

Price Monitoring and Analysis Country Brief

Mozambique

January-April 2011

Key Messages

- In most markets, monthly maize prices have decreased in the reference period due to the beginning of harvests; however prices remain at high levels. Nominal maize price has reached or exceeded the highest levels observed in 2008.
- Overall, the national food security situation is satisfactory thanks to newly harvested maize crops available on markets; however different agencies report an alarming situation of hunger and undernourishment.
- Flooding caused by heavy rains in the first months of the year has led to deterioration of food security conditions in localized areas of central and south eastern provinces.
- The government is supporting the agricultural sector by providing inputs, seeds and tools to farmers.

Background

Mozambique has a total population of 22.89 million with a 2% annual growth rate; 74% of the population lives below the poverty line of 1\$ per day; 38% is reported as undernourished while the prevalence of HIV was estimated to be 11.5%.

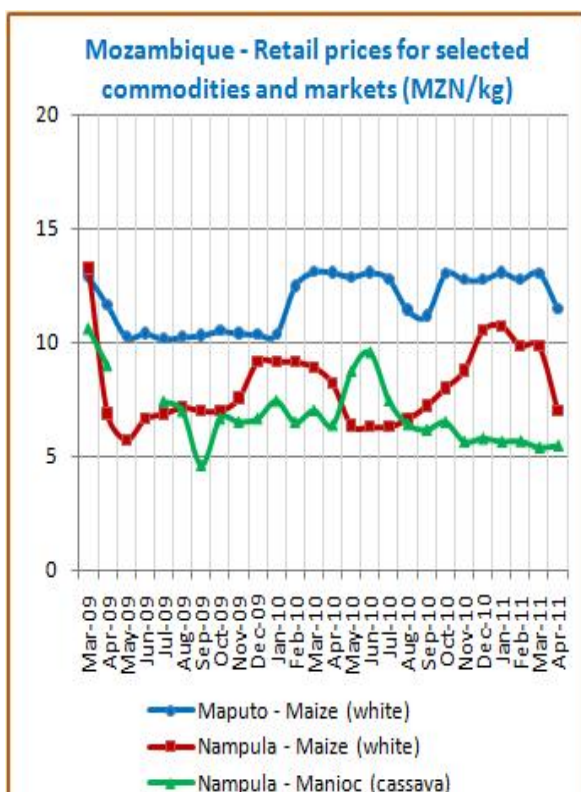
| Economic Indicators | View Data |
|---|-----------|
| Total Population (millions) - 2009 (WB) | 22.894 |
| Population growth rate - 2009 (WB) | 2% |
| GNI per capita, \$ PPP - 2009 (WB) | 880 |
| Population below 1\$ PPP per day - 2003 (MDGI) | 74% |
| Rural population - 2009 (WB) | 62% |
| Agriculture, value added (% of GDP) - 2009 (WB) | 31% |

| Food Consumption | |
|---|------|
| Undernourished Population - 2005/2007 (FAO) | 38% |
| Cereal share in total dietary energy consumption - 2007 (FAO) | 40% |
| Meat share in total dietary energy consumption | n.a. |

| Health Indicators | |
|--|-------|
| Pop. with sustainable access to improved sanitation - 2008 (WHO) | 17% |
| Life expectancy at birth (years) both sexes - 2008 (WHO) | 51 |
| Pop. with access to improved drinking water sources - 2008 (WHO) | 47% |
| Prevalence of HIV among adults aged >= 15 years - 2009 (WHO) | 11.5% |

Prices

Maize crops available in local markets have started pushing prices down; however in Maputo in April, prices were high (11.48 MZN/Kg). Prices declined by 35% (Jan/April) in Nampula (7 MZN/Kg) and by 15% (Feb/April) in Gorongosa (8.41 MZN/Kg). However prices in Maputo were 15% higher than prices of US Maize No2 Yellow in March. Rice prices declined by 10% (Jan/Feb) in Maputo, but rose again in April peaking at 27.73 MZN/Kg. The highest increase was reported in Manica (40%) (Jan/March), but in April rice prices returned to previous levels (25.61). In Nampula, prices slightly declined, but remained high at 30.74 MZN/Kg in April. Rice prices were 117% higher than prices of rice Thai A1 Super in March.



Source: GIEWS Country Briefs

Food Security Situation Assessment

FEWSNET estimates that central and southern areas along the Zambesi and Limpopo River banks are experiencing moderate food insecurity, due to localized floods in January/February. These months were also characterized by high food prices which limited access to markets. Moreover, due to production shortfall in the last season affected by the dry spells, some 350,000 people were in need of assistance during the peak lean season. However, this situation improved in March thanks to the new harvests available on markets, which have pushed maize prices down therefore the majority of rural households are generally food secure. GIEWS estimates severe localized food insecurity due to localized flooding in central and southern provinces. FAO Hunger map reports very high undernourishment levels and IFPRI describes alarming hunger.

CURRENT EMERGENCY ASSESSMENT

| | | | |
|---|---------------------------|----------------------------------|---------------------|
| Exceptional shortfall in aggregate food production supplies | Widespread lack of access | Severe localized food insecurity | FAO/GIEWS CPFS 2010 |
|---|---------------------------|----------------------------------|---------------------|

At this point in the season, food is available and markets are adequately supplied throughout the country. With the exception of localized areas affected by weather shocks (floods and long dry spells), no acute food insecurity is present for the majority...[more](#) FEWSNET

SCALE OF HUNGER (% of Undernourishment)

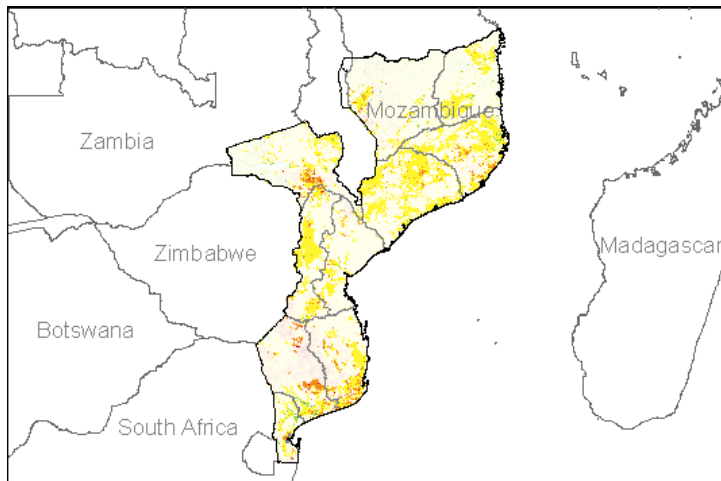
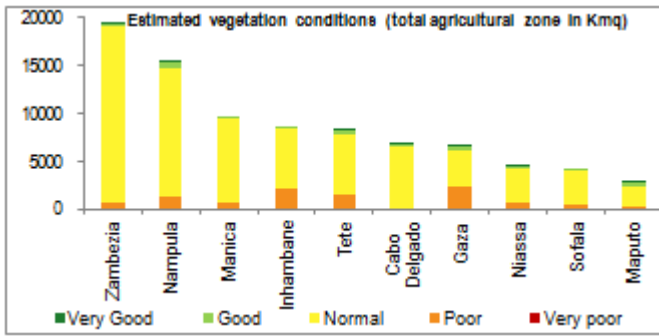
| | | | | | |
|--------------------|---------------|--------------------------|------------------------|------------------------|----------------|
| Very high (>= 35%) | High (25-34%) | Moderately high (15-24%) | Moderately low (5-14%) | Very low (< 5% under.) | FAO Hunger Map |
|--------------------|---------------|--------------------------|------------------------|------------------------|----------------|

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 |
|--------------------|----------|---------|----------|-----|----------------|

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 conditions 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 Cropland Use Intensity dataset (USGS, 1988).



Source: JRC MARS – FoodSec

Crop phase in the reference period

- Sowing** No crops are sowed during the reference period
- Growing** Maize - Sorghum
- Harvesting** No crops are harvested during the reference period

Natural Disasters, Drought and Conflicts

Heavy rains in central and south eastern areas caused major flooding in the Zambezi and Limpopo river basin, damaging crops and infrastructure. It was estimated that nationally some 20,173 hectares were lost with major losses reported in Gaza, Maputo and Sofala Province. Emergency operations have started in these areas.

| Refugees and IDPs | 2007 | 2008 | 2009 |
|---------------------------|------|------|------|
| Total in the country | 6929 | 7619 | 7723 |
| Total outside the country | 907 | 890 | 145 |

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 | 2010-12-05 | Manica Province | 1/3 |
| Earthquake | 2009-05-16 | Tete | 1/3 |
| Flood | 2010-02-22 | Sofala | 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 2010 maize production fell by 3% from 2009 record level, to about 1.9 mlnT, but 15% above the 5 year average. Rice production fell by more than 30% compared with last year, as a result of the long dry-spell. Imports are estimated at 933,000T, 4 % below 2009 imports, but approximately the same level as the average. Total cereal production is at 2,5 mlnT, 5% below 2009 and 12% above average.

| | 2005-2009 average | 2009 | 2010 forecast | change 2010/2009 |
|--------------|-------------------|-------------|---------------|------------------|
| | 000 tonnes | | | percent |
| Maize | 1627 | 1932 | 1878 | -3 |
| Sorghum | 351 | 378 | 384 | 2 |
| Rice (paddy) | 205 | 260 | 180 | -31 |
| Others | 49 | 61 | 59 | -3 |
| Total | 2232 | 2630 | 2501 | -5 |

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

Source: GIEWS Country Briefs

Government Policies

For the 2010/11 season, the Gvmt continued the distribution of maize, rice, sorghum and soybean seeds through the Food Production Action Plan (PAPA). Input fairs further assisted households. In addition, tractors and draught animals were provided mainly to northern and central provinces. The Gvmt is giving bakers a subsidy of 200 meticaís for every 50 kilo bag of flour, in order to hold bread prices to their Aug 2010 level.

| | |
|---------------------------------------|---|
| Consumer and market oriented measures | Food price subsidies |
| Producer oriented measures | Input subsidies and distribution; Input fairs |
| Trade policy measures | n.a. |
| Safety net (increased or introduced) | n.a. |

Different sources

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

- [Food Assistance Outlook Brief May 2011](#)
- [Impact of environmental degradation and emergencies on...](#)
- [Impact of environmental degradation and emergencies on...](#)
- [Mozambique: North overwhelmed by asylum seekers](#)
- [Climate adaptation funds bypassing governments, confi...](#)

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

Powered By the **GIEWS Workstation**

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

* For a further analysis of prices in Mozambique please see: [Annex](#)