

Price Monitoring and Analysis Country Brief

Malawi

May-August 2011

Key Messages

- Record maize harvest in 2010/11 pushes prices of maize down in the country's producing areas but prices increased sharply in deficit areas.
- Generally favourable food security conditions, but pockets of food insecurity remain. FAO Global Early Warning Information System (GIEWS) reports severe localized food insecurity.
- Cereal production shortages were reported as a consequence of floods and dry spells which hit different districts.
- The government continues to support production with inputs for maize and cotton farmers while procuring maize to support consumers in case of emergencies.

Background

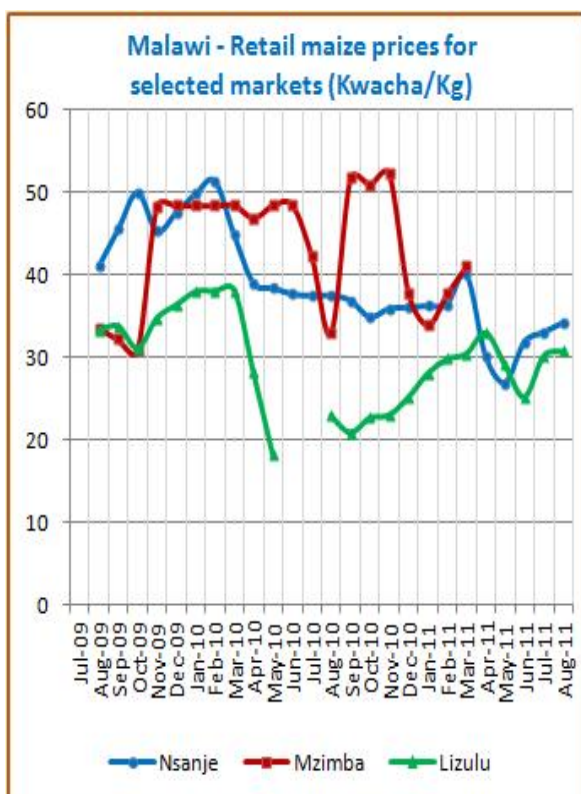
The total population is 14.9 million, with 3% of annual growth rate. The population living with less than 1\$ PPP per day is estimated at 73% while 27% is reported as undernourished. Although the rural population accounts for 80% of the total, the value added by agriculture to GDP is 35%. The prevalence of HIV is around 11%.

Economic Indicators	View Data
Total Population (millions) - 2010 (WB)	14.900
Population growth rate - 2010 (WB)	3%
GNI per capita, \$ PPP - 2010 (WB)	850
Population below 1\$ PPP per day - 2004 (MDGI)	73%
Rural population - 2010 (WB)	80%
Agriculture, value added (% of GDP) - 2009 (WB)	35%

Food Consumption	
Undernourished Population - 2006/2008(FAO)	27%
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 - 2009 (WHO)	47
Pop. with access to improved drinking water sources - 2008 (WHO)	80%
Prevalence of HIV among adults aged >= 15 years - 2009 (WHO)	11.0%

Prices

Retail maize prices in main producing areas have been relatively low thanks to good harvest. In Mzuzu, maize prices declined by 13% from May to 28.36 MWK/Kg in August; also rice prices (142.86 MWK/Kg in August) fell by 17% in the same period. Whereas in deficit areas such as in Liwonde markets, prices went up dramatically (65%) between May and August and reached 28.65 MWK/Kg. Also in Nsanje maize deficit area, prices increased by 27% to 34.15 MWK/Kg in August.



Source: GIEWS Country Briefs

Food Security Situation Assessment

Generally favourable conditions are reported thanks to lower food prices and good supplies. The Nov 2010 Malawi Vulnerability Assessment Committee (MVAC) estimated 508,088 persons requiring food assistance particularly in southern districts. WFP food aid distributions (locally purchased) targeted 74,724 people in Chikhwawa and 44,589 in Nsanje up to April. The next MVAC report is expected in June. FEWSNET estimates a general food secure situation with localized areas in southern districts facing food insecurity due to dry spells and pockets of food insecurity persisting also in the north due to floods. GIEWS reports severe localized food insecurity, FAO hunger map describes high levels of undernourishment and IFPRI highlights a serious situation of hunger.

CURRENT EMERGENCY ASSESSMENT

Exceptional shortfall in aggregate food production supplies	Widespread lack of access	Severe localized food insecurity	FAO/GIEWS CPFS 2011
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Since early September, staple maize prices have been rising more than expected in local markets located in southern districts as the lean period is set to begin next month. [...more](#) [FEWSNET](#)

SCALE OF HUNGER (% of Undernourishment)

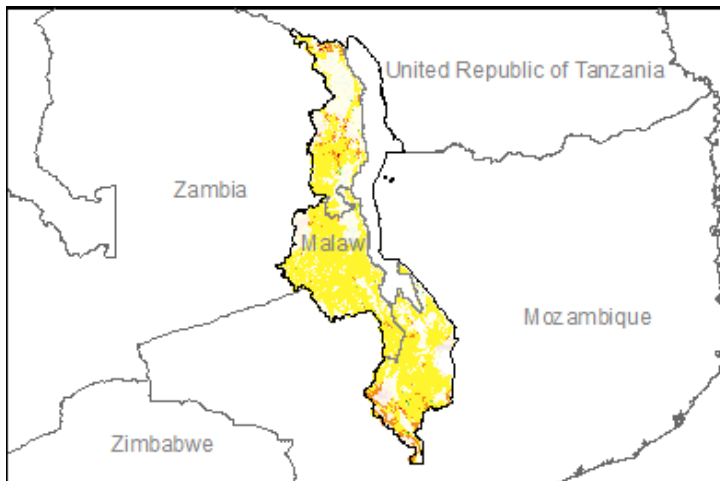
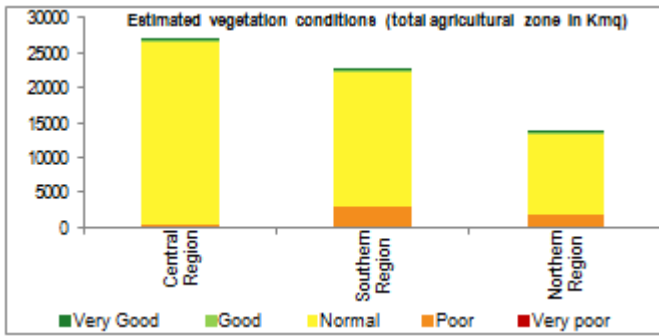
Very high (>= 35%)	High (25-34%)	Moderately high (15-24%)	Moderately low (5-14%)	Very low (< 5% under.)	FAO Hunger Map
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FAO Hunger Map classifies all countries of the world into five based on % of population undernourished.

Extremely alarming	Alarming	Serious	Moderate	Low	IFPRI/2011 GHI
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Vegetation Condition

At the end of the rainy season, normal conditions are observed in the major part of the country. The general indicator of vegetation condition provided below is the relative difference between the NDVI for April 2011 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	No crops are sown in the reference period
Growing	Sorghum - Wheat
Harvesting	Maize - Rice - Sorghum - Wheat

Natural Disasters, Drought and Conflicts

A dry spell in Feb/March affected crops in some southern districts. In March/April, heavy rains and floods were recorded in northern districts, with severe effects on households' food security conditions. In Karonga district flooding affected some 5,599 households (30,000 people).

Refugees and IDPs	2008	2009	n.a.
Total in the country	10716	10045	n.a.
Total outside the country	8316	176	n.a.

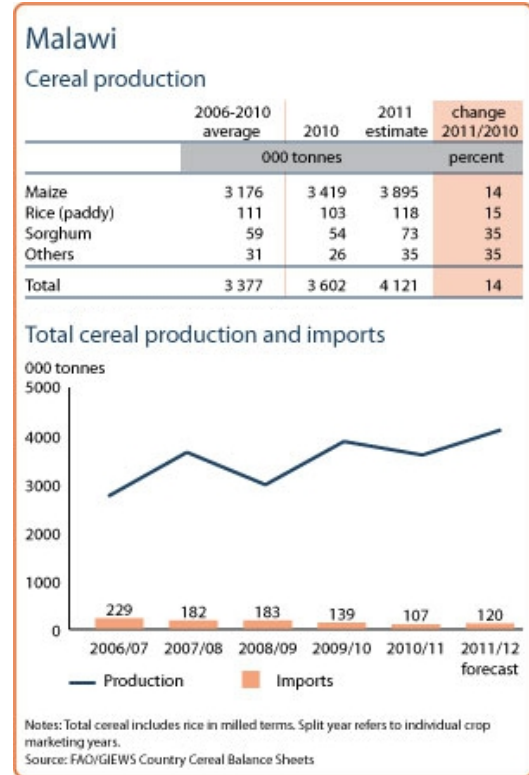
Source: UNHCR Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), Data extracted on 01/12/2010.

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 first round national crop assessment, conducted during January, forecasts a record maize crop in the 2010/11 cropping season at about 3.9 million tonnes, compared to the previous year of some 3.8 mln tonnes and the 5 ys average of 2.9 mln T. The country is expected to retain a maize surplus of 1.4 million tonnes. In the 2011/12 marketing year (April/March), imports are expected to be around 115,000 tonnes of mainly wheat.



Source: GIEWS Country Briefs

Government Policies

The Government's marketing agency ADMARC, is in charge of procuring maize grain for 1.2 billion MWK in 2011/12. As the farm gate price is set at 25 MWK/kg, ADMARC is able to purchase nearly 50,000 tonnes of maize, to be stored in the Strategic Grain silos. Government implemented a cotton input subsidy and continued the farm input subsidy program (FISP) which benefited 1.6 mln farmers.

Consumer and market oriented measures	Maize procurement
Producer oriented measures	Farm gate price set; FISP (maize); Cotton input subsidy
Trade policy measures	n.a.
Safety net (increased or introduced)	n.a.

Different sources

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

[Pre-Trial Chamber I requests observations from Malawi ...](#)
[Alimentation: L'engagement politique est « essentiel p...](#)
[The Market Monitor - Trends of staple food prices in v...](#)
[GIEWS Country Brief: 13-October-2011](#)
[Statement by the spokesperson of EU High Representativ...](#)

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

Powered By the **GIEWS Workstation**

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