 2008 (WB)	70%
Agriculture, value added (% of GDP) - 2008 (WB)	25%

Food Consumption	
Undernourished Population - 2005/2007 (FAO)	25%
Cereal share in total dietary energy consumption - 2007 (FAO)	59%
Meat share in total dietary energy consumption - 2007 (FAO)	4%

Health Indicators	
Pop. with sustainable access to improved sanitation - 2008 (WHO)	11%
Life expectancy at birth (years) both sexes - 2008 (WHO)	60
Pop. with access to improved drinking water sources - 2008 (WHO)	41%
Prevalence of HIV among adults aged >= 15 years - 2007 (WHO)	0%

Prices

Cereals: In August prices of local rice (national average) were 968 MGA/kg, registering an increase of 3% from July prices (941 MGA/Kg). This trend conforms to seasonal increases but higher transport costs have also been attributed to the recent increase in retail prices. Imported rice has registered a similar increase with 119 MGA/Kg in August and compared to the international prices of rice Thai A1 Super FOB Bangkok (377.6 USD/T), local rice prices were 16% higher (437.81 USD/T) while imported rice prices were 34% higher (506.37 USD/T).

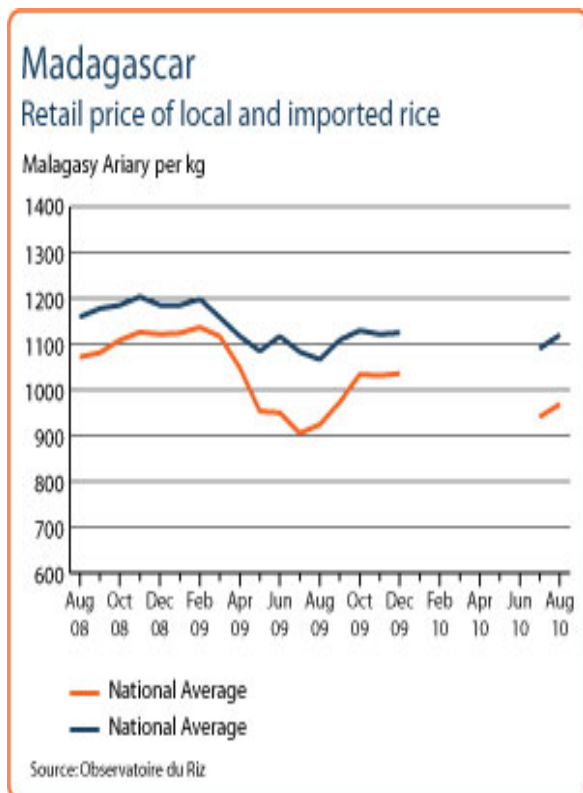
Livestock: A higher price of livestock was observed particularly in the South, which has improved the income of breeders.

Natural Disasters, Drought and Conflicts

Madagascar is undergoing a political crisis since the president Rajoelina's coup in March 2009. The African Union (AU) and SADC reaffirmed their engagement to the implementation of the Maputo Agreement and the Addis Ababa Additional Act which would lead to the restoration of constitutional order. In addition to the tense political situation, swarms of locusts have been forming in South Madagascar and have begun to spread east and north, as far as Maintirano. The Government has estimated that about 460,000 rural households could potentially be affected by the infestation if the locust swarm is not contained before the onset of the rainy season in October, which will create favourable breeding conditions.

Refugees and IDPs	2007	2008	2009
Total in the country	n.a.	0	0
Total outside the country	289	294	306

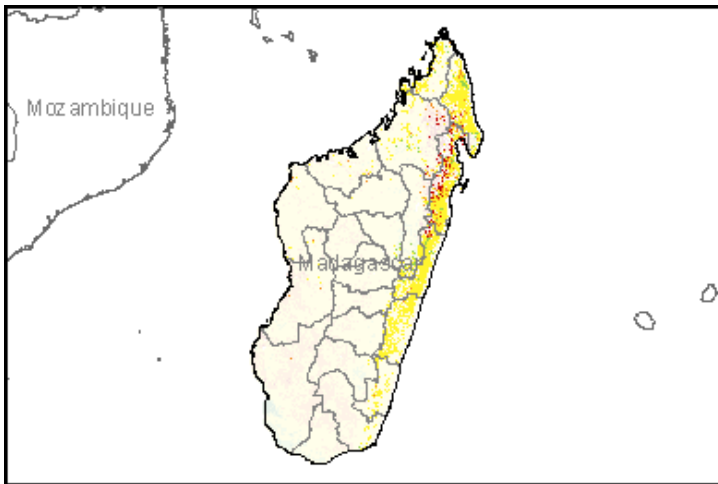
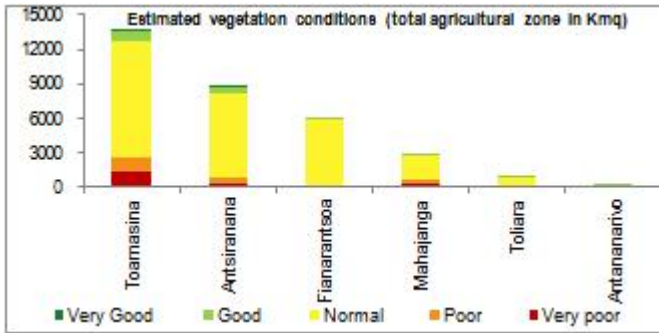
Source: UNHCR Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), Data extracted on 22/09/2010.



Source: GIEWS Country Briefs

Vegetation Condition

At this stage of the dry season, normal vegetation conditions are observed throughout the country except for the province of Toamasina where poor to very poor conditions are observed locally. The general indicator of vegetation condition provided below is the relative difference between the NDVI for August 2010 and the average of the last 10 years, calculated on the agricultural zones derived from the GLOBCOVER database (2005).



Source: JRC MARS – FoodSec

Food Security Situation Assessment

The governments Early Warning System (SAP) recorded a decrease in the number of municipalities experiencing a severe food insecurity situation in the South Madagascar, down to 52 from 65. GIEWS estimates severe localized food insecurity in the short term. WFP reports very high hunger while IFPRI assesses an alarming scale of hunger.

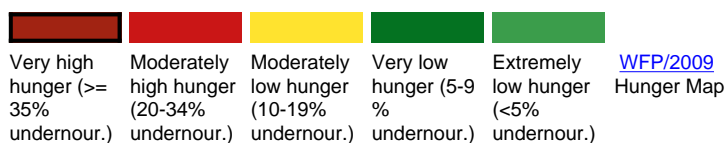
CURRENT EMERGENCY ASSESMENT



Madagascar is not covered by FEWSNET.

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SCALE OF HUNGER



Food Balance Sheet

Preliminary FAO/GIEWS estimates indicate rice production at 4.8 million tonnes. This marks a 14% increase over last season's output. The 2010 total cereal production is forecast at 5.2 million tonnes compared to 4.6 million tonnes of last year. Imports for the 2009/10 (April/March) were estimated at 184,000 tonnes decreasing from the 217,000 imported the previous year.

	2005-2009 average	2009	2010 forecast	change 2010/2009
	000 tonnes			percent
Rice (paddy)	3718	4200	4785	14
Maize	395	370	464	25
Wheat	10	10	10	0
Others	1	1	1	0
Total	4123	4581	5260	15

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Source: [GIEWS Country Briefs](#)

Government Policies

Madagascar is pursuing policies of adaptation to climate change which cover, among others, the agriculture and livestock sectors. The strategies include supporting crop and animal production by distributing agricultural materials, developing income-generating activities in different regions, and promoting animal vaccination campaigns.

Consumer and market oriented measures	n.a.
Producer oriented measures	Support to crop production/livestock.
Trade policy measures	n.a.
Safety net (increased or introduced)	n.a.

Different sources

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

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For more information, contact: Information-for-action@fao.org
Website: www.foodsec.org

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The Linking Information and Decision Making to Improve Food Security Programme is funded by the European Union and implemented by the Food and Agriculture Organization of the United Nations.