

This bulletin is a pilot for summarizing the various issues related to food security in Lesotho in order to present a concise update on a quarterly basis. Information comes from Government, UN, NGO and WB/IMF reports. Participating agencies' logos are on the back page.

Lesotho Food Security Monitoring System Quarterly Bulletin

4th Quarter 2009

December 2009

Updates

- The DMA and Lesotho VAC will undertake a national survey for updating the food security monitoring system data in March 2010.
- The Food and Nutrition Coordinating Office (FNCO) and WFP in partnership with Ministry of Health and Social Welfare (Family Health Division), Ministry of Agriculture and Food Security (Nutrition Extension Division), National University of Lesotho (Nutrition Department), and UNICEF, have been undertaking a food consumption study in the Mountain Livelihood zone and analysis will take place in February 2010.

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Summary for 4th Quarter 2009

- Although food and fuel prices have dropped to reasonably stable levels, the price of maize meal remains high. These high prices impact the poor and unemployed urban populations, in particular HIV patients, who rely on purchases for their food.
- According to the weather forecast reports from the Lesotho Meteorological Department and from the SADC Drought Monitoring Centre, Southern African countries, including Lesotho, are likely to face low rainfall in the coming months, which may pose a great risk to agricultural activities and livelihoods of poor households in the country.
- The Lesotho Vulnerability Analysis Committee (LVAC) assessed that about 450,000 people would need humanitarian assistance in 2010.
- The El Niño phenomenon is expected to affect Lesotho by causing prolonged dry spells from early 2010. Consequently, households will suffer from low crop production and will require food assistance support. In anticipation, the Disaster Management Authority is preparing a contingency plan in consultation with stakeholders in Government, UN and Non-government Organisations.
- Preliminary information from the MoAgFS indicates 123,051 ha of land had been planted to crops by end of December 2009. This represents a decrease of 41,532 ha (25%) over the previous season. However, area planted has increased in Berea and Thaba Tseka Districts.

Update on Policy

- The World Bank is helping to fight poverty and improve the living standards for the people in Lesotho. As of April 2008, cumulative International Development Association (IDA) commitments to Lesotho stand at **US\$361.2 million**.
- On 14 December 2009, the Government of Lesotho and the Heads of UN agencies, including WFP, signed a joint declaration of commitment to provide support through a Delivering as One (DaO) process for development assistance in the country.
- An IMF mission visited the country in December 2009. Lesotho faces a potential financial crisis due to: i) drastic reduction in SACU revenue (from 4.9 billion South African rand (ZAR) in 2009 to 2.6 billion ZAR in 2010, which means 17% less income within a year); ii) 10 % reduction in garment exports; iii) reduction in mining resources; and iv) reduction in foreign remittance due to labour retrenchment in South Africa.
- The IMF mission recommended the government to, a) contain spending in goods and services, b) cut down travel costs and reduce wage bills, c) reschedule over-payment of SACU revenue pool, d) freeze new recruitment, and e) use part of the Central Bank reserve to cover budget deficit.
- The Government of Lesotho provides Old Age Pensions (OAP) to about 70,000 people aged 70 years or older while child grants are provided through the Department of Social Welfare with support from UNICEF and WFP.

“We expect Lesotho’s real GDP growth to slow to 0.8% in 2009. The fall in textile and clothing exports is the main reason for the poor outlook. Thereafter growth is expected to improve, but to subdued levels.”

“There has been a decline in the planted area of cereals over the past few years, with arable land left uncultivated due to the uncertainties of agro-climatic conditions, shortage of farm labour and lack of cash flow for inputs and investment.”

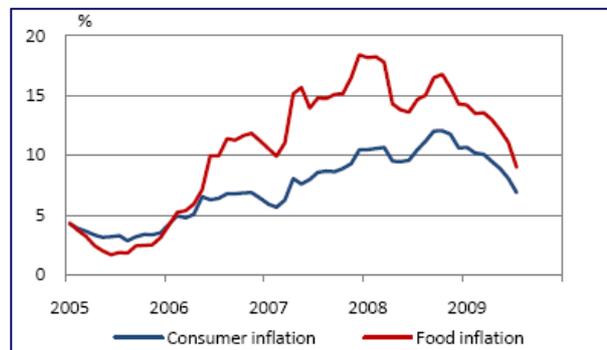
Economic Conditions

Lesotho is a member of the Common Monetary Area (CMA) with Namibia, South Africa and Swaziland. Thus, Lesotho’s monetary policy is largely determined by the South African Reserve Bank (SARB) and its interest rates follow similar trends to South Africa’s.

Lesotho’s CMA membership is based on trade links and financial ties with South Africa. Because about four fifths of Lesotho’s imports are from South Africa, it largely imports inflation from its largest trading partner.

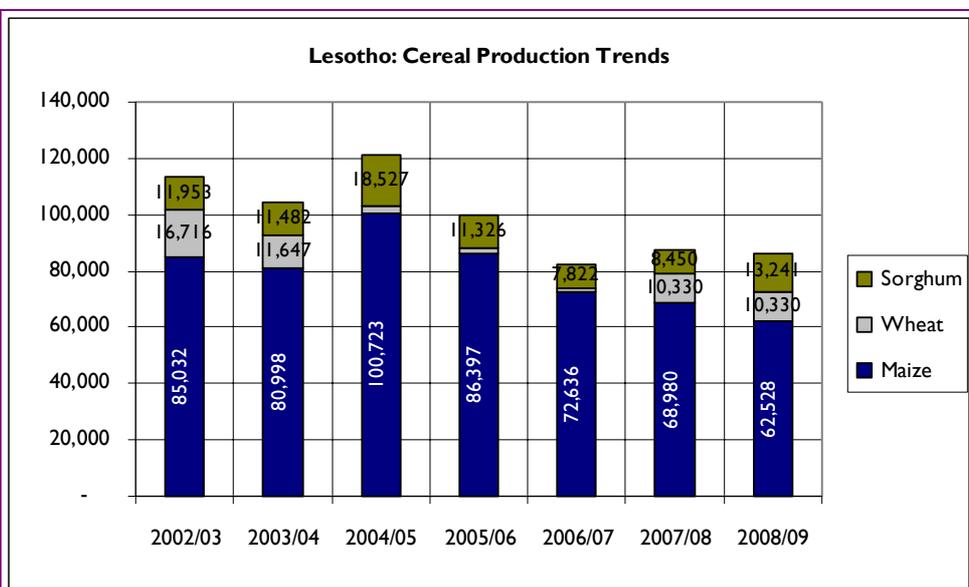
Inflation has risen over the past few years to an average of 10.7% in 2008. However, the consumer inflation rate peaked in October 2008 at 12.1% y/y. Food inflation, which averaged 15.8% in 2008, showed a similar trend, peaking at 16.8% y/y in the same month. Transport prices, driven by the high crude oil price, also impacted negatively on the CPI in 2008.

Generally, high food inflation (the food component is weighted at nearly 40% in the consumer basket), high international crude oil prices and imported inflation from South Africa are largely to blame for high inflation in 2008. (Standard Bank, 2009)



Agricultural Production

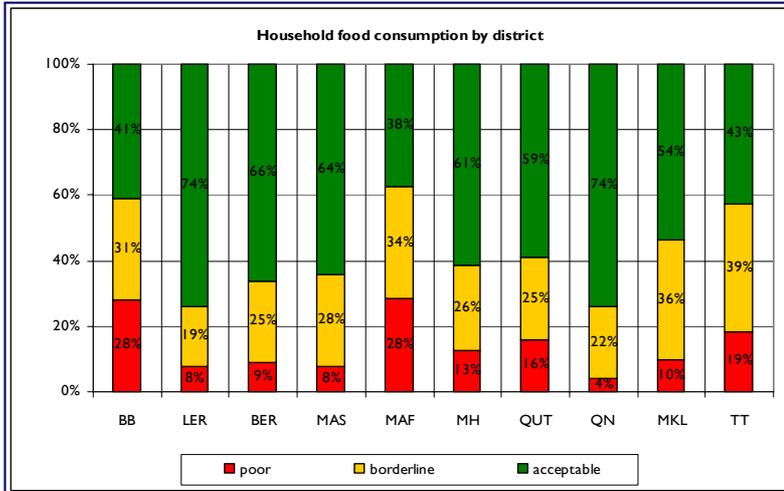
- The chart below shows that production of maize have been decreasing since 2004/05 season while wheat and sorghum production have been on the increase (BoS/LVAC, 2009)
- Compared to last year, the onset of rains was on time (October). According to Lesotho Meteorological Services, as of the third dekad of December 2009, cumulative rainfall was reported to be above normal in most areas of the country.
- Temperatures were reported to have been normal to above normal.
- Crops are reported to be in satisfactory condition at late vegetative stages with weeding in progress.
- Government has instituted a 30-50% subsidy on seed and fertiliser, while FAO availed a range of inputs for 22,551 vulnerable farming households
- Preliminary information from the MoAgFS indicates 123,051 ha of land had been planted to crops by end of December 2009. This represents a decrease of 41,532 ha (25%) over the previous season. However, area planted has increased in Berea and Thaba Tseka Districts.



Food Consumption

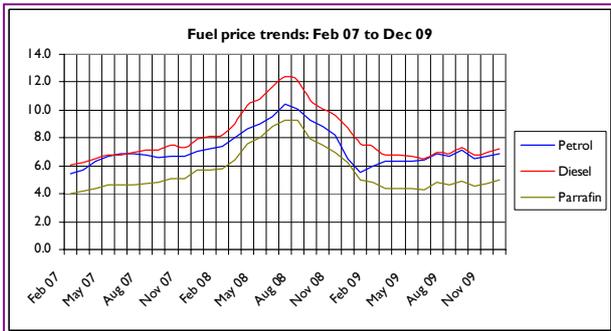
As the chart on the right illustrates, households in Mafeteng and Botha-Bothe districts had the highest proportion of households with poor consumption at 28%, while Qacha's Nek had the lowest with four percent. It is important to note that Mafeteng, Mohale's Hoek, Quthing and Botha-Bothe districts had the lowest coverage of food assistance at the time of the survey. By livelihood zone, the *Foothills* and the *Southern Lowlands* showed the highest proportion of households with poor consumption at 20% and 18% respectively, followed by the *Mountains* (14%), *Peri-Urban* (12%), *Senqu River Valley* (11%), and lastly the *Northern Lowlands* (6%).

By analysing the type of the food consumed in the past 7 days, cereal was found to be the mostly likely to be consumed on daily basis by 93% of the households, followed by oil (68%), vegetables (38%), sugar (33%) and beans (7%). (Oct 2008 CHS)



Markets and prices

Analysis of the average prices of 12.5kg maize meal from January 2008 to December 2009 in rural and town shops shows that overall, these prices ranged from M41.91 to M48.94. Prices were higher in 2009 than in 2008. However, towards end of 2009, prices of maize meal were almost equivalent to the 2008 prices. Compared to December 2008 (exactly one year ago) rural prices declined by 1 percent while town price declined by 2.8 percent. Although wholesale prices showed a declining trend from September, December prices increased by 1 percent in rural shops and 4.7 percent in town shops (WFP Price monitoring).



When comparing the price trends of maize meal versus fuel from January 2008 to December 2009, it is important to note that reduction in fuel prices does not automatically translate into reduced food prices. Even though fuel prices decreased significantly between September 2008 and February 2009, and thereafter remained fairly stable, prices of maize meal remained high. There are slight fluctuations maize meal prices in the last months of 2009.

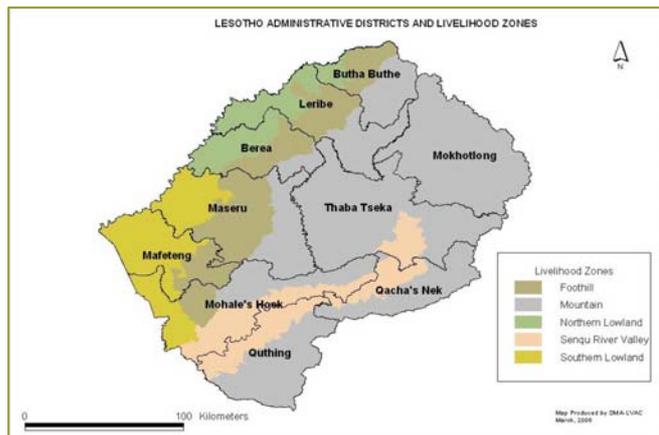
“There are five distinct livelihood zones in Lesotho and ten administrative districts.”

Livelihoods

The October 2008 CHS covered all districts and collected information on main livelihood sources. Reliance on **casual labour** as a main source was most common in Leribe, by 55% of the households, while Botha-Bothe and Berea districts were the least likely (17%) to rely on casual labour. The *Southern Lowlands* livelihood zones had the highest proportion of households relying on causal labour (41%).

Households in *Mafeteng* district were the most likely to rely on **food and cash crop production/sales** as a main livelihood activity (62%), followed by households in *Botha-Bothe* (56%), while households in *Quthing* were the least likely (7%). By livelihood zone the *Southern Lowlands* had the highest percentage of households relying on crop production as a main livelihood activity (48%), while the *Northern Lowlands* (15%) and *Peri-Urban* (16%) livelihood zones had the least.

Households in *Mohale's Hoek* had the highest total monthly per capita expenditure (M162), while *Mokhotlong* had the lowest at M 70. By livelihood zone, the *Peri-Urban* zone had the highest monthly per capita expenditure (M 167), followed by, the *Southern Lowlands* (M 148), *Senqu River Valley* (M 113), *Northern Lowlands* (M 112), *Mountains* (M 97), with the *Foothills* having the lowest, at 72 Maloti.





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The Spanish Government is providing financial support for the strengthening of Food Security Monitoring Systems in Southern Africa.

LESOTHO—Key Facts



	2008
Population, total (millions)	2.02
Population growth (annual %)	0.5
GDP (current US\$) (billions)	1.6
GNI per capita, Atlas method (current US\$)	1,080
External debt stocks (% GNI)	33.7
Surface area (sq. km) (thousands)	30.4
Agricultural land (% of land area)*	76.9
Life expectancy at birth, total (years)*	43
Mortality rate, under-5 (per 1,000)*	84
Malnutrition prevalence, weight for age (% U5)*	17%
Prevalence HIV, total (% pop aged 15-49)*	23.2
School enrolment, primary (% net)*	72.4

Source: World Development Indicators
*Most recent data available, 2001-2008

Health and Nutrition

- **HIV and AIDS** have devastated sub-Saharan Africa. Lesotho has the third highest prevalence rate (23.2%) in the world after Swaziland and Botswana, and it is estimated that of a total population of 2.02 million, approximately 2,100 Basotho die from AIDS every month. Furthermore, more than 180,000 children have been orphaned and made highly vulnerable by HIV and AIDS (LSGPR, 2008-2012). In 2000, His Majesty King Letsie III declared HIV and AIDS a national disaster, highlighting the seriousness of the epidemic and the government's commitment to dealing with the impacts.
- **Malnutrition** can occur even when access to food and healthcare is sufficient and the environment is reasonably healthy. The social context and care environments within the household and the community also directly influence nutrition. Factors influencing nutritional status include feeding practices, maternal hygiene, morbidity and HIV and AIDS.
- Nationally, for children 6-59 months 2.3% are wasted or suffering from acute malnutrition and 14% underweight as found in the November 2007 National Nutrition Survey. By district, the highest prevalence is in *Mafeteng* (3.8%) while the lowest prevalence is in *Berea* (1.1%) (NNS, 2007).
- The National Nutrition Surveillance System July-Sept 2008 Bulletin reported the overall prevalence of underweight in the coverage areas ranged from 8.6% to 12.0%. The highest prevalence of underweight was in July in *Qacha's Nek* at 22.4% while the lowest prevalence was in July in *Leribe* at 2.0 percent. *Leribe* had the lowest underweight prevalence below 5% for the months of July and August while *Qacha's Nek* had the highest prevalence for the months of July and August. In the month of September *Quthing* had the highest prevalence of underweight at 21 percent.
- **Stunting** or chronic malnutrition was found to be around 42 percent stunting from the 2007 National Nutrition Survey. In addition, Global stunting prevalence is above 40% in the mountain districts and *Berea* with the highest global stunting found in *Thaba Tseka* at 54.9 percent (NNS, 2007).
- Trend analysis shows that despite (or in spite of) the low levels of wasting, the levels of stunting have been increasing over the years and could be the reflection of both an economic decline in the country as well as the 3rd highest prevalence of HIV and AIDS in the world. It can also be a reflection of the poor quality diet consumed by many of the households that is high in calories but low in micronutrients necessary for good linear growth.
- The October 2008 CHS collected anthropometric information for about 350 women of reproductive age. For non-pregnant women, the **body-mass index (BMI)** is calculated. For Lesotho, a large percentage of women in the sample are overweight or obese with a BMI greater than 25 kgs/m². By district, the highest percentage of undernourished women was found in *Mafeteng* and *Leribe* and the lowest in *Qacha's Nek* and *Berea*. The highest percentage of overweight and obese women was found in *Berea* (52%), followed by *Qacha's Nek* (45%) and *Quthing* (45%).