

# LESOTHO



## Low cereal production and high staple food prices hinder food security

### KEY POINTS

- This year, crop production contributed less than 10% of annual cereal requirements.
- Compared to last year, maize production declined by 61%, sorghum production by 88%, and wheat production by 38%.
- Due to high prices of maize in South Africa, prices of staple food in Lesotho are significantly higher.
- The Government has subsidised maize meal and pulses by 30%, effective from 1st June 2016, which is expected to run for twelve months from June 2016 to May 2017.
- Even with the subsidy, prices of maize meal remain high for households with low purchasing power.



Photo: WFP/ Stephen\_Wong

### METHODOLOGY

Price data was collected through WFP's mobile Vulnerability and Analysis Mapping (mVAM) initiative, which uses mobile phones to collect information on a location's food security situation. The survey was conducted through live calls on 6-10th June, with a sample of 40 traders across 10 districts. Twelve (12) of the traders from Berea and Quthing were not able to complete the survey for various reasons: some phones were not reachable, some numbers did not exist, and some traders were not willing to participate. The survey questions focused primarily on prices of basic food commodities such as maize meal, wheat flour, beans and peas, cooking oil, cabbage, salt and sugar.

Other survey questions addressed food availability, market accessibility and factors that might limit business. There was also an open ended question on traders' perception of the food security situation in their respective areas. The data was captured using odk (software for mobile data collection) and analysis was done using SPSS (statistical data analysis software).

**FOOD PRICES**

**Maize Meal Chai 12.5kg** - the average price of maize meal was M87.60. Prices ranged from M76.50 to M101.67 with the lowest prices recorded in Mohale's Hoek, and the highest recorded in Mokhotlong. This was lower than an average price of about M94.00 reported by the Bureau of Statistics (BOS) in May. It was observed that the subsidy was implemented in shops where prices of moja and chai brands were below M100.00.

**Wheat flour 12.5kg** - the average price of wheat flour was M87.00. The lowest price (M70.00) was observed in Leribe and the highest price (M96.75) was observed in Qacha's Nek. Prices of wheat flour were almost the same as prices that were reported by BOS in May.

**Pulses (beans and peas 500g)** - Beans and peas recorded almost the same prices across most districts (see Table 1), ranging between M10.00 and M14.50, with the exception of Qacha's Nek and Mokhotlong where prices were notably different. The highest prices were observed in Mokhotlong, while the lowest were observed in Mafeteng, Maseru and Butha-Buthe. Prices of pulses seemed to be stable. Most traders indicated that at the time of the interviews, they did not have subsidised stock. They also indicated that pulses did not sell well due to the availability of vegetables in the majority of households. This implies that it might take time to have subsidised stock for pulses. They mentioned that the demand is expected to increase when households run short of vegetables in their gardens.

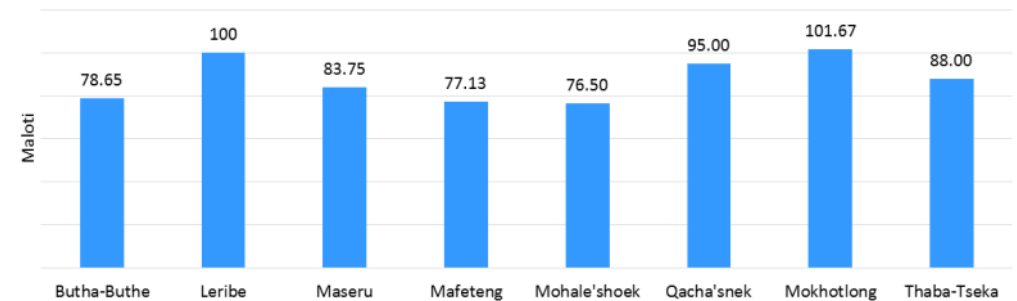
**Cooking oil (750ml)** - The price of cooking oil ranged from M17.00 to M20.30, varying across the districts. The lowest price was recorded in Mohale's Hoek and the highest in Thaba-Tseka.

**Sugar (500g)** - The price of sugar ranged from M6.80 to M8.00 across the districts, with Maseru and Mafeteng recording the lowest prices of M6.10 and M6.13 respectively. The highest price was observed in Leribe with M8.00.

**Salt (500g)** - Salt prices were recorded as the same across most of the districts (M6.00) except Qacha's Nek and Maseru, which recorded slightly higher prices of M6.25 and M6.33 respectively.

**Cabbage** - Cabbage was not sold in most shops, except in one shop in Maseru and Qacha's Nek, where the price was around M8.00. Most households have vegetables in their gardens, hence most shops did not sell cabbage.

**Average price of maize meal Chai (12.5kg) by district, 6-10<sup>th</sup> June 2016**



Source: mVAM, June 2016

**Average prices of wheat flour (12.5kg) by districts, 6-10<sup>th</sup> June 2016**



Source: mVAM, June 2016

**Table 1: Prices of basic food commodities in week 1 of June 2016**

District	Beans 500g	Peas 500g	Cooking oil 750 ml	Sugar 500g	Salt 500g
Butha-Buthe	10.33	10.17	18.42	6.80	6.00
Leribe	12.00	12.00	18.00	8.00	6.00
Maseru	10.66	10.66	17.99	6.10	6.33
Mafeteng	10.61	10.25	16.88	6.13	6.00
Mohale's Hoek	11.00	11.00	17.00	6.75	6.00
Qacha's Nek	12.00	13.33	19.50	7.68	6.25
Mokhotlong	14.50	12.75	18.38	7.63	6.00
Thaba-Tseka	13.63	13.63	20.30	7.13	6.00

Source: mVAM, June 2016

## MARKET FUNCTIONING

### Food availability

Traders were asked whether they had experienced any shortage of the following essential commodities: maize meal, wheat flour, pulses and cooking oil. The majority of traders did not mention any shortage of these commodities, though 36% of traders, especially in Maseru, Mafeteng, Qacha's Nek, Mokhotlong and Thaba-Tseka, indicated that they had low levels of stock of at least one commodity. Of these, 67% indicated shortage in maize meal and 33% mentioned shortage of wheat flour, beans and cooking oil. Most traders indicated that due to high prices of maize meal, they have cut down on stock or sales levels, especially of expensive brands, and settled for cheaper brands. They also had to cut down on sales of other food commodities due to low demand.

### Market accessibility

Overall, all markets were accessible. The person living furthest away walked an average of 1-2 hours to reach the market. The mountain districts, Thaba-Tseka, Qacha's Nek and Mokhotlong recorded the highest amount of time taken by people to reach the markets, up to 3 hours.

### Constraints limiting business

Overall, more than half of the respondents (52%) mentioned major constraints to be increasing prices of staple food, while 36% of respondents mentioned no constraints currently. The remaining respondents reported restraints such as lack of transport (4%), lack of electricity (4%) and lack of financial institution for credit provision (4%).

## FOOD SECURITY SITUATION

Traders were further asked to describe the food security situation in their areas. Most traders in urban areas found it difficult to describe the food security situation, hence this analysis focuses mainly on rural areas. Traders in rural areas mentioned that low crop production has resulted in high reliance on food purchases, low income opportunities usually generated from agricultural activities and limited job opportunities. They further indicated that chronic illness is one of contributing factors to non-participation of households in livelihood activities. Coupled with high prices, these factors have forced many households with low purchasing power to frequently buy food on credit. At least 20% of respondents mentioned that there are people in the community who recently received assistance in the form of cash, while 4% mentioned that other people received assistance in the form of food. The rest of the respondents did not know whether there were people receiving assistance or not.



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**mVAM resources:**

Website: [http://vam.wfp.org/sites/mvam\\_monitoring/](http://vam.wfp.org/sites/mvam_monitoring/)  
 Blog: [mVAM.org](http://mVAM.org)  
 Toolkit : <http://resources.vam.wfp.org/mVAM>



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