



Government of the
Republic of Malawi

The Malawi Vulnerability Assessment Committee

Forecast Update, October 2009



MALAWI
Vulnerability
Assessment Committee

Cotton market problems increase vulnerability...

The Malawi Vulnerability Assessment Committee (MVAC) made a forecast that during the current agriculture consumption year, a total of 147,492 people in Chikwawa, Nsanje and Balaka will face food shortages. The three districts experienced some prolonged dry spells which caused premature drying up of maize crop.

The analysis used a number of assumptions to come up with the projected population estimated to be vulnerable to food insecurity. Key parameters used included projected maize purchase price, cotton price, winter cropping and *ganyu* availability. However some of these key parameters used have since changed.

This update analysis indicate an increase in the number of vulnerable people from the original projected number of 147,000 to about 275,000 (**Table 1**). The increase has mainly been due to this years cotton market problems. Cotton price has been much lower than the official government recommended price - which was used in the first analysis, even below last years price. Further, not all farmers have managed to sell their cotton.

Part of Chingale EPA in Zomba has also been affected by cotton market problems. The population which is projected to have missing food entitlements from this area have been included in the update. This area grows cotton as a key cash crop.

Changes to the Problem Specification

Ganyu: Ganyu is the key source of income and food to the majority of poor households in most livelihood zones in the country. Ganyu availability in the affected areas is projected to be lower in the next two quarters. Most farmers will not be able to offer ganyu due to the low income which has been realised from cotton sales. During the October monitoring visit, clearing of cotton fields had not yet started an indication of reduction in ganyu availability.

Updated MVAC Food Security Forecast: October 2009 Affected Areas: Maize Price at MK 45-55/Kg

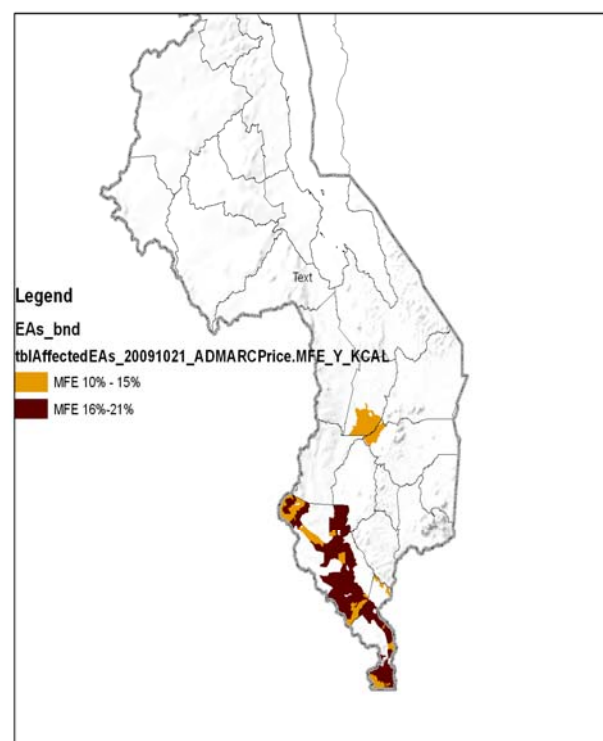


Table 1- Comparison of Population at Risk and Missing Food

Affected District	Analysis: June 2009			Update: October 2009		
	Pop At Risk	Missing Food Entitlement		Pop At Risk	Missing Food Entitlement (November 2009 to March 2010)	
		Maize equivalent (MT)	Cash equivalent (MK'000)		Maize equivalent (MT)	Cash equivalent (MK,000)
Balaka	55,332	825	43,000	55,332	1,144	59,000
Chikwawa	57,596	3,658	190,000	141,544	2,507	131,000
Nsanje	34,564	2,195	114,000	62,139	1,100	57,000
Zomba	0	0	0	16,153	735	38,000
Total	147,492	6,678	347,000	275,168	5,486	285,000

Cotton Market: The monitoring visit established that not all households have managed to sell their cotton due to the withdrawal of some buying companies. Majority of households have been selling their cotton at a price of between MK20 to MK35 per kg compared to MK65 for last year. Households have been selling their cotton to vendors who in turn sold it to Cargill or Great Lakes companies. The low cotton price has directly or indirectly affected the food security situation for most households.

Winter Production: This year's winter cropping was intensified in Nsanje and Chikwawa districts as a result of the dry spells which occurred. The Ministry of Agriculture and Food Security implemented a winter subsidy programme in most of the affected areas. It was also reported that some parts of Nsanje and Chikwawa districts received rains after they had started the winter cultivation. This helped to improve the moisture content of soil which in turn has helped to increase this year's winter production. Most households have harvested their first crop of winter maize and currently sweet potatoes are being harvested. Winter cropping has helped to stabilise the vulnerability situation in the second quarter.



A promising winter maize crop in Makhanga EPA, Nsanje

Livestock Sales: Most households are currently selling their small stocks at normal prices. The average price for chickens ranges from MK350 to MK550 while goats are selling at an average price MK3,500. But it was established during the monitoring visit that livestock sales were going to be banned in the Lower Shire due to the outbreak of Foot and Mouth Disease (FMD). The situation will require close monitoring since any prolonged ban of livestock sales may have huge impact on the livelihoods of most households in the area.

Maize availability: Maize is readily available in the local markets and much of the maize in Nsanje and Chikwawa is coming from Mozambique and Blantyre. The maize price in the local markets ranges from MK38 to MK53 per kg. Some ADMARC depots are also keeping maize stocks but it is not being sold. It was indicated that demand for ADMARC maize will increase towards the end of November.

In conclusion, the number of affected households has increased due to cotton market problems and reduced ganyu availability. Though winter production has somehow helped to contain the vulnerability situation for some areas in the second quarter, MVAC still recommends that a humanitarian response would be necessary to avert starvation in the two remaining quarters. MVAC is expected to continue monitoring the price of maize and other indicators to update the vulnerability situation in the country.

The Malawi Vulnerability Assessment Committee comprises of Government, intergovernmental, academic and non-profit member organizations that seek to provide information to inform public action. Participating agencies include:



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